

2011

Sustainability report Neosys Ltd



Neosys AG

Gerlafingen - Bern - Lausanne - Hanoi

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1 Foreword

You have before you the second GRI-compliant annual report for Neosys AG. We believe that adherence to the reporting principles of the Global Reporting Initiative (GRI) means orienting the company report to the stakeholder and ensuring a high degree of transparency with regard to important key performance indicators of our company – both in a commercial sense and with regard to social, societal and ecological performance.

Our first annual report of this kind in 2010 was a thoroughly positive experience. We are convinced that such a report improves the quality of our own management – simply by compelling us to regularly examine certain factors and performances and to confront ourselves with the various interests of the different stakeholder groups.

However, there are further reasons for issuing such a report:

- We think there is something good about sustainability reporting, something that matches our corporate vision. As we are constantly searching for continuous improvement, our sustainability reporting allows us to measure our progress on our sustainability performance.
- As a member of the UN Global Compact we are dedicated to put our own principles into practice at all times. The GRI compliant report allows us to communicate on this progress and provide this information to the UNGC.

The report covers the financial year from 1.1.2011 until 31.12.2011. It is intended as a GRI report, as a management review report for our integrated management system as well as the Communication on Progress (COP) for the UN Global Compact. I would like to address our stakeholders directly and to emphasize:

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

We wish you an enjoyable read and look forward to receiving your comments.

Sincerely yours,

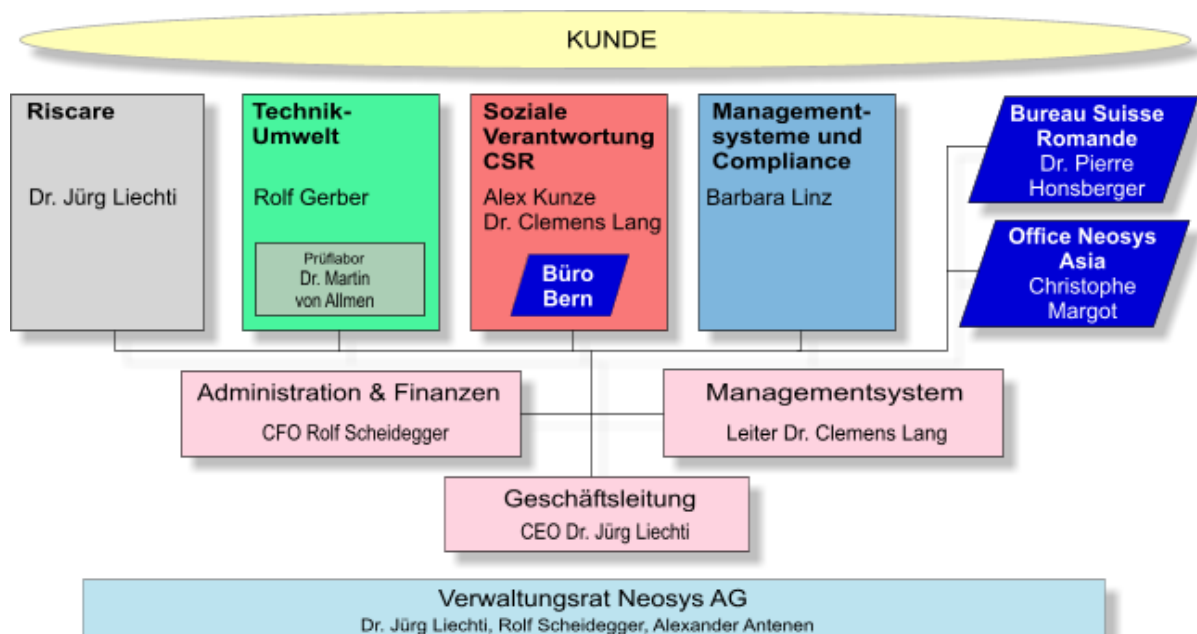


Dr. Jürg Liechti
CEO and President of the Board of Directors

2 Company

2.1 An overview of Neosys

(see also corporate profile in appendix)



