

Corporate governance

Swiss Post attaches great importance to corporate governance. For years, it has based its actions on the Swiss Code of Best Practice for Corporate Governance drawn up by *economiesuisse*. Swiss Post structures its reporting in line with the SWX Directive for listed companies.

Group structure and shareholders

Legal form and ownership

Swiss Post has been structured as a holding company since 26 June 2013. As the ultimate holding company, Swiss Post Ltd remains an autonomous organization under public law solely owned by the Confederation. However, it now takes the form of a public limited company with special legal status rather than an institution. Since the transaction, postal services have been provided by Post CH Ltd and banking services by PostFinance Ltd. The organization chart on page 11 shows the Group's organizational units. The "Consolidated Group" section on page 128 of the Financial Report outlines the shareholdings.

Management by the Confederation

The Confederation continues to control Swiss Post in its new legal form and structure by setting strategic goals and checking that these are being met, using for this purpose annual reporting to the owner and a report on staff (Public Officials Act/Ordinance on Executive Pay). See also the information policy section on page 59.

Regulatory accounting

In accordance with Art. 19, section 2 of the Postal Services Act of 17 December 2010, Swiss Post must structure its accounting to ensure that costs and revenue can be shown for the individual services. These requirements are specified in greater detail in the Postal Ordinance of 29 August 2012, which regulates the charging of net costs to meet the universal service obligation.

The net costs result from a comparison of a hypothetical result recorded by Swiss Post excluding the universal service obligation with the actual result achieved. They represent the difference between the avoided costs and lost revenue. Following approval of the net costs for 2013 by the regulator PostCom in the second quarter of 2014, they will be published as a supplement to the Financial Report at www.swisspost.ch/annualreport.

Swiss Post can offset the net costs from the previous year between different segments and Swiss Post subsidiaries (net cost compensation; NCC). Net cost compensation enables Swiss Post to spread the universal service burden over the services and segments that are best able to support it. Net cost compensation does not influence the Group's financial result in any way, but does influence the segment results for PostFinance, PostLogistics, PostMail and Post Offices & Sales.

On behalf of PostCom, the auditor KPMG Ltd annually reviews the calculation of the net costs, net cost compensation, the regulatory accounting and compliance with the ban on cross subsidies.

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Capital structure

Swiss Post has Group equity comprising 1.3 billion francs of fully paid-in capital plus capital reserves and retained earnings of 4.3 billion francs. External debt amounted to around 1.7 billion francs on the reference date.

From the profit for the 2012 financial year, 100 million francs of profit were paid into the pension fund (2012: 100 million francs) and 200 million francs were paid to the Confederation as a dividend (2012: 200 million francs) in 2013. The remainder is retained for the purpose of accumulating equity; on the reference date this equity stood at 5.6 billion (previous year: 3.1 billion) francs.

Board of Directors

Composition

The Federal Council elects Swiss Post Ltd's Board of Directors every two years. On the reference date (31 December 2013), it had nine members. The Board of Directors is responsible for implementing the strategic objectives, for submitting reports to the Federal Council on their attainment and for providing the latter with the information it needs for verification purposes. The Board of Directors is also governed by the rights and duties set out in the provisions of the Swiss Code of Obligations on the subject of corporate law.

Members do not have any business relationships with Swiss Post or its subsidiaries, nor have they been involved in an executive capacity for Swiss Post or any affiliates in the past four years. In accordance with the Postal Organization Act, employees have the right to appropriate representation on the Board of Directors. In 2013, this representation was once again provided by Susanne Blank and Michel Gobet.

Peter Hasler

Chairman of the Board of Directors, 1946, Switzerland, member since 2010, Dr. jur.

