



2023— A Year in Review



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Letter From Our Chairman

Roger Hagafors,
Chairman of the Group Board & Partner

Last year, MU demonstrated our strength and sustained development despite continued financial turbulence and uncertainty in the world. In 2023, we continued to enhance our organisation and rolled out enhanced client offerings, guaranteeing clients access to the leadership development they need.

2023 Highlights

The MU Research Institute strengthened our Client Services Based on MU Leader Selection Science®

The work to develop our services, as well as validation and success-rate follow up, is run by the independent MU Research Institute (MU RI). MU RI –

together with the certified MU Experts – is the substance behind every promise we make to clients. In 2023 our client offerings based on the MU way of working, **MU Leader Selection Science®** were further developed with the launch of the updated method for tailoring of services, the **MU Predictive Analysis Method™**.

The **MU Predictive Analysis Method™**, based on the latest scientific developments in our field, assures that MU Experts and all clients benefit from highly effective services in both leader acquisition and advisory. This enhancement underlines our continuous development of MU Services, Methods, and Tools based on tested and proven solutions to clients' needs for effective leaders.

Organisational Growth and Expansion Highlights

During 2023 the development of our organisation continued. Besides the ongoing successful hiring of senior colleagues, we also acquired Delta Management Consultants GmbH, a renowned and award-winning Executive Search firm. In addition to this, the organisation was further strengthened with the addition of senior colleagues employed in Europe, North America and the Asia Pacific region. Increase in regional strength was reflected in the ongoing regionalisation of our leadership structure, supported by the enhancement of our internal leadership capacity through a number of internal promotions. In 2023 we increased the size and capacity of our team and our leadership.

New Partner Appointments

Last year we had the great pleasure of appointing 12 new Partners. The newly appointed Partners represent 5 nationalities from our global organisation. Currently, 66 employees from 15 countries are Partners representing all main global markets and industry practices. Besides being a recognition for excellent contribution to the company, the Partnership means to take on the important task of substantially contributing to and reassure the strength, sustainability and long-term survival of MU, as well as maintaining and strengthening the MU values.

The Coming Year

In the coming year, we will continue the development of the MU organisation and our client capabilities. Our strategy allows us to carefully and selectively welcome exceptional new talent to our team whilst continuously upgrading MU's services, methods, and tools. In 2024 we will launch the enhanced **MU Executive Search™** service for inclusive Leader Acquisition – ensuring the most effective and diverse leadership for our clients. With unrivalled accuracy in selection and inclusive recruitment, our clients will continue to outperform in all conditions.

Our relentless focus on client's needs, exceptional MU Experts and world-class services, methods and tools form the base for the continued increasing strength of MU.

en Mercuri Urval - Stefan Brömg
Company Board - Roger Hagafors

MULT

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out, Doris, Roger, Jörg

rship - Roger, Jörg, Robin



CEO Statement

Richard Moore,
CEO & Partner

Advancing Our Strategy for Reliable Leadership Advice™

2023 was a solid operational year and another year in which we further fortified our foundation for the future.

MU Experts worldwide continued to increase the value and so fee level of our work with clients, and clients responded with their highest-ever rating of satisfaction in our service, increasing from 89% to 91%.

In our focus segment – leadership recruitment and advisory services – the MU team increased market share, increased client value and increased client satisfaction – all in demanding economic conditions for our industry sector.

Underpinning our strategic advance in 2023 we:

- ▶ Increased our share of revenue in MU Executive Search™ to 57% (up 10 percentage points on the prior year)
- ▶ Increased revenues in MU Leadership Assessment™ by 36%
- ▶ Increased client value and so fee levels in leadership work by 6% compared to the prior year
- ▶ Increased the strength of our MU Expert Consultant team by 5% including the successful acquisition of Delta Management Consultant. Most new colleagues joined us to progress their careers from smaller search firms
- ▶ Appointed 12 colleagues to Partnership and 15 to other senior roles in MU

- ▶ Developed our organisation into a regional structure to further increase international collaboration for the benefit of colleagues and clients
- ▶ Launched two new Global Practices – “Board & CEO” and “Digital & Transformation”
- ▶ MU Research Institute continued the improvement and upgrade of our client services, notably implementing enhancements to the industry-leading MU Leadership Assessment™ and our new MU Board Analysis™ service.

We were very proud to be recognised by Deloitte and Nasdaq again as one of Sweden’s Best Managed Companies, delighted to be re-certified by DNV-GL in full compliance with ISO 10667-2 (the global standard for open, fair and valid selection and development of leaders) and recognised by Hunt Scanlon as one of the world’s top 40 Executive Search firms. In addition, our team received a large number of other extraordinary recognitions for high-quality work.

Acquiring and improving leadership that is diverse and performs effectively is the greatest challenge organisations face – and the only way they can sustainably outperform. Today our clients need effective, sustainable, and diverse leadership more than ever. We plan to continue to grow our team carefully, to continue to pioneer industry-leading tools, methods and services for MU Experts to use with clients and to safeguard our financial performance.

Key Focus Areas for Management in 2024

This year we will continue to focus on advancing our strategy to provide clients with Reliable Leadership Advice™:

- ▶ Continued strengthening of our presence in key markets, industry practices, and global reach through careful and selective hiring of senior consultants and senior delivery experts
- ▶ Launch of enhancements to our already industry-leading MU Executive Search™ service
- ▶ Further upgrading of our class-leading science-based services, including research and validation studies into Executive Search and Leadership Advisory and development and newly enhanced Leadership Team and Organisational Analysis services
- ▶ Further advancing our industry-leading quality assurance and certification regime for MU experts
- ▶ Focus on the scientific basis for predicting leader success, and inclusion and diversity
- ▶ Continued financial vigilance.



Sweden's Best Managed Companies
Deloitte



#10 in 'Europe's Top 50 ES Firms'
c-suitecvsecure.com

'19, '20, '21, '22, '23

HANDELSZEITUNG

Top Ranking ES Firm in Switzerland
Handelszeitung



Nordic Growth Company
UC



Best-Known ES Firm in Finland
FEX Suorahakuryitykset Ry



#1 'Top-of-Mind ES Firm'
EssenceMediacom



#2 'First-Choice ES Partner'
EssenceMediacom



Global Top 40 Recruiter
Hunt Scanlon



Top German Recruitment Firm
Handelsblatt



ISO 10667-2 Certification – Global
Quality Standard for Assessment Services
DNV



The World's 5th Most Active Consulting
Professionals on Social, Sep.
DSMN8



#1 in Brand Power Index of
14 ES Firms in Denmark
MyImage Executive Search



26th Largest Company of the Nordic Region's
Top 501 Recruitment & Employment Agencies
Plimsoll



Acquisition of Delta Management Consultants GmbH – an Award-Winning Executive Search Firm

In 2023, MU acquired Delta Management Consultants GmbH, one of the largest owner-managed Executive Search firms in Germany. Founded in 1983, Delta Management Consultants has for over 30 years assisted clients in areas such as Executive Search, Leadership Advisory, management consulting and more.

