

### For a sustainable future

#### Foreword by the Executive Board



Trade fairs are places in which new products, innovations and ideas are introduced. They offer us a window into the future and are increasingly a source of ideas for the sustainable development of the economy and of society at large. As trade fair organisers, we take our responsibility very seriously. We address themes that are important to society and give them a platform at our events.

Respect and fairness in dealing with business partners, the principles of sustainable business and the recognition of our social responsibility are embedded in our company philosophy. Since 2010 we have underscored this philosophy by becoming the first German trade fair company to be an official member of the United Nations Global Compact, committing ourselves to its principles in the fields of human rights, labour, the environment and anti-corruption. We feel it is our obligation to uphold these principles and will continue to adhere to them in future.

We have close ties with our home location Frankfurt, and are happy to do our part on behalf of our region. Our endeavours are helping further the development of Frankfurt as a modern business centre. Our unceasing efforts to sustainably develop and modernise our exhibition grounds include investments in our infrastructure, the expansion of our services and our portfolio of events in Frankfurt. Sustainability plays a central role in our own events, as well as in guest events. A good example is offered by this year's ISH, the world's leading trade fair for the bathroom experience, building, energy and air conditioning technology, and renewable energies. Here, the conservation of resources is a theme that pervades all of the product areas without resulting in any sacrifices in terms of comfort or design.

Sustainability is also a focal point of Expo Milan 2015. Messe Frankfurt was commissioned by the Federal Ministry for Economic Affairs and Energy (BMWi) to organise and operate the German Pavilion at the Expo, and in keeping with the event's slogan "Feeding the Planet, Energy for Life", the sustainability of the planning, construction and operation of the pavilion has been exemplary. These are but a few examples of our ongoing activities in the field of sustainability that we would like to present to you in greater detail in this Communication on Progress for the period from May 2014 to May 2015, while also offering a preview of future developments.

I hope that you find this an interesting and stimulating read.

Best regards,

Wolfgang Marzin

President and Chief Executive Officer (CEO)

Messe Frankfurt GmbH

## A global leader

#### Messe Frankfurt

Messe Frankfurt is synonymous with new ideas, innovations and trends, not only at its home base in Frankfurt, but around the globe. Regardless of whether it be on the exhibition grounds, within the framework of events or as part of its large portfolio of digital products and services, the company opens up international markets to its customers and creates opportunities for people to come into contact with one another – an indispensable foundation for sound and sustainable business relationships.

With approx. 550\* million euros in sales and more than 2,200\* employees, Messe Frankfurt GmbH is one of the world's leading trade fair organisers. The Group has a global network of 28 subsidiaries and approx. 50 international Sales Partners, giving it a presence for its customers in more than 160 countries

The subsidiaries Messe Frankfurt Venue GmbH and Messe Frankfurt Exhibition GmbH operate under the umbrella of the holding company, Messe Frankfurt GmbH. The company is publicly owned, with the City of Frankfurt holding 60 percent and the State of Hesse 40 percent. Comprising an area of 578,000 square metres, Messe Frankfurt's exhibition grounds are home to ten exhibition halls. The company also operates two congress centres.

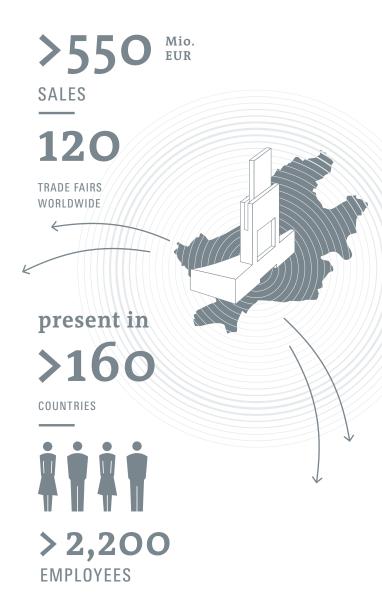
Messe Frankfurt's business activities are focused on the organisation and implementation of trade fairs, exhibitions and conventions. The company also offers its customers a wide range of supporting services for all aspects of its events – including logistics, stand construction, catering, cleaning, publishing and digital services.

