



msg global solutions
SUSTAINABILITY
REPORT 2023



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Words from the COO/CFO

Dear colleagues,

I am delighted to present our second msg global Sustainability Report to you. In today's rapidly evolving business landscape, sustainability has emerged as a key component guiding organizational success and responsible corporate citizenship.

With this report, we aim to transparently showcase our commitment to environmental sustainability, social responsibility, and ethical governance practices. The report is proof of our dedication to the incorporation of sustainability into every aspect of our business operations, from our internal policies to the solutions we provide to clients.

As an IT consulting company, we understand the transformative power of technology and its potential to drive positive change. With this in mind, we have undertaken initiatives to minimize our carbon footprint, foster diversity and inclusion within our workforce, and support the communities in which we operate. We believe that by aligning our business objectives with broader societal and environmental goals, we can not only mitigate risks but also unlock new opportunities for innovation and growth. As we navigate the complexities of the digital age, we remain steadfast in our commitment to sustainability, recognizing it as a both strategical and moral imperative for long-term success.

Happy reading!

Best regards,
Ulrich Pils
COO/CFO



Words from the CoC

Dear colleagues,

I am pleased to share with you our second annual sustainability report of msg global. At our core, we are committed to creating a positive social and environmental impact through our business practices. This report exemplifies our continuing commitment to operating in a sustainable and responsible manner, striving to minimize our carbon footprint, champion diversity, equity and inclusion, and contribute to the well-being of the communities around us. By sharing our progress, we aim to inspire others to join us on our journey towards a more sustainable future.

Publishing a report like this is always a collaborative endeavor that underscores the dedication and commitment of many individuals. Therefore, I extend a special thank you to all colleagues in Operations on both local and global levels for their exceptional efforts in gathering the necessary data. I also commend my colleagues in the BU Sustainability for their pivotal role in the SCT implementation as our in-house solution for sustainability reporting.

Let's unite in shaping a more sustainable future, one step at a time. Enjoy reading!

Best regards,
Linda Hallhuber
Chief of Staff



About This Report

This sustainability report consists of material data regarding environmental, social and governance topics. The consolidated data presented in this report refers to the business year 2023, covering the timeline from January 1st, 2023, until December 31st, 2023. This is our second sustainability report, hence the business years 2022 and 2023 are being compared. We will continue to work on our report to improve the traceability and transparency of our information. Data in this report is gathered, calculated and analyzed using the SAP Sustainability Control Tower.

The data presented in this report undergoes an internal evaluation process, ensuring comprehensive assessment of all msg global entities. This report provides an overview of our global operations, encompassing a total of 26 entities. This report was set up in accordance with the standards introduced by the Global Reporting Initiative (GRI).

Although, we currently do not have external third-party assurance, this report has been reviewed and approved by the responsible Board Member Ulrich PilsI. For general questions, please refer to the CoC DE&I + CSR via DEI-CSR@msg-global.com

Materiality

At **msg global**, we are committed to integrating sustainability into our business practices and decision-making. To determine the most significant sustainability topics for our company, we conducted a materiality assessment in 2022. We thoroughly analyzed the requirements and focus areas of our internal and external stakeholders, including our employees, our competitors, partners and clients to identify the most significant economic, environmental, and social issues that our stakeholders care about. We also conducted an internal survey covering all our msg global entities to determine the current position in regards to sustainability issues.

We identified and prioritized the sustainability issues based on their impact on our business and stakeholder concerns. We used several criteria, such as relevance, impact, risk, and opportunity, to evaluate the issues. We also considered the United Nations Sustainable Development Goals (SDGs) and to align our sustainability priorities with the global agenda.

Our latest assessment identified the following priority issues:

- **Energy management**
- **Climate change**
- **Talent, training and development**
- **Diversity, equity and inclusion**
- **Employee health, safety, well-being**
- **Human rights**
- **Ethics and compliance**
- **Security, privacy and data protection**
- **Community engagement**



About Us

Our company tagline is **Passion. People. Performance.** and it accurately summarizes who we are. **Passion** is how we approach our work – loving what we do and joyfully delivering on our promises. **People** make it all possible. Our people are the best in the business, and provide the power to deliver our mission and vision. **Performance** and specifically “better performance” is our ultimate goal. We strive to exceed expectations in everything we do.

msg global solutions is a systems integrator, software development partner, and managed services provider focused on SAP solutions for multiple industries. Our services include strategies for accounting, finance, regulatory reporting, performance management, sustainability, customer experience, and IoT. Operating from offices across the globe and growing, our expert teams help clients achieve operational efficiency and improve decision-making capabilities. While our journey started in the financial services sector, our solutions are utilized in a wide range of industries.



Mission

Our mission is to deliver solutions that improve operational efficiency and decision-making capabilities.



Vision

Our vision is to help companies perform better.



Values

Sustainability, reliability, creative freedom, dedication, credibility, respect, agility, team spirit, diversity



Founded in
2008



26
Companies



24
Countries



150 million €
Revenue 2023



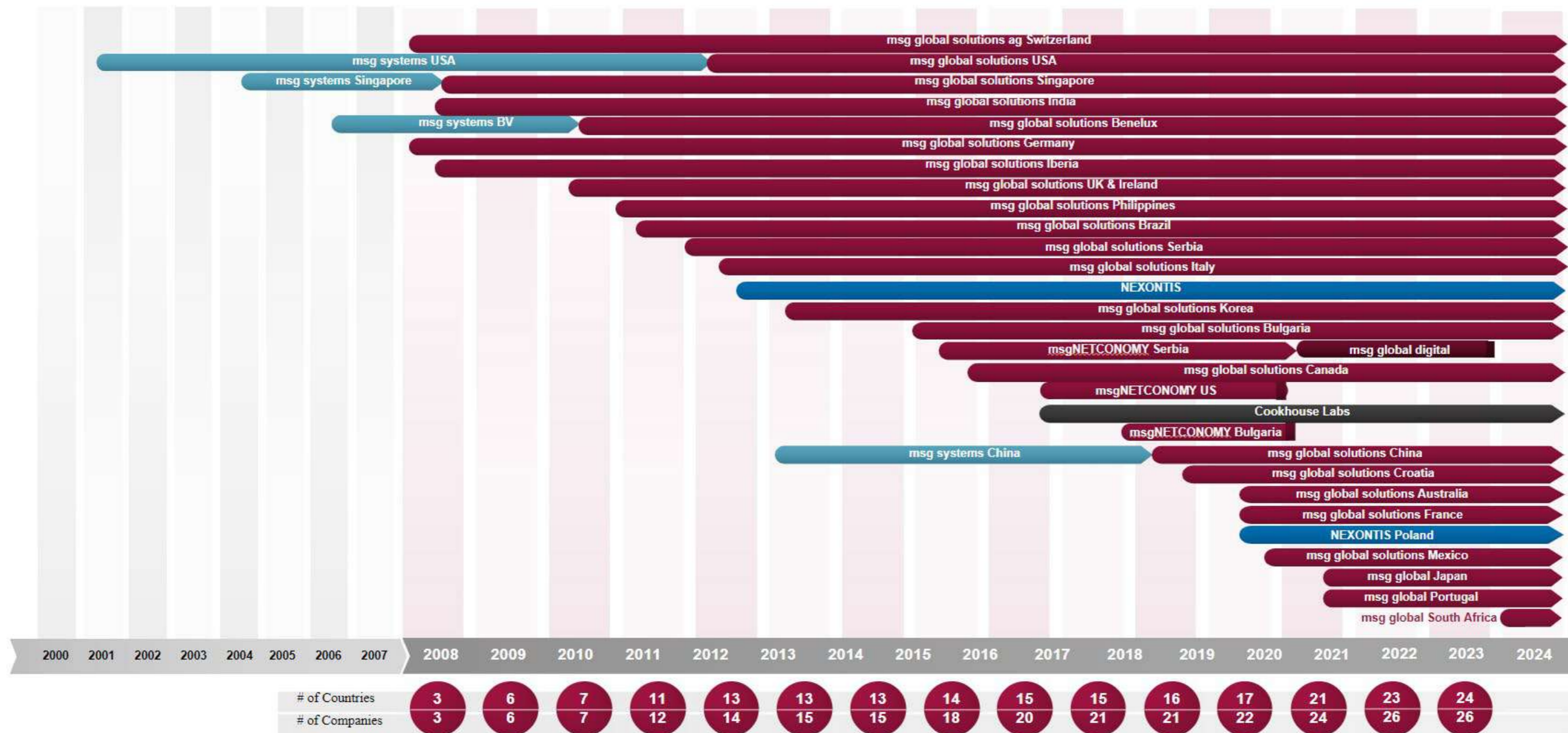
+1400
Employees



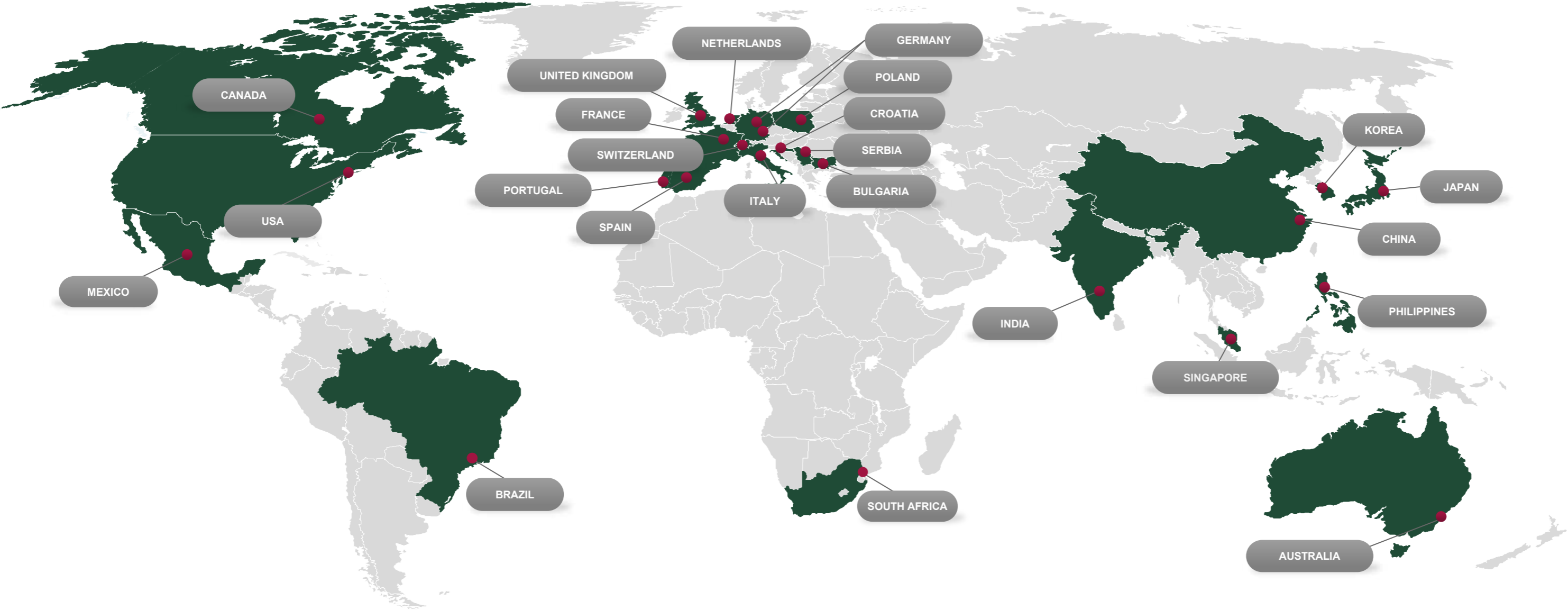
Our Growth



As part of the msg group, **msg global solutions** has significantly broadened global footprint by expanding into various countries. This expansion has been achieved through a combination of organic growth and strategic acquisitions. Originating in Germany in 1980, msg group's presence has expanded across Europe, the Americas, Asia-Pacific, and the Middle East. We have strategically expanded our global footprint to serve clients across various industries with innovative technology solutions and services. Our extensive global presence empowers us to provide local expertise tailored to our clients' specific needs, while simultaneously leveraging our global capabilities to drive continuous innovation and foster growth. By adopting this holistic approach, we ensure that we are well-positioned to deliver exceptional value and meet the evolving demands of our clients worldwide. To provide a concise summary, here is an overview of how we have extended our reach worldwide:



Our Locations



24 countries

6 continents

26 companies

msg global | Bulgaria • Germany • Italy • Serbia • Spain • Switzerland • Netherlands • UK • Croatia • France • Portugal • Brazil • Canada • USA • Mexico • India • Singapore • Philippines • China • Australia • South Korea • Japan • South Africa

NEXONTIS | Germany • Poland

Our Companies

Company of msg group | msg global solutions

msg global solutions is part of **msg group**, an independent, **international group of companies** with more than 10,000 employees around the world. The group of companies offers a holistic service spectrum of creative, strategic consulting and intelligent, sustainable and value-added IT solutions. We are a consulting, implementation, and managed services provider that helps companies improve their operational efficiency and decision-making capabilities utilizing SAP technology. With our passion, our people, and our genuine desire to achieve operational improvements, we want to see our clients accomplish their performance objectives.

