

For more about the methodology of data collection and details of presentation see "About this Report" on p. 130.

Responsibility

1 4.9

CSR Management¹

2 1.2, 3.5, 4.11

CSR – a Part of Our Corporate Strategy²

Since 1872, the TÜV Rheinland brand has stood for quality and safety around the world. Our mission is "to provide safety for man and the environment in interaction with technology." We pursue our mission of protecting man and the environment by offering competent advisory services, extensive safety tests, and stringent quality testing on a daily basis. Accordingly, the concept of sustainability has always been deeply rooted in our business activity. Increasing worldwide awareness of sustainability – among corporations and private individuals alike – and the resulting demand for our services is an enormous source growth potential for us. It is our goal to become the world's leading and most successful socially responsible technical services group.

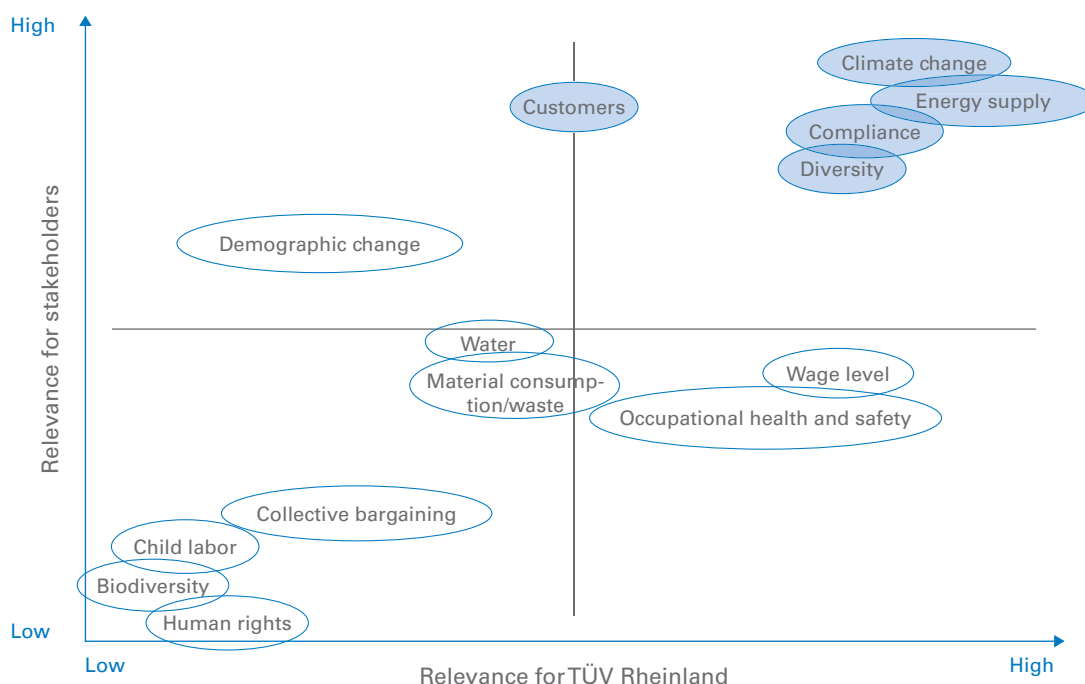
We are as committed to corporate social responsibility as to the universal principles and values laid down in the relevant documents and conventions

of the United Nations and the European Union. This applies especially to the regulations and declarations on human rights, labor standards, children's rights, sustainable environmental conservation and protection, and combating forced labor and corruption.³

We expressly support and abide by the UN Global Compact and the ten principles on which it is based. By signing the Global Compact in 2006 we incorporated these principles into our mission statement and created a Group policy underscoring values and responsibility. The two documents not only give meaning, but also constitute the strategic and ethical framework for the Group's sustainability management.

We use a materiality matrix to identify sustainability issues of high priority for TÜV Rheinland; these are either issues that exert a great impact on us or issues that we believe we can positively influence. At present, the topics of high level of relevance for us are climate change, energy supply, compliance, and diversity.

TÜV Rheinland Materiality Matrix



and diversity. This clearly reflects the character of TÜV Rheinland as a service company. However, the resulting business opportunities and risks cannot yet be quantified.⁴

For us as a non-manufacturing enterprise, our main environmental impact results from office and laboratory operations. As we frequently provide our services on clients' premises, and require communication between our offices and employees worldwide, business travel-related emissions also play an important part. As a service provider, procurement of goods is less relevant for us because the goods we procure are mainly office supplies.⁵

At least in Europe the decline in the availability of specialists and trained inspection engineers is a risk to be taken seriously in view of the increasing extent and growing complexity of our services. Therefore we want to position TÜV Rheinland as an attractive employer and to extend our talent base. The measures include flexible workplace and time models, increased recruitment of female engineers for the company, and introducing young people to the testing services industry at the earliest opportunity. Furthermore, the increasing internationalization of our business demands highly skilled staff, equipped with intercultural competence, language skills and legal expertise among other qualifications. This is the only way in which we can ensure the same high level of TÜV Rheinland quality around the world.

Finally, issues of legal conformity and underlying ethical values play an increasingly important role. A provider of testing services depends on its brand value. Unlike in most other industries, reputation damage poses a direct threat to our business foundations. Consequently compliance is of overriding importance for us and for our stakeholders. We can reduce the risk to our reputation significantly by means of an effective compliance system. We abide by market rules and there are currently no legal actions against us in this regard.⁶

Organization of CSR Activities⁷

Since 2009, the organizational structure of our sustainability management has been outlined in a comprehensive CSR Guideline which forms part of the Group's quality management. It states that management and control of CSR and sustainability within the TÜV Rheinland Group are the

responsibility of the Global Head of CSR and Sustainability, who reports directly to the CEO. His remit includes the following:

- Internal CSR and sustainability activities and projects
- TÜV Rheinland Foundation
- Philanthropic commitment
- Dialog and collaboration with institutions and initiatives such as the UN, UN Global Compact, GIZ, and the CoC Round Table on Social Standards
- Committee work
- Steering Committee of the German UN Global Compact Network
- IFIA Compliance Committee

The three permanent employees in the CSR office at the Group's headquarters manage all Group-wide projects, such as reporting on the UN Global Compact, writing the annual reporting section of the Corporate Report, and initiating internal activities. They are assisted by regional (and in some instances local) as well as Business Unit CSR Officers. These officers adapt Group requirements to local cultures and communicate local CSR and sustainability activities to headquarters. At regular quarterly meetings and in quarterly reports, this information is summarized for the Group and is submitted to the Executive Board and the Group Executive Council at irregular intervals (at least twice a year).

In addition, the central CSR office plays a role in the sustainability aspects of product development and product launches. It does so at the request of members of the Group Executive Council and the Executive Board to promote a uniform corporate image of CSR and sustainability.

The focal points of our work in 2010 included the deepening and institutionalization of internal reporting and continued publication of the international in-house CSR newsletter. The newsletter in particular has proven to be a popular and efficient means of keeping our employees around the world abreast of trends, products, and internal measures. We also improved the online platform for voluntary activities and intensified internal coverage of them.

4 EC2

5 EC6

6 SO7

7 4.1

8 4.12, 4.13



9 SO5, SO6

10 4.14, 4.15, 4.16, 4.17

Memberships and Networks⁸

TÜV Rheinland is a member of various groups and associations. They include the UN Global Compact and the German Global Compact Network (and its Steering Committee), the International Federation of Inspection Agencies (IFIA), the Association of German Engineers (VDI), and various regional and local organizations. We are also active members of various working groups, such as the ad hoc CSR working group of the Confederation of German Employers' Associations (BDA), the BDA's working group on the International Labour Organization (ILO), or the CoC Round Table Social Standards. Through our memberships and networks, we aim to contribute our competences and viewpoints to the discussion about topics that are important for the company and raise issues we consider relevant to us. In 2010, as in previous years, we did not support political parties, and we in turn received no funding from political parties and organizations.⁹

Stakeholders¹⁰

As the best solutions for sustainable economic activity only emerge, in our view, in a dialog with all societal groups, we began to make our stakeholder commitment more systematic in 2008.

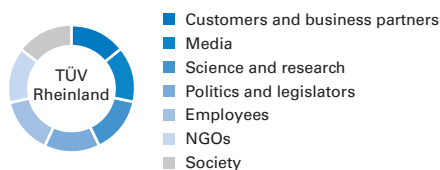
To identify stakeholder groups in relation to our activities, we were guided in 2009 by the following questions:

- For whom are we responsible?
- Who is directly or indirectly affected by or dependent on our activities or their consequences?
- Who can influence or decide on the implementation of our services?
- With whom do we maintain close contacts or long-term relations?

The stakeholder strategy that we developed in this way is based on two principles:

1. Playing an active part in different networks and working groups
2. An active dialog with the TÜV Rheinland interest groups

The TÜV Rheinland Interest Groups



The first operational measure was a stakeholder survey undertaken in 2009 to identify the most important issues for the future of TÜV Rheinland from the viewpoint of our stakeholders. Attention was also paid and critical consideration given to relevant sustainability aspects. The results of the survey showed that many stakeholders viewed TÜV Rheinland as an industry leader in relation to the UN Global Compact and CSR activities. The respondents also saw room for improvement especially in our CSR reporting and the accompanying communication of our sustainability commitments.

We took the issues identified as especially important into consideration in drawing up our materiality matrix (see p. 46). Our endeavor to improve our CSR communication is reflected notably in the sustainability reports we have published annually since 2009.

One of the main stakeholder-related activities of 2010 was the preparation for our first stakeholder roundtable, held at the Group's headquarters in Cologne.

On February 10, 2011, we held our first roundtable on sustainability with internal and external stakeholders. This meeting was a follow up to our large-scale stakeholder survey in 2009/10.

One survey finding was that a large number of respondents favored an exchange of expert knowledge and dialog forums. We sought to satisfy this wish with our first round table and to explore the extent to which this format was expedient and fit for purpose. Against the background of TÜV Rheinland aspiring to a critical debate on its services and an intensification of the issues identified as being priorities in the stakeholder survey, the round table can be seen as a highly promising event. It marked the starting point of a regular dialog process on sustainability.

The roundtable dealt inter alia with communicating TÜV Rheinland's sustainability activities and developing its sustainability strategy at the Group and Business Stream levels.

The participants see a great potential for sustainable development at TÜV Rheinland. Moreover the dialog forum agreed to help improve internal communication regarding the topics of sustainable products and services.

To ensure objectivity, trust and effective cooperation, participants also agreed to absolute confidentiality regarding matters discussed. The results of the roundtable will be published at a later time as deemed appropriate by the participants.

Compliance¹¹

Legal Compliance and Values within the TÜV Rheinland Group

The importance of compliance in the field of business has become apparent. In recent years, many cases of corruption, breaches of antitrust law and data abuse have clearly demonstrated the necessity of a functioning Group-wide compliance system. All companies, regardless of size, must consider measures to ensure that they abide by the legal and ethical rules that bind them.

TÜV Rheinland appreciates the trust of its customers and the general public and values the impartiality and integrity of its services. This trust must be protected because it constitutes the basis on which we do business. Therefore compliance and the continuing development of our compliance system, is of high importance to us.

We have voluntarily committed to a strict and ethical set of rules that not only requires us to abide by all of the applicable laws, but also goes well beyond the statutory requirements in many respects:¹²

→ In signing the UN Global Compact, we are committed to abiding by its ten basic principles.