Committees: Organization, Nomination & Remuneration; Audit, Risk & Compliance; Investment, Mergers & Acquisitions

Professional background: Directorships and foundation mandates; Member of various federal commissions; Vice-Chairman of the Swiss National Accident Insurance Fund (Suva); Director of the Swiss Employers Union; Director of Association of Swiss Engineering Employers ASM; Secretary of ASM; Corporate lawyer and Assistant to the Chairman of the Board of Flug- und Fahrzeugwerke Altenrhein AG (FFA); Assistant at the Zurich Guardianship Authority

Key posts: Zurich University Hospital (Chairman of the Board); Reka Swiss Travel Fund (Chairman of the Cooperative Society); SIZ AG, Schweizerisches Informatikzertifikat (Vice-Chairman of the Board of Directors)

Dominique Freymond

Vice-Chairman of the Board of Directors, 1954, Switzerland, member since 2002, lic. ès sciences naturelles

Committees: Organization, Nomination & Remuneration (Chair)

Professional background: mas management & advisory services ltd (co-owner and partner); Groupe TKS-Teknosoft SA (CEO); Unisys Central Europe (Vice-President and Country Manager Switzerland); Canton Vaud (State Chancellor); Unisys Switzerland and Austria (Member of the Executive Board, Head of Customer Service); IBM Switzerland and IBM Europe (positions in sales, marketing and management)

Key posts: Corti AG (Member of the Board of Directors); mas ltd and mas investments ltd (Member of the Board of Directors); SolvAxis SA (Chairman of the Board of Directors); Reliva AG (Member of the Board of Directors); Swiss Institute for Board Members sigv (Vice-President)



Andreas
Schläpfer

Nicola
Thibaudeau

Philippe
Milliet

Marco
Durrer

Susanne
Blank

Dominique
Freymond

Adriano P.
Vassalli

Peter
Hasler

Kerstin
Büchel

Michel
Gobet

Andreas Schläpfer

Vice-Chairman of the Board of Directors, 1947, Switzerland, member since 2009, lic. oec. Univ. of St. Gallen

Committees: Investment, Mergers & Acquisitions (Chair)

Professional background: Nestlé (General Manager in France, Russia, Thailand/Indochina, Zimbabwe, and Global Business Head/Senior Vice-President for Children's Food); International Trade Centre UNCTAD/GATT (Marketing Consultant)

Key posts: None

Nicola Thibaudeau

Member of the Board of Directors, 1960, Switzerland/Canada, member since 2006,

Dipl. Ing. Mech. École Polytechnique de Montréal

Committees: Investment, Mergers & Acquisitions

Professional background: MPS Micro Precision Systems AG (CEO, Delegate of the Board of Directors); Independent consultant; Mecanex SA (owner, CEO); Cicorel SA (business manager); IBM Canada (research assistant)

Key posts: CSS Kranken-Versicherung AG (Member of the Board of Directors); CSS Personalstiftung (member); MPS Micro Precision Systems Ltd (Delegate of the Board of Directors); MPS Décolletage SA, Court (Chair of the Board of Directors); SLS-TT AG, Paul Scherrer Institute Würenlingen (member); MPS Precimed Ltd, Corgémont (Chair of the Board of Directors); Board of the University of Neuchâtel (member)

Susanne Blank

Member of the Board of Directors, Human Resources representative, 1972, Switzerland, member since 2008, lic. rer. pol.

Committees: Audit, Risk & Compliance

Professional background: seco, State Secretariat for Economic Affairs, Chief Editor for "Die Volkswirtschaft"; Travail.Suisse umbrella organization for employees (Head of Economic Policy and Member of the Executive Board); Federal Statistical Office (Audits of Swiss Consumer Price Index)

Key posts: Swiss National Accident Insurance Fund – Suva (Member of the Board of Directors); ewb, Energie Wasser Bern (Member of the Board of Directors)

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Marco Durrer

Member of the Board of Directors, 1952, Switzerland, member since 2009, Dr. ès sc. pol. (Relations internationales), MALD, The Fletcher School, Tufts University, USA