As an SAP solution development partner for over 20 years, we bring expert knowledge to every one of our engagements in accounting, finance, regulatory reporting, performance management, customer experience, and IoT. At the same time, there are three sub-companies that belong to **msg global solutions**.



msg global digital

Our SAP® CX Company

With extensive experience in SAP® Customer Experience solutions, msg global digital is an exclusive development partner for SAP® Commerce Cloud, Financial Services Accelerator, and is fully dedicated to the digitalization of financial service companies together with SAP® and the industry-specific customer experience solution extension.



NEXONTIS

Our Finance and Risk Company

NEXONTIS is an IT solutions and consulting company specializing in providing accounting, profitability, investment, sustainability and tax solutions designed to help our clients make informed business decisions.



Cookhouse Labs

Our Innovation Company

Cookhouse Labs is a collaborative space for innovative thinkers. Our community of innovators from around the globe is the key ingredient that empowers collaboration to tackle current and future challenges using a customer-centered approach to make the future better

Our ESG Oversight

Sustainability Governance







Our efforts towards sustainability are driven from the top. The Executive Board is responsible for overseeing the sustainability engagement of our company and has set up the Center of Diversity, Equity & Inclusion + Corporate Social Responsibility (CoC DE&I + CSR) to develop and coordinate ESG activities of the company. The CoC DE&I + CSR is chaired by the COO/CFO and is supported by representatives from various departments across the company.

The CoC (Center of Competence) collaborates closely with the Sustainability team of the Business Unit Analytics. This team brings valuable expertise in the field of sustainability and assists in the technical implementation of the report using the SAP Sustainability Control Tower (SCT). The SCT serves as an all-encompassing platform, enabling the gathering, calculations, management, and analysis of data. Utilizing the capabilities of this platform, we have the ability to perform in-depth data analysis and uncover valuable insights. These insights serve as a crucial factor in defining targets and developing a strong and effective sustainability strategy for our company.

Steering and Leadership

The msg global Executive Board consists of six Board Members and is headed by CEO Peter Umscheid. The Board regularly receives updates from the CoC on the progress toward improving sustainability performance. The board also ensures that sustainability considerations are integrated into the overall business strategy, including decision-making processes and risk management. Any critical concerns are addressed immediately upon arising. Final decisions on major ESG initiatives, projects, and strategy are taken by the msg global Executive Board. We are continuously working towards reducing our environmental impact and improving our sustainability performance, and the Board's oversight is instrumental in driving this effort.

msg global Executive Board 2023

					
PETER UMSCHIED	ULRICH PILSL	LOUISE COOKE	AGOSTINO ASSI	PETER DE BRUIJNE	ANDREAS REUTHER
Sales digital X DPS	Global Operations CoC DE&I + CSR BTS Global Hosting	Sustainability Finance F&M CHL Marketing	Core Insurance Reinsurance SBCS	Americas EMEA Market Countries	APAC Serbia, Bulgaria Analytics

How We Work

As an SAP solution development partner for over 20 years, we bring expert knowledge to every one of our engagements in accounting, finance, regulatory reporting, performance management, customer experience, and IoT.



Services

We are committed to intelligent IT and industry solutions — from consulting and development to implementation. Our services help companies maximize the opportunities of digitalization to improve operational efficiency and decision-making capabilities.



Industries

We offer industry-specific expertise with strategies to transform data into real-time business intelligence. While the heart of our expertise is in the financial services sector, our profitability and performance management solutions are utilized in a wide range of industries.



Solutions

We believe SAP® provides the best enterprise software to help companies transform data into actionable insights. We provide implementation services, we custom-develop software applications, and we define strategies to produce greater efficiencies and better business outcomes.

Industries

We started out in insurance, reinsurance, and financial services. We have been able to use our business knowledge and technical proficiency to earn engagements and forge relationships in retail banking, pensions, and retirement account management, the automotive industry, and food services. From consulting services to managed technical services, from implementations to maintenance, support, and more, we provide expert business improvement, along with conscientiousness, partnership, transparency, and knowledge transfer.

Focus Market

Our company focuses on the following sectors:

- INSURANCE**
We deliver solutions and services to help Insurers achieve operational efficiency, meet regulatory standards and realize digital excellence
- REINSURANCE**
Our comprehensive reinsurance solution is constantly advanced, driven by market changes and the business needs of reinsurers across the globe.
- BANKING**
We can help you empower your company's performance with profitability analysis and performance management for banking.
- FOOD**
With strategic consulting and intelligent IT solutions, we help you network and automate your processes.
- AUTOMOTIVE**
We bring your processes up to speed and give all of your mobility and networking processes the boost they need.

We offer industry-specific expertise with strategies to transform data into real-time business intelligence. While the heart of our expertise is in the financial services sector, our profitability and performance management solutions are utilized in a wide range of industries.

Services. Experience Shapes Our Services

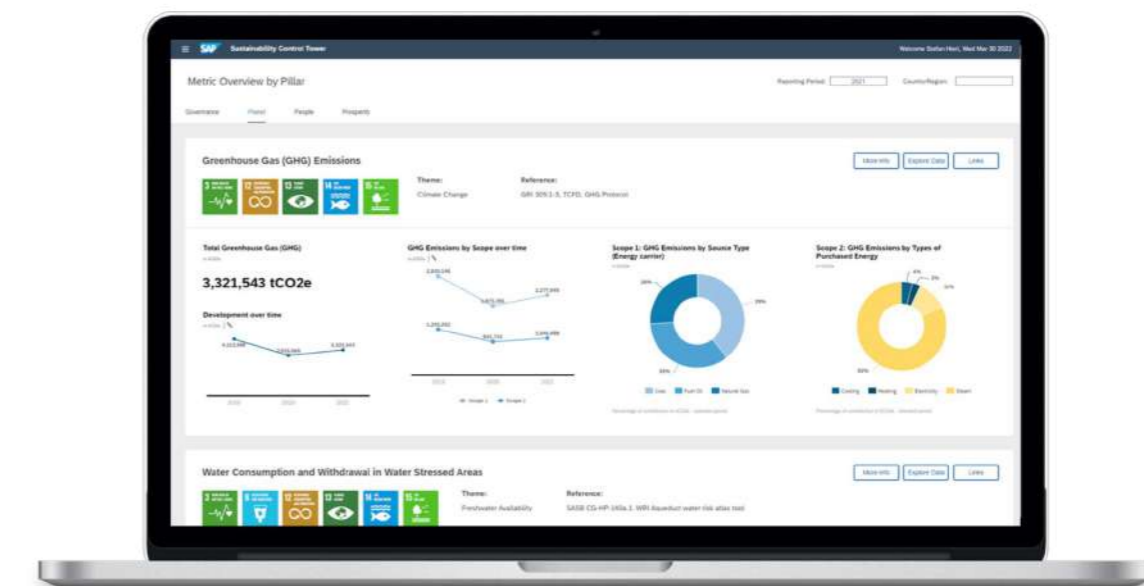
Whether implementing an end-to-end insurance platform, transforming financial operations, maintaining your systems, or helping you manage change, we have the expertise to understand your environment, offer innovative solutions, and create value in executing your vision. With over 30 years of SAP development and implementation experience, our teams deliver services that improve operational efficiency and decision-making capabilities.

- END TO END**
Core business processing, reporting, analytics, and customer engagement in a single platform.
- INNOVATION**
Customer-oriented innovation to streamline operations and shape a better future.
- FINANCE TRANSFORMATION**
Boost business outcomes with improved data access and efficient financial operations.
- BUSINESS TECHNOLOGY SERVICES**
Delivering a flexible 24/7 support model on-premise or on-demand for your SAP operations.
- SUSTAINABILITY MANAGEMENT**
Address sustainability needs and ensure that your company complies with upcoming regulations.

Sustainability Management

In line with our commitment to sustainability, we are continuously seeking ways to reduce our environmental impact and promote sustainable practices throughout our operations. However, we also recognize that sustainability is a collective effort that requires collaboration with our customers. By providing our customers with the tools they need to measure and improve their sustainability performance, we hope to encourage greater sustainability practices throughout various industries and contribute to a more sustainable future for all.

Our goal is to help organizations achieve their sustainability targets with fast, actionable insights into data by transitioning from manual activities into automated processes while maintaining traceability and a full audit trail.



Sustainable Development Goals Alignment

At **msg global solutions**, we understand the significance of the Sustainable Development Goals (SDGs) as a global framework for addressing the world's most pressing social, economic, and environmental challenges. We have identified multiple ways in which we can contribute to the SDGs and strive towards realizing a more equitable and sustainable future for all.

To further explain the categorization of SDGs, we have classified them based on the level of impact our company has on them and the potential for meaningful contributions in each category.

The '**direct**,' category includes SDGs that are closely related to our company's core business operations, products, and services, and are directly impacted by our company's activities. For instance, as an IT and consultancy company, SDGs related to sustainable technological innovation fall into this category.

In the '**complementary**,' category, we included SDGs that are not directly related to our company's core business operations but to which we can contribute by implementing sustainable business practices and supporting initiatives that promote social and environmental sustainability. For example, SDGs related to responsible consumption and production fall into this category.

The third category is '**indirect**,' which includes SDGs that are beyond our company's direct control or influence. However, we can still contribute to these SDGs by collaborating with other stakeholders and supporting initiatives that promote sustainable development. For instance, SDGs related to life below water fall into this category.

By categorizing the SDGs in this manner, we can prioritize our efforts and focus on areas where we can make the most significant impact while also contributing to the broader sustainable development agenda. As an IT and consultancy company, we can make the most significant contributions in SDGs related to sustainable technological innovation.

Direct

Complementary

Indirect



Our Achievements In 2023

SAP Pinnacle Awards

Finalist: msg global | Profitability and Performance Management

Partner Application – Industry Cloud

This award recognizes a partner-developed innovative industry cloud solution based on the strategic importance for our joint customers in complementing SAP's industry cloud portfolio and on the innovative use of SAP Business Technology Platform.

Source: www.sap.com/partner/find/award-winners.html



INDUSTRY CLOUD



INDUSTRY CLOUD



DIGITAL CORE



Our Ratings & Partnerships



EcoVadis | msg global solutions

msg global solutions has renewed its EcoVadis scorecard rating in 2023. With an overall result of 52/100, we were also awarded with the bronze medal in recognition of our sustainability achievement.

