



MCH Group  
Global Live Marketing

# Sustainability Report 2014

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Sustainability means satisfying present-day economic, environmental and social needs without restricting the possibility for future generations to satisfy their needs.

## Introduction

The MCH Group AG with its head office in Basel takes in the exhibition companies in Basel, Lausanne and Zurich, which are not only responsible for staging a large number of MCH exhibitions but are also in charge of running these exhibition and congress venues. The MCH Group also owns the event service companies of Rufener in Zurich, Expomobilia in Effretikon and Winkler Multi Media Events in Wohlen. A number of these companies held directly by the holding company, MCH Group Ltd. also have subsidiaries of their own (overview on page 8).

The holding company, MCH Group Ltd., is listed on the SIX Swiss Exchange (Domestic Standard).

The MCH Group is a leading international group of live-marketing companies with a comprehensive services network spanning the entire exhibition and event market. It creates marketing platforms in the form of internationally and nationally leading exhibitions and offers the exhibiting companies bespoke solutions for their successful participation in these exhibitions. With its infrastructure and its event services, the MCH Group is also involved in a large number of corporate and public events in addition to exhibitions and congresses.

Including the non-annual exhibitions, the MCH Group's current exhibition portfolio takes in around 100 MCH and third-party exhibitions with some 19 000 exhibiting companies and 2 200 000 visitors. The service companies operate all over the world, implementing way above 1 000 projects each year.

Information on the MCH Group:  
[www.mch-group.com](http://www.mch-group.com)

The MCH Group published its first detailed report on sustainability for the 2013 business year and is now presenting its second sustainability report for the 2014 business year. This report has been drawn up in compliance with the internationally recognised guidelines of the "Global Reporting Initiative" (GRI), Level GRI G4 "Core".

The group's sustainability reporting takes in the present sustainability report with the GRI content index and an annex with detailed information on individual indicators (in German only). It has been drawn up in the context of the 2014 Annual Report to which reference is made at different points.

The sustainability report, GRI content index and the annex are only published online. They are available on the MCH Group website:

[www.mch-group.com](http://www.mch-group.com)  
"News" / "Reports"

# CEO Statement

René Kamm  
CEO MCH Group



The overriding objective of the MCH Group is to ensure its long-term business success for the benefit of all stakeholders. Its economic success is essentially based on two fundamental pillars: on the one hand, on the further development of the company, which is founded on a clear strategy and, on the other hand, on the link between public and private interests that is a characteristic feature of the company's shareholders and its management.

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## Corporate strategy

The corporate strategy is aimed at continuous, stable growth. The main focus of the growth strategy is on the further expansion of the products and services offered in the field of the marketing platforms (exhibitions and events) and marketing solutions (event services), the further boosting of the international nature of the portfolio and the development of digital offerings to supplement and extend the group's live-marketing business. The further development of the group is to be achieved both organically and through selective cooperation and acquisitions.

The MCH Group's unique network with its three strategic divisions of "Exhibitions" (MCH exhibitions), "Venues" (third-party exhibitions) and "Event Services" plays a key role in the implementation of the strategy: through the synergies that result with the group's own event services, it is possible to increase the share of the added value chain in the exhibition business. At the same time, with the event services, new market potential can be tapped in the national and international exhibition and event market.

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## Public Private Partnership

The MCH Group is committed to Switzerland as a location and, in particular, to its infrastructure locations of Basel, Lausanne and Zurich as the priority venues for staging its own exhibitions. It safeguards the interests of the locations and secures the major macro-economic effects that the group's activities trigger for the exhibition and congress sites.

The protection of the interests of these locations is ensured through the 49-percent holding of the cantons of Basel-Stadt, Basel-Landschaft, Zurich and the City of Zurich in its holding company and through the representatives of the public entities in its Board of Directors. Since the economic impact on the locations is a function of the company's

success, the public entities support the company's success and profit-orientated alignment. They are in favour of exhibitions being staged in other locations too, as well as the expansion of location and/or exhibition-independent activities, insofar as these contribute towards the company's success and are not to the detriment of its own locations.

The MCH Group is under the management of its Board of Directors and the Executive Board of the holding company. This ensures the efficient management of the group as a whole and secures the optimum implementation of the integrated cooperation model of the individual business fields. As a listed company, the MCH Group also adheres to the provisions of relevance to corporate governance in the current legislation and in the directives issued by the SIX Swiss Exchange.

Excerpt from the MCH Group's corporate mission statement

Economic, environmental and social sustainability is an important success factor for the MCH Group and is thus of great importance in its strategic decisions. The group promotes sustainable behaviour in all areas and at all levels.

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## Sustainability

The MCH Group's corporate activity has a high sustainability value. Its marketing platforms and solutions contribute to the success of a large number of companies and different industries. The major economic impact instigated by its activities ultimately benefits the local community in the form of tax income. The implementation of the group's strategy takes into account, in equal measure, the interests of the customers, of the locations of Basel, Lausanne and Zurich, and also of private shareholders.

Exhibitions bring together supply and demand at a specific point in time and in a specific place. This time and space-based concentration has key advantages for all the partners involved and it also makes sense from the environmental angle in that it obviates the need for a large amount of travel all over the globe. In addition, exhibitions provide excellent platforms for taking up sustainability issues, reflecting on these and contributing to progress in this respect.

The operation of the exhibition sites and the staging of the events are, however, highly intensive in respect of environmental aspects such as energy, traffic and waste. In the context of sustainability reporting, great attention is thus paid to environmental issues, since these are of particular relevance for the group's local setting. The MCH Group endeavours to keep the burden on the environment as low as possible. One example of this is the new hall complex in Basel which was completed in 2013. This was awarded the Minergie Label BS-054 by the Basel-Stadt Minergie Certification Office.

In a large number of other areas too, the MCH Group has been committed to responsible development for many years already, including, for example, in the protection of intellectual property. It is a member of "Stop Piracy", the Swiss anti-counterfeiting and piracy platform that was set up by the Federal Institute of Intellectual Property in 2005. For more than 30 years, it has supported the Baselworld Watch and Jewellery Show in the fight against counterfeited and pirated goods through a unique arbitration board.

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## Objectives

The MCH Group, which has its roots in the "Schweizer Mustermesse" in Basel that dates back almost 100 years, has undergone striking development in many different ways within the national and international exhibition and event sector. Measured in terms of its sales, it has a market share of some 60 percent in Switzerland, while ranking amongst the ten biggest exhibition companies worldwide in terms of operating income. Sustainability is one of the decisive factors in this success, since it calls for a sustainable economic, environmental and social performance.

In 2014, the MCH Group was the first exhibition company to submit a sustainability report on the basis of the internationally recognised GRI standard. This bears witness to its desire to promote sustainable behaviour in all areas and on all levels, to constantly improve its sustainability indicators and to assume a leading position in its industry in respect of sustainability too.

René Kamm,  
CEO MCH Group



# Sustainability

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## Objectives

With the implementation of its corporate strategy for further expanding its national and international market position, the MCH Group also wishes to assume a leading role with regard to sustainability in the exhibition and event industry.

A growth strategy and a strong market position, stability through the structurally anchored partnership of private enterprise and the public sector, a major economic impact, horizontal and vertical synergy effects within the group network (value added chain and also locations and product portfolio) and good corporate governance: these are factors that characterise the MCH Group and, at the same time, underline the fundamental sustainability of the company, its business model and its development.

These factors also have a key influence on the objectives and strategic approaches that are summarised below for the different sustainability categories.

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## Economic

With its marketing platforms and solutions, the MCH Group wishes to contribute towards strengthening the corresponding industries together with their national and international clientele. It is noted for the exceptional quality of its products and services, which it achieves through its specialist competence and capacity to innovate, its thorough knowledge of the industries, its strong customer orientation and its ability to anticipate market changes.

As market leader, it is working towards the future-oriented further development and strengthening of its own exhibition and event sector. It is playing a pioneering role in various ways, such as with its private-sector orientation, its group network and the corresponding cooperation model, and also in the strategic and conceptual further development of its portfolio. It supports national and international industry associations.

The MCH Group endeavours to constantly improve on its resource efficiency in a bid to further strengthen its competitiveness. Investments in infrastructure, operations and the provision of services are performed on the basis of economic and environmental criteria.

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## Environmental

The MCH Group invests continuously in the optimisation of its ecological indicators: in the construction and operation of its buildings and systems through increasing energy efficiency, employing renewable energies and reducing emissions; in its logistics through in-house-developed logistics and transport concepts and, as far as possible, underground delivery to reduce the burden on the environment and the local neighbourhood; in the production of stands and equipment through the selection of materials, energy-efficient production and also climate-neutral offerings.

The company wishes to further promote the environmentally aware behaviour of its employees at their workplace and make available the necessary resources for further reducing the burden on the environment. Ecological aspects are to increasingly play a decisive role in the selection of suppliers and materials, giving precedence to suppliers from the local region and suppliers who can furnish the corresponding proof of sustainability, for example.

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## Social

The MCH Group wishes to assume its social responsibility. It subscribes to the fundamental values of a democratic state governed by the rule-of-law. It respects human dignity and the values of other cultures. It regards respecting the legal provisions and the application of serious business practices as a matter of course.

The MCH Group's employees are offered attractive working conditions, building on a success-orientated culture of motivation and personal responsibility. They are supported in their further development through in-house and external initial training and continuing education programmes.

