

Environmental management and health & safety at work at Cendres+Métaux Ltd.

Using key data, environmental performance and health & safety at work are continuously being improved. In compliance with our quality and environmental policy, we abide by the following principle.

Quality means protection of people and the environment

We minimise the risk of accidents and increase productivity, thanks to high levels of safety in the workplace. We use energy and raw materials responsibly and therefore reduce our environmental impact.

For our company, the environmental aspects listed below are the result of our production processes. The key data has been derived from a materials and energy flow analysis. In the process, some key data has been redefined, in order to be better able to show the improvement in environmental performance.

1.1 Environmental management

1.1.1 Energy

Energy is one of our company's important resources when it comes to manufacturing our products. In this respect, electric power consumption makes up the largest part of our energy requirement. As power consumption is, for the most part, dictated by the procedure, fundamental savings are only possible with difficulty and changes cannot be carried out in the short-term. Shown in the following diagram is the sequence of energy consumption for the various types of energy over recent years.

Shown below is the sequence for total energy consumption over recent years. In comparison with last year, absolute energy consumption has increased by 7%. The main reason for higher energy consumption is the increase in manufacturing volume in our Dental (Metalor alloys), Jewellery and Watch divisions.

The following diagram shows energy consumption per productive member of staff. This key figure has dropped by 3% in comparison with the previous year. It has been possible to keep the consumption per productive member of staff steady since 2008.

1.1.2 CO₂ equivalent

The CO₂ proportion of total energy consumed over the last few years can be seen in the following diagram. Compared with last year, the proportion of CO₂ has risen by 9%. The main reason for this is gas consumption, which has risen by 20% due to heating requirements.

1.1.3 Water consumption

Water is necessary for cooling various processes (ground water) and as normal tap water. The total water consumption for both factories has risen by 11% in comparison with the previous year. The consumption of cooling water (ground water) has increased by 13% compared with last year. The ground water requirement fluctuates, depending on how much cooling is required. However, this does not put a strain on the drains, as ground water can be returned to the earth it came from. On the other hand, thanks to the incorporation of a heat exchanger in the cooling pond of the ELTI kiln in the annealing shop, it has proved possible to further reduce the amount of water consumed.

1.1.4 Paper consumption

Paper is primarily necessary for the creation of documentation and for order processing. The consumption of paper has dropped by 30% in comparison with the previous year, but in relation to the number of employees, consumption has actually fallen by 33%. The reasons for this, on the one hand, lie in the fact that in the previous year lots of new documentation had to be created in connection with the acquisition of Metalor Dental. In 2010 it was again reduced to a normal quantity. Furthermore, documents are increasingly being printed on both sides of the paper. In the SAP system in particular, the technical prerequisites have been created that enable such documents as invoices to be printed on both sides of the paper. This meant it was possible to actually exceed the specified target.

1.1.5 Environmental incidents

In the year under report, no environmental incidents (disasters) took place. The report to the management from those commissioned to transport hazardous goods indicates no need for action.

1.2 Health & safety at work and the health protection of staff

The following graphs show the sequence of hours not worked and occupational accidents in the last few years. Whilst the number of hours not worked due to illness in recent years was above average in relation to the increase in the workforce, when it came to accidents, and in particular non-occupational accidents, a drop was observed. In the calendar year 2010, the following values resulted for our key data relating to health & safety at work : 0.962 hours not worked (2009: 0.721) or 0.018 accidents (2009: 0.027), in relation to 1,000 hours worked. According to evaluation by the Convention Patronale therefore, in terms of hours not worked we are slightly above the industry average of 0.919 hours. With regard to the number of accidents per 1,000 hours worked, we find ourselves below the industry average of 0.0294. The development of these key figures in both our sector of industry and Cendres+Métaux itself is stable.

1.3 Audits

The aspects of health & safety at work and environmental management are examined as part of internal audits. Internal audits cover certification standards ISO 9001, ISO 13485 and ISO 14001. No variations were found by the internal audits carried out.

A routine inspection by SQS took place from 16 to 18 November 2010. This confirmed compliance with the ISO 14001 certificate. The instructions from this audit will be dealt with in the context of corrective measures (see also targets for 2011).