Our rating places us in the 54th percentile. This means we are equal to or above 54% of all companies evaluated by EcoVadis. Compared to last year, we improved with a total leap of 10 points.

EcoVadis is one of the world’s largest providers of business sustainability ratings which evaluates how well a company has integrated ESG measures in their overall business and management. The rating is based on four pillars: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.



Our Ratings & Partnerships

WE SUPPORT



United Nations Global Compact | msg global solutions

msg global solutions is a proud supporter of the United Nations Global Compact (UNGC), a pact of shared values and principles that give a human face to the global market. Launched in 2000 by former UN Secretary-General Kofi Annan, the UN Global Compact is a powerful force for good by upholding universal principles in the areas of human rights, labor, the environment and anti-corruption.

As part of our commitment to sustainable and responsible business practices, msg global has embedded the Ten Principles of the UN Global Compact into strategies and operations, and committed to respecting human and labour rights, safeguarding the environment, and working against corruption in all its forms.

By joining the UN Global Compact, we reaffirm our commitment to sustainable and responsible business practices and align ourselves with a network of like-minded companies and organizations throughout the world. We are excited about the opportunities this membership brings and look forward to making a meaningful impact on a global scale. Together, we can create a more sustainable and inclusive future for all.



Our Ratings & Partnerships



TCFD | msg global solutions

Since its inception, December 2015, TCFD – the Task Force on Climate-related Financial Disclosures had provided a useful framework to increase transparency on climate-related risks and opportunities within financial markets. That was the reason behind our decision to be TCFD supporters. From October 2023 the TCFD has been disbanded and IFRS has taken over its activities, an organization we are looking to collaborate with.

TNFD | msg global solutions

Our dedication to sustainability extends beyond climate concerns; it encompasses our entire interaction with nature, presenting both risks and opportunities. Being aware of that complex and enriching relationship, we are proud of being recognized as TNFD Early Adopter. The group of 320 companies worldwide intends to initiate disclosures in line with the TNFD Recommendations within their corporate reporting by either the financial year 2024 or 2025. msg global solutions aims to release its first TNFD-aligned disclosures alongside its financial statements for the fiscal year 2025 results.

At the same time, we are members of the TNFD Forum which is a global and multi-disciplinary consultative grouping of more than 1,400 institutional supporters who share the vision and mission of the TNFD and have indicated a willingness to make themselves available to contribute to the work and mission of the Taskforce. We are sure that our contribution is going to improve our relationship with nature.



Our Ratings & Partnerships



4ocean | msg global solutions

msg global solutions partnered with 4ocean, a public benefit corporation committed to cleaning the world's oceans, rivers, and coastlines.

Through our partnership, msg global supported the removal of 1450 pounds of plastic from the ocean, an achievement that wouldn't have been possible without the dedication and hard work of 4ocean's team. In total, they have collected 35 millions of pounds of plastic and trash from oceans and coastlines across the world, and have also provided steady, living-wage employment to local ship crews whose original industry – fishing – is often disproportionately impacted by plastic pollution.

We chose to support 4ocean not only for their ocean cleanup efforts but also for their commitment to educating communities about plastic pollution and advocating for a sustainable economy. We believe in their mission to create a cleaner, healthier planet, and we're proud to be a part of it.

During our company Kickoff events, we distributed 4ocean bracelets as a token of our commitment to this cause.



Our ESG Commitment

In 2022, we embarked on our sustainability journey with the submission of our first sustainability report. This marked a significant milestone for us as it allowed us to delve into our ESG (Environmental, Social, and Governance) performance for the first time. Utilizing the insights gained from this data analysis, we were able to establish clear goals aimed at fostering sustainable practices across our operations.

In 2023, we undertook several pivotal initiatives in line with our sustainability objectives. Among these was the introduction of a "green fleet" policy, encouraging the use of low-emission or electric vehicles. This strategic step aims to lead us towards more sustainable driving practices, thereby reducing our environmental impact. Additionally, we initiated efforts to enhance energy efficiency and implement employment strategies focused on empowering women within our workforce. Aligned with our overarching goals of reducing our emissions and striving for gender equality within our organization, we remain resolute in our commitment to fostering positive change and sustainability throughout our operations. Furthermore, we actively pursue sustainability not only within our own operations but also extend our efforts to our clients by providing software solutions for sustainability reporting, thus contributing to a broader ecosystem of sustainable practices.

As we embark on these initiatives, we recognize that our progress towards our sustainability targets may not yet fully reflect our aspirations. The measures we are implementing require time to yield tangible results, and as such, we acknowledge that we may currently be deviating from our intended trajectory. However, we remain steadfast in our commitment to continuous improvement and are optimistic about making significant strides in the coming year. With each initiative undertaken, we are laying the groundwork for a more sustainable future, and we are confident that our efforts will bear fruit as we move forward.



ENVIRONMENT

At **msg global**, we remain acutely aware of the dynamic nature of our business sector and the escalating imperative for climate action. In an era where technological advancements continually enhance the capacities and efficiencies of businesses, the tech sector, including msg global, plays a pivotal role in driving digitization and automation.

However, this progress comes with heightened energy demands, underscoring the need for strong environmental stewardship to mitigate ecological impacts.

Building upon our first sustainability report, where we began the process of evaluating our energy usage and greenhouse gas emissions, we're committed to decreasing our overall GHG emissions by reducing fuel consumption and increasing the share of renewable energy sources.

Highlights 2023



2,790
tCO₂e

Total GHG
Emissions



789,676
kWh

Electricity
Consumed



103,045
liters

Fuel
Consumption

GHG Emissions



As part of our ongoing commitment to sustainability, we prioritize addressing our greenhouse gas (GHG) emissions. In our second sustainability report, building upon our initial efforts, we continue to focus on evaluating our emissions across key operational areas.

Our emissions are categorized into three scopes: Scope 1 emissions stem primarily from fuel consumption of our fleet, Scope 2 emissions arise from electricity usage at our premises and data centers, and Scope 3 emissions are currently presented as the emissions resulting from business travel.

Despite our commitment to reducing emissions, we encountered challenges in meeting our goals for emission reduction. Regrettably, instead of achieving our targets, we experienced an increase in emissions. This was partly attributed to factors such as accelerated business expansion and heightened operational demands.

To address these challenges, we are intensifying our efforts to improve data accuracy and analysis. Using advance software, SAP Sustainability Control Tower, we streamline data collection, calculation and analysis processes, enabling us to make informed decisions and develop targeted strategies for emission reduction.

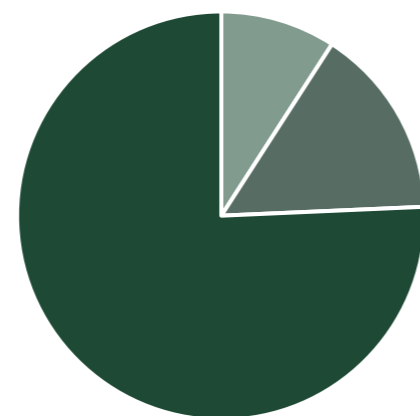
In parallel, we are implementing a range of initiatives to curb energy consumption and reduce GHG emissions. These initiatives include upgrading lighting systems to energy-efficient alternatives, optimizing building operations for enhanced energy performance, and promoting telecommuting policies to minimize business travel emissions. Additionally, we are exploring opportunities to integrate renewable energy sources into our operations, with a focus on investing in renewable energy procurement and infrastructure.

GHG Emissions (tCO2e)	
Scope 1	254
Scope 2	423
Scope 3	2,112
Total	2,790

2,790

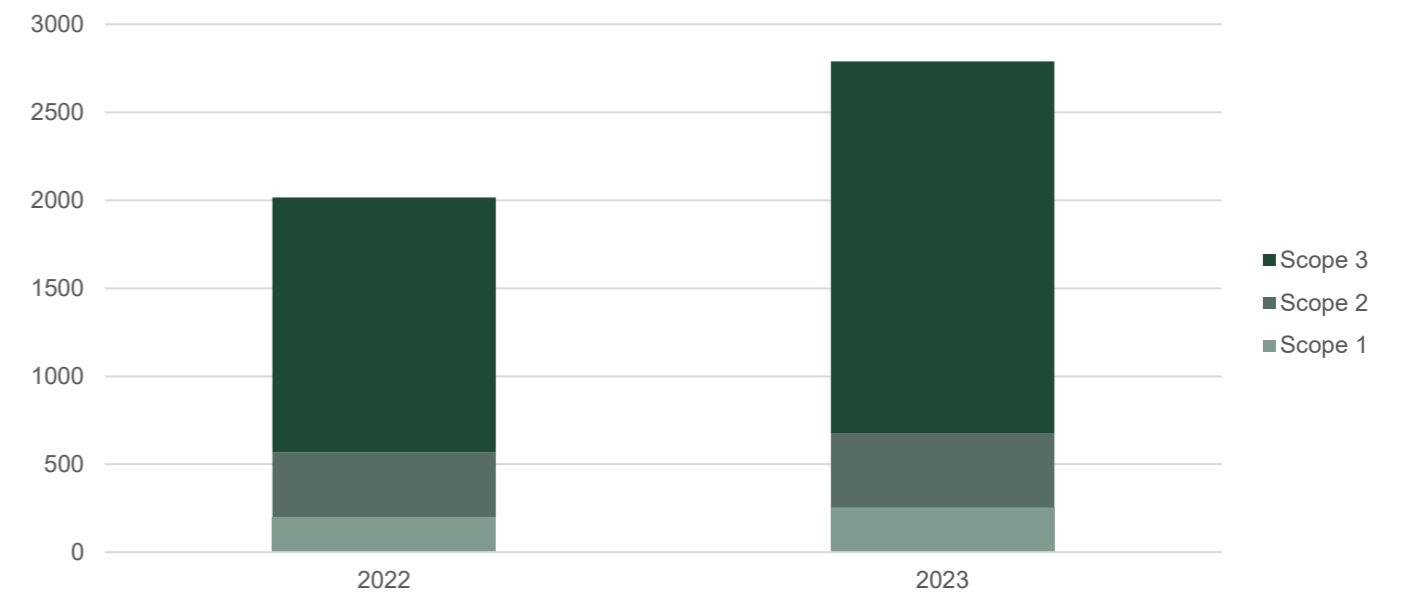
Total GHG emissions in 2023 (tCO2e)