The MCH Group supports a range of institutions and organisations in the social and cultural fields, with no expectation of receiving anything in return.

The MCH Group has some 250 registered trade marks and constantly conducts proactive checks on the protection they afford. In addition to this, the group is committed to protecting intellectual property and fair trade in a unique manner in the framework of the Baselworld Watch and Jewellery Show.

With its sustainability report, the MCH Group wishes to strengthen the dialogue with its stakeholder groups, since these have a decisive influence on the company's economic, ecological and social performance and are also affected by this.

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Report contents and reporting  
(G4 – 18, G4 – 25, G4 – 26)

The MCH Group's sustainability reporting as per the GRI guidelines is aimed at intensifying its regular and systematic dialogue with its chief stakeholder groups. The latter are also involved in determining the report content and its implementation.

In the run-up to the first sustainability report for the 2013 business year, the MCH Group defined the internal and external stakeholder groups to be involved in the sustainability reporting process, since they have a decisive influence on the economic, ecological or social performance of the MCH Group and are also affected by these. These stakeholder groups include the following: management and employees, shareholders, customers, partners and suppliers (see page 8).

In defining the report content and its corresponding implementation, the MCH Group follows the procedure recommended by the GRI:

1. Identification: In preparing for the report, representatives of the internal and external stakeholder groups take part in meetings and individual talks and also (for the first time for the 2014 sustainability report) in surveys in order to determine the aspects to be covered. The focus here is on the relevance of the aspects and their portrayal in the report.

2. Prioritisation: In prioritising the aspects, importance is attached to taking up topics that satisfy the criteria of materiality and reportability for the internal and external stakeholders. Key criteria adopted in the prioritisation of topics are the significance of their economic, environmental and social impacts both inside and outside the company and their influence on assessments and decisions of stakeholders.
3. Validation: The inputs of all the stakeholder groups are taken into account for defining and implementing the report content. The Executive Board and the Board of Directors of MCHGroup Ltd. approve the sustainability report prior to publication in each case.
4. Review: After publication of the report, the content is reviewed together with the stakeholder groups involved, and the results of the review are channelled into the preparations for the next report.

In preparing for the first sustainability report for the 2013 business year, the aspects to be covered by the reporting were discussed in meetings and individual talks with representatives of the internal and external stakeholders. These discussions were continued with a view to the present sustainability report for 2014. In addition, a survey was conducted of the individual stakeholders involved with regard to the 2013 sustainability report; this included questions on the relevance and substance of the aspects covered by the report.

The stakeholder groups concerned confirmed that the aspects selected are of great relevance, such as the economic performance for customers and shareholders, the economic impacts and emissions for the local setting, and employment for the group's employees (Overview and Relevance see pages 8 and 9).

At the same time, proposals were received regarding more detailed coverage of various aspects; these have already been channelled into this report or will be taken up in the next one.

In the light of the comments submitted by the stakeholders involved, additional weight has been given to two topics in particular in this 2014 sustainability report by comparison to the previous year's report. These are, firstly, the energy consumption and emissions reporting, which is also of greater information value, since comparative figures are available for the first time. Secondly, the reporting on the MCH Group's employees has also been stepped up.

The stakeholders involved rate the MCH Group's initiative in publishing a sustainability report as highly positive. Sustainability reporting is greatly appreciated by various categories of customer – including congress organisers and Event Services customers. These customers are increasingly asking for a sustainability report. The report is thus assuming ever-greater importance for the internal stakeholder groups too.

The stakeholder survey has also shown, however, that the MCH Group's sustainability report is not sufficiently well-known as yet. The Group will thus be announcing the publication of this report more widely and more forcefully.

Overview

Company (G4–17)

Products and services

Sustainability aspects (G4–19)

<p>MCH Swiss Exhibition (Basel) Ltd. MCH Swiss Exhibition (Zurich) Ltd. MCH Beaulieu Lausanne SA</p>	<p>Exhibitions approx. 40 MCH exhibitions (international and national trade fairs &amp; consumer shows)</p> <p>Venues Messe Basel Messe Zürich Beaulieu Lausanne</p>	<p>Economic</p> <ul style="list-style-type: none"> <li>– Economic performance</li> <li>– Indirect economic impacts</li> </ul> <p>Environmental</p> <ul style="list-style-type: none"> <li>– Energy consumption</li> <li>– Emissions</li> </ul> <p>Social</p> <ul style="list-style-type: none"> <li>– Employment</li> <li>– Training and Education</li> <li>– Local communities</li> <li>– Anti-corruption</li> <li>– Anti-competitive behaviour</li> <li>– Compliance (competition)</li> <li>– Protection of intellectual property, trade mark protection</li> <li>– Product and service labelling</li> <li>– Customer privacy</li> <li>– Compliance (customer data)</li> </ul>
<p>Rufener Events Ltd Expomobilia AG Winkler Multi Media Events AG</p>	<p>Event Services Event Management</p> <p>Stand construction and fittings</p> <p>Multi-media</p>	

Stakeholders (G4–24)

Customers	Organisers, exhibitors, visitors to exhibitions and events, those ordering event services
Local setting	Hotels and restaurants, public transport companies, police, political authorities and organisations, business, tourist and environmental associations, neighbours
Suppliers	Construction and ancillary trades, energy, logistics, safety, equipment suppliers, Marketing and communication, fittings, technical equipment
Partners	Official partners of the MCH Group (logistics, catering, cleaning, etc.)
Associations	Exhibition and event industry associations (national, international)
Shareholders	Public entities and private shareholders
Media	Daily/weekly media and specialist media (print, radio/TV, online)
Competitors	Exhibition and event sector (national and international)
Employment	Management, employees, freelancers



Boundary of the report within the organisation (G4–20)  
 Materiality of the aspects (✓)

	Company	Products and services
Economic performance	✓	
Indirect economic impacts	✓	
Energy consumption	✓	✓
Emissions	✓	✓
Employment	✓	
Training and Education	✓	
Local communities	✓	✓
Anti-corruption	✓	
Anti-competitive behaviour	✓	
Compliance (competition)	✓	
Protection of intellectual property, trade mark protection	✓	✓
Product and service labelling	✓	✓
Customer privacy	✓	✓
Compliance (customer data)	✓	✓

Key aspects for Stakeholders (G4–27)  
 Top 3

Customers	Indirect economic impacts Product and service labelling Protection of intellectual property, trade mark protection
Local setting	Indirect economic impacts Local communities Energy, emissions
Suppliers	Economic performance Indirect economic impacts Local communities
Partners	Economic performance Indirect economic impacts Local communities
Associations	Economic performance Training and education Compliance (competition)
Shareholders	Economic performance Indirect economic impacts Local communities
Media	Economic performance Indirect economic impacts Local communities
Competitors	Economic performance Indirect economic impacts Protection of intellectual property, trade mark protection
Employees	Employment Economic performance Product and service labelling

Further information on the stakeholders and on the determination and relevance of the sustainability aspects may be found in the Annex on pages 5 – 8.

# Economic

## 2014 at a Glance

Events		Income statement	CHF million
Exhibitions	78	Operating income	449.4
Exhibitors	15 607	Exhibitions	332.4
Visitors	1 939 875	Venues	40.5
Exhibition space m <sup>2</sup> gross	1 246 544	Event Services	76.5
Congresses	30	EBITDA	84.9
Various hall/room rentals	704	EBIT	42.6
Performances Musical Theater	352	Group profit	32.8
Projects		Balance sheet	CHF million
Event Management	65	Total assets	877.6
Stand construction and fittings	340	Equity	381.3
Multi-media	900	Liabilities	496.3
Employees (on permanent contracts)		Share price	CHF
as per 31.12.2013	636	as per 31.12.2013	59.55
as per 31.12.2014	642	as per 31.12.2014	64.80

Details of business activity and the 2014 financial year may be found in the Annual Report 2014: [www.mch-group.com](http://www.mch-group.com) "News"/"Reports"

## Economic performance

Measured in terms of the sales of Swiss exhibition companies, the MCH Group has a market share in excess of 60% in Switzerland. In terms of income, the MCH Group has featured among the top ten exhibition companies worldwide for many years.

With operating income of CHF 449.4 million (2013 CHF 472.6 million), the consolidated income statement for 2014 shows a group profit of CHF 32.8 million (2013 CHF 30.5 million).

The consolidated total assets at the end of 2014 were CHF 877.6 million with liabilities of CHF 496.3 million and shareholders' equity of CHF 381.3 million. The equity ratio is 43.4%. Investments totalling CHF 19.0 million were made in 2014. The price of MCH Group Ltd.'s registered shares rose 8.8% from CHF 59.55 to CHF 64.80.

In addition to the busy exhibition schedule (including Swissbau which is only held every two years), the MCH Group benefited once again in the reporting year from special effects in conjunction with the Baselworld Watch and Jewellery Show, although not to the same extent as in the previous year. On the negative side, the depreciation and financing outlay for the new Messe Basel exhibition complex had an impact over the full year for the first time.

## Service quality

The MCH Group wishes to stand out through top-quality products and services. This quality forms the basis for its decisive success factors: the high industry relevance of the fairs and events as marketing platforms and the high level of customer satisfaction with the individual services.

