

Communication on Progress 2019



Our managing director's statement of continued support

Now, more than ever, it is clear that Imres has a vital role to play in the global healthcare systems of our customers and their beneficiaries living in low resource settings.

While we reflect on the progress that we have made and are proud to share it in this report, the world is suffering as a result of an unprecedented health crisis. As we navigate the uncharted territory of the Covid-19 pandemic, it is increasingly apparent that our mission and our adherence to the Global Compact guidelines and the Sustainable Development Goals are more critical than ever before.

It is in these unusual times that Imres celebrates our 40th anniversary. While the world that we find ourselves in today is strange and uncertain, there is one thing that has not changed at Imres in the past 40 years. It is our unwavering commitment

to providing global access to quality medical care. This is the reason we get up every morning; because we know that the best medicine is useless if it cannot get to where it is needed, when it is needed. Having worked in low resource settings including refugee camps such as Kakuma, Kenya, I know how important it is to get the right medicines at the right time in the right place.

We have incorporated sustainability in our strategy and use the Sustainable Development Goals (SDGs) Industry

Matrix and the SDG Compass as a source of inspiration and benchmark in our continuous effort to improve our sustainable business model. In this report, we have linked each of the principles with the sustainable development goals that align with the measurements we are using to manage our journey towards sustainability.

This is our communication on progress over the year 2019. It highlights the advances we have made and the tangible, measurable outcomes we have achieved. It also outlines our plans going forward in our ambition to become a sustainable business partner for all our stakeholders. We hereby reaffirm our commitment to the UN Global Compact and the 10 principles.

Leontien Ruttenberg
Managing Director

**Lelystad, the Netherlands,
6 June 2020**





CONTENTS

01

Statement of continued support

02

Contents

03

Our Works

04

Human Rights

05

Labour

06

Environment

07

Anti-Corruption



OUR WORKS



We are a global leader in providing quality assured pharmaceuticals and medical supplies at **affordable prices**.



Imres has **more than 40 years** of experience. In 2014, we partnered with **Imperial Logistics**, a leading global logistics provider with a focus on Africa and Europe.



We provide humanitarian aid supplies to regular health programs. We also actively **respond to disaster situations**.

Imres B.V. is a leading supplier of quality assured and affordably priced pharmaceuticals, medical consumables, hospital equipment and medical kits. We strive to make an impact on the lives of people in low-resource settings by providing excellent, cost-effective medical products and solutions to our customers and their beneficiaries. Our headquarters are in the Netherlands, and we have offices in China, India and Dubai. In addition, through our parent organisation Imperial, we currently operate in the healthcare markets of South Africa, Kenya, Ghana, Nigeria and Malawi, with downstream distribution partners providing reach into 26 countries. The scale of our combined operations in healthcare sees us delivering more than 30 million patient packs of medicine across Africa every month. In 2019, Imres delivered affordable medicines to 131 countries. Imres employs over 120 people worldwide.

Mission

It is our mission to provide global access to quality medical care by providing quality assured and cost-effective medical products and solutions for our customers and their beneficiaries living in low-resource settings.

Imres supports the International Agency for the Prevention of Blindness (IAPB), which leads global efforts to prevent blindness and ensure worldwide access eye care.



Our sustainable vision



Imres is committed to creating a more sustainable society. To this end, we have aligned our operations with the United Nations' (UN's) Sustainable Development Goals (SDGs) 2 and 3, which are "zero hunger" and "good health and well-being". In addition to striving to achieve these specific goals, we make a continuous effort to contribute to the achievement of the other UN SDGs.

Our ambition is to make a measurable, sustainable, global contribution to the availability of safe, effective, affordable, quality medical products and food supplements. By leveraging our knowledge, skills and innovation in the humanitarian supply chain, we aim to create a more sustainable future for people living in low-resource settings. Through the measurable outcomes that we have achieved, we encourage our stakeholders to support the SDGs.

