



MCH Group
Global Live Marketing

Sustainability Report 2015

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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 with its head office in Basel takes in the exhibition companies in Basel, Lausanne and Zurich which not only run these exhibition venues but are also responsible for staging some 40 MCH Group exhibitions. The MCH Group also owns a number of companies in the field of live marketing solutions (overview on page 8).

The MCH Group is a leading international live-marketing company with a comprehensive services network spanning the entire exhibition and event market. As the organiser of national and international exhibitions, the MCH Group creates effective and efficient marketing platforms and offers exhibiting companies bespoke solutions for their successful participation in these exhibitions. With its infrastructure in Basel, Lausanne and Zurich, as well as its live marketing solutions, the MCH Group also provides a broad range of services to 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 90 MCH and third-party exhibitions with some 18 000 exhibiting companies and 2 100 000 visitors. The live marketing solutions companies operate all over the world, implementing way above 1 000 projects each year.

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

Information on the MCH Group:
> www.mch-group.com

The MCH Group published detailed reports on sustainability for the 2013 and 2014 business years and is now presenting its third sustainability report for the 2015 business year. The report is "In Accordance" with the GRI G4 Guidelines – "Core" option.

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. It has been drawn up in the context of the 2015 Annual Report to which reference is made at different points.

The 2015 Sustainability Report and its Annex are only published online. They are available on the MCH Group website:
> www.mch-group.com
under "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 essentially rests on two fundamental pillars: on the one hand, on the further development of the company on the basis of a clear strategy and, on the other hand, on the combination of public and private interests that is a characteristic feature of the company's shareholders and its management.

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 (live marketing solutions), 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 Group exhibitions), "Venues" (third-party exhibitions) and "Live Marketing Solutions" (services) plays a key role in the implementation of the strategy: through the synergies that result with the group's own services, it is possible to increase the group's share of the added value chain in the exhibition business. At the same time, the bespoke marketing solutions allow new market potential to be tapped in the national and international exhibition and event market.

"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 and Zurich and also the City of Zurich in its holding company and through the representatives of the public entities on 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-independent 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 the Board of Directors and Executive Board of its holding company. This ensures the efficient management of the group as a whole and secures optimum implementation of the integrated cooperation model for the individual divisions. 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.

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.

Exhibitions bring together supply and demand at a specific point in time and in a specific place. This time and location-based concentration has key advantages for all the partners involved and also makes sense from the environmental angle in that it obviates the need for a large amount of travel all over the globe. The operation of the exhibition sites and the staging of the events are, however, highly intensive in respect of environmental aspects. 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.

Over the past few years, the MCH Group has developed remarkably in many respects within the national and international exhibition and event sector. Sustainability is one of the decisive factors for this success, since it presupposes sustainable economic, environmental and social performance. The MCH Group constantly strives 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



“100 Years Ahead”

On 15 July 1916, the government of the Canton of Basel-Stadt declared itself “fundamentally in agreement with the staging of a Swiss Sample Fair”. The first Swiss Sample Fair was held in Basel from 15 to 29 April 1917 already – as the predecessor of the current “Muba”, which is being staged for the 100th time in 2016.

The founding of the Swiss Sample Fair marks the birth of the current MCH Group. The Swiss Sample Fair became Messe Basel and, in 2001, was merged with Messe Zürich (founded in 1945) to form Messe Schweiz. This latter company was renamed MCH Group Ltd. in 2009, with the name change reflecting the fact that over the past ten years the company had built up a comprehensive range of individual live marketing solutions, extending beyond the exhibition industry.

Today, the MCH Group stages the world's most important exhibitions in the fields of watches/jewellery and art, and is involved in more than 1 000 events throughout the world each year. It has ranked amongst the top ten exhibition companies in terms of sales for many years. What came into being with the Swiss Sample Fair and the presentation of national product samples has thus developed into an internationally leading live marketing company group over the course of an eventful hundred years.

The anniversary motto of “100 Years Ahead” captures the farsightedness, pioneering spirit, innovative drive and high performance that have featured behind this development. The company's 100-year success also testifies to its fundamental sustainability, from which large numbers of clients in a range of industries have benefited and are continuing to benefit, as are the individual locations of the MCH exhibition companies.

Information on the company's 100-year history:
> www.100jahrezukunft.ch

Sustainability

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 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.

Economic

With its marketing platforms and solutions, the MCH Group wishes to contribute towards strengthening the corresponding industries together with their national and international clientèle. 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 also 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 product and services 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.

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 offers.

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.

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 compliance with the statutory 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 initial training and continuing education programmes.

In addition to a number of sponsorship commitments, the MCH Group supports a range of institutions and organisations in the social, cultural and community 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.

For the MCH Group, economic, environmental and social sustainability is a key success factor and thus of great importance for strategic decisions. The group promotes sustainable behaviour in all areas and at all levels.

Report contents and reporting
(G4-18, G4-23, G4-25, G4-26)

With its sustainability report as per the GRI guidelines, the MCH Group wishes to strengthen its regular and systematic dialogue with its key stakeholder groups, since these have a decisive influence on the company's economic, ecological and social performance and are also affected by this. The stakeholder groups are also involved in determining the report contents 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 included in the sustainability reporting process. These stakeholder groups include the following: management and employees, shareholders, customers, partners and suppliers (see page 8).

In defining the report contents 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 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 MCH Group Ltd. approve the sustainability report prior to its 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 regarding the relevance and substance of the aspects to be covered by the report were continued both in 2014 and also with a view to the present sustainability report for 2015.

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

Since they are particularly interested in energy consumption and emissions reporting, and also in details of the MCH Group's employees, a corresponding focus will be placed on these aspects in the 2015 sustainability report too.

