

Social

The MCH Group subscribes to the fundamental values of a democratic state governed by the rule-of-law and a free market economy. The MCH Group regards compliance with the statutory provisions and the application of serious business practices as a matter of course. It assumes its responsibility to society and all its stakeholders.

The group's assumption of its obligations towards its locations and the economic impact of its business activity are set out in the chapters [Aims](#) and [Economic](#). The MCH Group is committed to institutions that promote the economy and its business locations by actively and transparently supporting them through its membership and/or partnership in specific projects.



Art Basel Unlimited

Employment

At the end of the 2019 reporting year, the MCH Group had a total of 860 employees on permanent contracts and 1,346 employees and assistants on temporary contracts. During the reporting year, employee numbers within the group thus fell by 151 permanent employees (-15%).

The details set out below include all the companies which belong wholly to the MCH Group, or in which it has a majority holding.

Employees on permanent contracts/Companies	31.12.2019			31.12.2018		
			Total			Total
MCH Group Ltd.			26			28
MCH Swiss Exhibition (Basel) Ltd. ¹⁾			301			353
MCH Swiss Exhibition (Zurich) Ltd.			25			30
MCH Beaulieu Lausanne SA			7			18
MCH Live Marketing Solutions AG ²⁾			135			143
MC ² Group ³⁾			366			363
Winkler Livecom AG ⁴⁾						76
Total			860			1 011.0

Hierarchy levels/Gender	31.12.2019			31.12.2018		
	Male	Female	Total	Male	Female	Total
Board of Directors MCH Group	8	3	11	9	2	11
Executive Board MCH Group	5	0	5	6	0	6
Management subsidiaries	8	2	10	14	3	17
Managerial staff	114	56	170	125	45	170
Employees	380	295	675	478	340	818
Total ³⁾	515	356	871	632	390	1 022.0

Nationalities/Gender	31.12.2019			31.12.2018		
	Male	Female	Total	Male	Female	Total
Switzerland	185	133	318	250	161	411
Germany	42	42	84	79	45	124
France	6	12	18	6	14	20
Italy	4	5	9	6	5	11
Austria	1	2	3	0	5	5
Great Britain	9	8	17	8	9	17
USA	244	114	358	244	106	350
Hong Kong	1	15	16	2	15	17
China	1	4	5	2	4	6
India	0	2	2	10	8	18
Other	14	16	30	16	16	32
Total	507	353	860	623	388	1 011.0

1) With subsidiaries Exhibit&More AG, Art Basel U.S. Corp., MCH Group Asia Limited, Masterpiece London Ltd; 2018 also with Seventh Plane Networks Pvt. Ltd.

2) With subsidiaries Expomobilia MCH Global Shanghai Ltd., MCH Global ME Live Marketing LLC

3) MC ² USA and MC ² Europe

4) Winkler Livecom AG was sold as of 31.12.2018

Corporate 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 – namely its Statutes and Regulations, as well as its information and control instruments – include all the essential principles to ensure that the management, supervision and transparency of the company are in accordance with good corporate governance.

The MCH Group differs on one key point from many other companies quoted on the SIX Swiss Exchange: under the terms of its Statutes, the listed holding company MCH Group Ltd. is a joint stock company with the participation of public sector entities as per Art. 762 of the Swiss Code of Obligations. This means inter alia that the Cantons of Basel-Stadt, Basel-Landschaft and Zurich, and also the City of Zurich, have the right to appoint delegates to the Board of Directors.

Details of Corporate Governance
[Annual Report / Corporate Governance](#)

Code of Conduct

In 2018, the MCH Group introduced a new Code of Conduct which supports employees in adopting a legally and ethically correct and responsible form of behaviour. The Code sets out what the MCH Group, as an employer, expects of its employees and serves as a guide for the decisions taken in day-to-day business.

All the employees of the MCH Group and all those working on behalf of the MCH Group are obliged to comply with the Code of Conduct. Violations of the Code of Conduct are investigated and can entail consequences. These can be disciplinary measures or termination of the employment contract or may lead to civil or criminal law proceedings being instigated against the person in question or, indeed, the employer.

The Code of Conduct describes the values and culture of the MCH Group and is based on the Corporate Principles and Core Behaviours. It sets out guidelines in respect of the local setting, bribery and unfair advantages, gifts and invitations, conflicts of interest, the award of contracts, competition and anti-trust law, inside information and insider trading, data protection and behaviour towards coworkers. It also describes the procedure to be adopted in the event of alleged or actual infringements.

Art Market Principles and Best Practices

In 2018, Art Basel defined a series of principles that set out Art Basel's expectations of its exhibitors in respect of their responsibility towards artists, suppliers of works of art, buyers and their industry. At the same time, a new procedure was defined for potentially criminal actions.

The Art Market Principles and Best Practices have been developed in cooperation with legal and art market experts from all over the world. These comprise, firstly, Best Practice Guidelines, which set out recommended professional standards for the exhibitors. Compliance with these standards is applied as a criterion by the Selection Committee when assessing applications to participate in the show. Secondly, the Legal Compliance Process defines the procedure to be adopted in the event of an exhibitor engaging in criminal acts in conjunction with their activities on the art market.

With these additions to the Exhibitor Regulations, Art Basel wishes to make a contribution towards strengthening the international art market that is based on trust and provides protection and support for the artists. These Art Market Principles and Best Practices were applied for the first time in assessing the applications for participation in Art Basel Miami Beach 2018.

Brand protection

The MCH Group's brands constitute a significant enterprise value. 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.

The Group Legal Department checks the IGE report on the registered brands each week. In the event of trademarks of the MCH Group being violated, the protection afforded by these trademarks is enforced by legal means.

Protection of intellectual property

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.

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 1,100 companies that have now been RJC-certified guarantee compliance with the corresponding ethical, human rights, and social and ecological principles.

Anti-corruption

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. 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 2019, 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 the Group Legal Department. In 2019, no proceedings were brought against the MCH Group on account of anti-competitive practices or the formation of cartels or monopolies.