As a 55-year-old, foundation-owned firm, sustainable growth is very important for MU. Our company has had a sustained, stable, and strong performance and the acquisition last year was the latest strategic decision to further strengthen that. The acquisition of Delta Management Consultants will ensure we continue to deliver outstanding results for all our clients, colleagues and stakeholders.

In 2023 we were very proud to see that Delta Management Consultants secured the #10 spot on Europe's Top 50 Retained Executive Search Firms. The ranking was based on a thorough survey of candidates, clients, and Executive Search buyers, providing valuable market insights. The survey data guides over 110 clients in Europe on their Executive Search strategies.

Carlos Fernandes, former Delta shareholder and now a Director at MU, then expressed his gratitude for the recognition. He attributes the achievement to the relentless dedication of the recruitment experts, emphasising their commitment to delivering exceptional science-based recruitment services. Carlos is just one of the exceptional new colleagues that has joined MU through the acquisition. Below you can meet a few of them:



Anja Schelte is a seasoned professional in the Hospital & Public sectors. With a career in Executive Search since 1991, she has specialised in these sectors since 2002. Anja brings vast experience in placing executives for social service organisations, such as hospitals and nonprofits. Her consulting expertise extends across public sector fields, including associations, foundations, and scientific organisations.



Carlos Fernandes, with over 25 years in Executive Search, serves as Director of the Technology & Digital and IT practice in Hamburg. He specialises in filling key positions for national and international companies, particularly in the digital, online, or e-commerce sectors. With extensive cross-industry experience, he supports firms in their digital transformation by recruiting top talent from the digital sector.



Jorma Schüch works as an Executive Search consultant. His focus is on mandates in the areas of industry and public companies, among others. He has held many positions over the last 5 years, particularly in the area of public transport.

CFO Statement

Tomas Hedström,
Group CFO & Partner

Strong Operational and Strategic Progress With Strong Outlook – Market Driven Mixed Results by Service Line

2023 proved to be a year of instability in the world leading to a reduced volume of permanent placements across most industries and geographies. For MU revenues by service line were mixed, with a very strong performance in leadership level work, Executive Search and Advisory services, and large drops on lower value and lower fee recruitment work. Overall average fee levels increased, and we enlarged our MU Consultant headcount. Whilst this development, the high-value work and increased team size, are in line with our strategy the reduction in net sales of 11% resulted in a combined EBITDA margin of 7%. We

delivered a net margin after tax of 4%, which means solid dividends for our equity partners.

For 2024, we expect stable client fees and margin. Ongoing actions will reduce the consultant cost percentage and reduce our administration costs using a “lean office” approach. We also expect to see efficiency improvements as a result of the new regional structure implemented as end of 2023. Our overall goals remain, as conditions allow, to have industry-leading growth and cost-base flexibility supported by highly professional and lean support functions. The efficiency enhancement measures coupled with the many operational and strategic achievements presented elsewhere in this report provide a very solid platform for outstanding performance in the years ahead.

2023 & Beyond:

Focus on Leadership Talent Acquisition & Advisory

The Evolution of Search: MU Executive Search™ Offers Inclusive Search and Accurate Selection

Our Executive Search™ and Leadership Advisory experts' partner with clients to ensure they improve results through inclusive and accurate appointment of leaders and effective leadership development. We have the organisation, expert consultant teams and unique tested and proven methods required to deliver reliable and quality assured Executive Search™ and Leadership Advisory solutions wherever in the world the client needs us.

As a result we have sustainably increased our client value across our science-based Executive Search™ and Leadership Acquisition services for many years. Our pioneering MU Leadership Assessment™ saw significant development all over the world and our MU Executive Search™ services saw sustained growth.

In all our work for clients, MU experts stand for Reliable Leadership Advice™, and below you will meet two MU leaders sharing the highlights from 2023.



Karl-Johan Kronberg

Partner & Commercial Lead MU Executive Search™

Our MU Executive Search™ service has witnessed sustained growth throughout the past year. We primarily focus on the leadership level, and the demand for our services has never been higher. Finland has been a standout performer for us in 2023, with Executive Search now accounting for 53% in 2023 of MU's Finnish revenues and seeing our team become recognised as the leading Executive Search firm in the country.



Best-Known ES Firm in Finland

FEX Suorahakuryitykset Ry

The growth can be attributed to various factors, such as increased awareness of the importance of effective leadership and a growing need for top-tier talent in the region. Our services have resonated well with businesses in Finland, and we've seen a significant uptick in demand. We were also named the best-known Executive Search company in Finland by FEX Suorahakuryitykset Ry (Association of Executive Search Companies in Finland) which conducted a survey which described the current perception of MU and other companies in our industry by customers.

Worldwide, we also had ongoing improvements in client value provided, leading to a 6% increase in fee levels which is a testament to the quality and value of our services and is contrary to prevailing market conditions. Our clients recognise the impact of our unique MU Executive Search™ service in delivering successful leadership placements. This achievement not only reflects the trust our clients place in us but also enables us to continually invest in enhancing our offerings.

Looking ahead our key focus for 2024 is the launch our upgraded MU Executive Search™ service. This repre-

sents a significant advancement in our client offerings. It's an Inclusive Search with Accurate Selection. This means that not only does it increase diversity within leadership, but it also ensures that the leaders appointed are highly successful. It addresses the limitations of conventional recruitment and selection methods, offering a solution that is both effective and inclusive.

MU Executive Search™ service differs from traditional methods of recruiting and selecting leaders. The conventional methods often lead to the exclusion of diverse and highly capable candidates. MU Executive Search™ flips this paradigm by actively increasing diversity in leadership appointments while ensuring that the selected leaders are highly successful. It's a more effective and inclusive approach that aligns with the evolving needs of today's organisations. This is a transformative solution. MU Executive Search™ is set to make a significant impact by redefining the way leadership is recruited and selected. Its focus on both inclusivity and accurate selection sets it apart. We believe this innovative approach will not only meet but exceed the expectations of our clients, positioning MU as an iconic brand and leader in the Executive Search industry.

