



## Seizing the future

Annual Report 2012

**SWISS POST** 

## Business activities

**Communication market** Letters, newspapers, promotional mailings, information solutions and data management in Switzerland, in the cross-border market and internationally

**Logistics market** Parcels, express services and logistics solutions within Switzerland and abroad

**Retail financial market** Payments, setting money aside, investments, retirement planning and financing in Switzerland as well as international payment transactions

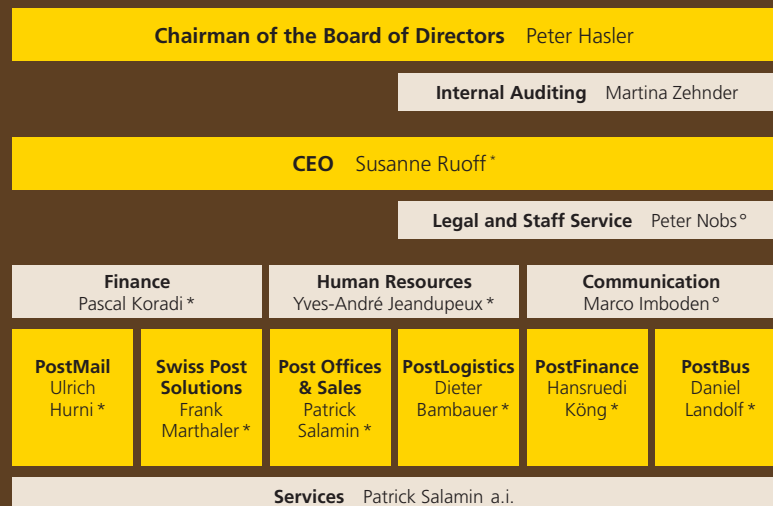
**Public passenger transport market** Regional, municipal and urban transport plus system management in Switzerland and in selected countries abroad

## Our performance in 2012

| Key figure                            |                              | 2012   | Strategic goal |
|---------------------------------------|------------------------------|--------|----------------|
| Operating income                      | CHF million                  | 8,582  | –              |
| Operating result                      | CHF million                  | 890    | 700–800        |
| Group profit                          | CHF million                  | 859    | –              |
| Equity                                | CHF million                  | 5,625  | –              |
| Degree of internal financing          | Percent                      | 100    | –              |
| Addressed letters                     | Number in millions           | 2,291  | –              |
| Parcels                               | Number in millions           | 111    | –              |
| ∅ Customer deposits (PostFinance)     | CHF million                  | 99,158 | –              |
| PostBus passengers (Switzerland)      | Number in millions           | 129    | –              |
| Customer satisfaction                 | Index (scale of 0 – 100)     | 79     | ≥ 75           |
| Headcount                             | Full-time equivalents        | 44,605 | –              |
| Employee commitment                   | Index (scale of 0 – 100)     | 83     | > 80           |
| CO <sub>2</sub> savings made per year | t CO <sub>2</sub> equivalent | 11,000 | 15,000*        |

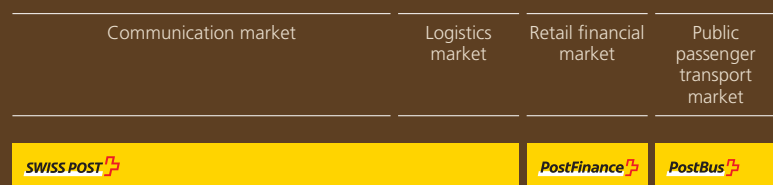
\*As at end-2013

## Organisation chart



\* Member of Executive Management  
° Member of Extended Executive Management

## Brands



## MARKETS AND SEGMENTS

### Communication market

**PostMail** offers business customers high-quality products and tailored solutions for letters, newspapers and promotional mailings, from acceptance right through to delivery. This range is complemented by its electronic services.

| Key figure                             |                       | 2012   |
|--|-----------------------|--------|
| Operating income                       | CHF million           | 3,103  |
| Abroad                                 | CHF million           | 606    |
| Operating result                       | CHF million           | 178    |
| Abroad                                 | CHF million           | 17     |
| Addressed letters – business customers | Million               | 1,929  |
| Unaddressed items                      | Million               | 1,902  |
| Newspapers                             | Million               | 1,318  |
| Headcount                              | Full-time equivalents | 17,912 |

**Swiss Post Solutions** manages strategic business processes with document processing solutions for its business customers, and provides support for the transition from the physical to the digital world.

|                  |                       |       |
|------------------|-----------------------|-------|
| Operating income | CHF million           | 547   |
| Abroad           | CHF million           | 340   |
| Operating result | CHF million           | 3     |
| Area of activity | Number of countries   | 10    |
| Headcount        | Full-time equivalents | 6,502 |

**Post Offices & Sales** offers products, services and tailored advice to private customers and SMEs. It has 1,757 post offices, 497 postal agencies and 1,251 home delivery services throughout Switzerland.

|                              |                       |       |
|------------------------------|-----------------------|-------|
| Operating income             | CHF million           | 1,689 |
| Operating result             | CHF million           | -120  |
| Letters – private customers  | Million               | 362   |
| Parcels – private customers* | Million               | 10    |
| Inpayments                   | Million               | 183   |
| Headcount                    | Full-time equivalents | 6,724 |

### Logistics market

**PostLogistics** offers business customers both standardised and tailored logistics solutions for sending parcels, express items and courier consignments, as well as goods transportation and warehousing logistics.

| Key figure                     |                       | 2012  |
|--------------------------------|-----------------------|-------|
| Operating income               | CHF million           | 1,535 |
| Abroad                         | CHF million           | 76    |
| Operating result               | CHF million           | 152   |
| Abroad                         | CHF million           | 11    |
| Parcels – business customers * | Million               | 101   |
| Express items                  | Million               | 2     |
| Headcount                      | Full-time equivalents | 5,520 |

### Retail financial market

**PostFinance** enables its customers to manage their own finances thanks to simple, clear and inexpensive products and services for payments, setting money aside, investments, retirement planning and financing.

| Key figure          |                       | 2012   |
|---------------------|-----------------------|--------|
| Operating income    | CHF million           | 2,362  |
| Operating result    | CHF million           | 627    |
| Customer accounts   | No. in millions       | 4.55   |
| Inflow of new money | CHF million           | 11,553 |
| Ø Customer deposits | CHF million           | 99,158 |
| Headcount           | Full-time equivalents | 3,479  |

### Public passenger transport market

**PostBus** operates a network of 799 PostBus routes within Switzerland, covering 10,960 kilometres and 14,140 stops. The leading company in regional passenger transport is developing an increasingly strong presence in cities and conurbations alike.

| Key figure          |                       | 2012  |
|---------------------|-----------------------|-------|
| Operating income    | CHF million           | 778   |
| Abroad              | CHF million           | 85    |
| Operating result    | CHF million           | 6     |
| Abroad              | CHF million           | -1    |
| Domestic passengers | Million               | 129   |
| Vehicle kilometres  | Millions of km        | 107   |
| Vehicles            | Number                | 2,157 |
| Headcount           | Full-time equivalents | 2,307 |

\* 111 million parcels were sent in total by business and private customers in 2012.

# We move people, goods, money and information

in a reliable, value-enhancing and sustainable way.



8,582 million

**Operating income** was slightly below the previous year's level.



859 million

**Group profit** fell slightly year-on-year.



79 points

**Customer satisfaction** remains high.



44,605

**Headcount** rose slightly year-on-year.



83 points

The index value for **employee commitment** is a testament to motivated and committed employees.



11,000 t

With the **CO<sub>2</sub> savings** made in 2012, Swiss Post is on track to meet its targets.



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## Physical, digital and hybrid

Swiss Post has the right services for each channel.

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## Bought online – delivered as a parcel

The fast-growing distance selling sector is boosting parcel volumes.



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## Profit despite a low interest rate environment

PostFinance has costs under control – and is focusing on payment transactions.

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## Growth through innovation

PostBus is capturing new business segments with advanced system services.



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by Peter Hasler and Susanne Ruoff

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Five-year overview

This Annual Report is supplemented by a separate **Financial Report** (management report, corporate governance and annual financial statements), a comprehensive **table of figures** and a **GRI index**. Information on reference sources is provided on page 58.

**FOREWORD**

by Peter Hasler, Chairman of the Board of Directors  
and Susanne Ruoff, CEO

” —

We want to provide outstanding services and ensure an excellent basic service.

#### Dear Reader

This year marks the beginning of a new chapter for Swiss Post. From the middle of 2013, Swiss Post will no longer be a federal public institution, but instead a public limited company under special law owned by the Swiss Confederation. This key change of course, agreed by Parliament as part of a comprehensive revision of postal legislation, helps Swiss Post become more agile, receiving more entrepreneurial freedom on the one hand, and new obligations on the other.

The three strategic subsidiaries, Post CH Ltd, PostFinance Ltd and PostBus Switzerland Ltd now operate under the umbrella of the parent company Swiss Post Ltd. The operative start took effect on 1 January 2013 and is expected to be legally finalised by Federal Council Decree retroactively in the second quarter of 2013.

Swiss Post Group is financially sound and is fulfilling the mandate of its owner. It enjoys a high degree of confidence among the general public and, thanks to outstanding employees, very high levels of customer satisfaction.

The economic strength of our company should not be taken for granted. It is the result of Swiss Post's strong position in its four markets. However, we are now facing major challenges. Rapid advances in technology make it possible to be mobile anywhere and at any time. Services that used to be physical are now shifting online. We are seeing a continual decline in the number of newspapers and letters sent through the post. Less parcels are mailed and less payments are carried out in our post offices. Since 2000, counter volumes for letters and parcels have dropped by around 50 per cent. And competition is becoming tougher in the logistics business.

Swiss Post is meeting these challenges by consistently developing its core business and supplementing what it has traditionally offered with new, innovative services. Within electronic communications, Swiss Post in-

tends to build on its strengths as a trusted partner and an information and logistics hub. It will look to capitalise on growth opportunities in the logistics market, for instance, which is benefiting from the rise in online shopping.

As a company, Swiss Post must continue to focus on efficiency and profitability. At the same time, it needs to be able to charge reasonable market prices commensurate with the value of its services.

Despite all this change, the company's aspiration is still the same: to provide first-class services, ensure an excellent basic service and finance its investments independently. It remains a fair and attractive employer for its workforce.

The high levels of confidence and loyalty among Swiss Post's customers and the exceptional commitment of our employees are the foundation on which we continue to build a successful future for our company. We would like to thank our customers who use and value our services. A big thank you also goes to our employees, whose professionalism we greatly appreciate.



**Peter Hasler**  
Chairman of the  
Board of Directors



**Susanne Ruoff**  
CEO

” —

If you're not prepared  
for the future today,  
you're history tomorrow.

Peter Hasler,  
Chairman of the Board of Directors



Urban conurbations  
are becoming engines of economic growth.

People are again living  
closer to where they work.

Competitive pressure  
is rising.

Qualified specialists are  
harder to find.

A growing appreciation of the  
local and traditional.

Ongoing liberalisation  
of the markets.

Work-life balance  
is taking centre stage.

companies  
invest in a sustainable  
future.

## Seizing the future

Marked accentuation  
sustainability go

Environmental awareness  
is growing every day.

The digital revolution  
continues apace.

Large sections  
of society base their consumption  
on ecological criteria.

By 2020, digital n  
50 percent of the

E-commerce is evolving  
into S(ocial)-commerce.

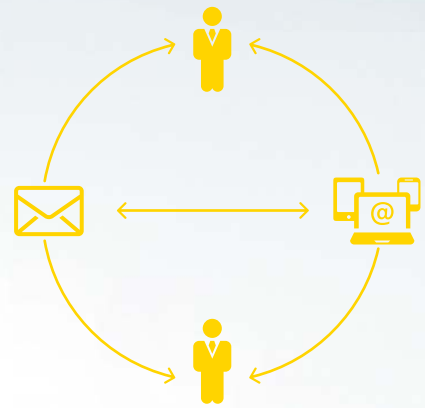
High energy costs are reducing mobility.

The population is getting older  
and communicating more through digital media.



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As a multi-channel specialist, Swiss Post is successfully linking up the physical and electronic worlds.



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## Communication market

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### What we expect to see

Our customers communicate more and more through electronic media. Demand for the traditional services offered at post offices has been falling for years now – a trend that is unlikely to be reversed. The benefits of the letter can continue to be exploited in those areas where it has a unique impact. In the long term, the letter will have to contend with various other communication options.

Competition in the communications market is increasing and the pressure on margins is rising. Increased performance and price flexibility are the order of the day. In this environment, Swiss Post needs to ensure the long-term funding of its basic service.

There is rising demand for electronic services such as e-commerce, identification and encryption technologies and address profile management. These markets become increasingly regulated and security requirements increase. Companies also increasingly outsource entire business processes to external providers.

More and more companies turn to direct marketing for their advertising. They simultaneously approach their customers through a range of parallel channels including websites, mailings, catalogues, e-mail and points of sale.

More electric vehicles are used to deliver physical mail to end-customers. The energy efficiency of the buildings required for operations is markedly higher. These green services also become more important within communication.



### How we can capitalise

- We position the letter consistently on the basis of its high impact.
- We continue to develop our logistics services for mail, newspapers and promotional materials.
- We act as a hub, and organise the Swiss postal system so that customers are free to choose between physical and digital mailing and receipt.
- We exploit the growth potential of the electronic markets and expand our direct marketing using multiple parallel channels, customer loyalty services, and address profile and data management services.
- We rely on our strengths as a service provider for the management of business processes for external partners.
- We continually refine our sales network to make it customer-focused and profitable.
- We develop our ecological solutions.



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As a full-service logistics provider, Swiss Post supports its customers in online business and manages the entire e-commerce value chain for them.



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# Logistics market

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## What we expect to see

There is an increase in the flow of goods. The trend towards e-commerce continues unabated and generates additional volume. In the courier, express and parcel businesses, competition gets tougher, both nationally and internationally.

E-commerce alters the traditional value chain. Logistics providers with their own transport and storage infrastructure and comprehensive know-how manage complex, global supply chains and handle the entire logistics process right through to the end-customer electronically (lead logistics providers).

New logistics approaches need to be developed for distribution in rapidly growing conurbations.

There are growing challenges facing logistics providers. Flexibility, efficiency and speed, IT networking across the entire supply chain and just-in-time solutions over long distances are called for. Increasingly flexible warehouses emerge to meet these demands.

Carbon-neutral supply chains and transparent, green logistics services become increasingly important for continued growth due to growing public awareness of the origin of goods, regulation of traffic flows and the general increase in the cost of transport.

In order to make their services sustainable, logistics providers invest more in vehicles that run on climate-friendly energy sources and use the roofs of their logistics centres to produce renewable solar power. Recycling services gain in importance. The growth of e-commerce leads to an increase in the volume of returns logistics.



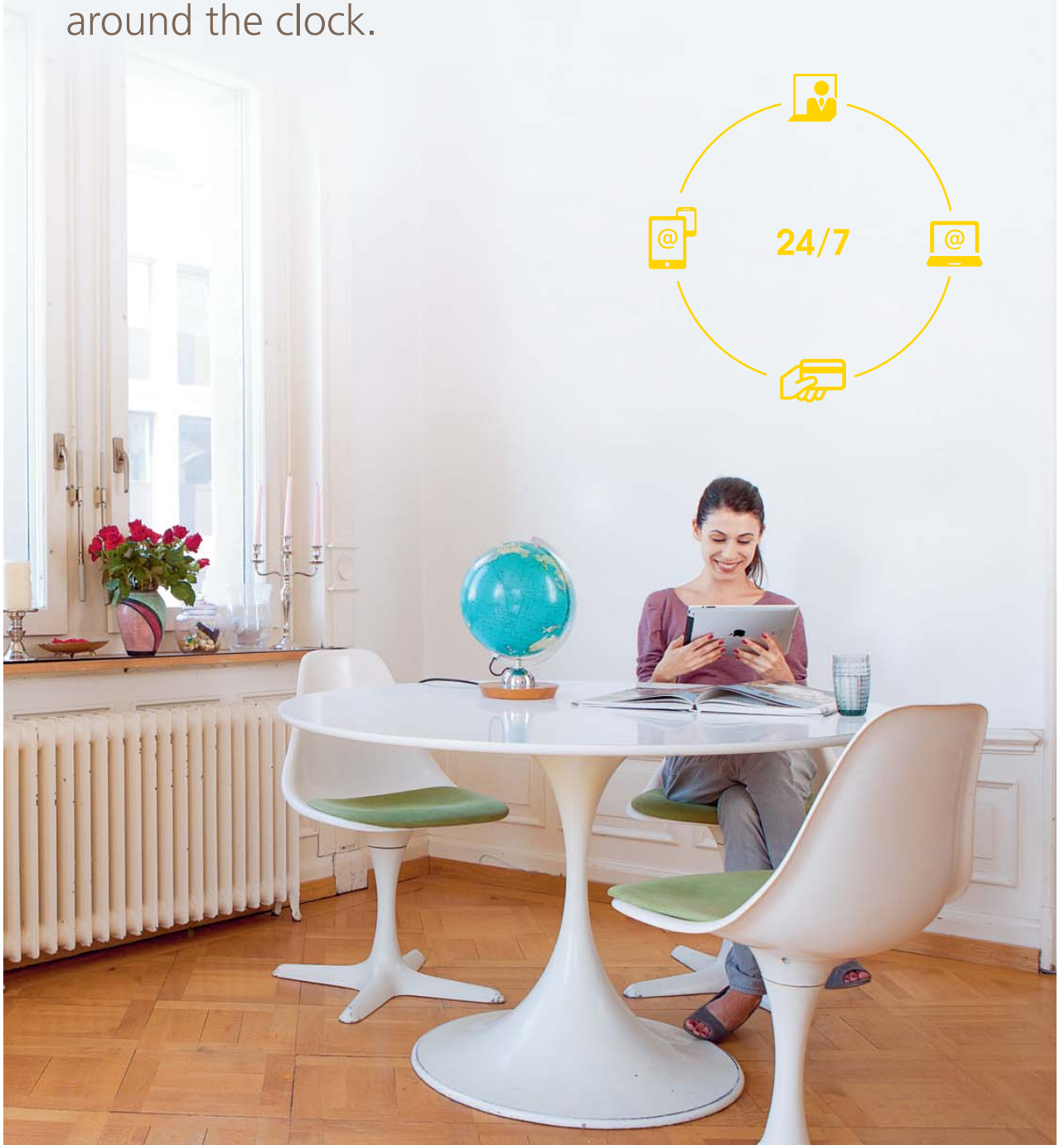
## How we can capitalise

- We secure our system leadership in courier, express and parcel services, and in distance selling and e-commerce.
- We continue to develop our range of all-round logistics solutions for distance selling and e-commerce.
- We expand our city logistics services in urban centres.
- We grow in the national and cross-border transport logistics markets with industry-leading solutions.
- We expand our range of recycling services and sustainable, eco-friendly solutions.