The Group's international flagship fairs shape markets and set trends. Among the Group's classic events are its technology-oriented trade fairs from the fields of "Technology & Production" and "Mobility & Infrastructure", including Automechanika for the automotive sector, and Light+Building, IFFA and ISH for other areas. When it comes to "Textiles & Textile Technologies", our Heimtextil, Techtextil and Texcare fairs are the international highlights of the textile sector. In the "Consumer Goods & Leisure" business field, Ambiente, Beautyworld, Christmasworld and Paperworld are the most important meeting places for the consumer goods sector. Musikmesse and Prolight+Sound are leading events in the field of "Entertainment, Media & Creation". Messe Frankfurt's home base is also a strong partner for guest events of all types and sizes.

High-profile international events such as the International Motor Show (IAA Cars), the Frankfurt Book Fair and Achema, the world's largest trade fair for the chemicals industry, have been at home in Frankfurt for decades. At the same time, these are being joined by a constant stream of new events.

In 2014, Messe Frankfurt organised 120\* trade fairs, of which more than half took place outside Germany. The company was able to welcome more than 84,900\* exhibitors and over three million\* visitors to these events. Of the 120 trade fairs and exhibitions that took place around the globe, 76\* events were held outside Germany.

\*Preliminary figures for 2014



# Thinking and acting responsibly

Our philosophy

#### Sustainability as part of our corporate culture

At Messe Frankfurt, sustainability means responsible business practices, something that encompasses economic, ecological and social factors. Accordingly, sustainability has always been a key component of our corporate culture, and this is reflected in the activities of all parts of the Group worldwide. We are also careful to emphasise our ties to the local city and region, not only at our base in Frankfurt, but all around the world.

#### Our past shapes our future

The roots of our philosophy can be found in our past: More than 775 years of trade fair history have given rise to a close connection with the City of Frankfurt and the State of Hesse, who are now the

owners of Messe Frankfurt. Time and again, trade fairs have helped to spark progress, playing a key role in the development of Frankfurt into a prosperous international financial and service centre.

#### Successful partnerships

Today, one of the areas in which our commitment to CSR is put into practice is through our participation in sustainability networks: This is why Messe Frankfurt has been participating in United Nations Global Compact since 2010. In addition, as a participant in the "Charter of Diversity" initiative, Messe Frankfurt has also committed itself to recognising and promoting the valuable role of diversity in its

corporate culture. Since 2013, Congress Frankfurt has been supporting the "fairpflichtet – rightandfair" industry code for the sustainable organisation and implementation of events. These public efforts are supplemented by continuous stakeholder involvement and by participation in trade fair association task forces.

#### CSR focus areas

We group our wide-ranging CSR activities into four areas of activity: Environment/Sustainability, Social Responsibility, Education/Science and Commitment to Culture. By designating our activities in these areas with the "simply sustainable" slogan and a special logo, we are able to further increase the

focus on sustainability while also raising awareness of this issue. All of our new initiatives are tailored to local conditions and implemented on an individual basis, and we give great weight to long-term impact and credibility.

#### Environment/ Sustainability

In the field of Environment/Sustainability we are implementing numerous measures to conserve resources and protect our environment, such as the energy-efficient development of our exhibition grounds.

#### Social Responsibility

For Messe Frankfurt, Social Responsibility entails an obligation to our employees, our stakeholders and society. This includes offering good working conditions that are better than average wherever we operate and supporting social institutions in these regions.

# Commitment to Culture

Commitment to Culture at Messe Frankfurt includes support for such events as the Luminale, the "Lighting Culture Biennale" which takes place alongside Light + Building, and the presentation of prizes such as the PRG Live Entertainment Award (LEA) at the Musikmesse. A sponsorship strategy creates the foundation for the sustained promotion of these objectives on location with transparent decision-making processes.

