

imres



2017 COMMUNICATION ON PROGRESS



The Imres statement of corporate sustainability

At Imres we acknowledge the importance of a value system and a principled approach to doing business. Over more than 35 years, Imres has proved to be a reliable, efficient and trusted partner in healthcare strengthening programmes in developing countries.

As an organisation, we are big enough to make a difference, but small enough to give our customers personal attention, and to care about the difference that we are making in lives and communities, and in our partners' health projects.

As a supplier, we do not make promises that we cannot keep. If we commit to a project and specific deliverables, it is because we really can deliver, as promised. Like the projects that we are proud to be part of, Imres has heart. We are good at what we do, but we also feel good about what we do. We feel responsible for our partners' projects until each one ends successfully.

As an employer we recognise the importance of our employees as our most important asset. They are what makes us who we are and how we are looked at by the outside world. We feel a mutual strong motivation to fulfil our mission statement:

“Making a global impact on healthcare in the developing world by providing high quality and cost-effective medical solutions for our customers and partners”

We have a strong sense of responsibility towards our customers, employees and other stakeholders when it comes to corporate sustainability. We realize that we need to keep a healthy balance between human rights, labour, the environment and profit in order to achieve a long term sustainable growth.

Over the past 35 years this has proven to be a successful strategy as we have seen a steady growth, even under tougher economic circumstances. By creating this report, it becomes more clear how our core values reflect the ten principles, and also where we find room for improvement in this.

Niek Zee
Managing Director

Lelystad, June 2017



Our Compliance with laws and regulations

Apart from our own ethical code, an important base for Human Rights, Labour, Environment and Anti-Corruption are the relevant laws Imres has to comply with. To be sure Imres is and stays compliant with this, we have a detailed SOP system in place. This system consists of an online manual with all the procedures that need to be followed. Whenever there are changes within the procedures our employees get a notification and need to sign off to make sure they have read and understood the changes.

Quality

As a wholesaler of pharmaceutical products, medical disposables and hospital equipment, quality is a very important and integral part of our business. Therefore, we have an extensive quality system in place. This quality system contains supplier selection, quality checks upon receipt of goods, complaints procedure, etc. These quality checks on our products and services add value for the clients of Imres. We have the following certifications and approvals in place to consolidate this:

- ISO 9001:2008
- FSSC 2200
- GDP
- GMP
- AEO
- USAID approved
- MQAS
- Quamed

Imres has several audits during the year from regulatory bodies to clients. Within Imres there is also an internal audit team committee that performs regularly audits. The target is obviously to have as minimal complaints as possible. The achievement for the year can be measured by comparing the nature and number of complaints within the previous year. This is done annually.

Performance for the 2015/2016 financial year

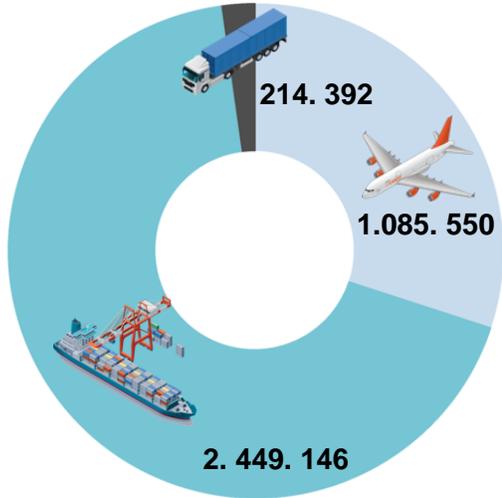
Based on the outcome of the audits during the year it can be concluded that the performance is up to standard. The results of the audits are discussed with the relevant team member of the Management Team and a yearly written evaluation is made by the management. Also, for this issue, the goal is to have as little findings during audits as possible.