→ By joining the International Federation of Inspection Agencies (IFIA) we have pledged to systematically set up and improve a compliance system in accordance with the IFIA Compliance Code, which specifies that the compliance system must be inspected annually by a third party for fulfillment of the requirements.¹³

→ In addition, our Code of Conduct makes it clear that we will not tolerate any corrupt behavior from our employees.¹⁴

By committing to the UN Global Compact, we have also undertaken to observe and promote international human rights and the prevention of child labor and forced labor. Because of the nature of our business activities, however, child labor and forced labor do not constitute material compliance risks in the exercise of our activities. The ban on it is nevertheless an integral part of our guidelines and a regular topic of compliance training courses.¹⁵

The Compliance System's Sphere of Influence¹⁶

Our compliance program is outlined in the following guidelines:

- The TÜV Rheinland Group's Code of Conduct
- The Compliance Guideline
- The Guideline on Preventing Conflicts of Interest and Corruption
- The Donations and Sponsorship Guideline

11 4.1, 4.8, 4.9, 4.11, 4.12, 4.13

13 D2, D11

14 B1, D1

15 HR3, HR6, HR7

16 EC6, HR2, B5

12 4.6, B2

The 10 Principles of the Global Compact

HUMAN RIGHTS

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

LABOUR STANDARDS

- 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; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

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

17 D1	<p>The overarching Code of Conduct and the supplementary guidelines are binding and obligatory for all employees and executives. The Code of Conduct is available on the TÜV Rheinland website, which also lists contacts.¹⁷</p>	<p>To ensure a constant, constructive exchange of news and views within this network, the Compliance Officers report regularly to the Chief Compliance Officer on compliance matters in their areas of responsibility. The reporting channels are set up such that the Business Units COs and the regional COs report directly to the Chief Compliance Officer. Local COs are required to report to their regional CO, who consolidates and reports to the Chief Compliance Officer. Regular meetings are also held with the COs of the Business Units and the regional COs in Germany. Personal sharing of experience and reports or feedback from the compliance network is intended to help identify compliance risks at an early stage and undertake suitable improvement measures.</p>
21 D3, SO2	<p>Our compliance regulations, such as the ban on child labor and forced labor or the anti-corruption regulations, are an integral part of our General Terms and Conditions of Procurement and Tendering (AEB), which our procurement departments access via our intranet. We refer our suppliers to our website. Our aim is to ensure that our procurement activities around the world always take human rights aspects, labor standards, and environmental protection into consideration. In our AEB terms and conditions, we also reserve the right to check the observation of our compliance requirements at any time by means of unannounced audits at our contractual partners' premises. In the event of a breach of our compliance requirements, we also reserve the right of the extraordinary termination of contractual agreements.</p>	<p>For the systematic initial assessment of risks, those responsible for compliance in each country have been provided with a risk matrix. A uniform compliance risk matrix has also been drawn up together with the Business Unit COs, to enable the Business Streams to carry out individual risk analyses.²¹</p>
22 D9	<p>We did not carry out any audits at our suppliers' premises in 2010. In 2011, however, we plan to introduce supplier self-assessments in respect of corruption risks and observation of the UN Global Compact principles and to carry out our first audits.¹⁸</p>	<p>TÜV Rheinland Group Compliance Officers are available to advise employees and management on issues or uncertainties. However, direct contact with someone within the Group to express a concern is not always possible or desirable. For cases of this kind, we have also set up an external telephone and e-mail compliance helpline. The helpline provides ombudsmanship services.²²</p>
23 B6, B7, D15	<p>Clear Organizational Structures¹⁹ The Chief Compliance Officer is in charge of the TÜV Rheinland Group's compliance system. He reports directly to the CEO.²⁰</p>	<p>A chartered accountant audits our compliance system annually. Employees are also able to submit ideas and make suggestions for improvements at any time, by using the continuous improvement form on the intranet.²³</p>
18 D5, D6, HR1	<p>In our worldwide compliance organization, there are currently 57 Compliance Officers (COs) appointed by the respective management, comprising 6 Business Unit COs, 7 regional and 44 local COs. They are at the service of our local employees as the first point of contact on compliance issues.</p>	<p>Once a year, the Compliance Office submits a status report to the CEO and the Chairman of the Supervisory Board. In a management review, the Executive Board then makes recommendations for a further extension of the compliance system, which includes CSR and sustainability issues.²⁴</p>
19 B3, D7, D8, 4.1		<p>Finally, the management of each TÜV Rheinland AG subsidiary must submit an annual written declaration that its employees behave with integrity and that possible compliance cases have been handled in accordance with the rules.²⁵</p>
24 D10, D12		
20 B4		
25 B4		

Defined Procedure for Dealing with Compliance Cases²⁶

There is a defined procedure for possible incidents and this is described in the quality management system. The Compliance Office evaluates all cases and decides what further steps are to be taken on the basis of the Compliance Guideline. The Compliance Board, consisting of the Executive Board, the Chairman of the Supervisory Board, a representative of the Works Council, and the Chief Compliance Officer, initiates key decisions on how to handle breaches. The employees in question are interviewed about the accusations and are given a hearing. If a suspicion is confirmed, criminal or labor law consequences may arise. The Group also reserves the right to sue for damages. In each individual case, we check whether organizational changes are required. Fines or government sanctions for breaches of statutory provisions were not imposed in 2010.²⁷

Dealing with Intermediaries²⁸

Intermediary contracts or contracts with consultants may only be concluded with the participation of the Compliance Office after predefined due diligence processes have been completed. From a certain size upward, these contracts are subject to approval by the Compliance Board. Further details are specified in work instructions and in the catalog of decision criteria.

Compliance in Connection with Investments²⁹

In 2010 as in the previous year, we concluded no investment agreements with governments. We did, however, acquire companies or shareholdings in companies in connection with M&A activities in the year under review, inter alia in Brazil. Compliance-related checks were undertaken at these companies, taking the UN Global Compact principles into account. In the course of these checks, no factors came to light that were in conflict with the UN Global Compact requirements or argued against the investment in any other way.

Electronic and Classroom Training Courses³⁰

All of our employees are required to take part in compliance training. The central instrument used for this is an e-learning program that we were able to activate for around 8,000 employees around the world in 2010. We plan to offer the program shortly in Spanish, Portuguese, and Chinese.³¹

In addition, classroom-based training courses relating to anti-corruption were held in Germany in 2010. Other classroom training courses were held in Greater China and an online management conference was also held in the Asia Pacific region.

Compliance Cases in 2010³²

In 2010, we registered a total of 77 compliance cases, including inquiries and requests for clarification. These did not include queries about the meaning of compliance regulations or notifications that did not relate to Compliance's areas of responsibility.

Forty-five inquiries and submissions related mainly to questions of how to handle day-to-day compliance-relevant issues. Increasingly, we received inquiries from abroad. Typical issues included the following:

- Accepting gifts
- Accepting or declining invitations
- Critical customer relations (such as gambling, arms trading and arms manufacturing in countries other than Germany or the EU)
- Demands by various customers for TÜV Rheinland companies to undertake commitments on ethical or social issues (such as to abide by labor standards and human rights or to commit to the Global Compact principles)

30 HR3, B5

26 D13

31 SO3

32 SO4

27 SO8

28 D4

29 HR1

Interview with the Ombudsman³⁴

The Hogan Lovells legal partnership, under the aegis of attorney and corporate partner Dr. Franz-Josef Schöne, has served as TÜV Rheinland's ombudsman since the spring of 2009.

DR. SCHÖNE, CAN YOU EXPLAIN BRIEFLY WHAT SERVICE YOUR PARTNERSHIP PROVIDES AS AN OMBUDSMAN FOR TÜV RHEINLAND?

Our task is to check the matters of which we are notified – by telephone or by e-mail, for example – via the compliance helpline from the worldwide TÜV Rheinland Group for risk structures and to undertake a legal assessment of them, and to advise TÜV Rheinland accordingly. As a rule, TÜV Rheinland is notified anonymously, i.e. the names of the informers are not revealed. We merely provide an initial risk assessment and an initial action recommendation. Any action that is then taken is the responsibility of the company alone. If required, our partnership will provide supplementary legal advice on how to proceed with the case. The comprehensive expertise of an international legal partnership such as Hogan Lovells is naturally very helpful.

WHAT QUALITIES MUST A GOOD OMBUDSMAN HAVE?

The employees who call us frequently feel that they are in a "special situation" and appear to be under stress. That is why it is important to discuss the matter calmly, systematically, and clearly so as to be able to communicate an immediate



Dr. Franz-Josef Schöne, TÜV Rheinland ombudsman

assessment of the situation. This objective approach to the issue helps callers and reassures them. Unrestricted availability is a key factor. Once an employee has finally decided to call the helpline, someone must be there to answer the call. Otherwise they might not call or contact the compliance helpline again.

DO YOU ENJOY THE TASK?

Yes, we enjoy it. As an ombudsman you hold a position of great trust, and that poses a challenge. Moreover, the issues and questions that we receive come from a wide range of countries around the world in which TÜV Rheinland is active and are very varied. And finally, because of our work, we have very close ties with an exciting global group and with its employees for a long period, and that is highly attractive to us.

33 D13, D14

Of a total 32 instances relating to specific compliance cases, 5 were of criminal law relevance and led to criminal investigations.³³

35 D15

Registered number of suspected compliance cases: 32

- of which via the helpline: 3
- Police/public prosecutor's office: 5
- Other: 24

Issues and topics:

- Accepting advantages/bribery
- Fraud/blackmail
- Discrepancies in audit results
- Personnel matters
- Conflicts of interest

36 HR4

The ombudsman in three helpline cases was able to resolve the matter directly. In 2010, our helpline partner continued to be the international legal partnership Hogan Lovells. Hogan Lovells provides an international network of legal experts and handled both the technical and the content side of the helpline.³⁵

In addition, the Equal Rights Officers received three complaints of alleged discrimination during the reporting period. One case led to a charge against a person or persons unknown being filed with the police. In another instance, an agreement was reached with the employee in question at a labor court.³⁶

Employees

TÜV Rheinland – An Attractive Employer

As a service provider, we depend more than many other companies on the skills and commitment of our employees. For us, knowledge becomes an asset as soon as it is used for the company's benefit. Our personnel policy therefore aims to continuously promote both our employees' qualifications and their motivation.

Reliability, conscientiousness, and transparency are some of the key corporate values we have documented in the Group's mission statement and in our guiding principles. The corporate culture that we embody is target-oriented, innovative, modern, and international. The way in which we deal with each other seeks to strengthen the ability to give and take criticism and expects everyone to be prepared to engage in constructive conflict.

Backbone of Strategic Corporate Development

For a company the most important asset of which is its employees, personnel management performs a function that is much more than merely an administrative one – it is a crucial success factor. We placed our personnel work on sustainable foundations with the launch of our Personnel Support Service Center (SCP) in 2010. The SCP brings together the previously autonomous personnel activities of the Business Units. This new, uniform structure is more appropriate to the size and organizational positioning of our company and makes our personnel management swifter and better overall, without curtailing any of the services provided for individual employees.

That is why our reputation as an employer is of great strategic importance. In Germany, the TÜV Rheinland umbrella brand is particularly well known and enjoys an excellent reputation. From the outside, we are perceived as being a company that is somewhat conservative. Job applicants perceive TÜV Rheinland as an employer offering stability and security. A glance at how we have been rated in various reputable employer rankings in recent years reveals that this image makes us even more attractive when the economy is undergoing hard times.