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 customers in the live marketing solutions field. These customers are increasingly asking for a sustainability report. The report is thus assuming ever-greater importance for the internal stakeholder groups too.

After three years' experience with sustainability reporting in its present form, the MCH Group will be reviewing its practice in the current financial year and, where appropriate, making the corresponding adjustments for future reporting.

Overview

Company (G4–17)		Products and services		Sustainability aspects (G4–19)
MCH Swiss Exhibition (Basel) Ltd. MCH Swiss Exhibition (Zurich) Ltd. MCH Beaulieu Lausanne SA		Exhibitions	approx. 40 MCH Group exhibitions (international and national trade fairs & consumer shows)	Economic – Economic performance – Indirect economic impacts Environmental – Energy consumption – Emissions Social – 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)
		Venues	Messe Basel Messe Zürich Beaulieu Lausanne	
MCH Global Ltd. (since 01.01.2016)		Live Marketing Solutions	Strategy & Conception	
Reflection Marketing AG			Marketing Consulting	
Rufener Events Ltd			Event Management	
Expomobilia AG			Exhibition & Event Construction	
Winkler Multi Media Events AG			Multi Media	
Stakeholders (G4–24)				
Customers	Organisers, exhibitors, visitors to exhibitions and events, those ordering live marketing solutions			
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 & 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 6 – 8.

Economic

Key figures 2015

Events		Income statement	CHF million
MCH and third-party exhibitions	82	Operating income	416.4
Exhibitors	13 860	Exhibitions	296.5
Visitors	1 808 656	Venues	41.4
Exhibition space m² gross	1 098 812	Live Marketing Solutions	78.5
Congresses	37	EBITDA	82.8
Various hall/room rentals	634	EBIT	40.1
Performances Musical Theater	497	Group profit	31.0
Projects		Balance sheet	CHF million
Marketing consulting	73	Total assets	914.3
Event management	65	Equity	407.9
Exhibition and event structures	350	Liabilities	506.4
Multi Media	818		
Employees (on permanent contracts)		Share price	CHF
as per 31.12.2014	642	as per 31.12.2014	64.80
as per 31.12.2015	622	as per 31.12.2015	62.50

Details of business activity and the 2015 financial year may be found in the Annual Report 2015 > www.mch-group.com unter "News"/"Reports"

Economic performance

Measured in terms of the sales of Switzerland's exhibition companies, the MCH Group has a market share of approximately 65 %. The group profit achieved by the MCH Group was 75 % of the profit achieved by all the exhibition companies in Switzerland. In terms of income, the MCH Group ranks fifth amongst the globally leading exhibition companies. (These figures are for the 2014 financial year; the figures for 2015 are not yet available.)

With operating income of CHF 416.4 million, the consolidated income statement of the MCH Group for 2015 shows an EBIT of CHF 40.1 million (9.6 %) and a group profit of CHF 31.0 million (7.4 %).

Operating income is 7.3 % below 2014 (CHF 449.4 million), the EBIT has fallen by 6.3 % compared with 2014 (CHF 42.8 million) and the group profit is 5.5 % lower than the result for 2014 (CHF 32.8 million).

When drawing comparisons with previous years, it must be borne in mind that 2015 was a weak exhibition year, without Swissbau and without the fairs staged every three years. Apart from this, the economic framework conditions have noticeably worsened by comparison to the previous years – due, in particular, to the withdrawal of support for the Swiss franc.

In the light of these factors, the MCH Group rates the 2015 result as very good, both in terms of the absolute figures and by comparison with the previous year.

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 provided.

These success factors can be measured inter alia by the group's strong customer loyalty (renewed attendance of an exhibition as an exhibitor/visitor and renewed orders placed in the services field) and success in customer acquisition (new exhibitors for the exhibitions and new customers for services). On the basis of these factors, the MCH Group's events and services are generally noted for a high level of customer satisfaction. This is particularly the case with the internationally leading shows in the fields of watches/ jewellery and art. At the same time, the external infrastructure (hotels/restaurants) for these shows 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.

Industry relevance and customer satisfaction are the most important success factors for the MCH Group. These are based on top-class product and service quality.

Specially targeted and coordinated key account management ensures that customer contacts are maintained in all the different areas. On the basis of the results of customer surveys and personal contacts with customers, measures are continually being drawn up and implemented for further boosting customer satisfaction.

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 in matters relating to the concept, in particular. Key stimulus also comes from the contacts maintained with the industry associations, which frequently provide active support for 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.

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.

Expansion of the range of services offered

In the course of the past year, the MCH Group has further expanded the range of services it offers in the field of live marketing solutions. With the acquisition of Reflection Marketing AG, the MCH Group has strengthened its competence at the strategic consultancy level. And the holding in German stand construction company, metron Vilshofen GmbH, which was similarly acquired in 2015, makes it possible to work the German market more actively and, at the same time, gain more direct access to the all-important German car brands in the field of stand and pavilion construction.

In January 2016, the MCH Group set up MCH Global Ltd. to strengthen and focus its competence at the higher-ranking level of strategy and conceptual design in the field of live marketing solutions. MCH Global provides consultancy to organisations, organisers and companies – worldwide – in matters of strategy development and implementation concepts for the fields of culture, sport and corporate events. In addition to its consultancy services, the company can also take charge of the general planning required to implement the strategies and concepts and, in the final instance, can provide all or some of the services required in cooperation with the existing MCH network.