2.2 Vision

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

2.3 Importance of sustainability for Neosys AG

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

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

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

2.4 Chronicle of the year 2011

January 2011	Intensive planning for moving the MSC Business Unit forward into the “post-Walter Schaad period”.
January 2011	The Epalinges office moves to Chemin des Tuileries 7, with an associated increase to three posts. Aline Guillaume-Gentil remains in the office as an independent freelancer, with a post reserved for a new Neosys employee.
January 2011	Clemens Lang joins the company management. Alex Kunze and Clemens Lang now manage the CSR Business Unit together. Alex Kunze reduces his work quota due to EMBA studies and family commitments.
February 2011	A class of Chinese students from the University of Applied Sciences and Arts Northwestern Switzerland (visitors from public and private management of the Province of Gansu) visit Neosys and learn about Swiss environmental protection in a half-day programme.
March – June 2011	Various turnaround measures to improve the situation of the CSR Business Unit (including Neosys Asia).
March 2011	The work on our first GRI-compliant annual report is completed. At the same time, the work on the introduction of the environmental management measures in accordance with ISO 14001 is successfully finalised. The management board passes the necessary resolutions (environmental objectives, enactment, etc.).
16 March 2011	Melanie Aeberhard comes to MSC.
1 April 2011	Gisela Kummer comes to AD
April-September 2011	Esthi Binggeli is on maternity leave. She returns to MSC after maternity leave with reduced working hours.
5 April 2011	The Maintenance Audit by SQS is successfully carried out.
21 April 2011	Company strategy retreat to the ‘Altes Spital Solothurn’. Attended by all staff, the retreat is led by an external moderator (Mr Emanuel Wassermann) and confirms that the company is on the right track.
26 May 2011	Neosys AG AGM
June 2011	Our GRI Report is translated into English, published and sent to the UN Global Compact as a “progress report”, essential to maintaining membership.
30 June 2011	Walter Schaad leaves the company. His departure is marked by various activities and through various channels (e.g. Graffiti, farewell message book, etc.). Barbara Linz takes over as manager of the MSC Business Unit.
30 June 2011	Christine Jurt leaves the company and goes back to research (Agroscope).
5 Sept. 2011	Werner Blunier comes to MSC.
30 Sept. 2011	Barbara Buser leaves the company and goes to SECO.
October 2011	A cooperation agreement is signed with Laurent von Willer. LvW works as

	a freelancer in NS Asia projects and CSR where necessary.
4th quarter of 2011	The CSR and Neosys Asia profitability is improved as a result of the turnaround, although staff losses are a serious damper.
16 December 2011	Jubilee celebrations: the celebrations of 10 years for Neosys and 25 years for the company (Dr. Graf AG – Neosys AG) take place at the Landhaus, Solothurn. All past and present employees of Neosys and its predecessors are invited, together with a few guests of honour. The attractions include an exhibition of the company's history.

2.5 Developments – Impact – Opportunities

2011 was characterised by successful developments in the Technology-Environment (TU), RisCare (RC) and Management Systems+Compliance (MSC) Business Units and a turnaround in the Corporate Social Responsibility Business Unit (CSR Bern and Neosys Asia). The TU and RC Business Units have benefited from the good economic situation. The performance in the MSC Business Unit was very good in the first six months. It was somewhat dampened in the second half of the year by the fact that the Business Unit manager left the company and a new management systems consultant was appointed. The turnaround in the CSR Business Unit led to the positive outcome that in the fourth quarter this department was once again able to cover its costs. On the negative side, however, we had to lose two members of staff, not least because of the critical situation regarding these products, which put the reconstruction work over recent years in the CSR Business Unit into stark perspective. The Neosys Asia strategy for 2010 also has to be reconsidered.

Financially, 2011 was the best overall for the new Neosys (since 2006), and there is a good chance that the company will remain on course, for the following reasons:

- The TU and RC Business Units have a solid and attractive mix of products, which, subject to a favourable economic situation, enjoy high demand from customers. In the focus areas of energy and CO₂, and of hazardous substances and planning-related risk analyses, we also have products with a particularly high potential for growth.
- The MSC Business Unit is making excellent advances in the market with its legal services product.
- It appears that the CSR products “sustainability strategy”, “ISO 26000” and “sustainable procurement”, established with a good deal of expenditure, will achieve a breakthrough in the market. At the same time, Neosys has also succeeded in re-establishing itself as a regular supplier for international cooperation projects with the relevant institutions.
- As a company in the ‘cleantech’ sector, we will be able to participate in the restructuring of the economy towards more environmentally-friendly and energy-saving operations, which have over the last year had a substantial political boost.