MU Leadership Advisory: Ground-breaking Services With a Global Expansion



Nicolas Alaerts

Partner & Global Practice Head Leadership Advisory

I've been with MU for many years, and it's been a rewarding journey to contribute to the Leadership Advisory area. The focus has always been on providing top-notch services, and it's an honour to now lead the global practice.

One of the flagship services MU offers is the MU Leadership Assessment™, a groundbreaking service that predicts both immediate and sustainable success of leaders within an organisation. What sets it apart is the science-based methodology we employ, providing accurate, fact-based predictions tailored to the unique situation and plans of the organisation. This service is exclusively available from MU and is delivered by certified experts who adhere to MU's standards.

Several factors set us apart from the competition. Firstly, our process is deeply rooted in the client's unique context and business situation, avoiding generic models or assumptions. Our experts provide specific analysis and advice integral to the assessment. Additionally, the clarity and confidence of our employment recommendations, the accuracy of performance predictions, and the highest industry standards of validation and certification, notably ISO 10667-2, distinguish us.

In 2023, we also achieved a milestone when we successfully implemented the upgraded MU Leadership Assessment™ throughout the entire organisation. This marked a significant development for us.

The global impact and expansion of the MU Leadership Assessment in 2023 achieved substantial growth globally, with almost a 36% increase in MU Leadership Assessment assignments sold in 2023. This expansion is indicative of the trust organisations place in our services and the increasing demand for our fact-based approach.



**Celebrating 10 Years of Partnership
With Airbus in 2023**

MU's Head of Learning and Development, Hanne de Linde, and Michael Augello, former Head of the Leadership University at Airbus, reflect on 10 years of fruitful partnership.



Hanne de Linde

Partner & Head of Learning and Development & Head of I&D

Over the years, MU has been providing services for Assessment centres, which today have transformed into Development centres, and individual Executive Development journeys to help strengthen the development of Airbus' future- and current Executive leaders.

As an organisation, Airbus has had a strong culture of technical excellence with innovative technological solutions at the forefront. But in 2006, when their new Airbus model A380 ended up being a failure due to market and production reasons, culture rips started emerging. Therefore, they made a conscious effort to define who they wanted to be as an organisation, how they wanted to treat their clients and colleagues, and what expectations they had of their leaders. Because of this, an Airbus leadership model and the MU Assessment Centres were introduced which initiated our partnership. MU's role was to provide services for the Assessment Centres on the highest Executive Level and to help Airbus' Executives prepare for the future and take shared accountability for group-wide results.

At this early stage, the main point was to determine if an employee was the right subject for an executive position or not. However, the downside of basing the assessments on the leadership model was that people started casting themselves into the model rather than using it to develop their individual strengths and weaknesses. Therefore, the Assessment Centres needed to be less normative and more individual, to make the organisation centered around development and possibilities. The new focus is now based on a humanistic perspective – with inclusion and diversity as the

aspiration – because the future needs diverse leaders to contest monolithic thinking. And the shift in focus made an impact on both our partnership and on Airbus' culture. In 2015, MU started providing individual Executive Development journeys, and two years ago the Assessment Centres which we had been a part of since 2012 were profoundly revised based on MU expertise, to ensure that the focus went from selecting future leaders to developing these leaders into becoming authentic and visionary leaders of the new ambitious strategy of the three Airbus divisions: Commercial Aircraft, Helicopters and Defence & Space.

Even though Airbus has seen a shift in both perspective and culture over the years, the work is not finished yet. A crucial aspect is to realise that change comes from experience. If you can make self-development attractive and ensure that the leaders realise the value of it, they will understand that the key to even further performance gain is changing others as well. In the future, this change will not only result in more diverse and performing leaders who are aware of themselves and their team's development areas but also more precisely tailored development centres driven by the employee's own initiatives.

The MU-Airbus partnership is built on the understanding that self-awareness and development increase leadership effectiveness, which ultimately benefits the entire business. We are proud to be a part of this impressive journey and we are looking forward to developing the partnership even further. The future of our partnership will continue to focus on enabling Executive Leaders to further drive Airbus' sustainability and innovation strategy, reducing CO2 emissions of the aircrafts and the industrial environmental footprint at sites worldwide and in the supply chains.

Global Practices for International Client Work

MU's Global Practices Offers Strategic Solutions for All Clients – Wherever in the World They Need Us



Rik Zuidmeer

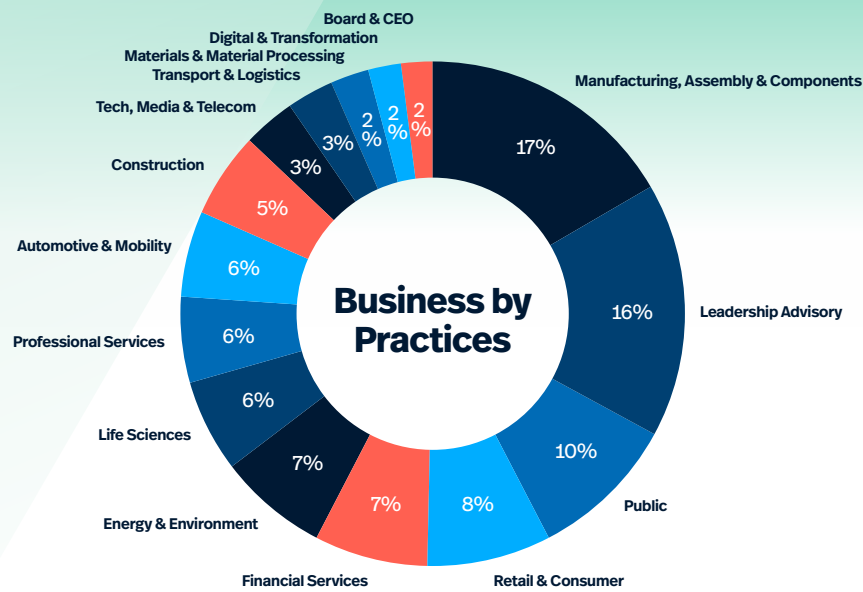
Partner & Head of Global Practices & International Business

We firmly believe that effective leadership advice must be context specific. Organisations face unique chal-

lenges based on their industry and specific circumstances. To address this, MU has implemented a framework designed to live up to the clients increasing expectations for our advice and expertise.

The Practice model is instrumental in fostering international collaboration. We have established various Industry and Expert Practices, allowing us to transcend geographical boundaries and work seamlessly with colleagues worldwide. This global collaboration ensures that MU can provide clients with the best advice and support, regardless of their location.

Our MU Experts' collaborative international business is stable on around 20%, and more than half of MU's Experts' revenue is created in the context of their Practice. This emphasises the significance of the Prac-



tice model in our operations. Additionally, we have expanded our Practice core teams and appointed 16 Practice Heads or Leads to further strengthen our expertise and leadership in this area.