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 (such as 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 chain, provision of services and supplier groups

Value chain	Marketing platforms		Marketing solutions							
	Organiser ►	Infrastructure ►	Strategy & conception ►	Marketing consulting ►	Event management ►	Exhibition & event structures ►	Multi-media ►	Other services ►	External services	
MCH Group services										
Third-party services										
Supplier groups (not exhaustive)	Marketing and communication (market research, consultancy, advertising/PR/event agencies), 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			Fittings and decoration, multi-media, recruitment of artists/personnel, communication agencies (print, digital)	Material suppliers (metal, wood, stone, glass, etc.), design, planning, production, assembly	Technical equipment (image, light, sound, special effects), creative and production services	Logistics, catering, stand personnel	Hotels and restaurants, transport	

On the exhibition and event market, the first link in the value added chain is the organiser, who needs the appropriate infrastructure for holding their events, together with various other services, which are denoted marketing solutions here. The suppliers of these marketing solutions generally not only provide their services to the organiser (such as the organiser of an exhibition or congress) but, above all, to individual actors involved in the event too (such as exhibitors at fairs and sponsors for sporting events, etc.).

Within this value added chain, the MCH Group provides a very broad range of services, which can, however, differ greatly. The MCH Group's services can fundamentally always be provided by third parties too.

For MCH Group 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 provides solely the services of the organiser. For third-party exhibitions, the MCH Group's services are chiefly restricted to providing the infrastructure.

For both MCH Group and third-party exhibitions, the MCH Group is also able to provide individual marketing solutions for the exhibiting companies, such as in the field of exhibition and event structures. The exhibitors are, however, free to choose whether to purchase these services from the MCH Group or from other suppliers. Added to this come other services in conjunction with participation in an exhibition which the MCH Group does not provide (such as catering) and, finally, also external services (including hotels and restaurants).

The individual players within the value added chain are fundamentally suppliers to the upstream service providers and place orders with 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. With 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 all or part of 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.

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 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, then the following estimates can be derived. Exhibitors and visitors together spend some CHF 3.5 billion each year for their participation in an MCH Group 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 7.3 billion as direct and indirect follow-on effects, resulting in an added value of some CHF 3.4 billion. This corresponds to around 40 000 jobs and tax income of some CHF 570 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 exhibitions and congresses are staged, they 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 opening ceremonies of Muba, Züspa and 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 by far 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 that belongs to 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 internally to ensure that, with energy-saving measures and segregated waste at the workplace, the burden on the environment can be reduced to a minimum. It promotes environmentally-aware behaviour in its employees – including through its sustainability reporting 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.

Messe Basel and Messe Zürich

The MCH Group continually invests in optimising energy efficiency and in minimising environmental emissions at its exhibition sites in Basel and Zurich. The existing systems at the MCH Group locations are being 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 provision 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 awarded the new Messe Basel complex the BS-054 Minergie Label, which was developed especially for the new exhibition hall building at Messe Basel. In addition to this, the target values of SIA Standard 380/4 are met with regard to lighting and ventilation/air-conditioning.

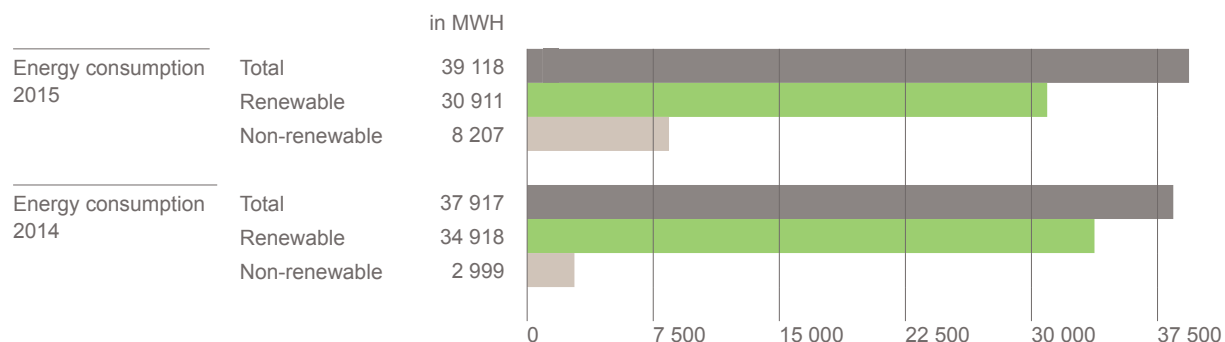
A photovoltaic system was installed on the roof of Hall 1 in Basel in 1999 already, making it possible to use solar energy. Vegetation was also planted on the roof in conjunction with this. The panels have an area of 1 900 m² and an output of 215 000 kWh per year. A system four times this size was set 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 m² and an output of 150 000 kWh per year was put in place on the roof of Messe Zürich.

Delivery traffic to the MCH Group’s exhibition and congress site is steered via a checkpoint-based traffic 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 Messe Basel’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.

Energy consumption Messe Basel, Messe Zürich, Beaulieu Lausanne



Details of the energy consumption and emissions at Messe Basel, Messe Zürich, Beaulieu Lausanne and Expomobilia may be found on pages 16 – 19. Details of the energy consumption and emissions are included in the Annex on pages 9 – 13.

Exhibition and event structures

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 components, as well as lights equipped with long-life bulbs.