The MCH Group's events and services are generally noted for their high level of customer satisfaction, manifested inter alia in strong customer loyalty (renewed participation as an exhibitor/visitor at the next exhibition and renewed orders for services) and in their success in customer acquisition (new exhibitors at the exhibitions and new customers for services).

## Industry relevance and customer satisfaction are the MCH Group's chief success factors. These are based on top-quality products and services.

An exceptionally high level of customer satisfaction is found especially with the internationally leading shows in the fields of watches/jewellery and art/design. The new complex at Messe Basel has greatly boosted the quality of the infrastructure in Basel. At the same time, the external infrastructure (hotels/restaurants) is to be rated as critical and is barely able to provide the quality required for a world show. This is, however, being constantly improved through the expansion of the current offerings.

In the core business of exhibitions, exhibitor and visitor surveys, along with exhibitor advisory boards and the contacts maintained with industry associations, play a key role in positioning exhibitions in quality terms and in further developing the concepts behind the events. Specially targeted and coordinated key account management ensures that constant contact is maintained with customers. To promote customer satisfaction, training is provided to support exhibitors in optimising their exhibition presence.

Professionally designed, captured and evaluated exhibitor and visitor surveys are conducted for each exhibition in cooperation with external partners. These not only provide information on customer structure (geographic origin, decision-making competence, intention to participate at the next event), but also show the extent to which customers have attained their aims and how satisfied they are. Eminent representatives of the exhibitors generally form an exhibitor advisory board or committee that plays a decisive role especially in matters relating to the concept. Key stimulus also comes from the contacts maintained with the industry associations, which frequently actively support the event as co-organisers or patrons.

The MCH Group has developed a model that helps to understand the way in which participating in an exhibition has the impact of an integral and integrating marketing action programme, and how this impact can be exploited and further developed. This is the 5C model whose "Cs" stand for Commerce, Content, Community, Communication and Context.

The 5C model supports both the strategic and conceptual steering of the products – and hence the development of the portfolio as a whole. It serves as a multi-dimensional "cockpit", which can be used to continuously check the key cornerstones of an exhibition and anticipate trends in good time. It is also used to define and flesh out the conceptual highlights of an event and provides support in evaluating developments and innovations on the basis of a uniform system.

In the areas of event infrastructure and event services, customer satisfaction is established in personal discussions with the customer (organiser, infrastructure renter, those placing orders) and in standardised customer surveys.

On the basis of the survey results and customer contacts, measures are continually being drawn up and implemented for further boosting customer satisfaction.

The Congress Center Basel has been awarded the QIII Quality Label by the Swiss Tourism Federation and works with the ISO 9001 management system certified by the Swiss Association for Quality and Management Systems SQS.

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### Influence of climate change

Climate change does not constitute a direct risk for the business activity of the MCH Group.

Regulatory risks can have a direct influence on the MCH Group's financial result in that they can lead to rising costs (e.g. in the procurement of energy or in infrastructure maintenance). An increase in the cost incurred by exhibitors for taking part in an exhibition (such as for stand construction or mobility) can similarly have an impact on the MCH Group in that it leads to exhibitors reducing their exhibition budgets accordingly or dispensing with participation in an exhibition altogether.

The possibility of offering new technologies, products and services in a bid to resolve the challenges associated with climate change does, however, also open up opportunities for the MCH Group. Changes always generate a need for information. They thus supply "Content", which the MCH Group, as an exhibition organiser, can use for the corresponding further development of its marketing and communication platforms. Through early anticipation of the changes, the company can acquire a first-mover advantage compared with the competition and strengthen its market position through the subject-specific competence it develops.

Value added chain, provision of services and supplier groups

Value added chain	Organiser ▶	Infrastructure ▶	Event management ▶	Stand construction, fittings ▶	Event technology ▶	Other services ▶	External services
MCH Group services							
Third-party services							
Supplier groups (not exhaustive)	Marketing and communication (advertising/PR/event agencies, market research), print products (graphics, printing), digital platforms (development, design, support), ICT (systems, support)	Construction and ancillary industries, energy and water utilities, technical systems for buildings, disposal and cleaning, safety and security, logistics	Recruitment of artists/personnel, communication agencies (print, digital)	Material suppliers (metal, wood, stone, glass, etc.), design, planning, production and assembly	Technical equipment (image, light, sound, special effects), creative and production services	Logistics, catering, stand personnel	Hotels and restaurants, transport

The MCH Group's share in the value added chain can differ greatly as a function of the event. With MCH exhibitions at the group's own locations, the MCH Group provides the services of organiser and infrastructure operator. For MCH exhibitions at other locations, the group only provides the services of the organiser. For third-party exhibitions, the MCH Group's services primarily involve providing the infrastructure.

For both MCH and third-party fairs, the MCH Group is also able to provide individual services for the exhibiting companies, such as stand construction and fittings. The exhibitors are, however, free to choose whether to purchase these services from the MCH Group or from other suppliers. Added to this are other services in conjunction with participation in an exhibition which the MCH Group does not provide (such as catering) and, finally, also external services (e.g. hotels and restaurants).

The individual players within the value added chain are fundamentally suppliers of the upstream service providers and order services from the downstream service providers. They have different supplier groups, and demand for their services can differ greatly in terms of both breadth and depth depending on the event.

In cases where the MCH Group itself provides services, the extent to which it makes use of the supplier groups can also vary greatly. In the case of infrastructure, for example, the range of services provided by the MCH Group is concentrated primarily on facility management; the facility services are generally provided by regional suppliers. As an organiser, and also in the Event Services field, the MCH Group can provide a large share of the supplier-group services itself. If it cannot or does not wish to provide the services itself, it will generally purchase them from regional suppliers too.

Exhibitions and events have a major economic impact, with the locations, in particular, benefiting from this in different respects.

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#### Indirect economic impacts

The fair grounds in Basel (since 1917), Lausanne (since 1919) and Zurich (since 1945) are historically anchored in their locations and have developed there over time, accompanied by the corresponding commitment of the public, which is reflected inter alia by the holdings of the local public entities in the MCH Group. The MCH Group's main activities are focused on these locations. Its commitment to these locations is also underlined through the investments it makes there. The MCH Group has invested CHF 430 million in the new hall complex in Basel which was completed in 2013. With this new complex, the group now has the infrastructure to ensure that the big shows – and especially Baselworld – can continue to be staged in Basel in future too.

Exhibitions, congresses and events generate a major direct and indirect economic benefit. A number of studies show that exhibitions produce indirect returns that are eight to ten times greater than their own turnover.

Only 20 to 25% of the expenditure incurred by an exhibiting company for their participation in an exhibition goes to the exhibition organisers. Some 75 to 80% of the expenditure goes to different suppliers and service providers. This has been shown by a large number of studies on the economic impact of fairs, including a study that the MCH Group commissioned in 2006.

If the results of this study are extrapolated to the current figures, the following estimates can be derived. Exhibitors and visitors together spend some CHF 3 billion each year for their participation in an MCH event at the locations of Basel, Lausanne or Zurich. This expenditure goes to the construction and ancillary industries (20%), the hospitality industry (30%), public transport operators (16%), the retail trade (6%) and different service providers (28%). These initial effects trigger sales of some CHF 7 billion as direct and indirect follow-on effects, resulting in an added value of some CHF 3.5 billion. This corresponds to some 40 000 jobs and tax income of some CHF 560 million for the confederation, cantons and communes.

There are also other effects that cannot be expressed in figures: in particular the positive impact of successful exhibitions as marketing platforms for the industry in question and the positive impact of successful participation for the exhibiting companies.

At the locations at which the events are staged, exhibitions frequently have a “lighthouse effect” for tourism through their reach and appeal which are transmitted to the city or country in question. The Basel region, for instance, benefits from the fact that the globally leading events of Baselworld, Art Basel in Basel, Art Basel in Miami Beach and Art Basel in Hong Kong carry the name of their “home city” throughout the world.

Exhibitions – and especially consumer shows – frequently have a social function too. The openings of Muba, Züspa or the Comptoir Suisse, for example, are regional social events where representatives of the world of business, politics, culture and sport all meet up.

# Environmental

For the reporting in the environmental category, the focus is on the exhibition grounds in Basel, Lausanne and Zurich. As production locations, these account for the biggest share of the company in respect of energy efficiency and emissions and are thus of great relevance for the environment. While the MCH Group is the owner of the exhibition sites in Basel and Zurich, it runs Expo Beaulieu as a tenant, renting the infrastructure from the Fondation de Beaulieu. The MCH Group is intending to cease operating the main building (Congrès and Théâtre Beaulieu) by the end of 2016; this building will then be taken over by new operators. In future, the MCH Group will be concentrating on the exhibition business in Lausanne and on running the South and North exhibition halls.

A further focus is on the stand construction company Expomobilia, whose sustainability strategy and sustainability measures are of relevance for a large number of customers.

The MCH Group provides the necessary resources to ensure that, with energy-saving measures and segregated waste, the burden on the environment can be reduced to a minimum. It promotes environmentally-aware behaviour in its employees – including with the sustainability report in accordance with the GRI Guidelines.

The MCH Group is active on the Board of Trustees of the “pro Aqua – pro Vita” Foundation, which presents the Swiss Environmental Prize at Swissbau. With prize money of CHF 50 000.– the Swiss Environmental Prize is one of the highest-value awards in this category in Switzerland.