In 2023, MU launched the Expert Practices: Board & CEO, Digital & Transformation and ESG. The decision to launch these new Practices was driven by the increasing demands from our clients. The Board & CEO, ESG, and Digital & Transformation Practices were strategically introduced to address emerging challenges and trends in the business landscape. We aim to stay ahead of the curve and provide our clients with innovative and tailored solutions.

These Practices play a pivotal role in our future success. They not only enhance our ability to address client needs but also position MU as a leader in navigating the complexities of various industries. The diverse expertise within these Practices ensures that we can continue to offer reliable leadership advice and support that is both strategic and tailored to the specific challenges our clients face.





Board & CEO Practice – Client Case

Spital Bülach



Helping a Board Back on Its Feet



Mr. Thomas Straubhaar

Chairman of the Board of Spital Bülach AG

I am delighted to express my satisfaction with MU's exceptional Board services they provided for us. In need of four dedicated board members and one Chairman of the Board for our hospital, MU's expertise in Board & CEO service and strategic insight proved invaluable. Their professionalism led to the selection of outstanding candidates who have significantly contributed to our hospital's success. The new board members and Chairman of the Board seamlessly integrated with our team, shaping and executing our hospital's new strategy flawlessly. MU's exemplary work and collaboration have undeniably strengthened our organisation, leaving a lasting positive impact. We wholeheartedly recommend MU to any organisation seeking top-tier advice.





Digital & Transformation Practice – Client Case



A Strategic Journey from Tradition to Global Leadership



Daniel Müller

Global Practice Head Digital & Transformation

Berlinger is a traditional and independent Swiss and family-owned company. In 2019, the Berlinger Family decided to transform its business model in order to respond to the rising expectations of its customers and the megatrend of digitalisation. In this context, the family together with the management developed a new growth strategy. Various key positions in the company had to be filled with new employees. Additional positions were also created at all hierarchical levels. MU hired 16 new key people to the organisation across Europe and the US. We also performed several Leadership Assessments for internal and external candidates. Furthermore, we advised family Berlinger on how the Board of Directors should be expanded and composed. Within four years, the business as well as the workforce of the company has grown around 40%. Today the company is one of the global market leaders in both of their business segments and highly profitable.

Our ESG Reporting



CEO Letter

We are proud to share MU's ESG Report, highlighting our many ESG initiatives, activities, and accomplishments in 2023. We look forward to sharing our progress in these areas as we advance on our ESG journey.

- ▶ MU is a global Leadership Acquisition and Advisory firm. Our experts provide science-based, precisely tailored, quality assured and ethical Executive Search, Leadership Assessment and Leadership Development services in partnership with private and public sector clients worldwide
- ▶ Today it is clear, that securing effective leadership is one of the biggest challenges organisations faces. We exist to make sure organisations outperform through diverse and sustainably successful leadership. Our expert teams operate worldwide; wherever our clients need us, we are there
- ▶ Comprehensive and repeated research studies show that conventional Executive Search, recruit-

ment and development ideas and methods are not successful. There is a Performance and Diversity problem at the heart of the approach:

- ▶ **The Performance Problem:** Despite the many excellent professionals working in the field, 40-50% of leader appointments fail, and CEOs regularly complain that less than 10% of their leader development expenditure delivers business value. Even more worryingly, as difficulty in selecting and developing leaders increases, success rates are deteriorating
- ▶ **The Diversity Problem:** Despite much attention, diverse plausible candidates are excluded from conventional Executive Searches and selection work is shown to be biased. Leadership development work often fails to recognise the uniqueness of the individual leader and their context.



Some highlights from this report include:

- ▶ Sponsorship for the Women's Board Award in Norway, Sweden, Denmark and Switzerland
- ▶ MU is a continuing, and proud global member of the organisation Inklusiiv, which promotes diversity, equity and inclusion in the working life
- ▶ We are in a partnership with EQUALIS in Denmark, the think tank EQUALIS is Denmark's independent think tank for gender equality and gender diversity.
- ▶ MU's assessment method, and the psychometric tools applied, are evidence-based, and certified according to the industry's most demanding quality certifications – ISO 10667-2, safeguarding equality and fair treatment of candidates
- ▶ MU is also certified according to the DIN standard for assessments, DIN 33430
- ▶ We have invested in developing our MU ES service, and conducted several scientific studies into inclusive leadership recruitment, to be ready to launch our Inclusive Executive Search Services in 2024. Offering our clients an truly inclusive, science-based leader recruitment service
- ▶ Both in 2022 and 2023, MU received the "Sweden's Best Managed Companies", sponsored by Deloitte in cooperation with Nasdaq.

ESG Committee's Letter

2023 was another year of progress in all areas for our business – pursuing our mission for sustainable leadership and sustainable results. We were proud to be recognised extensively for our work:

and early 2023, after being a long-standing partner for many years in Switzerland, followed by partnership in Norway.



Hunt Scanlon Media 'Global Top 40 Global Recruiting' ranking

MU has been recognised by Hunt Scanlon Media as one of the world's top 40 Executive Search firms on their 'Global Top 40 Global Recruiting' ranking list numerous of times.

Women's Board Award (WBA)

We expanded our support to the WBA, executed in Sweden and Denmark for the first time during 2022

DIN 33430

MU is also certified according to the DIN standard for assessments, DIN 33430.

ISO 10667-2

MU's assessment method, and the psychometric tools applied, are evidence-based, and certified according to the industry's most demanding quality certifications.

Think Tank EQUALIS

MU is in a partnership with EQUALIS in Denmark, the think tank EQUALIS is Denmark's independent think tank for gender equality and gender diversity.

Inklusiiv

MU is a continuing, and proud member globally of Inklusiiv, which promotes diversity, equity and inclusion in the working life.



Both in 2022 and 2023, MU received the 'Sweden's Best Managed Companies' award, sponsored by Deloitte in cooperation with Nasdaq.



MU's Environment Commitment

The Environmental dimension deals with issues related to climate change, Net Zero, green electricity, emission policies, etc. As a foundation-owned firm, MU takes its environmental responsibility extremely seriously. As a truly global organisation and leader in our industry, our principles and values are critical to our success.

Tomas Hedström, CFO at MU, sheds light on MU's unwavering commitment to environmental sustainability, being interviewed by MU's Head of Marketing & Communication, **Sofia Hjort Lönegård**, where we delve into key initiatives and accomplishments, providing a closer look at MU's holistic approach.



Sofia

MU are deeply committed to sustainability. Can you elaborate on the specific measures the organisation has taken to reduce its environmental impact?