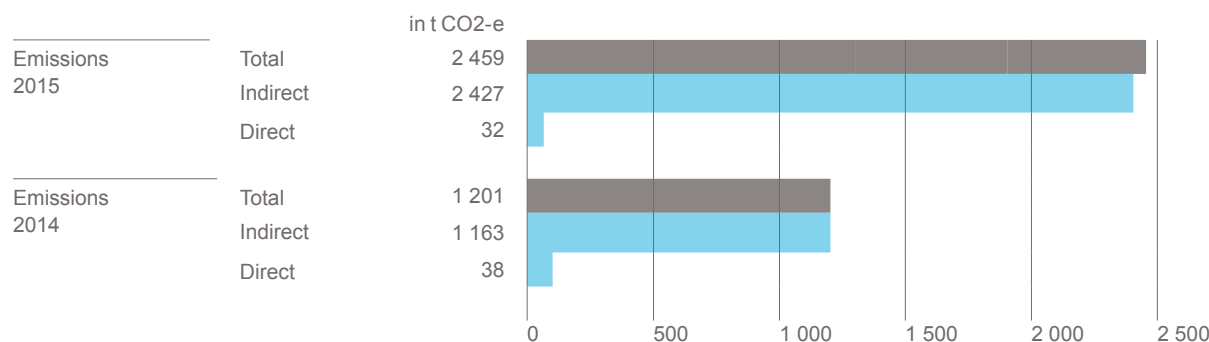
A CO₂ climate protection calculator for exhibition stands and interior fittings helps customers make sure that their exhibition stand is 100 % climate-neutral. This was developed especially for the purpose by Expomobilia in cooperation with myclimate, the Swiss nonprofit foundation for voluntary climate 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 m². These generate approximately 435 MWh per year.

As in the past year, Expomobilia covered its entire electricity requirements for 2015 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 CO₂ 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 CO₂ emissions by 169 tons CO₂-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.

Emissions Messe Basel, Messe Zürich, Beaulieu Lausanne



Energy and emissions Messe Basel, Messe Zürich and Beaulieu Lausanne

Energy consumption at the three exhibition sites in Basel, Zurich and Lausanne (including the administrative buildings), totalled 39 118 MWh in 2015. Of the total energy consumed 79.0 % was renewable energy. The emissions totalled 2 459 t CO₂-e.

Energy consumption has increased by 3.2 % compared with the previous year, and emissions were roughly twice as high as in 2014. This increase is due to the indirect emissions at the Lausanne exhibition site. These have increased considerably, since Lausanne has switched to a non-renewable electricity product.

In addition, the calculated emission factor for the district heating is somewhat higher than for 2014. In Basel and Zurich, the indirect emissions are lower than for the previous year.

The increase in non-renewable energy from 8.0 % to 21.0 % is due primarily to a change in electricity supplier in Lausanne. This is also one of the main reasons for the huge increase in indirect emissions.

The 2014 and 2015 values for the Basel site have been re-calculated on the basis of new findings. The share of renewable energy is considerably lower than stated in the 2013 and 2014 reports.

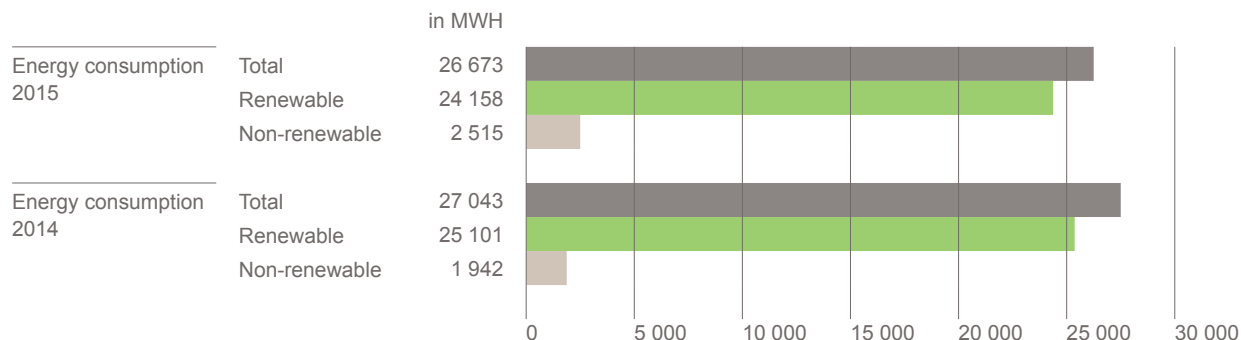
Messe Basel

Messe Basel has exhibition space totalling 141 000 m², of which 122 000 m² is in the two main halls 1 and 2. Messe Basel also takes in the Congress Center Basel with 25 rooms and a capacities of up to 5 000 persons and the Musical Theater Basel with 1 500 seats.

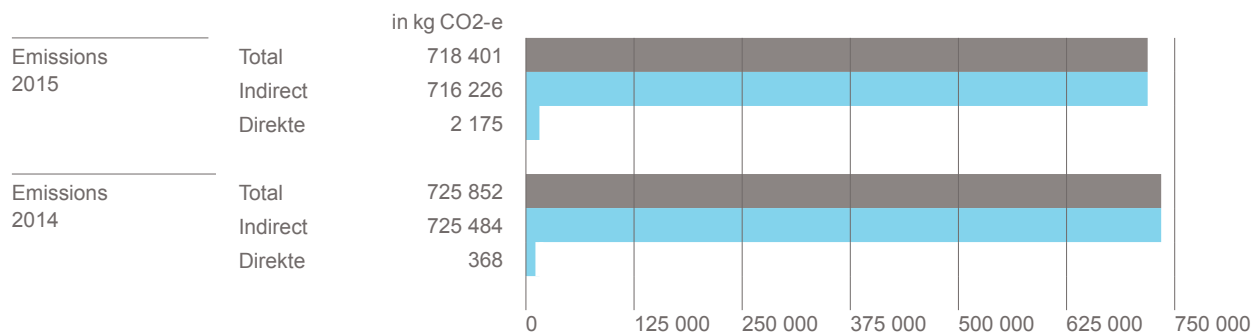
The north section of Hall 1 was brought into operation in 1999 and the south section in 2013. The entire complex satisfies stringent functional and operational requirements. The new complex brought into operation in 2013 is certified with the BS-054 Minergie Label.