OUR WORKS

Value For Money

At Imres, our starting point has always been our customer. We have built up our expansive product portfolio based on their unmet needs. Today, we have a wide range of pharmaceuticals and medical products, from basic essential medicines and consumables to a full line of medical instruments and hospital equipment that encompasses everything from small thermometers to large CT machines. Our products include our own range of pharmaceuticals and food supplements. At Imres, we strive to continuously improve, expand and innovate. We constantly source new products, manufacturers and suppliers. This ensures that we keep our range up to date, and that we consistently provide our customers with the best prices, products and quality.

Optimal Supply Chain

Imres has made logistics an integral part of the services we offer. Over the years, we have become logistics

experts because we understand that our work - and our responsibility - does not end with the supply of pharmaceuticals and medical consumables. It only ends when our quality assured products reach the patient, on time and uncompromised. We know that delays can cost lives, so our logistics solutions are designed for speed and efficiency.

We always keep in mind, however, that many of the aid agencies and NGOs that we serve face cost constraints, so we continuously keep a keen eye on affordability. Imres strives to consistently provide fast, environmentally friendly, effective and cost-efficient logistics services that include numerous delivery and transport options for our customers. We work with carefully selected and pre-qualified freight forwarders and other logistics service providers that share our commitment to sustainable logistics excellence and seamless service. We have an established network of partners whose specific in-country experience and expertise we can rely on.

One-Stop-Shop Solution



Imres's facilities include almost **13 000 m²** of climate controlled Good Distribution Practices (GDP) and Good Manufacturing Practices (GMP) certified warehouses located in the Netherlands. These offer a total of **15 000 pallet** locations.



Our production areas include a GMP room for secondary packing and a Class D clean room for primary packing, as well as a **650 m² kit production area**.



We are committed to creating value to our customers by maintaining a healthy stock position for essential medicines, medical consumables and hospital equipment.

OUR WORKS

Our Quality Standards

Our quality management system is at the core of our operations. This allows us to continuously maintain, evaluate and improve the quality of our processes. We communicate our quality goals to all stakeholders including customers and employees. We have implemented an uncompromising set of quality controls, including a dedicated quality control department and independent testing in World Health Organization (WHO) pre-qualified and ISO/IEC 17025:2005 certified laboratories. Imres works with pre-qualified manufacturers. These manufacturers are continuously monitored, evaluated and controlled through Good Manufacturing Practices (GMP) audits. We employ experienced pharmacists who regularly conduct GMP inspections.

Worldwide, counterfeit medicines and medical products are a growing concern. Imres's customers and their patients benefit from our outstanding and well-tested capability to identify and rate vendors and manufacturing facilities, and to guarantee the quality of our pharmaceuticals and medical supplies. Since early 2019, we have also complied with the European Falsified Medicines Directive supporting the further eradication of counterfeit medicines.

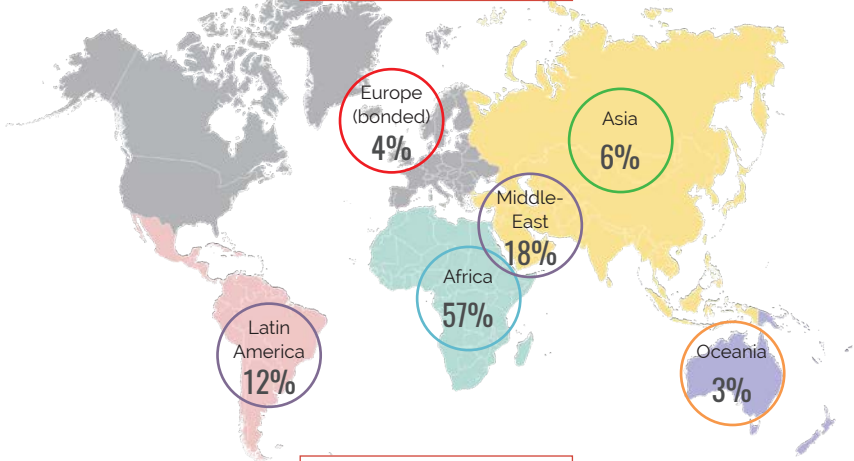
Imres is a fully licenced, GMP, GDP and ISO 9001:2015 certified wholesaler and is audited by the Netherlands Ministry of Health (IGJ).

