

2010

Sustainability report and COP of Neosys AG



Neosys AG

Gerlafingen - Berne - Lausanne - Hanoi

01.01.2010

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1 Foreword

The present report is the first of its kind for Neosys AG. For the first time in the company's history, we are reporting according to the principles of the Global Reporting Initiative (GRI). This means orienting the company report to the stakeholder and ensuring a high degree of transparency with regard to important key performance indicators of our company – both in a commercial sense and with regard to social, societal and ecological performance.

You would be justified in asking why and to what purpose a small company with a workforce of 25 takes this upon itself. The answer is a multi-faceted one. Firstly, we sell consulting services to companies who have to draw up a company report that is compliant with GRI for a whole variety of reasons. It therefore makes sense to test on our own company whether our consulting works. Secondly, we believe that such a report improves the quality of our own management – simply by compelling us to regularly examine certain factors and performances and to confront ourselves with the various interests of the different stakeholder groups. Thirdly and last but not least, we think there is something good about sustainability reporting, something that matches our corporate vision. For this very reason, we are also a member of the UN Global Compact and are very proud to collaborate in such an initiative.

The report covers the financial year from 1.1.2010 until 31.12.2010. It is intended both as a GRI report and as a management review report for our integrated management system. We wish you an enjoyable read and look forward to receiving your comments.

Since this report serves as well as a Communication on Progress (COP) for the UN Global Compact I would like to address our stakeholders directly and to emphasize:

I am pleased to confirm that Neosys reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Dr. Jürg Liechti
CEO and President of the Board

2 Company

2.1 An overview of Neosys (see also corporate profile in appendix)



23 staff

4 sites

63 products

4 business units

RisCare Dr. Jürg Liechti	Technology-Environment Rolf Gerber Laboratory Dr. Martin von Allmen	Social Responsibility CSR Alex Kunze Dr. Clemens Lang Office Bern	Management-systems and Compliance Dr. Walter Schaad	Bureau Suisse Romande Dr. Pierre Honsberger
Administration + Finances CFO Rolf Scheidegger		Management System Head Dr. Clemens Lang		
Company Management CEO Dr. Jürg Liechti				
Board Dr. Jürg Liechti, Rolf Scheidegger, Alexander Antenen				

See also:
Appendix "Corporate profile"
or www.neosys.ch

2.2 Vision

- Our interdisciplinary team covers a broad range of services related to environment, technology, safety, risk management, social responsibility and management systems.
- Our aim is the sustainable success of our customers. To achieve it, we combine technical know-how with management skills.
- We work in Switzerland and world-wide for businesses, authorities and organisations. We assess, consult, model, measure and serve as independent trustees.
- Competence and objectivity are our highest goals. We are independent of manufacturers or service providers, bound only by our ethical and professional standards as well as the best interest of our clients.
- We develop and improve our services on a continuous basis. The exchange of experiences between our different specialists is a key factor here.
- We also continually improve our environmental performance and contribute to the protection of natural resources.
- Our culture is defined by acceptance, respect and belief as well as by a common commitment to success. It links us across the complexity of our projects, collaborators and stakeholders. Our employees are empowered with a high level of responsibility.

2.3 Importance of sustainability for Neosys AG

Neosys AG sees itself as a service provider for the sustainability of its customers. By that we mean all aspects of ecological sustainability and a large number of social sustainability and economic sustainability aspects (in particular safety and risk analysis).

We are convinced that in the present environment of globalisation and rapid technological and economic development, it will be necessary in the long term to recognise and correct deficits in the ecological and social sphere and in safety. We align our efforts to this benefit. Our vision is that we are able to accompany our clients towards ecological and social sustainability and thus also contribute to their economic competitiveness and sustainability.

The benchmarks of sustainability that we want to convey to our customers also apply to ourselves. We are a member of the UN Global Compact Initiative. We operate a management system that is certified according to ISO 9001 and ISO 14001 and, as this report shows, we report in line with the GRI standard.

2.4 Chronicle of the year 2010

January 2010	Alex Kunze starts a 6-month holiday which takes him, among other places, to the Antarctic. The unit is managed by Clemens Lang in his absence.
January 2010	For the first time, the end-of-month accounts are drawn up using the new "Proffix" software.
1.2.2010	Natalie Spoljaric joins MSC.
March 2010	Neosys Asia is unsuccessful in replicating the Tchibo mandate. The workload falls and Christophe is forced to accept work at low rates. At the same time, the order situation at CSR Berne also starts to show signs of trouble.
April 2010	The (internal) purchase and sale of Neosys shares is set out in a set of rules.
April 2010	The review audit is conducted for the first time by SQS in the Western Switzerland office at Epalinges.
26.5.2010	Annual shareholders' meeting of Neosys AG
31.5.2010	Yasemin Sert leaves the company.
June 2010	Neosys joins the UN Global Compact. The projects decided upon in the strategy agreements, "Introduction of ISO 14001" and "GRI Reporting", are launched.
June 2010	Turnaround measures are initiated in the areas of CSR and Neosys Asia. Barbara Buser reduces the number of hours she works. Clemens works more for MSC.
July 2010	As part of the CO ₂ collaboration in Thailand, a course on the handling of CO ₂ projects is held in Bangkok for the employees of ProEn.
1.9.2010	Claus Walcher joins MSC.
October 2010	The office in Hanoi is officially designated a "representative office".
October 2010	There are signs that the strong fall in the euro is resulting in considerable need for depreciation and amortisation in projects.
November 2010	Negotiations are held regarding a collaboration with or recruitment of a partner to arrange a representation of Neosys in South America (Bolivia). The project is not continued until the 2nd quarter of 2011.
December 2010	Negotiation of a new contract with Aline Guillaume-Gentil who wants to continue to work for Neosys as a freelancer.
December 2010	The upper floor in Gerlafingen is renovated in a major clear-out.