Total GHG emissions



■ Scope 1 ■ Scope 2 ■ Scope 3

GHG emissions by year

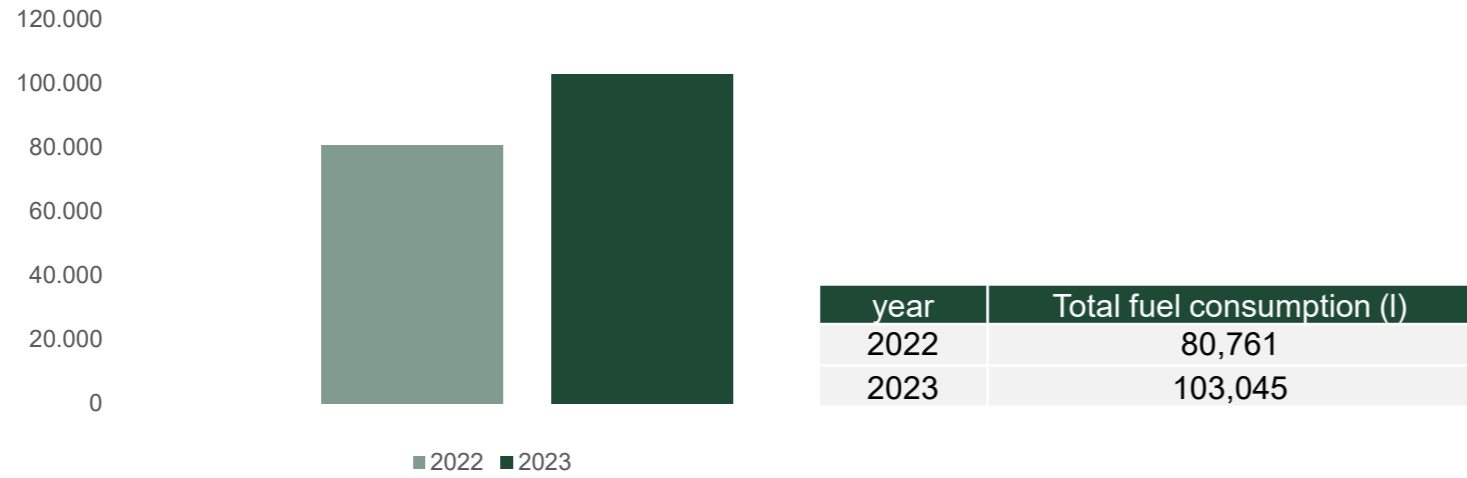


GHG Emissions

Scope 1 emissions

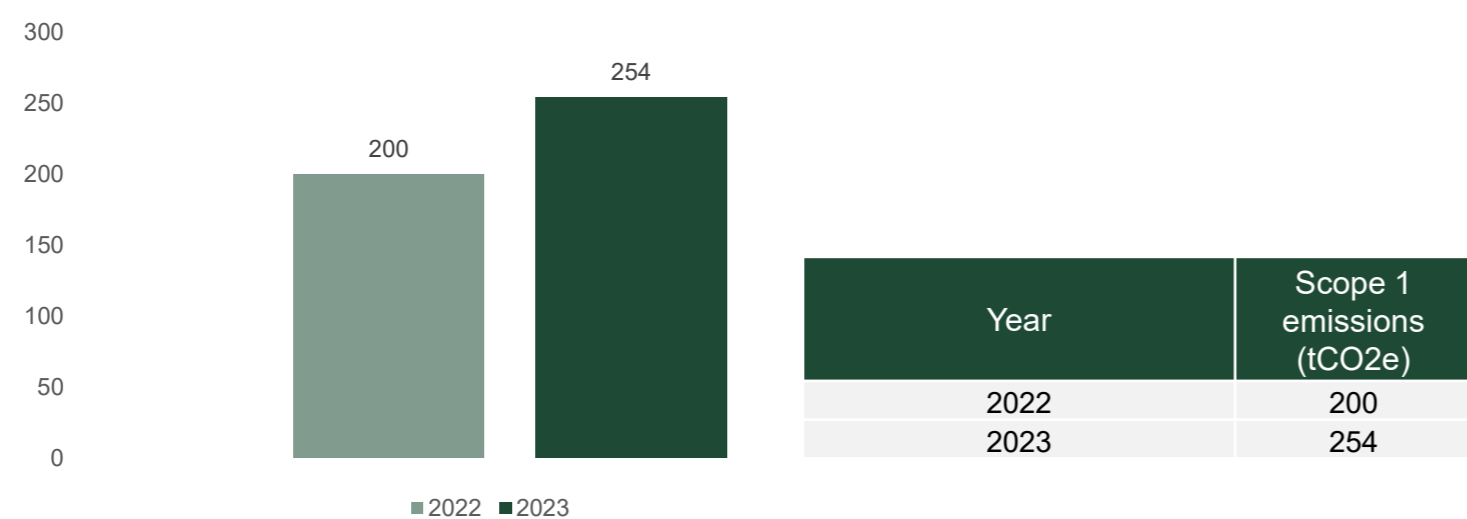
Our company vehicles are the primary source of our Scope 1 emissions. Despite reducing the overall number of vehicles from 97 to 92 in 2023, our fuel consumption has increased. This can be attributed to increased demand for our services and expansion of our business activities.

Total fuel consumption (l)



We have started few initiatives towards reducing fuel consumption and overall GHG emissions. We implemented a "Green Fleet Policy" towards the end of 2023. This policy prioritizes the purchase of EVs where infrastructure allows, fostering a long-term shift towards a more sustainable fleet. While this policy is recent, we anticipate its positive impact on fuel consumption and Scope 1 emissions (directly arising from our fleet) to be reflected in future reports. Two of our entities are already using electric vehicles and we are looking forward to expand our EV fleet.

Scope 1 emissions (tCO2e)



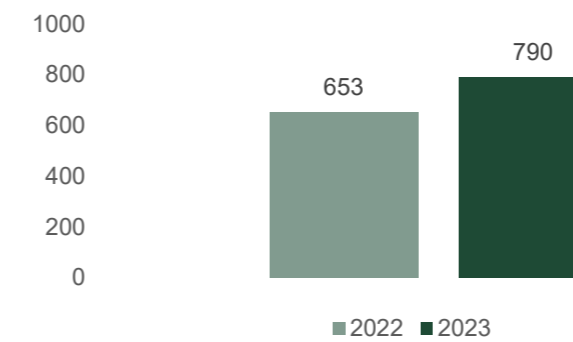
GHG Emissions

Scope 2 emissions

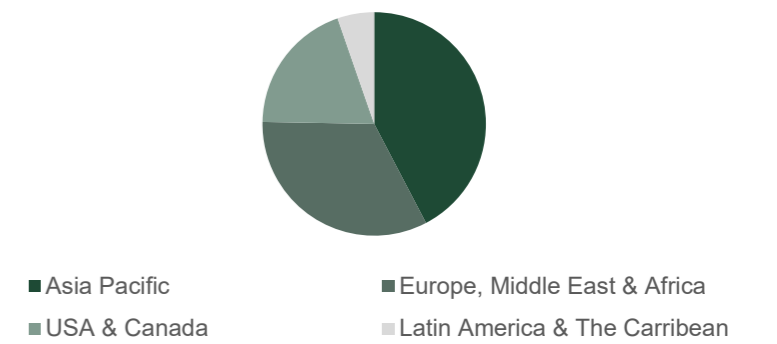
Our geographically diverse operations, spanning across 24 countries, present a significant challenge in comprehensively tracking and measuring our electricity consumption. While we've made significant progress in establishing a monitoring system, we continuously strive for even greater accuracy in our data collection.

Our electricity consumption for 2023 increased by 21% compared to last year. This rise might be due to the gradual return of employees to our offices following the COVID-19 pandemic. We are actively investigating this and exploring ways to optimize energy use as our workplace model evolves, alongside assessing renewable energy alternatives across our markets.

Total electricity consumption (MWh)



Total electricity consumption by region (MWh)



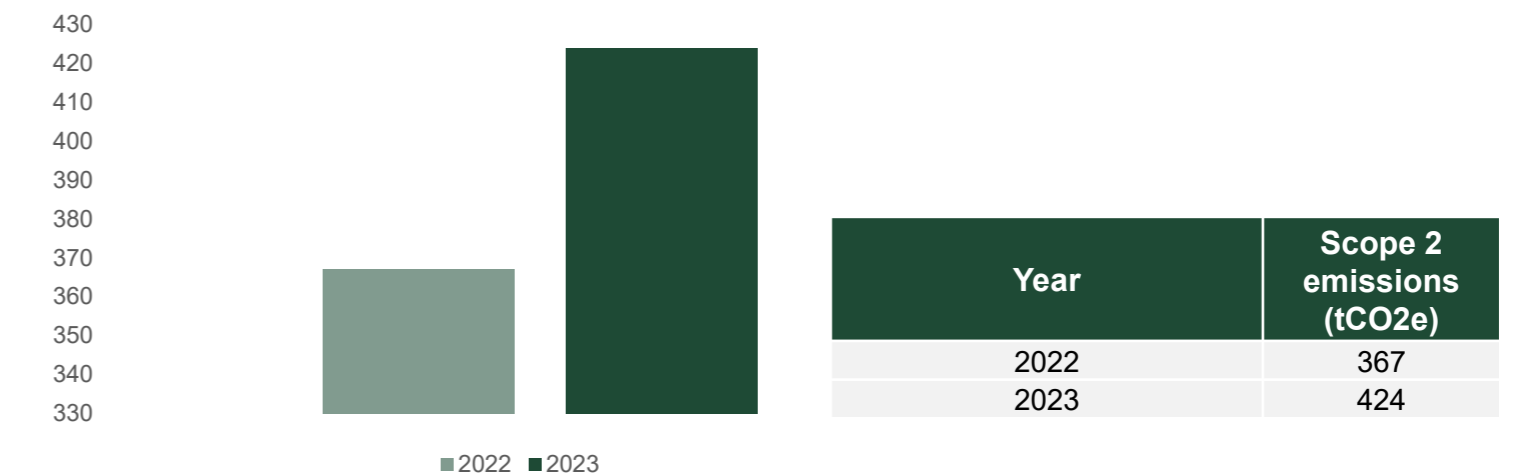
Total electricity consumption (MWh)

2022	653
2023	790

Total electricity consumption by region (MWh)

Asia Pacific	334
Europe, Middle East & Africa	260
USA & Canada	153
Latin America & The Caribbean	42

Scope 2 emissions (tCO2e)



TARGET 7-3
7 ENERGY EFFICIENCY
DOUBLE THE IMPROVEMENT IN ENERGY EFFICIENCY

TARGET 9-4
9 INDUSTRY INFRASTRUCTURE
UPGRADE ALL INDUSTRIES AND INFRASTRUCTURES FOR SUSTAINABILITY

TARGET 11-6
11 SUSTAINABLE CITIES AND COMMUNITIES
REDUCE THE ENVIRONMENTAL IMPACT OF CITIES

TARGET 12-6
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
ENCOURAGE COMPANIES TO ADOPT SUSTAINABLE PRACTICES AND SUSTAINABILITY REPORTING

TARGET 13-2
13 CLIMATE ACTION
INTEGRATE CLIMATE CHANGE MEASURES INTO POLICIES AND PLANNING

GHG Emissions

Scope 3 emissions

In 2023 we witnessed a significant rise of 46% in business travel emissions. This reflects a return to pre-pandemic activity levels as business needs and client demands for on-site visits have grown. Additionally, we've made significant strides in improving our data collection methods, potentially contributing to a more accurate picture of our travel footprint.

While acknowledging the importance of business travel for collaboration and maintaining client relationships, we are taking the following steps to reduce our Scope 3 emissions:

- Prioritizing Virtual Collaboration**

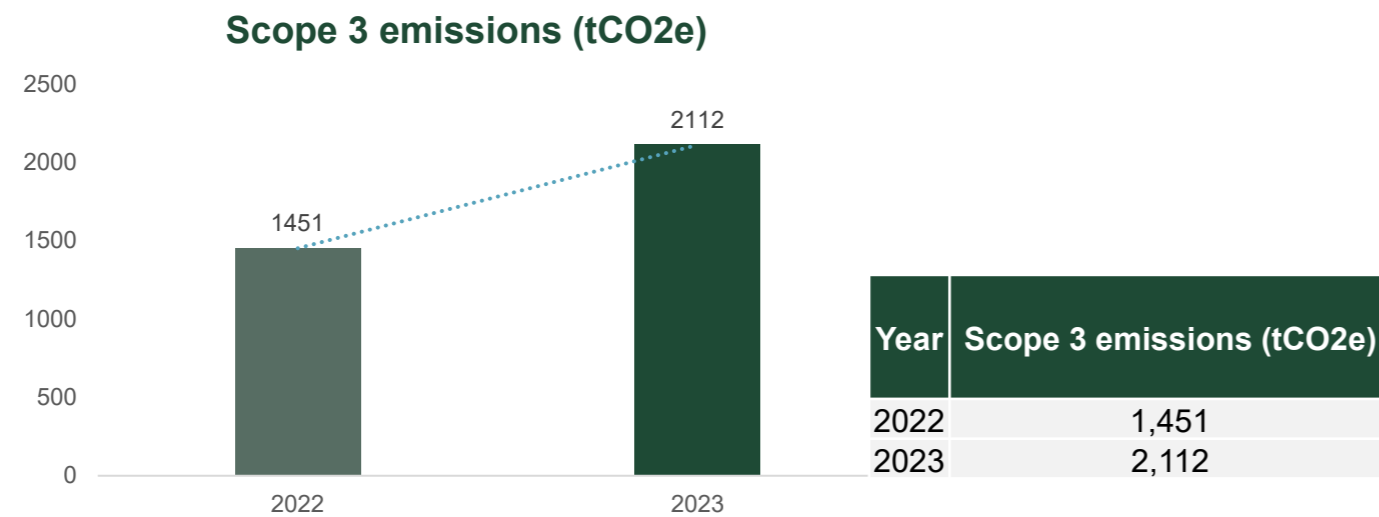
We are actively promoting the use of advanced video conferencing and collaboration tools to reduce unnecessary travel. This fosters efficient communication and geographical flexibility.