Committees: Organization, Nomination & Remuneration

Professional background: Directorships; Valiant Privatbank AG, Berne (CEO and member of Executive Management Valiant Holding AG); Lombard, Odier, Darier, Hentsch & Cie, Geneva/Zurich (Group Management, Branch Manager Zurich); Deutsche Bank (Switzerland) SA, Geneva (Head of Sales and Trading); Schweizerische Kreditanstalt Lausanne/New York/Zurich (Assistant to Josef Ackermann/Investment Banking)

Key posts: PostFinance Ltd (Vice-Chairman of the Board of Directors); Picard Angst Asset Management Ltd (Vice-Chairman of the Board of Directors); Piguet Galland & Cie SA (Member of the Board of Directors); DGM Immobilien AG (Chairman of the Board of Directors); COMUNUS SICAV, Montreux (Vice-Chairman of the Board of Directors)

Adriano P. Vassalli

Member of the Board of Directors, 1954, Switzerland, member since 2010, federal diploma in auditing

Committees: Audit, Risk & Compliance (Chair)

Professional background: Studio di consulenza e di revisione (founder and owner); Arthur Andersen (founder and head of the Lugano and Berne branches, worldwide partner); Revisuisse AG (auditor and management consultant in Berne and founder of the Lugano branch)

Key posts: PostFinance Ltd (Member of the Board of Directors); Istituto di previdenza del Cantone Ticino (Member of the Board of Directors); Swiss Red Cross (member of the Executive Committee of the Conference of Red Cross Cantonal Associations); Swiss Red Cross, Lugano Section (Chairman)

Philippe Milliet

Member of the Board of Directors, 1963, Switzerland, member since 2010, degree in pharmacy, University of Lausanne; MBA, Faculty of Business and Economics, University of Lausanne

Committees: Investment, Mergers & Acquisitions

Professional background: Bobst Group (Member of Group Executive Committee, Head of Business Unit Sheet-Fed); Galenica Ltd (Head of Health Division, Member of the Corporate Executive Committee); Unicile (CEO); Galenica Ltd (responsible for distribution centres, responsible for operations and CEO of Galexis Ltd); Pharmatic Ltd (analyst/programmer and project manager); McKinsey (associate, project manager); Galenica Holding AG (analyst/programmer and Assistant to the Chairman of the Corporate Executive Committee)

Key posts: None

Michel Gobet

Member of the Board of Directors, Human Resources representative, 1954, Switzerland, member since 2010, lic. phil. hist.

Committees: Organization, Nomination & Remuneration

Professional background: Swiss communication workers union (Central Secretary); PTT-Union (Central Secretary and Vice-Secretary General); Archaeological Service of the Canton of Fribourg (Head of Archaeological Sites)

Key posts: Swisscom (Switzerland) Ltd (Member of the Board of Directors); UNI Global Union (Treasurer, Member of World Executive Committee, Member of European ICTS Steering Committee); gdz (Member of the Board of Directors)

After the Chairman and Deputy Chairman of the Board of Directors, the members are listed in chronological order according to when they took office.

Kerstin Büchel

General Secretary, 1970, Switzerland/Germany/Sweden, member since 2009, lic. rer. pol.

Professional background: Valiant Privatbank AG (Head of Market Development and Sales Services); UBS AG Switzerland, Basel and Zurich, and UBS AG Italy, Rome (Junior Key People, product management, client advisory services, events, business development and strategic marketing, asset and liability management, international client reporting)

Key posts: None

Changes in the year under review

Nicola Thibaudeau, who had been a member of the Board of Directors since June 2006, left the Board at the end of the year for professional reasons.

Uniform management

The Board of Directors has a responsibility to the Federal Council to guarantee the uniform management of Swiss Post and its subsidiaries. The holding company represents the entire Group to the owner and is responsible for fulfilling the universal service obligation. It is entitled to enlist the help of subsidiaries to do so.