FACTS & FIGURES

100+ Employees



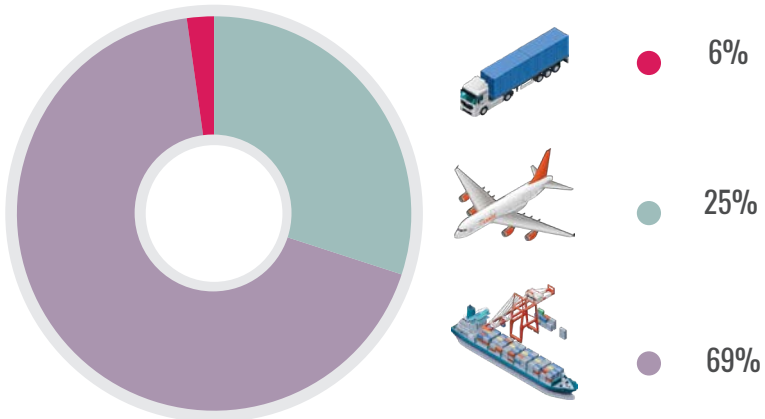
Projects



14 Nationalities



Freight





HUMAN RIGHTS

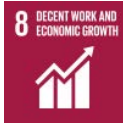
PRINCIPLE
1

We support and respect the protection of internationally proclaimed human rights.



PRINCIPLE
2

We make sure that we are not complicit in human rights abuses.



Having access to quality medical care is a fundamental human right. Our biggest contribution to safeguarding human rights is our daily effort to provide access to quality medical care by supplying quality assured and affordable medicines and medical products to people in low resource settings. By supplying essential medicines in bulk or in kits, Imres actively contribute to Sustainable Development Goal 3, good health and well-being.

We have put a comprehensive set of measurements and guidelines in place, both for our internal organisation as well as for our suppliers and other partners in the supply chain, to minimise the risk of human rights violations. Our stringent Code of Conduct provides guidelines for our employees as well as anyone that wants to conduct business with Imres. It must be read and signed before Imres engages in any business relationship.



Imres is a major supplier of medical kits, which contribute to improving healthcare in low resource settings.

We produce approximately one million medical kits per year. An example of these medical kits is the Inter-Agency Reproductive Health kit. Imres has supplied more than 50 000 Reproductive Health kits to Africa over the past years. The Reproductive Health Kits have been primarily designed to facilitate the provision of priority reproductive health services to displaced populations without medical facilities, or where medical facilities are disrupted during a crisis.

Human Rights In Our Company

Our strong sense of integrity and respect is an integral part of Imres's company culture. It pervades every aspect of our business, starting with our on-boarding process in which every new employee must submit a declaration of good behaviour issued by their local government. This is to ensure that the behaviour of everyone who starts working for Imres is beyond reproach. We actively safeguard the human rights of all employees by deploying clear policies on discrimination, privacy, confidentiality and harassment. These policies have been set out in our Code of Conduct and a specific set of values which are communicated to every employee and are upheld by both our Privacy Protection Officer and our Confidential Counsellor. We have no tolerance for any violation of human rights within Imres.



Human Rights in the Supply Chain

Imres is positioned in the middle of the supply chain; upstream are the manufacturers and suppliers, while our customers are downstream. They include global NGOs, local and central medical stores, and ministries of health. Although we do not have direct control over human rights

in the supply chain, we have a rigorous set of precautions to minimise the risk of conducting business with parties that violate human rights. Every supplier, sub-contractor and agent must sign our Code of Conduct before we will work with them. During our annual audits with suppliers and local partners, Imres reviews their adherence to our Code of Conduct.