Against this background, we were able to maintain our leading ratings in 2010. For the fourth year in succession, CRF research rated us as one of the top employers in Germany, and the leading personnel marketing institute trendence ranked us once more amongst the most popular employers with graduate engineers.³⁷

37 2.10

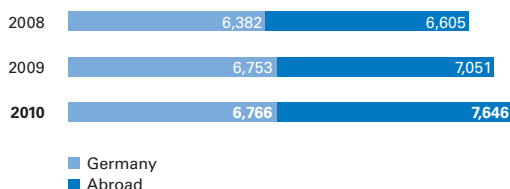
Facts and Figures³⁸

38 2.8, LA1

We are a growing company. Our annual average headcount in 2010 was 14,412 employees (+4.4 percent). The number of employees (full-time equivalent) rose on the previous year in Germany from 6,753 to 6,766; abroad the number of employees increased by over 8.4 percent to 7,646. This figure reflects especially the acquisition of Geris Engenharia e Serviços in Brazil, with over 600 employees. The trend in recent years toward an increasing internationalization of our workforce has therefore continued. Qualifications being equal, we prefer to employ local personnel at our international locations. In Greater China, for example, over 80 percent of our management posts are held by local employees.³⁹

39 EC7

Employees in Germany and Abroad Full-time equivalent

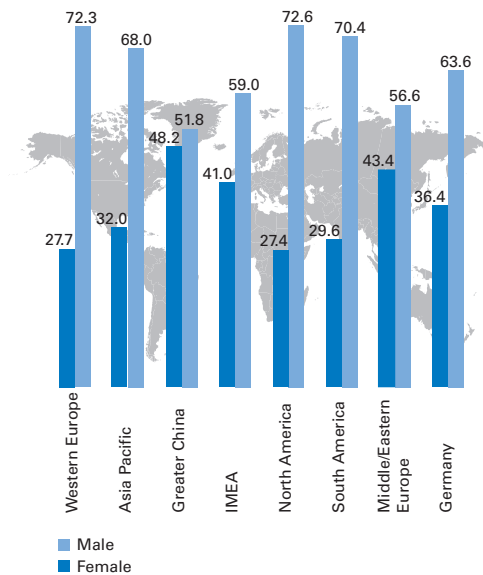


In view of lengthy training-up times, a high level of employee loyalty is one of our foremost objectives in the human resources sector. Compared with the average figure for the German economy, our turnover rate of 6.6 percent in Germany continues to be low. In 2010, 200 women and 243 men left the company in Germany. Statutory provisions and technical constraints currently prevent us from making a breakdown of these figures by age and region. They were higher than last year due in part to the economic recovery. Especially in boom periods, the interest shown by other companies in our highly qualified employees is high.⁴⁰

Our formula for success is:
performance =
ability x knowledge

40 LA2

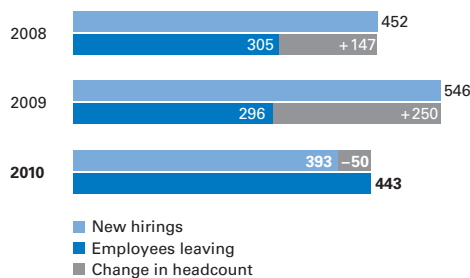
Workforce by Gender* in %



* Coverage of the overall workforce is over 90 percent because no figures were compiled at smaller companies.

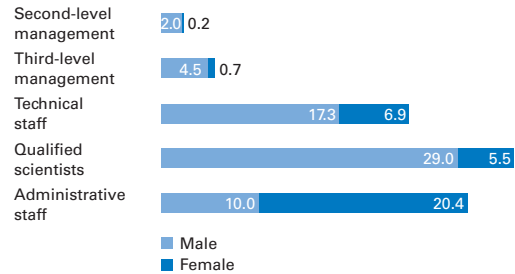
The proportion of full-time employees in Germany was 85.3 percent, which is on a par with the previous year. The proportion of employees to whom industry wage agreements applied was slightly lower at 65.4 percent.

New Recruitments and Fluctuation in Germany



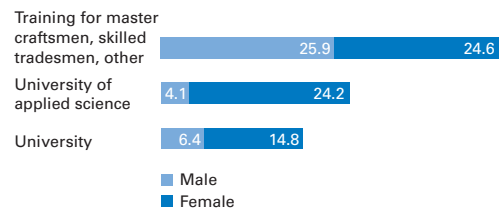
In relation to minorities and regional origins, our employee structure in Germany, including management bodies, is probably average for the country because we employ people all over Germany. The majority of our employees in Germany – 63.6 percent – are male, while the figure for all other countries is 64.1 percent. The situation is similar in relation to our executives: 70 percent of managerial staff abroad are male (with coverage of international companies at 90 percent). These ratios continue to be due to the low number of women in technical trades and professions. We do, however, aim to create an environment in which women are encouraged to pursue a technical career.⁴¹

Employees by Function and Gender in Germany in %



Most of our employees in Germany – over 50 percent – are aged between 40 and 54. In other countries, nearly 50 percent are aged between 30 and 50, and around 40 percent are even under 30. The level of qualification in Germany is high, with 21.2 percent university graduates. The non-graduates include master craftsmen and skilled tradesmen.

Vocational Training by Function and Gender in Germany in %



Conserving Knowledge, Increasing Knowledge⁴²

For a company like ours, knowledge is the crucial factor of production. It is a resource that multiplies constantly with new information, new ideas, and market experience. Our stated goal is to become a knowledge-driven company with a high level of information transparency. Our collective knowledge is to be made usable by every employee any time and anywhere in the world, and not to be tied to locations, Business Streams, or Business Fields. The principal task for knowledge management at TÜV Rheinland is to support this Group-wide knowledge transfer and knowledge sharing.

A knowledge-driven company is always also a learning organization. It thrives on constant changes that serve to boost its efficiency. That is why our employees are called upon to take an active part in shaping development and change processes according to their competences. Collaboration in networks, working groups, specialized, and project teams is intended to systematically promote general communication between employees, in addition to knowledge accumulation and transfer.

In its role as what might be called the organization's collective memory, blueeye, our international company portal, merges all TÜV Rheinland Group information and presents it on a uniform interface by means of a document management system. In blueeye, we have created a platform that provides access to applications and eliminates system barriers that would otherwise be caused by different interfaces. The main focus of its content is on specialized information and information about marketing and sales. In addition, information is now to be found about all companies and principal locations in the German region and in the regions of Greater China, Asia Pacific, North America, IMEA, Western Europe, Middle/Eastern Europe, and South America.

Technical innovations cannot, however, entirely prevent knowledge from being lost from time to time, especially when employees retire and leave the company. To counteract this knowledge loss, we have launched the Save the Expert Knowledge (STEK) pilot project in the Products Business Stream. The aim of STEK is to ensure that our experts' experience- and relationship-based knowledge is documented and smoothly transferred to the replacement, appointed on the basis of recommendations and management dialog.

Next Generation Plans⁴³

A part of how we see ourselves as a company that acts responsibly has always been to enable young people to start their careers with a job training qualification.

We train apprentices in a dozen careers at various German locations, mainly as office administrators, but also as IT specialists, laboratory assistants, medical specialists, chefs, and construction material testers. The number of apprentices we hire is subject to the demand specified by our Business Units. That is the only way in which we can keep our promise to employ all of our apprentices for at least six months after they have qualified. We are happy to say that the overwhelming majority stays with us for much longer, with around 90 percent joining the company on a permanent basis.

We find our apprenticeship applicants both in the conventional manner by advertising vacancies and by cooperation arrangements with schools, at company open days, and on guided tours of our facilities. In contrast to many other companies, we do not always base our recruitment choices on the best exam grades; we also try to take into consideration

Setting a Good Example

What exactly does the boss do? Anyone at TÜV Rheinland who would like to know can find out from the boss in person thanks to the "Hecker schreibt" (Hecker Writes) column in the CEO Corner of the Group's blueeye portal. At regular intervals, the CEO reports on topics that concern him and the company, hands out praise and criticism, and encourages people to think. And as communication is not a one-way street, all employees have an opportunity to submit questions to Friedrich Hecker that he answers frankly in the form of video messages.

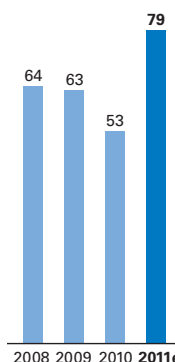
young people who are clearly strongly committed but for a variety of reasons are unable to submit an immaculate résumé. That is why our selection procedure provides for both an aptitude test and a day spent gaining practical experience, during which we are able to observe the young people's practical skills in particular.

Our canteen especially, which is not managed by a caterer but is a unit of the company, has set itself the task of promoting disadvantaged young people. By means of a cooperation arrangement with the city of Cologne, apprentices regularly work for us who have failed to find apprenticeships on their own. The changes that they experience as a result of clear rules, teamwork, and recognition of their achievements are truly striking. The canteen also employs a number of interns who are often offered an apprenticeship – if they have proven their willingness to work with enthusiasm.

To ensure graduate recruitment, we maintain extensive contacts with universities and universities of applied sciences, especially in North Rhine-Westphalia. We provide guided tours and lectures, take part in subject weeks, invite students to take part in the Night of Technology in Cologne, offer specialized internships, and supervise project assignments, bachelor's and master's degree theses. We can even offer internships abroad. Contacts established in this way frequently lead to a contract of employment.

We maintain especially close ties with the Südwestfalen University of Applied Sciences because together with the university, the TÜV Rheinland Academy offers in-service degree courses in mechanical and electrical engineering. Since 2008,

Number of Apprentices in Germany



43 LA10

We plan to hire 26 new apprentices in 2011.

we have awarded two scholarships a year to employees, whose entire course of study we agree to finance. As a part of the NRW Scholarship Program, we also support students at Cologne University.

Along with many other well-known companies, we are also one of the sponsors of the nonprofit student association “bonding.” The association has set itself the goals of enabling students to gain insights into their future careers while still studying by establishing contacts between students and companies.

44 LA12

Two Ways, One Objective⁴⁴

To ensure our company’s continued existence and success, assisting our employees in the course of their careers is of major importance. In Germany, we have for some time pursued a systematic personnel development program, the elements of which we have documented in a process map that is applicable for all Business Units. As a tool, the personnel development software ETWeb helps track staff development. With this information we aim to base our personnel decisions on a fundamentally improved information basis. In 2010, a management review was introduced for all our

45 LA10

top- and second-tier executives around the world. In Germany, employee performance reviews have also been institutionalized.

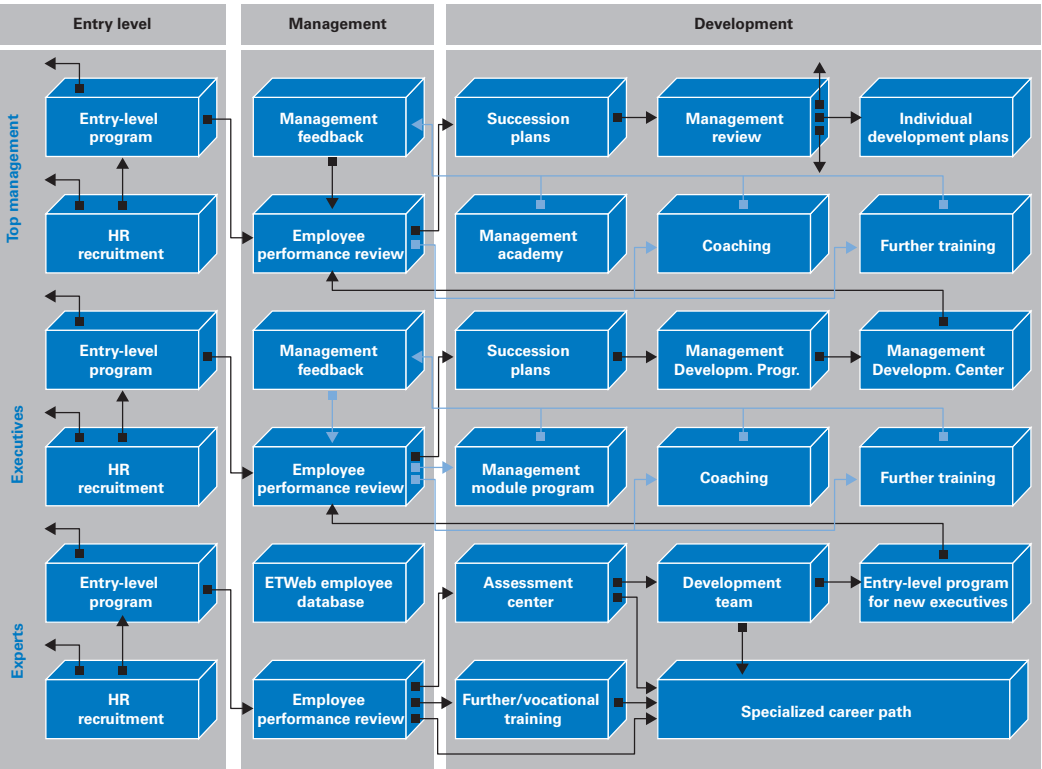
We expect our executives in particular to be able to operate confidently in an international environment. That is why foreign assignments for our employees have become increasingly important to personnel policy. Initially, however, moving abroad (or back to Germany) involves paperwork. That is why one of our human resources specialists is at the ready to lend a hand. She is conversant with the entry regulations of all countries, maintains good contacts with local authorities, makes sure that insurance is properly provided and has been known to arrange for accommodation now and then.