Tomas

As a proud foundation-owned firm – Stiftelsen Mercuri Urval – we're committed to pursuing sustainability and ethical business practices. Our operations actively seek to minimise harm to the environment. We're con-

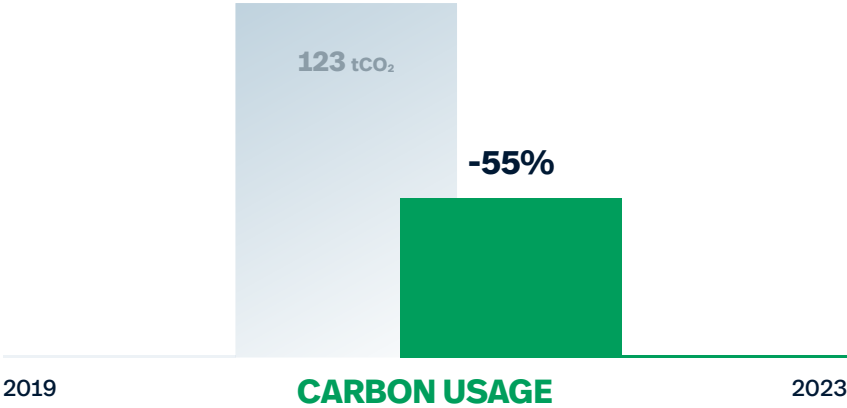
scious of our energy consumption, reducing waste, and promote digital working and low-emission transport. Our commitment extends to business accountability, efficient resource use, cost control, and transparent reporting of our environmental impact.

We advocate for modern technology use, such as Microsoft Teams, e-mail, and video conferencing, to reduce unnecessary travel. A tangible example is our comparison of CO₂ emissions to 2019 in the “Carbon emissions by Air” section. We aim to show the positive effects of minimising travel.

vironmental recycling. Additionally, we’ve transitioned to Microsoft’s sustainable data centre in Sweden, committed to carbon reduction and 100% carbon-free energy.

Sofia

It’s impressive how MU considers the entire lifecycle of electronics. How about office space reduction and recycling efforts?



Sofia

Moving on to IT services, could you share MU’s strategies for responsible management of computers and data?

Tomas

We lease computers to facilitate data wiping and repurposing for other customers. Broken or unused computers are not discarded but handed over for en-

Tomas

We’ve significantly reduced office space since 2019, emphasising a 57% reduction in total square meters. Recycling and re-use are integral to our office culture, with colleagues actively participating in responsible recycling. We aim to reuse office equipment and furniture as much as possible during office moves or when individuals leave.





Sofia

MU's commitment to environmental responsibility extends to supplier policies. Could you share more about the expectations we have for our suppliers?

Tomas

We include environmental impact expectations in our supplier contracts. For instance, our IT partner, Advania, holds an ISO 14,000 certificate, and Dell ensures end-of-life electronics are recovered and recycled. Our mobile phone partner, Apple, is on a mission to make all products carbon neutral by 2030.

Sofia

Lastly, how does MU ensure a sustainable work environment globally?

Tomas

We adhere to local regulations and practices worldwide, conducting regular reviews and implementing action plans for any identified issues. Our commitment to high ethical standards in our ways of working, well-managed risk, and strict compliance with applicable laws is outlined in our foundation statutes.



MU's Social and People Commitment

The Social dimension includes areas such as equality, diversity, human rights, work environment and equality. We have defined and implemented global policies within the areas of Equal Opportunities, Ethics, Diversity and Health & Safety to ensure that MU complies with international standards and contributes to a globally sustainable future. Even more important is that we expect every employee to live our values.

Robin Karlestedt, Central Talent Manager at MU, interviewed by MU's Head of Marketing & Communication, **Sofia Hjort Lönegård**.



Robin

Our highest priority at MU is what we call "Success at Work." We believe that success requires diverse and sustainably effective leaders and teams. Our commitment is to create inclusive workplaces, ensure equal opportunity, and foster diverse teams. Discrimination of any kind has no place in our organisation, and we actively work to counteract it.

Sofia

Can you elaborate on how MU approaches “Success at Work” in the workplace?

Robin

Our approach is rooted in research and insight into what makes people successful at work. We emphasise making people decisions based on a science-based, precisely tailored, quality assured, and ethical way of working. The foundation of any employment decision is the factual match between an individual's competencies and the requirements of the role, context, and organisation results needed.

Sofia

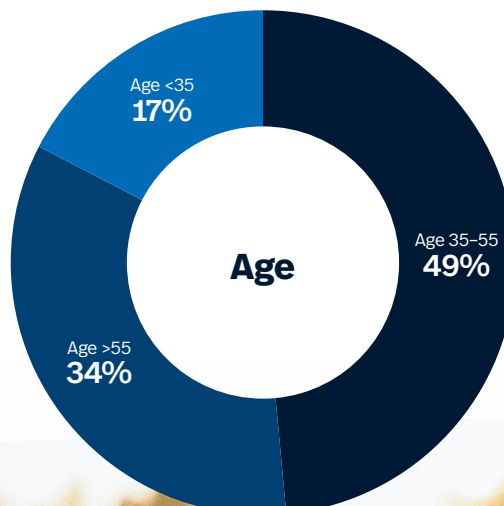
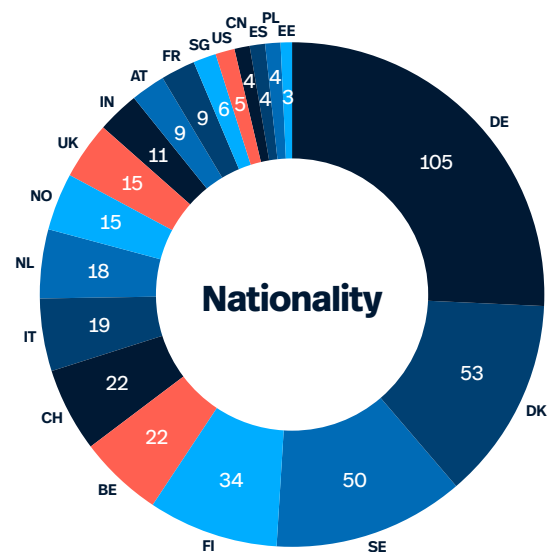
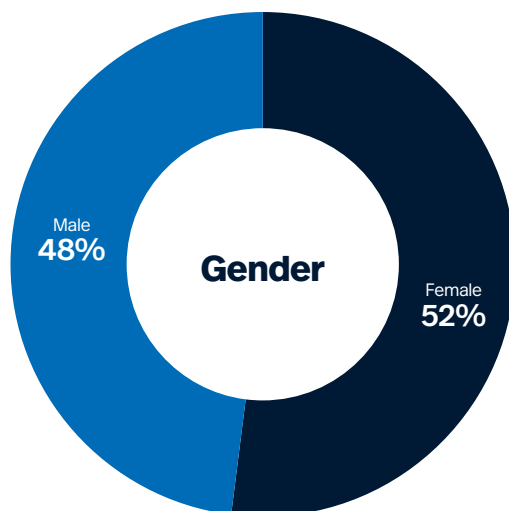
Let's talk about the practical aspects. How does MU actively promote inclusion, equal opportunity, and diverse teams?