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PostFinance is the first choice for customers who manage their own finances. In electronic and mobile services, PostFinance is a market leader. Customers can use these services around the clock.



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## Retail financial market

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### What we expect to see

More and more consumers want to run their financial affairs independently.

Customers decide how and when they want to get in touch with a company, obtain information and use their services.

Online and mobile financial services grow fast, driving up requirements in terms of digital security.

Consumers are increasingly well informed. They work with a single financial institution, rather than a range of different providers as before.

Competition among financial service providers becomes more intense. Companies from other industries force their way onto the market. Pressure on margins increases. This leads to the industrialisation of processes and consolidates the industry.

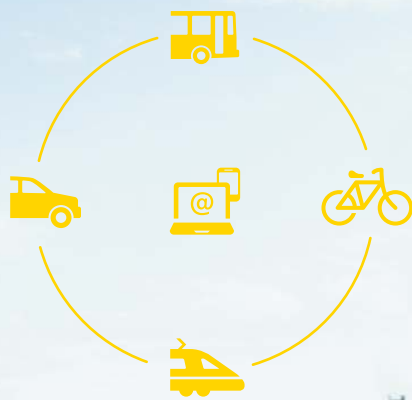


### How we can capitalise

- Our services are inexpensive, easy to understand and user-friendly.
- We coordinate our various contact points to best suit the needs of our independent customers, ensuring that they can benefit from our services anywhere and at any time.
- On request, we advise private customers in our branches, over the phone or online. We visit business customers personally at their premises.
- Our core business is payment transactions. Alongside this, we expand our services in other areas such as accounts receivable management.

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PostBus is continually enhancing the quality of its services in public bus transport and is a sustainable provider of combined mobility and mobility-sharing services.



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# Public passenger transport market

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## What we expect to see

A rapidly growing population has an increasingly global, mobile lifestyle. Mobility and the demand for mobility services are on the rise. At the same time, there are less funds available from the Confederation and the cantons for the financing of mobility services.

The proportion of the population who gear their lifestyle towards health and sustainability is growing. As a result, the car is losing its significance as a status symbol.

The concentration of the population into urban conurbations leads to a disproportionate increase in mobility (commuters). Urban residents make greater use of public transport to commute to work and in their leisure time.

The concept of integrated mobility gains widespread acceptance. It intelligently links the various different modes of transport and allows individuals to choose the mobility solution best suited to their situation.

More and more vehicles use alternative drive technologies such as biogas, hybrid or fuel cells. E-mobility grows more and more significant. Mobility-sharing models become more widespread.



## How we can capitalise

- We secure our leading position with comprehensive services beyond the transport service itself. These system services range from ticket sales, automatic passenger counting and ticket inspection, to passenger information systems and operational monitoring, through to transport and service planning and the management of complete fare networks.
- We consolidate our position as a market leader with a well-developed range of regional transport services.
- We expand access to cities and conurbations, for example with mobility-sharing and e-mobility-sharing solutions.
- We expand our range of combined mobility services.
- We develop specific services for integrated mobility.
- We rely on climate-friendly and sustainable technologies.

## Forward-looking services

Swiss Post is as dynamic as the rapidly changing and evolving markets it operates in. It is living the future today, and continually designing new products and services. A number of particularly innovative and successful services are set out below.

### Communication market



#### Intelligent letters

With the printed Letter ID data matrix code, business customers can track the progress of their letters at all times. → Page 17

#### Hybrid mailing

With ePostSelect, companies can send their documents physically, digitally by e-mail or using secure IncaMail, depending on what the recipient wants. → [www.swisspost.ch/hybrid-epostselect](http://www.swisspost.ch/hybrid-epostselect)

#### Personal stamps

Create your own personal postage stamps with just a few clicks. Welcome to WebStamp easy. The only thing you pay for is the postage. → Page 21

#### Mobile digital signature

Want to prove your identity from your smartphone or tablet computer when you're on the road? No problem – with the new Post SuisseID mobile service. → Page 19

### Retail financial market



#### E-cockpit

The financial tool that provides useful information on money matters, allowing PostFinance private customers to manage their finances more independently than ever. → Page 31

#### Contactless payment

There's no easier way to pay: Just hold the PostFinance MasterCard close enough to the card terminal. Done. → Page 31

#### PostFinance Mobile

Check your account balance, trade securities or scan inpayment slips when you want to pay bills. You can do this and much more with PostFinance Mobile. → [www.postfinance.ch/mobile](http://www.postfinance.ch/mobile)

### Logistics market



#### Log in and get straight to work

When you're logged in to "Login Swiss Post", you can access eight of the latest postal services conveniently online, for instance, to have your parcels sent to a selected PickPost point. → Page 24 and [www.swisspost.ch/loginswisspost](http://www.swisspost.ch/loginswisspost)

#### Evenings and Saturdays

Swiss Post is changing to meet the lifestyles of its customers. Beginning in spring 2013, parcels will also be delivered in the evening and on Saturdays. → Page 24

#### My Post 24

Want to collect or hand in parcels at night? This will soon be possible at the My Post 24 automated parcel terminals. The first one is expected to open in the summer of 2013.

#### Swiss-Express "Innight"

Have items delivered early for when work begins. Many Swiss Post customers do just that, and use the "Innight" transport service. → Page 25

### Public passenger transport market



#### Fuel cell-powered buses

Not science fiction: Five PostBus vehicles are fully electric, and the only emission they produce is steam. → Page 35

#### Free WiFi in PostBus vehicles

Surf the web on the go without stretching your mobile phone subscription. Available in 1,500 PostBus vehicles. → Page 36

#### PubliBike

With PubliBike from PostBus, bike sharing has never been easier. Available around the clock at over 100 locations throughout Switzerland. → Page 36



” —

The future begins today. We will actively help to shape it.

Susanne Ruoff,  
CEO



The huge potential of our employees needs to be used afresh for our customers' benefit every day.

**INTERVIEW**  
with **Susanne Ruoff**,  
CEO

**Ms. Ruoff, you took over as Swiss Post CEO last September. How did you start in your new role?**

I spent the first few months taking a tour of the whole company, visiting all of the Group units and meeting many employees, customers and partners. It was very important for me to get a first-hand impression of Swiss Post, including its many different facets. And I found that there really is "yellow blood" flowing through the veins of our employees!

**How would you describe the Swiss Post you encountered?**

As a company, Swiss Post is financially sound. Employees are motivated and committed, customers are satisfied, and we are fulfilling the mandate of our owner. That's a solid basis for our future development.

Swiss Post funds the basic service itself and pays an annual dividend to its owner.

**What does the future hold for Swiss Post?**

One of the biggest challenges is the intense competition brought about by technological innovation. Electronic means of communication are increasingly replacing physical letters and printed newspapers. Another development is the change in customer behaviour in our post offices, where the volume of parcels and payment transactions has declined sharply. Something that very few people outside Swiss Post actually realise is that a large part of our business is already in competition with other providers. This competition is set to become even tougher in the future. Declining letter volumes, greater competition in the logistics

market, rising pension costs and lower interest income at PostFinance indicate that Swiss Post's operating result is likely to be lower from 2014.

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**How is Swiss Post responding to these challenges?**

We need to look ahead, think ahead and be proactive. To prepare Swiss Post properly for the future, we have defined four courses of action: specific quantifiable growth options such as in e-commerce; an appropriate pricing policy; a focus on greater efficiency and on costs; and the development of our core business with a combination of physical and electronic services. The electronic solutions are a gradual move, rather than a direct substitute for the physical services.

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**What does Swiss Post have to offer its customers in an increasingly digital world?**

We already offer our customers numerous products and services at the interface between physical and electronic communications. Swiss Post's role as a hub connecting the physical and electronic worlds is set to become pivotal, from e-finance and e-commerce solutions to e-government and e-health services. We also support companies in the digital transformation of their business processes, which they can outsource to us. For instance, we can take care of a company's entire document management system, such as archiving, internal mail and so on. And, if the company requires it, we can digitise their incoming mail by scanning it to make it available for electronic processing. We will undoubtedly develop more segments of this type in the future, operating alongside our traditional services.

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**Will customers actually use Swiss Post's electronic services?**

People have varying levels of confidence in the new digital world. What happens on that front remains to be seen. But the population has traditionally had a high level of confidence in Swiss Post. And that's our forte. Such changes don't happen overnight – they take time. That's why we offer multi-channel solutions, and why our customers will continue to be able to do business with us either online or through the traditional channels, depending on their needs.

**So you rely on new technologies. Do you see the traditional core business as being outdated?**

Not at all. We focus on both tradition and innovation. Our core business with letters and parcels will remain an important source of earnings. Besides, we also have many customers who don't use the Internet. Within direct marketing, in particular, an e-mail will never achieve the impact of a physical letter. A letter simply has a stronger effect. We want to reinforce and expand our core business with new services that reflect today's customer behaviour, and add digital components. One example is convenience services, where both sender and recipient can determine how, when and where a parcel is delivered. A returns option, such as the one we offer for used Nespresso capsules, is also increasingly important to our customers.

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**Where do you see opportunities for growth?**

The flow of goods is on the rise. Our logistics services are booming thanks to online shopping. The parcel market is growing at a rate of three to four percent annually. But we don't just want to benefit from rising parcel volumes. In future, we want to support our business customers at every level of their online business model. For example, we can set up a webshop, including invoicing, for them and provide the necessary storage ca-

capacity. We also see growth opportunities in direct marketing, in loyalty services, in the management of business processes for external partners and in document management. And we have identified potential in selected PostBus segments, particularly in services that go beyond simply passenger transport and are the key to a well-functioning public transport system in Switzerland. PostFinance will continue to grow, with its market-leading online and mobile financial services, its clear focus on independent customers and its innovative finance-related services.

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**The post office network has also been adapted as customer behaviour has changed in recent years. Will this trend continue?**

In the past few years, Swiss Post has reviewed several hundred post offices and converted some of them to alternative operating formats. This is an ongoing task, and where it makes sense, we will continue to do so. Specific local requirements are better met with formats such as agencies, a home delivery service or manned and self-service business customer points. For example, an agency can provide postal services with significantly longer opening times than are possible in very small post offices. Experience has shown that acceptance levels among customers, partners and employees are



high. The goal is a customer-friendly and economically viable sales network with which we fulfil our public policy mandate to provide a basic service.

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**Will Swiss Post also need to make savings?**

That is one of the ongoing responsibilities of any company. But the essential thing is that we provide our services more efficiently. Not doing so would constitute a failure to meet a fundamental management responsibility.

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**The prices for A Mail and B Mail have not been adjusted since 2004. Will Swiss Post raise prices?**

Swiss Post's high quality and low prices are things that many people take for granted. Most customers have little idea of the effort that goes into the reliable overnight delivery of letters throughout Switzerland. So far, we have been able to absorb the decline in volume with cost measures without affecting the service. Such savings, however, have their limits. Beyond that, the mandate to provide a basic service means that our fixed costs in the post office network are high. Although we see growth opportunities in the medium to long term, these opportunities will merely limit the decline of our core business without being able to offset it. Margins are shrinking rapidly. At some point in the future, Swiss Post will have to counter the decline in volume with performance-based prices in line with the market.

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**What can Swiss Post offer its employees?**

Swiss Post is an attractive employer. We offer our staff positions in a total of 103 occupations, train 750 apprentices annually and help our employees to develop their careers. Encouraging and enabling our employees to improve their skills is a key task of the company and its management. In an age of rapid technological progress, employees must successfully exploit the opportunities for our customers such advances create.

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**How important is sustainability to Swiss Post?**

Sustainability is one of seven quantified Group objectives. Energy-efficient and eco-friendly supply chains are a prerequisite for growth in the long term. Climate protection is also becoming increasingly important within public transport. But sustainability



goes beyond energy efficiency and climate change: Sustainability is a way of thinking, a way of acting that conserves resources and avoids pollution whenever possible. Sustainable action means being aware of economic, social and environmental responsibilities. As a large, publicly-owned company, this is one area where Swiss Post must lead by example.

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**You have now been in office for six months. What has impressed you most about Swiss Post?**

The commitment and professionalism of our employees is the basis for all that we do. We need to continue to foster, develop and harness this incredible potential every day, in aiming to offer our customers a top-quality service.

” —

In an age of rapid technological progress, employees must successfully exploit the opportunities for our customers such advances create.

# Business performance

Swiss Post achieved an operating result of 890 million francs in a challenging environment → [Page 11](#). Two-thirds of this operating result comes from PostFinance. Operating income was increased in all markets apart from the retail financial market → [Page 13](#). Economic value added declined by one-third due to a lower adjusted operating result and PostFinance's higher equity requirements (Basel II) → [Page 11](#). Equity was increased by 746 million to 5.6 billion → [Page 11](#).



859 million

Group profit fell slightly year-on-year.



79 points

Customer satisfaction remains high.



2,291 million

addressed letters were posted in Switzerland in 2012.



99.2 billion

represents the average customer deposits held by PostFinance.



111 million

parcels were delivered in Switzerland in 2012.



129 million

passengers travelled with PostBus in 2012.



# Group

In line with the Federal Council's financial targets, Swiss Post is expected to maintain and, if possible, increase the company's value, achieve an industry-standard result in the basic service and in competitive services, and to fund its investments with the cash flow it generates. Its chosen strategy for doing so has five strategic thrusts: provide high-quality services, ensure competitive prices, secure sustainable and profitable growth through new solutions, cut costs in a socially responsible manner, and exploit the operating conditions to maximum effect.

| Group                |                       | 2012   |
|----------------------|-----------------------|--------|
| Operating income     | CHF million           | 8,582  |
| Group profit         | CHF million           | 859    |
| Equity*              | CHF million           | 5,625  |
| Economic value added | CHF million           | 308    |
| Headcount            | Full-time equivalents | 44,605 |

\* as at 31 December



Owner's targets  
achieved in 2012

KEY FIGURES

Operating income

8.6 billion

A fall of  
0.2 percent.

Group profit

859  
million

Just below the previous  
year's result.

Economic value added

308  
million

Swiss Post meets the  
targets of the owner.

Equity

5.6 billion

The increase of 746 mil-  
lion francs strengthens  
the company's equity.

RESULTS

## Swiss Post achieves good result in 2012

In 2012, Swiss Post generated a Group profit of 859 million francs. This is about 5 percent down on the previous year, but in view of the challenging environment it is still a good result.

### Group profit

In 2012, Swiss Post generated a Group profit of 859 million francs. This is around 5 percent down on the previous year, but in view of the challenging environment it is still a good result in terms of the overall company goal. The decline was primarily due to higher staff costs, low interest rates on the financial markets as well as lower income from the disposal of properties.

### Operating income

Operating income (earnings) fell by 17 million to 8,582 million francs. Internationally, operating income declined due to the joint venture Asendia (see page 16).

### Economic value added

With average invested capital of 7.5 billion francs, Swiss Post generated economic value added of 308 million francs. Economic value added is created when the adjusted operating result exceeds the cost of average invested capital. Besides the overall result, this also factors in the risks and the capital contribution. The year-on-year decline is mainly due to the lower adjusted operating result, which was down

5.2 percent. The average amount of capital invested increased, particularly, for PostFinance (Basel II) and for Real Estate (large-scale building projects). The cost of capital rose by 35 million francs year-on-year.

### Equity

As at 31 December 2012, equity stood at 5,625 million francs. With regard to the upcoming conversion of Swiss Post into a public limited company under special law and PostFinance into a public limited company regulated by the Swiss Financial Market Supervisory Authority (FINMA), the Group and its subsidiaries will be provided with sufficient equity.

For detailed information on the Group's performance, see page 21 of the Financial Report.



### Competition and residual monopoly

The vast majority of business conducted by Swiss Post (84.1 percent of sales) is already facing competition from other suppliers. The temporary retention of its residual monopoly for letters up to 50 grams does not protect Swiss Post from competition as the letter is up against digital communication alternatives. This competition will become even tougher in the future. Swiss Post currently expects the letters market to be fully deregulated in the next few years. It will be up to policymakers to decide on market deregulation.

## GROUP STRATEGY

# Strategic thrusts and goals

Swiss Post sets its priorities in the form of six **strategic goals**, and determines how it intends to meet the challenges of its operating environment and achieve its top-level directives.

## We create added value for:

### Our owner



#### Finances

Annual profit of  
700–800 million francs



#### Market position

Leading market position  
in Switzerland

### Our customers



#### Customer satisfaction

At least 75 points (scale of 0–100)

### Switzerland



#### Basic service

Regulatory audit certification



#### Sustainability

– 15,000 tonnes of annual  
CO<sub>2</sub> emissions by the end of 2013

### Our employees



#### Employee commitment

At least 80 points (scale of 0–100)

Swiss Post's aim is to exploit the existing regulatory framework to maximum effect. In order to achieve its strategic goals, it is pursuing four **strategic thrusts**.



## OVERVIEW OF RESULTS BY MARKET

## Positive results in all four markets

In a challenging environment, Swiss Post achieved positive results in all four markets. With the exception of the retail financial market, operating income rose in all markets.