Looking ahead

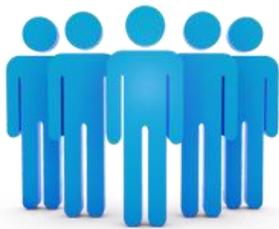
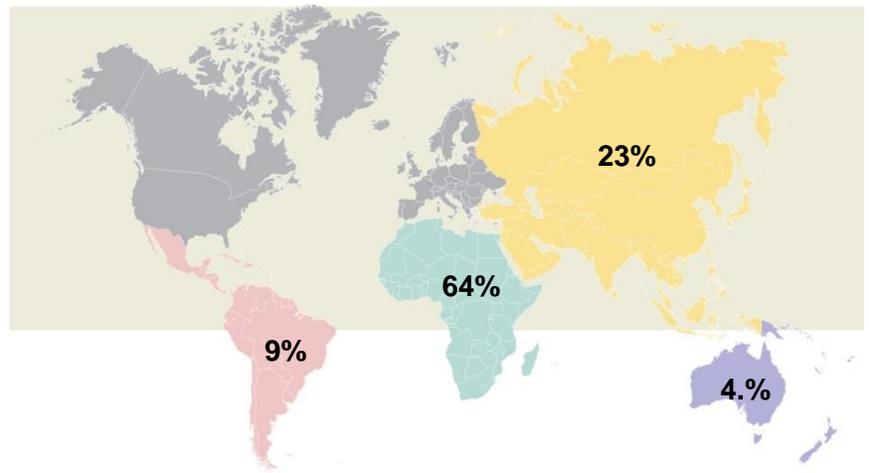
The findings from the audits must be resolved as soon as possible. Besides that, the internal audit team committee is extended with new members and there will be a procedure for 'guest auditors'. This is done to increase the awareness and importance of the internal procedures.

imres in numbers

Our freight in kg / year



Our global projects



100 multilingual employees globally



2 warehouses, 10.500 m2

4 offices globally; the Netherlands, India, China and Canada

More than 4.000 products on stock

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses



Imres understands that the employees within the company are the most important asset of the company. Not only do we comply to all national and international regulations and laws, we truly value our employees and their rights and want to make sure they can get the best out of themselves within their job.

Human rights do not stop at our backdoor. We have a thorough Code of Conduct. Every supplier or sub-contractor who has a business relationship with Imres is obliged to sign off this Code of Conduct if they want to do business with Imres. The supplier or sub-contractor will be checked during a contingent audit at appointment if this Code of Conduct has been pursued correctly.

Our Code of Conduct can be found on our website, as well as in our intranet and is known to all our employees.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: The elimination of all forms of forced and compulsory labour

Principle 5: The effective abolition of child labour

Principle 6: The elimination of discrimination in respect of employment and occupation

“At Imres we respect and guarantee all labour rights of our employees. We constantly seek to improve their work environment by investing in development and training”.

Labour

Freedom of association and the right to collective bargaining

Imres is located in The Netherlands and applies to all relevant regulations with respect to employment. All employees are free to participate in a trade union.

We have our own employment agreement based on and in compliance with the Dutch Law.

We have the following employee benefits in place:

- Employers contribution in retirement pension
- Holiday allowance
- Allowance for sick leave exceeding 4 days; 100% in the first year, 70% in the second year
- 26 days off per year
- 2 extra free days when not reported in sick per year
- Accident insurance
- Complement on the legal disability insurance

Employee diversity

Imres is an international orientated company and therefore understands the value of a diverse work force. The total work force is around 90 people of which approximately 43% is female. 25% of the managing board is female. The work force is a representative reflection of the society, which means the age varies from 18 year until 62 years and the people are from different countries and continents.

Safety and health at work

The working spaces of the employees are up to all relevant Arbo legislation standards. There is sufficient attention from the management board for requests related with the working circumstances such as air conditioning, specific chairs, etc.

About one third of the employees of Imres work in the warehouse. There are strict safety procedures in the warehouse. All relevant measures with respect to guarantee their safety are documented in a quality system. E.G. a detailed procedure with respect to evacuation during an emergency is one of these procedures and tested at least one time a year. All warehouse employees are trained well to assure they have the knowledge necessary to do their job safe.

The warehouse is GDP certified, which means for example that sanitary facilities are up to standard and separated from the warehouse. This also applies for the lunch facilities. There is a separate canteen with sufficient equipment and capacity so the employees can enjoy a proper lunch.

Labour

Education and development

As stated before, our employees are our most valuable asset. Their education and development has a mutual benefit to both themselves, our customers and Imres. We have several internal and external training programs that help our employees to grow in their daily work.