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## Messe Basel and Messe Zürich

The MCH Group continually invests in optimising energy efficiency and minimising environmental emissions at its exhibition sites in Basel and Zurich. The existing systems at the MCH Group locations are constantly optimised in terms of efficiency and energy-saving.

For the new complex at Messe Basel that was completed in 2013, great value was attached to attaining the maximum possible energy efficiency. The new complex satisfies stringent energy standards in respect of both the insulation of the shell and the resource-saving generation of the necessary heat and refrigeration energy. All heating, ventilation and refrigeration systems are operated only when required, and the majority of the waste heat generated is used.

The Basel-Stadt Minergie certification agency has awarded the new Messe Basel complex the BS-054 Minergie label, which was developed especially for the new exhibition hall building at MCH Messe Basel. In addition to this, the target values of SIA Standard 380/4 are met with regard to lighting and ventilation/air-conditioning.

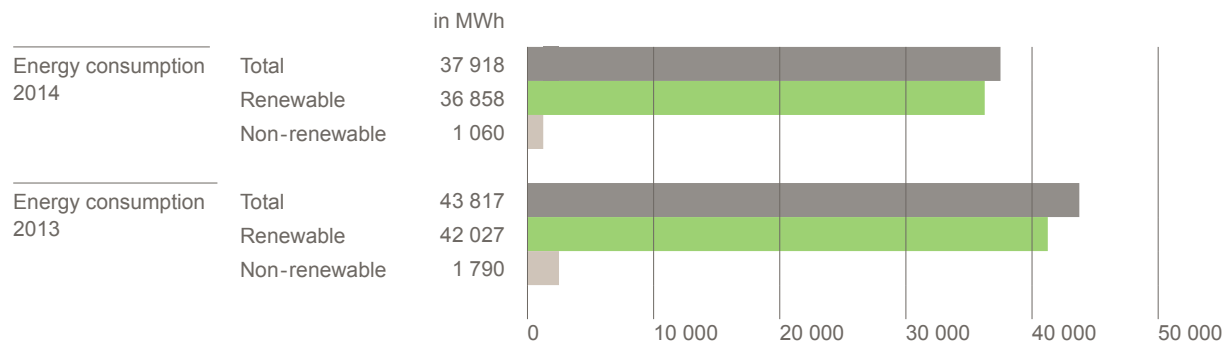
Delivery traffic to the exhibition and congress site is steered via a checkpoint-based system. An online logistics tool has been developed in Basel which supports this measure. All journeys to transport goods to and from the exhibition site must be registered in advance for a specific time slot. Drivers are required to drive to a checkpoint, from where they are directed to the delivery zone of the hall in question at the specified time and via a specified route. Their vehicle must then be unloaded/loaded within a specific period of time. To ensure that this process can be steered in the optimum manner, all movements on the exhibition site are performed by the MCH Group's logistics partner.

Waste disposal at the events is organised according to the “polluter-pays” principle, with waste being sorted and disposed of in the correct manner. The MCH Group promotes the use of public transport to its events by offering special combined travel and admission tickets.

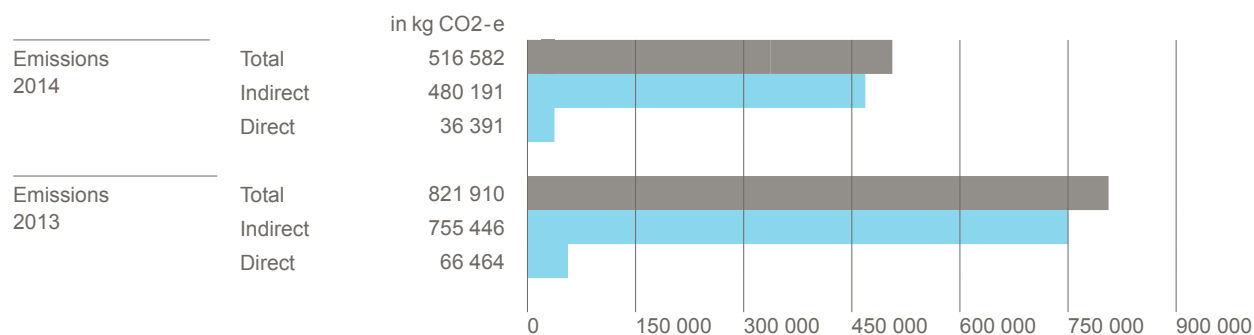
A photovoltaic system was installed on the roof of Hall 1 in Basel in 1999 already, making it possible to use solar energy. Vegetation was also planted on the roof in conjunction with this. The panels have an area of 1 900 m<sup>2</sup> and an output of 215 000 kWh per year. A system four times this size was set up on the green roof of the new Messe Basel complex which was completed in 2013. This photovoltaic system, which was installed in cooperation with an investor, feeds approximately 1 080 000 kWh electricity into the grid each year via the Industrielle Werke Basel (IWB). The MCH Group also supports the “Wettstein 21” platform, which is in charge of installing a further photovoltaic system on the roof of the Congress Center Basel. This was completed at the end of 2014 and will deliver around 180,000 kWh electricity each year.

In 2009, a photovoltaic system with a panel area of 1 200 m<sup>2</sup> and an output of 150 000 kWh per year was put in place on the roof of Messe Zürich.

Energy consumption Messe Basel, Messe Zürich, Beaulieu Lausanne



Emissions Messe Basel, Messe Zürich, Beaulieu Lausanne



Energy and emissions Messe Basel, Messe Zürich and Beaulieu Lausanne

Energy consumption at the exhibition sites in Basel, Zurich and Lausanne (including the administrative buildings), totalled 37 918 MWh in 2014. Of the total energy consumed 97.2 % was renewable energy. The emissions totalled 516 582 kg CO<sub>2</sub>-e.

Energy consumption has fallen by 13.5 % and emissions by 37.1 % compared with the previous year.

At all three locations, the energy consumption and emissions in 2014 were below the levels for the previous year. And this is despite the fact that key figures for the exhibition business (number of exhibitors and exhibition area) in Basel and Zurich were above those of 2013. The meteorological conditions doubtless contributed to the reduction in energy consumption, with 2014 being a very hot year, but this also points to increased energy efficiency.

Details of the energy consumption and emissions at Messe Basel, Messe Zürich and Beaulieu Lausanne may be found on pages 16 – 18.

Details of the energy consumption and emissions may be found in the Annex, on pages 9 – 13.

Stand construction

Expomobilia places great value on ensuring that stand structures have a long life and can be re-used many times over. This it achieves inter alia by using a wide range of materials incorporating re-usable or biologically degradable substances, as well as lights equipped with long-life bulbs which consume only a small amount of electricity.

A CO<sub>2</sub> climate protection calculator for exhibition stands and interior fittings helps customers make sure that their exhibition stand is 100% climate-neutral. This was developed especially for the purpose by Expomobilia in cooperation with myclimate, the Swiss nonprofit foundation for voluntary climate protection. This environmental commitment is rewarded by a certificate.

Expomobilia operates two photovoltaic systems at its sites in Effretikon and Fehraltorf with an overall surface area of 3 000 m<sup>2</sup>. These generate approximately 435 MWh per year.

In 2014, Expomobilia covered its entire electricity requirements with Swiss green electricity obtained from FAIR POWER, an independent green electricity specialist. The FAIR POWER certificate guarantees that this electricity has been generated ecologically and is fed into the grid for Expomobilia. The CO<sub>2</sub> share from hydroelectric power generation is fully offset by the Fair Recycling Foundation. By purchasing green electricity rather than market electricity, it was possible to reduce CO<sub>2</sub> emissions by 169 tons CO<sub>2</sub>-e.

Expomobilia acquires the heat it needs for its company buildings from the district heating network run by the Canton of Zurich's electricity utility.

Details of Expomobilia's energy consumption and emissions may be found on page 19.

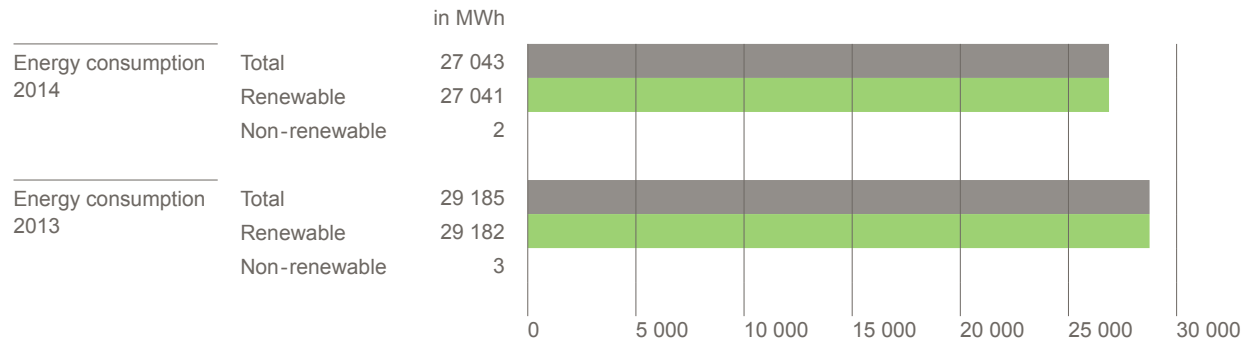
## Messe Basel

Messe Basel has exhibition space totalling 141 000 m<sup>2</sup>, of which 122 000 m<sup>2</sup> is in the two main halls 1 and 2. Messe Basel also takes in the Congress Center Basel with 25 rooms and capacities of up to 3 000 persons and the Musical Theater Basel with 1 500 seats.