2.5 Developments – Impact – Opportunities

The year 2010 was marked by a recovery in the products of Technology&Environment and RisCare as the economic upturn gained momentum and at the same time a sharp drop in the workload in the CSR divisions (CSR Berne and Neosys Asia). There were primarily two reasons for this:

- The development of the euro and dollar exchange rates resulted in a need for depreciation and amortisation in existing projects and in record low fees in work for international organisations and groups.
- The acquisition of new projects after the loss of long-term major projects (e.g. Seco) was unsatisfactory.

The second point was corrected in the second half of the year, in particular after the return of the CSR Business Unit leader from his sabbatical. The handling of work that had been commenced and of liquidity during periods of exchange rate fluctuations was corrected and similar errors in future will be avoided. However, the exchange rate of the euro and of the dollar in particular remains a serious ongoing problem. It is inconceivable that international organisations such as the ILO would adjust our prices as a result of the high franc. A reaction is therefore only possible on the cost side if we want to maintain the respective activities.

An absolute highlight is the development in the MSC unit. The strong growth in demand for our law services and the continued interest of companies in introducing ISO 14001 here facilitated excellent results that helped to compensate for the high losses of the CSR divisions.

On another positive note, we see a host of opportunities for further development here. As a company of the "clean tech" industry, we will be able to assist in the restructuring of the economy towards more environmentally friendly and energy-saving modes of operation. The pressure towards socially and ecologically acceptable production with suppliers in developing and emerging countries will also continue. The sharp increase in interest in the ISO 26000 standard proves this and we are ideally positioned in this regard. Risk management that is correctly interpreted and implemented in a pragmatic but comprehensive and consistent manner will also occupy industry and the public sector for a long time to come.

3 Economy

3.1 Company success

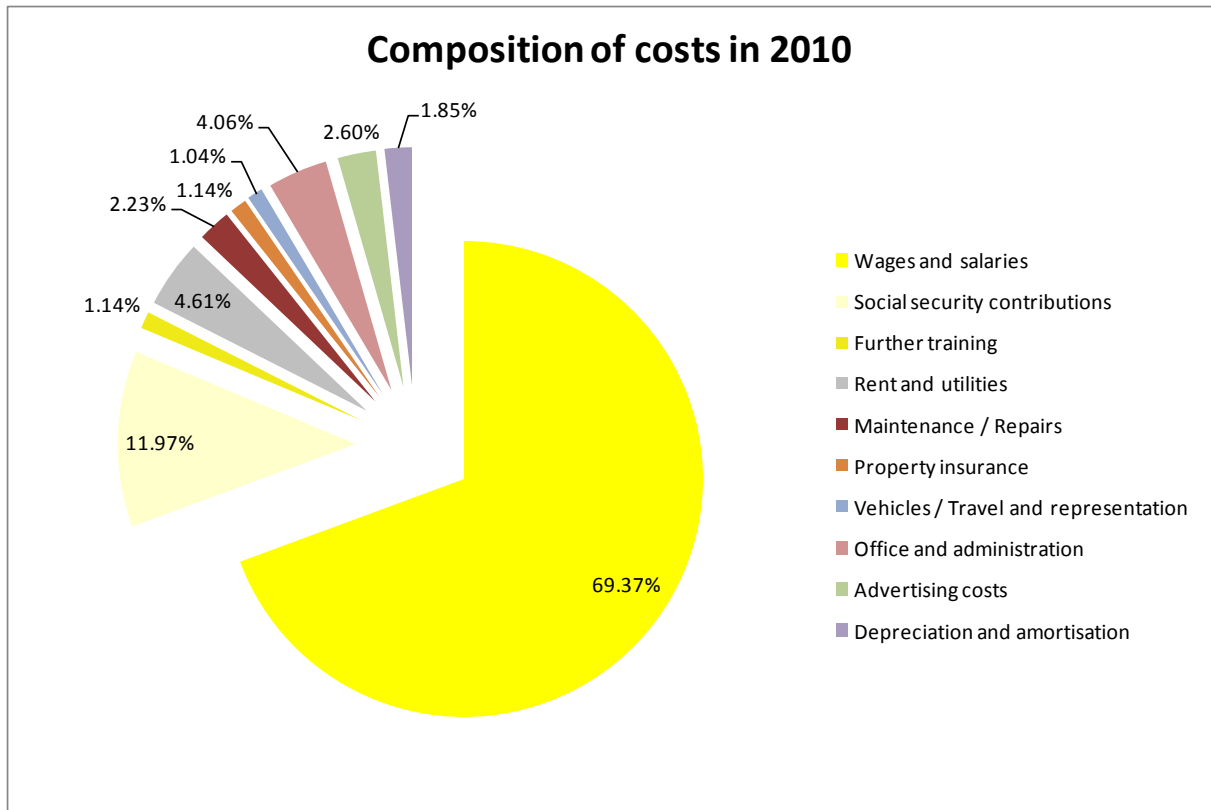
Current status and indicators

The overview table shows the key indicator values. The above-average results of the MSC division were unable to fully compensate for the losses of the CSR divisions. Consequently, net turnover (CM 1) is 400 kCHF or 14% below the budgeted expectations. The reactions on the cost side were unable to compensate for such a sharp decline in turnover. EBIT declined to 113 kCHF or 55% of the budgeted figure. After several years with EBITs around 200 kCHF, this result is correspondingly disappointing. The resulting return on EBIT, at 4.6%, is just under the lower acceptance figure of 5%. The reaction on the side of costs control and thus the allocation of overheads should be viewed positively: It was still possible to compensate for three quarters of the decline in turnover compared to budget. Staff productivity declined by approx. 7% to 1.32 compared to the previous year. This figure too is unacceptably low. The target of 1.50 was missed by a large margin.