Role and functioning of the Board of Directors

As part of the Federal Council's strategic goals, the Board of Directors is responsible for the overall management and supervision of the persons entrusted with management. It defines company and business policy, medium and long-term group objectives, and the means required to achieve those objectives. It approves the basic structure of the Group and mandates the members of the Board of Directors for the PostFinance Group. It also authorizes the pricing system with respect to the Federal Council, accounting standards, the budget, reports to the owner and to OFCOM and PostCom, as well as large and strategic projects. In addition, the Board of Directors appoints the members of Executive Management and approves the collective employment contracts and remuneration for the members of Executive Management. In the year under review, the Board of Directors met a total of eleven times. The CEO and Head of Finance attend Board meetings in an advisory capacity.

All members of the Board are subject to an age limit of 70 years. There is also a twelve-year limit for terms of office. There are three standing committees, which have an advisory and, to a limited extent, a decision-making role. The Board of Directors appoints the members of these committees. In addition, the Board of Directors may appoint non-standing committees for an individual transaction at any time. There is no reciprocal occupation of seats on boards between Swiss Post and any other commercial company.

The Chairman maintains good relations with the owner and coordinates matters of major importance, particularly with regard to exchanges with the Chairman of the Board of PostFinance. The Chairman chairs the meetings of the Board of Directors and represents the body externally.

Audit, Risk & Compliance Committee

The three-member committee assists the Board in, among other things, the supervision of the accounts, financial reporting operations and risk management. It is responsible for the creation and development of appropriate internal supervisory structures and ensures compliance with legal provisions. As well as assessing Swiss Post's risk control at regular intervals, it now also approves the interim report. The committee checks the findings and recommendations of Group Audit and the external auditors and submits corresponding proposals to the Board as appropriate. Eight meetings were held during the last financial year. The CEO, the Head of Finance and the Head of Group Audit attend the meetings. In addition to the above items, the following main topics were covered by the committee in 2013: BDO's extremely positive report on the independent assessment of Group Audit at Swiss Post, qualitative and quantitative group risks, the rating process and the Swiss Post pension fund.

Organization, Nomination & Remuneration Committee

The committee met seven times during the last financial year. It has a pre-advisory role vis-à-vis the Board of Directors as a whole with regard to the appointment and removal of the members of Executive Management and deciding their salaries. It also submits a recommendation for setting the negotiating mandate for the annual round of pay negotiations with the employee associations. In addition to the above items, the following main topics were covered by the committee in 2013: the new collective employment contract, how to deal with potential conflicts of interest, talent management

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and succession planning, management and culture at Swiss Post Group, optimization of the annual objective system, organization regulations under the new legal status, succession planning within Executive Management and the Board of Directors and the Swiss Post pension fund.

Investment, Mergers & Acquisitions Committee

This committee deals with M&A strategy and individual strategic alliances. It identifies and assesses opportunities for shareholdings, mergers & acquisitions, investments and alliances. In addition, it oversees the formation, liquidation and sale of subsidiaries, associates and shareholdings. The committee met five times during the year under review. In 2013, the committee addressed various innovative, long-term projects on forward-looking topics within the above framework, including the digital prospects for Swiss Post.

PostFinance Committee

On 27 November 2012, the Board of Directors decided to delegate PostFinance-related business to the PostFinance Audit and/or Risk Committees. The PostFinance committee was formally dissolved on 30 June 2013. No meetings of the working group in its previous form took place in 2013.

Since the conversion of Swiss Post, the Board of Directors of PostFinance Ltd has operated independently as an official body within the statutory regulatory framework and in accordance with the directives issued by its owner.

Information and supervisory tools

Reporting

The Board of Directors receives monthly reports from Controlling setting out the financial situation of the Group and its individual operating units as compared with the previous year. Budgeted and expected figures are provided, as is key data relating to markets, human resources and innovation.

The Board of Directors also receives quarterly financial and project controlling reports, and is informed by the Audit, Risk & Compliance Committee about budget compliance, strategic financial planning and the Federal Council's strategic objectives. In addition, it receives Executive Management meeting minutes and interim reports from Risk Management (see page 119), Treasury, Communication and Group Audit. At each meeting of the Board of Directors, the CEO and the Head of Finance provide information on the company's current business situation.