1.4 Health & safety at work and environmental management targets

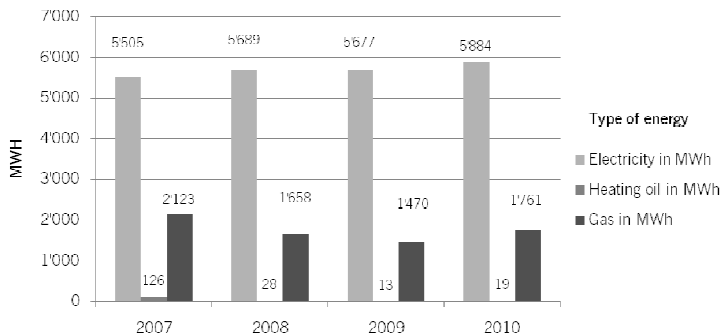
1.4.1 Assessment of targets for 2010

Targets/measures 2010	Progress check
Reduction of paper consumption by 20% compared with previous year.	Achieved
Further reduction in water consumption in the foundry (reduction in night operation thanks to time switch).	This target could not be fully achieved and is still being worked on.
Fulfilment of SUVA [Swiss Accident Insurance] condition for guaranteeing health & safety at work at the die-cutting machine.	Achieved
Replacement of refrigeration system in the production hall to reduce energy requirements.	Achieved
Raising awareness of employees by setting up a temporary "slips and trips" walkway.	Achieved
Replacement of penetration test by infra-red test. Improvement in health protection.	Achieved
Putting together an organisation to guarantee compliance with the new "Known sender for air freight" regulations. Development of a safety programme with subsequent certification by an authorised body.	The organisation has been set up, described and submitted to FOCA. Inspection will take place at a later date.
Execution of an evacuation exercise and training of the firefighting team as part of an exercise (inspection of premises by firefighting team).	Achieved
Improvement of air extraction in training department.	This measure could not be fully achieved yet and is still in progress.

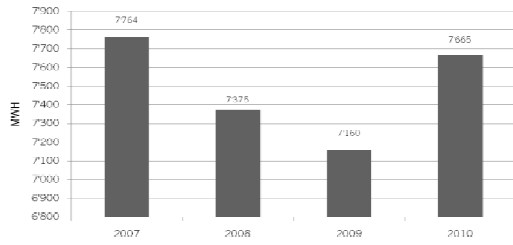
1.4.2 Planned targets 2011

Targets/measures 2011 (retrospective)	Progress check (interim report)
Introduction of corrective measures in order to take into consideration the instructions from the last SQS audit.	In processing (partially implemented).
Improvement of "emergency communications" (BCM project with external support).	The project has been started together with the support of an external consultant.
Optimisation of waste water treatment in Factory 2 - Decommissioning of flow-through system - Optimisation of batch treatment - New operating approval from GSA	After removal of POSA, the flow-through system was decommissioned. Batch treatment has been optimised. The majority of the treated waste water can be put back into the process, so that only a small amount of waste water has to go into the drainage system. The current process is being described and submitted to the GSA. New approval is planned for December 2011.
Replacement of chromium as an etching agent in metallography for etching polished samples.	Trials have been carried out. A small etching system is scheduled in the investment budget.
Substitution of NTA in washing process.	To have sufficient time for substitution, an adequate quantity of washing agent was purchased. Planning of the substitution takes place as part of the new washing concept.
Optimisation of environmental performance in the planned new build and conversion of the building.	Planned.
Development of a concept for washing "déchets propres" [in-house waste] and chippings for the optimisation of environmental performance and improvement of health protection.	Planned.

