



2014

Sustainability report and COP of Neosys AG



Neosys AG

Gerlafingen ♦ Bern ♦ Lausanne

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Content

Content	2
Foreword	3
Our company in 2014	4
Developments – Impact – Opportunities	4
Chronicle of the year 2014	5
Economy	8
The success of our company	8
Our customers	9
Our suppliers	12
Innovation	13
Management system	13
People and society	15
Corporate structure and governance	15
Stakeholders	16
Business practices and anticorruption	17
Our employees	20
Sponsoring, memberships, charity activities	22
Environment	24
Operations-related aspects	24
Product-related aspects	27
Neosys at a glance	29
Appendices	30
Corporate profile	30
GRI Content Index and notes on the report	31
Legend	34

Foreword



Dr. Jürg Liechi

CEO and President
of the Board of
Directors

Neosys AG offers services to promote its clients' sustainability. This includes all aspects of ecological sustainability, together with a broad range of matters relating to social and economic sustainability (in particular security and risk analysis).

We are convinced that, against a background of globalisation and rapid technical and economic development, it is a long-term necessity to recognise and tackle deficits in the ecological, social and security spheres. As the world becomes more transparent and communications more immediate and direct, it is increasingly difficult to conceal or put off these deficits. Forward-looking corporate policies, an environmentally-friendly attitude towards resources and confidence-inspiring relations with all our business partners and stakeholders are therefore competitive advantages that make a crucial difference.

An annual report drawn up in accordance with the principles of the Global Reporting Initiative (GRI) is a valuable instrument for reporting progress towards sustainability to an interested public. Although this standard is primarily aimed at larger companies, a "GRI Report" provides us with the optimum link between our desire to draw up a report for external interested parties and our integrated management system, which requires a review report. Consequently we use the information we process to help us improve our management, as well as passing it on to interested parties.

We also offer support to our customers for their own reporting, especially if they are already working with management systems. In this context, our report may also serve as an example of how SMEs can be actively involved in preparing sustainability reports.

We are therefore pleased to present you with the fifth GRI-compliant Neosys AG sustainability report. We are as convinced as ever by this instrument, and warmly invite you as a stakeholder in our company to join us in reviewing our activities and services during 2014.

This report is also the Communication on Progress (COP) for the UN Global Compact which covers the period January 1st to December 31st 2014. 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 COP, 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.

I would like to thank all our employees for their excellent contributions and our customers for their trust in us during the previous year!

Our company in 2014

Developments – Impact – Opportunities

The financial year 2014 was characterised on the one hand by very good business performance and on the other by major fluctuations and interesting new developments.

It was “full speed ahead” in 2014 with many of the services developed by Neosys AG over recent years as part of our strategic objectives. Particular reference should be made here to legal services, CO₂ services and services in the waste and chemicals sector. Taken together with a very good general economic situation, this has led to an above-average annual turnover and some very hectic periods of activity. But at the same time there have also been a lot of staff changes, making this a year with one of the highest staff fluctuation rates to date, involving people at all levels. 2014 was also the year with the greatest ever investment in new measures and the continuing development of services. The ‘LexPLUS’ database was created, both in order to rationalise our data management, and also to achieve a more attractive and more professional image for our legal services. This tool will facilitate the growth of our legal services over the coming years. Our own Neosys app, developed to our specifications, has created an original aid for the quick and easy production and management of risk assessment portfolios in the workplace. We have been able to start up pilot projects in various target areas, enabling us to develop new services in areas such as nanomaterials and their associated risks, energy services and the environmental footprints of companies and organisations.

In order to adapt our own Internet presence to changing expectations and methods, we have renovated our website, thus implementing a measure that was decided upon during the previous year.

Two staff changes represent a major turning point: CFO and co-founder of the ‘new’ Neosys, Rolf Scheidegger, retired and passed the baton to Barbara Lanz. As the general administrative management is part of this post, the effects of this changeover are felt by all the staff. We are confident that our ‘interior ministry’ is in good new hands. Clemens Lang, co-founder of the CSR Business Unit and for 14 years one of the best-known Neosys faces – not least because of his role as President of the ISO 26000 Standards Committee – will be a hard act to follow. His departure has triggered an examination of the orientation of the CSR Business Unit.

Although 2015 started with the shock of the Swiss franc revaluation in January, which is still raising a large question mark over the economy, the opportunities for the future business activities of Neosys are still looking very good. Through well-considered continuous development and investment, we have ensured that we are ideally placed to shape the services offered in certain sectors of the market. It is now a matter of turning this great starting point into consistent results. We intend to focus in particular on the following developments:

- Our legal compliance services are in great demand. By developing our new software solution we have put ourselves in a position where we can respond to the demand more widely and efficiently (i.e. more competitively), and offer a modern, attractive instrument.
- Our capacity for offering energy services has grown substantially and we are using it to the full. The political significance of the ‘energy transition’ may be waning a little, but the practical (usually economic!) energy measures in the industrial and commercial sectors

will be a hot topic for some time to come. A special USP of ours in this context is that we combine practical measures with an energy plan in accordance with ISO 50001, and are able to integrate this energy management system into the management system of a company.

- We have established ourselves in the field of CO₂ services, both as validators of target agreements and as developers of compensation projects. The continuation of the Swiss CO₂ policy beyond 2020 is already an important issue. Regardless of the precise way in which the framework conditions for this phase are implemented, CO₂ will remain a significant issue, and with our expertise we are soundly placed to continue providing valuable services in this area.

However it is also important to be aware of other, rather ominous developments. The Technology-Environment and RisCare Business Units have a solid and attractive mix of products, which, however, are mainly aimed at industrial customers. The deindustrialisation of Switzerland is still progressing and, with the new financial policy of the National Bank, even accelerating. Every year customers are lost or take their industrial activities abroad, and this represents a significant risk to Neosys. Our reaction to this is, firstly, to develop services aimed at the tertiary sector and public organisations, such as new eco-rating systems for businesses and organisations. New industrial and service activities are also constantly emerging, and we observe these actively. Secondly, we also seek to strengthen our presence in certain markets that are showing a trend towards contraction in such a way as to ensure a long-term profitable situation (e.g. services relating to the transport of hazardous cargo and hazardous substances).

Chronicle of the year 2014

January 2014	Annual employee satisfaction survey undertaken by the Culture Group manager.
February 2014	The audit by SME partners goes smoothly.
February 2014	The pension fund changeover project is intensified and a broker instructed.
March 2014	Annina Gaschen leaves Neosys for the Swiss Federal Office of Transport. Mathias Breimesser joins us and takes over her portfolio.
April 2014	Natalie Spoljaric also leaves Neosys for a Federal administrative department (Seco). In another seamless succession, Stephan Helfer takes over her work during the course of the month.
April 2014	Georg Kunder takes up the post of Senior Project Manager for Management Systems.
April 2014	Neosys publishes its fourth GRI-compliant annual report.
23 April 2014	The compliance audit for the management system certification is carried out by SQS and is successfully completed.
11 April 2014	Strategy workshop for members of the supervisory and management boards in Solothurn.
May 2014	Rolf Scheidegger retires after many years as our CFO. His successor,

	Barbara Lanz, enters the company and takes over his workload, while Rolf Scheidegger continues to work during her induction phase. He also remains a member of the Board of Directors.
14 May 2015	Neosys hosts a meeting of the Environment working group of the Solothurn Chamber of Commerce and Industry.
May 2014	Werner Blunier leaves Neosys.
May 2014	A provider is selected and the contract awarded for the programming of a new database solution for our legal services department.
June 2014	Reto Amiet begins as Project Manager focusing on the areas of Energy and CO ₂ , strengthening the Technology-Environment team.
23 June 2014	Plenary meeting in Solothurn to discuss strategy, involving the whole Neosys team.
July 2014	Glauk Kelmendi starts an internship with a limited remit in MSC.
August 2014	The website, revised by an internal team with support from a PR company, is approved and goes live.
29 August 2014	The Neosys company trip this year is to the 'Wasserschloss' region, involving a tour of a gravitation water vortex hydro power plant and a river rafting expedition on the Reuss.
August-October 2014	Clemens Lang leaves his post as head of the CSR Business Unit and hands over his role to Jörg Schmidt. Clemens is taking a sabbatical to seek a new direction, but is maintaining his links with Neosys as a freelance consultant.
October 2014	Central project manager training course with an external lecturer on the subject of time management and handling stress.
October 2014	A Korean delegation of representatives of the state and private sectors visits us to gain insights into the functioning of the Swiss CO ₂ system.
November 2014	LexPLUS, the new legal services software, is adopted on schedule. The work on migration of the data to the new system begins.
November 2014	Annual meeting with Electrosuisse in Fehraltorf.
December 2014	Election of Dr. Ruth Blumer Lahner to the Board of Directors.
12 December 2014	Christmas dinner organised by the RisCare Business Unit in Solothurn, with an exciting Advent tour of the city.