3 Economy

3.1 Company success

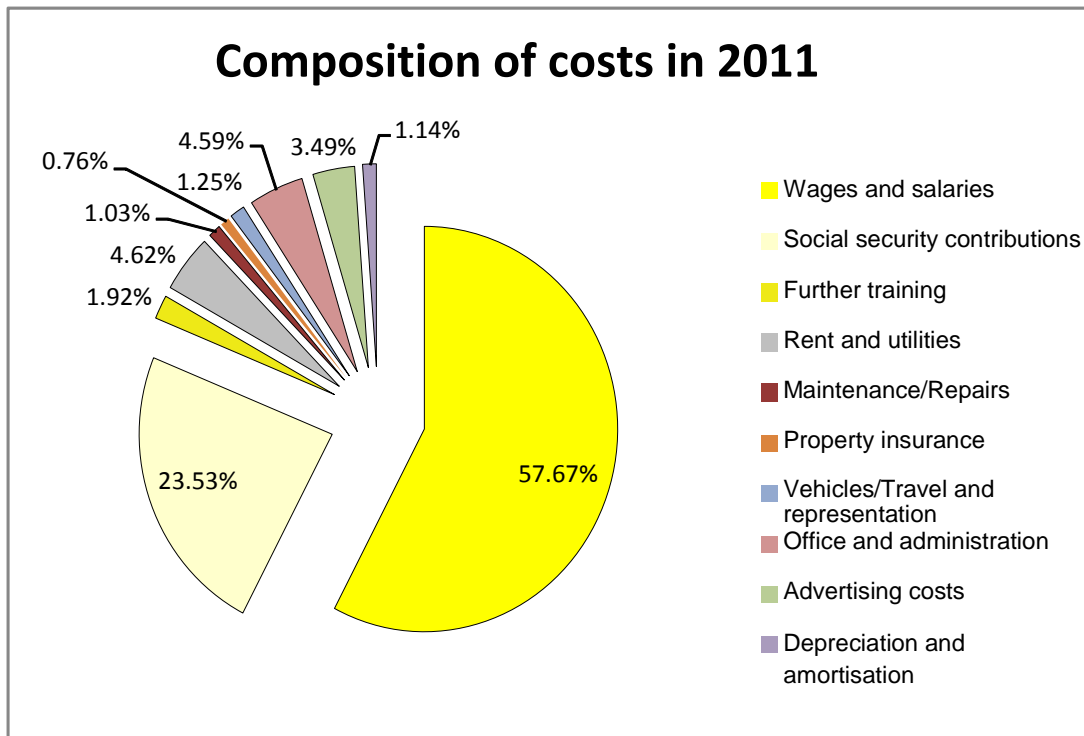
Current status and indicators

The overview table shows the key indicator values. The net turnover (CM1) is CHF 148,000, or 5%, below the budgeted expectations. The reason for this lies in the growth of MSC and RisCare, which has been lower than budgeted for. Together with a reduction in capacities in the Business Units that had been under-utilised, this led to the staff costs being below the budgeted figure, which compensated for about half of the reduced turnover. Excellent operating cost management and the very efficient work in the Administration department (with high external administrative figures) has led despite the aforementioned turnover deficit to a very good EBIT of CHF 226,000, or 8.0% of the net turnover. This is clearly above the lower acceptance level of 5.0% and is markedly better than the previous year's figure (4.6%). Staff productivity increased by comparison with the previous year (1.32), standing at 1.46. This is an improvement of more than 10%, but is still below the long-term reference value of 1.50. This also shows that the excellent EBIT result this year has not primarily been due to very good staff productivity, but to a favourable administrative costs situation.

With regard to the turnover, Neosys AG has grown in 2011 by approx. 12%, despite turnaround measures in the CSR Business Units. The 'nosedive' of 2010 has therefore been recouped. The turnover is 1.3% above that of 2009. The profits also slightly exceeded the 2009 figures.

Indicator	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Gross sales, all of Neosys	kCHF	3,215		3,063	3,375
HR costs, all of Neosys	kCHF	2,280		2,193	2,331
Net sales (CM1), only BUs	kCHF	2,732	2,880	2,443	2,698
HR costs, only Bus	kCHF	1,929	1,996	1,847	1,900
EBIT	kCHF	226	210	113	201
Operating result	kCHF	222	200	113	217
Cash flow	kCHF	253	267	162	304
Dividends distributed	kCHF	74	---	38	72
EBIT rate of return	%	8.0	7.1	4.6	7.5
Staff productivity	-	1.46	1.48	1.32	1.42

The following graphic shows the breakdown of costs. Although Neosys has everything required for state-of-the-art working, and although investments have always been written off at the maximum rates permitted, the material costs barely account for a quarter of costs. Over three quarters are direct or indirect HR costs. This makes clear that the costs are dominated by staff costs and that the performance of the company depends on a good staff return, that is, a high offsetable utilisation of the existing staff capacities.



Assessment

The results-related indicators are in the green and we should be satisfied with them. The net turnover and staff productivity are still (just) below the budget values and further efforts are needed to move them into a positive range. The cash flow is also slightly below expectations.

When assessing the results, account should also be taken of the fact that the financial year 2011 was also not entirely spared from unexpected 'financial blows'. Huge claims on the pension fund needed to be met, without which the results would have turned out substantially better. This fact triggered a revision of the risk analysis and reconsideration of the pension fund policy.

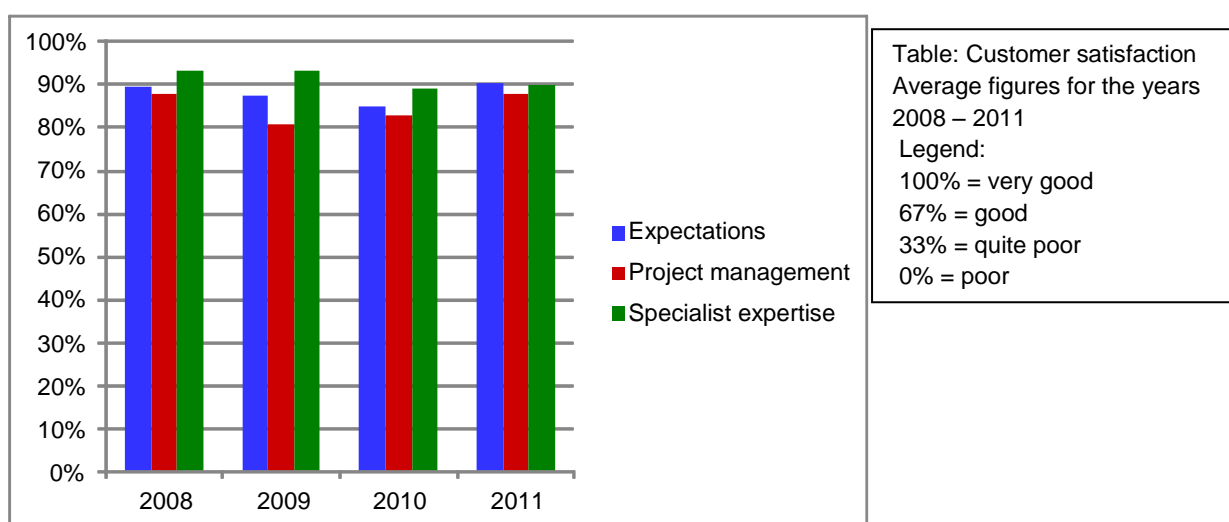
Measures

- Greater accountability through increasing the efficiency of non-productive activities
- Pay scale adjustments where possible
- Clarification of a new pension fund model with defined contributions

