



Value Life



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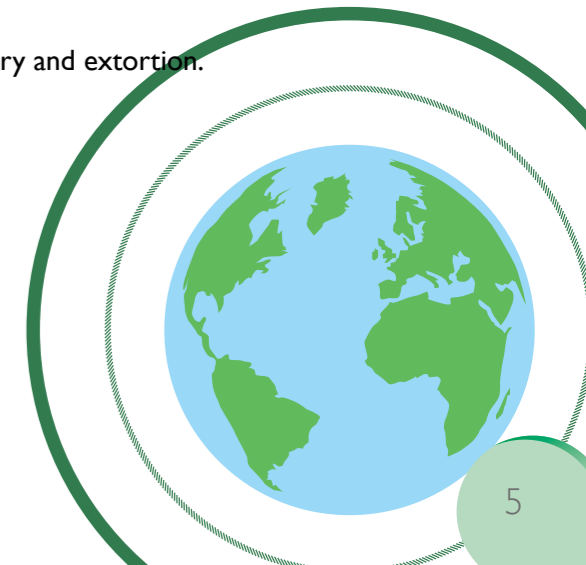
The United Nations Global Compact works with businesses in the realms of human rights, labour, environment and anti-corruption to transform our world.

We're shaping a sustainable future, and you need to be a part of it.



Principles of the UNGC:

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.
Pages 12, 13, 31, 32
- Principle 2: Make sure that they are not complicit in human rights abuses.
Pages 31, 32
- Principle 3: Uphold the freedom of association and the effective recognition of the right to collective bargaining.
Page 32
- Principle 4: The elimination of all forms of forced and compulsory labour.
Pages 26, 32
- Principle 5: The effective abolition of child labour.
Pages 26, 32
- Principle 6: The elimination of discrimination in respect of employment and occupation.
Pages 26, 31, 32
- Principle 7: Support a precautionary approach to environmental challenges.
Pages 14, 15, 17, 26
- Principle 8: Undertake initiatives and promote greater environmental responsibility.
Pages 9, 10, 14, 15, 17, 24, 26
- Principle 9: Encourage the development and diffusion of environmentally friendly technologies.
Pages 14, 15, 17, 21
- Principle 10: Work against corruption in all its forms, including bribery and extortion.
Page 30



Foreword by Les Davies



This year we've made real progress at the Vygon Group level. A VygView work stream group was created in 2013 that focused solely on sustainability, with representatives from various subsidiaries across the Group. These representatives included employees from India, Germany, France and Sweden. The work is ongoing but we have already established some common principles for all subsidiaries in areas of sustainability, stakeholder interests and requirements. Our parent company, Vygon SA, has produced its first Sustainability Report covering 2014, and there are plans for all subsidiaries to follow the same KPIs so a Group report can be produced in the near future. The Vygon Group is making sustainable development one of its long-term objectives.

We feel much has been achieved in the past year and the future looks very promising. We've had a very successful year here at Vygon (UK) Ltd, with some sustainability-related events and campaigns. We are examining the risks affecting our business in relation to our supply chain, financial business and environmental responsibilities. We've also changed the way we deal with our waste and now no unwanted material is sent to landfill from our head office.

This is our fourth Business Responsibility report and we are proud to be making progress in this area. The report is also aligned with the United Nations Global Compact (UNGC) Ten Principles. Vygon UK is an official participant of the UNGC and this report also serves as our annual Communication on Progress to them.