- Travel Policy Enhancement**

We are exploring the possibility of introducing travel policies to encourage environmentally responsible choices. This could involve opting for fuel-efficient transportation, giving priority to direct flights, and investigating options such as carbon offset programs for necessary travel.

- Expanding Our Scope**

We recognize the broader impact of our value chain. Beyond business travel, we are actively exploring methodologies to calculate and report on other categories of Scope 3 emissions in future reports.



Energy Consumption

Direct and indirect energy (in kWh)

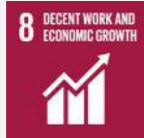
We analyzed the energy consumption trends across our global operations, encompassing both electricity and fuel usage. Comparing the figures from 2022 to 2023, we observe an increase in total energy consumption of 25%.

This rise is evident across various countries, primarily attributed to the return of employees to office spaces following a period of remote work, alongside increased client visits and engagements.

For Spain, it's noteworthy to mention that in 2022, there was no office space operational; however, in 2023, we established a new office, leading to a significant increase in energy consumption as operations commenced.

We will delve deeper into this analysis and explore opportunities to reducing our environmental footprint and enhancing energy efficiency across all our entities.

Country	2022			2023			Change 2022 → 2023
	Electricity (kWh)	Fuels (kWh)	Total energy consumption (kWh)	Electricity (kWh)	Fuels (kWh)	Total energy consumption (kWh)	
Bulgaria	43,236	0	43,236	29,766	0	29,766	-31%
Brazil	36,740	140,565	177,305	38,640	83,793	122,433	-31%
Canada	14,076	0	14,076	20,843	0	20,843	48%
Switzerland	2,025	0	2,025	2,025	0	2,025	0%
China	20,625	0	20,625	26,314	0	26,314	28%
Germany	44,173	475,603	519,776	96,875	724,414	821,289	58%
Spain	1,177	0	1,177	12,216	0	12,216	938%
France	1,831	0	1,831	4,386	0	4,386	140%
Croatia	19,291	51,882	71,173	22,850	65,691	88,541	24%
India	192,509	0	192,509	228,018	0	228,018	18%
Italy	18,435	10,891	29,326	16,208	12,087	28,295	-4%
Mexico	1,549	0	1,549	3,750	0	3,750	142%
Netherlands	11,708	62,410	74,118	14,988	57,173	72,161	-3%
Philippines	51,723	0	51,723	62,273	0	62,273	20%
Poland	7,647	0	7,647	8,787	0	8,787	15%
Portugal	0	6,696	6,696	0	7,242	7,242	8%
Serbia	33,930	17,097	51,027	51,887	27,319	79,206	55%
Singapore	20,797	0	20,797	17,729	0	17,729	-15%
United States	131,119	0	131,119	132,118	0	132,118	1%
Total	652,590	765,144	1,417,734	789,673	977,719	1,767,392	25%



SOCIAL

We believe that corporate social responsibility extends beyond our environmental impact. It encompasses our dedication to the well-being of our employees, the communities we serve, and the broader society. In this section of our sustainability report, we will explore the social dimensions of our operations, focusing on key areas and initiatives.

The recognition of social responsibility has grown significantly among companies and investors worldwide. We understand that fostering diversity and inclusion, promoting ethical business practices, ensuring health and safety in the workplace, and nurturing talent development are essential for long-term sustainability and success. These commitments shape our approach as we strive to create an inclusive and ethical work environment that unlocks the full potential of our workforce.

Within this report, we will conduct a thorough analysis of how **msg global solutions** addresses these social issues. We will highlight our initiatives and policies that promote diversity and inclusion, cultivate a culture of ethical conduct, prioritize health and safety, and drive talent development. Furthermore, we will assess the outcomes and impact of these efforts, celebrating our achievements while recognizing the challenges that lie ahead.

Through this comprehensive examination of our social responsibility practices, we aim to showcase our commitment to positive change and the generation of sustainable value. By upholding transparency and accountability, we continuously seek to improve and contribute to a more inclusive, ethical, and socially responsible future for our employees, stakeholders, and society at large.

Highlights 2023



1,434
Employees



58,646
Hours of training



4
Work-related injury

Our People

Employees



We are proud to be a company that operates globally, with a presence spanning multiple countries and regions. By December 31, 2023, our dedicated team consisted of 1,434 employees worldwide.

- 694 colleagues were based in Europe.
- 195 in the Americas region.
- 545 in Asia & Pacific region.

Recruitment

We take great care in our recruitment practices, recognizing the critical role the employees play in shaping our future. At **msg global** we seek out the best talent, valuing their unique skills, experiences and perspectives. We not only prioritize hiring individuals with exceptional qualifications, but we seek to attract diverse talent, fostering an environment that embraces different perspectives and experiences. Additionally, we prioritize offering equal opportunities and promoting diversity, ensuring fairness and inclusivity in our recruitment practices. We actively promote the acquisition of young talent. By providing opportunities for young individuals to join our company, we enable them to gain valuable experience and at the same time contribute fresh ideas. By building a strong and diverse team, we empower our employees to deliver innovative solutions that address complex challenges while upholding our sustainability goals.

Recruitment policy

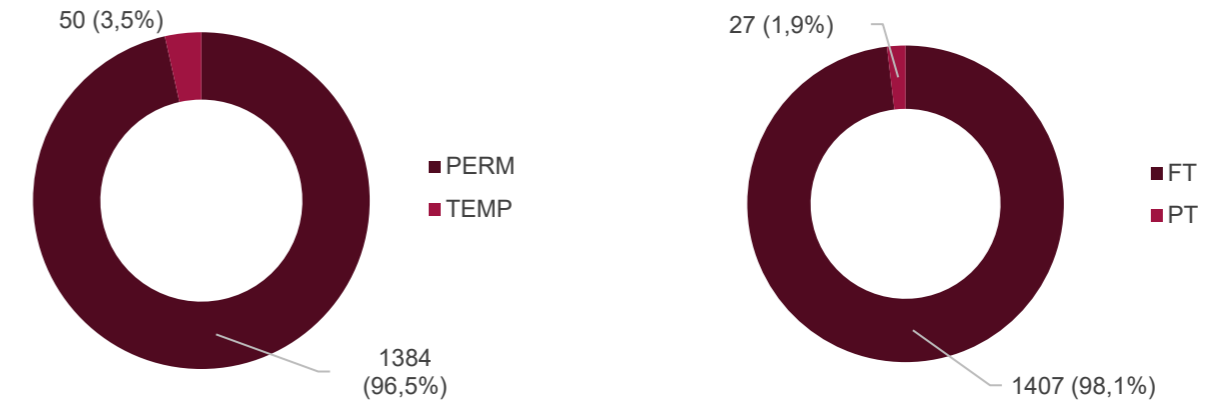
We established a global policy to outline the standard expected practices for the recruitment and hiring process while allowing legally required local deviations where applicable. The policy describes the process of planning the recruiting needs from a business perspective and attracting sourcing selecting, and hiring external job candidates.

In accordance with the requirement of our security standards and clients security requirements, we are obliged to conduct an employee background check when the business demands it.



Type of contract

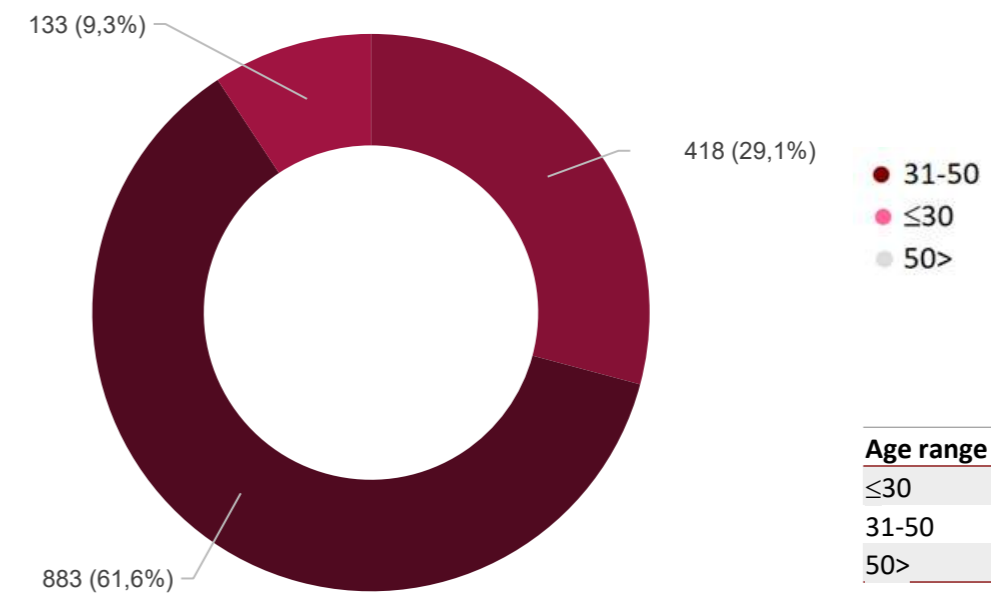
Within our workforce, we have a total of 1,384 individuals employed under permanent contracts, while 50 individuals contribute to our team through temporary engagements. In addition to our core staff, we occasionally engage third-party suppliers and advisors to provide additional support as needed.



Employees by gender and age



In terms of gender distribution, **msg global** has 63% male colleagues and 37% female colleagues. Additionally, our workforce was categorized by age range as follows:



Age range	Women	Men
≤30	192	226
31-50	308	575
>50	33	100
Total	533	901

Our People

Employee Career Level



The success of our company is driven by the dedication and expertise of our employees. Our commitment to promoting sustainability and creating a positive work environment applies to all roles within our organization, and to all job levels, from entry-level positions to executive leadership.

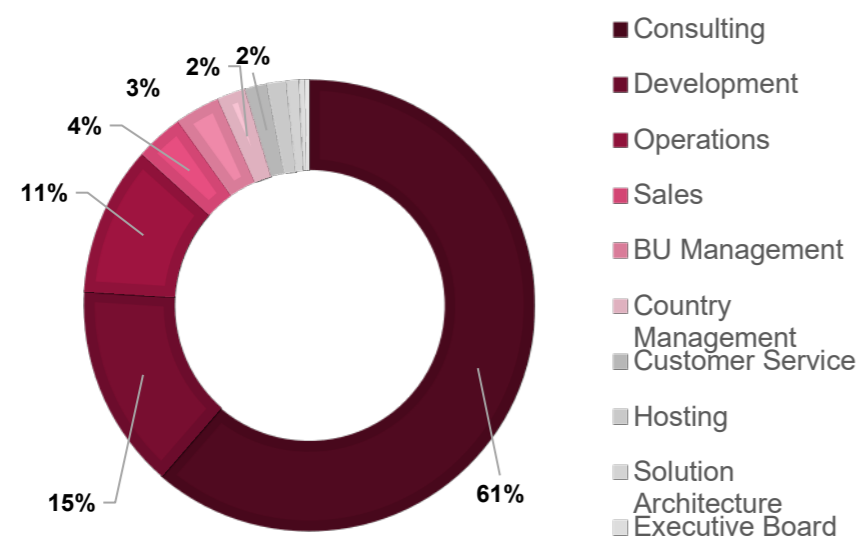
We have eight career levels, starting from L0 and progressing to Executive. At msg global, we emphasize the career development of our employees and have implemented a structured Performance Management Process to manage both the performance and development of individual employees on the one hand and to set the direction for setting organizational goals on the other hand.