Key figures	2015	2014
Exhibitions	21	21
Exhibitors	4 915	6 124
Visitors	716 871	811 030
m ² exhibition area	458 230	584 205
Other events	551	349
Visitors	599 030	278 549

Energy consumption Messe Basel



Emissions Messe Basel



Energy and emissions

Without Swissbau, which is staged every two years, 2015 was a weaker exhibition year for Messe Basel in terms of exhibition cycles (the same number of exhibitions but fewer exhibitors and a smaller exhibition area).

Energy consumption at the Basel exhibition location (including the administrative building) fell by 1.4 % in 2015 by comparison to the previous year, totalling 26 673 MWh. Emissions also fell slightly compared with the previous year, by 1 % to 718 401 kg CO₂-e.

More detailed investigations have revealed that 37.5 % of the district heat obtained from the Industrielle Werke Basel (IWB) does not originate from renewable energy sources (product “Mix”). The consumption of non-renewable energy and the indirect emissions have been calculated and stated at a correspondingly higher level than for the previous years. The values for 2014 have been recalculated on this diagram.

In 2015, the share of renewable energy was 90.6 % (2014: 92.8 %). The increase in the figures for non-renewable energy and direct emissions by comparison to 2014 is due to the use of emergency generators.

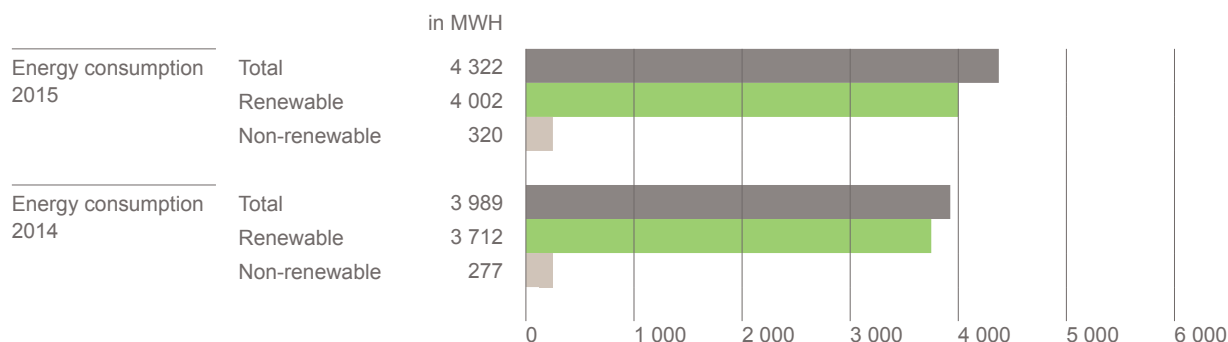
Messe Zürich

Messe Zürich has exhibition space totalling 30 000 m². Some 27 000 m² are located in Halls 1 to 7 in the main building, while the separate hall, Hall 9, has some 3 000 m². The main building additionally houses seven smallish conference rooms for 30 to 80 people. Messe Zürich also includes Theater 11 Zürich which seats 1 500.

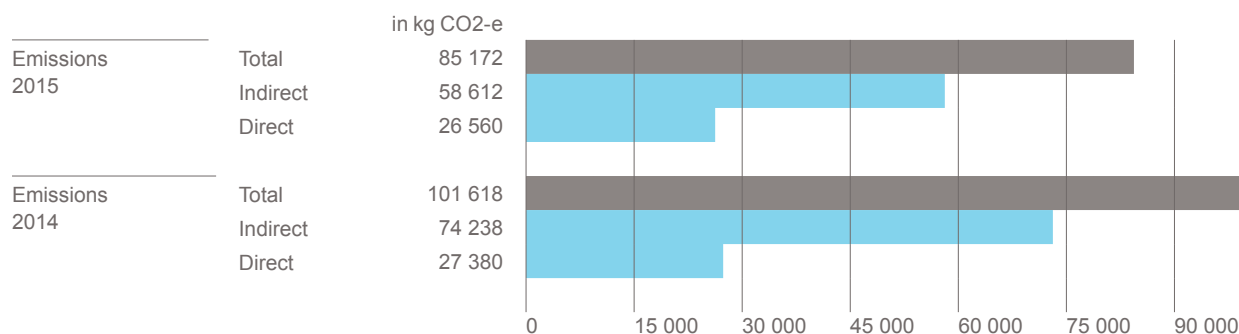
The main exhibition building, which was commissioned in its present form in 1998, is characterised by its operational functionality, which is reflected in its very high capacity utilisation.

Key figures	2015	2014
Exhibitions	35	34
Exhibitors	6 029	6 567
Visitors	593 567	623 796
m ² exhibition area	359 612	382 394
Other events	411	499
Visitors	182 300	244 500

Energy consumption Messe Zürich



Emissions Messe Zürich



Energy and emissions

Although the key figures for the events in Messe Zürich in 2015 fell by comparison to the previous year (with one more exhibition but fewer exhibitors and less exhibition space), this was not reflected in a lower energy consumption.

With energy consumption totalling 4 322 MWh in 2015, the figure for Messe Zürich was 8.3 % above the previous year. The share of renewable energies remained virtually constant and, in the reporting year, was 92.6 % (2014: 93.0 %).

Despite the higher energy consumption, direct and indirect emissions were reduced by 16.2 % in overall terms compared with the previous year. They totalled 85 172 kg CO₂-e. The reduction in emissions is due inter alia to the fact that, according to the energy supplier, EWZ, the CO₂ burden of the electricity mix and the district heating was lower than in the previous year.