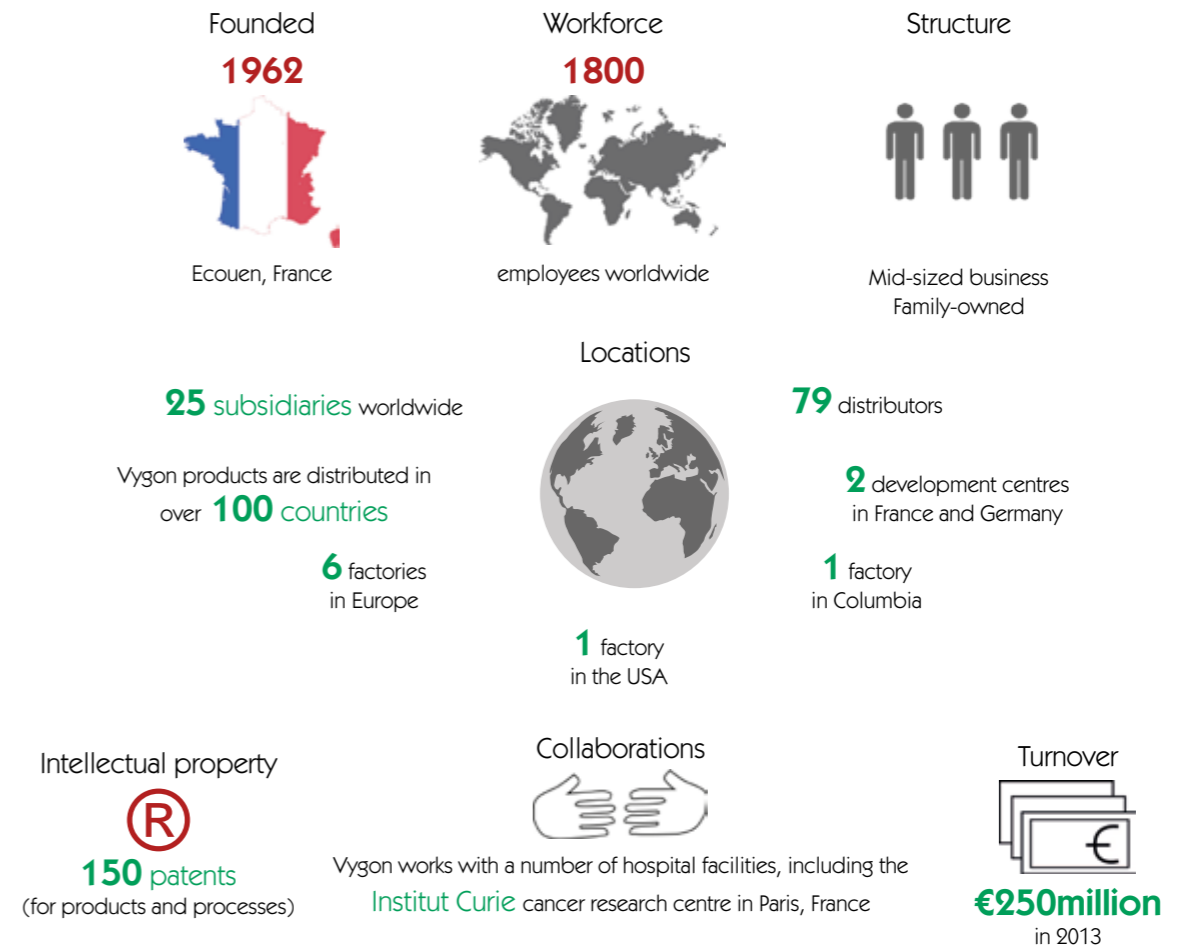
Les Davies

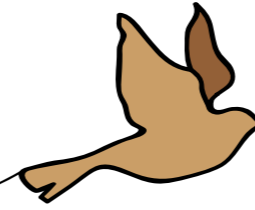
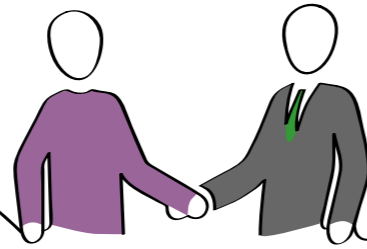
Les Davies,
Managing Director

Overview

The Vygon Group was established in France in 1962 by Pierre Simonet and has since expanded its business worldwide with subsidiaries in 21 countries and product distributors operating in a further 64 countries. They have seven factories producing Vygon products, and all factories and systems are certified to ISO 9000 and ISO 13485.

Vygon UK was established in 1973, and in terms of turnover (over £55 million in 2014) is the largest subsidiary of the group. We are now a leading and trusted supplier of medical and surgical consumables to the NHS, as well as operating in homecare, private and veterinary markets.





Business Responsibility progress is monitored internally by the Steering Group, which has representatives from key areas of the business including Operations, HR, Marketing, Commercial, and Finance. Meetings are held quarterly. This Group approves sustainability principles, strategy and goals, and any associated major changes.