Smart Operators⁴⁵

We pursue a proactive qualification strategy. All of our educational activities are geared toward the requirements of our Business Streams and to our corporate targets.

In the process, we rely on tried and trusted concepts (seminars, workshops, coaching), but also try out new approaches (e-learning, virtual

Systematic Personnel Development at TÜV Rheinland



classrooms) to enable our employees to gain the best possible access to important information and forward-looking qualifications. For example, all employees around the world can access selected e-learning offerings via the CONECT learning platform irrespective of their location, Business Stream, and learning times. As our in-house service provider, intr@in takes care of the development, organization, administration, and management of our qualification requirements. intr@in has over 20 years of experience in vocational and in-service training, with around 3,500 satisfied attendees per year and a large number of training projects successfully completed.

Training Times in Germany

	2009	2010
Total number of employees trained	3,320	3,305
Training days for new experts	7,700	5,076
Seminar days for new employees	784	404
In-service training days	2,568	9,962
Other	9,028	
Total vocational and in-service training days	20,080	15,442

A more detailed breakdown of figures is currently not feasible.

Always in Balance

Striking a work-life balance and reconciling family and career are of crucial importance to further boost the work satisfaction and motivation of our employees. We also seek to recruit qualified employees and retain their loyalty to our company by means of a family-friendly personnel policy. Our experience from job interviews indicates that issues of workplace flexibility are becoming increasingly important for job applicants.

There are also convincing economic arguments in favor of promoting flexible working arrangements. Every new appointment, every extended absence, and every reintegration of returnees involves considerable costs for the company. We can avoid these costs, or at least reduce them significantly, with appropriate measures.

In order to gain a clearer idea of our employees' in-company needs and to make them offers that correspond to their needs, we launched the Family and Career program in 2007. It is divided into four subject areas: time management, workflow management, corporate culture, and family service. Along with familiar measures such as flextime,

Splendid Learning with Blended Learning

English has been the second mandatory corporate language at TÜV Rheinland since 2006. This decision coincided with the launch of our "let's go international!" in-house language program. It is based on the principle of blended learning, which is a mixture of self-managed learning on the PC, e-mail tutoring, and classroom training courses. The great advantage of blended learning is that each participant can determine his or her own learning time, place, and speed. The technical possibilities that this prizewinning online training system offers are outstanding. Using a headset and language recognition, the program simulates everyday job situations and helps learners to get their pronunciation right. It has so far been used successfully by 934 participants.

sabbaticals, and teleworking, it includes ideas that are less well-known or less frequently used, such as working part-time during parental leave, maintaining contacts with the office, or arranging for kindergarten care.

A Truly Healthy Company⁴⁶

Against the backdrop of demographic change in many industrialized countries and an ongoing shortage of skilled employees, healthcare has an important part to play at TÜV Rheinland. We aim to permanently maintain our employees' health, efficiency, and quality of life. In Germany, our main focus is on prevention. For example, we offer free influenza vaccinations every year. In 2010, 605 employees made use of the offer. Other preventive measures relate to other modern ailments, such as lung cancer, problems with weight, back pains, and diabetes. Employees who drive a vehicle as a part of their work are offered health checks in Germany that focus on their vision, while employees who work at computer screens are also entitled to eye tests in accordance with computer workplace regulations.

We also offer assistance with healthy eating and an extensive program of company sports activities in Germany. This comprises around 10 sporting disciplines and 20 to 25 special sports projects a year, such as sailing tours, ski trips, and sponsored runs.

46 LA8

We also include research in our endeavors to provide the best possible healthcare. We are currently looking into a research project with the German Sport University Cologne to investigate the physical and motor function demands on testing engineers at work and to identify improvement potential.

47 LA6, LA7

Safe Jobs on Offer⁴⁷

The central document that ensures the safety and health of our employees is our Occupational Safety Management (OSM) Guideline. Along with subordinate guidelines, process descriptions and forms, the OSM represents our occupational safety management system. Responsibility for the development and upgrade of this system rests with the Group's full-time Occupational Safety and Radiation Protection Officer. The occupational safety management system applies to all companies across Germany and is an integral part of our ISO 9001:2000 management system. Furthermore, we ourselves are accredited certifiers of occupational safety management systems.

49 LA14

The basis of occupational safety is an accurate risk potential assessment. Risk assessments indicate which measures, such as instructions, personal protective equipment, and occupational medical checks, may be needed in each case.

50 LA4

The efficacy of these measures is, among other things, assured in Germany by a network of 35 Business Unit-related occupational safety committees that meet 4 times a year. All of our employees in Germany are covered by these committees.⁴⁸

48 LA9

51 EC5

Around 75 percent of our employees in Germany have received personal instructions at least once with regard to the unique dangers that lie in their sphere of activity. In the year under review, first-aid assistants and newly appointed Safety Officers were trained as well.

52 4.5

Industrial accidents and accident-related downtimes are not recorded centrally in Germany, and in 2010 they were not yet being recorded in accordance with uniform criteria. Consequently, as in 2009, accidents involving up to three days off work were not comprehensively recorded. A new, computer-assisted accident reporting system is expected to ensure full recording from 2011 onwards. Compared with 2009, however, the number of employees covered by the accident statistics increased considerably. Based on the additional availability of employee data, the relative number of accidents

53 4.10

was shown to have been reduced, while the seriousness of accidents, based on the number of working days lost per accident, fell substantially.

Occupational Health and Safety in Germany

	2009	2010
Number of employees covered	3,422	7,095
in %	47.0	97.3
Injuries	101	163
Injury rate*	17.2	13.3
Lost days due to accidents**	1,147	1,154
Lost days per accident**	11.4	9.5

* Injuries per million working hours
** Based on 6,392 employees.

Companies outside Germany reported 67 injuries (accidents) in 2010.

A Fair Wage

In principle, salaries at TÜV Rheinland are based on the nature of the work performed, on qualifications, and on professional experience. No un-objective distinctions are drawn.⁴⁹ Around 65 percent of our employees in Germany are subject to collective wage agreements.⁵⁰ The various company-specific salary systems and structures are geared as a rule to several activity-related salary categories and in part also to salary levels based on experience or performance. Due to the kinds of work performed, however, individual categories cannot, or can only partly, be compared between Business Units. As our employees always have a high level of education, our remuneration systems start above the statutory minimum wage.⁵¹

Uniform arrangements do not exist across the Group for variable salary components. All such arrangements are made at the individual company level.

At the Executive Vice President level, promoting sustainable services is one of his aims, and hence influence the remuneration.⁵²

As sustainability is an integral component of our business model, we use no specific procedure to assess performance in this respect.⁵³

That Little Bit More⁵⁴

Over and above basic salaries, many of our German companies make other financial provisions, based mainly on collective bargaining agreements, such as a Christmas bonus, a vacation allowance, and employee savings plan payments. In addition, payments are made on the basis of wage agreements for the entire Group, such as pension contributions and Group accident insurance cover.

Expenditures for Social Security Purposes

in '000 €	Germany	Global
Pension reserves	532,545	541,407
Other benefits	232	1,230

Everything in Good Order

To represent the interests of our employees as a part of industrial co-determination, there are a large number of works councils and similar bodies at the individual company and corporate level in Germany. A Group Works Council also exists. As a part of industrial co-determination, the twelve-member TÜV Rheinland AG Supervisory Board includes six employee representatives. In addition, statutory supervisory boards exist at other TÜV Rheinland Group companies. Employees are also at liberty to join labor unions. At our companies in other countries, employees are likewise entitled to form associations or join them in accordance with the local laws.⁵⁵

In the case of significant operational changes, the notification period is four weeks.⁵⁶

Ecology**Committed to Conservation**

Environmental conservation is an integral part of our self-image as a company that acts sustainably. It is anchored both in our mission statement and in our corporate policy with regard to values and responsibility. We are not satisfied with leaving it at abstract commitments. Every day, our experts employ their comprehensive technological know-how to develop solutions that minimize negative environmental influences in many areas of our life and help to make them controllable. In this process, we act in a close dialog with partners in research, politics, and industry.

In Germany, we have operated an environmental management system that ensures compliance with statutory requirements with regard to environmental provisions ever since 1995. Our Environmental Protection Guideline serves to make employees at all hierarchy levels more keenly aware of the environmental relevance of their day-to-day activities.

Our business partners are also increasingly calling on us to provide proof of a functioning occupational safety and environmental management system. In 2011, we decided to undertake ISO 14001 and OHSAS 18001 certification for our central companies and for large parts of our Industrial Services and Mobility Business Streams. Two of our international companies gained this coveted certification in 2010. They were TÜV Rheinland Iberica ICT of Spain and Luxcontrol of Luxembourg. Ductor and Geris, our Brazilian acquisitions in 2009 and 2010, are also certified in accordance with ISO 9001 and ISO 14001.

In 2010, nine Environmental Management Officers were active in Germany in addition to the Group Environmental Management Officer. They monitor the observation of our Environmental Protection Guideline, promote ecological awareness among our employees, and ensure that neither breaches of the law occur nor environmental regulations in force are ignored. We are not aware of any such breaches, either national or international, in the year under review.⁵⁷

54 EC3, LA3

55 HR5

56 LA5

57 EN28

58 EN6

Minor Relevance, Major Effect⁵⁸

As a service provider, we might at first glance appear to have a relatively manageable environmental relevance in that our effects on the environment relate mainly to the use of offices and testing facilities and to business travel. But it is as well to look again because our product portfolio includes a growing number of services with which we can indirectly make quite substantial contributions toward environmental protection. We have defined the most important action areas as combating climate change and securing future energy supplies.

60 EN16

Implementation of Efficient Environmental Reporting⁵⁹

59 3.5, 3.6, 3.7, 3.9, 3.10, 3.11, EN4

In the course of setting up our sustainability reporting in accordance with the high standards of the GRI (Global Reporting Initiative), we quantified TÜV Rheinland's major effects on the environment in 2009 for the first time, initially in relation to Germany only. This quantification is an extremely complex process, which involves extensive and resilient data from third parties, for example to determine primary energy utilization in power generation.

In 2010 for the first time, we made use of the established GaBi database of life cycle assessments for a large number of resources, materials, and products, taking local and national energy mixes into account. This standard procedure crucially improves the significance and validity of our published data now and in the future, but it to some extent limits the comparability of the figures with those of 2009 or has led to retroactive adjustments of the 2009 figures. We nonetheless consider this step to have been right and necessary because it takes us a decisive step closer to our aim of obtaining reliable Group-wide reporting of environmental data. Against this background, we included principal

foreign locations and companies in our examination of the key figures for 2010 for the first time, in addition to 80 properties in Germany. For a detailed description of the criteria by which the locations for environmental data collection were selected, see p. 130.

A sound pool of data will enable us in the future to define environmental measures much more specifically and to fix deadlines and set realistic targets.

2010 Environmental Balance Sheet⁶⁰

Taking the main environmental parameters into account, the 2010 environmental balance sheet for each TÜV Rheinland employee is as stated in the table.