From the Neosys AG service portfolio:

The Zurich water supply: systematic energy management with ISO 50001 certification



Photo credit: NZZ / Matthias Waeckerlin

More energy than one would think is used in the supply of drinking water, even cold water. Wasserversorgung Zürich, the city of Zurich's water supply department, employs 280 people, supplying water to a population of around 900,000 and numerous businesses in a 660 km² catchment area. Water from lakes, rivers, springs and groundwater is treated, pumped and delivered to consumers with an energy expenditure of approx. 38 GWh (2012). Although targets have been agreed with the Federal Government and the Canton, those responsible wanted to undertake a systematic analysis and take greater control of their use of energy. They decided to establish an energy management system according to ISO 50001, and called on professional support from Neosys.

The project was structured in 8 phases, the individual elements of which were incorporated wherever possible into the existing management system for quality, the environment and occupational safety (ISO 9001+14001, OHSAS 18001). Throughout the project, two perspectives were adopted: the reduction in energy consumption and/or the increase in energy efficiency of any organisational or technical measures applied. Existing procedures were reassessed and expanded to include energy optimisation, for example in the areas of procurement and production planning/strategies.

Energy planning formed a core element of the project, with an evaluation of the existing data and visualisation using a Sankey diagram, to show the energy flows (electricity, fossil fuels) and their use (production, mobility, the running of buildings, etc.), and to determine areas where there is potential for improvement. Targets were set and the developments monitored using key energy indicators. An energy team meets regularly, to exchange information and findings and to decide on the next steps.

Wasserversorgung Zürich passed the certification audit by SQS straight away. The management are convinced that the energy management instruments help them to provide an even more energy-saving and energy-efficient supply of healthy drinking water.

Barbara Linz, Simon Kröni, Silvio Borella

Neosys AG – MSC and Technology-Environment

Economy

The success of our company

Current status and indicators

The **net turnover** (DB1) is slightly above the budgeted level, even though the budget was ambitious (see table below for the essential indicators). This reflects the good market situation. Extraordinary staff costs, as well as a rather too low offset level (see staff productivity) have meant that the planned profit (EBIT) has not been achieved despite the good turnover figures. The reasons for these discrepancies have been clearly analysed: staff fluctuations led to recruitment costs and reduced productivity during the induction periods. In addition, the development projects (LexPLUS database, Neosys app) caused an above-average level of work that could not be offset.

Despite these factors, the **EBIT** of CHF 225,000 was substantially above the previous year's level and gave a profit margin of 6.7%. This is within the target range (yield acceptance level) of 5.0 to 10.0%. The Technology-Environment and RisCare Business Units showed particularly positive results for the reporting year. The results of the MSC Business Unit were somewhat diminished by writing off from the database project and the large amount of development work. The CSR results were affected by the departure of the head of the Business Unit.

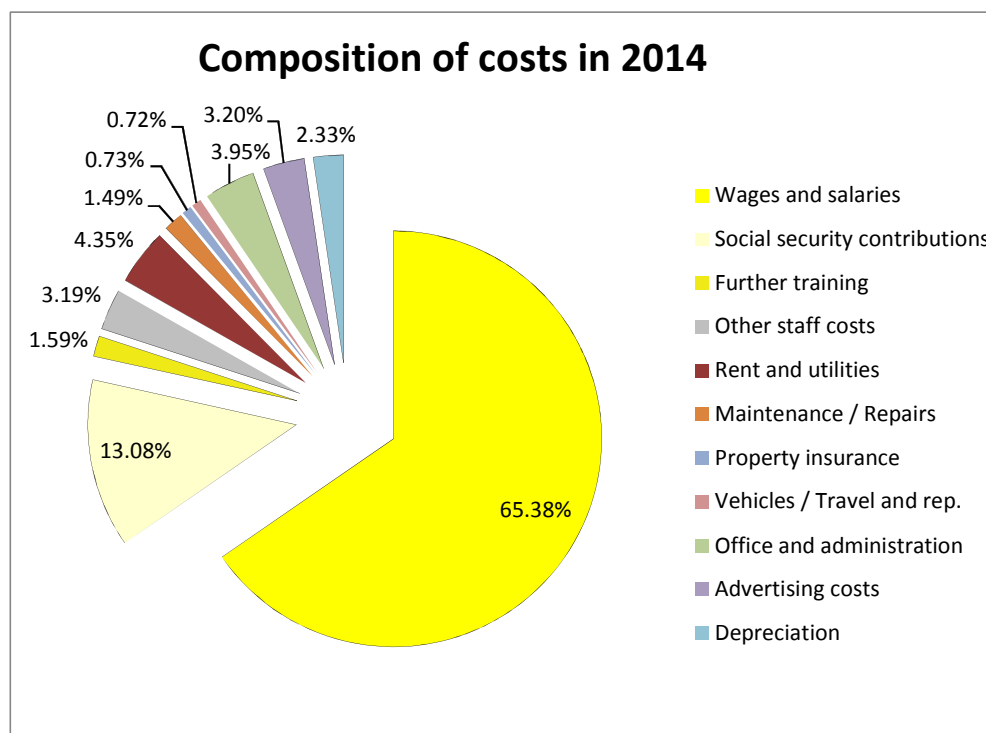
Staff productivity again fell slightly in comparison with the previous year (1.47) and is not satisfactory as it is still below the long-term reference value of 1.50. The reasons have already been mentioned above.

There were no special financial influences in 2014, which means that the **operating profits** and the **cash flow** are at a good 80% of the budgeted value, in line with the EBIT situation.

Indicator	Unit of measurement	2014	Target 2014	2013	2012
Gross sales, all of Neosys	kCHF	3,637	---	3,365	3,019
HR costs, all of Neosys	kCHF	2,637	✓ 2,557	2,378	2,247
Net sales (CM1), only Bus	kCHF	3,380	✓ 3,353	3,003	2,754
HR costs, only Bus	kCHF	2,333	✓ 2,212	2,029	1,907
EBIT	kCHF	225	✓ 280	163	186
Operating result	kCHF	170	✓ 212	166	113
Cash flow	kCHF	245	✓ 301	164	170
Dividends distributed	kCHF	85	---	55	62
EBIT rate of return	%	6.7%	✓ 8.4%	6.2%	6.8%
Staff productivity	---	1.45	✓ 1.51	1.47	1.44

The following graphic shows the breakdown of **costs**, as in previous years. A comparison with the previous year shows that the percentage expenditure on staff and premises has fallen, and that, on the other hand, the depreciation and advertising costs represent a larger slice of the cake. The depreciation is a natural result of the high level of investments. The essential cause of the increased advertising costs is the renewal of the website. It is still the

case that the material expenditure makes up around 20% of the costs, the remaining 80% being direct and indirect staff costs. This makes clear that the expenditure at Neosys is 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 financial parameters are all in the satisfactory range, with turnover expectations slightly exceeded and anticipated EBIT and yields not quite achieved.

The reasons for the discrepancies were satisfactorily explained.