To support World Environment Day, Vygon UK held its first Environmental Week in June 2014. It was a great initiative that encouraged all staff to take part in various activities including:

- An Environmental quiz
- Grow the best flower competition
- Submit a photograph that best describes sustainability.

Employees were also encouraged to take positive action throughout the week such as walking or cycling to work and printing only vital emails. This week proved to be a great success. We are planning to make Environmental Week an annual event for Vygon and are already working on events for 2015.



A selection of examples showing the activities during Environmental Week.

| | | | | | | |
|---|---|---|---|--|---|---|
|  |  |  |  |  |  |  |
| Les Davies Managing Director | Sue Power Company Secretary | Caroline Redmond UK Commercial Manager | Chris Harris HR Manager | John Cusack Operations Manager | Katie Kingston Marketing & Customer Communications Manager | Alla Cimotoisa Business Responsibility Co-ordinator |

The Business Responsibility Champions Group is a group of departmental representatives who also meet every quarter to discuss sustainability issues within Vygon. This year the Champions organised our first Environmental Week, and full details of this initiative are listed on the next page. We are currently recruiting more staff from across the business to join the Champions Group. This will help ensure the majority of our departments are represented and we achieve a high level of engagement with as many staff representatives as possible.

Our charity employee group, Vygon Helping Others has been running successfully for two and a half years, arranging all charitable events at Vygon UK. Read more about this on page 13.

All groups include the Business Responsibility Co-ordinator, who provides continuity and consistency and reports directly to the Steering Group.



Attendance at a NHS Sustainability Day.



Vygon UK is a key supporter of NHS Sustainability Day. This is a national campaign designed to raise awareness of sustainability issues with health professionals and is endorsed by the top level management within the NHS and the Prime Minister. There were various different events across the UK and on 26 March 2014 we marked this day by planting two trees in our grounds at the Head Office in Swindon. Vygon UK has sponsored the campaign for 2014/2015. We are participating in NHS Sustainability Roadshows, and contributing case studies and best practice examples.



'Medi-bears'

In July 2014, we put some out of date MIC-KEY button kits to good use while helping a UK family at the same time. The family has three sons, two of them twins and one has a tracheostomy and is PEG-fed. He also uses a portable life support machine/ventilator at his home. The little boy spent the first 17 months of his life in a Neonatal and Paediatric Intensive Care unit so was unable to spend time with his brothers at home due to the risk of infection. His parents were using 'medi-bears,' each equipped with the same medical equipment being used by the little boy, to teach the boys about their brother's medical needs. Vygon was delighted to support the idea by providing unwanted stock that otherwise would have been destroyed.

They have since helped many children and parents in the same situation as them.





Product donations

During 2014, Vygon UK donated products to support various charities, missions and projects around the world. Some of the places that received our products were:

- A birthing centre at Levuka Hospital in Fiji, Uganda.
- A student from Nottingham University took some paediatric supplies to Zithulele Hospital in South Africa as part of a mission for the Jabulani Rural Health Foundation.
- A midwifery unit in Nkhoma in Malawi was sent products for training purposes.
- The Ebola Appeal in Sierra Leone in West Africa (more information below).
- We sent mucus extractors to the baby unit in Masaka, Uganda.

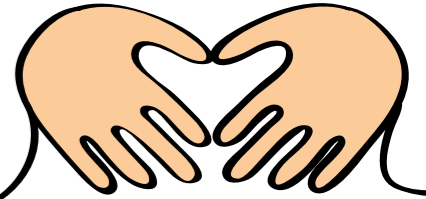


Device donation to aid Ebola fight

In December 2014, Vygon UK donated thousands of medical products to help healthcare professionals working with Ebola victims in Sierra Leone. We donated more than 7,000 cannulas and 600 sterile table covers to Scottish charity Scotia Aid that works with children living on the streets in Sierra Leone.

We were initially contacted by Scotia Aid with a plea for protective medical suits, but not being a medical clothing supplier Vygon was unable to help with that specific request. However, we did donate cannulas and table covers in support of the charity's work, for which it was extremely grateful.