### Communication market

In the communication market, the operating result fell to 61 million francs (previous year: 111 million francs). The main reason for this decline was a rise in employee benefit expenses of 61 million francs. The volume of addressed letters declined by 1.8 percent, while the volume of unaddressed letters rose by around 51 percent following the acquisition of the DMC Group, which specialises in direct marketing and the delivery of unaddressed mail.

### Logistics market

The logistics market produced an operating result of 152 million francs (previous year: 162 million francs). The fall is primarily due to planned one-off effects, higher employee benefit expenses and higher costs for shipping services. Parcel volumes rose by 4.1 percent. This is mainly due to the expansion in the online shopping market.

### Retail financial market

PostFinance's operations in the retail financial market contributed 627 million francs (previous year: 591 million francs) to the Group result.

Due to the difficult market environment, net interest income fell by 6 percent. In contrast, impairment losses on financial assets were lower. Non-staff expenses were at last year's level, while staff expenses rose by 6 percent. 111,000 customers chose PostFinance in 2012. Overall, 2.9 million customers held 4.5 million postal accounts, an increase of 337,000 accounts. Customer deposits rose by 11.1 billion to an average of 99.2 billion francs year-on-year.

### Public passenger transport market

In the public passenger transport market, Post-Bus generated an operating result of 6 million francs (previous year: 33 million francs). The fall is due to licence and management fees. The expansion of services in Switzerland together with market growth in France produced a 7.4 percent increase in the number of kilometres covered, with a total of 128.6 million kilometres.

For detailed information on the trends in the four markets, see page 29 of the Financial Report.



### Satisfied customers

Swiss Post has satisfied customers. This was revealed by this year's surveys of around 40,000 business and private customers.

The customer satisfaction index matched the previous year with a score of 79 out of 100 points.

The scores for individual Group units also remained consistent and at a high level.

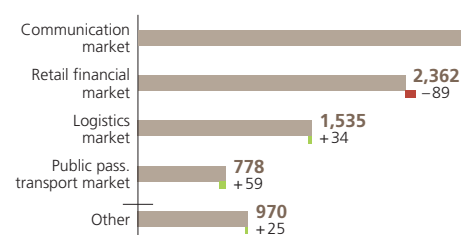
### Swiss Post on time

In 2012, Swiss Post delivered 97.9 percent of all A Mail letters and 97.7 percent of all Priority parcels on time. With a total volume of almost 2.3 billion addressed letters and 111 million parcels, that's an impressive performance.

### Retail financial market maintains high profit share

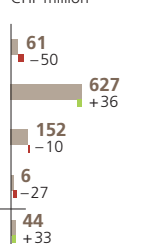
#### Operating income\*

2012 showing change from previous year  
CHF million



#### Operating result

2012 showing change from previous year  
CHF million



\* before consolidation

Scale: 1 mm = 100 million francs



## Communication market

Customer behaviour and needs are changing. Swiss Post has taken account of such change – with a wide range of services and an extended choice of access points. It is a multi-channel specialist, reliably shipping consignments such as letters, promotional mailings, newspapers and confidential documents – either physically or digitally, as required. Swiss Post also digitises documents such as incoming post for public authorities and companies, and can handle entire business processes where needed.

| Communication market |                       | 2012   |
|----------------------|-----------------------|--------|
| Operating income     | CHF million           | 4,779  |
| Abroad               | CHF million           | 946    |
| Operating result     | CHF million           | 61     |
| Abroad               | CHF million           | 17     |
| Addressed letters    | Millions              | 2,291  |
| Unaddressed items    | Millions              | 1,904  |
| Newspapers           | Millions              | 1,318  |
| Headcount            | Full-time equivalents | 31,139 |



## FUTURE OF COMMUNICATIONS

## Physical or digital: Swiss Post has the right services for each channel

Despite increasing digitisation, the letter is and will remain a very effective means of communication. To supplement it, Swiss Post offers its customers hybrid solutions spanning the physical and digital worlds.



A personal letter is more warmly received than any e-mail.

There has never been so much communication or so many channels and technological alternatives available – from the physical letter to social media platforms. Competition in the communications market is growing steadily. Business customers are keen to exploit this competition and the variety of channels available to send the latest content quickly and efficiently, depending on the recipient and message.

But the needs of postal customers go beyond high speed and low cost: They want their communications to have an impact that will stand out and make an impression amid today's flood of information, or to transfer secure and verifiable content without harming the environment.

Swiss Post's services meet these needs: A personal letter is more warmly received than any e-mail, and the impression it makes stays for far longer. And because all letters sent in Switzer-

land are carbon neutral under the pro clima label, senders also do their bit to protect the environment. Swiss Post has unrivalled scope for reaching an entire target group or geographical area with addressed or unaddressed mail campaigns. Where security is a priority, customers can choose the right physical or electronic service – from a Registered (R) letter to the IncaMail e-mail service.

### From physical to digital – and vice versa

As an end-to-end communications provider, Swiss Post exploits the growth potential that results from the combination of physical and digital services. One such hybrid solution is Swiss Post Box, which allows customers to receive their physical mail in electronic form and manage it online. Swiss Post digitises incoming physical mail for business customers and feeds the data directly into their business software. And it also prints and sends data that it has received electronically. At Swiss Post, it's up to the customer.



### Result, market / volume trends

Products in the communication market experienced mixed fortunes. In 2012, the number of addressed letters handled by PostMail and Post Offices & Sales was down year-on-year. Unaddressed mail on the other hand increased by about 51 percent year-on-year as a result of acquisitions. Newspaper delivery volumes (–1.8 percent) were hit by changes in customer behaviour. Post Offices & Sales recorded a further downturn in over-the-counter payment transactions, whereas net sales from non-postal brand-

name items increased. Import and export volumes (mail) fell year-on-year. At Swiss Post Solutions, growth in the US and the Document Output unit had a positive impact on the income from services provided. Overall, Swiss Post generated an operating result of 61 million francs in the communication market (previous year: 111 million francs). This lower result was mainly due to a rise of 61 million francs in employee benefit expenses. Detailed information on volume trends and the result in the communication market, are provided from page 30 of the Financial Report.

## LETTER MAIL

## The indispensable classic

Its impact is unrivalled. It owes its excellent reputation to its trustworthiness and authoritative nature: The classic letter remains indispensable – and is part of Swiss Post's core business.

Letters work. The character and appearance of a letter registers with the recipient from the moment it is taken out of the letterbox or P.O. Box. It arouses curiosity. Most people open and read their letters, and perceive them to be particularly trustworthy and authentic. But a letter can do even more: It tends to stay fresh in readers' minds and inspires them to act.

Take a promotional letter produced by the insurance company Generali and sent by Swiss Post to 48,000 recipients in the spring of 2012. Two out of three recipients remembered the letter a whole month after receiving it. They were able to provide much more information about Generali, both spontaneously and when prompted, than people who had not received it. And they showed a much stronger interest in buying. This was borne out by a representative telephone survey of 350 recipients and 350 non-recipients of the letter.

### Cardboard speaks volumes

On behalf of the renowned children's charity Terre des Hommes, Swiss Post sent out three million flyers pasted on a piece of cardboard. The cardboard symbolised the makeshift beds that many children sleep on in the developing world, vividly illustrating the inhumanity of such

living conditions. Many people were touched by the message. After just a few days, the numerous donations quickly matched the previous years' totals.

### Tabs can boost sales

What makes a mailing unmissable? If it has a tab that sticks out of the letterbox, for instance. And if the tab includes clearly visible and attractive discount coupons, the impact is even greater. Four co-op beverage markets in the central Switzerland-Zurich sales region did just that. The response from recipients of the unaddressed mailing was huge. The senders saw their sales rise by 30 percent year-on-year.

### JOINT VENTURE WITH LA POSTE

## Dual speed ahead

Asendia is a joint venture between Swiss Post and France's La Poste launched in July 2012 to pool their cross-border activities in the mail sector as equal partners. With its combined strength and collective expertise, Asendia aims to develop new solutions for business customers. The company's name sets the tone: it's a play on the words "send" and "ascend".

→ [www.asendia.com](http://www.asendia.com)  
→ QR code



1 – Unmissable: Four co-op beverage markets boosted their sales by 30 percent thanks to an eye-catching PromoPost mailing.

2 – A letter is appealing, arouses interest and sticks in the memory. This was revealed by the follow-up survey to a promotional mailing by the insurance company Generali in the spring of 2012.

3 – This cardboard shows the meagre sleeping conditions endured by many children in the developing world. People were touched by the message, and large numbers of donations soon followed.



Asendia embodies the high aspirations of Swiss Post in the international mail sector.

Ulrich Hurni,  
Head of PostMail and  
Chairman of the Board  
of Asendia



Asendia presentation  
[Film]



sobu – buy, share, earn!  
[Film]

## DIRECT MARKETING

### Empower customers – strengthen market position

How can we improve the response rate to our promotional mailings? How can we establish a dialogue with our target groups? More and more business customers are turning to Swiss Post with their direct marketing queries. Many of them appreciate our professional support, from the design stage to shipping the mailings.

#### Successful mailing in just a few short steps

The electronic mailing guide is the latest free service from Swiss Post for direct marketing: A mailing configurator guides business customers in nine steps easily and securely through the entire direct marketing process. The user-friendly guide includes basic information and tools such as checklists and templates. When you have completed all steps, the mailing configurator generates a customised design for the mailing from the data entered. It also calculates the shipping costs for addressed promotional mailings within Switzerland.

→ [www.swisspost.ch/ mailing-guide](http://www.swisspost.ch/ mailing-guide)

#### Market position consolidated

Swiss Post's strategy of training its business customers to become successful direct marketing specialists is paying off. Such knowledge transfer produces a remarkable degree of leverage. "Because many customers are placing increased emphasis on direct marketing, and thereby creating additional letter volumes, it works out well for us", says Jan Remmert, Head of Marketing at PostMail.

Promotional mailings will remain part of Swiss Post's core business in the future. Hence, it has continued to strengthen its position in the market for unaddressed mail. In early January, the company increased its stake in DMC Group, the direct marketing and delivery specialist, from 50 to 100 percent. Three months later, Swiss Post strengthened its DMC Group ownership with the acquisition of direct marketer AWZ's delivery operations. In late 2011, Swiss Post had acquired the remaining shares in courier firm Epsilon AG, based in French-speaking Switzerland.

## REFERRAL MARKETING

### When "likes" pay off

Simone likes to create her own chocolate bars at [www.mySwissChocolate.ch](http://www.mySwissChocolate.ch). She raves about all the possible flavours, ingredients and blends on the social networks. Nadine reacts to her recommendation: She registers with sobu, the online service launched by Swiss Post. Then she goes on to create her own chocolate bars at mySwissChocolate. Thanks to sobu, both of them benefit. Simone receives money for her tip, and Nadine gets a discount of 5 francs on her next purchase.

→ [www.sobu.ch](http://www.sobu.ch)  
→ QR code

Recommendations with physical mail from friends, acquaintances and business associates are also well-received. With this in mind, Swiss Post offers pre-franked referral cards. Customers who are satisfied with a company can use the cards to recommend it to others free of charge. All referral cards are pre-franked thanks to the Letter ID service (see below). The company only pays for the cards that are actually sent by its customers.

→ [www.swisspost.ch/loyalty-marketing](http://www.swisspost.ch/loyalty-marketing)

## INTELLIGENT LETTERS

### Identify and track – with Letter ID

A letter passes through many points on its way to the recipient. Thanks to a system for identifying letters, business customers can track that journey, and the Letter ID data matrix code plays a pivotal role in the process. The code is a square with small dots printed on the letter. The information it stores includes an individual consignment number. Senders can use this to track their consignment online and identify the location of every single letter in their bulk mailing. This allows them to plan downstream activities more effectively – for example, when deciding how many staff to allocate to customer services. In the future, the service will support active control of letters with the Letter ID code throughout the entire process.

→ [www.swisspost.ch/letter-id](http://www.swisspost.ch/letter-id)



## CUSTOMER SOLUTIONS

## Swiss Post meets the highest expectations

Swiss Post Solutions develops innovative solutions for external partners. These solutions all have one thing in common – an in-depth knowledge of industry-specific business processes. Here are three examples.

### PKZ: multi-brand account balancing

Wanted: an integrated accounting system for purchases in all stores and through a multi-brand online platform. The PKZ Group, with the brands PKZ, Burger, Feldpausch, Blue Dog and Paul Kehl, found what it needed at Swiss Post Solutions. An integrated system now manages customer information, cards and actions centrally, connects online transactions and stores them in the respective customer files. This means that bonus points and vouchers can now be settled in real time. “We had very tough requirements and wanted a smart solution. The system provided by Swiss Post Solutions met our high expectations”, says Olivier Burger, PKZ Group CEO.

### Co-operative Group: instantly accessible everywhere

Piles of paper on desks, overflowing archives and stacks of waste paper are to become a thing of the past at the new headquarters of the UK consumer co-operative in Manchester. The goal: to use 80 percent less paper and gain access to documents from anywhere. The solution: digitisation. Swiss Post Solutions processes incoming and outgoing mail – a total of two million items a year. “Information must be immediately accessible from any location to those authorised to access it. That’s the only way to work efficiently

today”, says Kevin Foley, Resource & Planning Manager. Incidentally, Swiss Post Solutions is also digitising Co-operative Group’s existing archive.

### BREKO: activate and charge

In Germany, regional and local landline providers are now also offering mobile services. This is possible thanks to a partnership between BREKO, the German association representing landline competitors of Deutsche Telekom AG, and the mobile service provider Telefónica Germany. Swiss Post Solutions handles the resource-intensive part of the process for the landline providers: It takes care of the storage and delivery of SIM cards and their activation and deactivation. It also manages phone numbers and the settlement of accounts between Telefónica Germany and the providers. “We’re proud that BREKO members are going to market with attractive mobile rates that are tailored to meet customer needs”, says BREKO chairman Karsten Schmidt.

” —

The system provided by Swiss Post Solutions met our high expectations.

Olivier Burger,  
PKZ Group CEO



1 – Tailor-made for the PKZ Group: an integrated accounting system for a multi-channel range of services

2 – Already planned during construction of the new Co-operative Group headquarters: space savings thanks to digitisation

3 – Mobile services from German regional and local providers: resource-intensive processes outsourced



1\_ With the Post SuisseID mobile service, users can prove their identity on their tablet while on the go.

” —  
In future,  
Post SuisseID  
will make online  
tax declarations  
and even online  
voting possible.

#### ELECTRONIC ADMINISTRATION

### A fishing licence on your smartphone

Last summer, the canton of Jura opened a virtual counter, where residents can undertake activities such as postponing their appointment with the road traffic department, have their fishing licence sent directly to their smartphone, or find out online how much tax is outstanding.

Meanwhile, the municipality of Kerzers in the canton of Fribourg introduced a digital citizen's account known as the eKonto. Using this personal access service, the citizens of Kerzers can now review their contact data with the municipality, and to a certain extent manage it themselves. They can order documents such as proof of address or residence certificates online. Electronic submission of planning applications is also in the pipeline. In 2012, the eKonto won the e-government special prize awarded annually by the Swiss eGovernment Symposium.

Post SuisseID is in use in both the canton of Jura and the municipality of Kerzers. It enables residents to obtain unique electronic identification and facilitates the expansion of e-government. “Applications like the virtual counter and the eKonto simplify administration, save time and increase the degree of interaction between each individual and the state”, says Urs Fischer, Head of Identity & Security at Swiss Post. In future, PostSuisse ID will make online tax returns and even online voting possible.

Today, lawyers are already submitting petitions electronically to the courts. They must be signed with a qualified certificate like SuisseID and transmitted using a recognised electronic delivery platform such as IncaMail (see adjacent text). More than half of all cantons use IncaMail for electronic communications with courts, with the unemployed or for sending land register records.

#### ELECTRONIC IDENTIFICATION

### Post SuisseID now available as a mobile service

Want to prove your identity from your smartphone or tablet when you're on the go? Now you can, thanks to the new Post SuisseID mobile service. Just log in and you can start using the online applications. All current SuisseID applications can be found at:

→ [www.suisseid-forum.ch](http://www.suisseid-forum.ch)

#### INCAMAIL

### E-mail risk test

Professionals can hack e-mail in less than 30 seconds. That's why Swiss Post offers its customers IncaMail. Thanks to the patented SAFE technology, IncaMail gives them the highest level of security. For those who want to know how vulnerable their e-mails are, Swiss Post has developed a risk test:

→ [www.swisspost.ch/incamail-confidential](http://www.swisspost.ch/incamail-confidential)

#### NEW PRODUCTS

### Swiss Post a step ahead

According to a study by management consultancy Capgemini, Swiss Post launched 22 new products and services between 2008 and 2010. This puts it in top spot out of the 19 postal companies analysed worldwide – ahead of Italy, Spain, Austria and Belgium.

## INNOVATIVE ACCESS POINTS

## Rubbing shoulders with the customer – no armoured glass or granite

Customer proximity and customer care are Swiss Post's top priorities, but it also has to operate its sales network efficiently. To do so, it increasingly favours open counters, and even solutions with no need to go to the post office at all.

Since 2000, there has been a continual decline in the number of letters, parcels and payments passed over the counter at post offices in the traditional way. The main reasons for this include modern technology like the Internet. But Swiss Post also needs to adapt to the changing lifestyles of its customers, so is focused on expanding the range of access points that suit today's customer behaviour and are less expensive to operate.

### No granite or armoured glass

One solution is refitted post offices, with open counters and a new layout, rather than grilles, glass and granite between customers and staff. "The customer response to these new counters so far has been overwhelmingly positive", says Franz Huber, Head of Sales at Post Offices & Sales. The service is practical and includes all major postal transactions. The focus is on handing in and collecting letters and parcels, and on dealing with inpayments. By the end of 2012, Swiss Post had opened 20 access points of this type across Switzerland.

### The oversized letterbox

A second new solution is the business customer point that makes it easier for SMEs to mail large volumes of letters and parcels. These sites are run by Swiss Post employees at third-party premises. Then there are the closed areas, accessed with a badge, where customers can drop off their consignments at any time of the day or night. Swiss Post staff pick up the consignments here at scheduled intervals.