Measures

- Improved account balance through increasing the efficiency of non-productive activities
- No introduction of additional unproductive activities
- Further pay scale adjustments where possible
- Introduction of a new pension fund model with defined contributions

Our customers

Current status and indicators

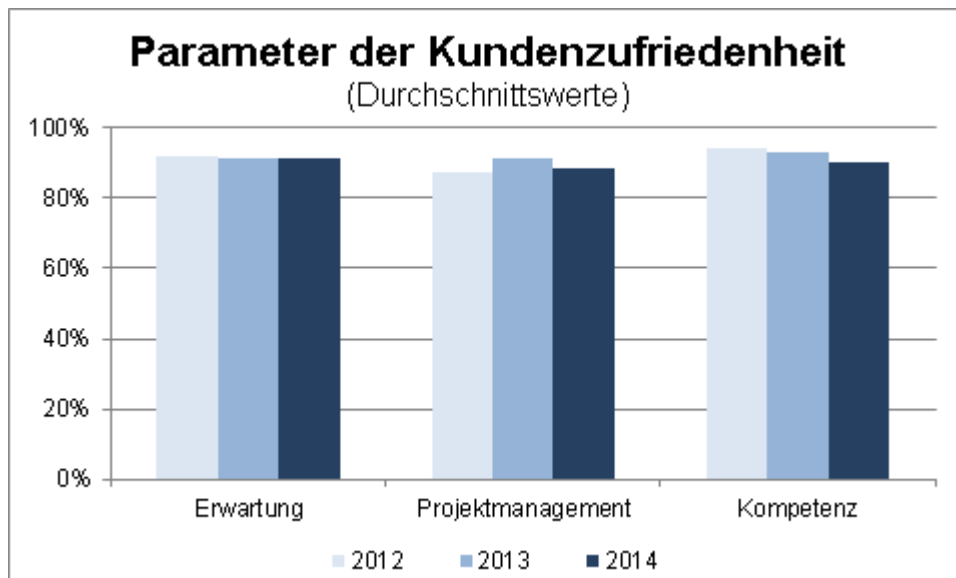
Our **customers** are companies, authorities (departments and municipalities) and organisations (associations, international organisations, NGOs, etc.) in Switzerland and

abroad. Our customer base has included a broad range of industries for many years. Neosys AG provides personal support and consulting services that are tailored to our clients and their requirements.

Our customer relations, strongly **characterised by personal contact**, have provided us with direct feedback about our customers' satisfaction with our work and the services we offer. In addition, we systematically use a questionnaire to obtain information on customer satisfaction, to enable us to continually improve.

The rate of return of **customer questionnaires** in 2014 was 19% of those sent out (24 out of 124), which is slightly less than last year (over 20%).

Overall, **customer satisfaction**, while still at a very high level (almost all the parameters in the survey were rated at around 90%), saw a slight overall drop, although as in the previous year almost all the assessments were "good" and "very good". For the parameters we consider to be the most important, i.e. the level to which we and our services fulfilled customer expectations and our specialist and project management expertise, the average values have been in the same region for the past three years.



In the reporting period we received **no complaints** from customers.

Indicator	Unit of measurement	2014	Target 2014	2013	2012
Overall average customer satisfaction	Weighted percentage	0.881	✓ 0.90	0.90	0.88
Overall average customer satisfaction	% "very good"	67.7	---	71.5	68.6
Average of criteria 1-8	Weighted percentage	0.893	✓ 0.90	0.91	0.90
Average of criteria 1-8	% "very good"	70.6	---	75.3	73.3

Assessment

We have achieved a high level of customer satisfaction for years. This is pleasing and motivating for us, but the slightly negative trend gives us food for thought and spurs us on to improve to our previous level and beyond.

Measures

- Further monitoring of the trends indicated by the customer survey and of the return rate
- Regular (monthly) examination and assessment by the company management of the feedback from the questionnaire and any complaints
- Use of the annual project manager continuous development training (since 2012) to improve the perception of the project managers in their dealings with customers (e.g. presentation techniques)



Successful project management, from situation analysis to implementation

"As we were overtaxed with the renovation of our foundry's exhaust air system, we sought support from Neosys and instructed them to draw up a restructuring plan.

The Neosys AG project manager led the project very skilfully, from the preparation of the situation analysis and drafting of the specifications through to obtaining quotes and comparing procedures and tenders. He also ensured that the necessary guarantees were obtained from providers. We were given transparency at all times regarding the anticipated investment and operating costs. In negotiations with providers and the authorities, he demonstrated an in-depth knowledge of the legislation relating to various disciplines.

We felt we were receiving excellent advice in this field at all times and are convinced that the project will be implemented successfully and to schedule."

Peter Koller. Processing manager at Georg Fischer JRG AG

Our 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. For our basic operational needs, we have important suppliers in the areas of IT, mobility, office material and laboratory services. There were no negative incidents involving suppliers in 2014; we assessed one supplier after completing an internal project.

Neosys has defined a **code of conduct** 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 and suppliers with a purchase volume in excess of CHF 1000 per annum have been informed of this code and asked to confirm their compliance by means of self-declaration. In 2014 a call for tenders was organised for our own use (development of database software), in which this code was applied.

For years we have been purchasing Fair Trade coffee, recycled paper and 100% organic produce for the fruit provided for employees' breaks. In addition, the IT products used are sourced from an electronics company that is a leader in the field of fair working conditions. In accordance with the Management Handbook, the (internal) **list of criteria** that relate to the ecological and social aspects of the sustainable acquisition of products is applied.

Indicator	Unit of measurement	2014	Target 2014	2013	2012
Reviewed suppliers/service partners	Number	1	---	0	45
Exclusion of suppliers	Number	0	---	0	1

Assessment

The supplier management system was applied extensively in 2014, in connection with the handover of the post of head of management systems. Important key suppliers were assessed and evaluated in accordance with the specifications. The suppliers who have not responded have yet to be followed up.

Measures

- Continue the many years' collaboration with known, established partners
- Monitor/update the supplier list
- Review suppliers who are relevant but have never responded to the request for self-declarations
- Examine whether project partners abroad are included in the assessment (of the social and environmental aspects)

Innovation

Current status and indicators

In 2014 there were seven **innovation projects** that were continued throughout the year. Four of these were completed with the desired successful outcome. One project was postponed, and two are still ongoing. The sharp increase in hours spent on development projects is due to the database development project.

Indicator	Unit of measurement	2014	Target 2014	2013	2012
Innovation projects handled (as at end of the year)	Number	7	* 4	4	4
Working hours spent on innovation projects	Hrs	770.5	---	274.3	49.3

In addition to those designated as development projects, there are further projects associated with development activities, but these are not reviewed in accordance with the development process. The review of development processes is not harmonised and takes place on different quality levels.

Assessment

There is a large number of innovation projects, and it is pleasing to see the process being used. However, the development control system is below the optimum and should be improved/harmonised.

Measures

- Revision of the innovation process Development control as a standard agenda item at the company management meeting
- Adaptation of the development control tool to make the development control system better structured and more comprehensive
- Introduction of an “offset procedure” to give a higher value to hours spent on development

Management system

Current status and indicators

Neosys AG has an **integrated management system**. The company's quality management has been **ISO 9001**-certified since 1994. The management system is expedient and is regularly developed further. The compliance audit for 2014 by the certification authority was carried out with no weaknesses found.

Due to the departure of the management systems manager, this function had to be passed once again into new hands. The introduction of the new manager took up resources, but offers the opportunity to examine and optimise the processes with a fresh pair of eyes.

The reporting was carried out in the form of a sustainability report (in line with the **GRI G3** guidelines of the Global Reporting Initiative, which remain valid), a procedure that has proved to be successful. Concerning the revision of these guidelines and the version G4 that has now come into force, we have already carried out a stakeholder analysis in connection with the 2014 strategy meeting and in future will use this in our decisions relating to market activities.

Our in-house legal compliance department is monitored using the same tool that we supply to our customers. The investigation in the spring of 2014 showed no instances of non-compliance. There are also no proceedings open against Neosys AG.

Assessment

The integrated management system has proven itself for the running of the company. It is generally well-accepted and is run efficiently. Combining the management system and the sustainability report also opens up numerous synergies for obtaining information and disseminating it to stakeholders internally (including the management itself) and externally. In previous years the Neosys AG reporting was found to be good by several independent observers.

Measures

- Continuation of the existing instruments and further ongoing investigation of potential improvements to the IMS.
- Regular holding of training courses on administrative and content aspects of project management.
- A staged revision of the GRI report in line with Version 4.0 of the GRI standard.