We are pleased to be working with Scotia Aid that is supporting the excellent work being undertaken by healthcare professionals in the fight against Ebola in West Africa.



Vygon Helping Others

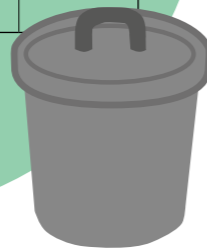
Last year, Vygon UK donated £4,119.83 to various charities. Once again we supported national events such as Sports Relief, Children in Need and the Macmillan World's Biggest Coffee Morning. Vygon Helping Others also supported and match-funded various challenges undertaken by employees including an off-road London-Paris cycle ride, the Prospect Hospice Moonlight walk, The Sarsen Trail and The Great South Run. We also held food collections for Swindon Food Bank, and Teckels Animal Sanctuary.



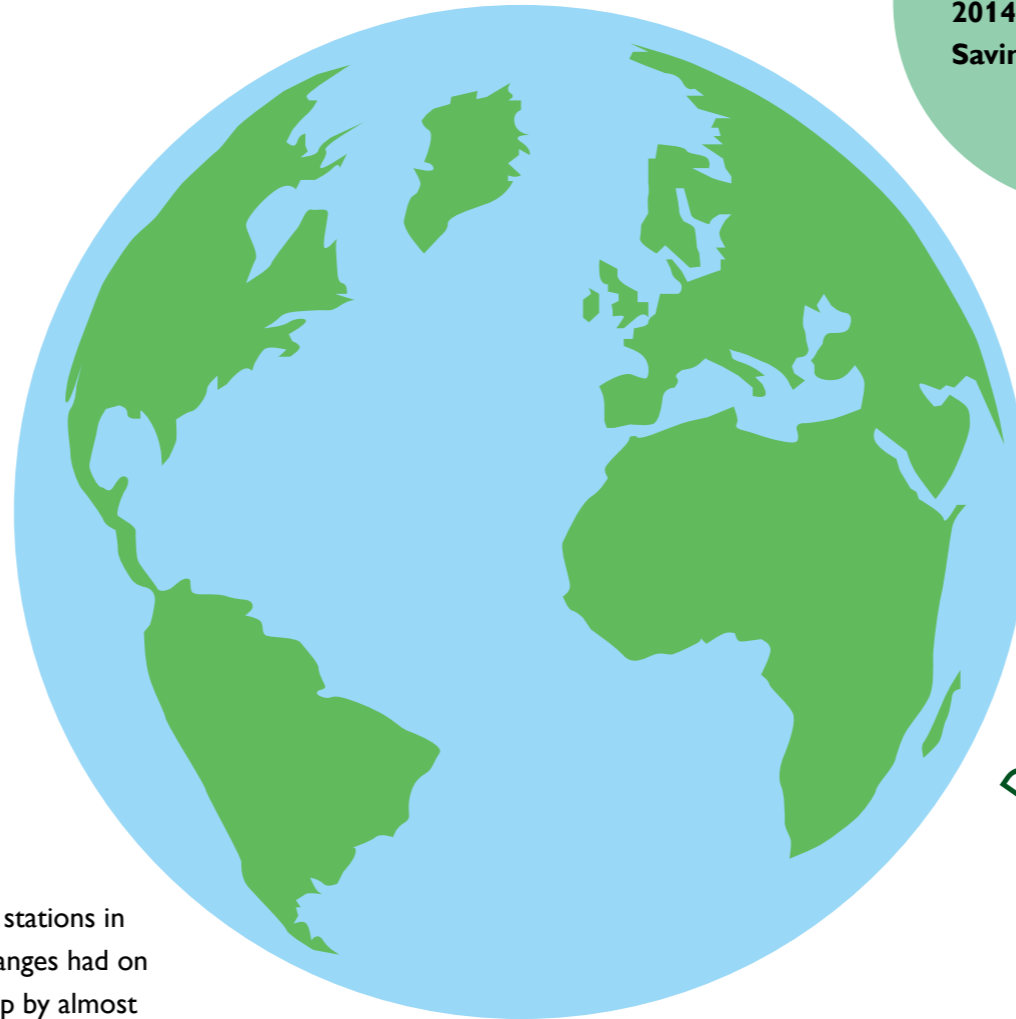
Environment

Recycling, waste

| Material | 2012 | 2013 | 2014 |
|---------------------------|--------|--------|--------|
| Paper (kg) | 4,425 | 3,947 | 3,930 |
| Cardboard (kg) | 14,150 | 11,923 | 12,210 |
| Plastic (kg) | 3,696 | 3,713 | 4,460 |
| Wood (kg) | 4,100 | 7,220 | 7,520 |
| Aluminium cans, tins (kg) | 39 | 83 | 143 |