3.2 Customers

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

Current status and indicators



The rate of questionnaires returned was 35% (127 questionnaires were sent out, 2010: 34%). 96 to 100% of the customers indicated that they would work with Neosys again or would recommend Neosys to others.

Indicator	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Complaints from customers	Number	0	0	0	3

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

Assessment

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

With regard to the project management, the slight downward trend in the last two years was reversed.

Measures

- Monitoring of the trend, incl. implementation of the new customer satisfaction survey
- Monthly assessment of the feedback from the questionnaire and other feedback from the company management
- Training courses on project and quality management, presentation techniques, etc.

3.3 Suppliers

Current status and indicators

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

With regard to products, Neosys has purchased fair-trade coffee and recycled paper for many years. A new addition is a fruit basket consisting entirely of organic products. In addition, IT products are used from a company that is a leading player with regard to fair working conditions, although it is not yet active in all areas. The list of criteria for the consideration of ecological and social aspects when buying products is applied. In the area of cleaning products, a change-over could not yet be implemented, as low consumption meant that products still in stock needed to be used up.

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

Indicator	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Service partners who have been reviewed	%	0%	---	0%	---
Exclusion of suppliers	Number	0	---	0	0

Assessment

Supplier management is of secondary importance. With certain products, we have been active for longer. A systematic use of ecological and social criteria has to date only been partially implemented, but introduction is now planned for the first half of 2012.

Measures

- The checking of at least 50% of partner service providers in Switzerland and abroad by means of a self-declaration in accordance with the code of conduct
- Continued application of the list of criteria in Purchasing

3.4 Innovation

Current status and indicators

There is an internal innovation process. New ideas for projects are reported by the employees and their status and progress discussed during the market meeting. At the end of 2011 there were 5 active innovation projects, and 4 were completed in the course of the year. One (reporting) was initiated. There were 8 innovation projects in the previous year.

Indicator	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Number of innovation projects handled		5	---	8	9
Working hours spent on 05. projects	Hrs/yr	9.3	---	91.5	175.5

Assessment

The number of innovation projects fell last year, and there was little development of existing projects. This was probably due on the one hand to the fact that new products, such as sustainable public procurement or the moderation of municipal processes, were developed as part of customer projects. On the other hand, there is little excess capacity for development projects if their prospects of success are too modest or the workload from current projects is high.

Measures

- Check whether an indicator of the effectiveness and success of an innovation project can be developed.

3.5 Management system

Current status and indicators

Neosys AG has an integrated management system. The company's quality management has been ISO 9001-certified for many years. This is attained without any problem every time. The management system is expedient and is regularly developed further. Instruments of the continuous improvement process are: customer surveys, employee surveys, internal audits, team meetings, improvement reports. Last year an EMS in accordance with ISO 14001 and sustainability reporting in accordance with the GRI were introduced. The introduction of the new accounting, project management and data system was completed.

Assessment

The integrated management system works well for day-to-day business; it is accepted by the majority and is run efficiently. The introduction of an EMS and sustainability reporting has been completed and these have proven successful. Individual aspects of the implementation are still under way.

Customer satisfaction is still high.

Measures

- Continually check potential for improvement of the IMS
- Continue to use and improve existing instruments.
- Regular holding of training courses on administrative and content aspects of project management.

4 People and society

4.1 Corporate governance and stakeholders

Current status and indicators

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

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

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

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

The most important stakeholders of Neosys are:

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

Assessment

The actual situation shows the constellation as it has developed over the years. A systematic stakeholder analysis is still needed.

Measures

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

4.2 Business practices (incl. corruption)

Current status and indicators

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

Indicator	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Employees who were given anti-corruption training	% of people	60%	50%	0	NR
Cases in which there was any suspected corruption	Number	0	---	0	NR
Complaints from stakeholders with regard to environmental or social aspects	Number	0	---	0	0

Assessment

On the domestic market, the risks of corruption can be rated as low. With projects abroad, there is, however, an increased risk that the company could be confronted with it. External training was therefore provided by Transparency International, in combination with a comprehensive, valuable discussion. The corresponding objective for the year, to provide training for 50% of the staff, was exceeded. The planned company policy was not yet expressly formulated, and remains to be completed in 2012.

A subject that should also be categorised in the area of doubtful business practices is that of conflicts of interest, which may arise in the case of acting simultaneously as auditor and as advisor, both for companies and the authorities governing them. Neosys has increased the attention paid to this aspect for some time. Corresponding potential conflicts of interest are dealt with at the company management meeting (not in the above indicator). Prevention of such conflicts of interest has been adopted as a new item on the feasibility checklist for the quotation process and is thus part of the value creation process.

