

Communication on Progress — MSM Group AG, Switzerland

MSM Group AG has been a member of UN Global Compact since May 2003. MSM Group is an interdisciplinary expert’s alliance for business, law and office services. Its activities in **business support** comprise finance (budgeting, business planning, accounting, controlling etc.), marketing (in specific areas), leadership (personal coaching for business owners or leaders), and an own investment branch. The services in **legal matters** are done by the law firm MARTIN attorney at law, which offers support in the important areas of business law. Finally, the MSM’s **office services** department enables clients to have their domicile in Switzerland, be it just an address or the actual use of premises, infrastructure and secretarial services, or even their own exclusively used and fully serviced office in Winterthur. MSM Group comprises around 30 partners, employees and part time workers. Clients are predominantly medium sized Swiss companies as well as enterprises of all sizes from abroad.

MSM’s philosophy is successful due to the consideration of important factors of sustainable business and a respect in their own activity of the principles of the UN Global Compact in the areas of human rights, labour standards, environment and anti-corruption.

In 2013, our focus will be directed towards the following:

- Prefer, in our daily activity, sustainable solutions over others, and motivate clients to do the same
- Motivating our clients to register within the Global Compact framework

Statement of continued Support for UNGC

“Dear Sirs

We are pleased to confirm that MSM Group AG reaffirms its support of the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

With this communication we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

We support public accountability and transparency and therefore commit to submit a report on progress annually according to the Global Compact COP policy.” – Signed Dr. J.Martin, President

Human Rights

Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.
Principle 2	Business should make sure that they are not complicit in human rights abuses.

Our Human Resources related company policy embodies human rights and the UNGC Principles. The human rights principles are maintained by our company in the entire business environment and assure our stakeholders of the legitimacy of their cooperation with us.

MSM Group is an inter-disciplinary international team employing people from different cultures and religions for which respect, fairness and equality of opportunity are highly esteemed values.

We believe that all employees have the right to individual freedom of expression and opinion. This is upheld by monthly "improvement and discussion" meetings between management and employees.

Labour Standard

Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4	the elimination of all forms of forced and compulsory labour;
Principle 5	the effective abolition of child labour; and
Principle 6	the elimination of discrimination in respect of employment and occupation.

MSM provides a friendly and stimulating working environment to its partners and employees and respects their rights. We have employment contracts with all our employees, which are voluntary and contain clauses for terminating the contract. We provide a flexible working structure, offering all employees the chance to find their own life balance. Therefore we gave our staff members the possibility to opt for flexible working time, part-time or home office.

MSM salary system grants a basic security of income and a potential to participate considerably in the success of the business.

MSM Group offers its employees continuous support for their further education: language courses, training afternoons, creative evenings and support in the individual professional formation. MSM organises regular social events for its employees: after work reunions once a week and special events at Christmas and other occasions, tickets at local sporting and social events.

We ask our employees constantly to share their view about our business, and we conduct personal development discussions with them. The company strives with sustainability combining a satisfied team with a great deal of entrepreneurial experience.

We oppose all forms of forced labour and child labour and we combat any kind of discrimination.

Environment

Principle 7	Businesses should support a precautionary approach to environmental challenges;
Principle 8	undertake initiatives to promote greater environmental responsibility; and
Principle 9	encourage the development and diffusion of environmentally friendly technologies.

MSM neither provides nor pays for parking space at the office for partners, employees or clients, and communicates this. The office is very close to the railway station, so that all clients and employees can easily reach the office by public transport. Those employees who live close to the office can walk or cycle to work. Travel expenses are only paid for the use of public transport. Strict procedures regarding waste disposal are in place. All waste is separated and recycled if possible, using the excellent public infrastructure. Special switches for all electronic equipment have been installed, so that the standby/overnight use of electricity is minimised. Our Office has exceptionally bright and

light-filled rooms, therefore only little artificial light is used. Ecologically responsible material, e.g. printing paper, is preferred. MSM is a sponsor and active project initiator of the initiative myblueplanet (www.myblueplanet.ch) and its local "blue power team". Also, MSM provides the use of facilities, equipment and other support for their meetings at no cost.

MSM was represented at or visiting a number of environmental exhibitions and events. By attending such events, MSM increases its visibility and reputation in the environmental protection field and builds up its brand as a strong spokesperson for the efficient use of energy as well as renewable energy solutions. MSM is also a member (focussed on environmental law) of the Swiss Association of Environmental Professionals (www.svu-asep.ch).

We have adopted a green purchasing policy, in which environmental considerations are essential. The new printers, which have been purchased in 2011, consume considerably less power than other printers, and the supplies are sustainable.

Overall, as a company we have managed to reduce our CO2 emissions further, and intend to improve on this continuously.

Anti-Corruption

Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.
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MSM Group restricts itself to business that is possible without any corrupt elements. This applies in particular to all activities for clients from developing markets. Therefore we do not give or accept any illegal favours, gifts or remuneration from our clients and partners.

Our employees ensure the confidentiality of our customers' data and avoid all types of conflicts of interest. Our reputation and integrity are protected through these actions, and we adhere to high standards, exceeding what others expect from us.

General

MSM Values, which is the term used by MSM for all its endeavours towards sustainable business, constantly initiates business driven contributions to a more and more sustainable economy.

Every year, MSM runs a competition for sustainable start-ups called "MSM Genesis". The main selection criteria are the potential to create diversified jobs, commercial prospects and to contribute to sustainable development. The price comprises of a full start-up package including business planning, legal work, accounting and use of office and infrastructure.

Our policy regarding investment and Board memberships focuses on businesses that combine economic and ecological benefits, e.g. in the area of the sustainable production of precious woods (www.woodsource.eu).

Measurement of Outcomes

The following outcomes of the UNGC's principles inside and outside of MSM Group have been measured:

Human Rights

Incidents or complaints about human rights in 2013: Zero

Labour Standards

Percentage of employees who declare being highly satisfied with their working conditions: 100%

Environment

Percentage of employees coming to work regularly with their private cars: 0%

Percentage of business travel (measured by costs) in airplanes or private cars: Below 5%

Anti Corruption

Incidents or complaints about corruption issues in 2013: Zero

Dr. Jürg Martin, Chairman

May 2014