Based on our business activities, we calculate our CO₂ output in 2010 to have totaled 92,400 metric tons. (This figure includes 50,500 metric tons in Germany, up from 40,000 metric tons* in the previous year. This increase is partially due to a now more sophisticated calculation method for power generation.) Of this total, we generated 50,700 metric tons of CO₂ by using indirect energy such as electricity and district heating in our business premises and as a result of business travel by rail and public transportation (Germany alone: 29,200 metric tons; previous year: 19,500 metric tons*). We were responsible for around 41,700 metric tons of CO₂ (in Germany 21,300 metric tons; previous year: 20,500 metric tons*) due to the consumption of direct forms of energy such as natural gas, fuel oil, and fuels – for heating and business travel by car or air. These figures do not take commuter traffic into account.

Our entrepreneurial activities do not otherwise lead to any other relevant emissions.⁶¹

61 EN19, EN20

TÜV Rheinland Environmental Balance Sheet per Employee

		Germany 2009	Germany 2010	Global 2010
CO ₂	t	5.9*	7.5	6.4
Energy	MWh	30.5*	33.2	26.6
Business travel	km	9,900*	11,300	13,100
Paper	kg	63.7*	61.6	38.4
H ₂ O	l	15,900	18,100	14,800
Waste	kg	508	286	285

* See "About this Report" on p. 130.

Our internal spending on and investment in environmental protection, both, serve in part to reduce our greenhouse gas emissions, and therefore reduce our impact on climate change.

Total Spending and Investment in Environmental Protection by German Companies⁶²

in '000 €	2009	2010
Total spending on		
Maintenance of building facade	1,685	2,855
Sanitary facilities	415	–
Technical investment in IT infrastructure	80	–
Environmental management	141	132
Savings achieved by Green IT p.a.	50	50
(Partial) replacement of heating facilities	–	119

Energy

Direct energy sources include vehicle fuels, natural gas, and heating oil; indirect energy sources include electricity for electrical appliances and heating electricity. We use electricity for electrical appliances to power computers, lighting, and our technical facilities. We buy district heating from local power providers. Because of our extensive presence in Germany, we assume that TÜV Rheinland's electricity mix does not differ from the general electricity mix in Germany. TÜV Rheinland does not generate any energy of its own.⁶³

Energy Consumption by Real Estate⁶⁴

Based on the locations observed, projected electricity consumption in 2010 totaled around 35,000 megawatt hours (MWh) in Germany (previous year: around 31,000), plus 80 MWh of heating electricity. The first-time estimate of overall electricity consumption by the Group's real estate amounts to around 58,500 MWh.

Improving our energy efficiency and reducing greenhouse gas emissions are tasks to which we attach high priority at all corporate levels.

Our measures include the following:

- Using efficient energy technology to power our buildings
- Avoiding or at least reducing business travel
- Reducing fuel consumption and emissions by using energy-efficient company cars
- Using state-of-the-art technologies to operate our data centers, testing laboratories, and other facilities

Currently, our largest project is the modernization of the so-called T Building at the site of our headquarters in Cologne. Acquired a few years ago, it is a late-1970s building consisting of three wings. Its interior was modernized and it is now an integrated office location at the Cologne site.

64 EN3, EN4, EN5, EN7, EN16, EN18, EN26

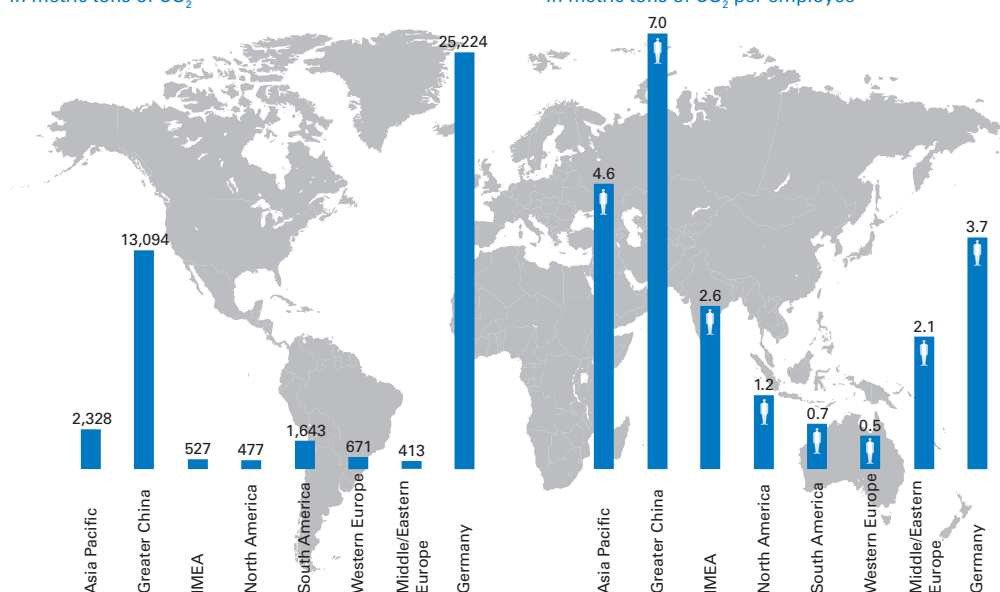
62 EN7, EN26, EN30

We feature numerous examples of our sustainable services on pp. 24–43 of this Corporate Report.

63 EN3

Real Estate Electricity Consumption

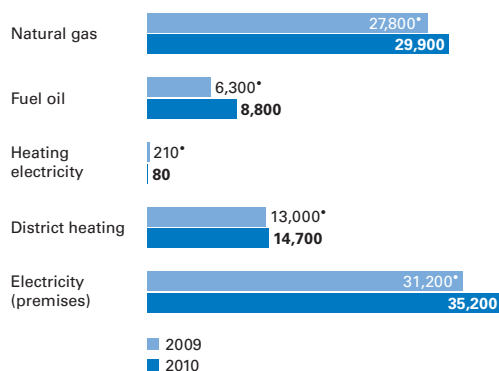
in metric tons of CO₂



In the course of 2010, the 11-story C Wing, the main section of the T Building, was completely modernized. The facade and roof in particular were upgraded to state-of-the-art for energy consumption, including active external sun protection and triple glazing. As a result, we substantially exceed the current energy saving requirements and will be able to save around one third of the heating energy previously required. We will therefore be undertaking comparable work in Wings A and B in 2011 and 2012. Modernization will be completed by replacing the heating system and switching from heating oil to gas. The air conditioning is state-of-the-art and does not use CFCs.⁶⁵

In all, we invested nearly € 3.0 million in real estate modernization at our locations in Germany last year, especially in upgrading facades and windows. As most of this work was only completed at the beginning of 2011, we cannot quote any energy savings for 2010, but the modernization work will contribute toward our aim of reducing per capita energy consumption by German real estate by 3 percent in 2011.

Energy Consumption in Germany in MWh



CO₂ Emissions in Germany

in metric tons	2010
Natural gas	5,968
Heating oil	2,329
Heating electricity	57
District heating	3,949
Total electricity	25,224

TÜV Rheinland's Energy and Environment Technology Business Field is the first in the Group to be completely carbon-neutral. This was accomplished by offsetting the actual 2009 emissions through the purchase of a corresponding amount in emission certificates from Kalealti, a small hydroelectric power station in Turkey, in 2010.

Employee Mobility and Business Travel⁶⁶

Our sales activities, a large number of order completions on clients' premises, and the increasingly international structure of our Group make business travel essential. Wherever possible, however, we try to reduce our travel or to switch to more eco-friendly modes of transport. The corresponding ecological criteria are an integral part of our business travel regulations. To avoid business travel, increasing use is made of videoconferences and WebEx meetings in place of physical meetings. By using them we hope in particular to achieve a lasting reduction in the number of long-haul business flights booked.

Business Travel and Company Cars⁶⁷

Our employees logged nearly 50 million kilometers of business travel by car (company car, hire car, private car) in Germany in 2010 (previous year: 45 million). Our roughly 800 leased cars in Germany accounted for an estimated 20.8 million kilometers (previous year: 22.8 million). For these business trips, our employees used an estimated 1.4 million liters of motor fuel. By issuing new company car regulations that include a CO₂ emission criterion for the first time, we have set ourselves the target for 2011 of reducing the specific fuel consumption of our fleet of company cars in Germany by 3 percent in comparison to 2010. A further measure in this area is increased use of car sharing.

Our German employees logged around 22.6 million kilometers on business trips by air (previous year: 18 million). This figure includes both domestic and international flights. Including our international companies, we arrive at a total of 96.1 million air kilometers in the year under review.

66 EN26, EN29

65 EN19, EN20

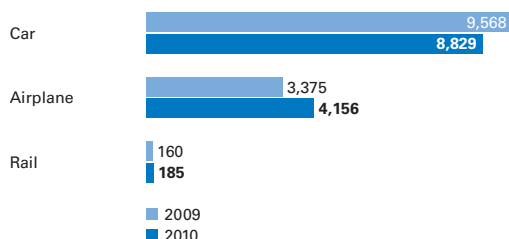
67 EN3, EN17, EN29

* See "About this Report" on p. 130.

Airlines are currently calculating very different consumption figures per air kilometer. We assumed that 0.07 liters was a realistic average figure for per capita kerosene consumption. On that basis, our 2010 kerosene consumption on business flights was around 6.8 million liters.

Our employees traveled around 4.2 million kilometers on long-distance Deutsche Bahn trains (previous year: 3.5 million), using 305 MWh of electricity in the process (previous year: 316). The longer distance and lower electricity consumption are due to an improvement in energy efficiency by Deutsche Bahn.

TÜV Rheinland Business Travel in Germany Emissions in metric tons of CO₂



Water⁶⁸

We have set ourselves the target of steadily reducing our water consumption and improving the quality of the waste water that we generate. Corresponding measures form an integral part of our environmental programs.

In 2010, we used 100,900 cubic meters of water drawn from the local grids for the 80 properties in Germany that we investigated (previous year: 97,600). This water from local surface and groundwater reservoirs is used in bathrooms, for cleaning purposes and in the canteen, among other usages. Projected for all German locations, this amounts to water consumption of around 123,000 cubic meters (previous year: around 115,000*), or a per capita consumption of 18,100 liters (previous year: 17,000*) in the reporting period. This was due mainly to higher water consumption at our headquarters in Cologne as a result of more use being made of the office space, the opening of new laboratories, and extensive construction work.

As a part of the "effizient mobil" project funded by the German Energy Agency (DENA), at the beginning of 2010 we carried out a survey of employees at our Cologne location with the assistance of the Group Works Council to identify optimization potential for a new in-house mobility concept. Assisted by RWTH Aachen University, commuters' travels were analyzed. The high level of employee participation and large number of comments and wishes stated found their way into a catalog of priorities and measures about the implementation of which we aim to be more specific in 2011. One high priority wish was, in addition to a car sharing scheme, discounted commuter tickets for the public transportation network.

In initial talks, the regional transit system and the Cologne municipal transportation department have shown willingness to cooperate. Changes suggested include new rail and bus frequencies and new routes. The talks are to continue in 2011.

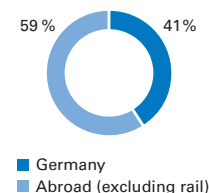
TÜV Rheinland Group Business Travel

Kilometers traveled:

189.5 million

Emissions:

33,410 metric tons of CO₂



Sewage⁶⁹

Our waste water figures correspond to the volume of water withdrawn from local authority grids. There is no additional waste water. We dispose our waste water via local authority sewers and the waste water is properly processed. We do not release any waste water into natural waterways and at present do not keep records of the amount of rainwater discharged through sealed surfaces.

Biodiversity⁷⁰

Being a service provider, we do not emit harmful substances like those of traditional manufacturing companies. Our real estate, therefore, does not impose any more of a burden on the environment than other urban developed areas. All of our sites adjoin useful areas and green spaces. They are used as gardens, but do not constitute protected or restored habitats. All of our German premises are located in urban residential areas where, as far as we know, no endangered species live.