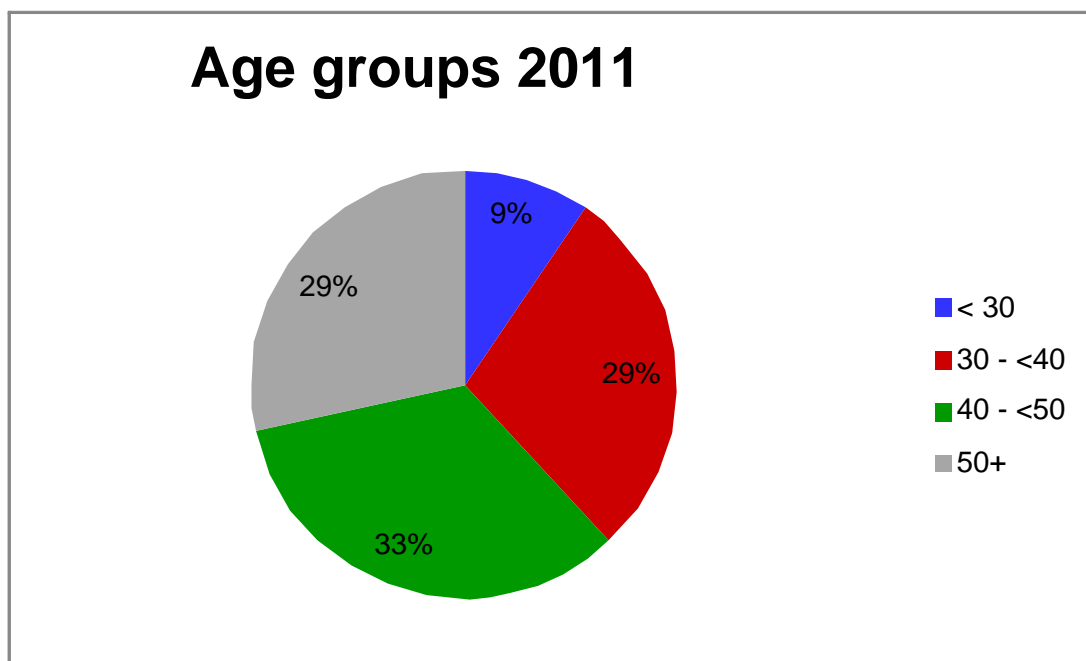
Measures

- Formulation of an explicit company policy regarding corruption and integration into the applicable terms and conditions of work
- The introduction of a list recording cases in which Neosys came into contact in any way with (potential) corruption or (possible) dubious commercial practices

4.3 Employees

Current status and indicators

As per 1.1.2012, Neosys provides 15.2 full-time jobs with employment contracts pursuant to Swiss law shared by 20 people plus collaboration agreements with 7 other individuals that are not fixed for a particular period of time. Neosys offers modern employment conditions with potential for development and a relatively large degree of operational freedom and delegation of responsibility. Further increases in the headcount are planned. The breakdown of the workforce by age and gender can be found in the diagram and table below.



Indicator	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Workforce	FTE on 31.12.	15.2	---	15.7	15.7
Proportion of women among employees	% FTE	31.9	---	28.7	33.8
Proportion of women in the company management	%	15.4	---	0	0
Proportion of women on the Board of Directors	%	0		0	0
Wage spread	Ratio of highest to lowest wage	2.74	---	2.84	NR
Wage ratio woman/man PL1		1.093	1	---	---
Wage ratio woman/man PL3		0.999	1	1.040	1.007
Wage ratio woman/man PL4		0.956	1	0.979	0.982
Fluctuation	% FTE	19.3	< 8	5.2	0
Overall satisfaction	Scale 0 to 10	7.3	> 7	7.1	7.5
Time spent on further training	Hrs / FTE*Y	88.2	---	64.9	57.3

In the past year employee fluctuation was well above the acceptance level. The reason for this was three resignations of staff members in the MSC and CSR Business Units, primarily

for reasons of professional development and uncertainty regarding job security. These resignations were instigated by the employees and were regretted by Neosys, especially as there were noticeable effects in terms of loss of know-how and the need for training/induction of new employees. Measures to reduce uncertainty regarding job security by offering the option of working in other departments did not work.

One employee was on maternity leave during 2011. The person who temporarily took her place was able to remain in employment after her return. In addition, the team was expanded by two additional project managers.

Satisfaction increased again over the last year. The reasons for this included a weakening of the effects of the economic crisis. In addition it proved to have been worthwhile for the management to closely consider the responses and comments from an employee survey and, where appropriate, to formulate appropriate measures.

Assessment

The uneven load, with an excessive load on some departments and insufficient orders in others, has reduced, but has still not yet been fully overcome. Working in other departments to balance out the workload is only possible to a limited extent, as the relevant know-how is needed. It is also difficult to prevent multiple staff departures, as were seen in 2011. Few measures to prevent resignations could be determined, as Neosys AG is a comparatively small company and so, for example, can only offer limited career opportunities.

On a positive note, although this is not an express objective of Neosys AG, it can be recorded that there is a woman in the company management for the first time. Salary equality between men and women is good and the wage spread is also low (< 3), which is typical for a Swiss SME.

Measures

- Intensive consideration of the responses from the employee survey.