### Proven solutions

Swiss Post has run the "Swiss Post at partners" agencies for about a decade now. Under this scheme, Swiss Post works with outside agencies who carry out postal transactions on its behalf. The home delivery service has also proven its worth. Here, mail carriers call to the door on their delivery round and handle the orders at the customer's doorstep.

### Talking about new solutions

When a post office needs to be converted or even closed, Swiss Post opens a dialogue with the community affected early on. It conducts intensive discussions with the local councils, and organises visits and information meetings for the public, where appropriate, to ensure transparency and understanding. Once a decision on the future of the postal services has been made, Swiss Post provides all affected households and the media in the catchment area with details of the new services in consultation with the local authorities.



### Deficit in the post office network

With an annual deficit in the post office network of over 100 million francs, Swiss Post faces a major challenge: to provide a nationwide basic postal service that is both economically viable and also customer-friendly and of high quality. The ongoing development of the post office network is one of the measures being taken to eliminate the deficit in the medium term. A self-supporting sales network is the only means available to ensure compliance with the Federal Council's mandate to generate industry-standard returns in all business segments.

→ [www.swisspost.ch/postalnetwork](http://www.swisspost.ch/postalnetwork)



1 \_ Popular with customers: the 20 new-look post offices.

2 \_ Want a new mobile? Choose one easily with the interactive product stands.

3 \_ "Swiss Post at partners" has been a decade-long success story.



” —  
Open counters and a new layout between customers and staff, rather than grilles, glass and granite.

#### NEW FOCUS ON PRODUCTS FOR SALE

## Interactive product display units and more multimedia

Swiss Post is clearing up its counter areas and focusing more on multimedia devices and PostFinance products.

Showcases with mobile phones and tablets, and racks filled with books, maps and sweets are typical features of post office counter areas. Swiss Post's new display units soften the visual tone of the products and focus more on telecom products. To enhance how mobile phones are presented in the future, Swiss Post has become the first provider in Switzerland to use interactive product display units. When a customer picks up a device, a screen automatically displays information about the phone and the subscriptions available for it. If he or she picks up a second phone, the screen splits in two to allow the devices to be compared directly. The switch to the interactive display units is taking place in stages. By the end of 2012, they were installed in about 170 of the largest post offices, with more to follow.

In 2011, Swiss Post significantly expanded sales of iPhones and iPads in post offices. Apple products have been available at the 80 largest post offices since 2012. In the other 1,700 or so post offices where they are not directly available, they can be ordered at the counter. Daniel Verri, Head of Partner Brands: "That makes us the Apple reseller with the largest sales network in Switzerland in this area at the moment. With a brand as prestigious as Apple, this is something we can really be proud of". Meanwhile, a newly designed PostFinance module provides information to those interested in financial services. They can arrange an appointment with their personal PostFinance advisor at a location of their choice at the counter.

#### A MAIL PLUS

## Practical extra A Mail service

Whether original documents, tickets, CDs or ID cards – Swiss Post ensures delivery on the next working day and accepts liability of up to 100 francs in the event of the letter's damage or loss. The new solution is called A Mail Plus for private customers and is a useful additional service to complement A Mail. If the recipient does not answer, the mail carrier simply leaves the consignment in the letterbox or P.O. Box – no signature is required. Thanks to electronic consignment tracking, the sender knows where the letter is at all times, or if it has already been delivered.

#### WEBSTAMP EASY

## Personal stamps for those special moments

Lucky the poodle on the stamp for the birthday card to your grandmother? The happy couple on the thank-you card for wedding gifts? Whether it's a birthday, wedding, holiday or family outing, the internet application WebStamp easy lets you create your own personal stamps with just a few clicks. The sky's the limit. Simply upload any image, select the mail service you need, print the stamp and you're done. All you pay for is the postage.



# Logistics market

Competent and reliable partners are key to achieving business success, particularly in logistics. At Swiss Post, a leading logistics provider, customers are in good hands and enjoy major advantages. Shippers simplify their business processes with us, make efficiency savings and strengthen customer retention. Swiss Post offers forward-looking products and services that make receiving consignments easy and convenient. Swiss Post has just what its customers need: from a simple basic service with or without extras, efficient standard solutions, through to complex logistics solutions.

| Logistics market |                       | 2012  |
|------------------|-----------------------|-------|
| Operating income | CHF million           | 1,535 |
| Abroad           | CHF million           | 76    |
| Operating result | CHF million           | 152   |
| Abroad           | CHF million           | 11    |
| Parcels          | Millions              | 111   |
| Express items    | Millions              | 2     |
| Headcount        | Full-time equivalents | 5,520 |



## ONLINE SHOPPING

## “Distance selling is the number one growth market in the logistics sector”

Shopping whenever you feel like it, comparing deals and prices: Online shopping is convenient. And even more so when the goods you order are delivered as a parcel directly to your home. This trend is boosting Swiss Post's business.



Some facts about distance selling

In Switzerland, 5.3 billion francs is already spent shopping online.

Online and mail order business in this country is growing by around 4 percent annually.

In 2012, Swiss Post delivered 111 million parcels thanks to the online boom. That's a new record.

Whether it's books or magazines, clothes, shoes and sports goods, mobile phones, tablets and computers, more and more people in Switzerland are buying online. A study by the Swiss Mail Order Association found that the Swiss now spend 5.3 billion francs online, up from 4.65 billion in 2008.

### More online business, more parcels

When you shop on your computer or smartphone, you can do so wherever and whenever you want. Freed from restrictive store opening hours, online shoppers can compare offers and prices and read what other consumers have to say. That said, the one big drawback is that the products can't be handled or tried on. The most popular goods are electronics, clothes and books.

Online and mail order business in Switzerland is currently growing at about 4 percent annually, outpacing the entire retail sector. And although

online sales amount to only a fraction of what is sold in stores, many suppliers are moving into the online market. So further growth is inevitable.

### Bought online – delivered as a parcel

Swiss Post is benefiting from this boom: Many products ordered online are sent to customers by post. This is one major reason why parcel volumes at Swiss Post have been increasing continuously in recent years. They reached a peak in 2012, with 111 million parcels sent. Clearly a profitable business, then. But both senders and recipients are looking to Swiss Post for a service that goes beyond the usual home delivery. Today, they can already specify when and where a parcel is to be delivered. Dieter Bambauer, Head of PostLogistics: “Distance selling is the number one growth market in the logistics industry, and we will become even more flexible in the future”.



### Result, market / volume trends

Parcel volumes rose year-on-year (+4.1 percent). Import and export volumes rose year-on-year due to the increase in online business and the partial regaining of import parcel processing from Germany. PostLogistics achieved an operating result of 152 million francs. Although this represents a fall of 10 million francs year-on-year, it is still above the internal targeted figure

due to scheduled one-off effects. Substantially higher parcel volumes had a positive impact on the result, whereas increased employee benefit expenses, higher costs for third-party carriers and IT and comprehensive restructuring measures had a negative impact. For detailed information on volume trends and the result in the logistics market, see page 31 of the Financial Report.

## FLEXIBLE PARCEL POST

## Have parcels delivered, collect and forward them and, soon, manage them online

New consumer behaviour, more parcel deliveries. As a flexible logistics partner, Swiss Post is continually optimising transport planning and extending receipt options.

You've just put a pair of size 40 shoes into the shopping basket, strolled to the checkout, whipped out the credit card, and paid – and done it all online. The next day the doorbell rings and the mail carrier hands over the parcel. This widespread consumer behaviour is making his job even more important.

### Upgraded

Hans Rüegg, a parcel carrier in the municipality of Rapperswil-Jona, has directly felt the increase in parcels as a result of online shopping: "Our vehicles are always well stocked on the delivery rounds. Route planning is very important to avoid driving unnecessary extra kilometres". With this in mind, Swiss Post has optimised route planning using GeoRoute software. It calculates the shortest routes on the delivery rounds. Swiss Post has also upgraded the handheld scanners used by its delivery staff: The new scanners know, for instance, which parcels are to be retained or forwarded to a different address because the addressee is on away on holiday. For business customers, Swiss Post is using more 3.5 ton vans for lighter small consignments. The effects: lower fuel consumption, more manoeuvrability in traffic, so faster deliveries.

### Simplified

Many things have also become easier for the recipients of parcels. Waiting at home for a parcel delivery or going to the post office counter with a collection note are in many cases no longer necessary. Today, the customer can specify when and where a parcel is to be delivered. You can also opt to receive an SMS or e-mail

notification when the parcel is ready for collection at a PickPost point. These are available at more than 700 locations, including petrol stations, railway stations and, of course, post offices. Swiss Post has adapted its Swiss-Courier service for urgent consignments to offer three different delivery speeds. The customer specifies the urgency of the delivery and monitors its progress with SMS notifications and consignment tracking.

### More individual

And from the autumn of 2013, things will get even easier for customers. Recipients of letters and parcels will be able to use an online tool to specify the addressee themselves, extend the collection period and authorize others to receive deliveries. Deliveries in the evening and on Saturday will become available. The mailing and collection of parcels 24 hours a day, seven days a week is also on the cards. Swiss Post is planning to install automated parcel terminals at busy locations in urban areas and conurbations.



1 – More and more people are shopping online. The number of parcels sent is rising accordingly.

2 – Swiss Post customers can monitor urgent consignments online or with SMS notifications.

3 – Specify where the parcel is delivered. Parcel carriers like Hans Rüegg provide reliable and punctual delivery.



Good route planning is very important to avoid driving unnecessary extra kilometres.

Hans Rüegg,  
Parcel carrier in Rapperswil-Jona





1  
The SecureCube is a safe, cash register and counting machine.

” —  
The SecureCube saves us the tedious process of counting the daily takings and the trips to the post office or bank.

Simon Michell,  
CFO TALLY WEIJL



SecureCube fact sheet  
[PDF]

## TALLY WEIJL AND THE INTELLIGENT SAFE

# No more checking notes and coin rolls – more time for customers

When it comes to managing cash, the Swiss fashion label TALLY WEIJL relies on an innovative product from SecurePost: SecureCube is an inpayment terminal used in 70 stores to count cash and store it safely. A success story.

9 p.m.: The last customer leaves the store, the shutters come down, the spotlights go out and the staff go home. And who counts the day's takings? The SecureCube has already taken care of it. Since these terminals were installed in 70 TALLY WEIJL stores, nobody has to count the cash at the end of the day. Simon Michell, CFO of the company, feels certain that the lives of his staff have become easier since the terminals were installed: "The SecureCube saves us the tedious process of counting the daily takings and trips to the post office or bank".

The SecureCube is a safe, cash register and counting machine. Here's how it works: As money accumulates in the store's cash register, the staff empty out the surplus notes and insert them into the entry slot on the SecureCube. The terminal checks the banknotes for forgeries, and also distinguishes between francs and euros. Regardless of when it is emptied, the terminal adds up the cash and transfers the corresponding amounts to the store's account. The SecureCube stores the money safely until it is picked up by the SecurePost staff. If anyone attempts to crack or steal the safe, the SecureCube stains all the

banknotes with dye, rendering them worthless. And another benefit: Once a note disappears into the entry slot on the SecureCube, the corresponding amount is insured.

After a brief pilot project, TALLY WEIJL upgraded 70 stores with the safe within three months. Simon Michell: "So far, we have received nothing but positive feedback from all sides. The staff at our stores now have more time to take care of customers". Michell adds: "In four or five years there will be a SecureCube in every store across the entire retail sector in Switzerland. I'm sure about that".

→ QR code

## SWISS-EXPRESS "INNIGHT"

# Overnight delivery for a prompt start to work

At Swiss Post, the working day has 24 hours – at least for overnight deliveries. Once it gets dark, the first vans with the "Innight" inscription start moving out in all directions from the logistics centres in Oftringen and Niederbipp, and, starting in the summer of 2013, from the new centres in Pfungen (Zurich) and Fétigny (Fribourg). By the time they start work in the morning, the items that customers have ordered are already where they're needed – directly on the counter, in front of the operating theatre or in the service technician's vehicle.



## Retail financial market

PostFinance is one of Switzerland's leading financial institutions. It is the ideal partner for all customers who want to manage their own finances. As number one on the Swiss payment transactions market, it ensures a seamless daily flow of liquidity. Whether in payments, setting money aside, investments, retirement planning or financing, PostFinance offers its customers everything to meet their daily financial needs, including easy-to-understand products at attractive conditions and simple access in daily contact.

| Retail financial market |                       | 2012      |
|-------------------------|-----------------------|-----------|
| Operating income        | CHF million           | 2,362     |
| Operating result        | CHF million           | 627       |
| Customer accounts       | Number                | 4,549,000 |
| Inflow of new money     | CHF million           | 11,553    |
| Ø Customer deposits     | CHF million           | 99,158    |
| Headcount               | Full-time equivalents | 3,479     |



## FINANCIAL MARKETS

## How can PostFinance make a profit given the low interest rate environment?

PostFinance continues to make a profit from long-term investments, but is feeling the pressure on interest margins. In this situation, it is keeping costs under control and relying more heavily on income from payment transactions.

” —  
Swiss Post's financial arm invests in long-term, high quality investments with low risk.

Borrowing money at a lower interest rate and lending at a higher rate: The interest differential business is an important source of income for PostFinance. But the current low or zero interest rate environment means interest margins for financial institutions are shrinking.

Swiss Post's financial arm invests in long-term, high quality investments with low risk. 77 percent of all PostFinance investments have the highest AAA credit rating, while 16 percent have an AA rating, and 5 percent of investments have an A rating. The investments are spread across some 900 parties, and no investments are made in leveraged products or complex financial instruments. At the end of 2012, 66 billion francs were invested in long-term bonds on the capital market, with 45 billion invested in the shorter-term money market (of which 42 billion held at the Swiss National Bank).

Experts do not currently anticipate any rise in interest rates in the near future. “This curtails

an important source of earnings for a time. This situation will weigh on our profitability, something which, incidentally, affects all retail banks in Switzerland”, says Kurt Fuchs, Head of Finance at PostFinance.

The strong growth in new accounts and customer deposits experienced by PostFinance in recent years is encouraging. In view of the difficult market environment, PostFinance is not currently investing significant portions of these deposits for the long term, but is maintaining a large liquidity balance at the Swiss National Bank (SNB). In the medium and long term, the stable customer relationships will again make a positive contribution to earnings.

To ensure that it generates adequate profits in the future, PostFinance continues to keep costs under control. The company can also count on commission and service income from its core payment transactions business.



### Result, market / volume trends

PostFinance recorded a further inflow of customer deposits year-on-year. Swiss Post's financial arm continues to enjoy the trust of customers who manage their own finances and who appreciate a simple and inexpensive range of services. Average customer deposits totalled 99,158 million francs in 2012. This represents an increase of 12.6 percent year-on-year. In 2012, PostFinance achieved an operating result of 627 million francs (+6 percent). Operating

income is high at 1,534 million francs (+4 percent). Operating costs including amortisation increased by 3 percent to 907 million francs. Non-staff costs of 426 million remained at last year's level, while staff costs of 472 million francs increased year-on-year. In total, PostFinance created an additional 54 full-time equivalents year-on-year (+1.6 percent). For detailed information on volume trends and the result in the retail financial market, see page 32 of the Financial Report.

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**POSTFINANCE TO BECOME A PUBLIC LIMITED COMPANY**


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## Hansruedi Köng: “We will remain true to ourselves”.

PostFinance becomes a public limited company in the summer of 2013. The demerger opens up new horizons for the company. Hansruedi Köng explains how PostFinance intends to exploit its promising new start with proven strengths.

**Hansruedi Köng, PostFinance is becoming a legally independent public limited company in the summer of 2013. What does that mean for the financial institution?**

Let me first clarify the following: PostFinance remains PostFinance, even as a public limited company. We will remain true to ourselves. As an independent public limited company owned by Swiss Post, we will now be regulated by the Swiss Financial Market Supervisory Authority (FINMA), and will therefore be treated the same as any other Swiss bank. Our new status reflects the importance of PostFinance as a leading Swiss retail financial institution. With the banking licence, we will be subject to bank client confidentiality requirements. The essential thing to note is that, as an independent public limited company, we will have more independence and greater scope.

**What exactly do you mean by scope?**

As a public limited company, we are a more flexible and dynamic partner. The banking licence will basically allow us to offer the same services as all other commercial banks. But we won't be doing that. We won't be moving into any new business areas for the moment and will continue to work with our established partners. The important point is that, despite the banking licence, we remain subject to restrictions in the lending business. We still have to rely on our cooperation with other banks, because the

postal legislation does not allow us to grant commercial loans and mortgages independently. On the other hand, more than 2.6 million private customers and over 300,000 business customers in Switzerland entrust their money to us. We can make good use of this promising starting point to develop our business.

**Will PostFinance still have a mandate to provide a basic service as an independent public limited company?**

Yes. Under the new postal legislation, PostFinance must fulfil its obligation to provide a universal basic service to handle payment transactions. We are the market leader in payments from account to account in Switzerland. This means we are also number one in bank-to-bank transactions. Together with other banks, we are working to develop the technology used in payment transactions. In the future, we envisage automated electronic standard solutions to simplify payment processes worldwide. PostFinance's entire product range already meets the international standard for electronic data exchange.

**Will the demerger into PostFinance Ltd increase risk for customers?**

No. We will continue to pursue a very conservative investment policy. We invest the money entrusted to us prudently in long-term investments. And even as a public limited company, we are still owned by Swiss Post, and therefore by the Confederation. This provides a limited government guarantee for customer deposits for five years. In addition, customer assets up to 100,000 francs at PostFinance Ltd will be subject to the same statutory depositor protection that applies at other banks. Our equity will be sufficient. Hence, PostFinance will remain a secure financial institution.



**Hansruedi Köng**  
Head of PostFinance

” —  
As a public limited company, PostFinance will remain a secure financial institution.





1 \_ PostFinance is the first choice for customers who manage their finances independently. In electronic and mobile services, PostFinance is a leader.

2 \_ PostFinance advises private customers in its branches, over the phone and online. Our advisors visit business customers personally at their premises.

3 \_ Payment transactions are the core business of PostFinance.