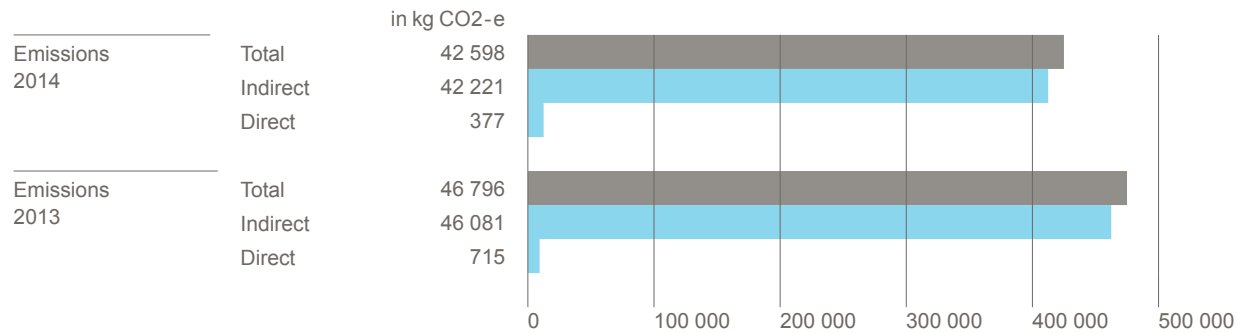
The north section of Hall 1 was brought into operation in 1999 and the south section in 2013. The entire complex satisfies stringent functional and operational requirements. The new complex brought into operation in 2013 is certified with the Minergie Label BS-054.

Key figures	2014	2013
Exhibitions	21	21
Exhibitors	6 124	5 730
Visitors	811 030	777 373
m <sup>2</sup> exhibition area	584 205	555 481
Other events	349	374
Visitors	278 549	254 934

## Energy consumption Messe Basel



## Emissions Messe Basel



## Energy and emissions

With the staging of Swissbau, which comes round every two years, 2014 was a strong exhibition year for Messe Basel in terms of the exhibition rota (number of exhibitions, exhibition area). Despite this, the energy consumption and emissions for 2014 are 7.3 % and 9.0 % respectively below those of the previous year.

At 27 043 MWh, overall energy consumption in 2014 is by far the highest for Messe Basel, the biggest of the MCH Group's three exhibition locations. At the same time, the CO<sub>2</sub> emissions are lowest here compared with the other sites.

The energy used for electricity and district heating comes virtually 100 % from renewable energy sources. Direct emissions are very low, since almost 100 % of heating is provided by renewable district heating. The district heat obtained from Industrielle Werke Basel (IWB) is CO<sub>2</sub>-neutral. The indirect emissions listed result from the electricity being made available.

In the reporting year, 537 MWh energy were used in the administrative buildings of the MCH Group in Basel (2013: 522 MWh), 100 % of which came from renewable energy sources. This energy consumption is contained in the table for Messe Basel.



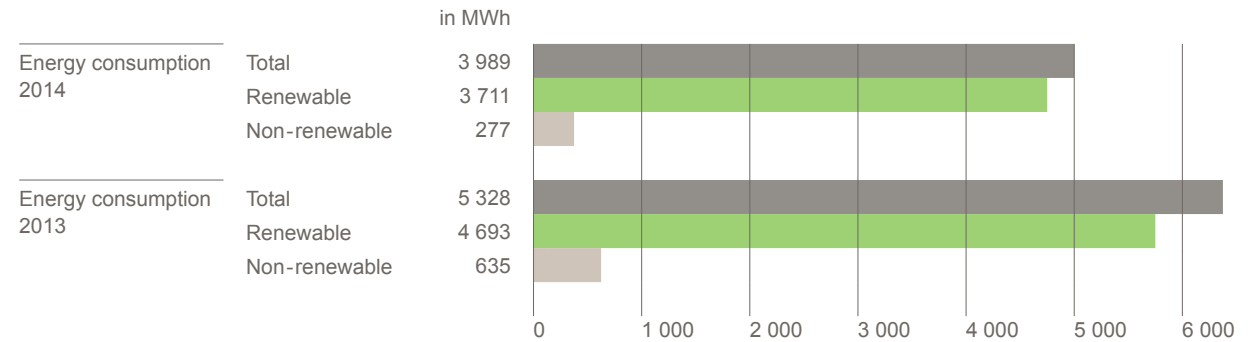
## Messe Zürich

Messe Zürich has exhibition space totalling 30 000 m<sup>2</sup>. Some 27 000 m<sup>2</sup> are located in Halls 1 to 7 in the main building, while the separate hall, Hall 9, has some 3 000 m<sup>2</sup>. The main building additionally houses seven smallish conference rooms for 30 to 80 people. Messe Zürich also owns the Theater 11 Zürich which seats 1 500.

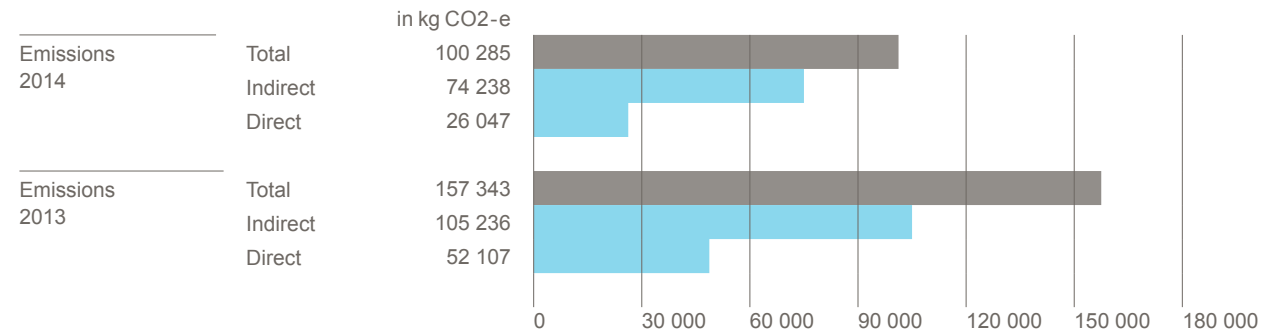
The main exhibition building, which was commissioned in its present form in 1998, is characterised by its operational functionality, which is reflected in its very high capacity utilisation.

Key figures	2014	2013
Exhibitions	34	34
Exhibitors	6 567	6 014
Visitors	623 796	616 492
m <sup>2</sup> exhibition area	382 394	349 380
Other events	499	471
Visitors	244 500	184 000

## Energy consumption Messe Zürich



## Emissions Messe Zürich



## Energy and emissions

Although the key figures for the events increased slightly in 2014 by comparison to the previous year (more exhibitors and exhibition area), the energy consumption and emissions in 2014 are considerably below those for 2013.

In 2014, Messe Zürich's overall energy consumption was 3 989 MWh, which is 25.1 % less than in 2013. The share of renewable energy in the total energy consumption has been increased from 88.1 % to 93.0 % by comparison to the previous year.

The emissions, totalling 100 285 kg CO<sub>2</sub>-e, were reduced by roughly one third compared with 2013. In line with the reduction in the consumption of non-renewable energy, direct emissions are similarly considerably below the level of the previous year. This is due, in particular to the lower consumption of non-renewable fuels (petrol and diesel and almost 50 % less heating oil). The main cause of the indirect emissions is the purchase of district heating.

## Beaulieu Lausanne

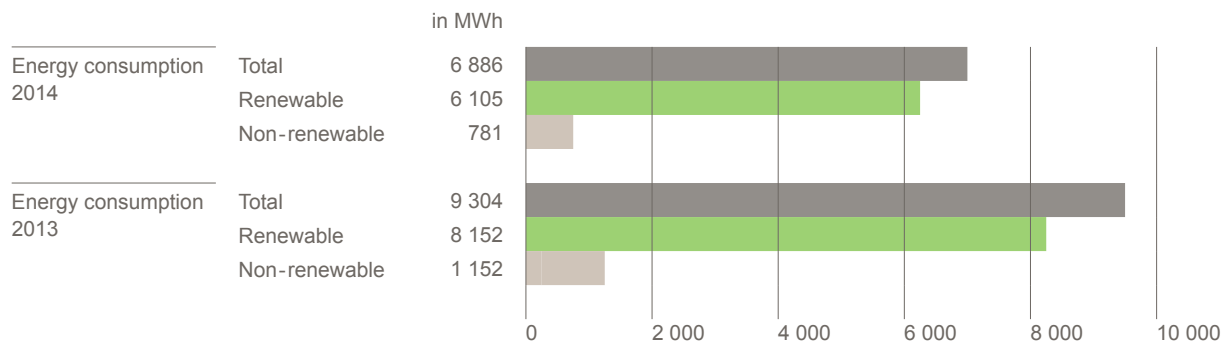
The exhibition site in Beaulieu Lausanne is owned by the Fondation de Beaulieu. Since 2009, the MCH Group has been operating the Beaulieu Lausanne exhibition site as a tenant, on behalf of the Fondation de Beaulieu. The MCH Group is intending to cease operating the Congrès Beaulieu Lausanne and the Théâtre Beaulieu Lausanne, or the “Bâtiment Principal” by the end of 2016. These will then be run by new operators. MCH will concentrate on the exhibition business and on running the North and South Halls.

