

BUSINESS DISRUPTION & CONTINUITY POLICY 2020

INTRODUCTION

Impamark is a UK limited business operating for over 50 years with two offices - one in Essex in the East of England, and the second office established in Eastern Spain for over 12 years. The current staffing are split between the two offices making business disruption and continuity much easier to manage.

We believe that we are capable of continuing to deliver our products and services to our clients following a disruptive incident. It is the responsibility of key personnel within the business to ensure that Impamark is resilient and can ride the storm and still remain operational and productive through a robust business continuity plan which is supported by and communicated to all staff.

KEY PRODUCTS & SERVICES OF THE BUSINESS

Impamark is an established distributor of an extensive range of promotional merchandise within the UK. The merchandise is purchased from a network of suppliers across the UK, Europe and Far East. Impamark holds no stock itself.

Although the company's second office is based in Spain, the Spanish personnel are responsible for the UK market only. Impamark does not produce or make any of its products. The two offices have only administration roles.

Impamark has no manufacturing processes OR warehousing within its activities

- Impamark sells branded merchandise to a wide customer base within the UK.
- Impamark processes these orders including proofing bespoke artwork for each client
- Impamark liaises with specific suppliers for certain products in order to process these orders
- Impamark arranges for delivery of these orders within defined time frames
- Impamark invoices these orders

Impamark is aware there are certain risks to our day to day business activity and production that could be affected by external disruption:

- Economic & Market Risks
- Competition
- Currency Exchange
- Operational Risks due to Natural Disasters, Fire, Flood, hurricanes, blizzards & Loss of Power
- Operational Risks due to Man-made Disasters such as hazardous oil spills, pollution and industrial wastes
- Accidents such as Factory fires and other similar incidents
- Failure of Utilities such as electricity and water within the workplace
- Staffing
- Technological Risks of Sabotage and cybersecurity risks
- Security of Customer Data

Impamark has analysed the risks for these various potential threats and devised a pro-active plan to counteract the threat of these potential emergencies and unexpected events to enable us to recover quickly and have the necessary resources and strategy in place to continue our day to day business operations.

In addition:

- we believe that this strategy will give our customers peace of mind and lead to additional trust and a better working relationship.
- It will reassure our staff and give them peace of mind.
- It will raise the public perception of the company within the local area and the wider business community

These threats could impact on our:

- Revenue & Profits
- Costs & Expenditure
- Customers
- Business Reputation

ECONOMIC & MARKET RISKS

Like all UK merchandise distributors, Impamark is affected by current UK economic trends and exchange rates. After Brexit we don't know what the long term affect will be in terms of supply chain, customs delays, additional surcharges and exchange rate fluctuations. This is the most immediate concern for the day to day running of our businesses.

There could be a short to medium term impact in revenue which could affect cash flow and profit.

HOW DO WE MINIMISE THE RISK?

Impamark has a wealth of experience within the promotional merchandise industry and a excellent client retention, some for over 20 years. In addition, Impamark has a wide customer base across a breadth of different areas. This has a proven track record in previous recessions. Due to our diverse customer base we were still operating and gaining business when other larger distributors had gone into receivership. Impamark is not reliant on any one client for its future.

In addition many of Impamark's clients are effectively recession proof. We have worked to gain clients who are less affected by economic downturn than others. We also have a large base of small clients who are happy to pay premium rates for expert advice and relatively small runs.

Finally, we have a network of excellent UK suppliers whom we have been proactively promoting in the past 2 years to our clients. These suppliers have short turn arounds, can meet quick deadlines and should not be affected by currency fluctuations and additional customs charges after Brexit.

Whilst some suppliers may be able to source and manufacturer a product entirely in the UK, most cannot and are reliant on imported materials. These suppliers may find themselves victims of currency fluctuations, tariffs and stock shortages for their core materials. We are in continual liaison with these suppliers to assess the risk and attempt to minimise delay and disruption.