4.4 Sponsoring, charity activities, etc.

Current status and indicators

It is part of our philosophy to be active in local sponsoring and to participate in all industry and specialist organisations relevant for our company. The annual budget for local sponsoring was only just reached. On the other hand, employee contributions rose noticeably. The reason for this is membership of an additional association (Swisscleantech).

Indicator	Unit	Actual 2011	Target 2011	Actual 2010	Actual 2009
Sponsoring, donations	CHF	4450	4500	4550	4750
Member contributions	CHF	14948	---	10942	10269

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

Assessment

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

Measures

- No measures envisaged

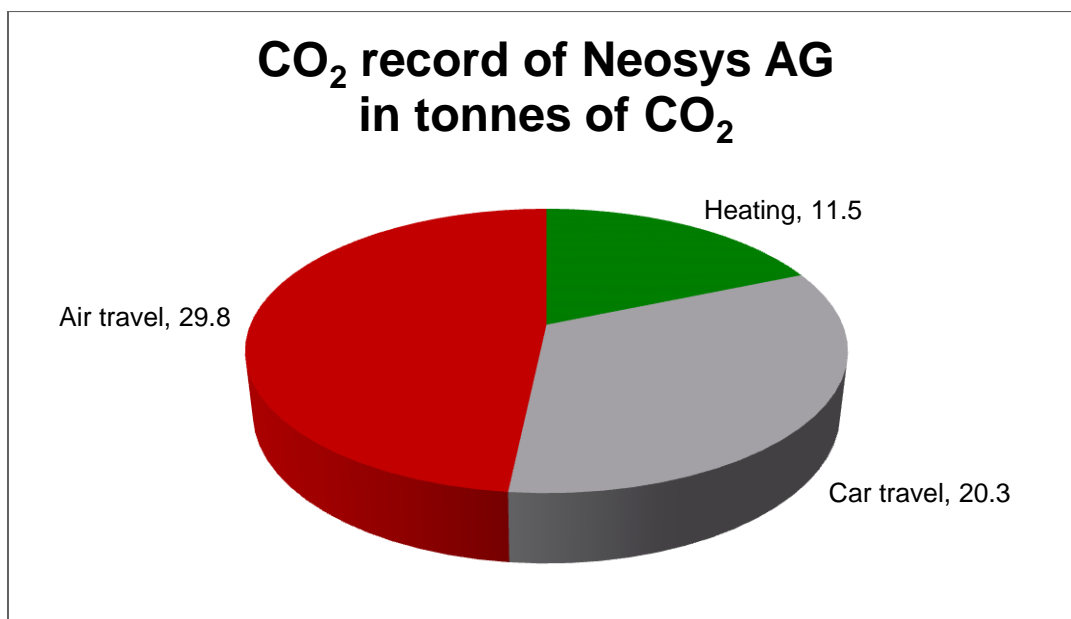
5 Environment

Since April 2011 Neosys AG has operated a certified environmental management system in accordance with ISO 14001. Environmental objectives for 2011 were specified and pursued accordingly. The environmental relevance was analysed for the first time in 2010 and is updated regularly. The company's legal compliance is also checked regularly. No failures to comply have been found.

5.1 Operations-related aspects

Current status and indicators

For 2011, the greenhouse gas footprint of Neosys AG is approx. 61.6 tonnes of CO₂, i.e. 15.4 tonnes, or 20%, less than the previous year. The comparison of the three source categories, heating, car use and air travel shows that these savings are mainly due to fewer journeys by air (because of less activity at Neosys Asia). The air travel undertaken by Neosys for SQS is neutralised (climate tickets) by SQS and not included in this statistic. No CO₂ offset has yet been bought for the company's own air travel in 2011. The CO₂ emissions from car travel were also reduced by 4.1 to 20.3 tonnes CO₂. This is due to a deliberate travel policy which gives preference to rail journeys wherever possible.



The consumption of electricity for office operations and for rail travel is not calculated in the greenhouse gas footprint. This is in compliance with the method of calculation used by the FOEN which uses the Swiss production mix, i.e. zero, for the emission factor of the Swiss grid electricity. The table of indicators below shows the further relevant values, and a comparison with the previous year. For indicator statements and objectives, the consumption is related to the number of posts.

Indicator	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
CO ₂ emissions	t CO ₂ /FTE	3.841	---	5.027	NR
Road kilometres	km/FTE	6,009	---	7,053	NR
Modal split rail/car	km _B /(km _A +km _B)	0.53	0.50	0.465	NR
Air kilometres	km/FTE	8,718	---	11,348	NR
Production of waste	kg/FTE	88.9	---	94.6	NR
Power consumption	kWh/FTE	2,161	---	2,421	NR
Proportion of green power	kWh _g /kWh _{tot}	0.374	0.50	0.391	NR
Paper consumption	kg/FTE	2.3	---	39.6	NR

Assessment

The CO₂ emission and car travel trends are pleasing. The underlying objective of achieving a rail/car transport mode split above 50% has been achieved. The electricity consumption per full-time job also sank by more than 10%. No detailed analysis of this fact has been obtained, but many small efforts, such as flat screens, timers on consumers, etc., have certainly contributed to it. But unfortunately there were also some objectives that were not achieved. The change-over of contracts with electricity suppliers to green electricity suppliers happened too late, which means that a higher green electricity percentage has been arranged but will only become effective in 2012. This means that the environmental objective “more than 50% green electricity” was not achieved in 2011. Also, the automatic air travel offset had still not taken effect in 2011, which means that the environmental objective of limiting chargeable CO₂ emissions to < 35 tonnes was also not achieved. With regard to the higher-level goal of a 1-tonne CO₂ society, it is worth considering that employees of Neosys AG emit an average of 3.8 tonnes per FTE at their workplace alone. However, the (real) reduction by 1.2 tonnes from the previous year represents good progress. The environmental objective of changing over to ‘organic quality’ fruit was achieved. 100% of the fruit varieties fully comply with the specified criteria.