Expo Beaulieu Lausanne has a total exhibition area of 50 500 m<sup>2</sup>, 11 000 m<sup>2</sup> of which is in the South Halls completed in 2011. Congrès Beaulieu Lausanne has 34 congress and conference rooms which hold up to 5 400 people. The Théâtre Beaulieu Lausanne seats 1 844.

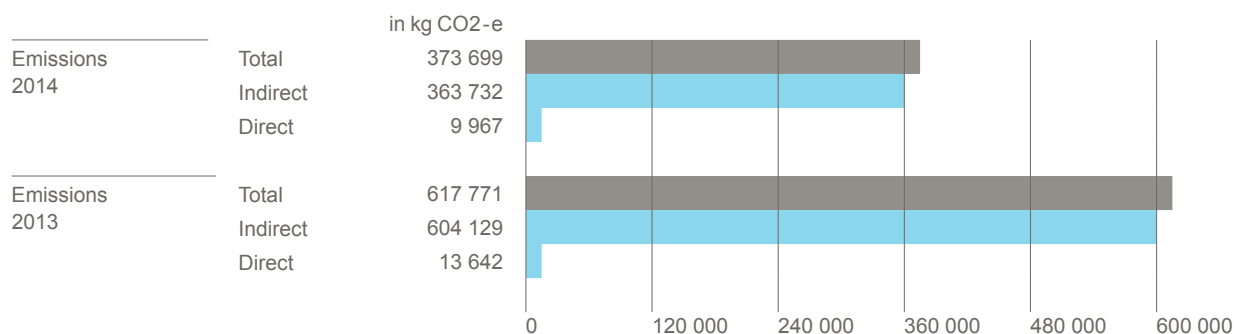
The North Hall complex (some 17 500 m<sup>2</sup> exhibition space) and the main building with the congress tract and the theatre no longer meet up to present-day requirements in all respects. There are no specific plans for renovating them as yet.

Key figures	2014	2013
Exhibitions	20	25
Exhibitors	2 359	2 694
Visitors	331 249	350 273
m <sup>2</sup> exhibition area	188 483	202 422
Other events	238	325
Visitors	157 163	165 659

## Energy consumption Beaulieu Lausanne



## Emissions Beaulieu Lausanne



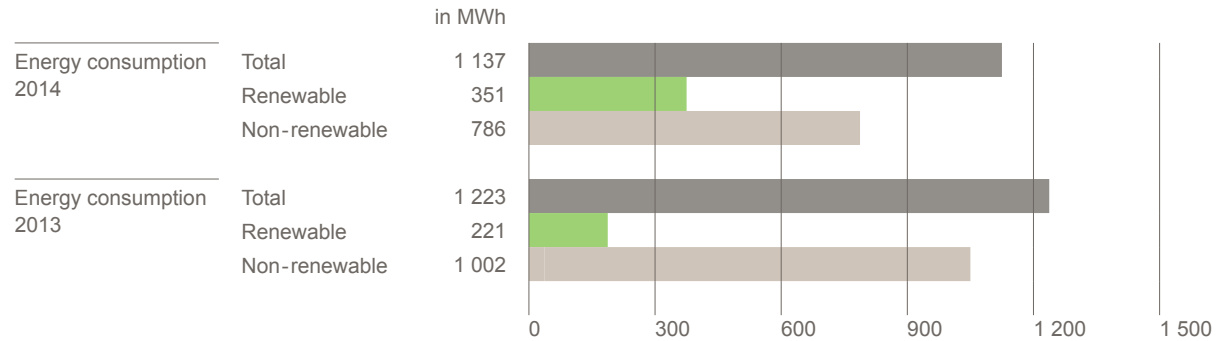
## Energy and emissions

The clear reduction in energy consumption and emissions in 2014 by comparison to the previous year is due in part to the weaker figures for the organisation of exhibitions (fewer exhibitions and exhibitors, less exhibition space).

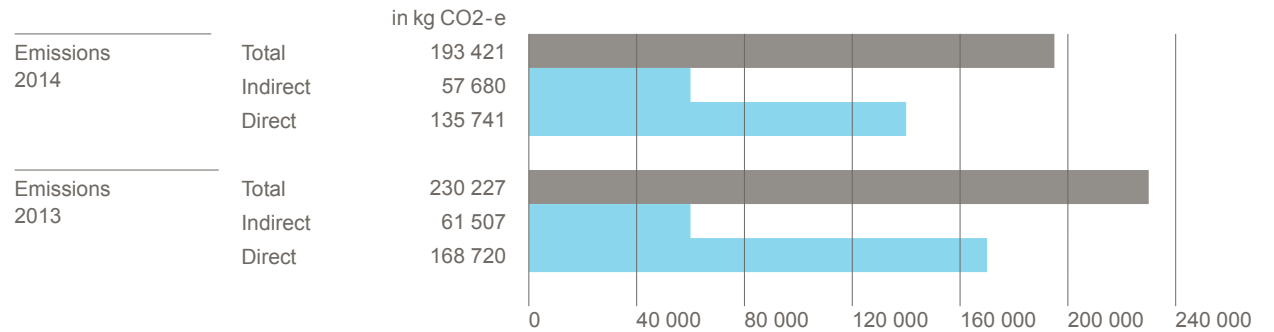
Overall energy consumption at the Beaulieu Lausanne exhibition site was 6 886 MWh in 2014, marking a reduction of 26.0 % compared with the previous year. The share of renewable energy in the overall energy consumption was 88.7 % and has remained virtually identical to the previous year (87.6 %).

The 2013 emission values for Beaulieu Lausanne have been recalculated, since incorrect figures for the electricity mix have been corrected and the emission factor for the district heating has been updated by the energy supplier. The emissions totalling 373 699 kg CO<sub>2</sub>-e represent a reduction of some 40 % compared with 2013. Most of the indirect emissions are due to the purchase of district heat from the City of Lausanne’s waste incineration plant.

## Energy consumption Expomobilia



## Emissions Expomobilia



## Expomobilia

Expomobilia, which was founded in Switzerland in 1973, is specialised in exhibition stand construction and interior fittings – design, concept, production and assembly. The production operations, from the inscription workshop through to the metalworking shop are all located under a single roof and are closely networked with each other.

In 2014, Expomobilia implemented 340 (2013: 337) projects, of which 266 (2013: 247) were in Switzerland. Most of these projects involved the full range of services, from design through to production and assembly.

## Energy and emissions

Expomobilia's overall energy consumption at its locations in Effretikon and Fehraltorf was 1 137 MWh in 2014; this is 7.0 % below the consumption for 2013. The share of 69.1 % (previous year 81.9 %) of non-renewable energy in overall energy consumption is due to the purchase of district heat from the Langhag combined heat and power generation plant run by the Canton of Zurich's electricity utility, which is run off natural gas.

This has an impact on the indirect emissions which, in the reporting year, accounted for 29.8 % of the overall emissions of 193 421 kg CO<sub>2</sub>-e (2013: 26.7 % of 230 227 kg CO<sub>2</sub>-e).

The use of non-renewable fuels has a decisive influence on the direct emissions (heating oil at one location and petrol and diesel for vehicles).

In 2014, Expomobilia covered its entire electricity requirements with Swiss green electricity obtained from FAIR POWER, an independent green electricity specialist.

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## Local community

In the light of the MCH Group's interests in its local communities in conjunction with its operations, the participation of public entities in the company and also the key importance of the external infrastructure for the group's business activity, the MCH Group is committed to institutions that promote the economy and the business location by actively supporting them in a transparent manner through its membership or partnership in specific projects (see Annex, page 4).

On political issues directly affecting the company, the MCH Group publicly expresses its points of view. It does not get involved in political discussions that do not affect the company or its business activity.

The economic impact of the MCH Group's business activity and the assumption of its obligations towards its local communities are described in the "Economic" chapter (pages 10 – 13).

The MCH Group is reluctant to take on sponsoring commitments, since it is dependent on contributions from the public purse for big infrastructure investments and is itself a partner of sponsors at a large number of events. It makes a distinction between sponsoring commitments that involve the provision of corresponding (communicative) services in return and support which is provided without any expectation of receiving anything in return. In both cases, what it provides can be financial contributions, services or the supply of materials (Location Partner).

The MCH Group takes on commitments as a sponsoring partner in the fields of society and social affairs (e.g. the Theodora Foundation, Colour Key Basel), business (including as a partner of the Swiss Innovation Forum and different events organised by economic institutions) and culture (including the Basel Tattoo, the Sommerblues Festival, "Kulturfluss" and the Basel Blues Festival), ecology (including the Climate Platform of the Wirtschaft Region Basel) and sport (including FC Basel, ZSC Lions, and Sm'Aesch Pfeffingen). The financial contributions and the materials and services provided had a total value of some CHF 500 000.– in 2014.

Alongside this, the MCH Group has an annual budget of CHF 100 000.– for supporting social and cultural institutions in the immediate vicinity of its locations.