Current assessment : High risk of disruption over the next 24 months

COMPETITION

The promotional products market is intensely competitive and the rapid development of internet commerce, digital marketing and online marketplaces may allow competitors to reach a broader audience. There always has been and there always will be competition - which Impamark views as a healthy part of strategy and negotiation in 2020. It is important to recognise competition, but our industry has a £1 billion spend within the UK and Impamark is well placed with a loyal customer base established over 50 years, and experienced staff to manage this competition. With a small but effective team we can afford to be price competitive. The number of repeat orders we have is testament to that.

Impamark aims to have an open mind with regards to technological changes in order to continue to expand and grow.

Competition and the internet can lead to reduction in pricing and therefore profit. Impamark's aim is to educate its customers that price is not of sole importance when purchasing promotional products but the following are:

- Quality of products and service
- Meeting deadlines
- Resolving issues quickly
- Customer satisfaction
- Rapid response to Quote requests
- Managing the ordering process
- Ability to liaise with a variety of stakeholders
- Excellent supply chain
- Attention to detail
- Brand compliance

We also continuously seek and monitor customer opinion in terms of the above via email, phone, testimonials and customer surveys

Current assessment : Low risk of disruption

Main Person of Responsibility – Nicky Crisp

CURRENCY EXCHANGE

The company trades 98% in sterling with its clients and suppliers. We have some suppliers with whom we trade in euros, but this is small.

The company is affected more by suppliers buying using the dollar exchange rate which is used in Far EAST trade.

We are potentially at risk AS ARE OTHER DISTRIBUTORS by changes to exchange rates. The current uncertainty over the future trading relationships between the UK and other countries are causing fluctuations in the exchange rates. Ongoing disputes between the USA and China are also having an effect on rates.

In order to minimise this risk we have built up a wide network of UK suppliers with UK stock who we can use for quick turnarounds

Current assessment : High risk of disruption over the next 24 months

Main Person of Responsibility – Nicky Crisp

OPERATIONAL RISKS DUE TO NATURAL DISASTERS, FIRE, FLOOD, HURRICANES, BLIZZARDS & OPERATIONAL RISKS DUE TO MAN-MADE DISASTERS SUCH AS HAZARDOUS OIL SPILLS, POLLUTION & INDUSTRIAL WASTES

As previously mentioned the company has no manufacturing or warehousing operations.

The company has a robust health & safety policy which has recognised the risks and impact on the company in terms of man made disasters and there are none.

Due to the company being based at two sites and in two countries, the operational risk is almost completely mitigated. All of the companies systems are cloud based so the CRM system and the invoicing system can be accessed via the cloud from anywhere. The phone is a VOIP system which again can be used anywhere. These systems are backed up to different locations in the event there is disruption to the cloud services.

If the UK company were to be affected by both natural or man made disasters, the staff could temporarily work from home and access all communications ie email, CRM, telephone from home etc. Whilst this was being organised the Spanish office can answer phones from Spain, manage email enquiries, process orders etc. The UK team regularly visit Spain and visa versa and being across two sites ensures continuity of the business at all times.

If completely necessary the UK team could temporarily relocate to Spain and visa versa in order to recover from a major operational issue.

Fire and flood are the most serious risks to the company.

RISKS

FLOODING

The UK office is situated within a potential flood zone. However it has been assessed as low risk between 0.1 & 1% chance. We are signed up for government flood alerts with the environment agency and this will give us notice day or night via email and phone of any potential risk of flooding. The Spanish office is not located within a flood zone

Current assessment : Low risk of disruption

FACTORY FIRES

As the company holds no industrial chemicals on-site the risk of a factory fire is minimal. The companies robust health and safety plan has recognised this risk as very low. The company has fire exits clearly marked and up-to date and annually checked fire extinguishers which staff have been trained to use.

In the UK it would be more likely for a fire to start in another building on the estate and spread to our own.

In the case of a fire our emergency response would be temporarily implemented as above

After 48 hours once the analysis of the scale of the disruption has been assessed, we would move to the next phase of our emergency response strategy;

- Moving staff to working from home on a more permanent basis
- Moving certain key staff to the other office (Spain or UK)
- Finding local alternative office space for a mid to longer term solution

The Spanish office has a risk of forest fires which would necessitate evacuation. The office has plans in place in the event of a fire scenario.

There are no printing processes undertaken at either of the Impamark offices as they are purely used for administration.