In 2013, we removed all individual desk bins and replaced them with recycling stations in each area. During 2014 we were able to see the positive impact that these changes had on our recycling figures. The amount of plastic bottles that we recycle has gone up by almost 50 per cent, and the amount of aluminium cans by 90 per cent! Through recycling, Vygon UK diverted over 28 tonnes of waste from landfill!



Electric usage kWh

2012 - 1,660,026
 2013 - 1,683,817
 2014 - 1,516,967
 Saving of 166,850 kWh



Fleet emissions

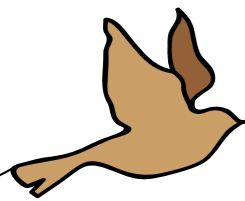
| | 2012 | 2013 | 2014 |
|------------------------------------|-------|-------|-------|
| No. of vehicles (CO ₂) | 52 | 58 | 58 |
| Average CO ₂ | 135 | 129 | 121.8 |
| Savings | 5.27% | 9.27% | 6.32% |



Paper Usage

2012 - 726,500 A4 sheets
 2013 - 1,038,440 A4 sheets
 2014 - 532,500 A4 sheets





Biodiversity at Vygon HQ

Our 24 acre grounds are a popular location for wildlife and we are keen to encourage biodiversity in as many forms as possible.

During 2014 we planted a number of new fruit trees and flowering plants to attract and support wildlife such as bees and butterflies.

Staff have spotted 24 different types of birds, including green woodpeckers in our grounds, and foxes, rabbits and roe deer have also been seen.

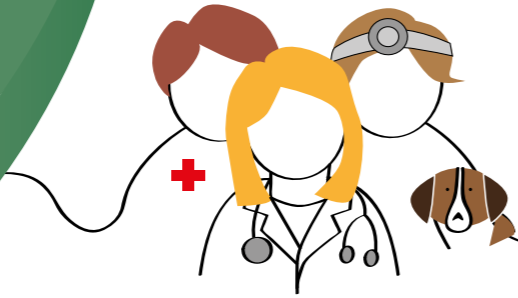


Video conferences

During 2014, we continued to reduce the miles staff travel as part of our business. We have concentrated our efforts on introducing and encouraging greater use of video conferencing and conference calls.

Around 27,300 miles were saved during 2014 by staff using video conferencing facilities rather than travelling to meetings. This is the equivalent of approximately 8.7 tonnes of CO₂.

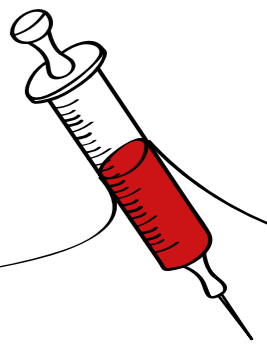




Recognition - Scottish Procurement Awards

In 2014, Vygon UK was shortlisted for the Scottish Procurement Awards in the “Collaborative Procurement Initiative” category. We have been recognised for our work with the Lothian OPAT department. In close liaison with the hospital’s Lead Consultant for Infectious Diseases and OPAT, we discussed what other Scottish Health Boards were doing in this field and which products we could offer that were appropriate for care in an outpatient setting. Together we identified specific products and planned a robust training plan for their team to get the unit under way in the most efficient manner. Over the last two and a half years Lothian OPAT has become the fastest growing and largest OPAT team in Scotland serving the large geographical area of Lothian and the Borders, plus part of Fife. Last year the team won the Lothian Celebrating Success award for Innovation in Healthcare, along with several local awards. During this time Vygon has offered unrivalled training support to every new team member, as well as holding regular care and maintenance sessions, and providing a product troubleshooting service.