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## Brand protection

The MCH Group's brands constitute an enterprise value which, although not shown on the balance sheet, exceeds the group's fixed assets by a long way. Brand protection provides legal security and is a clear indication that the intellectual property rights of the corresponding brand belong to the MCH Group and are also protected by the group. At present, some 250 word and picture brands are registered for the MCH Group at the Swiss Federal Institute of Intellectual Property (IGE) in Bern. Not all these registered brands are still "active".

Corporate Legal & Management Services checks the IGE report on the registered brands each week. In the event of brands of the MCH Group being violated, the protection afforded by these brands is enforced by legal means.

The MCH Group is a member of "Stop Piracy", the Swiss anti-counterfeiting and anti-piracy platform that was set up by the Federal Institute of Intellectual Property in 2005. For 30 years, the MCH Group has been committed to the protection of intellectual property in the context of the Baselworld World Watch and Jewellery Show and supports the fight against counterfeited and pirated goods. At Baselworld, anyone who considers that their intellectual property rights have been violated through the presentation of an object at the show can have recourse to the show's own arbitration board – the Baselworld Panel. The arbitration board decides within a single working day whether the rights to a design, brands, patent of invention or copyright-protected works have been violated.

The Baselworld Watch and Jewellery Show is an official supporter of the Responsible Jewellery Council (RJC). The RJC campaigns for responsible practices in the jewellery industry – from the mining of the precious metals, via their processing, right through to the retail trade. The more than 300 companies that have been RJC-certified in the meantime guarantee compliance with the corresponding ethical, human rights, social and ecological principles.

Employees on permanent contracts/Companies	31.12.2014	31.12.2013
MCH Group Ltd.	22	21
MCH Swiss Exhibition (Basel) Ltd. *	284	279
MCH Swiss Exhibition (Zurich) Ltd.	32	29
MCH Beaulieu Lausanne SA	66	65
Rufener Events Ltd	28	26
Expomobilia AG	101	109
Winkler Multi Media Events AG	90	92
Total *	623	621

\* without Asian Art Fairs Limited

Hierarchy levels/Gender	31.12.2014		31.12.2013	
	Male	Female	Male	Female
Board of Directors MCH Group	9	2	9	2
Executive Board MCH Group	5		7	
Management subsidiaries	12	3	12	3
Managerial staff	90	35	92	33
Employees	275	203	279	195

Nationalities/Gender	31.12.2014		31.12.2013	
	Male	Female	Male	Female
Switzerland	286	187	293	189
Germany	57	30	54	27
France	9	11	7	8
Italy	3	4	3	4
Austria	3	2	3	3
USA	0	3	0	3
Other	18	10	18	9

Time spent on further training (hours)	2014		2013	
	Male	Female	Male	Female
Senior management	50	25	261	41
Middle management	741	189	544	150
Employees	1 555	542	1 526	514

## Employment

The MCH Group supports a goal and success-oriented culture of personal responsibility and motivation. It offers its employees attractive working conditions for the standard wages on the market. A bonus system commensurate with the different company levels ensures that as many employees as possible benefit from the company's success, on the one hand, and the attainment of their personal targets, on the other, the latter being agreed on in a discussion with their supervisor. Where possible, flexible working hours also promote the correct balance between work and private life.

## Training and education

The MCH Group supports its employees in their further development through internal training and continuing education programmes, as well as through attendance at external courses and training sessions. Managerial employees are supported in their professional and personal development so as to ensure that they can furnish the performance expected of them in their day-to-day work. Managers are offered, inter alia, a two-year internal leadership development course as well as internally organised meetings on selected leadership topics which are run by external coaches, plus individual training sessions.

Further details on employment and on training and education may be found in the Annex, on pages 2 – 3 and 13 – 14.

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## Governance

The MCH Group adheres to the provisions of relevance to corporate governance in the current legislation, in the directives issued by the SIX Swiss Exchange and in the rules of conduct contained in the Swiss Code of Best Practice. The company's basic fundamentals include all the essential principles to ensure that the management, supervision and transparency of the company are in accordance with good corporate governance.

Details of Corporate Governance may be found in the 2014 Annual Report:  
[www.mch-group.com](http://www.mch-group.com)  
"News"/"Reports"

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## Corruption

Exhibition and event organisers are fundamentally subject to a certain passive risk of corruption. In the exhibition business, it is possible, for example, for exhibiting companies and suppliers to want to obtain advantages (stand positioning, receipt of orders, etc.) by the corresponding means. Corrupt behaviour of this type would have a considerable influence on the configuration of an exhibition, impairing its quality and ultimately jeopardising its existence.

An anti-corruption agreement has been part of the General Terms of Employment of the MCH Group since 1992 and this is signed by all employees as part of their contract of employment.

The provisions governing the admission of exhibiting companies provide protection against the risk of passive corruption. These are based on clear-cut criteria that are set out in the Exhibition Regulations. These include criteria that have to be fulfilled by the exhibitor, such as the observance of human rights. For Art Basel, where the selection of the exhibitors to be admitted to the show is performed by an international committee, a two-stage admission procedure has been introduced with the possibility of an appeal.

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## Compliance

In the course of 2014, there were no suspicious circumstances which would have necessitated a check on the group's business locations or business practices with regard to an increased risk of corruption. There were no confirmed cases of corruption.

Compliance with the anti-trust law and the provisions of the Swiss Federal Competition Commission is actively supported and ensured by Corporate Legal & Management Services. In 2014, no proceedings were brought against the MCH Group on account of anti-competitive practices or the formation of cartels or monopolies.

No fines or other penalties were issued to the MCH Group in 2014 on account of violations of laws, regulations or rules of conduct

- with regard to the impact of products and services on the safety and health of people;
- in respect of the sale of banned or disputed products and services;
- in conjunction with advertising, sales promotion and sponsoring activities;
- with regard to violating the private sphere of customers and the loss of customer data;
- regarding the provision and use of products and services.

# GRI Content Index



DMA GRI No.	Disclosures on Management Approach Details of or reference to report(s)/page(s)	
	SR = Sustainability Report AN = Annex to the Sustainability Report AR = Annual Report FR = Financial Report RR = Remuneration Report	
<hr/>		
General Standard Disclosures		
<hr/>		
Strategy and Analysis		Assurance
G4-1	SR 4-5 AR 8-9, 14-15	None
<hr/>		
Organizational Profile		Assurance
G4-3	SR 29	None
G4-4	SR 10 AR 12-13	None
G4-5	SR 29	None
G4-6	AR 18-39, 43	None
G4-7	AR 43-44	None
G4-8	SR 10-13 AR 12-13, 18-39	None
G4-9	SR 21 AN 2 AR 12-13 FR 4-5, 22	None
G4-10	SR 21 AN 2-3	None
G4-11	AN 3	None
G4-12	SR 12	None
G4-13	No essential structural changes	None
G4-14	AR 46-49	None
G4-15	SR 20-21	None
G4-16	AN 4	None

Relevant aspects and report boundaries		Assurance
G4-17	SR 8	None
G4-18	SR 7	None
G4-19	SR 8 AN 5	None
G4-20	SR 9 AN 5	None
G4-21	AN 5	None
G4-22	None	None
G4-23	None	None
<hr/>		
Stakeholder engagement		Assurance
G4-24	SR 8	None
G4-25	SR 7	None
G4-26	SR 7	None
G4-27	SR 9 AN 6-8	None
<hr/>		
Report boundaries		Assurance
G4-28	Reporting period: 01.01.2014 - 31.12.2014	None
G4-29	Publication of the last report: 30.04.2013	None
G4-30	Reporting cycle: annually	None
G4-31	SR 29	None
G4-32	SR 3, "Core"	None
G4-33	No external assurance	
<hr/>		
Governance		Assurance
G4-34	AR 46-57	None
<hr/>		
Ethics and Integrity		Assurance
G4-56	SR 4-6	None

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Economic

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Economic performance

**DMA**                      Significance of the aspect:  
 The overriding objective of the MCH Group is to ensure its long-term business success for the benefit of all its stakeholders. The MCH Group wishes to expand its leading market position as a live marketing company both nationally and internationally through a growth strategy that is based on strengthening and developing its national and international exhibition portfolio and diversifying into the provision of exhibition-related services. In so doing, it is giving consideration to its economic, ecological and social sustainability targets.

Measures, procedures, responsibilities:  
 The targets are anchored in the strategy – both in the corporate strategy and the sustainability strategy – as well as in the organisation, processes and structures. Measures for implementing the strategy have been defined and ensure its target-orientated implementation. The MCH Group regards itself as a contemporary, attractive employer. The social benefits are commensurate with, or above, the statutory requirements. The company has comprehensive risk management which is audited on a regular basis by the highest-level control body. The Board of Directors checks the strategy and its implementation and also the economic performance.

Result:  
 The MCH Group reports on the company’s financial result in an annual and half-year report. The company’s first report on its sustainability performance was issued for 2013. Reporting is performed annually. The company, together with its economic performance and sustainability performance, is developing in line with the quantitative and qualitative targets. The Board of Directors is the highest-level management and control body for the strategy and the attainment of the economic targets.

		Omission/Assurance
G4 – EC1	SR 10 – 13, 20 AR 8 – 9 FR 4 – 5	None
G4 – EC2	SR 11	None
G4 – EC3	FR 12, 8 – 9	None
G4 – EC4	FR 12, 28	None

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Indirect economic impacts

**DMA**                      Significance of the aspect:  
 Exhibitions, congresses and events generate a major direct and indirect economic benefit. The MCH Group is committed to its infrastructure locations and, through its business activity, ensures that they benefit from the key macro-economic effects (knock-on effects) associated with this, strengthening them in the competition between locations. It cultivates the public-private partnership which is structurally anchored in the group.