Robin

We have a dedicated Inclusion & Diversity team led by our CEO, supported by the Head of Inclusion & Diversity, and three Inclusion & Diversity Leads. Concrete training plans and local workshops are established, emphasising that Inclusion & Diversity is not just a standalone subject but an integrated part of our services and tools. We encourage openness and transparency to foster effective and well-networked teams.

All Employees

Total 408





Sofia

Our MU Research Institute also have an important role here in terms of the efficiency of our services. Can you share some findings regarding gender proportion in the assignments we do for our clients?

Robin

In our continuous success rate follow-up, the MU Research Institute investigates gender proportion among candidates. The study indicates that our selection process does not show systematic gender discrimination. In fact, female representation in appointments assessed by MU experts using our methodology is slightly higher compared to other studies.

Sofia

Moving on to the workplace environment, what benefits does MU offer to its colleagues?

Robin

Our colleagues enjoy a “Work from Anywhere” approach, emphasising flexibility and a truly international work experience. We believe in talent without limits, encouraging our employees to evolve in their careers and gravitate towards higher responsibilities. There’s also the unique opportunity to become a Partner, contributing to and reaping rewards associated with MU’s success.

Sofia

The possibility to become a Partner sounds intriguing. How does that process work?

Robin

The Partner nomination process is transparent and based on distinctive individual contribution, long-term commitment, and adherence to MU’s values. It’s run independently by Partners who act on behalf of our owner, Stiftelsen Mercuri Urval. Our compensation model ensures that all profits in MU are distributed to employees, fostering a circular and inclusive structure.

Sofia

MU is owned by an independent foundation. How does that influence your commitment to inclusion and diversity?

Robin

The ownership by Stiftelsen Mercuri Urval is crucial to our commitment. Their statutes bind all MU colleagues and partners to pursue inclusive workplaces, equal opportunity, and diverse teams. We prioritise respect, dignity, and kindness in our treatment of all individuals. It’s not just a commitment on paper; it’s a fundamental part of our DNA.



MU's Social Impact

MU's commitment to inclusion, diversity, and equality extends beyond our internal practices and into external partnerships and initiatives. We actively engage in various partnerships, showcasing our dedication to promoting these values on a global scale.



MU's Head of Inclusion & Diversity, **Hanne de Linde**, shares some highlights:

Hanne

We engage in many impactful initiatives across the globe. Among them is the **Women's Board Award**, a partnership in multiple countries, including Sweden, Denmark, Switzerland, and Norway. Having been a longstanding partner in Switzerland, we expanded our support to Sweden and Denmark in 2022 and early 2023. Our commitment starts from a desire to contribute to the success of organisations through a modern, competence-based approach to leadership. Partnering with WBA, we aim to put the spotlight on inclusion and diversity of board members, envisioning their impactful contributions as board leaders.

We also proudly stand as a long-term member of **Inklusiiv**. This global initiative champions diversity in the workplace, and our collaboration with Inklusiiv is rooted in the shared goal of creating and disseminating knowledge on Diversity, Equity, and Inclusion. Together, we aim to inspire organisations into transforming this knowledge into tangible actions.

In Denmark we have an alliance with **EQUALIS**, Denmark's independent think tank for gender equality and diversity. It operates as a non-profit, and a politically independent entity. Guided by a knowledge-driven and solution-oriented approach, EQUALIS forms suitable partnerships to advance gender equality and diversity, focusing on an intersectional perspective. Their endeavours extend to areas of society intertwined with the labour market, embodying a commitment to fostering change and inclusivity. A perfect match for a company like MU with a clear Inclusion and Diversity strategy and a science-based approach in our services, methods and tools.

These initiatives also connect to our own MU Research Institute. The MU Research Institute (MU RI) is an independent research and development organisation owned by Stiftelsen Mercuri Urval. The purpose of MU RI is to ensure that the MU way of working (MU Leader Selection Science®) is science based, has high quality, brings diversity, and is effective. This is achieved by MU RI through science-based development of the MU

services, methods, and tools and independent, systematic research on the effectiveness of MU service deliveries.

The research is quite exciting, especially with the area of Inclusion and Diversity. As part of the continuous success rate follow-up of MU client projects, the MU Research Institute also investigates how gender proportion among candidates is affected by different steps in the MU selection process. The research showed that:

- ▶ In assignments executed between 2019–2021 gender proportion remains at the same level throughout the selection process, indicating a selection process without systematic gender discrimination
- ▶ The female representation in appointments after being assessed by MU experts using the MU Assessment methodology, is slightly higher compared to other studies (35%).

All our social impact initiatives, each with its unique opportunities, form a collective commitment to inclusion, diversity, and equity – in which we actively work to shape a more inclusive future.





MU's Governance and Ethics Commitment

MU is no ordinary Executive Search and Leadership Advisory firm. As a foundation-owned firm, the demands on good governance and ethical business conduct is enshrined in our statutes, and MU operation is actively controlled by the Foundation Board with regards to good governance. Our vision stretches us to continually improve and develop ourselves and our company for current and future colleagues, clients and candidates.