Internal control system for financial processes

Swiss Post has an internal control system (ICS) which uses appropriate key controls to promptly identify and evaluate the financial processes and bookkeeping and accounting risks. The Board of Directors and Executive Management receive a report on the progress of the ICS once a year.

Group Audit

Group Audit submits ongoing reports to the Audit, Risk & Compliance Committee and an annual report to the whole Board of Directors. The members of the Audit, Risk & Compliance Committee and the external auditors receive a copy of all audit reports. Group Audit works in accordance with international standards and, in particular, adheres to principles relating to integrity, objectivity, confidentiality, technical expertise and quality assurance. Group Audit reports to the Chairman of the Board of Directors and is thus independent of operational Executive Management.

Executive Management

Composition

The seven members of Executive Management and the CEO are elected by the Board of Directors. Each is responsible for the operational management of the organizational unit assigned to them. The CEO represents Executive Management to the Board of Directors.

The CEO of PostFinance Ltd takes part in Executive Management meetings for the coordination of common topics.

There are no management contracts with companies or individuals outside the Group.



Franz
Huber

Yves-André
Jeandupeux

Pascal
Koradi

Frank
Marthaler

Susanne
Ruoff

Daniel
Landolf

Ulrich
Hurni

Hansruedi
Kõng

Dieter
Bambauer

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Susanne Ruoff

CEO, 1958, Switzerland, member since 2012, Master's Degree in Economics from the University of Fribourg, Executive MBA

Professional background: Swiss Post (CEO); British Telecom Switzerland (CEO BT Switzerland Ltd); IBM Switzerland (Management Board member Global Technology Services); IBM Switzerland (Head of Public Sector Division); various management positions in services, marketing and sales, previous directorships and positions on Foundation Boards: Geberit, Bedag, IBM pension fund, Industrial Advisory Board of the Department of Computer Science at the ETH Zurich

Key posts: PostFinance Ltd (Member of the Board of Directors)

Ulrich Hurni

Head of PostMail, Deputy CEO, 1958, Switzerland, member since 2009, commercial employee and business secretary at Swiss Post, EMBA University of Zurich

Professional background: Swiss Post (PostMail Deputy Head and Head; Swiss Post International: Managing Director; Telecom: Unit/project controller; PostFinance: IT systems development)

Key posts: Asendia Holding Ltd (Chairman of the Board of Directors); TNT SwissPost AG (Member of the Board of Directors); search.ch Ltd (Member of the Board of Directors)

Daniel Landolf

Head of PostBus, 1959, Switzerland, member since 2001, Bachelor of Science (B.Sc.), business administration

Professional background: Swiss Post (management assistant for automobile services, Head of Business Development at PostBus, Deputy Manager of PostBus, Manager of PostBus, Head of PostBus/PostBus Switzerland Ltd); PTT General Management (Business Administration, Central Marketing/Strategies & Analyses Department); Credit Suisse AG (foreign exchange trader, international payment transactions)

Key posts: PostBus Switzerland Ltd (Chairman of the Board of Directors); Reka Swiss Travel Fund (Administrative member of the Cooperative Society); Association of Public Transport (Board and committee member); LITRA public transport information service (Board and committee member); Sensetalbahn AG (Vice-Chairman of the Board of Directors)

Yves-André Jeandupeux

Head of Human Resources, 1958, Switzerland, member since 2005, lic. sc. soc. et pol., ment. psychology, University of Lausanne

Professional background: Swiss Post (Head of Human Resources); SKYGUIDE (Head of Human Resources); CC&T SA, management consultants (associate partner, responsible for competency management); Canton Neuchâtel (Head of Human Resources); Posalux SA, machine tools factory (Head of Human Resources); GastroSuisse, Lausanne (Head of office for western Switzerland); Careers Advisory Service for Canton Jura (careers advisor)

Key posts: Swiss Post pension fund (Vice-Chairman of Foundation Board); Pensimo Management AG (Member of the Board of Directors)