Based on sales, Neosys AG declined in 2010 by approx. 9% and is now approximately at its level of 2008. However, its resources with regard to personnel and infrastructure (e.g. new site) are at their level of 2009, which has of course resulted in lower profits.

Indicator	Unit of measurement	ACTUAL 2010	Target 2010	Actual 2009	Actual 2008
Gross sales, all of Neosys	kCHF	3,063		3,375	3,318
HR costs, all of Neosys	kCHF	2,193		2,331	2,073
Net sales (CM1), only BU's	kCHF	2,443	2,850	2,698	2,426
HR costs, only BU's	kCHF	1,847	1,895	1,900	1,595
EBIT	kCHF	113	205	201	217
Operating result	kCHF	113	196	217	215
Cash flow	kCHF	162	261	304	278
Dividends distributed	kCHF			72	72
EBIT rate of return	%	4.6	7.2	7.5	8.9
Staff productivity	-	1.32	1.50	1.42	1.52

The following graphic shows the breakdown of costs. Although Neosys has everything required for state-of-the-art working, and although investments have always been written off at the maximum rates permitted, the material costs barely account for a quarter of costs. Three quarters are direct or indirect HR costs. This also makes clear that fundamental reactions on the cost side are only possible with the inclusion of the HR side. These should of course be avoided and instead turnover increased again. The corresponding acquisition activities were carried out in the 2nd semester of 2010 and will be reflected in 2011.



Assessment

All indicators apart from HR costs are in the red. Below the line, it is a disappointing financial year. A special aspect is the major imbalance within the company – excellent results from some divisions stand alongside very poor results from others. To a certain extent, the sharp declines can be attributed to circumstances of “force majeure” and in particular the exchange rate losses and high costs due to illness. However, measures are clearly necessary to take the company back into the black of the last few years.

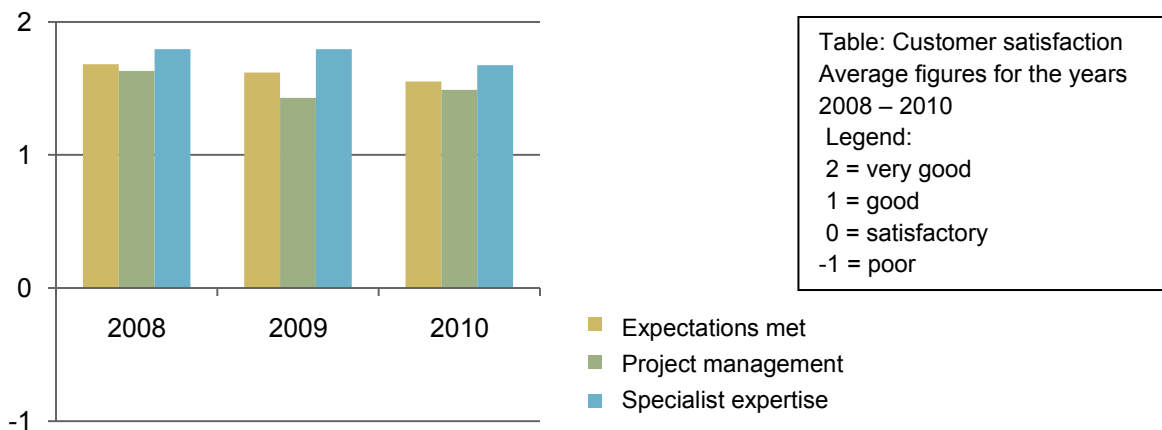
Measures

- Relocation of personnel resources from the CSR to the MSC division
- Adjustment of the fee-to-personnel-cost factor in foreign business
- Acquisition offensive in CSR, in particular with regard to long-term contracts financed by the public sector
- Training courses in project management to reduce the risks of exchange rate losses

3.2 Customers

Our customers are several hundred companies, authorities (departments and municipalities) and organisations (associations, international organisations, NGOs, etc.) in Switzerland and abroad. Our customer base has included a broad range of industries for many years. The trademark of Neosys is the provision of personal support and consulting services that are tailored to the clients and their requirements. Through personal contact, we receive direct feedback on customer satisfaction. We carry out systematic questionnaire-based customer satisfaction surveys.

Current status and indicators



The rate of questionnaires returned was 34% (144 questionnaires were sent out). In each case, 100% of the customers indicated that they would work with Neosys again or would recommend Neosys to others.

Indicator	Unit of measurement	ACTUAL 2010	Target 2010	Actual 2009	Actual 2008
Complaints from customers	Number	0	---	3	3

To date, any complaints from customers have related solely to project management, and specifically to aspects such as scheduling and exceeding of costs.