Beaulieu Lausanne

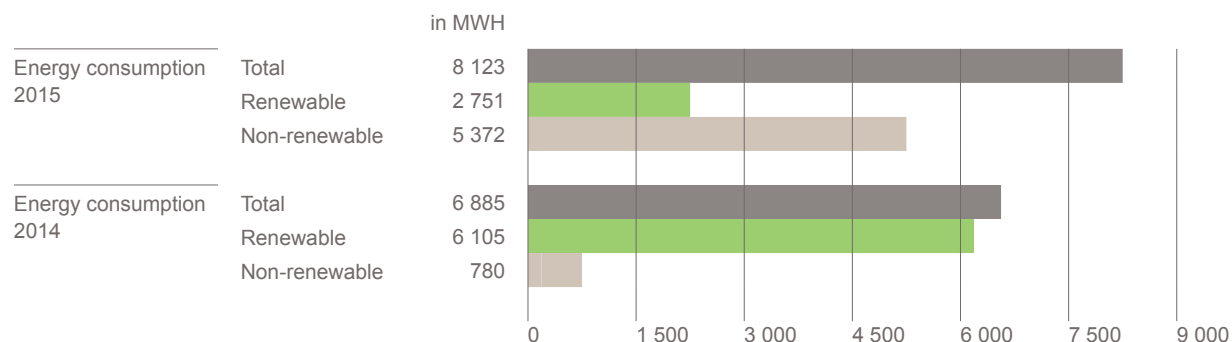
The exhibition site in Beaulieu Lausanne is owned by the Fondation de Beaulieu. Since 2009, the MCH Group has been operating the Beaulieu Lausanne exhibition site as a tenant, on behalf of the Fondation de Beaulieu. The MCH Group is intending to cease operating the Congrès Beaulieu Lausanne and the Théâtre 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 m², 11 000 m² 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.

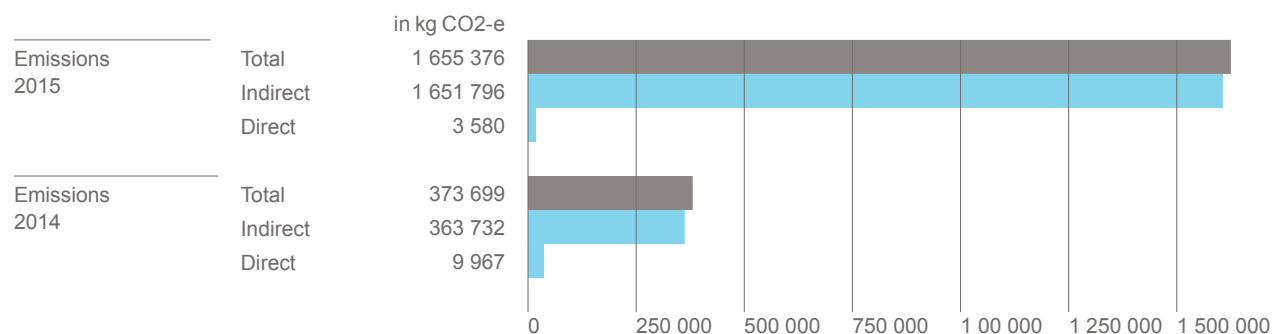
The North Hall complex (with some 17 500 m² exhibition space) and the main building with the congress tract and the theatre no longer meet up to present-day requirements in all respects. Since the start of 2016, the theatre has no longer been run by the MCH Group.

Key figures	2015	2014
Exhibitions	23	20
Exhibitors	2 364	2 359
Visitors	324 718	331 249
m ² exhibition area	200 528	188 483
Other events	206	238
Visitors	159 043	157 163

Energy consumption Beaulieu Lausanne



Emissions Beaulieu Lausanne



Energy and emissions

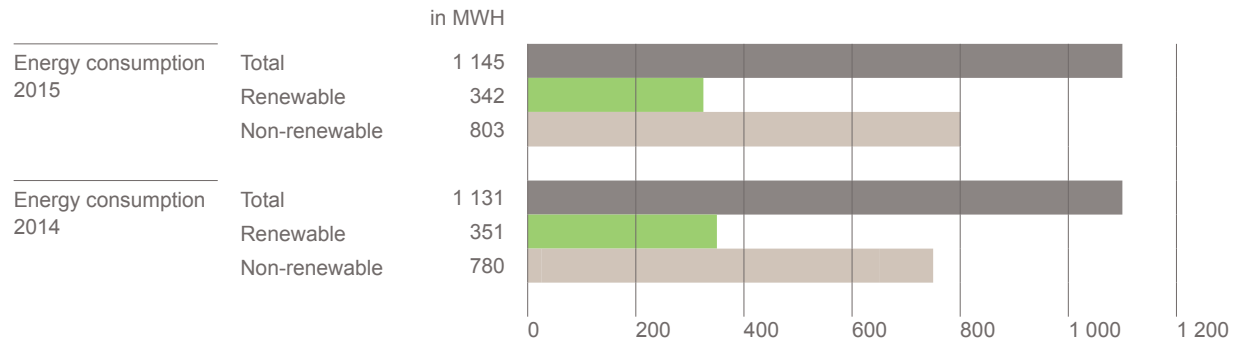
The key figures for exhibitions in Lausanne in 2015 are slightly higher than those for 2014 (more exhibitions, with more exhibitors and more exhibition space) but the number of other events declined.

Totalling 8 123 MWh, energy consumption at Beaulieu Lausanne was 18.0 % above the previous year. The share of renewable energies was 33.9 % (2014: 88.7 %).