68 EN8, EN9

69 EN10, EN21, EN25

70 EN11, EN12, EN13, EN14, EN15

We did not go ahead with biodiversity monitoring activities originally planned for 2010, as biodiversity was found to still be a very abstract topic for both the management and many employees. For monitoring to work, there needs to be a thorough understanding of the subject. To lay this groundwork, we will therefore first initiate communication and awareness measures. Setting up a monitoring system will then take place in a following step.

71 EN1, EN2

73 EN22, EN23, EN24

Materials⁷¹

As we do not have any production facilities for processing raw materials or semi-finished products, we also do not keep records of the materials used by weight and volume. We do, however, regularly register the quantities of consumables such as ink, toner, and paper that we order. In 2010 we procured about 4.9 metric tons of ink and toner in Germany. All cartridges are returned for recycling.

In 2010 we procured a total of 417 metric tons of paper in Germany. We did so using procurement channels via both TÜV Media and our central purchasing department. Our standard paper brand, Plano Premium, holds a European environmental product certificate and a Nordic Swan certificate of low emissions during production. It is a product of sustainable forestry, but is not yet FSC-certified. We ordered around 402 metric tons of this paper (previous year: 399*). The weights stated for paper last year had to be adjusted because the calculations failed to take a second procurement channel into account. That is the reason for the difference between the figures stated here and those stated in the 2009 sustainability report. At TÜV Media GmbH we also run a printing plant of our own, and the paper it uses depends on customer demands. In 2010 we used around 15 metric tons of this so-called graphic paper (previous year: 31). No use is currently made of recycled paper.⁷²

72 EN2

Leasing companies in Germany supply us with over 2,000 laptop and desktop computers a year for a leasing period of three years. Using them for any longer does not make sense for us because the progress of technological development would lead to an inefficient and uneconomical fleet of equipment. A uniform IT base, in contrast, boosts the efficiency of our information management and the productivity of our workforce. It also significantly reduces the expense of remote maintenance.

Waste⁷³

All of our Business Units and employees throughout Germany take part in an active separation of all kinds of waste. Commercial and domestic waste, special waste, and recyclables are separated immediately after they come about and are stored in accordance with the relevant statutory requirements. Waste disposal is handled solely by regional waste disposal companies and by certified companies that specialize in hazardous waste and do not, as far as we are currently aware, conduct international business and therefore do not dispose of special waste by sending it across borders.

We have appointed a Group Waste Officer who monitors waste disposal processes across Germany. He is at the service of all the Business Units to advise them on all issues of waste disposal. He also coordinates and monitors waste disposal and is responsible for ensuring that laws and regulations are upheld and observed. He is assisted by the Environmental Officers and other local employees.

Waste in Germany

in metric tons	2009	2010
Waste for recycling	2,224	985
of which estimated*		440
Paper	366	437
of which estimated*	2,224.4	160
Metal	132	51
Wood	161	174
Construction waste	370	206
Separator content	15	29
Electrical/electronic waste	31.4	42.2
of which hazardous waste		15.3
Other hazardous waste	26.8	10.7

* Based on the stated volumes of waste bins and not weighed precisely.

* See "About this Report" on p. 130.

As a service provider we require no packaging for our products. Our packaging material usage is limited to envelopes and the like in which we send our test reports to our customers.⁷⁴ Our customers can then dispose of them as waste paper for recycling. In the course of our ordinary business activities we do not generate any further significant waste other than our documented waste, emissions, and waste water.

Relevant quantities and more significant categories of waste mainly occur at just a few main locations where they are recorded by quantity or weight. At smaller locations the usual commercial waste and waste paper is disposed of by means of municipal garbage collection and waste quantities are not recorded. All that can be estimated is the number of bins, their volume, and the collection schedule and mean density of a full bin. For the most part the only hazardous waste that accumulates is old computer monitors and other electronic waste. Certified waste disposal companies collect them for breaking up and recycling. Other hazardous waste occurs only in small quantities and is also disposed of for recycling via refuse disposal operators.

Society

TÜV Rheinland – Fair and Open to Criticism⁷⁵

The satisfaction of our customers and a constructive exchange of views with them are two of our strategic corporate objectives. That is why the majority of our Business Units carry out comprehensive customer surveys every other year. These not only help us to identify potential for improvement in our respective service areas and to decide on actions to take, but are also always an important source of inspiration for new product and service concepts. Starting at a very high level, we have succeeded in further increasing customer satisfaction in recent years.

The latest findings of a survey commissioned by the Industrial Services Business Stream clearly indicate that customers especially appreciate our competence and reliability. However, the analysis also concludes that we must continue to develop in a dynamic environment and increase innovation.

At TÜV Rheinland, brand strategy and corporate identity are managed centrally. The marketing department conducts surveys on the TÜV Rheinland brand. Here too, the results in recent years show a positive trend. TÜV Rheinland was found to be the best known of the three TÜV organizations in Germany.

In respect to marketing and advertising, we abide by the IFIA code and are committed to the principle of fairness in our marketing policy, as first and foremost stated in the TÜV Rheinland Code

75 4.6, PR5

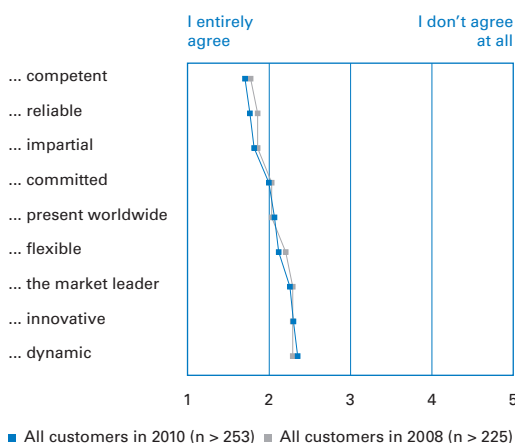
74 EN27

The Fastest Way to Quality⁷⁶

Proof of quality and consumer information at a mouse click – that is what our online certificate database TUVdotCOM has to offer. This is where you will find all product properties, services, companies, systems, and personnel certifications tested by us, complete with their certificates and customer websites and an individual ID number. Our service is available for manufacturers, purchases, dealers, and end consumers in equal measure and can be downloaded in 17 languages.

www.tuvdotcom.com

TÜV Rheinland Industrial Services Is ...



76 SO1, PR3

81 PR1, PR2, PR3, PR4

of Conduct. In 2010, as in the previous year, no fines were imposed on us for unfair competition or for competition-relevant misconduct.⁷⁷

77 PR6, PR7

We ensure comprehensive protection of customer data by means of various IT and storage solutions and strict access controls. No justified complaints of a breach of protection of customer data or loss thereof were made during the reporting period.⁷⁸

78 PR8

79 EC8, EC9

The Best of Everything⁷⁹
Regardless of whether they involve job creation, technology transfer, or improving production processes, public-private partnership projects are playing an increasingly important role in the achievement of development policy objectives. That is hardly surprising, given that they bring together the individual strengths of several partners. We too contribute our specialized know-how to a range of PPP projects in which we are involved in developing and transition countries together with non-profit institutions and state development agencies such as the German Investment and Development Society (DEG) and with an investor in each project. The influence of these measures is monitored by the partner organizations.⁸⁰

80 SO1

Safety First⁸¹

Investigating products and services for their effects on healthcare, safety, and the environment is one of our core competences. We have now been in the market with some of our testing services for more than a century. They are therefore very well developed in terms of upholding safety and healthcare standards.

In contrast to manufacturing companies, we as a service provider are unable to carry out valid “impact assessments” of our products in relation to the environment, healthcare, and society. Sustainability aspects have nevertheless always played a crucial role in the development of our portfolio. The use of remote diagnosis and e-learning offerings, for example, contributes toward a reduction in the environmental burdens for which we are responsible. At present, however, this is not yet a reduction that can be precisely quantified.

PPP Projects

Project	Country/ region
SHINE – for more productivity and sustainable operational ecology	Karnataka, India
SEBSSR – sustainable, ecologically balanced and safe ship recycling	Bangladesh
Comprehensive food safety program for the dairy industry	Punjab, Haryana, India
HSPM – hazardous substance process management	Southern India
Training center for people employed in local industry	Southern India
Study courses on renewable energy	India
Setting up a training and continuing education program in the area of waste and material flow management	Morocco
Implementation of a product inspection platform to certify authenticity and prevent the distribution and consumption of counterfeit medications	Ukraine

Product labeling requirements or laws governing the usage of our products do not apply to our testing, training, and consulting services because the result of our testing is usually just a seal, certificate, or expert report with no socio-ecological effects of its own. That said, the awarding of these seals, certificates, and expert reports is itself subject to high standards. They can be statutory standards and regional or industry-specific safety or functional standards, and they can just as easily be new scientific findings. We are only allowed to undertake many of our tests after acquiring a certificate of competence and after regular inspections by an accreditation body.

An erroneous or misleading award of our test marks can cost lives or threaten the Group's very existence. To ensure that all relevant standards are upheld and to ensure the integrity of the services that we provide, we have implemented a compliance system which is described on p. 49.

We were not required to pay any material fines for breach of statutory regulations in relation to the making available and use of products.⁸²

82 PR9

We are also a major service provider for public authorities. For technical reasons we are unable to state the extent to which we receive public funding.⁸³

83 EC4

Caring with a Concept

Since 2008 a Sponsorship Guideline has been in force across the entire Group as part of our quality management and compliance regulations. We revised this guideline in 2010 with the intent of making a clearer distinction between advertising expenses and sponsorship and philanthropic donations.

We defined sponsorship as brand advertising and not as product advertising. To prevent misuse of funds, sponsorship that exceeds € 5,000 per year per beneficiary must be reported to and registered

For information about cooperation with our suppliers, see the "Compliance" section on p. 49.

Aim	Financier	Status
→ To help companies to set up sustainability management systems	German Investment and Development Society (DEG)	Completed (September 2010)
→ Certification to indicate competitiveness and responsible behavior		
→ To tackle difficulties faced by the ship recycling industry with regard to healthcare, safety and welfare	German Investment and Development Society (DEG)	In progress
→ To make international food safety standards and best management practices known	German Investment and Development Society (DEG)	In progress
→ To make international food safety standards and best management practices known	German Investment and Development Society (DEG)	Beginning
→ To catch up with international HSPM standards and best practices		
→ Target group includes commodity suppliers, battery manufacturers, suppliers of packaging material, recycling companies		
→ To develop two training centers for environmental and technical courses	German Investment and Development Society (DEG)	Beginning
→ To establish and implement continuous courses in the field of renewable energies	SEQUA	In progress
→ To improve the information and knowledge level of relevant players in the waste disposal and material flow management sector	German Society for International Cooperation (GIZ)	Completed (February 2010)
→ To develop a system by which to reduce the share of counterfeit pharmaceuticals in the medication supply chain	German Society for International Cooperation (GIZ)	In progress
→ To increase awareness of the issue		
→ To develop an online platform to help stakeholders across the entire supply chain to identify counterfeit pharmaceuticals		

For examples of how our work around the globe contributes to protecting the environment and society, take a look at our Reports on pp. 24–43.

with the CSR/Compliance department. Larger sponsorship commitments that exceed a sum of € 10,000 must be approved by the Compliance Board, which consists of members of the Executive Board, the Chairman of the Supervisory Board, the Group Works Council, and the Chief Compliance Officer.