Company Board

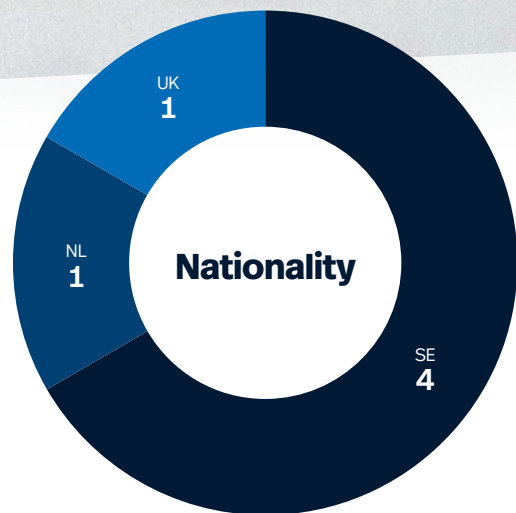
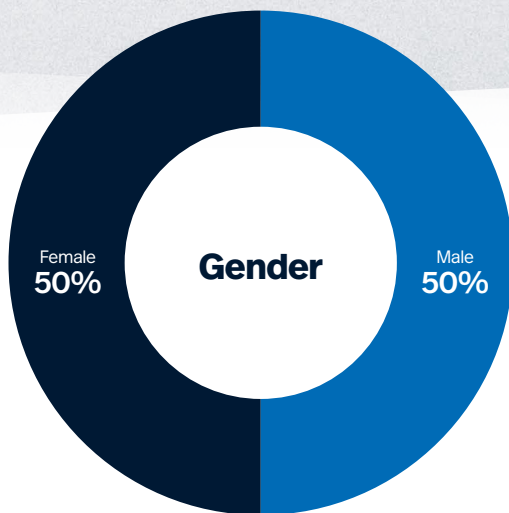
MU emphasises Corporate and Board governance best practices, including regular board evaluations. The board has a diverse composition in terms of gender, experience, and knowledge, with a 50/50 gender split and competencies relevant to MU's business.

Leadership Team

The MU Leadership Team comprises of 3 Heads of Business Areas and key executives, the Leadership Team focuses on increasing business volume, providing expert advice, and supporting colleagues. The team includes the CEO, Group CFO, Central Talent Manager, Head of Marketing and Communications, and Head of Implementation and Client Services.

Company Board

Total 6



Our Promise














With over 55 years of experience, MU is dedicated to clients' success globally. MU prioritises clear governance, quality work, industry-leading tools, and a commitment to inclusive workplaces and sustainability.

Our Values

MU's values revolve around creating value for people, fostering talent growth, and achieving excellence in sales. Our organisation emphasises trust, success, strong relationships, deep expertise, and a unified company approach, with a commitment to personal responsibility, excellence, cooperation, client focus, and alignment with company goals.

Highlights

MU follows rigorous quality standards. It complies with ISO 10667-2 and DIN 33430 for assessment services, conducts internal audits, and maintains certification processes for its experts. We also emphasise continuous training and has received recognition in rankings such as Hunt Scanlon Media's 'Global Top 40 Global Recruiting' and 'Sweden's Best Managed Companies' by Deloitte and Nasdaq in 2022 and 2023.

 <p>'22 '23</p> <p>Sweden's Best Managed Companies</p> <p>Deloitte</p>	 <p>'23</p> <p>#10 in 'Europe's Top 50 ES Firms'</p> <p>c-suitecvsecure.com</p>	 <p>'19 '20 '21 '22 '23</p> <p>Top Ranking ES Firm in Switzerland</p> <p>Handelszeitung</p>	 <p>'22</p> <p>Nordic Growth Company</p> <p>UC</p>
 <p>'23</p> <p>Best-Known ES Firm in Finland</p> <p>FEX Suorahakuryritykset Ry</p>	 <p>'23</p> <p>#1 'Top-of-Mind ES Firm'</p> <p>EssenceMediacom</p>	 <p>'23</p> <p>#2 'First-Choice ES Partner'</p> <p>EssenceMediacom</p>	 <p>'22 '23</p> <p>Global Top 40 Recruiter</p> <p>Hunt Scanlon</p>
 <p>'23</p> <p>Top German Recruitment Firm</p> <p>Handelsblatt</p>	 <p>'19 '20 '21 '22 '23</p> <p>ISO 10667-2 Certification – Global Quality Standard for Assessment Services</p> <p>DNV</p>	 <p>'21</p> <p>The World's 5th Most Active Consulting Professionals on Social, Sep.</p> <p>DSMN8</p>	 <p>'21</p> <p>#1 in Brand Power Index of 14 ES Firms in Denmark</p> <p>MyImage Executive Search</p>
 <p>'21</p> <p>26th Largest Company of the Nordic Region's Top 501 Recruitment & Employment Agencies</p> <p>Plimsoll</p>			

Outstanding Recognition for Our Reliable Leadership Advice™ and Success at Work



Sofia Hjort Lönegård

Head of Marketing & Communications

Between 2019 and 2024, a team of MU colleagues and external experts conducted a study which delved into the search industry's past, present, and future, using data from internal research and external industry studies. Those findings shaped MU's client strategy and branding, resulting in the establishment of MU as the home of Leader Selection Science® and a new brand position during 2022.

Since our re-branding in 2022, MU has monitored its brand development internally and externally, achieving positive feedback and successful campaign results. In June of 2023, we conducted an independent and external brand study. The study confirmed MU's top position among Executive Search firms, indicating

success in the market! Despite strong competition, MU's unique voice and client offer stood out.

Above was a key highlight for MU in 2023, but not the only highlight since we also received these fantastic recognitions:

- ▶ MU is the best-known Executive Search company in Finland
- ▶ MU Awarded as a Nordic Growth Company
- ▶ Delta Management Consultants ranked #10 in our Europe's Top 50 Retained Executive Search firms
- ▶ MU named #1 'top-of-mind' ES firm, and a leading 'First-choice ES partner'
- ▶ MU named a top recruitment firm by Handelsblatt in Germany
- ▶ MU once again receives top ranking amongst Executive Search firms in Switzerland.

The message is clear: MU has established itself as a leading Executive Search firm in Europe and beyond, and the focus now is to actively convey this message to potential buyers with increased energy and dedication.



Navigating Excellence: A Conversation on Compliance, Quality Standards, and Leadership at MU

A conversation with **Lene Juul Pedersen**, Global Head of Compliance & Data Protection, and **Sofia Hjort Lönegård**, Head of Marketing & Communications:



Lene

I wish to start by emphasising the importance of fostering and maintaining a culture of compliance at MU. It's crucial for us to ensure that we continuously deliver the highest standards of all to our clients. Compliance should be ingrained in the very essence of being a proud colleague at MU.

Sofia

How does Compliance play a role in achieving this at MU?

Lene

One of the ways we ensure compliance is through internal compliance audits. We follow up on our adherence to MU company standards, making sure that we operate as one MU with shared values. It's about integrating compliance seamlessly into our everyday work.

Sofia

That sounds comprehensive. MU also follows rigorous quality standards like ISO 10667-2 and DIN 33430. Can you tell us more about that?

Lene

ISO 10667-2 is a global quality standard for assessment services. It guides us in conducting evidence-based assessments for individuals, groups, or organisations for work-related purposes. The emphasis is on being evidence-based, fair, and non-biased, covering our assessment methods, psychometric tools, consultant training, and certification.

Sofia

That's impressive. I assume maintaining such standards involves periodic evaluations?