Current assessment : Low risk of disruption

DISRUPTION AT SUPPLIERS

Impamark has a network of suppliers across the UK, Europe and Far East who produce the merchandise for our clients. If there was an issue with any one of our suppliers e.g. machine breaks we could transfer production elsewhere to ensure that we meet deadlines etc. All of our suppliers are checked to ensure they are compliant in terms of quality, production capability and capacity, ethical standards and financial stability.

Current assessment : Low risk of disruption

Main Person of Responsibility UK – Peter Crisp

Main Person of Responsibility Spain – John Crisp

Main Persons of responsibility UK – Ian Richards & Peter Crisp

Main Persons of Responsibility Spain – John Crisp & Nicky Crisp

STAFFING

Performance depends on the ability of the business to continue to attract, motivate and retain key staff. These individuals possess sales and marketing, merchandising, supply chain, IT, financial and general management skills that are key to the continued successful operation of the business.

Impamark has an excellent track record in terms of staff retention. We aim to offer staff flexible working conditions, with pay relative to the industry and the local area with incentive schemes to assist with retaining key personnel. In addition Impamark recognises that it does not always have the skills relative for a particular area of specialism and is not afraid to outsource these skills when required.

Impamark strives to create a happy and educated team reflective of its ethos and vision. We are always looking for potential new members to join our team. No one is indispensable. However in a small team everyone is important and has their role. It is imperative that in 2020 we plan for staff changes. We have to stay abreast by recruiting, training and ensuring that our team are happy. We have to be prepared for changes in staff and to not let that affect our processes and customer satisfaction. Our customers have to rely on us and we will not let them down – our reputation is at stake.

RISKS

Sickness

If there was an epidemic of sickness that wiped out one office temporarily – the other office would be able to pick up and cover most effectively. Both offices can access email communications and work processes in order to cover current production and workloads. All account managers have a support team within the two countries who are aware of day to day orders, processing, invoicing etc and one office can work perfectly well for a period of time without the other.

Current assessment : Low risk of disruption

Main Person of Responsibility – Nicky Crisp

TECHNOLOGICAL RISKS OF SABOTAGE & CYBER ATTACKS

Failure or interruption of information technology systems and infrastructure.

In 2020 this would seriously impact on the company being able to work effectively and thus seriously impacting on its customers.

Impamark is keenly aware of the need to keep pace with the rapidly changing and continuously

evolving technological landscape which requires investment to ensure that we are up to date, and develop our systems inline with industry requirements.

Impamark has an in house IT department which is unusual for a company of its size. This is due to the fact that the company is based in two countries.

The company runs its main systems on its own hardware in a secure site which has full backup operations at the facility. All company systems are Linux based which reduces the attack surface. All important data is backed up to different locations, and then again backed up to be taken off site. The company has back up wifi for its VOIP phones and in the past 12 years since operating from two sites has not had a day when one or other office could not operate efficiently due to issues with telecommunications or internet problems.

Any legal documents are kept in a fire proof safe at the UK office with copies at the Spanish office. All staff are able to work from anywhere with an internet connection, either cable or mobile, should the need arise.

All staff are required to follow our own internal IT policy which covers security policies.

An Emergency Operations Centre would either be in UK or Spain depending where the problem was.

A physical staff list is in the office of both countries. In reality all staff are linked by mobile phone communications and we have a work Whatsapp group to communicate quickly and efficiently at all times

Current assessment : Low risk of disruption

Main Person of Responsibility UK – Peter Crisp

Main Person of Responsibility Spain – John Crisp

SECURITY OF CUSTOMER DATA

Unauthorised access to our internal systems and misappropriation of customer data could lead to reputational damage and loss of customer confidence. This is a rapidly changing environment, with new threats emerging on an almost daily basis. It would also be incredibly damaging to Impamark's continuing business and its brand.

Impamark employs experienced IT staff whose role it is to ensure that the company does not have any security violations. The risks are managed on a day by day basis. We have technical infrastructure in place to monitor and minimise the risk of breaches and these are managed and maintained daily.

All staff are required to follow our own internal IT policy which covers security policies.

Current assessment : Low risk of disruption

Main Person of Responsibility – John Crisp