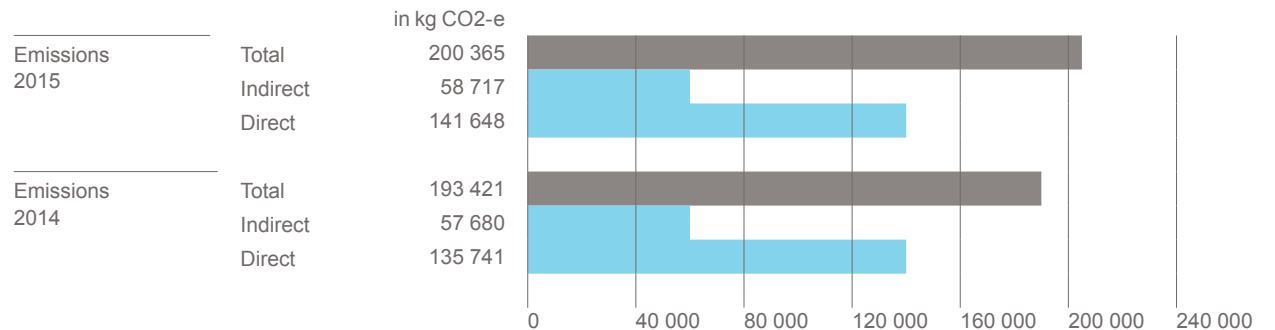
The big absolute and relative increase in non-renewable energies is attributable to the fact that the owner, Fondation de Beaulieu, has switched to a non-renewable electricity product.

A huge increase in the indirect emissions was thus similarly registered, while it proved possible to reduce direct emissions. Compared with 2014, indirect emissions rose by a factor of 4.5 from 363 732 to 1 651 796 kg CO₂-e.

Energy consumption Expomobilia



Emissions Expomobilia



Expomobilia

Expomobilia, which was founded in Switzerland in 1973, is specialised in the construction of exhibition stands and pavilions and also in 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 closely networked with each other.

In 2015, Expomobilia implemented 350 (2014: 340) projects, of which 283 (2014: 266) were in Switzerland. Most of these projects involved the full range of services, from design through to production and assembly.

Energy and emissions

In 2014, the total energy consumed at Expomobilia was 1 145 MWh and hence 1.2 % above the figure for the previous year. The share of renewable energy sources was 29.9 % (2014: 31.0 %). The slight increase in the share of non-renewable energy is due primarily to more heating oil being consumed.

This similarly resulted in an increase in the direct and indirect emissions. Compared with the previous year, direct emissions rose by 4.3 % to 141 648 kg CO₂-e and indirect emissions by 1.8 % to 58 717 kg CO₂-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 2015, Expomobilia once again covered its entire electricity requirements with Swiss green electricity obtained from FAIR POWER, an independent green electricity specialist.

Social

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 and/or the supply of materials (Location Partner).

In 2015, the MCH Group took on commitments including those of 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), culture (including the Basel Tattoo, the Summer Blues Festival, the Basel Blues Festival's "Kulturfluss"), 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 2015.

Alongside this, the MCH Group also supported a range of social and cultural institutions in the immediate vicinity of its locations with small financial contributions or the provision of materials.

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.

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 more than 30 years, the MCH Group has been committed to the protection of intellectual property in the context of the Baselworld 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 700 companies that have been RJC-certified in the meantime guarantee compliance with the corresponding ethical, human rights, and social and ecological principles.

Employees on permanent contracts/Companies	31.12.2015	31.12.2014
MCH Group Ltd.	24	22
MCH Swiss Exhibition (Basel) Ltd.	306	302
MCH Swiss Exhibition (Zurich) Ltd.	29	32
MCH Beaulieu Lausanne SA	46	66
Reflection Marketing AG (since 1.1.2015)	8	-
Rufener Events Ltd	24	28
Expomobilia AG	96	101
Winkler Multi Media Events AG	85	84
Total	618	635

Hierarchy levels/Gender	31.12.2015		31.12.2014	
	Male	Female	Male	Female
Board of Directors MCH Group	9	2	9	2
Executive Board MCH Group	5	0	5	0
Management subsidiaries	14	2	12	3
Managerial staff	97	39	91	35
Employees	250	211	271	218

Nationalities/Gender	31.12.2015		31.12.2014	
	Male	weiblich	Male	Female
Switzerland	275	176	281	185
Germany	54	28	57	30
France	11	8	10	11
Italy	4	4	3	4
Austria	2	1	3	2
USA	0	1	0	4
China (Hong Kong)	1	13	0	10
Other	17	21	19	16

Time spent on further training (hours)	2015		2014	
	Male	Female	Male	Female
Senior management	50	0	50	25
Middle management	303	351	741	189
Employees	458	738	1 555	542

Employment

The reduction in the number of employees on permanent contracts by comparison to the previous year is due primarily to the restructuring of MCH Beaulieu Lausanne with a view to the MCH Group's ceasing to run the Congrès and Théâtre Beaulieu. A consultation procedure was held in the framework of the restructuring process and a social plan drawn up.

The MCH Group offers its employees attractive working and employment conditions for the standard wages on the market. A bonus system commensurate with the different company levels ensures that a large number of employees benefit from the success of the group as a whole and the individual business units, on the one hand, and from the attainment of their personal targets, on the other hand, the latter being agreed on in a discussion with their supervisor.

Training and education

Employees are supported in their further personal and professional development through internal training and continuing education programmes, as well as through financial support for attending external courses and training sessions.

Managers are offered, inter alia, a two-year internal leadership development course as well as internally organised meetings on selected leadership topics 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 14 – 15.