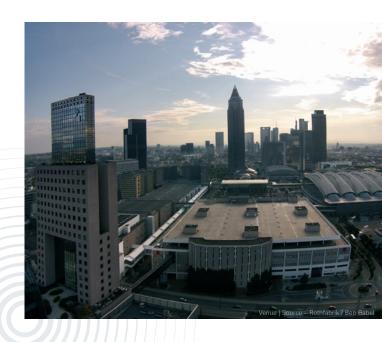
#### Education/ Science

Education/Science is an area in which Messe Frankfurt has been taking long-term steps – for example with its endowment of the Messe Frankfurt Professorship for International Economic Policy at Frankfurt's Johann Wolfgang Goethe University.

# Sustainability

An indispensable component of trade fair operations





### Operator of one of the world's largest exhibition grounds

Today the Frankfurt exhibition grounds cover 578,000 square metres, with ten exhibition halls and two congress centres, meaning Messe Frankfurt operates one of the largest exhibition centres in the world. That is why energy efficiency and the conservation of resources are so important to us. We are continually looking for ways in which we can reduce our consumption of electricity, water and heating energy through efficient exhibition hall technology and by tailoring systems operation to our actual needs.

Since the end of 2014 we have been using special software that helps us do just that by registering all energy consumption at the exhibition grounds. This provides instant information on current energy consumption, making it possible to identify the potential for optimisation.

Communication with our customers is another key component of ensuring that energy consumption is as efficient as possible, because the trade fair stands account for much of the energy consumed. For this reason, we pay particular attention to

advising exhibitors both before and during trade fairs of the importance of using energy carefully, recommending measures such as turning off all electrical equipment at the end of each event day.

The utilisation of innovative technologies has also allowed us to make our own contribution to sustainable power generation. For example, as part of a public-private partnership we have been operating photovoltaic systems on the exhibition grounds since 2009, and their total output of approx. 1,100 kWp of green electricity is enough to meet the needs of up to 350 households.

Sustainability also plays an important role in the continued development of the exhibition grounds. The Kap Europa congress centre, which was officially opened in 2014, was the first convention building worldwide to be awarded Gold Certification by the German Sustainable Building Council (DGNB) — a new standard for whose development Messe Frankfurt shares responsibility. The DGNB certification process looks at a building's entire life cycle.

### Conserving resources by focusing on the material cycle

Dealing responsibly with resources includes dedicated efforts to separate and recycle waste, and we ensure that as much as 90 percent of the waste generated at the Frankfurt exhibition grounds each year is fed back into the material cycle.

#### Optimised mobility and logistics

One of the foundations of our environmentally friendly mobility is our location, which boasts optimum transportation connections. In addition, practical "combination tickets" allow exhibitors and visitors to use public transport free of charge for many of our events, and we work together with Deutsche Bahn to promote environmentally friendly

train travel for journeying to Messe Frankfurt. An integrated logistics concept helps reduce the volume of traffic relating to our events on the exhibition grounds. We also offer a barrier-free access and connection network that provides mobility-impaired visitors with the freedom of action they need.

#### Combining working and family life

Messe Frankfurt sets great store by good working conditions for all of its employees. We want to ensure that our staff enjoy working for us, so we strive to provide them with the best possible support. At our Frankfurt base, we work with external partners to deliver professional assistance that helps people combine working and family life. Working parents have been able to take advantage

of an emergency childcare service since 2008 – if their regular childcare becomes unavailable or schools are closed at short notice, this service steps in to help. Furthermore, since 2012 employees have also been able to take advantage of professional and confidential consultations as part of the Employee Assistance Programme.