Apart from that we have an education budget in place for employees. If an employee wants to develop in a certain direction they can sit with their manager to discuss and see if this fits within the company strategy.

Internal communication

Engagement and involvement of our employees is key in order to have sustainable growth. We have an 'open door' policy in which employees are always welcome to express their questions or concerns towards their colleagues or management.

We inform all employees on a regular base through email, we have internal meetings and a regular newsletter.



Environment



Principle 7: Support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmental friendly technologies



Environment

The economic performance is the basis for the right of existence of a company. Imres is a profit organization. For a company that is financially healthy it is easier to pay attention to a sustainable environmental policy. With all relevant investments decisions, the board of Imres will, besides the evaluation of the options needed for the operations, also take into account what the impact on the environment would be.

CO2 footprint

Recently Imres extended their lease agreement for a warehouse. Before this agreement was renewed Imres agreed with the landlord there would be a new cooling system that uses the air temperature from inside the building maintaining the temperature. This new system uses a substantial less amount of energy than the regular systems.

As an international orientated company our customers are primarily abroad. We also have branches offices in India, China and Canada with whom we need to communicate on a regular base. To prevent us from doing a lot of air travelling we installed a state-of-the-art video conferencing system on both sides, so our meetings are similar as they would be in person.

These are good examples of how Imres acts on reducing the CO2 footprint and save energy costs.

Other measurements

Imres is part of the Imperial group where the head of the group is listed on the stock exchange. Every month the usage of electricity, water, fuel, gas, etc. is analysed and reported. There is a procedure that all plastics and paper will be recycled. This helps to grow awareness on the use of these resources and find ways to reduce the use.

Imres has a limited stock of dangerous goods. To be sure that the employees and the environment are protected there are specific strict procedures to handle these dangerous goods. Also Imres has the highest facilities, such as bunkers that close automatically in case of an incident and are equipped with sensors that are connected to the fire alarm system.



Anti-Corruption



Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

The first step is the awareness of this. There is an Anti-Bribery and Anti-Corruption policy within Imres. There is also a Code of Conduct for manufacturers, suppliers and subcontractors. They need to sign this Code of Conduct. Further the tone at the top is important and management is aware of this. For corruption, means are needed like presents etc. which cause an outflow of cash. If the payment cycle is in control the risk is already, for an important part, eliminated. All our Agents need to sign our anti-Bribery and anti-Corruption Policy and the fees charged need to be market conform. On the next pages you find our Anti-Bribery and Anti-Corruption policy.



Anti- Bribery and Anti-Corruption Policy

Anti-Bribery and Anti-Corruption Policy

1. PRINCIPLES

Corrupt activity, bribery or attempted bribery is never acceptable, for legal, moral and ethical reasons, and it does not matter if someone is being bribed or doing the bribing.

Our Company's long-standing commitment to doing business with integrity means avoiding corruption in any form, including bribery, and complying with the anti-corruption laws of every country in which we operate. Imres B.V. has a well-established reputation for conducting business in an ethical and honest way. This reputation is built on our company value of Integrity, which is a key value in our corporate philosophy.

Imres B.V. strives to participate as a strong competitor in our global market, and is committed to do so without the use of bribery or other corrupt practices to obtain an advantage.

Bribery and corruption are morally wrong and could seriously damage Imres's reputation. Bribery is a criminal offence and any corrupt act exposes Imres B.V. and its employees to the risk of prosecution, fines and imprisonment.

Imres B.V. will apply a "zero tolerance" approach to acts of bribery and corruption by any of our employees, officials or third-party representatives.

Any breach of this policy will be regarded as a serious matter by Imres B.V. and will result in disciplinary action up to and including termination of employment or contract.

2. SCOPE

The policy applies to Imres B.V.

3. LOCAL CONDITIONS

This policy must be read in conjunction with, and is subject to, the laws relating to employment.



Anti-Bribery and Anti-Corruption policy

4. POLICY

4.1 What are Bribery and Corruption?

Bribery is the offer, promise, giving, demanding or acceptance of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Bribes can take on many different shapes and forms, but typically there will be a "quid pro quo" — meaning that both parties, or a party's designate, will benefit.