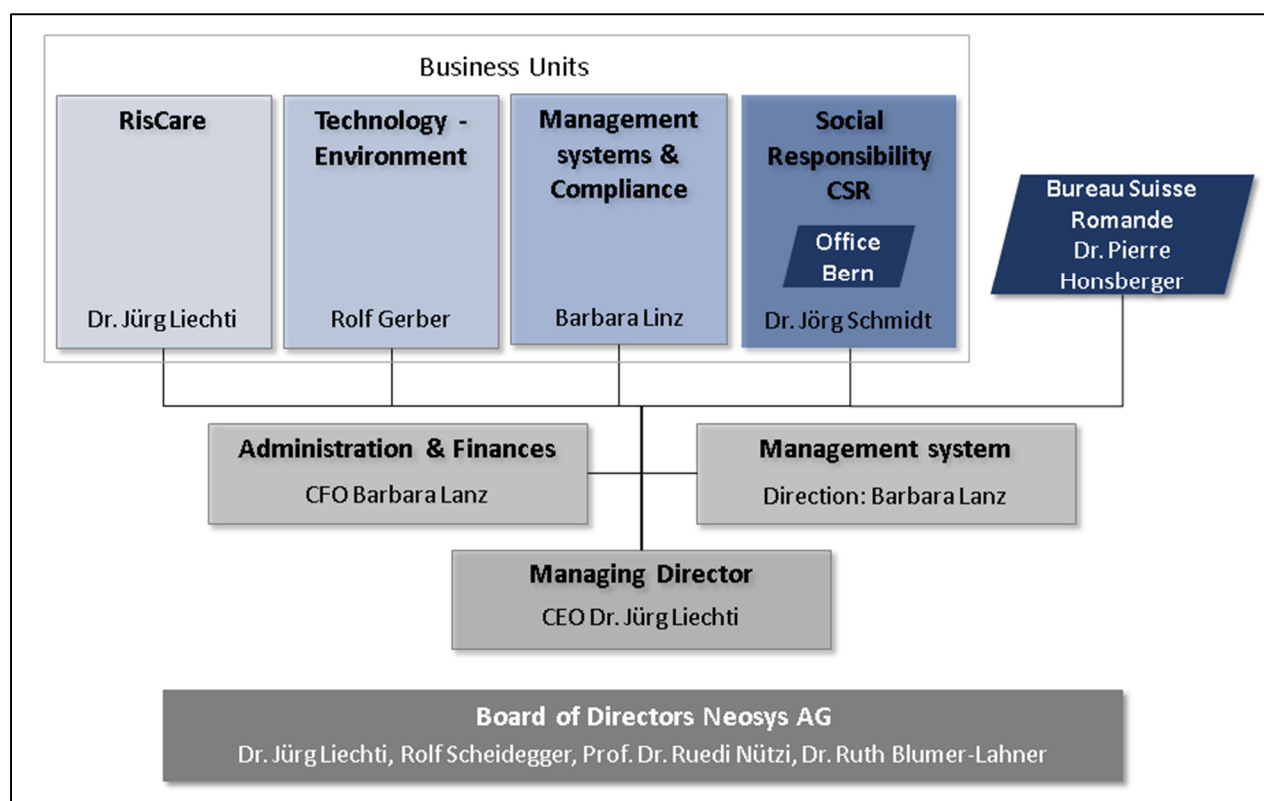
People and society

Corporate structure and governance

Current status and indicators

At the end of the reporting period the **Board of Directors** at Neosys AG consisted of four people, of whom two were major shareholders and two were external parties. 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 heads of the four Business Units (one is also the CEO) and the Director of Finance and Administration.



From a geographical perspective, the company is currently run from three **offices** in Switzerland, as well as via a number of freelancers in various regions of the world. The current strategy includes an appendix on the geographical orientation of the company's activities. Neosys AG fundamentally believes it makes sense to provide its services globally. It does not, however, have a proactive strategy for expansion, but responds to opportunities for cooperation.

The **market meeting** has an essential role as an important committee to discuss the company's management and organisation. It regulates the issues relating to product design, marketing and the corporate image. 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, which is decided by the Board of Directors, and in which at least the Board of Directors and the company management are represented. 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.

Assessment

The governance structure has proved itself to date, in that it has led to the continuous development of the company and its performance.

Measures

No measures are planned in the area of corporate structure.

Stakeholders

Current status and indicators

As a company we associate closely in our activities and services with numerous individuals and groups internally and externally. These include in particular our customers and our employees, as well as many other stakeholders. As part of our strategy development, in 2010 we undertook an initial and **general identification of our stakeholders**; as a result of this initial assessment we see our important stakeholders as:

- Customers, i.e. private industry, public sector, international organisations
- Employees and freelancers
- Suppliers, i.e. suppliers in the value chain, service providers to Neosys (banks, insurance companies, ...)
- Collaboration partners
- Media
- External market influencers
- Local community (neighbours, associations, municipality, canton)
- Market partners ("competitors")
- Nature and ecosystems (i.e. the representatives of interested parties and their spokespersons)

This list gives us an initial rough overview of the number and variety of our stakeholders.

The GRI G4 guidelines, which will apply from 2016 as an international standard for sustainability reporting, require that the ecological and social criteria on which an organisation should report are jointly developed with the stakeholders. In 2014 the management therefore carried out a detailed analysis of our stakeholders. For both Neosys

overall and our individual Business Units, this showed a very complex pattern of stakeholders with varying interests in our activities and varying degrees of influence on them¹.

At the start of 2014 we held a workshop with our employees, a particularly important stakeholder group, to discuss the essential aspects of the reporting system.

We will also seek to establish dialogue with our less well-known stakeholder groups, and use this as a basis for determining the instruments we can use in future for the optimum exchange of information and ideas with our relevant stakeholders.

Assessment

The analysis of the stakeholders was an essential first stage in ensuring that our reporting conforms with the revised GRI G4 standard. However there is still work to do before we bring ourselves completely into line with this standard in 2016. Special care must be taken to ensure that the selected mix of instruments remains appropriate for an SME.

Measures

- Staged implementation of the GRI report in accordance with Version 4.0 of the GRI. This includes:
 - Making contact with the important known stakeholders and clarifying their requirements
 - Incorporating the requirements thus found into the design of the annual report
 - Where necessary, determining new instruments and means of communication for certain stakeholders

Business practices and anticorruption

Current status and indicators

In accordance with our corporate values we seek to ensure **ethical conduct** towards all our partners and stakeholders (see “Stakeholders” section). Because it is important to our credibility and identity, many aspects of ethical conduct have been applied implicitly to date. Thus, for example, **complaints** and criticisms from customers, neighbours, social groups, employees etc. are recorded in a list and pursued by the management system manager.

¹ In our stakeholder analysis we followed the method proposed by Johnson & Scholes (2002).

Indicator	Unit of measurement	2014	Target 2014	2013	2012
Employees who were given anti-corruption training	% of people	40	↔ 75	57	57
Cases in which there was any suspected corruption	Number	0	---	1 ²	0
Complaints from stakeholders with regard to environmental or social aspects	Number	0	---	0	0

At home, i.e. in Switzerland, we generally assess the **risks connected with corruption** as low. However, in the case of projects abroad we perceive an increased risk of being confronted with activities that could be described as corruption. In order to be able to counter these, we formulated and adopted an in-house anticorruption policy in 2013, including integration into the provisions of the employment contracts, specifications for the tender phase and order processing. This includes a description of the possible risk situations and the relevant preventive measures and procedures in cases of suspicion. Potential risk situations or cases that could fall under the category of corruption are dealt with as an agenda item in the monthly management meetings and a list compiled. There were no cases of this kind in the 2014 reporting period.

The measures of the Management Review 2014 provided for the anticorruption training course of 2011 to be repeated, as many new employees have come to Neosys in the intervening period who have still not received this training. This training course did not take place. The percentage of trained employees has therefore fallen again due to staff fluctuations and the target was not met.