We define sponsoring as all expenditures made in pursuit of a direct business purpose. These are likewise subject to the same reporting and approval process. Regarding donations, it is important that the principle of equal shares is not applied. For this reason, in the course of a greater strategic alignment of our CSR activities, we have defined areas where we want to commit ourselves by means of donations. They are:

- Human and environmental safety
- The 10 principles of the UN Global Compact
- Societal responsibility in a global context
- Fairness, openness, impartiality, and reliability
- Local welfare or cultural projects
- Neighborhood commitments

Projects and activities may also be supported if they meet any of the following requirements:

- Promoting education and knowledge
- Improving people's living conditions or helping to ensure their survival
- Improving the safety of relief and disaster services

The formulation of these criteria is the result of our efforts to link our philanthropy efforts more closely to TÜV Rheinland's business activities. To shape our philanthropic projects, we entered into loose partnerships with the organizations Care Deutschland, Help – Hilfe zur Selbsthilfe e.V., and the German Chapter of Engineers without Borders (Ingenieure ohne Grenzen e. V.) in 2009, and then implemented them in the course of 2010.

As a part of the immediate disaster relief for the earthquake victims in Haiti, we supported the construction of quake- and hurricane-safe emergency housing. The main focus of our commitment was on training mechanics and on technical training courses. In Rwanda and Tanzania, we helped to build simple footbridges and cisterns for schools together with the German Chapter

of Engineers without Borders. In Latin America, we made our technical expertise available in appraising solar panels. In Chad, we supported the installation of solar panels at healthcare centers. In northern Niger, we developed water supplies for the benefit of the Tuareg people. A common feature of all of these projects is a close relationship to our project planning, testing, and safety activities.

Our commitment to the reconstruction of schools after the serious earthquake in China's Sichuan province early in the summer of 2008 is showing signs of success. TÜV Rheinland is taking part in an initiative launched by Germany's Federal Foreign Office and the Asia Pacific Committee of German Business to help rebuild schools in the affected area. Along with reconstruction work, TÜV Rheinland is helping improve teaching quality. At one of the schools, books and teaching materials have already been supplied thanks to the commitment of our employees in Greater China. Employees have also implemented training schemes for the teachers.⁸⁴

An important element in our philanthropic commitment is the nonprofit TÜV Rheinland Foundation for Corporate Social Responsibility, set up in 2009. The foundation's main task is to promote implementation of the Global Compact principles.

The TÜV Rheinland Foundation will once again sponsor the International TÜV Rheinland Global Compact Award in 2011. An award of € 25,000 is bestowed every three years on individuals, organizations, or scientific institutions that have demonstrated outstanding achievements in promoting the UN Global Compact principles.

Making China FIT⁵

Doing the splits is not generally considered to be the easiest of feats, neither in gymnastics nor in the business world. In 2010, despite social standards and audits, many contract manufacturers in emerging markets and developing countries again failed to strike a healthy balance between making profits and behaving responsibly. Yet this feat is not all that difficult – if you have the right training program. Such as FIT⁵.

The Factory Improvement Training program that we developed with the consulting company CSR Asia and a German partner, InWent gGmbH, is based on five modules: communication, personnel management, lean production, company healthcare, and safety and social accountability. After just six months, the participating factories in the pilot region of southern China were able to present impressive results: working hours

were reduced on average by more than a third, peak productivity increased by 50 percent, and employee satisfaction also improved significantly. There are now plans to extend the PPP program to other regions.



Since 2009, the slogan of our Christmas donation campaign has been “Spenden statt Schenken” (Give a Donation, Not a Present). At the suggestion of our employees we have dispensed with the obligatory Christmas gifts for our business partners and customers, and instead donate the money to a charitable organization. In 2010, Ingenieure ohne Grenzen e.V., a nonprofit aid organization specialized in providing engineering solutions in developing countries, was the recipient.

Many of our employees engage in voluntary work. To encourage volunteerism, the sharing of volunteer experiences and networking, we launched the

Ehrenamt (voluntary work) initiative in 2009. Ehrenamt is an interactive online platform through which employees around the world can share project experience, present new projects, and gather ideas and inspiration. At present the platform includes nearly 50 projects, and the number is increasing. Our employees “back home” in Cologne also demonstrate their sense of commitment. Many regularly take part in the Cologne Volunteer Days and spend a day working free of charge for a welfare project. Others entered the Cologne marathon and earned € 4 for every kilometer they ran, with the proceeds being donated to the German Multiple Sclerosis Society (DMSG).

Verification Statement

Certification of Independent Audit

To TÜV Rheinland AG, Cologne

This statement is a translation from the German original. It was translated on behalf of TÜV Rheinland, and therefore is not authoritative. The verification statement refers to the German original report. In case of doubt, the German original shall prevail.

Based on a contractual agreement, we have conducted an audit to establish a limited assurance about the statements on corporate social responsibility (CSR) made by TÜV Rheinland AG, Cologne, in the chapter “Boundlessly Sustainable” on pp. 46–69 of its Corporate Report for the business year 2010. The audit for the chapter “Ecology” on pp. 59–65 and the statements on occupational health and safety on p. 58 relate to information provided about TÜV Rheinland Group companies in Germany.

Responsibility of the Legal Representatives

TÜV Rheinland AG's Executive Board is responsible for compiling the aforementioned chapters of CSR information in keeping with the following criteria listed in the Sustainability Reporting Guidelines Vol. 3 (pp. 7–17) of the Global Reporting Initiative (GRI):

- Materiality,
- Stakeholder inclusiveness,
- Sustainability context,
- Completeness,
- Balance,
- Clarity,
- Accuracy,
- Timeliness,
- Comparability, and
- Reliability.

The responsibility consists of selecting and applying appropriate methods of data collection used in drawing up the aforementioned chapters on CSR, and of confirming that assumptions and estimates on individual CSR statements are plausible. It also

comprises the conception, implementation, and maintenance of systems and processes insofar as they are of importance for compiling the aforementioned chapters of details about CSR.

Auditor's Responsibility

Our task is to make an assessment on the basis of the work we have undertaken as to whether we have become aware of circumstances that lead us to assume that the statements on CSR for the 2010 business year made in the Corporate Report for 2010 do not comply in material respects with the criteria of the GRI's Sustainability Reporting Guidelines Vol. 3 (pp. 7–17). In addition, we were instructed to make recommendations on the basis of our audit findings on the further development of CSR management and CSR reporting.

We conducted our audit with due regard for the International Standard on Assurance Engagements (ISAE) 3000, which requires us to abide by our professional duties and to plan and implement the commission with due regard for the principle of materiality so as to be able to make our assessment with a limited degree of certainty.

In an audit to establish “limited assurance”, the audit activities are less extensive than those undertaken in an audit to establish a sufficient degree of certainty such as is required for annual financial statements in accordance with Section 317 of the German Commercial Code (HGB), so that a correspondingly lower degree of certainty is achieved.

The choice of audit activities is subject to the auditor's judgment. In the course of our audit we undertook, amongst others, the following activities:

- An inspection of the documents on CSR strategy, CSR management, and stakeholder dialog along with obtaining an understanding of the topic-finding process for the CSR report;
- Interviews with employees at the Group's headquarters in Cologne who are responsible for compiling the aforementioned chapters on CSR (the responsible areas include CSR and Sustainability, Human Resources, Occupational Health

and Safety, and Radiation Safety, Global Process Management, and Compliance) or for supplying details of the processes used to draw up CSR statements and consolidate data, and of the internal control system relating to these processes;

- An on-site visit to TÜV Rheinland Ibérica S.A. and the conduct of site-related interviews and surveys;
- An inspection of the documentation of systems and processes used to record, analyze, and aggregate statements on CSR and spot checks to obtain an understanding of them;
- A comparison of selected details in the section on “Compliance” with the respective requirements of the anti-corruption reporting guidelines of the UN Global Compact and Transparency International;
- An analytical assessment of CSR data;
- Spot checks of the evidence provided in support of individual CSR details, including inspection of internal documents, external reports, invoices, and obtaining an understanding of estimates and projections.

Judgment

On the basis of our audit to establish a “limited assurance”, we have not become aware of any circumstances which lead us to believe that statements on CSR for the business year 2010 in the aforementioned sections of the Corporate Report for 2010 were not drawn up in keeping with material aspects of the GRI criteria for Sustainability Reporting Guidelines Vol. 3 (pp. 7–17).

Supplementary Notes – Recommendations

Without prejudice to our audit findings outlined above, we make the following recommendations on further development of CSR management and CSR reporting:

- Expansion and documentation of internal procedures at the central corporate level to validate CSR data;
- Standardization of definitions and procedures to establish CSR details and of the documentation of downstream corporate inspection procedures;
- Continued development of CSR organization in downstream organizational or Business Units.

Düsseldorf, March 18, 2011

**PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft**

Andreas Bröcher
Auditor

pp Nicole Kummer

About this Report

TÜV Rheinland Presents its First Integrated Corporate Report.¹

The report is based on the internationally recognized IFRS and Global Reporting Initiative (GRI) reporting standards, the principles of the Global Compact, and the anti-corruption guidelines of the UN and Transparency International. It covers/takes into account the Group companies included in the consolidated financial statements. The current GRI guidelines (G3) dated October 2006 comprise over 120 indicators that describe both the company and its output and the report itself.²

The GRI Content Index lists the indicators in the current GRI guidelines that were raised in TÜV Rheinland's 2010 Sustainability Report. In addition, the text includes footnotes that show which indicator is raised in which section.

The previous Sustainability Report was published in May 2010 and the annual publication frequency is to be maintained in the future.³

Methodology used in the Report⁴

The reporting period is the business year 2010. If, at the time of publication (deadline: February 28, 2011), the final figures for 2010 were not yet available, comparable annual figures for 2009 have been used as the basis.⁵

Key Environmental Protection, Occupational Health and Safety, and Safety at Work Figures

German companies: Of the more than 300 properties in Germany, only office locations with 20 or more employees are covered, as are laboratories and testing centers with more than three employees. The survey thus covers 80 sites and more than 80 percent of the Group's employees in Germany. The data collected was then projected for the entire workforce in Germany and the figures were rounded up or down. Other bases of calculation are stated separately where applicable. The use of standardized datasets such as GaBi and of more detailed data collection leads to a retroactive adjustment of individual figures for 2009, and some figures were newly aggregated. To make this clear in the text, figures that had to be adjusted for 2009

and therefore differ from the figures stated in the previous year's report are indicated by a (*), while estimates and assumptions are identified as such.⁶

International companies⁷: Due to first-time data collection abroad, the degree of coverage and the quality of data is still limited, partly in view of the lack of comparability with figures for previous years. The reliability of data collection will continue to be improved in the future. To achieve a global coverage of key figures for environmental protection and occupational health and safety, data was collected from all seven TÜV Rheinland regions. In each region, data is collected from the three countries with the largest number of employees. Within countries, only sites with at least 20 employees were taken into account. Due to the existing data status, coverage ratios vary for international figures, ranging from 40 to 80 percent. Data collected was then projected for the total headcount of the TÜV Rheinland Group's international companies and rounded. Other bases of calculation are stated separately where applicable. Data for economic factors and personnel information cover all of the Group's consolidated companies.

If not listed in full-time equivalent (FTE) numbers, the employee structure is stated in numbers of employees.

The present TÜV Rheinland sustainability report takes full account of the Global Reporting Initiative's reporting framework. The report corresponds to the highest GRI application level, Application Level "A", as the GRI has confirmed in the course of an inspection. Material figures stated in the report were audited by PricewaterhouseCoopers subject to the limitations stated in the verification statement.