Each level represents an opportunity for career growth and advancement, and we are committed to providing employees with the necessary resources, training, and development opportunities to succeed in their roles and advance their careers.

As they progress through the various career levels, employees receive increasingly complex and challenging assignments, with opportunities to lead projects and teams, gain exposure to different areas of the business, and take on new responsibilities.

Consultants make up most of our workforce, but we recognize the significance of providing all our employees with the necessary resources and support to excel in their roles. We invest in their professional development by offering extensive training, mentorship programs, and regular feedback sessions to ensure they possess the knowledge and skills to provide exceptional services to our clients.

In general, our Career Model is based on Career Levels and Job Families, which combined allow a role-specific framework.



Our gender distribution by professional and level category are shown in the table below:

Professional category	Women	Men
Consulting	309	571
Operations	103	50
Development	76	134
Sales	12	38
Customer Service	12	11
BU Management	10	36
Country Management	7	22
Solution Architecture	2	11
Hosting	1	19
Executive Board	1	5
Project Management	0	4
Grand Total	533	901

The Performance Management Process Phases

Performance Assessment: Pertains to the process where the employee first completes a mandatory self-assessment and second, the manager assesses the employee.

Performance Calibration: Ensures fairness and objectivity in the decision-making process by applying the same standards for performance rating and promotion across all employees.

Performance Appraisal: This is a structured, annual discussion between the employee and their manager where the employee's performance from the previous year is assessed, and targets of the previous year are evaluated. New targets are set in relation to specific pre-established organizational targets. The appraisal also includes an individual career development review, including training and development opportunities as well as a compensation review.

Remuneration planning is based on several factors, such as individual employee performance, local market benchmarking, salary ranges per career level, and the overall budget and company strategy.

The remuneration is split into fixed and variable pay. The recommended ratio of fixed vs. variable salary is the following. Deviations are possible based on local practices:

- Levels 1-2: 90 / 10 %
- Levels 3-4: 80 / 20 %
- Levels 5-6: 70 / 30 %



Our People

The variable salary is based on the individual target achievement and the targets are set with each employee on an annual basis in the mandatory appraisal meeting between the employee and their respective Line Manager.

The EBIT is one part of the standard targets of each employee. The msg global EBIT (Earnings Before Interests & Tax) is defined by the msg global Executive Board based on the financial forecast for the year. This target promotes collaboration and shared goals of msg global as a whole and is shared by all job families. EBIT for the year 2023 was set to 22.3m EUR.

Tailor-made targets give additional flexibility when setting up targets for employees. As a general rule, those are quality targets that can be set in many ways. They can be made of only one or several sub-targets. Still, each target needs to have a precise set percentage, and all must follow the so-called SMART criteria, meaning the targets need to be Specific, Measurable, Achievable, Relevant, and Time-Bound.

Targets specific to a particular role or job family can be one or more of the following: a Team (or Department) target, Project Margin (for project managers), Revenue (for Country Management, BU Heads), and/or Utilization (for BU Heads).

SuccessFactors supports the usage of our incentive model through performance management.



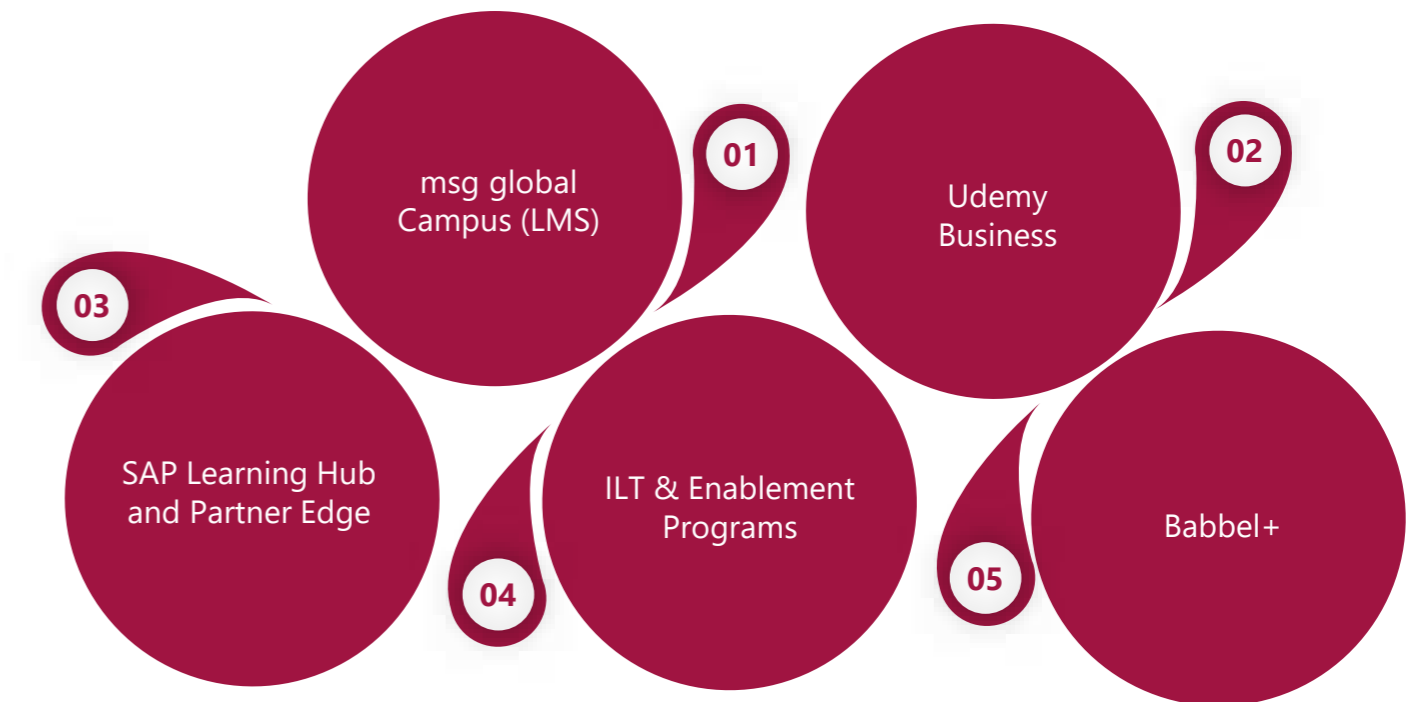
Training

We understand that investing in our employees' professional growth not only enhances productivity but also contributes to their happiness and long-term retention. By providing comprehensive training programs, mentorship opportunities, and regular feedback sessions, we ensure that our workforce at msg possesses the necessary knowledge and skills to deliver exceptional services to our clients. We believe that continuous learning and upskilling are essential to staying competitive in today's corporate landscape, enabling us to meet the evolving demands of consumers and markets.

Vision: Educate our (SAP) expert network of the future!

Mission: Drive sustainable growth through knowledge management and educational services.

Regarding training and development, msg global has a broad portfolio of offerings:



58,646
Total training hours in 2023



40.89
Average training hours per employee

Our People



Employee Survey

In 2023 we conducted another annual Culture Survey, to capture insights following a year of continuous enhancement. The survey ran for two weeks from November 6 to 19, 2023. We captured the organizational pulse in many relevant categories, including daily tasks, employer relations, teamwork dynamics, diversity, leadership, and opportunities for professional growth. 77% of the workforce engaged in this initiative, signaling a continuously robust level of participation. The findings depicted an upward trajectory across most surveyed domains, indicating msg global's commitment to driving employee engagement topics, which are pivotal for an overall satisfying employee experience. We deeply cherish the input of our team members, who enormously contribute to our commitment to sustainability and ongoing improvement of our culture and teams.

Benefits

We prioritize the well-being and satisfaction of our employees by offering a range of benefits tailored to local conditions and industry benchmarks and we keep current on newest trends in this regard. . Additionally, we have implemented several global programs to further enhance our employees' experience. One such program is "Jobs for Friends," a referral program where employees who refer a new colleague, subsequently employed permanently and successfully completing the probation period, are rewarded with a referral bonus.

We also recognize the dedication of our long-term colleagues through the Employee Recognition Model, which acknowledges their service at the 5, 10, and 15-year milestones. In order to support a healthy work-life balance, we have established a Telecommuting Policy that outlines a hybrid working model designed to cater to the diverse needs of our employees. This policy allows for a flexible approach to work, providing individuals with the option to work remotely or from the office based on their specific requirements and preferences. By implementing this policy, we aim to create a conducive work environment that enables our employees to achieve a better balance between their personal and professional lives.

Moreover, we consistently arrange team events, kickoffs, and gatherings at both the country and business unit levels, fostering strong bonds and a shared sense of belonging among our employees. These regular events serve as opportunities for our teams to come together, celebrate achievements, build relationships, and cultivate a positive and inclusive work culture within our organization.

Global Mobility

During 2023, the Global Mobility team was coordinating international mobility topics and implemented the updated versions of the International Assignment Procedure and Relocation Policy within our msg global entities. Global Mobility managed to successfully relocate employees across the globe, among others to Spain, the Netherlands, Singapore , Switzerland and Australia.

Over the course of the year, the major task of the Global mobility team was to provide more clarity in the international mobility processes, to define the rights and obligations of the involved parties and to set specific responsibilities for the stakeholders in both relocation and assignment cases.

Relocation Policy: Regulates the permanent relocation of our colleagues from one msg global entity to another. The Policy describes two types of relocation: "Business Need" and "Triggered by the Employee", defines the responsibilities, the approval process and the mandatory steps and actions.

Assignment Policy: Regulates the work processes to our colleagues who are temporarily assigned abroad to work in another msg global entity or on client's premises. The procedure gives an overview of the two types of assignments: "Short-term assignment" and "Long-term assignment". It clearly sets the responsibilities during the assignment process and lists potential benefits and support provided by the company.

In 2023, the Global Mobility team also initiated the preparation of a Global Mobility training which was launched in February and is accessible to msg global's Line Managers, Country Managers, Project Managers, and HR.



Diversity, Equity & Inclusion



Our Commitment

From each corner of the world – our employees are as unique as the continents where they live. Diversity is what makes msg global great. We value diversity and strive to maintain an inclusive environment. We are better able to serve our clients because of, not in spite of, our differences; culture, religion, gender, gender identity, age, race, sexual orientation, abilities, disabilities, and any other dimension of diversity. We endeavor to be equitable in our treatment of each member of our team. We take this seriously and work each day to provide our employees and our clients a diverse, equitable, and inclusive company.

DE&I Policy

msg global also introduced a [DE&I policy](#). This policy explains how we will make our workplace diverse and ensure that it is inclusive. The purpose of this policy is to support and facilitate an inclusive environment that embraces all that makes us different and recognizes the benefits that these differences make. Details on responsibilities, definitions, DE&I in recruitment, training and career development, as well as the procedure for resolving complaints can be found there.

Gender Equality Commitment

Our target by 2030:

46%
of women by 2030

36%
of women at L3-L6 positions by 2030



DE&I Training

As part of our commitment to diversity, equity, and inclusion, we introduced mandatory DE&I training last year, covering unconscious bias, cultural competence, and respectful communication. This year, we committed to further enhancing our employees' skills and understanding across our five Global DE&I Pillars. We are excited to share that in October, we launched our Wellbeing training course. This program was designed to support the holistic health and wellness of our employees, emphasizing the importance of self-care. Over the next year we plan to rollout additional training courses focusing on our remaining four Pillars: Price, Culture, Access, and Empowerment.