Most recently, Vygon and Lothian worked together to produce a customised Midline placement procedure pack. The pack offers maximum sterile barrier precautions and contains only the components needed to successfully place Leadercath Midlines. This tailor-made pack provides the team with an efficient and time-saving solution and no time is wasted gathering the components individually. Having all the components in one pack also minimises the risk of cross contamination from opening individual product packets into the sterile field. This is an excellent example of our dedication to providing first-class customer service by taking an individual approach to customers’ needs. We are delighted our customer pack initiative has been shortlisted in recognition of our work in this area.



New products - Aim @ ZERO campaign

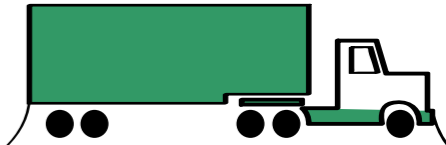
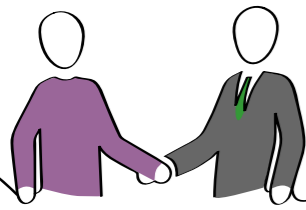
As one of the major suppliers to the NHS, we know how important sustainability targets and hospital efficiency are to our customers. In 2014, we launched aim at ZERO - a new campaign to help drive down hospital infection rates, costs associated with it, and enhance patient care.

We know there are approximately 15 million inpatient admissions in the UK every year in the NHS and of these 6 per cent will get a healthcare-associated infection (HAI). This will increase their length of stay by 11 days and cost the hospital on average £3,000 per infection. Aim at ZERO features a range of products, which used together, will prove extremely effective in lowering infection rates.

Aim at ZERO supports the national epic3, Winning Ways and Matching Michigan guidelines in reducing infection rates to zero.

Aim at ZERO sets out a simple five step plan for hospital staff covering; preparation, application, insertion, access and protection. The plan demonstrates how Vygon products can help reduce Trusts infection rates when used in line with national and local infection prevention protocols.

aim at ZERO



M3 change - customer engagement

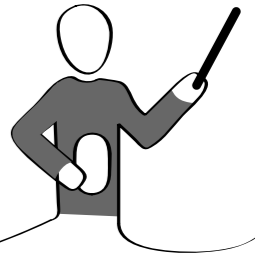
In September 2014 Vygon UK went through a major change, switching to a new Enterprise Resource Planning (ERP) system. This change was necessary to improve the efficiency of our internal processes, and provide more time for customer-facing duties. Throughout this transition, we ensured there was minimal disruption to customers and they were kept fully informed at all times. There were always advisors available to take customers' calls, and despite the change requiring an entire system shut-down, deliveries were only affected for two days.



Consolidated delivery service

This service is already in place with various Trusts across the UK. Instead of sending out five separate deliveries to the same Trust during any one week, we now store their ordered products in our warehouse and send them out altogether on the Trust's chosen day. We implemented this initiative to reduce our business miles travelled, cut our carbon footprint and save transportation and staff costs.





We offer extensive training for most of the products we sell. All our Sales Executives are always updated and informed of the latest changes to any guidelines and current practice. We also provide free of charge training aids and resources.

International training

Vygon UK's offices are home to the group's International Training Centre. The team provides training support to all Vygon subsidiaries and distributors around the world. During 2014, we trained 315 people from 14 countries. This training included sessions on Bionector, neonatal and paediatric products, CVCs, drapes and arterial packs.



Gastrostomy study days

Vygon UK runs clinician-led Gastrostomy study days, for up to 100 delegates. These events are funded by an educational grant from Vygon UK, and the token registration fee is given in full to either the charity PINNT or CHAS. The study days provide an opportunity for medical professionals to hear from speakers who are experts in their field, and to network with other healthcare professionals from their areas. Five Gastrostomy study days were held in 2014.

The amount donated to PINNT in 2014 - £3,780.