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 2015 Annual Report:

> www.mch-group.com
“News”/“Reports”

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. They also 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.

Compliance

In the course of 2015, 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 2015, 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 2015 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 G4 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

General Standard Disclosures

Strategy and analysis

G4-1 SR 4-5
 AR 8-9, 14-15

Organizational profile

G4-3 SR 29
G4-4 SR 10
 AR 12-13
G4-5 SR 29
G4-6 AR 20-41, 45
G4-7 AR 47-49
G4-8 SR 10-13
 AR 12-13, 20-43
G4-9 SR 21
 AN 2
 AR 12-13
 FR 4-5, 22
G4-10 SR 21
 AN 2-3
G4-11 AN 3
G4-12 SR 12
G4-13 No essential structural changes
G4-14 AR 50-53
G4-15 SR 20-21
G4-16 AN 4

Relevant aspects and report boundaries

G4-17 SR 8
G4-18 SR 7
G4-19 SR 8
 AN 5
G4-20 SR 9
 AN 5
G4-21 AN 5
G4-22 None
G4-23 SR 7

Stakeholder engagement

G4-24 SR 8
G4-25 SR 7
G4-26 SR 7
G4-27 SR 9
 AN 6-8

Report boundaries

G4-28 Reporting period: 01.01.2015 – 31.12.2015
G4-29 Publication of the last report: 01.04.2014
G4-30 Reporting cycle: annually
G4-31 SR 29
G4-32 SR 3, “Core”
G4-33 No external assurance

Governance

G4-34 AR 50-61

Ethics and Integrity

G4-56 SR 4-6

Economic

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 stakeholders. The MCH wishes to expand its leading market position as a live marketing company both nationally and internationally by 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, competencies:

The targets are anchored in the 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 a 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 first-half 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, are 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.

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

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, competencies:

The MCH Group 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 and Zurich and the City of Zurich in its 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.

G4 – EC7	SR	10 – 13, 20 – 22	Omission
			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>Result: Messe Basel – the biggest of the MCH Group's three exhibition locations – had by far the highest overall energy consumption in 2015 at 26 673 MWh. Of the energy used for electricity and district heating, 90.6 % comes from renewable energy sources. Photovoltaic systems are installed at Messe Basel and Messe Zürich which supply some 1 625 MWh energy per year. In 2015, the stand construction company, Expomobilia covered its entire electricity requirements with Swiss green electricity obtained from FAIR POWER, an independent green electricity specialist.</p>	
G4 – EN3	SR 14 – 19 AN 9 – 10	Omission None

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 site, while the head of the "Live Marketing Solutions" 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. Of the energy used for electricity and district heating, 90.6 % comes 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>	
G4 – EN15	SR 14 – 19 AN 11	Omission None
G4 – EN16	SR 14 – 19 AN 12 – 13	None

Social

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 of the group and its 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>		
	G4 – LA9	SR 21	Omission None

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 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>		
	G4 – SO3	SR 22/100 %	Omission 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 exhibition locations	Omission None
G4 – SO2	SR 20 – 22	None

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 2015.</p>		
	G4 – SO3	None, since no suspicious circumstances	Omission 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 Corporate Legal Services.</p> <p>Result: In 2015, no proceedings were brought against the MCH Group on account of anti-competitive practices or the formation of cartels or monopolies.</p>	
G4 – SO7	SR 22/None	Omission None

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 Corporate Legal Services.</p> <p>Result: No fines or other penalties were issued to the MCH Group in 2015 on account of violations of laws, regulations or rules of conduct.</p>	
G4 – SO8	SR 22/None	Omission None

Protection of intellectual property, trade mark protection (own aspect)		
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 more than 30 years, it has supported the fight against counterfeited and pirated goods through a unique arbitration board for the Baselworld Watch and Jewellery Show.</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 trade marks and statements on the significance of trade mark protection. SR 5 – 6, 20	
G4 – SO+4	Statements on the measures taken against piracy which serve to protect trade marks. SR 5 – 6, 20	

Product and service labelling

DMA	<p>Significance of the aspect: The MCH Group wishes to stand out through top-quality products and services. It achieves this by maintaining a dialogue with its customers, implementing specially tailored and high-quality marketing solutions, identifying and using innovation potential and ensuring high safety standards for its customers. This pronounced customer orientation is also reflected in the regular customer surveys that are conducted and in the anticipation of and response to customers' concerns and needs.</p> <p>Measures, procedures, responsibilities: The main measure is the dialogue with customers, which is conducted either informally or formally (institutionalised, standardised customer surveys).</p> <p>Result: 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.</p>		
G4 – PR5	SR	10 – 13	Omission None

Customer privacy

DMA	<p>Customer data must be protected. The MCH Group takes all the necessary measures here. During the 2015 reporting year, there were no complaints regarding violation of customer privacy or the loss of customer data.</p>		
G4 – PR8	SR	22/No complaints	Omission None

Compliance

DMA	<p>The MCH Group complies with the legal provisions governing products and services. In 2015 too, no fines or other penalties were issued to the MCH Group on account of violations of laws, regulations or rules of conduct in conjunction with the provision and use of products or services.</p>		
G4 – PR9	SR	22/None	Omission None

MCH Group Ltd.
PO Box
4005 Basel, Switzerland
www.mch-group.com
info@mch-group.com

Contact:
Christian Jecker,
Head of Corporate Communications

Consultancy, project management and coordination:
Dr. Brigitte Ruetsch,
Ruetsch & Partner Consulting GmbH, Bern

For the energy and emission figures:
Cooperation with Maria Stoll and Irène Perrin,
bsd Consulting, Zurich

The Sustainability Report of the
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