Measures, procedures, responsibilities:  
 The MCH Group safeguards the interests of the locations and secures the major macro-economic effects triggered by the group’s activities at the exhibition and congress sites. The protection of the interests of these locations is ensured through the 49-percent holding of the cantons of Basel-Stadt, Basel-Landschaft, Zurich and the City of Zurich in the holding company and through the representatives of the public entities on the group’s Board of Directors. At the same time, the MCH Group supports a wide range of associations and organisations in the regions in which it is based. Key issues regarding impacts on the environment or traffic (logistics, for example, in the case of exhibitions) are addressed through the integration of the locations.

Result:  
 Studies have shown that exhibitions have a “knock-on effect” at the location in question that is eight to ten times greater than their own turnover (positive impacts). The measures taken and the impact of the infrastructure on the environment are set out in detail under the aspects of “Energy” and “Emissions”. Expedient cooperation has been established with the public authorities.

		Omission/Assurance
G4 – EC7	SR 10 – 13, 20 – 22	None
G4 – EC8	SR 10 – 13, 20 – 22	None



Environmental	
Energy	
DMA	<p>Significance of the aspect: The MCH Group has substantial infrastructure at its exhibition locations of Basel, Lausanne and Zurich. The production facilities account for by far the biggest portion of the company's energy consumption and emissions and are thus of great relevance for the company and its surroundings.</p> <p>Measures, procedures, responsibilities: The MCH Group invests constantly in the optimisation of its energy efficiency and in minimising environmental emissions in its infrastructure as well as during its operations and production. The head of the "Venues" Division is responsible for the exhibition infrastructure at MCH Group.</p> <p>Results: Messe Basel – the biggest of the MCH Group's three exhibition locations – had by far the highest overall energy consumption in 2013, at 29 185 MWh. The energy used for electricity and district heating comes virtually 100 % from renewable energy sources. Photovoltaic systems are installed at Messe Basel and Messe Zürich, which supply some 1 625 MWh energy per year. In 2014, the stand construction company, Expomobilia covered its entire electricity requirements with Swiss green electricity obtained from FAIR POWER, an independent green electricity specialist.</p>
	Omission/Assurance
G4 – EN3	<p>SR 14 – 19</p> <p>AN 9 – 10</p> <p style="text-align: right;">None</p>

## Emissions

DMA	<p>Significance of the aspect: The MCH Group has substantial infrastructure at its exhibition locations of Basel, Lausanne and Zurich. The production facilities account for by far the biggest portion of the company's energy consumption and emissions, and are thus of great relevance for the company and its surroundings.</p> <p>Measures, procedures, responsibilities: The MCH Group invests constantly in the optimisation of its energy efficiency and the minimisation of environmental emissions in its infrastructure as well as during its operations and production. Within the MCH Group, the head of the "Venues" Division is responsible for the exhibition sites, while the head of the "Event Services" Division is in charge of initiatives and measures in the services companies.</p> <p>Results: The CO2 emissions at Basel – the biggest and most energy-intensive exhibition site – are lowest by comparison to the other exhibition sites. The energy used for electricity and district heating comes virtually 100 % from renewable energy sources. A CO2 climate protection calculator for exhibition stands and interior fittings helps customers make sure that their exhibition stand is 100% climate-neutral. This was developed especially for the purpose by the MCH Group's Expomobilia company in cooperation with myclimate, the Swiss nonprofit foundation for voluntary climate protection.</p>	
		Omission/Assurance
G4 – EN15	<p>SR 14 – 19</p> <p>AN 11</p>	None
G4 – EN16	<p>SR 14 – 19</p> <p>AN 12 – 13</p>	None

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Social

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Training and education

DMA	<p>Significance of the aspect: The MCH Group strives to achieve an exceptional quality of products and services over the entire length of the value added chain so as to set it apart from the competition (Baselworld, Art Basel). The specialist competence of its employees is one of the mainstays for this. The MCH Group supports its employees in their further development through internal or external training and education programmes.</p> <p>Measures, procedures, responsibilities: The MCH Group endeavours to recruit, train and further develop highly-qualified employees. The MCH Group attaches great importance to employees with specialist knowledge (industry knowledge, marketing, communication, stand construction, etc.) and promotes the corresponding further training programmes. The HR officers are in charge of this at group and company level (employee qualifications, development planning, further training offers, etc.).</p> <p>Result: The competence in the group and the group companies is expanded through the annual further training programmes. The MCH Group is seen as an attractive employer by (potential) employees (individual development, career opportunities).</p>	<p>Omission/Assurance None</p>
G4 – LA9	SR 21	None

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Local communities

DMA	<p>Significance of the aspect: The MCH Group's presence at its locations has key impacts on society and the local communities. It strengthens the locations in economic terms in the competition between locations (positive impacts). At the same time, the MCH Group and the locations work together closely on matters of traffic (logistics) and the infrastructure and its operation.</p> <p>Measures, procedures, responsibilities: The MCH Group safeguards the interests of the locations and secures the major macro-economic effects that the group's activities trigger for the</p>	<p>Omission/Assurance None</p>
G4 – SO3	None, since no suspicious circumstances	None
G4 – SO4	SR 22/100%	None
G4 – SO5	None	None

exhibition and congress sites. At the same time, the MCH Group supports a wide range of associations and organisations in the regions in which it is based. Key issues regarding impacts on the environment or traffic (e.g. logistics during exhibitions) are addressed through the integration of the locations.

Result:  
The MCH Group sets itself apart through its responsible approach to the impacts of the exhibition sites on the local community. All the locations and their interests are safeguarded through their representatives on the Board of Directors. Expedient cooperation has been established with the public authorities.

G4 – SO1	SR 20 – 22/100% of the locations	Omission/Assurance None
G4 – SO2	SR 20 – 22	None

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Anti-corruption

DMA	<p>Significance of the aspect: Exhibition and event organisers are fundamentally subject to a certain passive risk of corruption. Corrupt behaviour of this type would have a considerable influence on the configuration of the products, impairing their quality and ultimately jeopardising their existence.</p> <p>Measures, procedures, responsibilities: An anti-corruption agreement has been part of the General Terms of Employment of the MCH Group since 1992 and this is signed by all employees as part of their contract of employment. The provisions governing the admission of exhibiting companies provide protection against the risk of passive corruption.</p> <p>Result: There were no cases of corruption in 2014.</p>	<p>Omission/Assurance None</p>
G4 – SO3	None, since no suspicious circumstances	None
G4 – SO4	SR 22/100%	None
G4 – SO5	None	None

Anti-competitive behaviour	
DMA	<p>Significance of the aspect: Compliance with the legal provisions is of key importance for the MCH Group (governance, reputation, stakeholders).</p> <p>Measures, procedures, responsibilities: Compliance with the anti-trust law and the provisions of the Swiss Federal Competition Commission is actively supported and ensured by the Corporate Legal Services.</p> <p>Result: No proceedings were brought against the MCH Group in 2014 on account of anti-competitive practices or the formation of cartels or monopolies.</p>
G4 – SO7	SR 22/None
	Omission/Assurance None

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Compliance (competition)

DMA	<p>Significance of the aspect: Compliance with the legal provisions is of key importance for the MCH Group (governance, reputation, stakeholders).</p> <p>Measures, procedures, responsibilities: Compliance with the anti-trust law and the provisions of the Swiss Federal Competition Commission is actively supported and ensured by the Corporate Legal Services.</p> <p>Result: No fines or other penalties were issued to the MCH Group in 2014 on account of violations of laws, regulations or rules of conduct.</p>
G4 – SO8	SR 22/None
	Omission/Assurance None

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Protection of intellectual property, trademark protection (own aspect) No assurance

DMA	<p>Significance of the aspect: The MCH Group is committed to the protection of intellectual property and fair trade through responsible development. Special importance is attached to the protection of intellectual property (anti-piracy). For this reason, an aspect of our own – with 4 indicators – has been developed in the Sustainability Report.</p> <p>Measures, procedures, responsibilities: The MCH Group is a member of “Stop Piracy”, the Swiss anti-counterfeiting and anti-piracy platform that was set up by the Federal Institute of Intellectual Property in 2005. For 30 years, it has supported the Baselworld Watch and Jewellery Show in the fight against counterfeited and pirated goods through a unique arbitration board.</p> <p>Result: For its commitment in this respect, the Global Anti-Counterfeiting Group (GACG) presented the show management of Baselworld with the 2010 GACG Award, the so-called “Trophée de l’Authentique”. The Baselworld Watch and Jewellery Show is an official supporter of the Responsible Jewellery Council (RJC). The RJC campaigns for responsible practices in the jewellery industry – from the mining of the precious metals, via their processing, right through to the retail trade.</p>
G4 – SO+1	Reason why this indicator is of special significance. SR 5 – 6, 20
G4 – SO+2	Details of the cases processed involving the protection of intellectual property on the occasion of exhibitions SR 5 – 6, 20
G4 – SO+3	Number of trademarks and statements on the significance of trademark protection. SR 5 – 6, 20
G4 – SO+4	Statements on the measures taken against piracy which serve to protect trademarks. SR 5 – 6, 20



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