” —

More than 2.6 million private customers and over 300,000 business customers entrust their money to us.

#### Speaking of equity, where will Swiss Post draw the funds to equip PostFinance Ltd to industry standards?

The capital required under the regulatory framework is set out in the Capital Adequacy Ordinance. At the beginning, our eligible equity will almost certainly amount to over 4.5 billion francs. Of that, half will be paid in cash. Our parent company has borrowed 1.3 billion francs from institutional investors and will make it available to us as equity. Larger real estate holdings, some of which we use ourselves, will also appear on our balance sheet.

#### What will change for existing customers?

I don't mind repeating myself here: PostFinance remains PostFinance. For private customers and for small and medium-sized enterprises, who prefer to manage their money independently, we will remain a reliable, trustworthy financial institution. We will continue to be the right partner for large companies. We will be offering the latter special services in addition to traditional payment transactions, for instance within working capital management (see page 30). As part of the conversion, we are simplifying and updating our General Terms and Conditions and the main Subscriber Conditions. This will also be of benefit to our customers.

#### CUSTOMER ACCEPTANCE POLICY

### Only customers with taxed money

PostFinance is committed to a clean financial centre and only accepts customers who have declared their assets in accordance with the statutory provisions. “We comply with both domestic and foreign law at all times. This is an important foundation of any democracy, and of our conception of ourselves as a public company”, explains Thierry Kneissler, Head of Corporate Center at PostFinance. There are strict requirements for customers domiciled abroad: They must declare their money properly and confirm to PostFinance that they have done so. For account holders resident in the United Kingdom or Austria, PostFinance implements the provisions of the respective withholding tax agreements, ensuring that these customers are tax-compliant. From 1 January 2014, PostFinance will gather tax-relevant data from account holders liable to pay tax in the United States and, with their consent, pass it to the US authorities. This is a requirement of the new US Foreign Account Tax Compliance Act (FATCA).



#### Seven-strong Board of Directors

The Board of Directors of PostFinance Ltd was announced in October 2012: The seven-member committee is chaired by business lawyer Prof. Dr. Rolf Watter. He brings to the role extensive knowledge of corporate and securities law. His deputy is Dr. Marco Durrer (Board of Directors of Swiss Post). Legal and compliance specialist Dr. Michaela Troyanov and Dr. Patrick Frost, also with many years of broad-based management experience in the financial services industry, join the PostFinance Board of Directors. In addition to Dr. Marco Durrer, Swiss Post nominees include Adriano P. Vassalli, CEO Susanne Ruoff and Head of Finance Pascal Koradi.



## WORKING CAPITAL MANAGEMENT

## Create more financial flexibility

Many large companies tie up too much capital in work processes. PostFinance's new advisory services help to create financial flexibility by taking account of the process-related and logistical aspects of working capital management.

Too many goods in stock. Not issuing invoices until weeks after the service has been provided. Paying receivables too soon. Companies can quickly tie up anything up to a third more capital in work processes or products than is actually necessary. This is where working capital management comes in: It controls company decisions, processes and practices to ensure that as little capital as possible is tied up in current assets. Warehouses should not have excess stocks, customers should receive their invoices quickly, and liabilities with suppliers should be paid when the time is right. This allows companies to improve their liquidity and optimise cash flow. They also save money, because improved processes save time. And they can use the freed-up capital for major new investments.

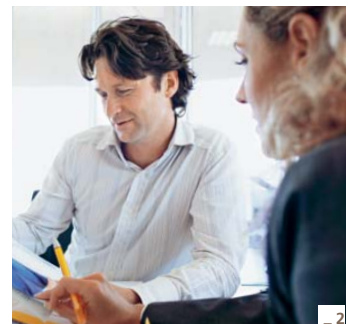
### Uniquely linked

PostFinance's advisory services include financial services, logistics services in cooperation with PostLogistics, and the process-related aspects of working capital management together with Swiss Post Solutions. "This linkage of Swiss Post services is unique on the Swiss market and is very important to many customers", says Armin Brun,

Head of Market & Distribution at PostFinance. Customers can, for instance, optimise order management, reminders and other activities to best suit their logistical processes. This helps them improve their capacity to finance projects themselves and avoid cash-flow shortages.

### Successful implementation at pilot customers

PostFinance provides advisory services in all areas of working capital management, particularly to demanding and complex business customers, institutions and public entities at Confederation, cantonal and municipal levels. The new approach is currently being successfully tested at various customers.



1 \_ Having good working capital management is satisfying. Because it ensures that as little capital as possible is tied up in current assets.

2 \_ PostFinance's advisory services also cover the process-related and logistical dimensions of working capital management.



Our services cover the financial, process-related and logistical aspects of working capital management. This is unique in Switzerland.

**Armin Brun,**  
Head of Market & Distribution at PostFinance

## E-COCKPIT

## Finances firmly under control

“How much money do we spend on our hobbies?” “When can we afford that new sofa?” E-cockpit from PostFinance provides informative answers to financial questions like these.

PostFinance’s private customers are more independent than ever in managing their money: With e-cockpit from PostFinance, they keep their finances firmly under control. This free, practical financial tool is the only one of its kind in Switzerland, and presents comprehensive, in-depth information on income and expenses in a simple and understandable way. Account holders can also create accurate budget and savings goals. “E-cockpit is very popular because it gives many customers a better understanding of their finances, allowing them to plan their financial affairs better”, says Armin Brun, Head of Market & Distribution at PostFinance.

### A quick overview

“How much money have we spent on mobility?” “Where can we save money?” In many cases, a quick look at the clear pie or bar charts in e-cockpit is enough to be able to answer these questions. Categories such as “Health”, “Holidays & travel” and “Mobility” quickly indicate how much necessities and other items cost. Customers can define additional categories tailored to their individual income and expenses to refine their own personal analysis. They can also assign

recurring expenses to specific categories. And another practical feature: The period viewed is freely selectable at any time for all analyses.

### Longer-term planning

“When can we buy the new sofa?” “How much money can I afford to spend on my new hobby?” Here too, e-cockpit can offer specific support. Ambitious customers use the knowledge gained from the analyses to define budget items and set savings goals. Incidentally: You can also opt to receive an immediate SMS or e-mail notification when a budget is exceeded or a savings goal is achieved.

→ QR code

### CONSTRUCTION LOANS AND MORTGAGES

## Solid financing of residential property

Since January 2012, PostFinance has offered a range of mortgages to future homeowners. Customers can choose between a traditional construction loan and instalment mortgage payments for projects with general contractors. More than 12,000 private customers finance their homes with PostFinance’s support. 70 percent have opted for a fixed-rate mortgage. PostFinance works together with Münchener Hypothekenbank and Valiant Bank in the mortgage business.



### PayPass

There’s no easier way to pay: Just hold the PostFinance MasterCard close enough to the card terminal. Done. Available at more than 3,500 payment points for amounts up to 40 francs.

### E-moneybox

Feed the piggy bank electronically: Round up purchases with the PostFinance Card and set aside the excess automatically. And you might want to give it to your godchild.

### Geoblocking

Feeling secure: Selecting the security level of their choice, customers prevent cash withdrawals in risky countries and from obsolete ATMs if required.



E-cockpit [Film]

# Public passenger transport market

PostBus aims to maintain and strengthen its position as the number one in public bus transport in Switzerland. We want to expand our presence in local and urban transport such as with our bikesharing scheme PubliBike. Or by developing our system services: we manage and operate IT-based systems for ticket sales and automated passenger counting. Internationally, we want to grow in clearly defined niche areas and build up an additional source of earnings.

| Public passenger transport market |                       | 2012  |
|-----------------------------------|-----------------------|-------|
| Operating income                  | CHF million           | 778   |
| Abroad                            | CHF million           | 85    |
| Operating result                  | CHF million           | 6     |
| Abroad                            | CHF million           | 0     |
| Domestic passengers               | Millions              | 129   |
| Vehicle kilometres                | Millions of km        | 107   |
| Vehicles                          | Number                | 2,157 |
| Headcount                         | Full-time equivalents | 2,307 |



## SYSTEM SERVICES

## PostBus know-how shared with other transport companies

Whether it's about procuring point of sale (POS) terminals, inspecting tickets or supplying passengers with up-to-date information, PostBus has developed system services that benefit other providers.



There is tremendous potential for growth in system services.

Daniel Landolf,  
Head of PostBus

The POS terminals in PostBus's yellow fleet have it all: The driver can retrieve up to 999 fares from the touchscreen. The devices send the current sales data directly and immediately via GPRS to a central server, where it is always up-to-date. They know the current bus stop and the routes travelled. When planning a fare change, the new prices can be programmed in advance. The change can then be implemented when the time is right within a few seconds. A web application provides access to all data.

PostBus has been providing its expertise in POS terminals to other transport providers for some time now, with the Ostwind fare network among its customers. PostBus can help them to acquire this equipment, put it into operation and train the drivers how to use it. The most important thing to customers is the quality and availability of data. With this in mind, PostBus has developed a comprehensive IT integration pack-

age. The services PostBus offers to third parties still comprise ticket inspection, including payment collection, and the on-screen information provided to passengers about the next stops and connections for long-distance travel with SBB, the Swiss federal railways. Other services include automatic passenger counting and passenger composition surveys, as well as information on the utilisation of routes – data that is increasingly required by the Confederation and the cantons. These services contribute to improving the public transport system as a whole, which is why they are designated as system services.

PostBus sees opportunities for growth in these new services. As Daniel Landolf, Head of PostBus, observes: "Growth in normal scheduled services is difficult. However, there is a tremendous potential for growth in system services, both in Switzerland and abroad."



### Result, market / volume trends

Expansion of the service in Switzerland combined with market growth in France enabled PostBus to cover an additional 8.9 million kilometres (+7.4 percent). The first payment of management and licence fees to Swiss Post, the parent, had a substantial impact on the operating result, reducing it by 27 million francs year-on-year. PostBus increased its operating income by 8.2 percent to 778 million francs. A further expansion of services in Switzerland generated 39 million francs. International sales rose by

almost half to 67 million francs due to the takeover of Rochette Group in France. In Switzerland, operating expenses rose by 55 million francs in line with performance and inflation. Operating expenses rose by a further 31 million francs to 772 million francs as a result of management and licence fees. In 2012, average headcount rose by 12 percent to 2,307 full-time equivalents due to growth. For detailed information on the public passenger transport market, see page 32 of the Financial Report.



## HYBRID POSTBUS

## Buses of the future

Their feel during acceleration and braking is unfamiliar, their engine noise is novel, and they are very economical in terms of consumption: Since the end of 2012, more than 20 hybrid PostBus vehicles with diesel-electric drive systems have taken to the streets of Switzerland and Liechtenstein.

The hybrid drive system helps to cut fuel consumption and CO<sub>2</sub> emissions by up to 30 percent compared to conventional diesel engines. "These numbers are impressive, and I'm sure that these are the buses of the future", says Thomas Lüthi, head of technology purchasing at PostBus.

The buses are equipped with a parallel hybrid system, each with a diesel and an electric motor. A generator converts the potential energy recovered during braking in stop-and-go traffic into electricity. The electric motor backs up the diesel engine.

None of this technology affects space and comfort in any way: All hybrid PostBus vehicles offer low-floor access, and the quiet electric motor actually provides increased comfort. The buses are 12 metres long, most have three doors, and they can carry about 80 passengers.

” —  
The hybrid drive system reduces fuel consumption and CO<sub>2</sub> emissions by up to 30 percent compared to conventional diesel engines.

## LIGHTING

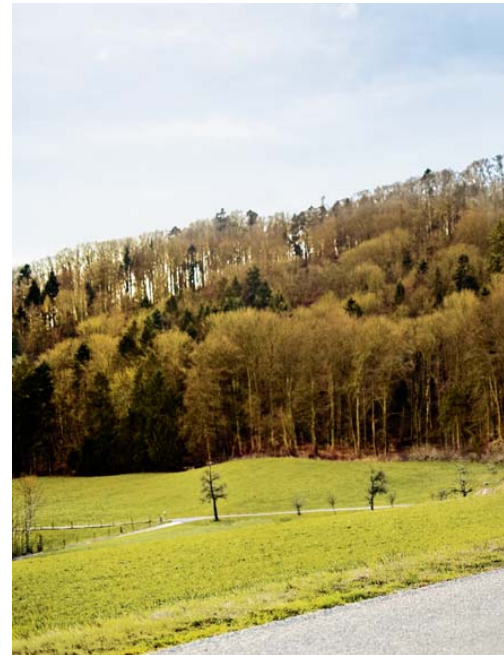
## Let there be LED

First seen not so many years ago in the little lights on electrical appliances, light emitting diodes, or LEDs for short, can be found today in lighting of all kinds. Light emitting diodes are not only energy efficient, they also have a high light output and a long life. That's why PostBus is gradually upgrading all illuminated signs on its buildings and neon signs to LEDs. The headquarters is a good example: Since August 2012, the new PostBus logo above the entrance has used LED lighting. PostBus is also planning to convert all interior lighting in its vehicles and the passenger information screens to LED technology.

## EURO 6

## Advanced diesel engine technology in Berne

In November 2012 in the Berne region, PostBus started operating three new vehicles with diesel engines that meet the Euro 6 emission standard, one of the first bus companies in Switzerland to do so. These save up to 1,000 litres of diesel annually, equivalent to 2.6 tonnes of CO<sub>2</sub>. The keys to their success lies in their optimised combustion and emission control: Compared to the models of 20 years ago – when the Euro 1 emission standard was in effect – the new bus reduces emissions of soot particles to just 3 percent.



- 1 – A futuristic present: Fuel cell PostBus vehicles glide along silently, and the only emission they produce is steam.
- 2 – Five vehicles are involved in a five-year trial on routes in and around Brugg.
- 3 – Smooth gear changing means no unpleasant jolts: It's no surprise that the fuel cell buses are popular among passengers.



Here's how it works:

The fuel cell PostBus vehicle is a hybrid vehicle with a combined drive system.

Two fuel cell systems generate the electricity that drives the two electric motors.

The vehicle can also convert braking energy into electricity and store it in the high-voltage battery.



The PostBus fuel cell vehicle  
[Film]

## ALTERNATIVE DRIVE SYSTEM

# Fuel cell buses prove their worth

Long considered just science fiction: Vehicles that glide silently along the road and emit only steam. Today, Swiss Post is putting its fuel cell buses through their paces – with success.

If you're out and about in the Brugg region on foot or on your bike, you'll be amazed at what you see: The PostBus buses are quieter than usual, and there are no emissions. The air behind the vehicle is cool and clean. What's changed?

In the Brugg region, PostBus is trialling five vehicles that run on fuel cell technology. They are completely electric and emit only steam, are quiet, and eliminate unpleasant jolts while travelling thanks to smooth gear changing. These emission-free PostBus vehicles have been involved in a five-year trial on scheduled routes in and around Brugg since December 2011. As part of the trial, Swiss Post opened Switzerland's first hydrogen fuelling station in Brugg in May 2012. The region is ideal for the test phase, with city traffic, country roads and villages. Peter C. Beyeler, chairman of the department of construction, transport and the environment of the canton of Aargau, says: "The innovative buses bolster the energy strategy of our canton, because we believe in a climate-friendly and modern fleet".

As a buyer, it is important for the canton of Aargau to know that the PostBus vehicles can transport the steadily rising number of passengers in a reliable, environmentally friendly and cost-effective way. "So far, the fuel cell buses meet our

high standards". Beyeler is sure about one thing: "Once they go into series production and the hydrogen distribution network is put in place, the buses should be priced more attractively".

Does the drive system also work in regions at higher altitudes with a lower oxygen density? To test this, PostBus sent a fuel cell-powered vehicle to the mountainous region of Davos in the summer of 2012: The hydrogen-powered drive system ran flawlessly. Test passed. After that, there was nothing to stop PostBus fuel cell-powered vehicles from being used at the World Economic Forum (WEF): In January, two such buses transported guests emission-free and virtually silently through Davos. PostBus will continue analysing operations in the Brugg region until the end of 2016, remaining in contact with partners from across Europe.

→ QR code

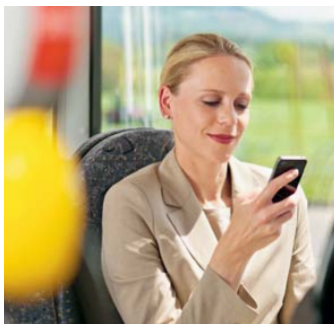
## INNOVATIVE PROJECTS

# Boost for PostBus

PostBus received financial support from Swiss Post Group for the fuel cell buses, the PubliBike stations and free WiFi in PostBus vehicles. That is because the three projects are particularly innovative and sustainable. The Executive Committee for Innovation, New Business and Sustainability last year assigned to 34 additional projects and initiatives from all Swiss Post units funds totalling approximately 10 million francs. Read more about innovation management at Swiss Post on page 39.

”  
The innovative buses bolster the energy strategy of our canton Aargau.

**Peter C. Beyeler,**  
Chairman of the department of construction, transport and the environment of the canton of Aargau



1 \_ One of more than 100 PubliBike stations

2 \_ 70 percent of vehicles are already equipped with free WiFi.

” —  
We sometimes call this the last mile of combined mobility.

Daniel Landolf,  
Head of PostBus

## PUBLIBIKE

### The last mile of combined mobility

Insert subscriber card, open lock, saddle up, and off you go. With PubliBike from PostBus, bike sharing has never been easier. There are now more than 1,000 bikes and e-bikes available 24 hours a day at over 100 locations throughout Switzerland. PostBus chief Daniel Landolf, himself an enthusiastic e-bike rider, is happy about the increased mobility: “What could be simpler than getting off the train and directly onto a bicycle to get where you’re going quickly and easily.”

Shared public use of bikes and e-bikes for short distances is the ideal complement to private and public transport in urban areas. “We sometimes call this the last mile of combined mobility”, says Landolf. Bike sharing also makes a significant contribution to easing traffic congestion.