Global DE&I Pillars

This year marked a transformative chapter in our ongoing commitment to diversity, equity, and inclusion, as we proudly introduced five foundational Global Pillars: Access, Culture, Empowerment, Pride, and Wellbeing. These pillars stand at the core of our organizational values, guiding every facet of our DE&I initiatives. Embracing Access aims to integrate our employees with disabilities, both visible and invisible, and raise awareness of the prejudices globally and seek to eliminate them. Our dedication to Culture aims to create a space where all cultures are embraced and where we can learn from each other's differences while understanding the economic inequality and structural racism that exists globally. Through Empowerment we focus on helping women progress within the organization and achieve the highest levels of success while understanding that, globally, there is gender inequality. Pride focuses on the inclusion of our LGBTQIA+ employees and raises awareness of the challenges they face globally, while ensuring a safe space where all msg global employees can be comfortable being their authentic selves. Simultaneously, our Wellbeing pillar focuses on the mental wellbeing of our employees, addressing important mental health topics related to our work environment and how to positively impact the mental health of our msg global community.



ACCESS

Aims to integrate our employees with disabilities, both visible and invisible, and raise awareness of the prejudices globally and seek to eliminate them.



CULTURE

Aims to create a space where all cultures are embraced and where we can learn from each other's differences while understanding the economic inequality and structural racism that exists globally.



GENDER

Focus on helping women progress within the organization and achieve the highest levels of success while understanding that, globally, there is gender inequality.



PRIDE

Focus on the inclusion of our LGBTQIA+ employees and raise awareness of the challenges they face globally, while ensuring a safe space where all msg global employees can be comfortable being their authentic selves.



WELLBEING

Focus on the mental wellbeing of our employees, addressing important mental health topics related to our work environment and how to positively impact the mental health of our msg global community.

Health & Safety



We are dedicated to fostering a healthy and safe workplace environment for all our employees. Our commitment extends to promoting both their mental and physical well-being, as well as emphasizing the importance of work-life balance and stress management. By prioritizing these aspects, we aim to cultivate an atmosphere that supports high productivity and maintains positive morale among our workforce.

Travel Health Insurance

We also have group-wide travel health insurance in place. This insurance policy provides protection to employees who are injured while on a business trip abroad. All accidents and acute illnesses that occur during the international stay are covered.

International SOS

International SOS is our partner in providing 24/7 assistance service and access to medical information and treatment in case of emergency to our colleagues before, during, and after a business trip. Emergencies are defined as acute medical conditions, man-made or natural disasters. It complements the Travel Health Insurance and provides support in making sure a person gets rescued and/or receives the required medical treatment in time.

Work-related injuries

We understand the importance of maintaining a safe and secure work environment, and we take proactive measures to prevent work-related injuries and promote employees' well-being. While the nature of our IT and consulting industry entails minimal risks, we remain dedicated to upholding the highest standards of workplace safety. In the business year 2023, we documented a total of four work-related injury within our workforce, highlighting our commitment to maintaining a safe workplace. We believe that by providing a safe and healthy work environment, we not only protect the well-being of our employees but also foster a culture of productivity, satisfaction, and long-term success.





GOVERNANCE

The governance aspect of ESG refers to the systems, structures and processes that guarantee that our company operates in an ethical and transparent way and with accountability to all of our stakeholders. By implementing strong governance practices and processes, which are periodically reviewed and updated, we mitigate risk, make informed decisions, and build a sustainable future together.

Good governance is a crucial aspect of sustainability and responsible business practices. It encompasses the structures, processes, and policies that guide the decision-making and operations of a company. In this sustainability report for msg global solutions (hereinafter msg global), we will delve into the governance practices and principles that shape the company's approach to sustainable business. We will explore how our company establishes and keeps updated transparent and accountable governance mechanisms, aligns its practices with industry standards and regulations, and fosters a culture of ethical conduct and integrity. By examining msg global's governance framework, we aim to provide stakeholders with insights into the company's commitment to sound governance practices and its role in driving long-term value creation while maintaining social and environmental responsibility.



100%
Anticorruption training



0
Incident of corruption



Code of Conduct

msg global's Code of Conduct displays our guiding set of principles that outlines the ethical standards as well as rules and regulations for behavior in all of our business areas. msg global companies are committed to the values of partnership, integrity and commitment in all they do. High standards of conduct are important in maintaining the trust and confidence of our clients, shareholders, business partners, and the communities in which we live and work.

msg global's Code of Conduct defines conflict of interest, and sets limitations and provides clear instructions for employees and other stakeholders on issues such as compliance with laws and regulations, fair business behavior, respect for human rights, and fair labor practices, secondary work; management/supervisory position with other companies; personal gain, bribery, corruption; confidentiality; relationship with customers, vendors, competitors; books and records; insider information; discrimination and harassment; unacceptable behavior; alcohol and drugs usage.

By adhering to this Code of Conduct, we expect our employees to conduct themselves with both personal and professional integrity and uphold our commitment to doing business in an ethical and sustainable manner. There is a mandatory Code of Conduct training for all employees.

Supplier Code of Conduct

We understand that our suppliers play an essential role in helping us achieve our sustainability goals. To ensure that our suppliers share our commitment to ethical and sustainable practices, we have established a Supplier Code of Conduct. msg global requires all its suppliers, service providers, and persons who act or are used on behalf of msg global to comply with all of the requirements therein, which are attached to every contract.

The Supplier Code of Conduct specifies our expectations for responsible sourcing, environmental sustainability, labor and human rights, and business integrity and is signed by all our entities, including, in particular, compliance with the relevant national and international laws, ordinances, and other regulations, as well as recognized fundamental standards for occupational safety, health and environmental protection, labor rights, and human rights, as well as responsible Corporate Governance. We can build a more ethical and sustainable supply chain, reduce risk, and have a beneficial influence on society and the environment by collaborating with suppliers that share our values.

Anti-Corruption

msg global is subject to a number of anti-corruption provisions, standards and regulations and laws in the course of its business activities and in the various jurisdictions in which msg global does business. To ensure compliance with all such provisions, standards and regulations and laws, msg global has established internal rules and processes that govern internal controls to ensure compliance with all applicable anti-bribery and anti-corruption regulations.

Preventing corruption is one of the major topics in our Code of Conduct training. We act along the related implementation procedures and processes that promote and ensure compliance with all corruption requirements relevant and applicable to msg global. We educate our employees about ethical principles and anti-corruption regulations, and we expect all msg global employees to be aware of and comply with this policy. It is important to show transparency and create accountability within our organization in order to promote integrity and responsible behavior from everyone.

Here are some statistics related to corruption:



msg global is committed to conducting business ethically and with integrity. To such effects, msg global implemented a whistleblowing system with a accompanying policy, designed to ensure that any employee can raise concerns about wrongdoing or malpractice within the msg global without fear of victimization, subsequent discrimination, disadvantage, or dismissal.

Such policy describes the process for those who become aware of wrongdoing in the msg global affecting the company and other persons, to report their concerns at the earliest opportunity via the whistleblower tool established to such ends, so that they can be properly investigated.



Human Rights

As a responsible and sustainable organization, we recognize the importance of respecting and upholding human rights in all our operations and business activities. Our commitment to human rights is grounded in the fundamental principle that all human beings are entitled to dignity, respect, and fair treatment. Furthermore, we seek to ensure that our suppliers and business partners uphold these same values and principles.

ILO

As part of our commitment to DE&I and promoting fair labor practices, our msg global entities have signed commitments to comply with the International Labor Organization's (ILO) Core Labor Standards. Those standards are internationally recognized and include, among others, the freedom of association, non-discrimination, and the prevention of forced or compulsory labor, child labor, or any violations involving the rights of indigenous peoples.

We believe that fair labor practices are crucial for the well-being of our employees and the long-term sustainability and success of our company, which is why msg global commits to supporting and ensuring a diverse, equitable and inclusive workplace.

Data Security & Privacy

We take reasonable physical, administrative, procedural, and technical measures to protect personal data under our control from loss, misuse, and unauthorized access, disclosure, alteration, and destruction.

We continually take appropriate security measures to protect personal data in accordance with the GDPR and other relevant data protection laws.

msg global applies the best industry standards regarding data protection and has established an Information Security Management System (ISMS) in accordance with ISO 27001:2013 standard, with a full scope of controls implemented.

As required by law, msg global informs its employees and job candidates, through the Employee Data Protection Policy and Job Applicant Privacy Policy respectively, on how we process their personal data, including the technical and organizational measures in place to ensure its protection.

We have documented the technical and organizational measures (TOMs) applicable to each one of our entities worldwide tailored to their specific requirements and needs. These TOMs are updated at least annually. Early updates may be made due to changes in legislation or when deemed necessary, for example when the systems used are modified.

msg global solutions has also established relevant guidelines for the use, storage, and handling of electronic data within the Corporate Documents and Storage Policy which includes different documents and types of storage.

Our company is deeply committed to information security awareness, especially when sensitive personal data is involved. All employees must annually complete trainings regarding data protection and are obliged to maintain confidentiality when having access to any type of personal data of other employees, customers and third parties.

The Data Protection Officer (DPO) appointed by the company advises business units on possible data protection risks and information security issues by identifying potential threats of non-compliance and recommending measures to alleviate them.

In the event of a security breach leading to accidental or unlawful destruction, loss, alteration, unauthorized disclosure, or unauthorized access to personal data, msg global will immediately assess the risk to the rights and freedoms of the data subjects and, if applicable, notify this breach to the competent supervisory authority and/or the affected data subjects.



Corporate Social Responsibility Initiatives

At **msg global solutions**, we are committed to integrating CSR initiatives into our operations and fostering sustainable and continuous development. With the introduction of our CSR policy, we have formalized our dedication to making a positive impact on society and the environment.

Promoting Sustainable Practices

We firmly believe that taking responsibility for the environment and society begins from within. To cultivate a culture driven by consciousness, we proactively motivate our employees to embrace sustainable practices. Through awareness campaigns, training programs, and engagement initiatives, we empower our team members to adopt sustainable behaviors both at work and in their personal lives. By fostering a collective commitment to environmental stewardship, we amplify our impact and contribute to a more sustainable future.

Collaboration with Stakeholders

As an IT and consulting company, we recognize the importance of collaborating with our clients, suppliers, and partners to drive sustainable change. We actively support and assist them in their sustainability journeys by offering guidance, sharing best practices, and providing resources for monitoring and managing sustainability performance. Through our advisory services and tools, we help our clients develop effective strategies, implement measurable actions, and continuously improve their environmental and social impact.

Philanthropic Donations and Non-Commercial Sponsorship

As part of our CSR policy, we have established options for philanthropic donations and non-commercial sponsorship. These initiatives enable us to contribute to social causes and support organizations that align with our values and mission. By investing in philanthropic efforts, we aim to make a meaningful difference in communities and address societal challenges.



Our Vision & Mission Statements



Mission

We focus on balancing social, environmental, and economic values in our core strategy and operations. By involving our employees, our customers, and the surrounding community, we want to improve our business while enhancing long-term social and environmental sustainability.



Vision

We strive to achieve excellence, innovation, and performance in a social and sustainable manner.

Sustainability Tip

In 2023, we introduced a new Teams series. Once a month, we inform all our colleagues about general tips & tricks in terms of sustainability as well as give updates from our offices worldwide on their ESG initiatives.

Green Fleet Policy

msg global implemented a Green Fleet Policy in 2023. This new policy marks an important step towards reducing our carbon footprint and contributing to a more sustainable future.