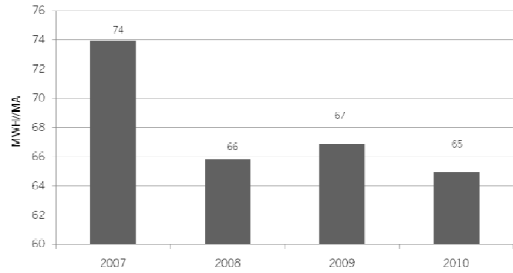
Energy consumption by type



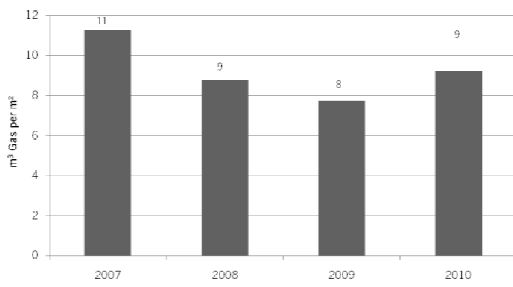
Total energy consumption



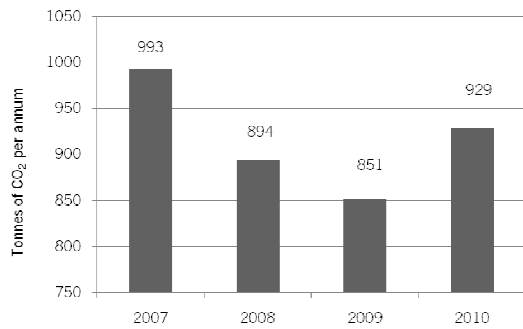
Energy per productive employee



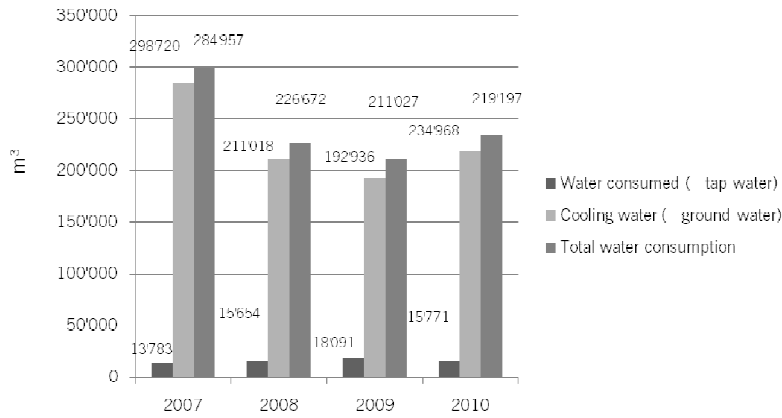
M³ gas per m² building space



CO₂ equivalent



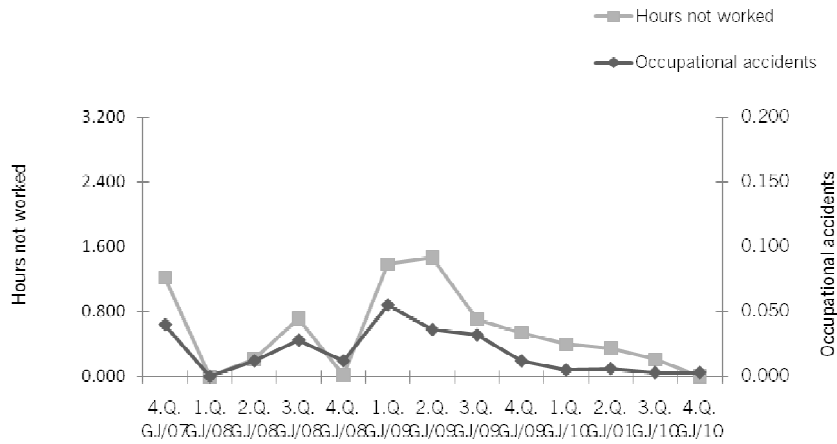
Water consumption



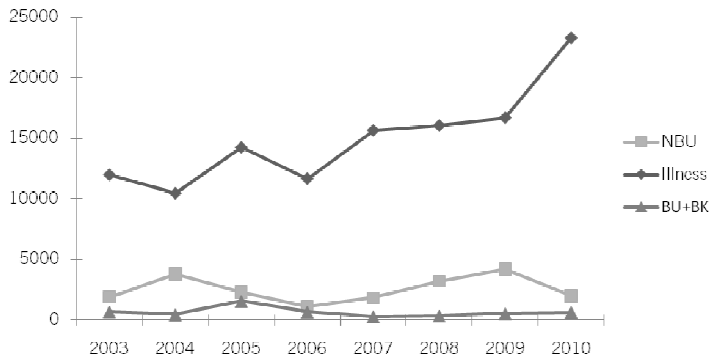
Paper consumption

Paper consumption	2005	2006	2007	2008	2009	2010	Unit
Total	5,500	5,737	6,200	5,160	7,840	5,510	kg
per capita	20	19	19.8	16.2	24	16	kg/employee

Key data: health & safety at work per 1,000 hours worked



Key data: hours not worked



NBU = Non-occupational accidents

BU = Unfit for work

BK = Occupational illness