Frank Marthaler

Head of Swiss Post Solutions, 1964, Switzerland, since 2007, lic. oec. University of St. Gallen, business administration

Professional background: Swiss Post (Head of Strategic Account Management, Head of Strategic Customers & Solutions); EDS (Sales & Marketing Director); IBM (Sales Executive, Key Account Manager)

Key posts: MEILLERGHP GmbH (member of shareholders' committee); Asendia Holding Ltd (Member of the Board of Directors)

Dieter Bambauer

Head of PostLogistics, 1958, Switzerland/Germany, member since 2009, Dr. oec. WWU, JLU

Professional background: Swiss Post (Head of PostLogistics); Hangartner AG (CEO); Schenker Switzerland Ltd (CEO); Deutsche Bahn AG (EVP freight logistics); Kühne + Nagel Management AG (Member of the Executive Board); MD Papier (Member of the Executive Board, logistics, IT); AGRAVIS (Head of Logistics Unit); Dr. Waldmann & Partner (management consulting)

Key posts: Asendia Holding Ltd (Member of the Board of Directors); TNT SwissPost AG (Chairman of the Board of Directors); Member of the Management Committee of the Chair for Logistics Management at the University of St Gallen (HSG)

Pascal Koradi

Head of Finance, 1972, Switzerland, member since 1 March 2012,

lic. oec. publ. University of Zurich, CFA (Chartered Financial Analyst)

Professional background: Swiss Post (Head of Finance); Neue Aargauer Bank AG/NAB (Head of Trading, CFO/Member of the Executive Team); Credit Suisse UK, London (Project Restructuring in the Onshore Banking Division); Neue Aargauer Bank AG/NAB (Employee in the Controlling Department, Head of the Treasury Department)

Key posts: PostFinance Ltd (Member of the Board of Directors); Swiss Post Insurance AG (Chairman of the Board of Directors); Liechtensteinische Post AG (Member of the Board of Directors); Swiss Post pension fund (Member of the Foundation Board)

Franz Huber

Head of Post Offices & Sales, 1951, Switzerland, member since 6 July 2013, business secretary and federal diploma in commercial management, sales management course at the University of St. Gallen

Professional background: Swiss Post (Head of Post Offices & Sales, Head of Sales, Head of Structure and Network Development, Head of Corporate Development, Ymago Project Manager, Head of North-East Region in Zurich, Head of Private Customers East/South in Zurich, Head of Wil Sales Region at Post Offices & Sales, Head of HR for Regional Postal Directorate St. Gallen, Head of Railway Post Office St. Gallen)

Key posts: None

After the CEO and the Deputy CEO, the members are listed in chronological order according to when they took office.

Changes in the year under review

Patrick Salamin, Head of Post Offices & Sales, left Swiss Post in July. He was replaced by Franz Huber. The CEO of PostFinance Ltd takes part in Executive Management meetings for the coordination of common topics.

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Remuneration

Policy

Corporate risk, scope of responsibility and the Ordinance on Executive Pay are taken into account by the Board of Directors when setting the remuneration due to members of Executive Management. The Federal Council determines the level of remuneration for members of the Board of Directors.

Determination

Remuneration for members of Executive Management is comprised of a fixed base salary plus a performance-related component. This may be a maximum of 45 percent of the gross annual base salary (55 percent in the case of the CEO). The variable component is determined on the basis of 20 percent for individual performance and 40 percent each for various benchmarks within the Group and the Group unit respectively. A penalty may apply depending on target attainment. At Group level, the variable component is calculated at 28 percent from economic value added and 12 percent from the proportion of very satisfied customers. At Group unit level, qualitative benchmarks and financial ratios such as EBIT (each with 20 percent weightings) form the basis for calculation. For PostFinance Ltd, return on equity is applied instead of EBIT. The payment of a third of the variable remuneration will be deferred over a three-year period.