Assessment

Neosys has had a high degree of customer satisfaction for many years, with ratings of "very good" or "good" virtually across the board. The lowest rating, although for the most part still very good, is given to the project management (primarily adherence to deadlines and budget). Clients particularly appreciate our specialist expertise. Over the last three years, this assessment has fallen slightly. With regard to specialist expertise, this can be explained by a larger number of new younger employees who need a certain amount of time to attain a corresponding level of expertise. With regard to the project management, the slight downward trend in the last year was reversed.

Measures

- Monitoring of the trend, incl. implementation of the new customer satisfaction survey

- Monthly assessment of the feedback from the questionnaire and other feedback from the company management
- Training courses on project and quality management, presentation techniques, etc.

3.3 Suppliers

Current status and indicators

Supplier management is of secondary importance for Neosys as most of the value chain comes from the work of the employees and only very little is contributed by suppliers. In the area of mobility, office material, IT and laboratory services, there are important suppliers for operational functions. There are no negative incidents here. No supplier relationship was terminated due to a lack of quality. A new code of conduct has been defined that includes the locally valid environmental, occupational safety and occupational legislation, as well as the ILO core conventions and the payment of social security contributions and taxes. Service partners in Switzerland and abroad are informed about this code and should confirm that they comply with it.

With regard to products, Neosys has purchased fair-trade coffee and recycled paper for many years. In addition, IT products are used from a company that is a leading player with regard to fair working conditions, although it is not yet active in all areas. A list of ecological and social criteria is being drawn up for other products and will be used with immediate effect.

As part of the further development of the system, partners are to be increasingly integrated into the supplier review too (in particular abroad). In line with sustainable procurement, an indicator will also be introduced that requires an assessment of the suppliers relevant for this with regard to the respect for human rights.

Indicator	Unit of measurement	ACTUAL 2010	Target 2010	Actual 2009	Actual 2008
Service partners who have been reviewed	%	---	---	---	---
Exclusion of suppliers	Number	0	---	0	0

Assessment

Supplier management is of secondary importance. With certain products, we have been active for longer. A systematic and consistent use of ecological and social criteria has not, however, been done yet.

Measures

- Informing the service partners in Switzerland and abroad with regard to the Neosys code of conduct
- The code is to be integrated into the contracts and confirmed by the partners
- Application of the list of criteria in Purchasing

3.4 Innovation

Current status and indicators

There is an internal innovation process. New ideas for projects are reported by the employees and their status and progress discussed during the market meeting. There were 8 innovation projects in 2010, of which 3 were concluded. Another four projects are about to be completed. There were 9 innovation projects in the previous years. Some stagnating projects were suspended.

Indicator	Unit of measurement	ACTUAL 2010	Target 2010	Actual 2009	Actual 2008
Number of innovation projects handled		8		9	Not recorded
Working hours spent on 05. Projects	Hrs/yr	91.5		175.5	134.3

Assessment

The number of innovation projects is at a good level. However, in places the innovation projects are developed further in a rather random way. In particular, when a project is unlikely to generate revenue in the near future, or in phases of heavy workload, development projects are postponed or handled with secondary priority.

It should also be made clear when exactly a project is included in the innovation controlling.

Measures

- Review innovation process, in particular the question: When is a project a development project?

3.5 Management system

Current status and indicators

Neosys AG has an integrated management system. The company's quality management has been ISO 9001-certified for many years. This is attained without any problem every time. The management system is expedient and is regularly developed further. Instruments of the continuous improvement process are: customer surveys, employee surveys, internal audits, team meetings, improvement reports. Last year, important development steps were decided upon with the development of an EMS pursuant to ISO 14001, the introduction of a sustainability reporting pursuant to GRI and the accession to the UN Global Compact Initiative. Another challenge in the last two years was the introduction of a new accounting, project administration and data system.

Assessment

The management system works well for day-to-day business; it is accepted by the majority and is run efficiently. The introduction of an EMS and sustainability reporting has largely been completed. The implementation is still under way.

Customer satisfaction is still high but needs to be clearly monitored.

Measures

- Implement EMS in full and continually check potential for improvement.
- Continue to use and improve existing instruments.
- Regular holding of training courses on administrative and content aspects of project management.

4 People and society

4.1 Corporate governance and stakeholders

Current status and indicators

The **Board of Directors** consists of three people, of whom two are major shareholders and a third is an external party. As an SME not listed on the stock exchange, it is our policy for the members of the Board of Directors to firstly be the major shareholders responsible and secondly selected external individuals who can support Neosys with their network of contacts. The Chairman of the Board of Directors is also the majority shareholder and the CEO. This constellation results from the management buyout in 2006 and is intended to help stabilise the company. It is reviewed at regular intervals.

The **company management** consists of the five divisional heads (of whom one is also the CEO and two others jointly head up a division) and the CFO who is also the Director of Administration.

The **market meeting** which regulates the issues relating to product design, market development and the company presence also has an important role to play in the management and organisation of the company. It comprises all employees with project manager status (21 of 23 employees).

The **strategy committee** reviews the corporate strategy on an annual basis. It has a new composition every year and at least the Board of Directors and the company management are represented in it. The Board of Directors decides on the annual composition. This flexibility makes it possible to adapt the participants to the current situation and to the form of the strategic meeting according to the specific situation.