IMRES FULLY SUPPORTS THE UNITED NATIONS
UNIVERSAL DECLARATION OF HUMAN RIGHTS

Measurements of Outcome



We have developed a SMART set of values to which all employees adhere.



All employees have read and signed our code of conduct, which has clear policies designed to safeguard human rights.



We have conducted an Employee Satisfaction Survey in which each participant could anonymously submit their opinion on human rights within Imres.



Not a single human rights incident was reported in Imres in 2019.



Each year, we conduct audits with our suppliers and manufacturers to ensure that they meet Imres's quality standards and follow our Code of Conduct. No human rights related infringements have been found.



We have formally reviewed our local partners, including their adherence to our Code of Conduct.

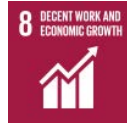
2020 Targets



To further reinforce our Code of Business Conduct, we will create a mandatory online learning module that must be completed by employees every year.



We will intensify our adherence to the SDGs by incorporating them in our annual internal audit.



PRINCIPLE
3 We uphold the freedom of association and the effective recognition of the rights 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.

Our employees are our greatest asset. Their primary focus, every day, is on fulfilling Imres's promise to our customers. It is fitting, therefore, that we constantly strive to be a great company to work for. One of our priorities is to create a culture of commitment, inclusivity, responsibility and equality in which every employee can develop and actively contribute to the continuity of Imres and our mission.

In 2019, we conducted our bi-annual Employee Satisfaction Survey in which we measure employee satisfaction and give our staff the opportunity to anonymously comment on the Imres policy and management.

We keenly encourage open communication and collaboration so colleagues can learn from one another and broaden their view on a wide variety of matters. In 2019, we established a social activity programme that enables colleagues to engage with each other outside of work, with the aim of fostering team spirit.

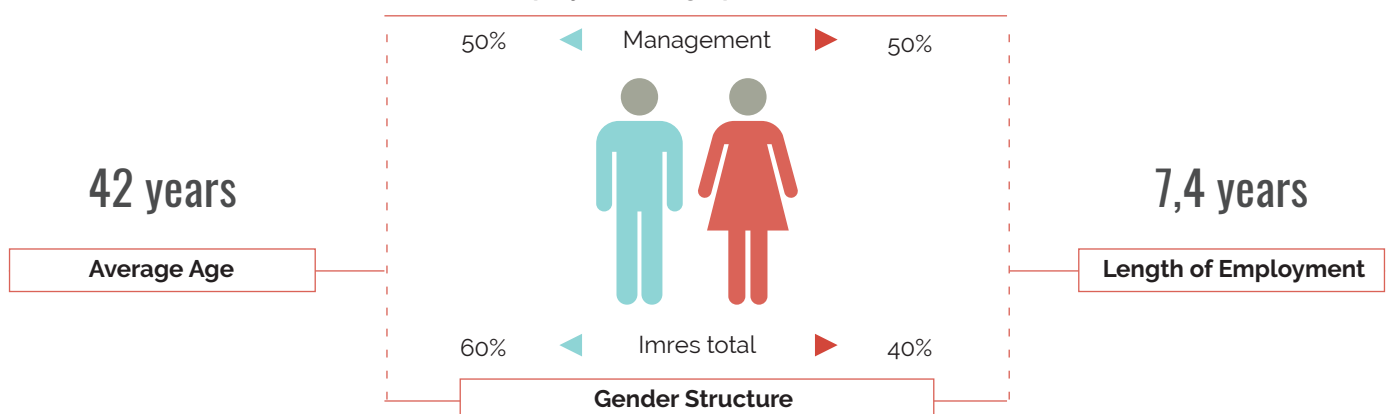
We organise these activities every month and they are well appreciated.

The Netherlands, where Imres's headquarters are located, has robust labour legislation to ensure the rights of all employees. It permits freedom of association and criminalises child labour or forced and compulsory labour. At Imres, we have comprehensive processes in place to manage safety, health at work, and employee development.