Assessment

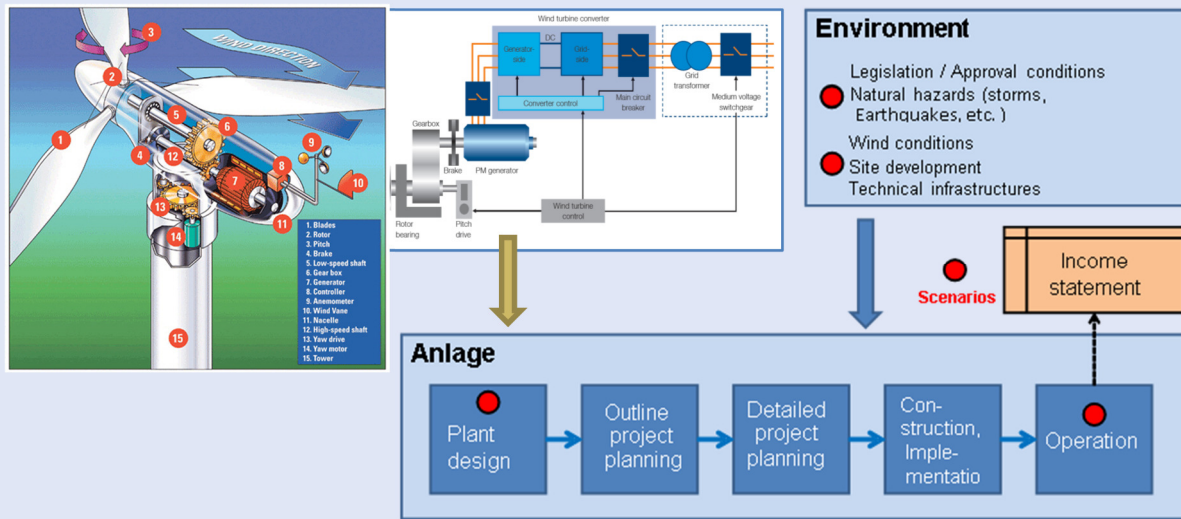
The anticorruption policy introduced in 2013 provides a practical framework with regard to corruption and attempted illegal influence by third parties which may affect us in the course of our activities. The fall in the rate of trained employees is a failure that must be rectified in 2015.

Measures

- Carry out anticorruption training in 2015 (Transparency International). The aim is still for at least 75% of the workforce to be trained in this
- Maintain the list for recording and pursuing situations that involve the risk of corruption

² See the 2013 report

From the Neosys AG service portfolio:



FMEA risk analysis of a wind farm

Should an investment be made in a specific wind farm abroad, or not?

This question is very interesting in a political context and beyond, because it is closely connected with the energy transition and the fate of Swiss electricity companies. It also raises classic risk management questions: what is the business plan for the plant in a 'normal scenario'? And what are the risks that may disrupt or thwart this business plan?

A Failure Mode and Effects Analysis (FMEA risk analysis) can help to answer these questions. "Errors" in this context are not just technical or system design failures. All conceivable adverse circumstances

in the country where the plant is situated – from a lack of or insufficient infrastructure to corrupt planning consent procedures – must be taken into account to produce a reliable 'risk-adjusted' business plan. All 'error scenarios' are played out and their effects and probabilities estimated.

Only once it has been risk-adjusted can a business plan be relied upon as an aid to decision-making and a basis for embarking on such important investments with a clear conscience.

Jürg Liechti

Neosys AG – RisCare Business Unit

Comp. No.	Component	Description	Function	Failure scenario No.	Potential failure scenario	!!! Coupled scenarios	Potential consequences	Severity - Repair [EUR/occurrence]	Severity - Energy loss (days of downtime/occurrence)	Severity - Total	Occurrences [1/...]	Occurrences - Total per year and wind farm [1/a]	per ... year per WTG [a]	Detection - % of discovered occurrences	Detection - % of the average potential cost reduction in the case of detection	Detection - Total detection cost	Detection - Total repair costs	Detection - Total repair costs under consideration of potential detection	
6	Rotor blades - Blades	incl. All three rotor blades of the WTG	Convert kinetic energy of the wind passing the swept area in rotational energy of the rotor	6.1.	Major structural damages of blades in winter	1	WTG cannot be operated in a secure way and must be shut down after detection of the damage. No crane can enter the wind farm until the month of may. Then blade set must be exchanged.	350000	100	479452	0.1	20	0.15	0%	0%	1.000	69521		
				6.2.	Major structural damages of blades in summer	1	WTG cannot be operated in a secure way and must be shut down after detection of the damage. Blade set must be exchanged.	350000	30	38836	0.1	20	0.15	0%	0%	1.000	56381		
				6.3.	Minor surface damages of blades		Damages on blades allow further operation of WTG. A scheduled repair on a platform can be executed.	25000	2	27589	1.0	8	3.63	0%	0%	1.000	100010		
12	Drive train - Main bearing		Carry the hub and provide the bearing function of the shaft rotation	12.1.	Major damage in winter	1	WTG cannot be operated in a secure way and must be shut down after detection of the damage. No crane can enter the wind farm until the month of may. Then main bearing must be exchanged.	80000	100	209452	0.5	20	0.73	0%	0%	1.000	151853		
				12.2.	Major damage in summer	1	WTG cannot be operated in a secure way and must be shut down after detection of the damage. Main bearing must be exchanged.	80000	20	105890	0.5	20	0.73			1.000	76771		

Our employees

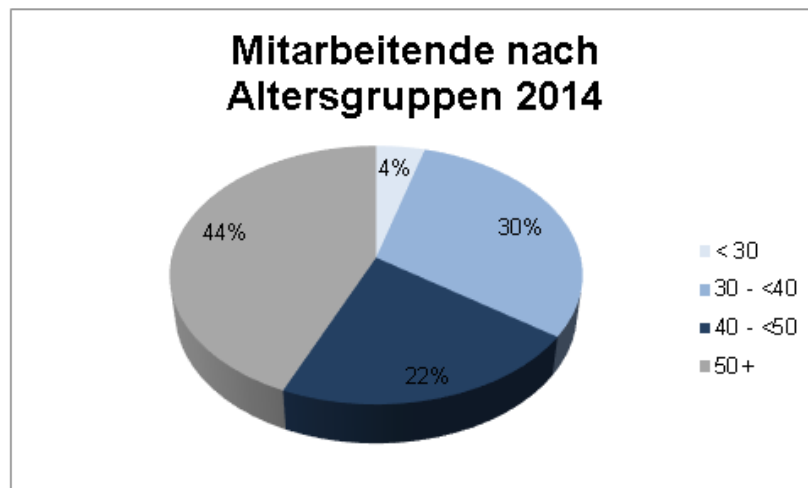
Current status and indicators

As at 31.12.2014, Neosys AG has **16 ½ full-time equivalent posts** (FTE) with employment contracts in accordance with Swiss law (excluding ancillary staff). As at the reporting date these posts are divided between **21 people**. There are also non-time-limited cooperation agreements with 8 further people (freelancers). The proportion of **female employees** is around one-third (33.1%) of the FTE, thus remaining at roughly the same level as the previous years. At the end of the reporting period the management was made up of two women out of five (37.2% of the FTE).

Indicator	Unit of measurement	2014	Target 2014	2013	2012
Workforce	FTE on 31.12.	16.45	---	16.95	15.85
Proportion of women among employees	% FTE	33.1	---	35.7	30.6
Proportion of women in the CM	% per capita	37.2	---	17.4	15.4
Proportion of women on the BoD	% per capita	25	---	0	0
Wage spread	Ratio of highest to lowest wage	2.69		2.51	2.72
Wage ratio woman/man PL1		1.012	✓ 1.000	0.987	1.056
Wage ratio woman/man PL3		0.921	✓ 1.000	0.911	0.954
Wage ratio woman/man PL4		n.a.	1.000	n.a.	n.a.
Fluctuation	% FTE (departures)	17.6	↔ <8	2.1	0
Occupational accidents/illnesses	Number of cases	0	* 0	0	0
Absence rate (occupational accidents/illnesses)	%	0	* 0	0	0
Total absences (excl. approved absences and maternity leave)	%	0.0242	---	0.0337	0.0150
Overall satisfaction	Scale 0-10	7.68	* >7	7.03	6.93
Time spent on further training	Hrs / FTE*Y	113.1	---	98.2	67.9

Several employees left Neosys during the reporting year, giving a very high **fluctuation** of 17.6 percent; a similar number of employees (though not of exactly the same range of grades) joined the company in the same period. An increase in the workforce is planned.

The distribution of employees by **age** can be seen from the following diagram. The age statistics have also changed substantially compared with the previous year, with the proportion of those over 50 increasing from 29% to 44%. A more precise analysis shows that the average age has not changed substantially, but rather that several employees have recently passed the threshold of 50.