The most important stakeholders of Neosys are:

- a) Customers, i.e. private industry, public sector, international organisations
- b) Employees
- c) Suppliers, i.e. suppliers in the value chain, service providers to Neosys (banks, insurance companies, ...)
- d) Collaboration partners
- e) Media
- f) External market influencers
- g) Local community (neighbours, associations, municipality, canton)
- h) Competitors
- i) Nature and ecosystems

The present report describes in the corresponding chapters how the aforementioned groups are approached and included.

Assessment

A full systematic analysis, such as that which was carried out e.g. as part of the corporate risk analysis and assessment, is currently not available. The actual situation shows the constellation as it has developed over the years.

Measures

- Carry out stakeholder analysis per unit as preparation for the strategy workshop.

- No specific measures envisaged. The commitment to the GRI, however, will achieve enhanced awareness of this point.

4.2 Business practices (incl. corruption)

Current status and indicators

Neosys is striving for ethical relationships with suppliers, customers, competitors, clients, beneficiaries, state organisations, employees and any other groups affected. As it is important for our credibility, many aspects have already of course been implicitly applied up to now. Certain aspects are currently being explicitly formulated as part of the company's further development. Complaints from customers, neighbours, society groups, employees, etc. are also taken up by the management system manager as required, and followed.

Indicator	Unit of measurement	ACTUAL 2010	Target 2010	Actual 2009	Actual 2008
Employees who were given anti-corruption training	% of people	0	---	Not recorded	Not recorded
Cases in which there was any suspected corruption	Number	0	0	Not recorded	Not recorded
Complaints from stakeholders with regard to environmental or social aspects	Number		---	0	Not recorded

Assessment

On the domestic market, the risks of corruption can be rated as relatively low. With projects abroad, there is, however, an increased risk that the company could be confronted with it. As a preventive measure, an awareness of the risks should therefore be developed and procedures defined.

With regard to possible conflicts of interest through simultaneous projects with companies and authorities, activities as MS consultants and auditors, etc., great care is required, in particular when different divisions of Neosys are affected at the same time.

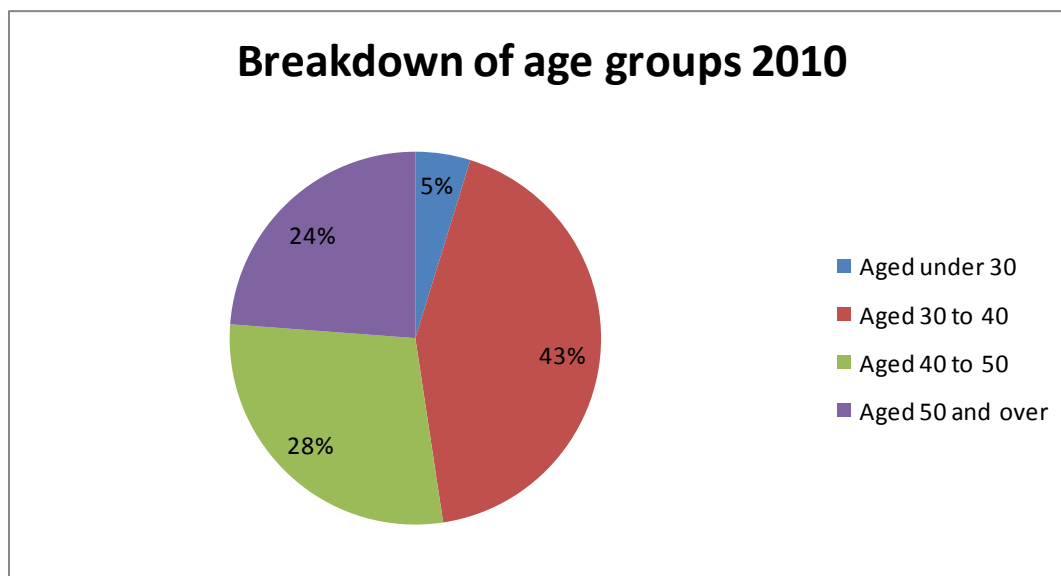
Measures

- Formulation of an anti-corruption policy and integration into the other valid work provisions.
- Internal training of the employees in these new work provisions
- External training course given by an employee of Transparency International

4.3 Employees

Current status and indicators

As per 1.1.2011, Neosys provides 15.7 full-time jobs with employment contracts pursuant to Swiss law plus collaboration agreements with 4 other individuals that are not fixed for a particular period of time. Neosys offers modern employment conditions with potential for development and a relatively large degree of operational freedom and delegation of responsibility. Further increases in the headcount are planned. The breakdown of the workforce by age and gender can be found in the diagram and table below.



Indicator	Unit of measurement	ACTUAL 2010	Target	Actual 2009	Actual 2008
Workforce	FTE on 31.12	15.7	--	15.7	14.1
Proportion of women among employees	% FTE	29	--	24	31
Proportion of women in the Board of Management	%	0	--	0	0
Proportion of women in the Board of Directors	%	0		0	0
Wage spread	Ratio of highest to lowest wage	2.84	--	Not recorded	Not recorded
Wage ratio woman/man PL3		1.040	1	1.007	Not recorded
Wage ratio woman/man PL4		0.979	1	0.982	Not recorded
Fluctuation	% FTE	5.2	< 8	0	10.8
Overall satisfaction	Scale 0 to 10	7.1	> 7	7.5	7.2
Time spent on further training	Hrs / FTE*Y	64.9		57.3	54.2

Employee fluctuation is in an acceptable range, i.e. relatively low. Only one employee left the company in 2010. One employee was on maternity leave during the year. Another employee

took unpaid leave of 5 months. Despite the tangible crisis in some divisions, there have been no lay-offs of personnel.