Sustainability survey



FOCUS on healthcare newspaper

As part of our customer focus, we are conducting a customer survey on our sustainability programme and how it influences customers when choosing their suppliers. The survey is being sent to our customers on a region-by-region basis. Responses have already been received from Scotland and Northern Ireland and the North East of England. The results so far are:

1. Are you concerned about the way your products are packaged?
 Yes: 37.5%
 No: 62.5%

2. How important is ethical sourcing to you when choosing products?
 Very important: 25%
Important: 59%
 Not important 4%
 Don't know: 12%

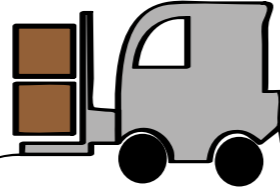
3. How would you rate Vygon's products in terms of effectiveness in saving you time and money?
 Excellent: 12.5%
Good: 62.5%
 Need improving: 8%
 Not sure: 17%
 Don't know: 12%

4. How important is a supplier's charitable work and community involvement?
 Very important: 8%
Important: 54%
 Not important: 20%
 Not sure: 18%

5. Do you consider Vygon (UK) Ltd to be a socially and environmentally responsible company?
Yes: 54%
 No: 4%
 Don't know: 42%

Vygon UK produced its first customer newspaper that gives news about the company, our service, our people and our sustainability work. This was sent out in October 2014 to NHS Chief Executives and Heads of Procurement, and was a valuable tool for engaging with our customers. We received a lot of positive feedback and plan to produce it on an annual basis.





Our supplier network is limited, as 76 per cent of our products are manufactured within the Vygon Group and purchased from Vygon SA. The remaining 24 per cent is sourced from just 19 suppliers.

We are currently undergoing a change management process governing how we approve our suppliers. The aim is to achieve a consistent approach. All our potential suppliers are subject to our Supplier Code of Conduct, and are required to complete our Environmental and Ethical Questionnaire.

The Questionnaire covers the areas of child labour, forced labour, discrimination, working hours and health and safety.

All potential suppliers are required to complete the Questionnaire and provide evidence in the form of certificates and policies.

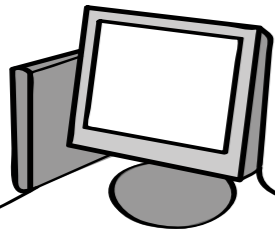


Our main supplier Vygon SA (76 per cent of our products come from Vygon SA) is committed to sustainability goals. In 2014 it produced its first CSR Report and renewed its ISO140001 certification.

Some of Vygon SA's new initiatives in 2014:

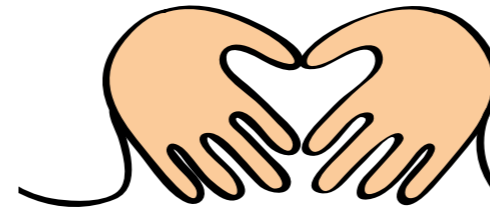
- Electric vehicles are being used for internal deliveries (mail, orders, and parcels) at its Ecoen site.
- "Love HSE" group established in November 2014. The purpose of the group is for all Health, Safety and Environment officers from different sites to meet regularly to share best practice and discuss ideas.
- 70 per cent of waste is now recycled.
- New office building with low ecological impact.





VygView

VygView involves more than 130 employees in our subsidiaries and is used to encourage communication between different countries. This project started in 2012 with a survey conducted with employees within various subsidiaries of the Group, with the aim of building strategies for Vygon for the next ten years. This dynamic project concerns our Group as a whole and revolves around eight principles developed out of respect for human rights. All 23 VygView groups are concentrated around those eight principles.



Vygon SA and Charity work

L'Etoile de Martin - this charity was founded in 2006 following the death of a two-year-old boy from a brain tumour. It now helps young children with cancer. Vygon SA has been supporting the charity since 2009, and in 2014 donated around 7,740 Euros towards its work.

Les Mamans du Soleil - This organisation organises various missions to support people in Nigeria. Vygon SA provides donations to Les Mamans du Soleil each year to help fund their work.

Curie-Cancer and Vygon SA signed a partnership agreement in 2010 to work together on the development of a new generation of innovative medical devices. These included catheters and implantable devices for the administration of chemotherapy that are more resistant to nosocomial infections.

The Institut Curie and Vygon SA use their individual expertise and resources to work together on this project. Their goal is to reduce the risk of infection from medical devices used on patients with immune systems weakened by chemotherapy.