In spring we held a poll among the employees to ask whether and under what circumstances male employees could be granted **paternity leave**. At the same time there was a poll on the possibility of introducing an additional week's holiday for all employees. Both measures were raised in the annual employee satisfaction survey. The majority voted for an additional week's holiday and 5 days' paternity leave, to be compensated for by increasing the working week from the present 40 to 41 hours. This was implemented with retrospective effect from 1 January 2014.

During 2014 two employees made use of the new paternity leave arrangements.

Occupational health and safety policy: Many Neosys employees are not office workers, often carrying out their activities at customers' premises in a wide range of working environments: in foundries or power plants, at chemical works, scrap processing plants, building sites, etc. This give rise to health risks, which were assessed by internal Neosys safety officers. The measures required to protect employees from work-related accidents or illnesses were determined, including the need for personal protective equipment. Periodic training courses and exchanges of experience are held to enable employees to prepare themselves properly for site visits and to be aware of the risks at customers' premises.

We have seen a reduction in the overall absence rate compared with the previous year, when the serious illness of one colleague contributed to a very high level.

In January 2015 we carried out the annual **employee satisfaction survey** for the 2014 reporting period. The overall score increased again and is now 7.68, substantially above the target of 7.

Assessment

Neosys offers all of its employees modern terms and conditions of employment with opportunities for specialist and personal development and growth, a good level of operational freedom and high delegation of responsibility.

The motivation of our employees is one of Neosys AG's most important resources – it is closely connected to employee satisfaction. We therefore measure this satisfaction and continually seek to improve our performance in this respect. The most important instrument in this regard is the evaluation of the suggestions that are made at the time of the annual employee survey. Recent examples of the implementation of suggestions include the redesign/expansion of the office premises in Gerlafingen, and the provision of information to


employees about the company's cost structure and basic calculation principles (in particular relating to salaries). As the possibilities open to the company here are limited, and certain requirements of individual employees vary greatly, it is impossible to have a set of measures that fully satisfy everyone.

The salaries of male and female employees are not completely equal, but compared with the average in Switzerland, they only differ moderately. The threshold differences between Category 3 project managers has improved somewhat since the previous year, but the analysis carried out then (on the basis of employees' length of service) still remains valid.

The wage spread is low (< 3), which is typical for a Swiss SME.

Measures

- Further intensive consideration of the responses from the employee survey.



Experience of paternity leave

"I was the first Neosys employee to be granted a full week's paternity leave.

The effect of this extended holiday on our family's eco-balance could not be determined precisely, but I would imagine that the savings made from not having to commute (by rail) were slightly higher than the additional pollution caused by inefficient nappy changes (I use substantially more paper than my wife does).

In any case, my wife and my 3 other children really enjoyed Daddy being there for those extra days. And I am delighted to have been able to experience my daughter's first week as a full-time Dad."

Silvio Borella, Physicist and energy specialist, Neosys project manager

Sponsoring, memberships, charity activities

Current status and indicators

It is part of our philosophy to be active in **local sponsoring** and to be a **member of industry and specialist organisations** relevant for our company.

Our local sponsoring expenditure in 2014 was slightly below the budget for the year. The largest part – CHF 3,000 this year – is traditionally spent on a Christmas donation to various social institutions in the area around the company headquarters. We make further donations in support of events by local associations and organisations.

On the other hand, employee contributions have increased again, and the annual budget has been exceeded. The reason for this is the company's broad spectrum of activities and the increasing number of associations and organisations. An important new membership (2014) is with InfraWatt.

Indicator	Unit of measurement	2014	Target 2014	2013	2012
Sponsoring, donations	CHF	4,400	✓ 4,700	3,700	3,700
Member contributions	CHF	20,442	✓ 17,500	17,322	16,149

In addition to financial contributions, Neosys AG is also active in a number of **bodies** which contribute to honing society's awareness of sustainability, and correspondingly in **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.). We consider these to be platforms for networking with other specialists, gaining new ideas and raising awareness of our company and its services among a wide range of potential cooperation partners and customers.

A number of our **employees are active** as volunteers for social issues (NGOs, politics, churches, professional associations, 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.

Assessment

The costs posted are around 10% of EBIT and therefore are deemed sufficient and acceptable for a company of this size.

Measures

- Sponsoring to continue as provided by the budget

Environment

Since April 2011 Neosys AG has operated a **certified environmental management system** in accordance with ISO 14001. We have specified and pursued our environmental objectives for 2014 accordingly. Our company's environmental impact was analysed for the first time in 2010 and has been updated regularly since then. Our legal compliance is also checked regularly. No failures to comply have been found.

The **main relevance** of our activities is on two levels. In terms of our own environmental impact, the emphasis is above all on mobility, followed by the office infrastructure. The second way in which we influence the control of environmental impact is by means of the projects we carry out for our customers. Some of these indirect effects are considerable, but difficult to determine at reasonable expense. However, we ask our customers the right questions and give them active support in increasing their contribution to the environment.

Operations-related aspects

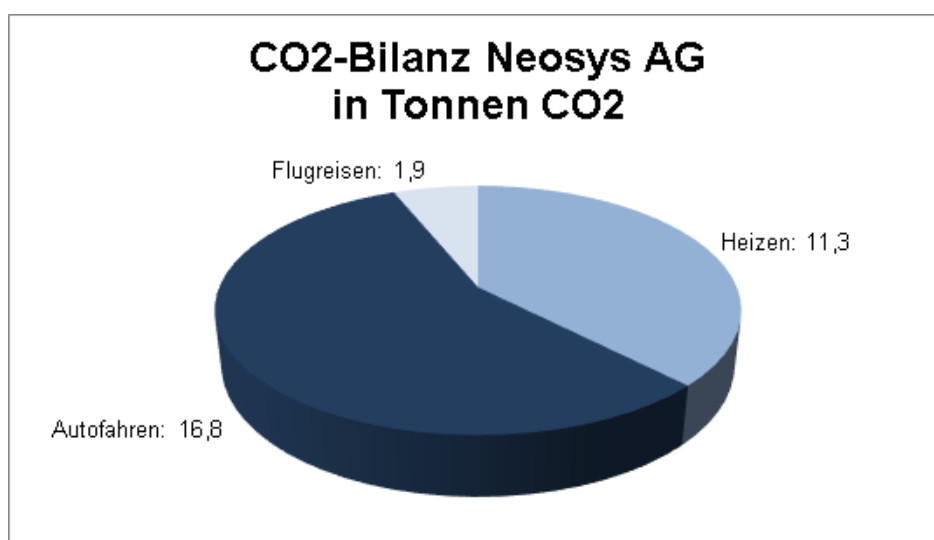
Current status and indicators

Our **greenhouse gas balance** for 2014 is around 30.0 tonnes of CO₂ and has dropped slightly compared with the last evaluation period (31.3 tonnes of CO₂).

For closer consideration of the balance, the three **sources of emissions**, "Heating", "Car travel" and "Air travel" were defined. In the very low-level "Air travel" category, there has been a slight increase in emissions of 0.2 tonnes (12%), due to a slight increase in kilometres travelled by this method because of foreign projects abroad within Europe³. In contrast, in the other two categories there has been a reduction in the quantity of CO₂ emissions – a slight reduction in the car travel category of 0.4 tonnes of CO₂ (approx. -2%) and 1.1 tonnes (approx. -9%) for heating.

The CO₂ emissions attributable to Neosys are **compensated** for by the purchase of certificates from the *Fair Recycling Foundation* in Zurich. This brings the Neosys AG "attributable" CO₂ emissions to zero.

³ The air travel undertaken by Neosys for SQS is neutralised via climate tickets by SQS and not included in this statistic.



The **consumption of electricity** for office operations and for rail travel is not calculated in the greenhouse gas footprint. This is due to the fact that we buy electricity from 100% renewable sources and therefore do not include the amount of approx. 24 g CO₂/kWh calculated by the Federal Government for the Swiss electricity grid. The table of indicators below shows the further relevant values in comparison with the two previous years.