In April 2012, PubliBike – founded with partners SBB and Rent a Bike – experienced another growth spurt. Through the acquisition of the company velopass, PubliBike was able to enlarge its network, and has since been the domestic market leader in self-hire bicycles. The aim is now to consolidate this leading position. PostBus intends to invest and continue to expand the network in both cities and conurbations.

## AUDIO GUIDE

### The speaking tour guide

How often do we travel through picturesque areas, but would like to know more about them? This is now possible on six particularly attractive PostBus routes: Audio guide for the smartphone is a personal tour guide for passengers on the following routes: Bellinzona–Chur, Chur–St. Moritz, Grimsel–Nufenen–Gotthard–Susten Pass, Lugano–St. Moritz, Mals–Zernez and over the Simplon Pass. Besides text and audio contributions, you can also enjoy short musical interludes and audio information set to music. PostBus updates the guide frequently. Passengers can download the audio guide free from the PostBus App (see “Travel and leisure”). The app has been on the market since June 2012.

## WIFI ON POSTBUS

### 70 percent of vehicles online

Want to check your mail quickly on your smartphone, read the newspaper on your tablet or check the weather forecast for the weekend – without straining the limited data quota of your mobile subscription? You can – with PostBus. Between mid-April 2012 and April 2013, PostBus is equipping its vehicles with free WiFi. 70 percent of the PostBus fleet, or 1,500 vehicles, will then provide internet access.

# Employees

Swiss Post employs about 62,000 people in a wide variety of occupations. We support them by promoting a culture of innovation: In our PostVenture business plan competition, no less than 121 employees showed their creativity → [Page 39](#). Other important pillars of our human resources policy include a sustainable health management system → [Page 40](#) and attractive training opportunities → [Page 42](#).



62,058

**employees** contribute every day to making Swiss Post one of the world's most innovative postal companies.



140

**nations** come together at Swiss Post, promoting an open, diverse corporate culture.



Over 100

**occupations** can be practised at Swiss Post.



23%

**women** in the junior and middle ranks, and 8 percent at top management level.



2,015

**apprentices** are offered trainee positions at Swiss Post. That represents 5.3 percent of the workforce as a whole.



1,486

**IT workers** prove that Swiss Post is one of the largest employers in Switzerland in this area.



## SWISS POST: AN ATTRACTIVE EMPLOYER

## Take your opportunities at an innovative company

Swiss Post is one of the most innovative postal companies in the world. It owes this position to its skilled, inquiring and motivated employees.

Today, Swiss Post's key earnings drivers are letters, parcels, financial services and passenger transport. However, the company and its staff are also steadily opening up new business opportunities in areas around its traditional core business. At the interface between physical and electronic services, our people are developing innovative products and services – and with them new roles for qualified employees. “Continuing digital development is making highly specialised skills and technological expertise more and more important for Swiss Post”, says Yves-André Jeandupeux, Member of Executive Management and Head of Human Resources at Swiss Post. “We generate more than 80 percent of our earnings today in open competition, and within new technology, we are one of the world's most innovative postal companies”. This is why Swiss Post carefully fosters the potential of its staff with professional innovation management schemes such as the PostVenture business plan competition.

### Swiss Post sets careers in motion

To encourage the right people to come to Swiss Post, the company focuses on providing attractive career paths for graduates, excellent professional training and challenging jobs for specialists. It also offers many opportunities for continuing education across the entire Group: Courses and coaching sessions on intercultural

competency, for instance, reflect the fact that Swiss Post's customers are becoming more multicultural, and that the company itself employs people from over 140 nations in more than 100 occupations. If you choose a career with Swiss Post, you will benefit from progressive working conditions and from various working time models such as job sharing, part-time working or a home office. In November 2012, acting on behalf of Swiss Post and to reaffirm their commitment to equal career opportunities, all members of the company's Executive Management signed the United Nations Women's Empowerment Principles, a policy paper aimed at strengthening the position of women in business.



### Women's Empowerment Principles:

The Women's Empowerment Principles (WEP) are a set of business management principles designed to empower women in the workplace, in the labour market and in the community. The WEP is the outcome of a collaboration between UN Women and the United Nations Global Compact. In Switzerland, the principles had been signed by 16 companies and institutions by the end of 2012. In addition to Swiss Post, other well-known companies committed to the empowerment of women include Novartis and TAG Heuer.



**Dr. Eleftheria Xekalakis Matthys**  
Head of Communication at PostMail

“As Head of Communication at PostMail, Swiss Post's core business, I lead 25 employees, participate in various meetings, attend professional and management events, and manage a range of interdisciplinary projects. At the end of the day, if I've managed to get the right people to attend a meeting, Swiss Post is the winner.

Letters are my passion. The main question I address is how can we profitably combine the advantages of the physical letter with electronic services? It's a demanding job that challenges me at every level – my true vocation.

I'm also married with three boys. Thanks to modern working time models, Swiss Post as an employer allows me to balance my professional and family life. Its confidence in my abilities is a big motivating factor”.



Children and a career?

It's possible – with Swiss Post.



**Roland Keller**  
Head of PostVenture

“Managing the Group’s business plan competition, PostVenture, is a fascinating job – especially because I wear so many different hats at the same time: I’m the content manager, organiser, communication and finance chief. I’m also the first point of contact for all questions about the project.

With PostVenture, I get to work with employees in every unit and at every level of Swiss Post’s business, and also with external partners. Which is even more inspiring, because I get to hear every viewpoint on the topic of innovation and need to find the right tone in each case.

I also get to choose my workplace flexibly: I can work both at Swiss Post’s headquarters in Berne, but also regularly from my home office in Zurich, something that, as a father, I very much appreciate.”

” —  
As Head of PostVenture, I value the multi-faceted nature of my role.

## POSTVENTURE

# 121 inspired employees – 13 business plans

172 innovative business ideas and 13 fully fledged business plans: PostVenture took 121 participants and Swiss Post a step forward.

“Take a step forward!” With this slogan, Swiss Post invited its employees in the spring of 2012 to take part in PostVenture, the Group-wide business plan competition, and in doing so to advance both themselves and the Group as a whole. Six key issues concerning Swiss Post’s future activities provided the general framework. An encouraging number of employees were inspired to take part: 121 creative minds submitted 172 business ideas, 13 of which have been developed into business plans.

“What new business idea do you have to enable Swiss Post to satisfy customer needs and earn money?” This question, relevant across the entire company, offered St. Gallen postmaster Walter Schatt the opportunity to address a long-cherished idea concerning online services for private clients. “And in a professional environment to boot”, he says with a smile. With the support of experts at Swiss Post, the St. Gallen institute for young entrepreneurs (IFJ) and the Swiss Confederation’s innovation promotion agency CTI, he was able to develop his idea into a business plan. This was because his idea had cleared several selection hurdles and the jury had ranked it among the 13 most promising entries. Walter Schatt had never previously created a business plan. “That made PostVenture all the more enriching for me”, he says. Whether Walter Schatt makes it into the four finalists has yet to be decided as the annual report goes to press. One thing’s for sure though. New horizons will beckon for the winner. He or she will win a

study trip to a world-renowned centre of innovation. And ideally, there is the prospect that the idea will be implemented, with the associated opportunities for professional advancement.

### Big boost for good ideas

Executive Management provides an annual budget of 1.5 per thousand of the Group’s expected earnings to support innovative and sustainable business ideas. Swiss Post’s innovation specialists have provided support to 66 projects since 2009. These include the electronic letterbox Swiss Post Box and the bike sharing service PubliBike. Since 2012, Swiss Post has also used idea campaigns to pose targeted questions to its employees, supplementing the proven Postidea initiative.



### Postidea

For Swiss Post, ideas are like vitamins. Whether small and delicate, large and complex, or even relevant to the Group as a whole: Suggestions from employees for product and process improvements are always welcome at Postidea. In 2012, Swiss Post implemented over 100 particularly good and workable ideas, achieving savings of over a million francs.

### InnoDays

Young people are digital natives and think differently to adults. At InnoDays, Swiss Post challenges its trainees to develop innovative business solutions. The InnoDays are tailored to the abilities of digital natives. In 2012, Swiss Post’s young staff tabled many promising ideas for new digital services in a series of eight one-day workshops.

## WORKPLACE HEALTH MANAGEMENT

## Humour and information in the struggle against taboos

Health is not just about the body. A three-year Group-wide prevention campaign has highlighted the psychological wellbeing of employees.

People are psychologically healthy if they feel well, are in control of their everyday lives and can maintain relationships with other people. Mental health is at risk if a person encounters stress in their personal or working life over an extended period. Dealing with psychological problems is difficult. Some people do not dare to speak openly about the subject or to approach others on the subject of their health.

### "I feel good!" creates a lively discussion

"Praise gives you wings" appeared suddenly on the door of the boss's office last November. "Say cheese" was found lying on the table in the conference room. These and similar messages were posted in lifts, meeting areas and break rooms. They kicked off the "I feel good!" project, a three-year prevention campaign on the subject of mental health. A short time later, employees found an information brochure and post-its carrying other messages at their workplaces. "We want to encourage people to talk and take action", says Markus Zuberbühler,

Head of Health Management: "In a modern working environment, we have to take care of our health and our personal resources".

The centrepiece of the "I feel good!" campaign is a positive approach to mental health: Employees receive tips on improving their wellbeing through various different channels. They are encouraged to make use of their own resources, recognise warning signs, and know where to get support. Managers and HR advisors receive special training. Markus Zuberbühler also emphasises the role of management: "In their leadership roles, managers have a major impact on a healthy work environment".

→ QR code

## POSTACTIVITY

## Spending leisure time together

With PostActivity, Swiss Post offers its employees, trainees and retirees a variety of recreational programmes centred around sport and culture. Those interested in taking part can register online for activities including a two-day winter games and an informal football tournament. The project team also helps participants organise new events from skiing trips to gospel concerts.

” —  
We need to take care of our health.

Markus Zuberbühler,  
Head of Health Management



Corinna Hilty  
Team leader, postal customs clearance, Zurich-Mülligen

"I've been with postal customs clearance for almost five years – and every day I learn something new in my exciting, varied job. As a team leader, I like to share what I know".

” —  
Every day is different in my job – and I like that.



1 – Looking for more comfort in the workplace? Swiss Post's office BAP workstation standard creates the ideal conditions.



**Mira Walther,**  
Group risk management,  
Finance

"As a trainee in Group Strategy, I quickly got to know Swiss Post and its business areas and was immediately part of a strong network. I still benefit from it today in my work in Group risk management".



The trainee programme for me is an introduction and a springboard at the same time!

## NEW APPROACH TO OFFICE WORKPLACE DESIGN

# The office of the future: supporting flexible work practices

One person, one workplace, one phone – those days are long gone. With a new approach to office workplace design, Swiss Post is creating different spaces for different needs.

Someone takes a break after a hectic period at work by relaxing in a quiet corner, another prefers to walk up and down while thinking, and sometimes an impromptu meeting is the most straightforward way to come up with solutions. Individual preferences and different activity profiles call for new approaches in designing working environments. That's why Swiss Post developed the BAP office workplace standard:

"Employees should work in conditions that ideally suit their differing needs", says Patrick Salamin, Head of Post Offices & Sales. Swiss Post ensures that rooms can be used flexibly, depending on the situation: Employees can take a short break in reflection and regeneration zones, or concentrate on their work without being disturbed. They can meet in creative and interactive zones to exchange ideas and pool their thoughts on the future of projects.

### Proven and innovative elements

The areas are furnished with both established and innovative elements designed to make employees feel comfortable and flexible. Ergonomics and the focus on specific activities play a central role here. The approach is underpinned by customised IT solutions. It has been undergoing testing at two locations since November 2012, with the first full implementation envisaged at the new Group headquarters in the Wankdorffeld area of Berne and the new Post-Finance headquarters next to the PostFinance Arena.

## INNOVATIVE IT SOLUTIONS

### Networked and mobile

Working together across borders is easier and more relevant than ever before. Swiss Post provides its staff with the right technologies for mobile working, IT-based collaboration and high-definition video conferencing. The intuitive communication software Lync allows staff to network quickly and easily, both nationally and internationally, via chat, e-mail, telephone, video, file sharing and desktop sharing. And employees working from home or on the road have secure access to all relevant documents and Swiss Post platforms from their mobile devices.





The twin sisters  
**Nina and Joelle Baumgartner**,  
both way-up apprentices since  
2012

“We joined the way-up-training programme directly after graduating from school, as did most of our class, where, incidentally, the majority of participants are women.

way-up allows us to learn very independently and develop our knowledge as part of a team. It’s a lot of fun, and everyone benefits.

It’s great that the training is so compact: We train for two years, not four, and that’s a huge time saver”.

” —  
The way-up apprenticeship helps us quickly achieve our career goals.



Occupations  
at Swiss Post  
[Film]

## VERSATILE AND PROFESSIONAL OCCUPATIONAL TRAINING

# Swiss Post trainees: well-equipped for the job market

In 2012, Swiss Post filled 750 new apprenticeships. In addition to people looking for commercial and logistics careers, Swiss Post is popular with trainees in information technology, including five young women who started their apprenticeships as IT way-up technicians in 2012.

Visitors to the training centre in Berne-Bümpliz are often amazed at the number of young people working together in lively but concentrated small groups: sketching posters, assembling PCs or designing their own websites. This is where Swiss Post trains its budding IT technicians. In addition to the full four-year apprenticeship, Swiss Post also offers the compact way-up apprenticeship, a shorter course of study that allows school graduates to complete their education in two years.

### IT: women on the up

“Our eight-way-up apprentices benefit from a balanced mix of technical theory, practical basic training and business practice”, says IT instructor Reto Lauper. The young people apply for internal Swiss Post positions as early as their second year of training, and continue their training there. “After graduation, they are versatile all-rounders sought not only by Swiss Post, but also by other companies”, notes Lauper with satisfaction. He is particularly pleased that this

year, with five female school leavers, the proportion of women is higher than average.

When asked about their goals, many of the young people say they want to go on to a University of Applied Sciences, which they are then qualified to do without any additional internships or examinations. This illustrates another benefit of the way-up apprenticeship: Students can often complete their studies while working part-time at Swiss Post.

→ [www.swisspost.ch/swiss-post-apprenticeships](http://www.swisspost.ch/swiss-post-apprenticeships)



### Occupations at Swiss Post

Every year, Swiss Post offers around 750 apprenticeships in 12 career areas. The main areas in which Swiss Post offers apprenticeships are in the retail sector, logistics, commercial roles and IT, with additional places in mediamatics, automation engineering, operations maintenance and truck driving. Apprentices pass through a range of areas and frequently work in a different language region. After completion of the apprenticeship, a wide range of opportunities for further education are available.

→ QR code

” —  
Swiss Post is one of the  
largest employers of IT  
professionals in Switzerland.

**Reto Lauper**,  
IT instructor

# Sustainability and commitment

Swiss Post is continuing its targeted commitment to the environment, focusing on climate protection. By the end of 2013, it is set to reduce its annual CO<sub>2</sub> emissions by 15,000 tonnes → [Page 44](#). To achieve this, Swiss Post is focusing on improved energy efficiency, new resource-saving technologies and renewable energy → [Page 46](#). Since 1 April, all addressed letters in Switzerland have been carbon-neutral → [Page 48](#). Swiss Post is also committed to social responsibility → [Page 49](#).



11,000 tonnes

less CO<sub>2</sub> have been emitted by Swiss Post since 2012 in systematically implementing its sustainability strategy.



4,000

electric scooters are used by Swiss Post on delivery rounds: eco-friendly and quiet.



1,726 million

is the number of times the "pro clima – Shipment" service was used for letters, parcels and other services.



8,000 m<sup>2</sup>

covered with photovoltaic panels generate power for the Zurich-Mülligen letter centre.



100%

of Swiss Post's needs are covered by electricity generated from renewable energy in Switzerland.



300,000

items of ethically produced workwear are purchased by Swiss Post each year for its staff.



” —  
 We cover  
 100 percent of  
 our electricity  
 requirements  
 with renewable  
 energy from  
 Switzerland.

Anne Wolf,  
 Head of Sustainability



Sustainability  
 understanding and  
 strategy 2011-13  
 [PDF]



Audit report on  
 greenhouse gas  
 emissions 2012  
 [PDF]

STRATEGIC THRUSTS AND OBJECTIVES

# Swiss Post boosts its commitment to climate and environment

Swiss Post intends to reduce its annual CO<sub>2</sub> emissions by 15,000 tonnes by the end of 2013. To help it do so, the company boosted its energy efficiency in 2012, invested in innovative technologies, used more renewable energy and expanded its carbon-neutral “pro clima – Shipment” service.

In 2012, Swiss Post continued to implement its climate protection strategy consistently. The overall aim of such measures is to cut the company’s CO<sub>2</sub> emissions by the end of 2013 by 15,000 tonnes per year. “This is equivalent to about 4.7 million litres of diesel, or the annual greenhouse gas emissions of a Swiss town with 2,500 inhabitants”, explains Anne Wolf, Head of Sustainability. “And we are on track: In 2011 and 2012, we made CO<sub>2</sub> savings of almost 11,000 tonnes each year”.

Swiss Post is pursuing six strategic thrusts in this area: It intends to exploit potential economic and ecological efficiencies, invest in the best available technologies, boost the share of renewable energy sources, offer environmentally sound products, improve its own expertise and champion climate protection issues in general.

“As a quasi-public enterprise, we are required to meet national and international energy and climate policy targets”, says Anne Wolf. “We want to be a pioneer and role model within climate protection”. That is why the funds received by Swiss Post from the Confederation from the redistribution of the CO<sub>2</sub> levy are being used to invest in additional climate protection measures: These include the purchase of more hybrid Post-Bus vehicles, purchasing biogas, setting up bike sharing stations for staff, installing fuel gauges in trucks and offsetting CO<sub>2</sub> emissions for business travel by air. One main focus in 2013 will be Planet Post, an awareness-raising initiative

for employees. Swiss Post also intends to more strongly promote environmentally friendly commuting and travel routes, which still account for 13 percent of its greenhouse gas emissions.