Measures

- The environmental objectives have been updated as follows for 2012:
 - ➔ Achieve climate-neutral operation (chargeable CO₂ emissions = 0)
 - by as high a proportion as possible of rail travel
 - by offsetting the remaining emissions (e.g. purchasing emissions certificates or climate tickets)
 - ➔ Keep the transport mode split at a rail proportion > 50%
 - ➔ Increase the green electricity proportion to > 50%
 - by changing the contract with AEK accordingly
 - ➔ Clarify/plan for in-house solar power production
 - ➔ Keep the organic fruit proportion to 100%
- Publish the environmental objectives and ensure internal staff motivation

5.2 Product-related aspects

Actual status, assessment, measures

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

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

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

6 Summary: Neosys 2011 in figures

FINANCE	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Net sales (CM1), only BUs	kCHF	2,823	2,950	2,443	2,698
HR costs, only BUs	kCHF	1,929	1,996	1,847	1,900
EBIT	kCHF	226	210	113	201
Operating result	kCHF	222	200	113	217
Cash flow	kCHF	253	267	162	304
EBIT return	%	8.0	7.1	4.6	7.5
Staff productivity	-	1.46	1.48	1.32	1.42
QUALITY	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Complaints from customers	Number	0	0	0	3
Reviewed service partners	%	0 %	---	---	---
Exclusion of suppliers	Number	0	---	0	0
Innovation projects	Number	5	---	8	9
Hours of work on innovation projects	Hrs/yr	9.25	---	91.5	175.5
EMPLOYEES	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Workforce	FTE 31.12.	15.2	---	15.7	15.7
Proportion of women among employees	% FTE	31.0	---	28.7	33.8
Proportion of women in the company management	% FTE	15.4	---	0	0
Proportion of women on the Board of Directors	%	0	---	0	0
Wage spread	-	2.74	---	2.84	NR
Wage ratio w/m PL1	-	1.093	1	1.040	1.007
Wage ratio w/m PL3	-	0.999	1	1.040	1.007
Wage ratio w/m PL4	-	0.956	1	0.979	0.982
Fluctuation	% FTE	19.3	< 8	5.2	0
Overall satisfaction	Scale 0-10	7.3	> 7	7.1	7.5
Time spent on further training	Hrs/FTE*Y	88.2	---	64.9	57.3
COMPANY	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Employees who attended anti-corruption training	%	60%	50%	0	NR
Cases of suspected corruption	Number	0	0	0	NR
Complaints from stakeholders	Number	0	---	---	0
Sponsoring, donations	CHF	4450	4500	4550	4750
Member contributions	CHF	14948	---	10942	10269
ENVIRONMENT	Unit of measurement	Actual 2011	Target 2011	Actual 2010	Actual 2009
Road kilometres	km/FTE	6,009	---	7,053	NR
Modal split rail/car	%	53.0	50.0	46.5	NR
Air kilometres	km/FTE	8,718	---	11,348	NR
CO ₂ emissions	t CO ₂ /FTE	3.841	---	5.027	NR
Production of waste	kg/FTE	88.9	---	94.6	NR
Power consumption	kWh/FTE	2,161	---	2,421	NR
Proportion of green power	kWh ₀ /kWh _{tot}	0.374	0.50	0.391	NR


Paper consumption	kg/FTE	2.3	---	39.6	NR
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Colour code:

Good	Satisfactory ⇒ Monitor	Poor ⇒ Measures	Target value
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7 Appendices

7.1 Corporate profile

1 Name	 Neosys AG
2 Brands, products, services	Analysing, consulting, planning, calculating, measuring and drawing up expert reports in the areas of environment, environmental technology, safety, risk management, social responsibility and management systems. The range of products can be viewed at http://www.neosys.ch/uebersicht-produkte.htm
3 Organisational structure	Organisational chart see under http://www.neosys.ch/uebersicht-produkte.htm Offices in Gerlafingen, Berne and Epalinges (CH), as well as in Hanoi (Vietnam)
4 Headquarters	Gerlafingen (CH)
5 Countries in which the organisation is active	Neosys is fundamentally active in countries in which there are customer contracts. From a fiscal law perspective as a company and from a labour law perspective as an employer, Neosys is only active in Switzerland.
6 Ownership structure and legal form	Joint stock corporation under Swiss law. Four major and 6 minor shareholders solely from the company management and the workforce.
7 Markets	A Specialist environmental tasks for companies and official authorities, audits (CH) B Environmental technology, environmental engineering for industry and construction companies (CH, EU) C Technical safety and security consulting (CH) D CSR projects in international collaboration (Seco, SDC, ILO) (world) E Management system consulting (ISO 14001, 9001, 18001, etc.) (CH, D, A) F Company management, strategy consulting, risk management (CH) G Sustainable procurement and CSR standards (CH, EU)
8 Size	Number of employees: As per 31.12.2011: 15.2 FTE spread across 20 people, plus 7 freelancers with an estimated effective capacity of 1.6 FTE Net sales: As per 2011: CHF 2.98 million Overall capitalisation: Balance sheet total in 2011: CHF 1.83 million, of