Indicator	Unit of measurement	2014	Target 2014	2013	2012
CO ₂ emissions, actual	t CO ₂	30.0	---	31.2	26.6
CO ₂ emissions, compensated	%	100	* 100	100	0
CO ₂ emissions per capita	t CO ₂ /FTE	1.71	---	1.96	1.82
Road kilometres	km/FTE	4,929	---	5,808	4,981
Modal split rail/car	km _B /(km _A +km _B)	0.598	✓ >0.600	0.576	0.591
Air kilometres	km/FTE	404	---	377	417
Production of waste	kg/FTE	52.6	---	59.0	60.6
Power consumption	kWh/FTE	1,098	---	1,219 ⁴	2,466
Proportion of green power	kWh ₀ /kWh _{tot}	1.000	* 1.000	1.000	0.497
Paper consumption	kg/FTE	35.9	---	40.0	34.6
Water consumption	Litre/FTE	11.1	---	15.6	14.7

In the autumn of 2014 we saved a row of chestnut trees from felling through our property management. Against the background of our otherwise limited possibilities this was a small measure in favour of biodiversity.

⁴ The electricity consumption was duplicated in previous years (see 2013 report).

Assessment

The overall reduction in CO₂ output over the reporting year is pleasing, but is closely connected to our order situation. An increase in orders may require increased travel, often to customers or project sites that are further afield. Therefore it is not always possible or desirable to avoid a potential increase in the actual CO₂ emissions – in particular from air travel in the case of increased activity abroad – in future years. We therefore consider it essential to continue to compensate for our CO₂ emissions with appropriate projects. We carefully select the projects from which we obtain compensation certificates, and ensure compliance with international standards and the strict validation and verification of each project.



Our substantial CO₂ reduction objective is to reduce the transport mode split between train and car. With an increase to 59.8% we have almost achieved our target for 2014 of >60%. The actual CO₂ output per FTE in the workplace, at 1.71 t/FTE, has decreased by 13% compared with the previous year's figure of 1.96 t/FTE. We continue to pursue the overall objective of becoming a "1-tonne of CO₂" company.

We have also recorded a pleasing development in the other reported environmental indicators. The waste generated per FTE decreased by 10.9%, the electricity consumption by 9.9%, the paper consumption by 10.3% and the water consumption by 28.9%. We have therefore achieved our paper consumption target of a reduction of at least 10% compared with 2013. We have also used green electricity for 100% of our electricity consumption. We have nevertheless moved forward with our project to establish our own solar power plant at our headquarters in Gerlafingen. A practicable solution could be in place by the summer of 2015.

Measures

We have updated our environmental objectives as follows for 2015:

- Maintain climate-neutral operation (attributable CO₂ emissions = 0)
 - by ensuring as high a proportion as possible of rail travel
 - by offsetting the remaining emissions (e.g. purchasing emissions certificates or climate tickets)
- Improve the transport mode split to a rail proportion > 60%
- Halt specific paper consumption
- Implement our own solar power production by the end of 2015

The corresponding measures consist of promoting rail travel and the electronic office, and continuing with CO₂ compensation by means of reputable offset certificates.

Product-related aspects

Actual status, assessment, measures

As a small consultancy company our direct, business-related environmental impact (office administration and business travel) is quite low. Our aim and motivation is, however, to achieve **positive environmental effects** among our customers by means of the services and advice we provide in the area of sustainability. Services we offer that have a particularly strong leverage effect in this regard are in our view:

- Introduction of environmental and energy management systems
- Legacy consulting and redevelopment
- Environmental technology (waste air, noise, NIR, etc.) and CO₂ projects
- Waste management
- Energy management
- Eco-balances

However, other services we offer to our customers also have a contributory effect, for example by making structures and processes more efficient and helping companies to

become more aware of their environmental impact. We have described some of these services and approaches throughout this report.

It is unfortunately not possible to quantify the effects of these offers at reasonable expense with any degree of precision. It often depends on the individual case.

Assessment

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.

Measures

- Develop and establish new, indirectly very effective products such as:
 - Eco-balances for organisations/companies; ratings
 - Energy management
 - Biodiversity management for companies

Neosys at a glance

Code for achievement of objectives:

* Good

✓ Satisfactory

↔ Poor


→ Monitor

↔ Measures

FINANCE	Unit	2014	Target 2014	2013	2012
Net sales (CM1), only Bus	kCHF	3,380	✓ 3,353	3,365	2,754
HR costs, only Bus	kCHF	2,333	✓ 2,212	2,029	1,906
EBIT	kCHF	225	✓ 280	184	186
Operating result	kCHF	170	✓ 212	166	113
Cash flow	kCHF	245	✓ 301	184	170
EBIT return	%	6.7	✓ 8.4	6.2	6.8
Staff productivity	-	1.45	✓ 1.51	1.47	1.44
QUALITY	Unit	2014	Target 2014	2013	2012
Complaints from customers	Number	0	---	0	1
Customer satisfaction	%	88.1	✓ 90.0	89.5	88.3
Reviewed suppliers/service partners	%	1	---	0	45
Exclusion of suppliers	Number	0	---	0	1
Innovation projects	Number	7	* 4	6	4
Hours of work on innovation projects	Hrs	770.5	---	274.3	49.3
EMPLOYEES	Unit	2014	Target 2014	2013	2012
Workforce	FTE 31.12.	16.45	---	16.95	15.85
Proportion of women among empl.	% FTE	33.1	---	35.7	30.6
Proportion of women in the CM	% FTE	37.2	---	17.4	15.4
Proportion of women on the BoD	%	25	---	0	0
Wage spread	-	2.69	---	2.51	2.72
Wage ratio w/m PL1	-	1.012	✓ 1	0.979	1.056
Wage ratio w/m PL3	-	0.921	✓ 1	0.906	0.954
Wage ratio w/m PL4	-	n.a.	1	n.a.	1.000
Fluctuation	% FTE	17.6	↔ <8	3.6	0
Occupational accidents/illnesses	Nr of cases	0	* 0	0	0
Overall satisfaction	Scale 0-10	7.68	* >7	7.03	6.93
Time spent on further training	Hrs/FTE	120.5	---	101.3	67.9
SOCIETY	Unit	2014	Target 2014	2013	2012
Empl. with anti-corruption training	%	40	↔ 75	60	57
Cases of suspected corruption	Number	0	---	1	0
Complaints from stakeholders	Number	0	---	0	0
Sponsoring, donations	CHF	4,400	✓ 4,700	3,700	3,700
Member contributions	CHF	20,442	✓ 17,500	17,322	16,149
ENVIRONMENT	Unit	2014	Target 2014	2013	2012
Road kilometres	km/FTE	4,929	---	5,808	4,981
Modal split rail/car	%	59.8	✓ >60.0	57.6	59.1
Air kilometres	km/FTE	404	---	377	417
CO ₂ emissions (excluding compensation)	t CO ₂ /FTE	1,705	---	1,963	1,821
Production of waste	kg/FTE	52.6	---	59.0	60.6
Power consumption	kWh/FTE	1,098	---	1,219	2,615
Proportion of green power	kWh ₀ /kWh _{tot}	1.000	* 1.000	1.000	0.497
Paper consumption	kg/FTE	35.9	✓ 36.8	40.8	34.6

Appendices

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, management systems and legal compliance. The range of products can be viewed at http://www.neosys.ch/en/our-areas-of-expertise.html
3 Organisational structure	Organisational chart see under http://www.neosys.ch/de/organigramm.html Offices in Gerlafingen, Bern and Lausanne (Epalinges) (CH)
4 Headquarters	Gerlafingen (CH)
5 Countries in which the organisation is active	Neosys is fundamentally active in countries in which there are customer orders. 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 8 minor shareholders solely from the company management, the Board of Directors and the workforce.
7 Markets	<ul style="list-style-type: none"> A Specialist environmental tasks for companies and official authorities, audits (CH) B Environmental technology, environmental engineering for industry and construction companies (CH, EU) C Technical safety and security consulting (CH) D Advice and support for municipalities, cantons and public institutions, as well as for companies, regarding sustainable corporate management/development (incl. sustainable procurement) and CSR E Expertise and engineering services for businesses, on behalf of governmental and non-governmental organisations F Management system consulting (ISO 9/14/31/50001, OHSAS 18001 etc.) and legal services (CH, D, A) F Company management, strategy consulting, risk management (CH) H CO₂ project development, CO₂ audits in Switzerland and abroad
8 Size	<p>Number of employees: As per 31.12.2014: 16.45 FTE spread across 21 people, plus 8 freelancers with an estimated joint effective capacity of 0.75 FTE</p> <p>Net sales (financial accounting): As per 2014: CHF 3.37 million</p> <p>Overall capitalisation: Balance sheet total in 2014: CHF 2.25 million, of which equity: CHF 1.53 million (67.9%)</p> <p>Breakdown of sales according to country/region: Mainly Switzerland (>90%). No detailed breakdown obtained in 2014</p> <p>Number of products/services offered: 69 pursuant to product overview</p>
9 Fundamental changes in the reporting year	None
10 Prizes received	None

GRI Content Index and notes on the report

Sustainability reporting at Neosys AG: on the path to GRI G4

“Sustainability reporting is close to our hearts at Neosys. On the one hand it enables us to keep our various partners and stakeholders systematically and transparently informed about our own services and varied activities. On the other hand it also enables us to offer our customers consultancy services in the area of reporting. We therefore also regard our sustainability report as an example of how sustainability reporting can be implemented in an SME.