#### Fit through health management

Messe Frankfurt's occupational health promotion organisation "Messe Vital" helps to create a healthy workplace – through targeted health promotion efforts and the provision of information, consultation and concrete services. The wide range of services offered under this programme is expanded continuously and includes such things as preventive medical programmes, massages, back exercises and seminars to help people quit smoking. "Health days" are scheduled on a regular basis to give employees an opportunity to obtain

comprehensive information and to try out a range of different programmes. During the period covered by the current Communication on Progress, for example, Messe Frankfurt held its first company donor registration in cooperation with the German Bone Marrow Donor Centre (DKMS). This allowed employees the opportunity to register with the DKMS as a bone marrow donor, helping to improve the chances of recovery for those suffering from blood cancer.



#### Basic and advanced training

Basic and advanced training plays a crucial role at Messe Frankfurt. Messe Frankfurt provides trainees with comprehensive professional training that gives them a solid foundation for their future careers. Over the course of the three-year traineeship, we offer trainees and students insight into our company. We provide training for the following professions: event professionals, office management professionals, IT specialists for systems integration, work-study programmes for Business Administration students

focusing on trade fair, convention and event management and media and communications, as well as work-study programmes for Business Information Technology students focusing on application management. In 2015, five trainees will once again be commencing their traineeships in our company, as will four students in work-study programmes. We provide in-depth training that not only promotes identification with the company, but also increases the quality of the workforce.

#### The Messe Frankfurt Group against corruption

Messe Frankfurt actively combats corruption. Clear and binding rules for purchasing and employee training serve as a reliable means of preventing corruption while providing employees with the opportunity to contact an external ombudsman if illegal methods are suspected. Additionally, all new employees participate in a course of training that raises their awareness of this issue.

Messe Frankfurt continued to increase its efforts in this area during the reporting period. In particular, the company has optimised the training of new employees while conducting in-company events to raise awareness of the Compliance Management System and the opportunity to contact an ombudsman if necessary.

# Raising awareness

### Sustainability needs to be promoted

Our trade fairs are drivers of sustainability in action: With special exhibitions, workshops, presentations and publications, we inform visitors and exhibitors of relevant developments and challenges in their industries. In this way, we are able to serve as a platform for all aspects of sustainability, throwing a spotlight on this important issue.

#### Environmental technologies

Access to clean potable water, waste disposal and dwindling reserves of fossil fuels are but a few of the major challenges facing the world in future. In order to find solutions to these challenges, we need intelligent technologies and innovative companies that are able to develop systems that facilitate sustainable resource management, energy efficiency and the availability of

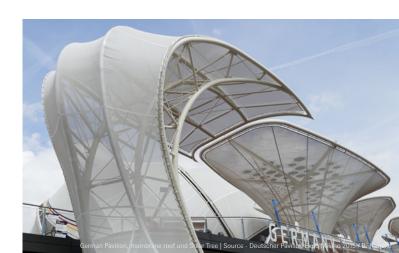
clean water. Messe Frankfurt is continually expanding its portfolio of events in the "Environmental Technology" business field, which already encompasses eight trade fairs in three countries, including Watertech India, Waste & Recycling Expo Canada, Eco Expo Asia in Hong Kong and Water Expo China.

#### Expo Milan 2015

Expo Milan 2015, the 2015 World's Fair, is taking place from 1 May to 31 October in Milan. The theme of Expo Milan 2015, "Feeding the planet, energy for life", is intended to help find answers to the challenges posed by global nutrition. The German Pavilion, "Fields of Ideas", has chosen "Be active!" as its motto. Messe Frankfurt is organising and running the German Pavilion at the Expo on behalf of the Federal Ministry for Economic Affairs and Energy (BMWi). Sustainability plays a key role in the Expo as a whole, as well as in the presentations in the German Pavilion, where the country is showcased as a landscape full of ideas - in both senses of the word. The exhibition aims to raise awareness of the forces of nature as a significant source of nutrition, and as something that must be protected and used intelligently if it is to be sustainable. It is an approach that has also been applied to many other aspects of the presentation, including the production of the clothing worn by pavilion staff.