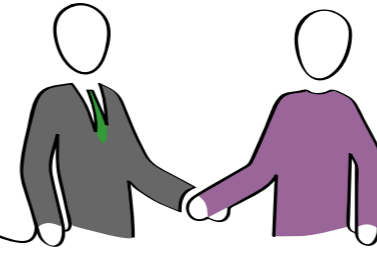
This partnership was originally intended to end after the development of a single product range, but they have now agreed to continue working together into the future to develop further technologies.

With this partnership, Vygon SA shows its commitment to the fight against cancer by answering a real demand for care-givers and patient needs.

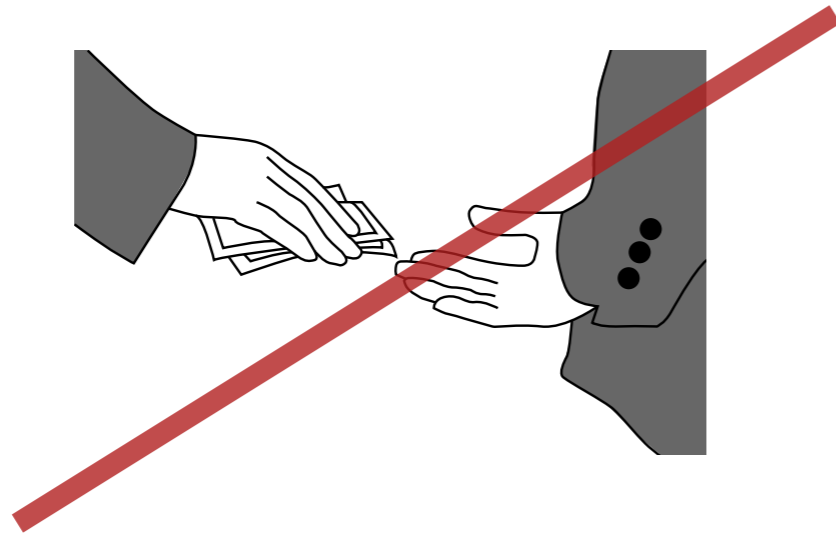


Bribery and corruption

Employees



We do not, under any circumstances, accept bribery, extortion or any kind of corrupt activities. It is stated in our code of conduct that we shall always conduct good business ethics and that we do not offer rewards or benefits, which are in conflict with laws and regulations. We also expect all of our suppliers to adhere to the same principles.



Total number of employees:

150

Total number by occupation:

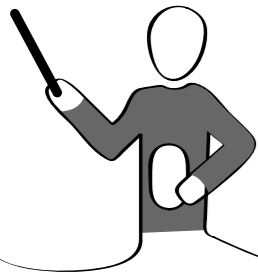
Managers: **34**
 Office/Clerical: **48**
 Warehouse/Facilities: **28**
 Sales: **40**

Diversity numbers

| | Male | Female |
|-----------|------|--------|
| Under 30: | 18 | 18 |
| 30-50: | 43 | 44 |
| Over 50: | 12 | 15 |

Health and Safety

| | 2012 | 2013 | 2014 |
|-----------------|------|------|------|
| Fatalities: | 0 | 0 | 0 |
| Major injuries: | 0 | 0 | 0 |
| Minor injuries: | 3 | 11 | 5 |



Induction training

Every new employee who joins Vygon UK receives extensive induction training. This training includes a session on sustainability consisting of a short presentation covering the history and theory of sustainability, and some of Vygon UK's achievements in this area. During 2014, 27 new employees received this training. A refresher training session was also delivered to our Sales Team at the beginning of the year as part of their annual business reviews. This new refresher initiative helped ensure that our Sales Team working out in the field were also fully involved and engaged in sustainability and how it affects them as employees and Vygon as a whole.

There are various policies in place including:

- Equal Opportunities Policy
- Health & Safety Policy
- Professional Code of Conduct
- Sustainability Code of Conduct
- Staff Handbook
- Absence Policy

Ongoing communication

We engage with employees through regular all-staff meetings and a range of internal communication channels including VygonConnect and NewsFlash. VygonConnect is an online resource and information hub. NewsFlash is a fortnightly roundup of good news messages and business updates.

All the policies ensure the consistent approach and show our commitment to the ethical business practices.



Examples of NewsFlash and Vygon Connect.



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Content correct as of: 06/2015