Works Council

All Imres employees are represented in the Works Council, which consists of seven elected members of mixed gender, from diverse backgrounds and different departments. They meet with the Imres management regularly, and their main role is to advise management on current and future policies. Their mandate is anchored in the Dutch law. The Works Council has its own newsletter through which it keeps all employees informed of its activities.

Imres employee demographics and breakdown



OUR PEOPLE

Inclusivity and Equality

At Imres, our employees benefit from our culture of inclusivity and equality, which we passionately believe enhances their wellbeing and productivity. We believe that a successful, sustainable business is one in which everyone can thrive and advance. Our workforce encompasses 14 different nationalities and people from varied backgrounds. Our commitment to gender diversity is reflected in the well-balanced mix of men and women in both our management and staff.

Imres has established a special programme for new employees. Each quarter, all new employees that were hired participate in an induction programme in which they learn about Imres's history, culture and operations. We have developed a clear and concise value chart designed to further strengthen inclusivity and shared values within Imres.

All internal staff communication at Imres is bilingual - in both Dutch and English. Since Imres is based in the Netherlands, we offer non-native Dutch speakers a Dutch language course to improve their Dutch language skills and promote inclusivity.

Safety and Health at Work

Imres is uncompromising when it comes to the health and safety of our employees. In addition to our Health and Safety Officer in the Human Resources department, Imres has a dedicated in-house emergency response team trained to deliver a swift response to any emergency. The

eight members of this team are based equally divided across our locations.

At Imres, we recognise the importance of maintaining a good work-life balance, to stay healthy, happy and motivated. To ensure that our employees achieve this balance Imres offers lifestyle training to our employees. This initiative will be expanded during the course of 2020 with online modules. Every five years, Imres offers all employees a voluntary Preventive Medical Examination. This encompasses an extended questionnaire and a one-hour consultation with a physician, during which personalised recommendations are made to improve and maintain a healthy lifestyle.

Education and Development

Imres is committed to investing in our people, and helping employees to advance their careers, and develop themselves and their skills. In annual personal development consultations, our team leaders have candid discussions on the development of their team members. Opportunities for skills development and further education are explored, to ensure that Imres employees are always motivated and suitably qualified for their jobs. Imperial, our parent company, has an online academy with a wide variety of e-learning modules that Imres employees can access.



LABOUR

Code of Conduct

Imres's control of labour rights in the supply chain is limited. Our steadfast commitment to sustainable business practices, is, however, underscored by our zero tolerance policy to child labour, discrimination, forced labour or any other violations of labour rights. We have taken effective precautions to minimise the risk of Imres doing business with a partner that violates labour rights.

Every supplier that wants to work with Imres is obliged to sign our Code of Conduct. In this comprehensive document, we have stipulated labour standards according to principles three to six that our suppliers must comply with.

Measurements of Outcome



On the question "Do you perform your Job with Pleasure?", 82% of the respondents in our Employee Satisfaction Survey answered, "Strongly Agree" or "Agree".



We successfully established our Works Council to represent the employees. Quarterly meetings are being held with Imres management.



Imres's new employees programme has been established, with an on-boarding procedure further enhancing this initiative.



No safety incidents have been reported within Imres.

2020 Targets



Imres will use the outcome of the Employee Satisfaction Survey to further improve processes, with the emphasis on internal communication.



We will expand access to online training modules.



The Preventive Medical Examination will be leveraged to protect and promote the working capacity and health of all Imres employees.

ENVIRONMENT



PRINCIPLE 7 Support a precautionary approach to environmental challenges.

PRINCIPLE 8 Undertake initiatives to promote greater environmental responsibility.

In line with Imres's sustainability vision, and our sustainable approach to our business operations and supply chains, we constantly strive to minimise our environmental impact. We have embarked on numerous initiatives to reduce our environmental footprint and promote environmental awareness in our own operation and among our stakeholders. We also have a number of new projects in the pipeline, including a carbon offsetting plan to compensate for CO₂ emissions generated by business travel and new, energy efficient IT equipment.