In 2013 the fourth version of the Global Reporting Initiative reporting guidelines (GRI G4) was issued. According to this, companies preparing reports in future should determine the essential criteria to report on with their stakeholders. It should therefore be decided jointly where the greatest levers can be applied to improve sustainability – as the reporting should also increase the awareness of the central themes within the company.

Some larger companies have already completed the route to GRI G4 while others are still hesitating. It should, however, be assumed that GRI G4 will be adopted in the coming years by most major companies in Switzerland as the standard for their reporting, as is currently the case with the third version, GRI G3. From the beginning of 2016, reports drafted in accordance with GRI G3 will no longer be deemed to meet the requirements of the Global Reporting Initiative – and will also no longer be assessed and categorised by means of a “Report Check”.

Whether GRI G4 remains the right way for SMEs remains to be seen. At any rate, GRI G3 still provides clear guidelines on which themes can be included in a report and how this should take place. The additional expense for an SME of establishing a stakeholder management system may also be considered too high. For us at Neosys, GRI G3 currently has a major advantage as it enables us to pass on the information that we generate from our management system directly to our stakeholders. At the same time we are already on the path to GRI G4 and have e.g. undertaken a stakeholder analysis and use it to build up a systematic stakeholder management system. We will gladly pass on the experience hereby gained to our customers, as we are already doing with regard to the link between established management systems and the reporting procedure.

It is increasingly clear that sustainability reporting represents a substantial opportunity for SMEs. Within the framework of GRI G4 major companies now have to consider their supply chains in greater depth and find out their suppliers’ attitudes to ecological and social issues. In so doing they will now turn their attention more frequently to SMEs. In this context alone it is certainly a good thing for SMEs to contemplate producing a sustainability report at an early stage, to ensure they are appropriately prepared. Management systems and their reporting components provide a good basis for this.”

Dr Jörg Schmidt, Neosys CSR Project Manager

The present report covers the period from 1.1.2014 until 31.12.2014. It represents the fifth public sustainability report of Neosys AG and incorporates all departments and areas of activity of Neosys AG. The sustainability report is repeated on an annual basis and with regard to the reporting criteria and the process of drafting the reports, corresponds to application level C of version 3.1 of the Global Reporting Initiative (GRI) guidelines, which is

still valid. Nevertheless, considerably more than the minimum number of indicators have been recorded and presented. The report has not been verified externally.

The contact person for this report is Dr. Jörg Schmidt, joerg.schmidt@neosys.ch, 031/ 351 98 66.

The report was drawn up by an internal work group, using data from the management system. It also represents the public part of the Neosys AG environmental management review (the complete document is for internal use), 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: fully reported (**full**), partially reported (**partial**), not relevant to us (**n/a**); all other indicators were not reported.

G3.1 Code (GRI)	Content	Status	Chapter	Comments
Profile				
1.1	Statement from the most senior decision-maker of the organisation	full	1, 2,3	
1.2	Description of key impacts, risks and opportunities	full	2.5	
2.1-2.10	Organisational profile	full	7.1, 2.1	
3.1-3.12	Report profile, report scope and boundary, GRI Content Index	full	7.2	The present table
3.13	Assurance	n/a	7.2	No external verification envisaged
4.1-4.10	Corporate governance	full	4.1	
4.11-4.13	Commitments to external initiatives	full	2.3, 4.4	
4.14-4.17	Stakeholder engagement	full	4.1	Stakeholder management in preparation
Economic performance indicators				
EC1	Direct economic value generated and distributed	partial	3.1	
EC3	Coverage of the organisation's defined benefit plan obligations	partial	3.1	
EC4	Significant financial assistance received from government	partial	here	Neosys does not receive any subsidies, but it does receive orders.
EC6	Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation	partial	3.3, 4.2	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit	partial	4.4, here	For some associations, certain services are provided that are not invoiced for, but which have marketing potential.
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	partial	5.2	With regard to environmental impact
Environmental performance indicators				
EN1	Materials used	partial	5.1	
EN3, EN4	Energy consumption	full	5.1	
EN6	Initiatives to optimise the energy used in services	full	5.1	
EN8	Total water withdrawal by source	partial	5.1	Water is only used for sanitation purposes.
EN16, EN17	Total direct and indirect greenhouse gas emissions	full	5.1	
EN18	Initiatives to reduce greenhouse gas emissions	full	5.1	Greenhouse gas carbon offsets
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, organic waste to compost, electronic goods are returned to retail
EN26	Initiatives to mitigate environmental impacts of products and services	partial	5.1	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	full	here	No fines or non-conformities, review as part of the EMS
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	partial	5.1	

G3.1 Code (GRI)	Content	Status	Chapter	Comments
Social performance indicators				
Working practices and fair employment				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender	full	4.3	
LA2	Total number and rate of new employee hires and employee turnover by age group, gender and region	full	4.3	
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. Benefits do not relate to the type of employment, but to the function. Thus, for example, management employees are given a company car or an SBB first-class railcard, employees a half-fare railcard.
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	4.3, here	No occupational accidents or illnesses
LA10	Average hours of training per year per employee by gender and by employee category	full	4.3	
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	4.1, 4.3	
LA14	Ratio of basic salary and remuneration of women to men by employee category	full	4.3	
Human rights				
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken	full	3.3	
HR4	Total number of incidents of discrimination and corrective actions taken	full	4.3, here	Statements on pay equality, 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		Such occurrences are considered extremely improbable for the type of operations performed by Neosys AG and as a result there has been no detailed examination.
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		
Social				
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	partial	4.1	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	full	4.2	
SO4	Actions taken in response to incidents of corruption	partial	4.2	
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	During the reporting year, support of a few hundred Swiss francs was given to a regional political event.
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 liability				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	full	3.2	
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	partial	3.2	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

Legend

AD	Neosys Administration Business Unit
BoD	Board of Directors
BU	Business Unit
BUM	Business Unit Manager
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CM	Company Management
CO ₂	Carbon dioxide, the most significant greenhouse gas
CSR	Neosys Corporate Social Responsibility Business Unit
DB1	Contribution margin 1 (net profit), CM1
EBIT	Earnings Before Interest and Taxes
EMS	Environmental Management System
FOEN	Swiss Federal Office for the Environment
FHNW	University of Applied Sciences and Arts Northwestern Switzerland
FTE	Full Time Equivalent
GRI	Global Reporting Initiative – organisation that produces international guidelines for sustainability reporting
IGöB	Interest Group for Ecological Purchasing, Switzerland
ILO	International Labour Organisation (specialised agency of the United Nations)
IMS	Integrated Management System
ISO 9001	International standard for quality management
ISO 14001	International standard for environmental management
ISO 50001	International standard for energy management
MgmtSys, MS	Management System(s)
MSC	Neosys Management Systems and Compliance Business Unit
NGO	Non-Governmental Organisation
NIS	Non-Ionising Radiation
PM	Project Manager
RC	Neosys RisCare Business Unit
SAQ	Swiss Association for Quality
SDC	Swiss Agency for Development and Cooperation
Seco	Swiss State Secretariat for Economic Affairs
SME	Small and medium enterprise(s)
SNV	Swiss Association for Standardisation
SQS	Swiss Association for Quality and Management Systems (certification body)
SSI	Swiss Association of Independent Safety and Security Engineers and Consultants
TU	Neosys Technology-Environment Business Unit
UNGC	UN Global Compact, an initiative of the United Nations in the areas of human rights, working conditions, the environment, anti-corruption
ZHAW	Zurich University of Applied Sciences