→ [www.swisspost.ch/sustainability](http://www.swisspost.ch/sustainability)

TRACK RECORD

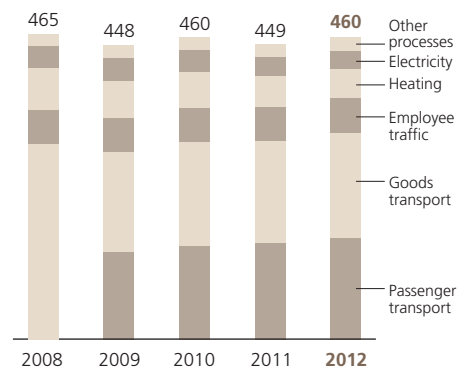
## Smaller carbon footprint

Since 2008, Swiss Post has improved its greenhouse gas and energy performance and reduced its CO<sub>2</sub> emissions per employee. There was a moderate increase in CO<sub>2</sub> emissions compared with 2011 due to higher transport capacity. A positive performance was recorded for CO<sub>2</sub> efficiency (see Financial Report, Page 38). Swiss Post’s environmental accounting complies with international standards (Greenhouse Gas Protocol, Global Reporting Initiative) and enables a full carbon footprint to be calculated. Swiss Post’s greenhouse gas performance was audited by PwC in February 2013.

→ QR code

Direct and indirect greenhouse gas emissions

1,000 t CO<sub>2</sub> equivalents





MEASURES



# We're acting now

Climate protection is the core element of our sustainability strategy for 2011 – 2013. Swiss Post presents a harmonised vision of all its work in this area by uniting its climate protection activities under the label “pro clima – we’re acting now.”







### Customers – postal products and services

 —  **Almost 3 million**  
eco PostPacs and reusable Dis-poboxes were sent by Swiss Post customers.

 —  **38,300 t CO<sub>2</sub>**  
were offset in climate protection projects funded by the surcharge on pro clima consignments at home and abroad.

### Customers – services for integrated mobility

 —  **9**  
eShare stations for round-the-clock rentals of electric vehicles are operated by Swiss Post.



 —  **1,000**  
bikes are available at over 100 PubliBike stations for “last mile” mobility.



### Employees – training and awareness



 —  **5,000**  
Swiss Post drivers have completed eco-driving courses.

 —  **All**  
employees will receive further training in sustainability with the Planet Post initiative in 2013.


### Service provision – mobility


 —  **100 %**  
biogas refuels the 156 gas-powered vehicles on the road for Swiss Post.


 —  **4,000**  
electric scooters are used on delivery rounds, running on 100% green energy from Switzerland.

 —  **18 plus 5**  
hybrid and fuel cell PostBus vehicles are helping to protect the climate on Swiss roads.

### Service provision – buildings

 — **100%**  
of the electricity used by Swiss Post is from renewable, domestic sources.

 — **5,000**  
monocrystalline photovoltaic modules on the roof of the Zurich Mülligen letter centre generate electricity.

 — **1.0 %**  
is the percentage of greenhouse gas emissions reduced by Swiss Post since 2008 through implementation of its sustainability strategy.



“pro clima – we’re acting now”.  
[Film]



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**ECO-ELECTRICITY MIX FOR ELECTRIC MOBILITY**


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## Electric fleet expanded: clean, cost-effective and quiet

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Swiss Post also expanded its fleet of electric vehicles in 2012 to reduce its dependence on fossil fuels and cut greenhouse gas emissions. The vehicles are powered by 100 percent domestic naturemade star certified green energy.

When it comes to electric vehicles, Swiss Post is taking the lead: It currently uses about 4,000 two- and three-wheeled electric scooters on its delivery rounds, the largest fleet of its kind in Europe. Powered by lithium-ion batteries, the scooters produce next to no emissions and are virtually silent when running. They already save almost 3,000 tonnes of CO<sub>2</sub> a year. Swiss Post is planning to expand the fleet to 5,000 by the end of 2013, and to convert all 7,500 scooters to electricity by the end of 2016. The company has also been testing twelve electric delivery vans since 2012, and more will be purchased if they prove themselves on the road. Swiss Post was awarded the World Mail Award in May 2012 for its efforts to achieve emission-free delivery.

### Green power from Swiss energy sources

The electricity needed comes from 100 percent renewable energy sources from Switzerland. "By doing so, Swiss Post is supporting one of the goals of the Confederation's Energy Strategy

2050", notes Anne Wolf, Head of Sustainability, "the transition to a clean, secure and largely independent power supply in Switzerland". Swiss Post's electric scooters run on naturemade star certified green energy. In addition to electricity generated from wind power in the Jura Mountains, Swiss Post also buys solar and biomass energy via the Green Energy Marketplace (GEMP) platform. "We welcome the fact that this new business model enables Swiss farms and small businesses to sell their green electricity directly to large companies", she says.

### eShare for staff and customers

Swiss Post promotes the use of electric vehicles in other ways too. eShare, the project operated by Swiss Post subsidiary Mobility Solutions Ltd and other partners, provides round-the-clock rentals of electric vehicles that run on 100 percent green power. Car sharing with eShare is available at nine stations in Geroldswil, Basel, Ittigen and Berne.

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**ASSOCIATION PROMOTES ELECTRIC VEHICLES**


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## Swiss Post a founding member of Swiss eMobility

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In September 2012, Swiss Post became a founding member of Swiss eMobility. The new association is to lobby at political level for the market development of electric vehicles in Switzerland. "Electric vehicles are becoming more and more important to Swiss Post – our fleet is growing steadily", says Ronny Kaufmann, Head of Public Affairs & Social Responsibility. "As a mobility company, we want to help shape mobility policy in Switzerland".

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**PHOTOVOLTAICS IN ZÜRICH-MÜLLIGEN**


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## Letter centre produces solar power

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At the end of 2012, a photovoltaic system on the roof of the Zurich-Mülligen letter centre began operations. At 8,000 m<sup>2</sup> it is one of the largest in Switzerland. It is designed to produce 1,300 megawatt hours of electricity a year, equivalent to the needs of about 370 households. Around 20 other systems on the roofs of Swiss Post business premises are in the planning stage. In 2013, a system with an annual production of around 650 megawatt hours will start operating at the Frauenfeld parcel centre.



” —  
Around 4,000 Swiss Post electric scooters are already saving almost 3,000 tonnes of CO<sub>2</sub> a year.



1 \_ Wind power from the Jura Mountains supplies the power for our electric scooters.

2 \_ The first of 20 photovoltaic panels on the roof of the Zurich Mülligen letter centre.

3 \_ The hydrogen filling station in Brugg supplies the energy for our fuel cell buses.

4 \_ At the biogas plant in Volketswil, organic waste is used to produce the fuel for our biogas vehicles.

#### ON THE MOVE WITH HYDROGEN

## Premiere: filling station for fuel cell Postbus vehicles

Since December 2011, five fuel cell postbuses have been operating in and around Brugg in the canton of Aargau (see page 35). They can now refuel directly in Brugg: the first hydrogen filling station in Switzerland was opened at a ceremony there in May 2012. The station was built by Carbagas AG and is operated by PostBus.

The hydrogen for the environmentally friendly postbuses is produced directly at the station. All the electricity needed to generate it comes from renewable energy sources.

The fuel cell Postbus vehicles can be refuelled fully automatically with the hydrogen at the pump at a pressure of up to 350 bar. To power the vehicles, the hydrogen is turned into electricity by combining it with oxygen from the ambient air. It's a clean, environmentally sustainable solution: the only gas emitted when driving is steam.

#### 100 PERCENT ENVIRONMENTALLY FRIENDLY

## Parcels delivered with biogas vehicles

Since 2011, Swiss Post has used 100% biogas for the 156 vehicles in the parcel delivery fleet that run on natural gas. The manufacturer, Erdgas Zürich, uses exclusively organic waste for its production. Produced in Volketswil in the canton of Zurich, the biogas meets the highest quality standards and has gained naturemade star accreditation.

What is the benefit of this measure in terms of sustainability? Brigitt Hausammann, sustainability specialist, says: "It reduces our CO<sub>2</sub> emissions by around 700 tonnes per year. The vehicles are clearly marked with "pro clima – we're acting now" to promote the initiative. And the biogas is produced in Switzerland and therefore contributes to the local economy".

#### CROSS-BORDER AND SUSTAINABLE

## Swiss Post commits to Green Freight Europe

Swiss Post has joined Green Freight Europe (GFE), an initiative founded in March 2012. It represents a combined effort by international freight forwarders, logistics providers, hauliers, industrial companies and associations to cut fuel consumption and CO<sub>2</sub> emissions and make road transport logistics more sustainable. The initiative aims to define common standards to improve the comparability of CO<sub>2</sub> efficiency. This involves the collection of data such as fuel consumption, distance travelled in kilometres and fleet profile, and the uniform calculation of greenhouse gas emissions by a neutral body using consistent methodology and in compliance with the latest European standards and the international Greenhouse Gas Protocol.

#### Transparency allows benchmarking

"As the largest logistics company in Switzerland, we're particularly interested in this initiative", says Paul Schnabl, responsible for environmental accounting at Swiss Post. "At the moment, there's no standardised process for determining the environmental performance of our subcontractors. More transparency can be a lever to improve our logistics solutions and their CO<sub>2</sub> emissions performance". GFE also promotes knowledge and experience-sharing, provides examples of best practice and organises international conferences.



#### Partnerships

Swiss Post networks with organisations around the world that are committed to sustainability in terms of the environment, climate, the economy or society. It participates in initiatives and works with charitable organisations, foundations and associations.

→ [www.swisspost.ch/partnerships-sustainability](http://www.swisspost.ch/partnerships-sustainability)  
→ [www.swisspost.ch/partnerships](http://www.swisspost.ch/partnerships)

## SEND CARBON-NEUTRAL LETTERS AND PARCELS

## “pro clima – Shipment”: A small contribution with a big impact



Since 1 April 2012, Swiss Post has been offsetting the CO<sub>2</sub> emissions for its domestic postal service and steadily expanding the “pro clima – Shipment” service. For the first time, a climate protection project in Switzerland has now received support with 2011 and 2012 pro clima surcharges.

On 1 April 2012, Swiss Post began offsetting the CO<sub>2</sub> emissions for the entire domestic postal service in addition to its own consignments. “Another clear sign of environmental commitment”, says Marc Amstutz, Product Manager of “pro clima – Shipment”. “In terms of climate protection, Swiss Post’s primary goals are increases in efficiency and the use of renewable energy – offsetting rounds out our commitment: In 2012 for example, “pro clima – Shipment” was responsible for offsetting 38,300 tonnes of CO<sub>2</sub>”.

Since 2009, Swiss Post customers have been able to offset CO<sub>2</sub> emissions with the pro clima surcharge. They still can on domestic parcels,

directory, catalogue and small consignments, international mail, and all courier services from “Standard” to “Lightning”. In early 2012, due to the favourable situation in the international carbon credit market, Swiss Post also reduced surcharge costs.

Swiss Post only invests the pro clima contributions in climate protection projects with the highest standards. In 2011 and 2012, these were a Swiss project that produces green electricity with small and medium-sized agricultural biogas plants on farms and a gold standard wind energy project in Catalca, Turkey.

→ QR code



## MORE CLIMATE PROTECTION IN VIETNAM

## Small computers replace old PCs

GHP Far East is a subsidiary of Swiss Post Solutions (SPS) in Vietnam with a wide range of services, including IT services. In 2012, energy consumption was cut significantly, with 600 PCs replaced by power-saving small computers. Because they also generate less hot exhaust air, the miniboxes require less cooling. SPS intends to implement the solution in other branches.

## ENERGY EFFICIENCY

## Gold for the new headquarters

Swiss Post is a front runner in sustainable construction: PostFinance’s headquarters next to the PostFinance Arena in Berne are being built to comply with the MINERGIE-ECO® standard, and Swiss Post’s future headquarters in Wankdorf-City, also in Berne, are designed to meet Germany’s DGNB standard, as recently adapted for Switzerland. During pre-certification, the construction project received the label’s highest award. Swiss Post is also continually upgrading its existing buildings as part of the EON and Energo projects. This led to a fall in CO<sub>2</sub> emissions of 1,445 tonnes in 2012.

→ [www.swisspost.ch/imm-projects](http://www.swisspost.ch/imm-projects)



### High standards

MINERGIE-ECO® extends the MINERGIE® standard to cover aspects of health and ecological construction.

In addition to environmental criteria, the DGNB standard also covers economic, socio-cultural, technical, procedural, and site-specific criteria.





**1+2** –  
In 2012, Swiss Post offset 40,000 tonnes of CO<sub>2</sub> with the “pro clima – Shipment” service.



“pro clima – Shipment”  
[Film]

## SUSTAINABLE PROCUREMENT

# Ethically produced workwear for 38,000 employees

Swiss Post purchases 300,000 items of clothing each year. To ensure socially acceptable production conditions, it has joined the international Fair Wear Foundation.

For many years, Swiss Post has required all of its suppliers to provide products made without exploitation. In 2006, it developed a Social and Ethics Code, which prescribes minimum standards for the protection of people and the environment (see below). But in the textile industry, it is difficult to monitor whether standards are actually being met: Long supply chains with many subcontractors and different regional laws to protect workers call for professional and independent partners on site. “Improvements in the textile industry are made only under pressure from the client”, says Secil Helg from Swiss Post Corporate Purchasing. “That places a great responsibility on us, because we supply clothing to two-thirds of our employees”.

Swiss Post went one step further and, on 13 June 2012, became the first major Swiss company to sign up for membership of the Fair Wear Foundation. This ensures that working conditions are strictly monitored at all production sites.

### Professionals visit factories

The global Fair Wear Foundation was founded in 1999 in the Netherlands and has worked since then to ensure that the production of clothing is sustainable. It verifies, for instance, whether workers have contractual certainty, are paid a fair salary and are not exposed to working conditions that are detrimental to health. The situation on the ground is monitored by the foundation in cooperation with local unions and associations, as well as factory inspections by experienced experts. Infringements have serious consequences: Failure to comply with the standards results in the loss of orders, not only from Swiss Post, but also the other members of the Fair Wear Foundation. Swiss Post won the 2012 Swiss Ethics Prize for joining the Fair Wear Foundation.

→ [www.fairwear.org](http://www.fairwear.org)

## REQUIREMENTS OF SUPPLIERS

### Social and Ethics Code

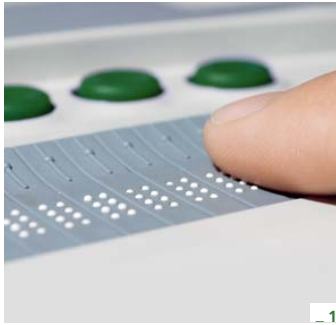
Since 2006, all Swiss Post suppliers must sign a Social and Ethics Code. This is a set of minimum standards for the careful management of the environment and the protection of employees. The Social and Ethics Code prohibits discrimination and child labour, stipulates the payment of adequate compensation and sets conditions with regard to the working environment. External auditors monitor the compliance of suppliers with these requirements on behalf of Swiss Post.

” —

Improvements in the textile industry are made only under pressure from the client.

**Secil Helg,**  
Project Purchaser at Corporate Purchasing





1  
Special hardware outputs the text on screen as a line of Braille.

” —  
Swiss Post is the first company in Switzerland with an accessible online and mobile webshop.



#### Award

Swiss Post has won numerous awards for the services it provides. The link below provides an overview of the widely recognised commitment of the different units and of the Group as a whole.

→ [www.swisspost.ch/awards](http://www.swisspost.ch/awards)



2 x Christmas campaign  
[Film]

## ACCESSIBILITY

### Easier access for all

Navigate with the keyboard. Have headings, body text and alternative text for images with relevant content read aloud by a screen reader. Enlarge fonts as required. Understand texts in simple language. Record customer concerns in sign language and submit them to Swiss Post as a video message: At Swiss Post's accessible portal, people with disabilities can surf without restrictions. Swiss Post has received numerous awards in recognition of this service. "Access for All", the foundation responsible for certification of web content in Switzerland, has repeatedly awarded Swiss Post and PostBus the AA+ certificate, the highest level certificate for accessible web content, most recently in autumn 2012. "For us, the awards are proof that our measures really are useful in everyday life for people with disabilities", says Isabelle Haas, e-media project manager.

E-finance from PostFinance is also fully accessible: For instance, people with disabilities can carry out their monthly inpayments independently and manage their finances themselves. The visually impaired log in to the PostFinance portal with a special box. When typing, the box reproduces the PIN code acoustically.

#### Accessible online shopping

Want to place a quick online order for a new espresso machine or a birthday gift for a grandchild? At [postshop.ch](http://postshop.ch), people with disabilities can also do their shopping in just a few minutes – either at home on their computer or on the go with their smartphone. This makes Swiss Post the first company in Switzerland to offer an accessible online shop for mobile devices.

## SOCIAL COMMITMENT

### At home and abroad: Swiss Post does its bit to help

Swiss Post takes its social responsibility seriously, and not just during disasters. It is particularly committed to helping children and young people. It also supports a wide range of foundations and charitable organisations.

#### Santa Claus campaign

One letter that still remains magical to many children is the one to Santa Claus. Swiss Post took on his role 17,149 times in 2012, and delighted the children with a reply and a small gift.

#### Swiss Solidarity

No appeal for donations has been held without a postal account since 1946. In 2012, Swiss Post waived fees in excess of 100,000 francs.

#### 2 x Christmas

Through the joint work of Swiss Post, broadcaster SRG SSR and the Swiss Red Cross, people in need in Switzerland and eastern Europe received a Christmas gift. In 2012, Swiss Post sent around 78,000 parcels free of charge. The initiators of the campaign received the International Sponsoring Award.

#### Pro Patria and Pro Juventute

Swiss Post helps the two foundations design and sell their own stamps. It supported the Pro Juventute centenary in many different ways, including the 1 August National Day Ceremony at the Rütli. PostBus drove hundreds of young people from the capitals of all cantons to central Switzerland.

#### Swiss Transport Museum in Lucerne

Thanks to Swiss Post, almost 1,000 students from southern Ticino, Jura and central Switzerland were able to visit the Swiss Transport Museum more easily and affordably than ever.