Members of Executive Management also receive a first-class GA travelcard, a company car, a mobile phone and a monthly expense account. Swiss Post pays the insurance premiums for a risk insurance policy. Individual bonuses may be paid to reward special personal contributions.

Neither the members of Executive Management nor persons closely linked to them received any additional fees, remuneration, guarantees, advances, credits, loans or benefits in kind during the financial year.

The base salary and the performance component are insured for members of Executive Management up to a maximum of 336,960 francs in the Swiss Post pension fund (defined contribution plan). Income in excess of this amount is covered by a management insurance scheme (defined contribution plan). The employer contributes disproportionately to the contributions for employee benefits. Employment contracts are based on the Swiss Code of Obligations. Since 1 July 2010, the notice period for members of Executive Management has been six months. For members appointed before that date, the previous notice period of 12 months applies. No agreements on severance payments are in place.

Level of remuneration

Members of the Board of Directors

The Federal Council determines the level of remuneration for members of the Board of Directors. In 2013, the nine members of the Board received remuneration (fees and fringe benefits) totalling 1,045,800 francs. The fringe benefits totalling 260,800 francs are shown in the total remuneration. In 2013, the Chairman of the Board's fee totalled 225,000 francs. The fringe benefits amounted to 27,000 francs.

Executive Management

In 2013, the seven members of Executive Management and the CEO received remuneration (base salaries, fringe benefits, performance-based components and severance packages) totalling 4,261,701 francs. The fringe benefits totalling 309,709 francs are shown in the total remuneration. The performance-related component effectively payable to members of Executive Management in 2014, which is based on attainment of targets in 2012 and 2013, amounts to 921,992 francs.

The base salary of the CEO totalled 530,000 francs, the additional performance-related component amounted to 189,475 francs.

Remuneration 2013, CHF	Total	Average
Chairman of the Board of Directors		
Fees	225,000	
Fringe benefits		
Expenses and representation allowances	22,500	
First-class GA travelcard	4,500	
Total remuneration	252,000	
Other members of the Board of Directors (8)		
Fees	560,000	70,000
Fringe benefits		
Expenses and representation allowances	60,100	7,513
Additional fringe benefits	173,700	21,713
Total remuneration	793,800	99,226
Entire Board of Directors (9)		
Fees	785,000	
Fringe benefits	260,800	
Total remuneration	1,045,800	
CEO		
Fixed base salary	530,000	
Performance-related component (payable 2014)	189,475	
Fringe benefits		
Expenses and representation allowances	30,000	
Additional fringe benefits ¹	17,257	
Additional payments ²	0	
Total remuneration	766,732	
Other members of Executive Management (7)		
Fixed base salary	2,500,000	357,143
Performance-related component (payable 2014)	732,517	104,645
Fringe benefits		
Expenses and representation allowances	126,400	18,057
Additional fringe benefits ¹	136,052	19,436
Additional payments ²	0	0
Total remuneration	3,494,969	499,281
All members of Executive Management (8)		
Fixed base salary and performance-related component	3,951,992	
Fringe benefits	309,709	
Total remuneration	4,261,701	

1 Other fringe benefits include: first-class GA travelcard, company car, mobile phone and premiums for risk insurance policies.

2 No agreements exist regarding possible severance payments.

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Auditor

Since 1998, KPMG Ltd have been the auditors appointed by the Federal Council for Swiss Post. They also act as Group auditors, with Head Auditor Orlando Lanfranchi in charge of the work for the fourth year running. The fee agreed upon for the 2013 audit and the fees for services provided during the 2013 financial year amount to a total of 3.9 million francs.

Information policy

Each year, the owner receives the report concerning the strategic objectives and the report on staff (see page 48). In addition, PostCom receives a regulatory report on the universal service for postal services, as does OFCOM for the universal service for payment transactions. Finally, Swiss Post submits its Annual Report to the owner for approval. Ongoing discussions on key areas of business are held during regular Postrapport meetings between Confederation representatives and Swiss Post bodies.