Green Office Initiatives

We have identified several focus areas to further reduce our environmental footprint going forward. These are directly linked to our internal organisation, because at Imres we understand that a better environment starts with us, and we can reduce our footprint by taking small steps at a time.

Our achievements to date:

- On site electric car charging stations are available.
- To reduce plastic pollution, we only use tap water at Imres; not bottled water.

PRINCIPLE 9 Encourage the development and diffusion of environmentally friendly technologies.

- We only use glasses and porcelain cups in our canteen for tea, coffee and cold drinks. There are no plastic or paper cups as we strive to reduce waste.
- We encourage our employees to go paperless. We provide all Imres office staff with laptop computers, so that they can read documents anywhere without the need for printing.
- We leverage platforms like Skype and Microsoft Teams to communicate with our customers and our own operations abroad. This significantly reduces the need for travel and thus decreases our carbon footprint.
- We are in the process of converting one of our warehouses to energy efficient LED lighting.
- Every Imres office and warehouse has its own recycling station, separating paper, plastic and organic waste.

ENVIRONMENT



Suppliers

We know that the manufacturers that supply Imres and the freight companies that we work with have a big impact on the environment. In our drive for greener supply chains, we require all our manufacturers to sign our Environmental Code of Conduct and adhere to the standards and guidelines are set out therein. The freight companies that we work with all have their own sustainability programmes. When arranging transport for our customers, Imres always considers CO₂ emissions in developing the optimal solution.

2019 Transportation Volumes

By using our Dubai facility we were able to further reduce our environmental footprint in terms of transportation and CO₂ emissions.

Energy, Recycling and Incineration

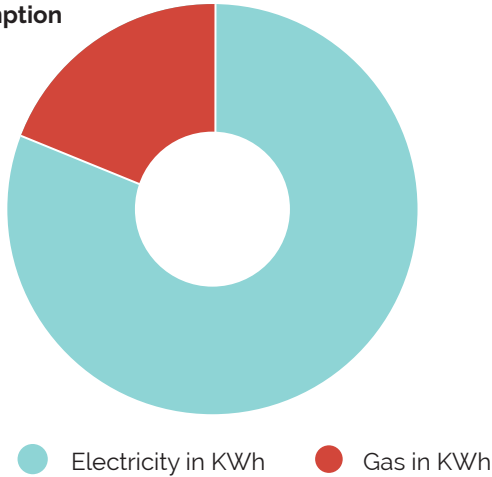
As a result of our continued growth, Imres has expanded with a third warehouse in the Netherlands. This facility will be equipped with LED lighting for energy reduction. Our climate control installations are also designed for low energy consumption.

With the high volumes of medical products that Imres is processing, we consume considerable amounts of packing materials. We separate all different forms of packing materials and offer them to a certified recycling company. The shipping cartons we use are of a very high quality and are re-used by the end-users for various purposes. Our medical kits and assembled bulk orders are packed in the most efficient manner, to reduce waste. Our shipping cartons are always put on re-usable pallets.

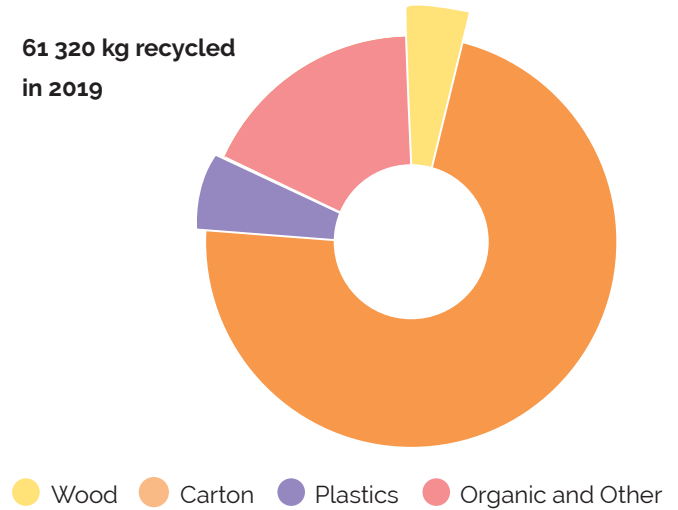
A vast part of our product range consists of medicines and food supplements with an expiration date. If the expiration date is about to pass, they will be destroyed. By having a stringent quality assurance and quality control system, as well as a strict inventory management system, our destruction levels are very low. Unfortunately, we cannot avoid it completely. As antibiotic resistance is a growing problem, we use a certified company that is authorised to destroy medicines and medical products in a safe and sustainable manner.