The level of satisfaction fell substantially last year, after it had increased in the previous year. The employee survey revealed where the major causes are.

Assessment

The economic situation had a major influence on employee satisfaction and resulted in a heavy workload for some departments and a lack of orders in others. This led to concerns with regard to job security for some employees, whilst others were working overtime.

The proportion of women increased compared to 2009.

Further training is very important for Neosys. It continued to increase last year, also due to new employees who joined the company last year.

Measures

- Increase in the average amount of external further training costs

4.4 Sponsoring, charity activities, etc.

Current status and indicators

The most important financial benefit for the general public is tax revenue. Neosys AG is still exempted from this due to the major losses in the company's history before the current constellation. A corresponding number of deductions can therefore still be made.

It is part of our philosophy to be active in local sponsoring and to participate in all industry and specialist organisations relevant for our company. The annual budget was adhered to in local sponsoring. The member contributions are at a constant level, as shown by the following table of indicators:

Indicator	Unit	ACTUAL 2010	Target	Actual 2009	Actual 2008
Sponsoring, donations	CHF	4550	4500	4750	4825
Member contributions	CHF	10942		10269	10795

In addition to financial contributions, employees of Neosys are also active in a number of bodies and events without any reimbursement of expenses (e.g. ISO National Committee, the Interest Group for Ecological Purchasing [IGOeB] Office, Swiss Association of Independent Safety and Security Engineers and Consultants [SSI], etc.), which although they are advertising platforms also contribute to honing society's awareness of sustainability. Costs in this regard are not recorded. A number of employees are active as volunteers for social issues (NGOs, politics, churches, etc.). Neosys AG welcomes charitable and political activities by its employees. These are not financed; however, any flexibility in working hours that this requires is granted. At the present time, one employee holds a political office (mayor).

Assessment

The costs posted are around 10% of profits and therefore seem sufficient.

Measures

- No measures envisaged

5 Environment

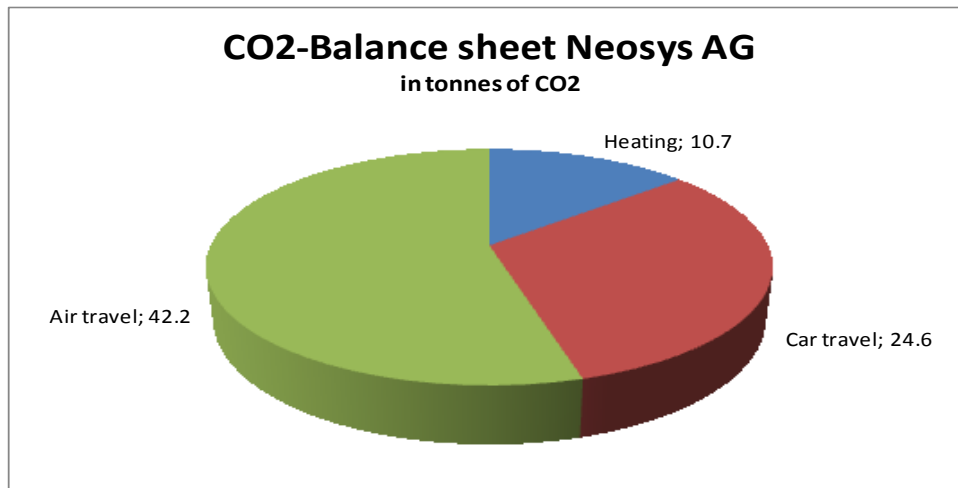
With the re-certification of the quality management system in 2011, Neosys AG is also achieving certification according to the ISO 14001 standard. The management system has been expanded in accordance with an environmental management system and the necessary analysis (environmental relevance) and additional definitions have been made. A legal compliance check was carried out and did not reveal any weak points.

Parameters have been collected in accordance with the insights from the relevance analysis. On some of them, targets have been defined as per 2011. The environmental targets had not yet been defined as per 2010.

5.1 Operations-related aspects

Current status and indicators

For 2010, the greenhouse gas footprint of Neosys AG is approx. 77 tonnes of CO₂. These originate from the three areas of heating, car travel and air travel. The consumption of electricity for office operations and for rail travel is not calculated in the greenhouse gas footprint. This is in compliance with the method of calculation used by the FOEN which uses the Swiss production mix, i.e. zero, for the emission factor of the Swiss grid electricity. The graphic below shows that air travel accounts for the lion's share of CO₂ emissions. No carbon offsets were purchased in 2010.



The usual indicators are the consumption of electricity, the proportion of green electricity in the general consumption, the consumption of paper and the amount of waste generated. For indicator statements and targets, the consumption is based on the number of positions.

Indicator	Unit of measurement	ACTUAL 2010	Target 2010	Actual 2009	Actual 2008
CO ₂ emissions	t CO ₂ /FTE	5.027			
Road kilometres	km/FTE	7,053			
Modal split rail/car	km _R /(km _C +km _R)	0.465			
Air kilometres	km/FTE	11,348			

Production of waste	kg/FTE	94.6			
Power consumption	kWh/FTE	2,421			
Proportion of green power	kWh _{ECO} /kWh _{tot}	0.391			
Paper consumption	kg/FTE	39.6			

Assessment

As there is no comparison with the figures of the previous year, no information is available concerning development trends. With regard to the higher-level goal of a 1-tonne CO₂ society, it is worth considering that employees of Neosys AG emit an average of 5 tonnes per FTE at their workplace alone. As 60% of it comes from flying, fundamental internal measures are difficult; however, carbon offsets can be looked into. The modal split for rail of 46.5% is considerable if we remember that we have many clients in the country where visits by rail are virtually impossible. The proportion of green power of almost 40% is also undoubtedly exemplary. Progress might be easier here as the additional costs for green power are readily affordable for Neosys AG.