Lene

Yes, indeed. Every year, we are externally audited to make sure that we keep up to the standards. Our certificate is valid for three years, but every year an audit is conducted. Every third year, a more extended audit is conducted. We recently underwent a comprehensive 4-day audit in 2023, assessing our assessment methods, process documentation, and tools. I'm pleased to announce that we passed the audit and received our new ISO certificate valid until October 2026.

Sofia

Congratulations! That's a testament to the commitment to quality at MU. How does this commitment tie into our unique working method – MU Leader Selection Science®?

Lene

Our commitment to quality aligns with our reputation for providing Reliable Leadership Advice™. By applying our unique MU Leader Selection Science®, we aim to grow even stronger together, reaching the highest standards of all. It's about ensuring effective leadership and improving results for our clients.

Lene

My pleasure, Sofia. It's essential that everyone at MU understands and embraces our commitment to compliance and quality. It's what sets us apart and ensures that we consistently deliver excellence to our clients.

Sofia

That's a powerful combination – quality standards, compliance, and unique methodologies for effective leadership. Thank you for sharing, Lene.





Our Code of Conduct

Diversity and Inclusion

MU's highest priority is for Success at Work. Success at Work requires diverse and sustainably effective leaders and teams. Inclusive workplaces, equal opportunity, and diverse teams are to be pursued and all forms of unjust or unlawful discrimination are to be counter-acted.

Business Practices

MU works according to our documented quality standards, work procedures and governance policies. We deliver high-quality client procedures that achieve agreed goals and standards. Adherence to ethical standards and quality assuring procedures are internally and externally audited. We place the same high-quality expectations on our suppliers and sub-contractors.

Working Practices

MU's employees work according to our values and working practices, described in our Company Employee Policy. We work as one aligned global team.

Work Environment

MU is a transparent and meritocratic workplace with a focus on our clients and candidates. We provide a safe and healthy work environment for our colleagues and our visitors. Our Key Values and Principles define a work environment that is fair, inclusive and high performing.

Employee and Manager Responsibility

MU employees should always carry out their duties in the best interests of the company, its clients and candidates. We immediately report and take necessary action on any issues that place the company, its employees, clients or candidates at risk.

Environmental Practices

MU seeks to reduce any harm to the environment through our operations. We use modern technology and act to reduce our use of resources that harm the environment.

Anti-Corruption

MU is owned by an independent foundation. We do not accept any form of bribery or corruption in our business. Our internal control systems are rigorous and meet the highest standards of corporate governance, overseen by our Company Board and Stiftelsen Mercuri Urval. These requirements also account for our suppliers.

Promoting Welfare

The research by the independent MU Research Institute is presented publicly for the benefit of companies and organisations. The purpose is to improve leadership effectiveness and so build successful – sustainable, high performing, inclusive – work environments.

MU Owners' Governance and Remit

Stiftelsen Mercuri Urval (the foundation owning MU) is regulated in Sweden. The foundation statutes provide clear directives covering areas related to the value base and sustainability of MU.

Report Details

Income statement (KEUR)	2019	2020	2021	2022	2023
Net income	82.099	62.799	75.839	80.822	72.504
Cost consultants and admin staff	-50.124	-40.287	-43.289	-47.762	-46.320
Other costs	-27.932	-21.916	-18.296	-20.765	-19.927
Earnings before interest, taxes, depreciations & amortisations (EBITDA), adjusted	4.043	595	14.254	12.295	6.256
Restructuring costs and items affecting comparability	-	-4.024	971	-110	-1.623
Earnings before interest, taxes, depreciations & amortisations (EBITDA)	4.043	-3.429	15.225	12.185	4.633
Depreciations	-2.018	-1.913	-1.432	-1.454	-698
Earnings before interest & taxes (EBIT)	2.025	-5.342	13.793	10.731	3.935
Financial items	-949	312	-883	360	131
Tax	-1.076	-330	-1.621	-2.622	-909
Profit/loss for the year	0	-5.360	11.290	8.469	3.156
Full time employees	514	453	373	374	403

Balance sheet (KEUR)	2019	2020	2021	2022	2023
Intangible assets	4.880	3.892	3.083	2.275	1.403
Tangible assets	2.850	1.792	1.186	1.084	839
Financial assets	3.506	3.130	2.583	1.825	4.286
Accounts receivable	13.376	9.005	12.478	12.135	11.721
Other current receivables	6.901	4.210	4.294	5.525	6.532
Cash and bank	12.592	16.471	28.809	23.553	14.828
TOTAL ASSETS	44.105	38.500	52.434	46.397	39.609
Equity	25.493	19.830	31.431	24.278	19.226
Provisions	2.971	2.840	2.023	2.530	1.468
Financial liabilities, long-term	6	464	-	-	1.687
Other long-term liabilities	-	-	-	-	-
Financial liabilities, short-term	0	-	1.009	-	-
Accounts payable	2.292	1.501	1.491	2.616	3.231
Other current liabilities	13.343	13.865	16.480	16.973	13.996
TOTAL EQUITY AND LIABILITIES	44.105	38.500	52.434	46.397	39.609

Cash flow (KEUR)

Earnings before interest, taxes, depreciations & amortisations (EBITDA)	4.043	-3.429	15.225	12.185	4.633
Change in net working capital	643	7.068	-1.042	-1.033	-2.682
Cash flow from operating activities	1.827	3.520	11.893	9.771	99
Cash flow from investment activities	-789	-44	774	358	-274
Cash flow from financing activities	-1.011	468	-526	-670	-29
Exchange rate differences in liquid assets	54	-65	198	-27	-56
Cash flow pre dividend	81	3.879	12.339	9.432	-261
Dividend	-2.085	0	0	-14.689	-8.464
Cash flow for the year	-2.004	3.879	12.339	-5.257	-8.725

Key ratios

EBITDA %	4,9%	-5,5%	20,1%	15,1%	6,4%
EBITDA %, adjusted	4,9%	0,9%	18,8%	15,2%	8,6%
EBIT %	2,5%	-8,5%	18,2%	13,3%	5,4%
EBIT %, adjusted	2,5%	-2,1%	16,9%	13,4%	7,7%
Equity ratio	57,8%	51,5%	59,9%	52,3%	48,5%
Net working capital ¹⁾	4.642	-2.151	-1.200	-1.929	1.026
% of revenue	5,7%	-3,4%	-1,6%	-2,4%	1,4%
Cash and bank	12.592	16.471	28.809	23.553	14.828
% of revenue	15,3%	26,2%	38,0%	29,1%	20,5%

¹⁾ Based on closing balance values



MU

Reliable Leadership Advice™