Some 170 people will be working in the pavilion during the event, where they will be available to answer questions from visitors during their tours. The clothing worn by staff is an important part of the impression made. It was designed by students

at ESMOD fashion school, who took the entire life cycle of these items of clothing into account during the design process, including the raw materials used, the manufacturing process, their use by personnel and even recycling at the end of the clothing's service life. This is why, when the BMWi and Messe Frankfurt put the production of this clothing out to tender, they were looking for a manufacturer that would be able, among other things, to utilise renewable resources along the entire supply chain, avoid waste arising from the production or use of the clothing, and do without toxic substances in production, all while following the "reduce, reuse, recycle or compost" approach and supporting research and innovation in the field of sustainable products.



#### Sustainability for the textile industry

Sustainability is becoming ever more important in the textile industry as well, resulting in the development of more and more new materials, manufacturing processes and production technologies that point the way towards a greener future. Messe Frankfurt provides a comprehensive platform for these themes in the form of trade fairs, trend forums, seminars and awards that honour efforts to foster sustainability in the textile sector. More detailed information on the latest developments in the field of sustainability and textiles can also be found in the "Sustainability & Textiles" newsletter. Those who are interested in this newsletter can register free of charge at www.sustainability-texpertise-network.com.

Since 2011, Messe Frankfurt has been organising the Greenshowroom and Ethical Fashion Show Berlin twice each year for the Berlin Fashion Week. The Greenshowroom presents exclusive, sustainable design from the fields of high fashion and accessories, while Ethical Fashion Show Berlin offers "eco-fair" street and casual wear. Growth in the number of exhibitors and visitors, as well as evident interest in accompanying events, reflects the increasing importance of sustainable fashion, as well as rising demand. In January 2015 these events saw the number of exhibitors increase by 30 percent, raising the total to 163 international exhibitors.





#### Sustainability at ISH

Messe Frankfurt organises some 50 events world-wide that are grouped together in the "Technology & Production" business field, and it should be no surprise that energy efficiency and intelligent energy management to ensure sustainable use of resources are a key focus. At ISH, the world's largest showcase for innovative bathroom design, energy-efficient heating and air-conditioning technology and renewable energies, the focus in 2015 was on forward-looking themes like the conservation of resources and renewable energies. ISH Water was notable for its sustainable sanitation solutions for individual user requirements, as well

as innovative water management and potable water hygiene. For ISH Energy, the spotlight was on energy efficiency as the second key component of the move towards sustainable energy sources. Modern heating, air conditioning, cooling and ventilation technologies hold tremendous potential for reducing energy consumption, giving them an important role to play in efforts to reach climate objectives. In light of rising energy costs, geopolitical instability and the evident impact of climate change, intelligent building automation and energy management systems are also increasingly in the spotlight.

# The UN Global Compact's ten principles

#### **Human rights**

**o1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**o2:** make sure that they are not complicit in human rights abuses.

#### Labour

**o3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**o4:** the elimination of all forms of forced and compulsory labour;

**o5:** the effective abolition of child labour; and **o6:** the elimination of discrimination in respect of employment and occupation.

#### Messe Frankfurt GmbH

Ludwig-Erhard-Anlage 1 60327 Frankfurt am Main, Germany Tel. +49 69 75 75-56 61 csr@messefrankfurt.com www.messefrankfurt.com V.i.S.d.P. Iris Jeglitza-Moshage Redaktion Corinna Dax

#### **Environment**

**o7:** Businesses should support a precautionary approach to environmental challenges;

**o8:** undertake initiatives to promote greater environmental responsibility; and

**og:** encourage the development and diffusion of environmentally friendly technologies.

#### **Anti-corruption**

**10:** Businesses should work against corruption in all its forms, including extortion and bribery.