Measures

- Setting of environmental targets as part of the management system for the year 2011
 - ➔ Halving of the offsettable CO₂ emissions, i.e. by 35 tonnes
 - through consistent purchase of “Klimatickets”, the proceeds of which are used for environmental protection projects
 - ➔ Increase of the modal split rail to > 50%
 - through increased use of mobility (combined transport)
 - ➔ Increase in the proportion of green power to > 50%
 - through corresponding amendment to the contract with AEK
 - ➔ Changeover of the fruit platter to fruits of "organic quality"
- Publication of the environmental targets and internal motivation to contribute to them

5.2 Product-related aspects

Actual status, assessment, measures

It is obvious for an environmental consulting company like Neosys AG that the direct internal environmental effects are much smaller than those caused indirectly via our services. The mandates that have a particularly great leverage here are:

- Introductions of EMS
- Legacy consulting and redevelopment
- Environmental technology (waste air, noise, NIR, etc.) and CO₂ projects
- Waste management

It is, however, not possible to quantify these effects with any degree of precision as much depends on the customer. With regard to quality, our impact is all the greater the more and the bigger the mandates we have with highly environmentally relevant clients. This situation is certainly satisfactory today. Our aim to increase this impact further goes hand in hand with our growth activities.

6 Summary: Neosys in 2010 in figures


FINANCE		Units	ACT 2010	Tar 2010	Act 2009	Act 2008
Net sales (CM1), only BUs	kCHF		2,443	2,850	2,698	2,426
HR costs, only Bus	kCHF		1,847	1,895	1,900	1595
EBIT	kCHF		113	205	201	217
Operating result	kCHF		113	196	217	215
Cash flow	kCHF		162	261	304	278
EBIT return	%		4.6	7.2	7.5	8.9
Staff productivity	-		1.32	1.50	1.42	1.52
QUALITY		Units	ACT 2010	Tar 2010	Act 2009	Act 2008
Complaints from customers	Number		0	---	3	3
Reviewed service partners	%		---	---	---	---
Exclusion of suppliers	Number		0	---	0	0
Innovation projects	Number		8	---	9	n.r.
Work on innovation projects	Hrs/yr		91.5	---	175.5	134.3
EMPLOYEES		Units	ACT 2010	Tar 2010	Act 2009	Act 2008
Workforce	FTE 31.12.		15.7	--	15.7	14.1
Prop. of women (employees)	%		29	--	24	31
Prop. of women (management)	%		0	--	0	0
Prop. of women (board)	%		0	--	0	0
Wage spread			2.84	--	n.r.	n.r.
Wage ratio w/m PL3			1.040	1	1.007	n.r.
Wage ratio w/m PL4			0.979	1	0.982	n.r.
Fluctuation	% FTE		5.2	< 8	0	10.8
Overall satisfaction	Scale 0-10		7.1	> 7	7.5	7.2
Time spent on further training	Hrs / FTE*Y		64.9		57.3	54.2
SOCIETY		Units	ACT 2010	Tar 2010	Act 2009	Act 2008
Attended anti-corruption training	% FTE		0	---	n.r.	n.r.
Cases of suspected corruption	Number		0	0	n.r.	n.r.
Complaints from stakeholders	Number			---	0	n.r.
Sponsoring, donations	CHF		4550	4500	4750	4825
Member contributions	CHF		10942	---	10269	10795
ECOLOGY		Units	ACT 2010	Tar 2010	Act 2009	Act 2008
Road kilometres	km/FTE		7,053	---		
Modal split rail/car	%		46.5	---		
Air kilometres	km/FTE		11,348	---		
CO ₂ emissions	t CO ₂ /FTE		5.027	---		
Production of waste	kg/FTE		94.6	---		
Power consumption	kWh/FTE		2,421	---		
Proportion of green power	kWh _{ECO} /kWh _t		0.391	---		
Paper consumption	kg/FTE		39.6	---		

Colour code:

Good	Satisfactory ⇒ Monitor	Poor ⇒ Measures	Target value
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7 Appendices