Our Green Fleet Policy is designed to promote eco-friendly practices in our company's transportation activities. By adopting more and more fully electric vehicles, optimizing routes, and encouraging alternative transportation options, we aim to minimize our environmental impact. As a responsible company, we recognize the urgency of addressing climate change. The Green Fleet Policy aligns with our commitment to sustainability and helps us play an important role in preserving our planet. It focuses on giving insights regarding travel planning, business trips, car leasing, and driver awareness. Every employee is a key player in this initiative and is encouraged to be mindful of their respective transportation choices and should always consider carpooling or using public transportation.





Our CSR Initiatives

One Tree Planted | msg global solutions

Together with One Tree Planted, a tree-planting charity organization, **msg global solutions** planted trees across the globe to match our headcount. The essence of this idea was to plant one tree for each new employee. We are very proud of this initiative as it showcases our commitment to our value tree and our love for nature.

The following projects have been supported this year:

- Philippines 2023 – Sorsogon Biodiversity & Watershed Restoration | enrichment planting of indigenous tree species to rehabilitate denuded forest areas and to protect endangered wildlife in the Bulusan Volcano Natural Park and the Magallanes Juban Forest Watershed Reserve
- Mexico 2023 – Monarch Area Reforestation in Michoacán | planting of trees to advance forest restoration and farmland conversion together with local communities
- Germany 2023 – Climate Resilient Restoration | reforestation of land damaged by drought, storms, and the bark beetle by planting different species to create a mixed forest that is more resilient to climate change and pests



Our CSR Initiatives

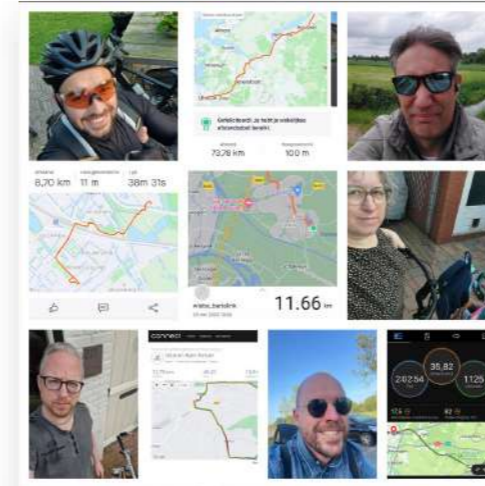
Local Initiatives | msg global solutions

Local commitment is an important pillar of our CSR efforts. We would like to showcase some of the initiatives that were organized throughout 2023.

In **Spain**, our colleagues participated in several sustainability events, among others the 1st ESG International Congress organized by the World Compliance Association in Madrid on October 19. msg global was a diamond sponsor and presented its solutions regarding sustainability management. For each customer that registered with us or visited our stand, we planted a tree with One Tree Planted. We also participated in the COP 28 in the United Arab Emirates as well as the 10th World Sustainability Forum in Basel on September 14 where we could showcase our solutions and services.

Furthermore, our colleagues in Spain engaged in a reuse and recycle initiative in our Madrid office where posters were put on the wall to inform about correct garbage separation and recycling methods. They also had a social inclusion initiative where the New Year's baskets were acquired through the Fundación Juan XXIII which helps with the social and labor inclusion of people in psychosocially vulnerable situations. In addition, the money collected from those baskets is used to provide Christmas meals to families in need.

In **Canada**, the Toronto office set up an initiative called 'Environmental Change for Future Earth'. In this project, they undertake the ongoing effort for zero use of plastic and one-time, single use materials of any kitchen necessities, recycle appropriately and re-use that which is unavoidable once it enters our premises. They also commit to minimizing printing, switch to a small printer, and reducing the overall number of items that need printing. By implementing those measures, they can already see a massive impact in terms of the environmental aspect as well as social change as this contribution not only affects our office premises but also sets an example within our staff to implement such changes also at home.



In **Benelux**, our colleagues took part in the annual Bike to Work Day. Several colleagues chose to ride their bikes to come to the office which resulted in almost 300 kms of pedal power on that day and approx. 41kg of saved CO2. Also, cans are collected and handed in at the local supermarket. The deposit is donated to a local charity that focuses on the running of special houses for homeless people where they can stay during the day.

In **Brazil**, several initiatives were implemented in the office. Bottle caps were collected and per each kilogram, the equivalent of that kilogram was then bought as dog food by a dog institution. The actual caps were transformed into dog houses among other materials. Also, seals and batteries were collected and for each 140 bottles, one wheelchair was available for donation. Our office cooperates with a ESG-responsible travel agency that neutralizes the carbon generated in its operations.



msg **India**, as part of the ESG program for 2023, supported the Underprivileged children in their educational needs and Supported the Socially ignored citizens with self sustainable income generating means through Environment friendly Electric Autos.

Disclaimer

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Indices for the GRI Standard

msg global solutions is a leading provider of innovative technology solutions and services to clients across various industries worldwide. The company is committed to promoting sustainable business practices and has taken significant steps to align itself with the Global Reporting Initiative (GRI) Standards. The GRI Standards are a set of guidelines that provide a comprehensive framework for sustainability reporting. By aligning itself with the GRI Standards, our company demonstrates its commitment to transparency, accountability, and sustainability. This alignment also enables the company to provide stakeholders with accurate, reliable, and comparable sustainability information. In this report, we explored how **msg global solutions** has aligned with the GRI Standards and the steps it has taken to promote sustainability in its operations and services.

As an IT solutions and development company, **msg global solutions** has prioritized its efforts in those GRI that are most relevant to its performance.

Nonetheless, **msg global solutions** commitment to sustainability reporting and transparency is a positive step towards promoting sustainable business practices and enhancing stakeholder trust and confidence.

ESG reporting must be transparent and comprehensible. These requirements are taken into account in our report.



SUSTAINABILITY
DISCLOSURE
DATABASE



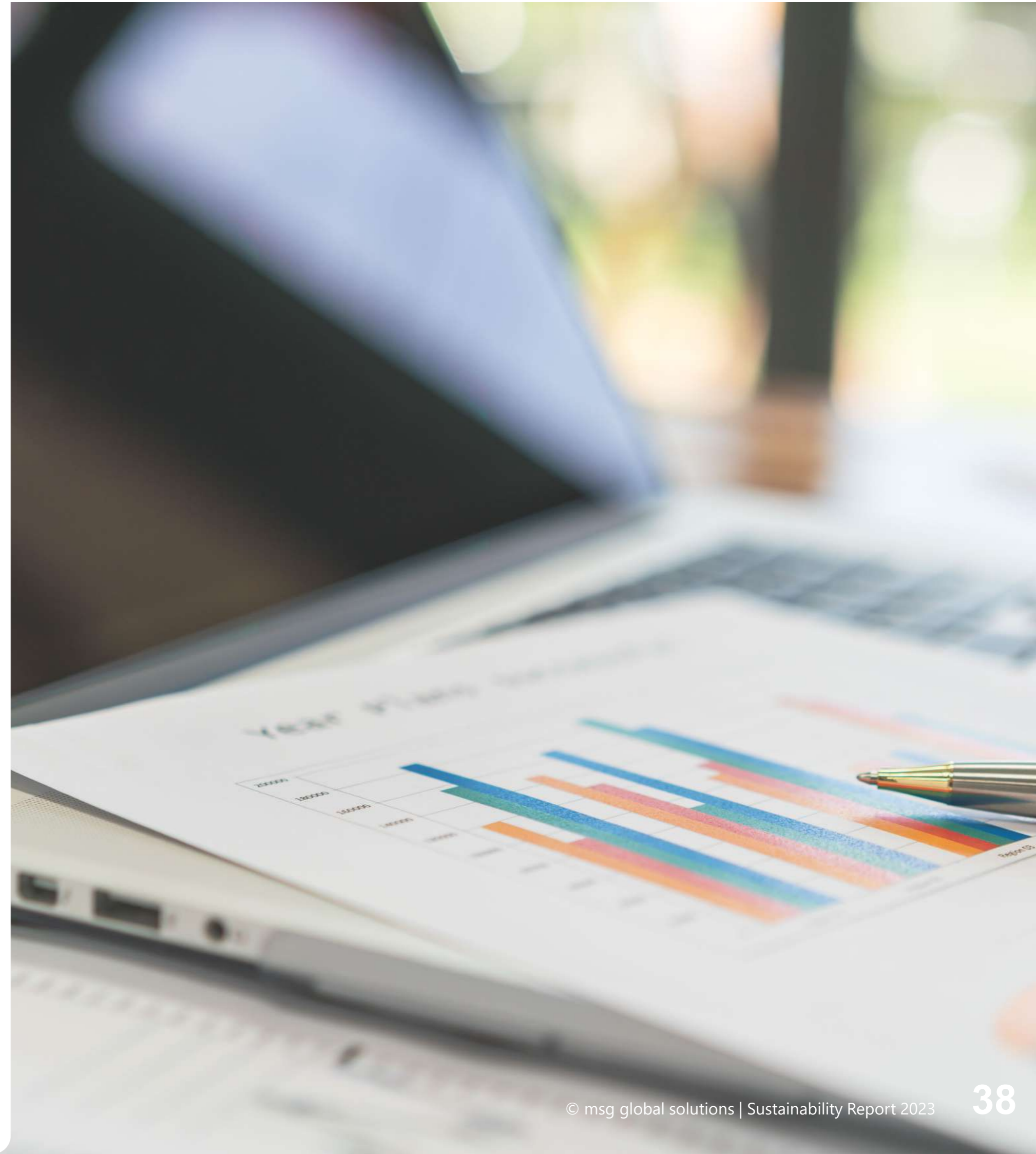
Indices for the GRI Standard

General Disclosures Standard	Disclosure	Location of Information
GRI 2: General Disclosures 2021 GRI 2: General Disclosures 2021	2-1 Organizational Details	About Us
	2-2 Entities included in the organization's sustainability reporting	About This Report
	2-3 Reporting period, frequency and contact point	About This Report
	2-4 Restatements of information	About This Report
	2-5 External assurance	About This Report
	2-6 Activities, value chain and other business relationships	About Us
	2-7 Employees	Our People
	2-8 Workers who are not employees	Our People
	2-9 Governance structure and composition	Our ESG Oversight
	2-10 Nomination and selection of the highest governance body	Our ESG Oversight
	2-11 Chair of the highest governance body	Our ESG Oversight
	2-12 Role of the highest governance body in overseeing the management of impacts	Our ESG Oversight
	2-13 Delegation of responsibility for managing impacts	Our ESG Oversight
	2-14 Role of the highest governance body in sustainability reporting	Our ESG Oversight
	2-16 Communication of critical concerns	Our ESG Oversight
	2-17 Collective knowledge of the highest governance body	Our ESG Oversight
	2-18 Evaluation of the performance of the highest governance body	Our People
	2-19 Remuneration policies	Our People
	2-20 Process to determine remuneration	Our People

General Disclosures Standard	Disclosure	Location of Information
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our People
	3-2 List of material topics	Our People
	3-3 Management of material topics	Our People
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Ethics & Compliance
	205-3 Confirmed incidents of corruption and actions taken	Ethics & Compliance
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics & Compliance
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Consumption
	302-2 Energy consumption outside of the organization	Energy Consumption
	302-3 Energy intensity	Energy Consumption
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	GHG Emissions
	305-3 Other indirect (Scope 3) GHG emissions	GHG Emissions
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Ethics & Compliance
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our People
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health & Safety
403-1 Occupational health and safety management system	403-6 Promotion of worker health	Health & Safety
	403-9 Work-related injuries	Health & Safety

Indices for the GRI Standard

General Disclosures Standard	Disclosure	Location of Information
403-1 Occupational health and safety management system	403-6 Promotion of worker health	Health & Safety
	403-9 Work-related injuries	Health & Safety
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Our People
	404-3 Percentage of employees receiving regular performance and career development reviews	Our People
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Rights
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Human Rights
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Human Rights





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