A bribe could be:

- o The direct or indirect promise, offering, or authorization, of anything of value (whether the value is material or not);
- o The offer or receipt of any kickback, loan, fee, reward or other advantage; or
- o The giving of aid, donations or voting, designed to exert improper influence.

Acts of bribery are designed to influence individuals to act dishonestly in the performance or discharge of their duty. For the purposes of this policy, whether the target of the act of bribery works in the public or private sector is irrelevant. Corruption is the misuse of office or power or influence for private gain.

4.2 Who may be guilty of Bribery and Corruption?

In the eyes of the law, bribery and corruption can be committed by:

- o An employee, officer or director; or
- o Any person acting on behalf of another (i.e. a third-party representative); or
- o Organisations which authorize, permit or facilitate others to carry out such acts.

People who are likely to be approached with bribes or corrupt conduct are generally those who are able to obtain, retain or direct business, or government officials involved in some aspect of the regulation or purchase of a company's products and services, for example, tendering and contracting, or the handling of administrative tasks such as licences, customs, taxes or import/export matters.



Anti- Bribery and Anti-Corruption Policy

For the purposes of this policy, a "government official" could be:

- o A public official, whether foreign or domestic;
- o A political candidate or party official;
- o A representative of a government-owned/majority-controlled organization or a representative carrying out public services, e.g. healthcare services;
- o An employee of a public international organisation (e.g. World Bank); or
- o A healthcare professional working for a government or other public health institution.

4.3 Bribery and Corruption Laws and Enforcement

Bribery is a criminal offence and penalties can be severe for both companies and individual employees.

4.4 Key Risk Areas for Bribery and Corruption

A) Gifts, Entertainment and Hospitality

Gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, or invitations to events, functions, or other social gatherings, in connection with matters related to our business. These activities are acceptable provided they:

- o fall within reasonable bounds of value and occurrence;
- o do not influence, or are not perceived to influence, objective business judgement; and
- o are not prohibited or limited by applicable laws or applicable industry codes.

Although no two situations are the same, the following guidance should be considered globally:

Never acceptable

Circumstances which are never permissible include examples that involve:

- o A "quid pro quo" (a benefit or advantage offered for something in return);
- o Gifts in the form of cash- or cash-equivalent vouchers;
- o Entertainment of a sexual or similarly inappropriate nature.

Anti-Bribery and Anti-Corruption Policy

Sometimes acceptable

Activities that may be acceptable depending upon the particular jurisdiction and the particular person Imres B.V. does do business with include:

- o Modest, - occasional meals;
- o Occasional attendance at ordinary sports, theatre and other cultural events; or
- o Gifts of nominal value or small/low value promotional items.

Determining Acceptable Value

A) Variety of factors such as local laws, applicable industry codes, customs, culture and currency may influence the level of acceptability.

B) Political donations, charitable donations and sponsorships

Neither Imres B.V. nor any person from Imres B.V. may make any direct or indirect contribution to any political party, organisation or individual engaged in politics as a way of obtaining an improper advantage in business. Imres B.V. must ensure that any charitable contribution or sponsorship is not being used as a subterfuge for bribery.

All political donations, charitable donations and sponsorships must be made in accordance with applicable local laws and regulations and in accordance with Imres's authorisations framework.

4.5 How to raise a concern

All Imres Persons have a responsibility to help detect, prevent and report instances not only of bribery and corruption, but also of any other suspicious activity or wrongdoing in connection with Imres's business. Imres B.V. is absolutely committed to ensuring that all Imres Persons have a safe, reliable, and confidential way of reporting any suspicious activity.

You must report any genuine concerns about misconduct or unlawful conduct to the management. Please be reassured that anything you say will be treated in confidence – there will be no retaliation.

Imres B.V. will take disciplinary action up to and including termination for anyone who threatens or engages in retaliation, retribution or harassment of any other person who has reported or is considering reporting a corruption concern in good faith.

Anti-Bribery and Anti-Corruption Policy

Measurement of outcomes: Performance for the 2016/2017 financial year

The performance can be measured by the fact that there were no signs of corruption that reached the Imres organization. The outflow of means is also important. As long as there are no 'suspicious' declarations and payments in the financial administration, the performance with respect to this is good. The external auditor also did not find any cases or indications of this.





**This report is available on the UN Global Compact and Imres website
and on Imres's Q-Link**

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