Energy consumption in 2019



61 320 kg recycled in 2019



Travel

As an international medical wholesaler with a subsidiary and a parent company on different continents, Imres cannot always avoid travel. We are, however, very mindful of the CO₂ impact of long-distance flights. Over recent years, we have invested in state-of-the-art videoconferencing tools which have reduced the necessity for travels by almost 40%. In 2020, we will offset our air travel related CO₂ emissions by supporting an international programme that invests in local green energy projects in Africa.



Measurements of Outcome



On-site charging stations are available.



61 320 kg of materials have been recycled.



Reduced transportation volumes due to Dubai facility

2020 Targets



We will replace all personal computers (PCs) with new, mini PCs. The old machines will be refurbished and donated to schools.



LED lights will be installed in our third warehouse.



We will offset CO₂ emissions from long distance flights through an international programme.



We will comply with the ISO 26000 guidelines.



ANTI-CORRUPTION



PRINCIPLE

10

We work against corruption in all its forms, including extortion and bribery.

Integrity and transparency are important core values of Imres and are deeply ingrained in our culture. We believe that the only way to achieve sustainable success is through open, ethical business practices in our own company and in the supply chain. We focus on consistent quality for the best price, on innovative solutions, and adding value for our customers.

We have an anti-bribery and anti-corruption policy in our quality system that all Imres employees must read and agree to abide by. We have a zero-tolerance policy on corruption and have yearly audits conducted by our accountants and key NGO customers. All employees that have regular contact with our customers or suppliers must complete an online anti-bribery course.

If Imres staff are aware of any form of corruption or other unethical behaviour, they can report it anonymously to our confidential counsellor. To add impetus to our work against corruption, we will reinforce our anti-corruption

policy in our on-boarding programme for new employees. All exposed employees will also be required to complete an annual, mandatory online refresher course on our anti-corruption and anti-bribery policy.

In the Supply Chain

We are aware that anti-corruption and anti-bribery measures in the supply chain are more difficult to control than in our own operation. We require all our local partners to sign our anti-bribery and anti-corruption policy, and we do not tolerate any form of price fixing. In 2018, we implemented rigorous annual reviews to ensure that our agents comply with our policy. Imres enforces a zero-tolerance approach to corruption, bribery and any other form of unethical behaviour from our local partners. Any breaches will result in the immediate termination of our business arrangement.

Measurements of Outcome



Our online anti-bribery course is mandatory for employees who deal with customers and suppliers.



Our local partners are constantly reviewed to ensure their compliance with our anti-bribery and corruption policy.



No corruption or bribery incidents have been reported.



All employees must complete an annual, mandatory airfreight safety course.

2020 Targets



We will increase awareness of our anti-bribery and corruption policy through our on-boarding programme.



A mandatory online refresher course will be implemented.



Covid-19 kits, ready for shipment



This report is available on the UN Global Compact website, on the Imres website and in our internal Quality Management Information System.

REPORT PROFILE

Reporting period: 2019 | Reporting cycle: Annual | Publishing date: June 2020

Publisher and design: Imres B.V.

Contact for socially responsible business operations:

Dian van Uythoven, vanuythoven@imres.nl

IMRES | Larserpoortweg 26, 8218 NK Lelystad, Netherlands

Phone +31 (0) 320 296969 | www.imres.nl | Email info@imres.nl



an Imperial™ company