	<p>which equity: CHF 1.27 million (69.5%)</p> <p>Breakdown of sales according to country/region: Mainly Switzerland (>90%). No detailed breakdown obtained in 2011</p> <p>Number of products/services offered: 64 pursuant to product overview</p>
9 Fundamental changes in the reporting year	None
10 Prizes received	None

7.2 GRI Content Index and notes on the report

The present report covers the period from 1.1.2011 until 31.12.2011. It represents the second public sustainability report of Neosys AG and incorporates all departments and areas of activity of Neosys AG. It will be repeated on an annual basis and corresponds to application level C of version 3.0 of the standard of the Global Reporting Initiative (GRI). Nevertheless, considerably more than the minimum number of indicators has been recorded and presented. The report has not been verified externally.

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

The report was drawn up by an internal work group. It also represents the public part of the internal management review of Neosys and has been approved by the company management. The allocation pursuant to GRI can be found in the following table (GRI Content Index). The status is Full, Partial or not applicable (N/A); all other indicators were not reported.

G3 Code (GRI)	Content	Status	Chapter	Comments
Profile				
1.1	Statement from the most senior decision-maker of the organisation	Full	3.2	
1.2	Description of key impacts, risks and opportunities	Full	3.4	
2.1-2.10	Organisational profile	Full	8.1, 2.1	
3.1-3.12	Report profile, report scope and boundary, GRI Content Index	Full	8.2	The present table
3.13	Assurance	Full	8.2	No external verification envisaged
4.1-4.10	Corporate governance	Full	5.1	
4.11-4.13	Commitments to external initiatives	Full	3.2, 4.4	
4.14-4.17	Stakeholder engagement	Partial	5.1	
Economic performance indicators				
EC1	Direct economic value generated and distributed	Partial	4.1	
EC3	Coverage of the organisation's defined benefit plan obligations	Partial	4.1	
EC4	Significant financial assistance received from government	Partial	here	Neosys does not receive any subsidies, but it does receive contracts
EC6	Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	Partial	5.2, 4.3	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	Partial	here	For some associations, services are provided that are not offset but which have marketing potential.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	Partial	6.2	With regard to environmental impact
Environmental performance indicators				
EN1	Materials used	Partial	6.1	
EN3, EN4	Energy consumption	Full	6.1	
EN6	Initiatives to optimise the energy used in services	Full	6.1	
EN8	Total water withdrawal by source	N/A	here	Water is only used for sanitation purposes.
EN16, EN17	Total direct and indirect greenhouse gas emissions	Full	6.1	
EN18	Initiatives to reduce greenhouse gas emissions	Full	6.1	Greenhouse gas carbon offsets planned
EN21	Total water discharge by quality and destination	Partial	here	Only waste water from sanitation facilities
EN22	Total weight of waste by type and disposal method	Partial	here	Household waste in waste incineration, paper/PET to recycling, electronic goods are returned to retail
EN26	Initiatives to mitigate environmental impacts of products and	Partial	6.1	

	services			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Full	here	No fines or non-conformities, review as part of the EMS
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	Partial	6.1	
Social performance indicators				
Labour practices & decent work				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	Full	5.3	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender and region	Full	5.3	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	Partial	here	No employment contracts for a limited period of time, with the exception of internships. Depending on the position, flat-rate expenses or travel costs are reimbursed
LA4	Percentage of employees covered by collective bargaining agreements	N/A	here	There are no relevant collective bargaining agreements
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender	Full	5.3	
LA10	Average hours of training per year per employee by gender and by employee category	Full	5.3	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Partial	here	All employees receive a review on a regular basis
LA13	Composition of governance bodies and breakdown of employees	Partial	5.1, 5.3	
LA14	Ratio of basic salary and remuneration of women to men by employee category	Full	5.3	
Human rights				
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken	Full	4.3	
HR4	Total number of incidents of discrimination and corrective actions taken	Full	5.2, here	No incidents
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk	N/A		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour	N/A		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour	N/A		
Society				
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	Partial	5.1	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	Full	5.2	
SO4	Actions taken in response to incidents of corruption	Partial	5.2	
SO5	Public policy positions and participation in public policy development and lobbying	Partial	here	The company as such is not politically active. Individual employees are active in various parties
SO6	Total value of financial and in-kind contributions to political parties, politicians and related institutions	Full	here	There are no donations
SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	Full	here	There are no legal proceedings with regard to anti-competitive behaviour
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Full	here	No fines or penalties
Product responsibility				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Full	4.2	

PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Partial	4.2	Customer data are only forwarded with the customer's consent. Sensitive data are saved so that they are inaccessible even internally.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Full	here	No fines