GRI Index

GRI Index UN Global Compact/Transparency International Reporting Guidance on Anti-Corruption

Indicators		Corporate Report and Web Reference	UNGC Prin- ciples	Status
1	Strategy and Analysis			
1.1	Statement from the most senior decision maker of the organization	pp. 2–5		■
1.2	Description of key impacts, risks, and opportunities	pp. 46–47, 74–75, 79–81, 83–86		■
2	Organizational Profile			
2.1	Name of the organization	Editorial Information, p.73		■
2.2	Primary services	Gatefold, www.tuv.com		■
2.3	Operational structure, including main divisions	pp. 72–87		■
2.4	Location of organization's headquarters	Editorial Information		■
2.5	Names of countries with major operations	Inside front cover, p. 75, www.tuv.com		■
2.6	Nature of ownership and legal form	pp. 72–87		■
2.7	Markets served	pp. 74–75, www.tuv.com		■
2.8	Scale of the reporting organization	pp. 53–54, 72		■
2.9	Significant changes regarding size, structure or ownership	pp. 72–73		■
2.10	Awards received in the reporting period	p. 53, www.tuv.com		■
3	Report Parameters and Limits			
3.1	Reporting period	p. 130		■
3.2	Date of most recent previous report	p. 130		■
3.3	Reporting cycle	p. 130		■
3.4	Contact point for questions regarding the report or its contents	Editorial Information		■
3.5	Process for defining report content	pp. 46–47, 60, 130		■
3.6	Boundary of the report	pp. 60, 130		■
3.7	Limitations on the scope or boundary of the report	pp. 60, 130		■
3.8	Basis for reporting on joint ventures, subsidiaries, and other entities	p. 130		■
3.9	Data measurement techniques and bases of calculations	pp. 60, 130		■
3.10	Re-statements of information provided in earlier reports	pp. 60, 130		■
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	pp. 60, 130		■
3.12	GRI content index	pp. 131–135		■
3.13	External assurance for the report	pp. 128–129		■
4	Governance, Commitments, and Engagement			
4.1	Governance structure and responsibility for sustainability	pp. 47, 49–52	1–10	■
4.2	Independence of the Chair of the highest governance body	p. 82	1–10	■
4.3	Details of organizations that have no unitary board structure		1–10	■
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	p. 136	1–10	■
4.5	Linkage between compensation for members of the highest governance body and the organization's sustainability performance	p. 59	1–10	■
4.6	Processes in place to ensure conflicts of interest are avoided	pp. 49, 65–66	1–10	■

** Additional indicator ■ Not relevant ■ Reported

Indicators		Corporate Report and Web Reference	UNGC Prin- ciples	Status
4.7	Qualifications and expertise of the members of the highest governance body concerning sustainability	www.tuv.com	1–10	■
4.8	Internally developed statements of mission or values and codes of conduct	pp. 49–50	1–10	■
4.9	Procedures of the highest governance body for overseeing the organization's management of economic, environmental, and social opportunities and risks	pp. 46–47, 49–50		■
4.10	Processes for evaluating the highest governance body's own environmental performance	p. 59		■
4.11	Implementation of the precautionary approach	pp. 46–47, 49–50	7	■
4.12	Externally developed initiatives to which the organization subscribes or endorses	pp. 48, 49–50	1–10	■
4.13	Memberships in associations	pp. 48, 49–50	1–10	■
4.14	List of stakeholder groups engaged by the organization	pp. 48–49		■
4.15	Basis for identification and selection of stakeholders with whom to engage	pp. 48–49		■
4.16	Approaches to stakeholder engagement	pp. 48–49		■
4.17	Response to key topics and concerns of the stakeholders	pp. 48–49		■
Economic				
Economic Performance Indicators				
Management Approach		pp. 46, 65–69, 79–81		■
EC 1	Direct economic value generated and distributed	pp. 76–79	7	■
EC 2	Financial implications and other risks and opportunities of climate change	pp. 47, 84–85		■
EC 3	Coverage of the organization's defined benefit plan obligations	p. 59		■
EC 4	Significant financial assistance received from government	p. 67		■
EC 5**	Range of ratios of standard entry level wage compared to local minimum wage	p. 58	1	■
EC 6	Policy, practices, and proportion of spending on locally-based suppliers	pp. 47, 50		■
EC 7	Procedures for local hiring	p. 53	6	■
EC 8	Infrastructure investments and services provided primarily for public benefit	pp. 66, 68		■
EC 9**	Significant indirect economic impacts	p. 66, www.tuv.com		■
Environmental Performance Indicators				
Management Approach		pp. 46–47, 59		■
EN 1	Materials used by weight or volume	p. 64	8	■
EN 2	Percentage of materials used that are recycled input materials	p. 64	8–9	■
EN 3	Direct energy consumption by primary energy source	pp. 61–63	8	■
EN 4	Indirect energy consumption by primary source	pp. 61–62	8	■
EN 5**	Energy saved due to conservation and efficiency improvements	pp. 61–62	8–9	■
EN 6**	Initiatives to provide energy-efficient or renewable energy-based products and services	pp. 59–60	8–9	■
EN 7**	Initiatives to reduce indirect energy consumption and reductions achieved	pp. 61–62	8–9	■
EN 8	Total water withdrawal by source	p. 63	8	■
EN 9**	Water sources significantly affected by withdrawal of water	p. 63	8	■
EN 10**	Percentage and total volume of water recycled and reused	p. 63	8–9	■
EN 11	Land in, or adjacent to, protected areas	pp. 63–64	8	■
EN 12	Significant impacts of services on biodiversity	pp. 63–64	8	■
EN 13**	Habitats protected or restored	pp. 63–64	8	■
EN 14**	Strategies, current actions, and future plans for managing impacts on biodiversity	pp. 63–64	8	■
EN 15**	Conservation list species with habitats affected by services	pp. 63–64		■
EN 16	Total direct and indirect greenhouse gas emissions by weight	pp. 60, 61–62	8	■
EN 17	Other relevant indirect greenhouse gas emissions by weight	pp. 62–63	8	■
EN 18**	Initiatives to reduce greenhouse gas emissions	pp. 61–62	7–9	■

Indicators		Corporate Report and Web Reference	UNGC Prin- ciples	Status
EN 19	Emissions of ozone-depleting substances by type and weight	pp. 60, 62	8	■
EN 20	NOx, SOx, and other significant air emissions by type and weight	pp. 60, 62	8	■
EN 21	Total water discharge by quality and destination	p. 63	8	■
EN 22	Total weight of waste by type and disposal method	pp. 64–65	8	■
EN 23	Total number and volume of significant spills	pp. 64–65	8	■
EN 24**	Waste deemed hazardous under the terms of the Basel Convention	pp. 64–65	8	■
EN 25**	Effects of discharges of water on ecosystems	p. 63	8	■
EN 26	Initiatives to mitigate environmental impacts of services	pp. 61–62	7–9	■
EN 27	Percentage of products sold and their packaging materials that are reclaimed	p. 64	8–9	■
EN 28	Fines for non-compliance with environmental laws and regulations	p. 59	8	■
EN 29**	Significant environmental impacts from transport	pp. 62–63	8	■
EN 30**	Total environmental protection expenditures	p. 61	7–9	■
Labor Practices and Employment				
Management Approach		pp. 53–59		■
LA 1	Total workforce by employment type, employment contract, and region	pp. 53–54		■
LA 2	Total number and rate of employee turnover by age group, gender, and region	p. 53	6	■
LA 3**	Benefits provided to full-time employees	p. 59		■
LA 4	Percentage of employees covered by collective bargaining agreements	p. 58	1, 3	■
LA 5	Minimum notice periods regarding significant operational changes	p. 59	3	■
LA 6**	Percentage of total workforce represented in formal joint management-worker health and safety committees	p. 58	1	■
LA 7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities	p. 58	1	■
LA 8	Measures in place to provide assistance regarding serious diseases	pp. 57–58	1	■
LA 9**	Health and safety topics covered in formal agreements with trade unions	p. 58	1	■
LA 10	Average hours of training per year per employee by employee category	pp. 55–56, 56–57		■
LA 11**	Programs for skills management and lifelong learning	pp. 54–55		■
LA 12**	Percentage of employees receiving regular performance and career development reviews	p. 56		■
LA 13	Composition of governance bodies and breakdown of employees per category according to gender, age group, and minority group membership	p. 54	1, 6	■
LA 14	Ratio of basic salary of women to men by employee category	p. 58	1, 6	■
Human Rights				
Management Approach		pp. 49–50, 53–59		■
HR 1	Investment agreements that include human rights clauses or that have undergone human rights screening	pp. 50, 51	1–6	■
HR 2	Percentage of suppliers and contractors that have undergone screening on human rights	p. 50	1–6	■
HR 3**	Employee training on policies and procedures concerning human rights	pp. 50, 51	1–6	■
HR 4	Incidents of discrimination and actions taken	p. 52	1–2, 6	■
HR 5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at risk	p. 59	1–2, 3	■
HR 6	Measures taken to contribute to the elimination of child labor	pp. 46, 50	1–2, 5	■
HR 7	Measures taken to contribute to the elimination of forced or compulsory labor	pp. 46, 50	1–2, 4	■
HR 8**	Security personnel training concerning human rights			■
HR 9**	Incidents involving rights of indigenous people and actions taken			■

** Additional indicator ■ Not relevant ■ Reported

Indicators		Corporate Report and Web Reference	UNGC Prin- ciples	Status
Society				
Management Approach		pp. 47, 49–52, 65–69		■
SO 1	Programs that assess the impacts of operations on communities	pp. 65, 66		■
SO 2	Business units analyzed for risks related to corruption	p. 50	10	■
SO 3	Employee training in organization's anti-corruption policies	p. 51	10	■
SO 4	Actions taken in response to incidents of corruption	pp. 51–52	10	■
SO 5	Public policy positions and participation in public policy development and lobbying	p. 48	1–10	■
SO 6**	Total value of financial and in-kind contributions to political parties and politicians	p. 48	10	■
SO 7**	Legal actions for anti-competitive behavior	p. 47		■
SO 8	Fines for non-compliance with laws and regulations	p. 51		■
Product Responsibility				
Management Approach		pp. 49–52, 65–69		■
PR 1	Life cycle stages in which health and safety impacts of products are assessed	pp. 66–67	1	■
PR 2**	Incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts	pp. 66–67	1	■
PR 3	Type of product information required by procedures	pp. 65, 66–67	8	■
PR 4**	Incidents of non-compliance with regulations and voluntary codes concerning product and service labeling	pp. 66–67	8	■
PR 5**	Customer satisfaction, including results of surveys	pp. 65–66		■
PR 6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications	p. 66		■
PR 7**	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications	p. 66		■
PR 8**	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	p. 66	1	■
PR 9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services	p. 67		■
UNGC/TI Reporting Guidance on Anti-Corruption				
Commitment and Policy				
B 1	Publicly stated commitment to work against corruption	p. 49		■
B 2	Commitment to be in compliance with all anti-corruption laws	p. 49		■
D 1	Publicly stated formal policy of zero tolerance of corruption	pp. 49, 50		■
D 2	Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption	p. 49		■
D 3	Carrying out risk assessment of potential areas of corruption	p. 50		■
D 4	Detailed policies for high-risk areas of corruption	p. 51		■
D 5	Policy on anti-corruption regarding business partners	p. 50		■
Implementation				
B 3	Translation of the anti-corruption commitment into actions	pp. 50–51		■
B 4	Support by the organization's leadership for anti-corruption	pp. 50, 51		■
B 5	Communication and training on the anti-corruption commitment for all employees	pp. 50, 51		■
B 6	Internal checks and balances to ensure consistency with the anti-corruption commitment	p. 51		■
D 6	Communication and other actions taken to encourage business partners to implement anti-corruption commitments	p. 50		■
D 7	Management responsibility and accountability for implementation of the anti-corruption commitment or policy	pp. 50–51		■
D 8	Human resources procedures supporting the anti-corruption commitment or policy	pp. 50–51		■

** Additional indicator ■ Not relevant ■ Reported

Indicators	Corporate Report and Web Reference	UNGC Principles	Status
D 9	Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice	pp. 51, 52	■
D 10	Internal accounting and auditing procedures related to anti-corruption	p. 51	■
D 11	Participation in voluntary anti-corruption initiatives	p. 49	■
Monitoring			
B 7	Monitoring and improvement processes	p. 51	■
D 12	Leadership review of monitoring and improvement results	p. 51	■
D 13	Dealing with incidents	pp. 51, 52	■
D 14	Public legal cases regarding corruption	p. 52	■
D 15	Use of independent external assurance of anti-corruption programs	pp. 51, 52	■