7.1 Corporate profile

1 Name	 Neosys AG
2 Brands, products, services	Analysing, consulting, planning, calculating, measuring and drawing up expert reports in the areas of environment, environmental technology, safety, risk management, social responsibility and management systems. The range of products can be viewed at http://www.neosys.ch/uebersicht-produkte.htm
3 Organisational structure	Organisational chart see under http://www.neosys.ch/uebersicht-organigramm.htm Offices in Gerlafingen, Berne and Epalinges (CH), as well as in Hanoi (Vietnam)
4 Headquarters	Gerlafingen (CH)
5 Countries in which the organisation is active	Neosys is fundamentally active in countries in which there are customer contracts. From a fiscal law perspective as a company and from a labour law perspective as an employer, Neosys is only active in Switzerland.
6 Ownership structure and legal form	Joint stock corporation under Swiss law. Four major and 6 minor shareholders solely from the company management and the workforce.
7 Markets	<ul style="list-style-type: none"> A Specialist environmental tasks for companies and official authorities, audits (CH) B Environmental technology, environmental engineering for industry and construction companies (CH, EU) C Technical safety and security consulting (CH) D CSR projects in international collaboration (Seco, SDC, ILO) (world) E Management system consulting (ISO 14001, 9001, 18001, etc.) (CH, D, A) F Company management, strategy consulting, risk management (CH) G Sustainable procurement and CSR standards (CH, EU)
8 Size	<p>Number of employees: As per 31.12.2010: 15.70 FTE spread across 23 people, plus 4 freelancers</p> <p>Net sales: As per 2010: CHF 2.56 million</p> <p>Overall capitalisation: Balance sheet total in 2009: CHF 1.73 million, of which equity: CHF 1.09 million (62.7%)</p> <p>Breakdown of sales according to country/region: 2010 not yet available</p> <p>Number of products/services offered: 63 pursuant to product overview</p>
9 Fundamental changes in the reporting year	None
10 Prizes received	None

7.2 GRI Content Index and notes on the report

The present report covers the period from 1.1.2010 until 31.12.2010. It represents the first public sustainability report of Neosys AG and incorporates all departments and areas of activity of Neosys AG. It is to be repeated on an annual basis and corresponds to application level C of version 3.0 of the standard of the Global Reporting Initiative (GRI). Nevertheless, considerably more than the minimum number of indicators has been recorded and presented. It has not been verified externally.

The contact person for this report is Clemens Lang, the head of the management system at Neosys, clemens.lang@neosys.ch, 031/351 98 66.

The indicators of the report were defined and drawn up in an internal work group with participants from the various departments. The report also represents the public part of the internal management review of Neosys and has been approved by the company management.

The allocation pursuant to GRI can be found in the following table (GRI Content Index).

The status is full, partial or not applicable; all other indicators were not reported.

G3 Code (GRI)	Content	Status	Chapter	Comments
Profile				
1.1	Statement from the most senior decision-maker of the organisation	Full	3.2	
1.2	Description of key impacts, risks and opportunities	Full	3.4	
2.1-2.10	Organisational profile	Full	8.1, 2.1	
3.1-3.12	Report profile, report scope and boundary, GRI Content Index	Full	8.2	The present table
3.13	Assurance	Full	8.2	No external verification envisaged
4.1-4.10	Corporate governance	Full	5.1	
4.11-4.13	Commitments to external initiatives	Full	3.2, 4.4	
4.14-4.17	Stakeholder engagement	Partial	5.1	
Economic performance indicators				
EC1	Direct economic value generated and distributed	Partial	4.1	
EC3	Coverage of the organisation's defined benefit plan obligations	Partial	4.1	
EC4	Significant financial assistance received from government	Partial	here	Neosys does not receive any subsidies, but it does receive contracts
EC6	Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	Partial	5.2, 4.3	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	Partial	here	For some associations, services are provided that are not offset but which have marketing potential.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	Partial	6.2	With regard to environmental impact
Environmental performance indicators				
EN1	Materials used	Partial	6.1	
EN3, EN 4	Energy consumption	Full	6.1	
EN6	Initiatives to optimise the energy used in services	Full	6.1	
EN8	Total water withdrawal by source	N/A	here	Water is only used for sanitation purposes.
EN16, EN 17	Total direct and indirect greenhouse gas emissions	Full	6.1	
EN18	Initiatives to reduce greenhouse gas emissions	Full	6.1	Greenhouse gas carbon offsets planned
EN21	Total water discharge by quality and destination	N/A	here	Only waste water from sanitation facilities
EN22	Total weight of waste by type and disposal method	Partial	here	Household waste in waste incineration, paper/PET to recycling, electronic goods are returned to retail
EN26	Initiatives to mitigate environmental impacts of products and services	Partial	6.1	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full	here	No fines or non-conformities, review as part of the EMS
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	Partial	6.1	

Social performance indicators				
Labour practices & decent work				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	Full	5.3	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender and region	Full	5.3	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Partial	here	No employment contracts for a limited period of time, with the exception of internships. Depending on the position, no flat-rate expenses or travel costs are reimbursed
LA4	Percentage of employees covered by collective bargaining agreements	N/A	here	There are no relevant collective bargaining agreements
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender	Full	5.3	
LA10	Average hours of training per year per employee by gender and by employee category	Full	5.3	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Partial	here	All employees receive a review on a regular basis
LA13	Composition of governance bodies and breakdown of employees	Partial	5.1, 5.3	
LA14	Ratio of basic salary and remuneration of women to men by employee category	Full	5.3	
Human rights				
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken	Full	4.3	
HR4	Total number of incidents of discrimination and corrective actions taken	Full	5.2, here	No incidents
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk	N/A		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour	N/A		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour	N/A		
Society				
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	Partial	5.1	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	Full	5.2	
SO4	Actions taken in response to incidents of corruption	Partial	5.2	
SO5	Public policy positions and participation in public policy development and lobbying	Partial	here	The company as such is not politically active. Individual employees are active in various parties
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions	Full	here	There are no donations
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	Full	here	There are no legal proceedings with regard to anti-competitive behaviour
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Full	here	No fines or penalties
Product responsibility				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Full	4.2	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Partial	4.2	Customer data are only forwarded with the customer's consent. Sensitive data are saved so that they are inaccessible even internally.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Full	here	No fines