# Corporate governance

With the new postal legislation in place, Swiss Post can modernise its structures and take advantage of greater entrepreneurial freedom → [Page 52](#). The three strategic subsidiaries, PostBus Switzerland Ltd, Post CH Ltd and PostFinance Ltd will operate under the umbrella of the parent company Swiss Post Ltd → [Page 53](#).



6.2

Members of Executive Management earn an average of 6.2 times the average salary of an employee.



40%

The performance-related component of the remuneration of a Member of Executive Management is limited to a maximum of 40 percent.



22.2%

Two out of nine members of the Board of Directors are women. The nine-member Executive Management team has one female representative.

## HIGH-QUALITY BASIC SERVICE GUARANTEED

## Modern legal status for Swiss Post

Swiss Post is governed by new legislation, under which it receives modern structures and the entrepreneurial freedom to undertake its various tasks: These preconditions are important so that Swiss Post can assert itself as a competitive service provider and offer a high-quality basic service in the future.

The new postal legislation came into force on 1 October 2012, and grants Swiss Post greater entrepreneurial freedom: This is crucial to the success of the company because, as a public service company, it generates 80 percent of its earnings in the market. For the remaining 20 percent, the physical consignments are in competition with electronic services such as e-mail, SMS and social media. The new legislation for the postal market and the company create the preconditions so that Swiss Post can continuously adapt its high-quality services in line with social trends, changing customer needs and technological developments. They also ensure that Swiss Post can continue to offer a high-quality basic service for postal operations and payments.

### The new Postal Act

The new law allows the provision of alternative delivery solutions in the basic service. Agencies are now also considered access points. There is a requirement with regard to letter boxes: In future, there should be at least one letter box installed in every town. The basic service should continue to be funded out of the income from products. This means that Swiss Post can exploit any opportunities it may have to reduce costs and can charge reasonable prices for services. There is no provision for an immediate abolition of the residual monopoly for letters.

Swiss Post may now adjust payment locations and payment types to take account of customer behaviour and technological change.

The Postal Act regulates access to P.O. Box facilities and change of address data. The conditions are to be negotiated in the future by the competitors on a commercial basis.

All postal service providers must now enter into negotiations with employee associations with regard to a collective bargaining agreement.

### The new Postal Organization Act

Under the new legislation, Swiss Post becomes a public limited company under special law. It takes on a modern, proven legal form and gains sufficient entrepreneurial freedom (see page 53).

The demerger of the business units enables industry-specific supervision that meets the requirements of the various sub-markets. This means that PostFinance, as the third-largest financial services provider in Switzerland, can become subject to regulation by the Swiss Financial Market Supervisory Authority FINMA.

Swiss Post staff will be employed under private law from the date of the conversion and demerger. The obligation to negotiate a collective bargaining agreement facilitates the establishment, together with the social partners, of standards for the industry and in the various sub-markets.

Swiss Post will now be taxed as a corporation. Hence, it is liable for taxation in the cantons. This means they can also benefit from Swiss Post's commercial success.



### Modern and clear

Swiss Post is receiving a clear mandate from the legislator, the same competitive conditions as its peers and a modern legal framework that provides it with sufficient entrepreneurial freedom.

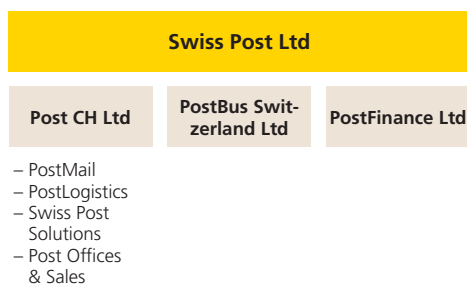
## FUTURE LEGAL STRUCTURE

### Swiss Post Ltd

Working with external specialists, Swiss Post is preparing its future legal structure in close consultation with the owner, represented by the Departments DETEC and FDF, and the authorities involved. Assuming the Federal Council Decrees are passed, Swiss Post will be converted into a public limited company at the end of the second quarter of 2013. In the future organisational form, the three subsidiaries, Post CH Ltd, PostFinance Ltd and PostBus Switzerland Ltd will operate under the umbrella of the parent company Swiss Post Ltd. PostFinance will be subject to bank regulation, so it will be regulated by FINMA. The new legal structure is largely in line with the four markets in which Swiss Post is currently active:

- PostBus Switzerland Ltd: Public passenger transport
- Post CH Ltd: Communication and logistics market
- PostFinance Ltd: Retail financial market

#### Future Group structure



## EQUITY

### Capital resources of subsidiaries

In the future legal structure, all legal units must have adequate capital. PostFinance Ltd in particular had to be granted sufficient equity to meet regulatory requirements and operational needs. To ensure cash payment in full, the Group's liquid assets were further augmented and a private placement in the fourth quarter of 2012 on the capital market was used to borrow 1.3 billion francs in long-term funds from institutional investors. The Group as a whole has sufficient equity.

## LEGAL STATUS AND OWNER

### Confederation to remain Swiss Post's owner

With the implementation of the second postal reform, Swiss Post is expected to be converted into a public limited company under special law in mid-2013. The Confederation continues to have 100 percent ownership – in the new role of shareholder after the conversion. To ensure that the nationwide basic service mandate under the Federal Constitution is guaranteed, the Confederation retains the majority of capital and votes at all times. The Federal Council elects the Board of Directors and the statutory auditors of Swiss Post at a general meeting. The Federal Council also approves the closing balance sheet of the institution, as well as the opening balance sheet and the statutes of the public limited company under special law. Since 1997, Swiss Post has been an autonomous institution under public law solely owned by the Confederation (federal institution). Until the first postal reform of 1997, Swiss Post and Telecom together constituted PTT, an entity that was legally a part of the Swiss Confederation.

” —  
PostFinance will be subject to bank regulation and supervised by FINMA.



## COMPOSITION OF THE BOARD OF DIRECTORS AS AT 31.12.2012

## Board of Directors



**Peter Hasler**  
Chairman of the Board of Directors



**Adriano P. Vassalli**  
Member of the Board of Directors



**Dominique Freymond**  
Member of the Board of Directors,  
Vice-Chairman



**Andreas Schlöpfer**  
Member of the Board of Directors,  
Vice-Chairman



**Michel Gobet**  
Member of the Board of Directors,  
Human Resources Representative



**Philippe Milliet**  
Member of the Board of Directors



**Nicola Thibaudeau**  
Member of the Board of Directors



**Susanne Blank**  
Member of the Board of Directors,  
Human Resources Representative



**Marco Durrer**  
Member of the Board of Directors



**Kerstin Büchel**  
General Secretary

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**REMUNERATION POLICY**

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## Determination of remuneration

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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.

Remuneration for members of Executive Management is comprised of a fixed base salary plus a performance-related component. This may be a maximum of 40 percent of the gross annual base salary (50 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. At Group level, the variable component is calculated at 28 percent from economic value added and 12 per cent 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, return on equity is applied instead of EBIT.

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 334,080 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.

” —  
Remuneration for members of Executive Management is comprised of a fixed base salary plus a performance-related component.

COMPOSITION OF EXECUTIVE MANAGEMENT AS AT 31.12.2012

# Executive Management



**Susanne Ruoff**  
CEO



**Pascal Koradi**  
Head of Finance



**Frank Marthaler**  
Head of Swiss Post Solutions



**Ulrich Hurni**  
Head of PostMail, Deputy CEO



**Yves-André Jeandupeux**  
Head of Human Resources



**Dieter Bambauer**  
Head of PostLogistics



**Patrick Salamin**  
Head of Post Offices & Sales



**Hansruedi Köng**  
Head of PostFinance



**Daniel Landolf**  
Head of PostBus

→ For detailed curriculum vitae and more information on key mandates, see page 50 of the Financial Report.

## 2012 REMUNERATION

## Remuneration to Board of Directors and Executive Management

The Federal Council determines the level of remuneration for members of the Board of Directors. In 2012, the nine members of the Board received remuneration (fees and fringe benefits) totalling 1,050,100 francs. The fringe benefits totalling 265,100 are shown in the total remuneration. In 2012, the Chairman of the Board's fee totalled 225,000 francs. The fringe benefits amounted to 26,700 francs.

In 2012, the nine members of Executive Management received remuneration (base salaries, fringe benefits, performance-based components and severance packages) totalling 5,095,378 francs. The fringe benefits totalling 375,289 francs are shown in the total remuneration. The performance-related component paid out to members of Executive Management in 2013, which is based on attainment of targets in 2011 and 2012, amounts to 1,305,088 francs.

The base salary of the two CEOs totalled 668,334 francs (Jürg Bucher received 376,667 francs for eight months, Susanne Ruoff 291,667 francs for seven months), the additional performance-related component amounted to 324,480 francs (of which Jürg Bucher received 207,813 francs, Susanne Ruoff 116,667 francs).

” —  
The Federal Council determines the level of remuneration for members of the Board of Directors.

| Remuneration 2012, CHF                                       | Total            | Average        |
|--|------------------|----------------|
| <b>Chairman of the Board of Directors</b>                    |                  |                |
| Fees   | 225,000          |                |
| Fringe benefits  |                  |                |
| Expenses and representation allowance                        | 22,500           |                |
| First-class GA travelcard                                    | 4,200            |                |
| <b>Total remuneration</b>                                    | <b>251,700</b>   |                |
| <b>Other members of the Board of Directors (8)</b>           |                  |                |
| Fees   | 560,000          | 70,000         |
| Fringe benefits  |                  |                |
| Expenses and representation allowance                        | 58,200           | 7,275          |
| Additional fringe benefits                                   | 180,200          | 22,525         |
| <b>Total remuneration</b>                                    | <b>798,400</b>   | <b>99,800</b>  |
| <b>Entire Board of Directors (9)</b>                         |                  |                |
| Fees   | 785,000          | 87,222         |
| Fringe benefits  | 265,100          | 29,456         |
| <b>Total remuneration</b>                                    | <b>1,050,100</b> | <b>116,678</b> |
| <b>CEO (15 months<sup>1</sup>)</b>                           |                  |                |
| Fixed base salary  | 668,334          |                |
| Performance-related component (payable in 2013)              | 324,480          |                |
| Fringe benefits  |                  |                |
| Expenses and representation allowance                        | 37,500           |                |
| Additional fringe benefits <sup>2</sup>                      | 29,162           |                |
| Additional payments <sup>3</sup>                             | 0                |                |
| <b>Total remuneration</b>                                    | <b>1,059,476</b> |                |
| annualised   | 847,581          |                |
| <b>Other members of Executive Management (8<sup>4</sup>)</b> |                  |                |
| Fixed base salary  | 2,746,667        | 350,788        |
| Performance-related component (payable in 2013)              | 980,608          | 125,237        |
| Fringe benefits  |                  |                |
| Expenses and representation allowance                        | 150,400          | 19,208         |
| Additional fringe benefits <sup>2</sup>                      | 158,227          | 20,208         |
| Additional payments <sup>3</sup>                             | 0                | 0              |
| <b>Total remuneration</b>                                    | <b>4,035,902</b> | <b>515,441</b> |
| <b>All members of Executive Management (9)</b>               |                  |                |
| Fixed base salary and performance-related component          | 4,720,089        | 524,454        |
| Fringe benefits  | 375,289          | 41,699         |
| <b>Total remuneration</b>                                    | <b>5,095,378</b> | <b>566,153</b> |

1 Jürg Bucher eight months, Susanne Ruoff seven months

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

3 No agreements on severance payments are in place.

4 Head of Finance only since 1.3.2012.



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**ADDITIONAL INFORMATION**


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## Report structure

The Swiss Post annual reporting documents for 2012 consist of:

- Annual Report 2012
- Financial Report 2012 (management report, corporate governance, annual financial statements)
- Table of figures (comprehensive set of key figures)
- GRI index (content in accordance with the Global Reporting Initiative requirements) including confirmation of Global Reporting Initiative Application Level B+

These documents are available online at [www.swisspost.ch/annualreport](http://www.swisspost.ch/annualreport). Printed copies of the Annual Report and Financial Report are also available.

## Ordering

Printed copies of the Annual Report and the Financial Report can be ordered on the Internet at [www.swisspost.ch/order-annualreport](http://www.swisspost.ch/order-annualreport). Swiss Post employees can order printed copies via the usual channels.

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**PUBLICATION DETAILS**


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### Publisher and point of contact

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Dr. Andreas Sturm, phorbis Communications AG, Basel

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Marcel Suter, Sandra Schindler and  
Dominik Rothenbühler, Klarkom GmbH, Berne

### Diagrams

Swiss Post Finance, Berne  
Dr. Andreas Sturm, phorbis Communications AG, Basel  
Diagrams based on Prof. Rolf Hichert's design rules.

### Photographs

Marc Wetli, Zurich,  
Simon Opladen, Berne plus various sources

### Design and typesetting

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phorbis Communications AG, Basel

### Proofreading and translations

Swiss Post Language Services, Berne

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## FIVE-YEAR OVERVIEW OF KEY FIGURES

|  |   | 2012      | 2011      | 2010      | 2009      | 2008      |
|--|---|-----------|-----------|-----------|-----------|-----------|
| <b>Results</b>   |   |           |           |           |           |           |
| Operating income   | CHF million   | 8,582     | 8,599     | 8,736     | 8,558     | 8,980     |
| generated in competition                                     | % of operating income                                   | 84.1      | 84.0      | 83.2      | 80.8      | 79.6      |
| generated abroad   | % of operating income                                   | 11.9      | 12.7      | 13.9      | 16.3      | 17.9      |
| Operating result   | CHF million   | 890       | 908       | 930       | 721       | 812       |
| generated abroad   | % of operating result                                   | 3.0       | 5.7       | 2.6       | 4.9       | 4.0       |
| Group profit   | CHF million   | 859       | 904       | 910       | 728       | 825       |
| Equity   | CHF million   | 5,625     | 4,879     | 4,224     | 3,534     | 2,857     |
| <b>Value generation</b>                                      |   |           |           |           |           |           |
| Economic value added   | CHF million   | 308       | 390       | 452       | 272       | 416       |
| Added value generated  | CHF million   | 5,314     | 5,187     | 5,268     | 4,983     | 4,875     |
| to employees   | CHF million   | 4,131     | 4,026     | 4,076     | 4,032     | 3,873     |
| to creditors   | CHF million   | 23        | 14        | 20        | 14        | 22        |
| to public sector   | CHF million   | 34        | 13        | 12        | 9         | 10        |
| to owner   | CHF million   | 200       | 200       | 200       | 200       | 170       |
| to company   | CHF million   | 926       | 934       | 960       | 728       | 800       |
| <b>Jobs</b>  |   |           |           |           |           |           |
| Headcount (excluding trainees)                               | Full-time equivalents                                   | 44,605    | 44,348    | 45,129    | 44,803    | 44,178    |
| abroad   | %   | 14.8      | 15.0      | 16.1      | 15.6      | 14.2      |
| Trainees in Switzerland                                      | Persons   | 2,015     | 1,942     | 1,824     | 1,690     | 1,571     |
| Jobs in Switzerland  | Swiss Post employees per 100 employees                  | 1.37      | 1.31      | 1.34      | 1.33      | 1.30      |
| Jobs in peripheral regions                                   | Persons   | 20,172    | 20,418    | 20,603    | 20,776    | 21,319    |
| Turnover rate (voluntary departures)                         | As % of average headcount                               | 3.7       | 3.9       | 3.5       | 3.1       | 5.3       |
| Notice given by employer for economic reasons                | Persons   | 316       | 95        | 116       | 99        | 97        |
| <b>Employment conditions, salaries and remuneration</b>      |   |           |           |           |           |           |
| Employment in accordance with Swiss Post CEC                 | Full-time equivalents as %                              | 62.7      | 64.3      | 65.4      | 66.5      | 71.2      |
| Swiss Post CEC minimum salary                                | CHF per annum   | 45,047    | 44,823    | 44,379    | 44,071    | 42,746    |
| Average salary for employees                                 | CHF per annum   | 82,554    | 81,293    | 81,082    | 80,361    | 78,141    |
| Average remuneration paid to members of Executive Management | CHF per annum   | 515,441   | 504,986   | 495,590   | 491,200   | 492,781   |
| Salary bandwidth*  | Factor  | 6.2       | 6.2       | 6.1       | 6.1       | 6.3       |
| <b>Health management</b>                                     |   |           |           |           |           |           |
| Occupational accidents                                       | Number per 100 FTEs                                     | 7.3       | 6.9       | 7.5       | 6.5       | 6.3       |
| Days lost to illness and accidents                           | Days per employee                                       | 11.0      | 10.8      | 10.5      | 10.4      | 10.7      |
| <b>Diversity</b>   |   |           |           |           |           |           |
| Men  | % of employees  | 52.5      | 52.3      | 52.1      | 51.5      | 51.5      |
| Women  | % of employees  | 47.5      | 47.7      | 47.9      | 48.5      | 48.5      |
| Nationalities represented                                    | Number  | 140       | 140       | 133       | 117       | 121       |
| Women on Board of Directors                                  | %   | 22.2      | 22.2      | 22.2      | 25.0      | 20.0      |
| Women in Executive Management                                | %   | 11.1      | 0.0       | 0.0       | 0.0       | 0.0       |
| Women in senior management posts                             | %   | 8.0       | 7.6       | 8.2       | 8.7       | 7.7       |
| Women in middle and lower management roles                   | %   | 23.0      | 23.2      | 22.6      | 21.5      | 21.3      |
| <b>Demographics</b>  |   |           |           |           |           |           |
| Average age of workforce                                     | Years   | 44.7      | 44.4      | 44.2      | 43.4      | 43.2      |
| <b>Resource consumption</b>                                  |   |           |           |           |           |           |
| Energy consumption   | Gigajoules  | 3,199,878 | 3,131,103 | 3,224,440 | 3,158,211 | 3,265,716 |
| direct energy consumption (scope 1)                          | Gigajoules  | 2,638,709 | 2,561,346 | 2,593,125 | 2,520,381 | 2,579,871 |
| renewable percentage   | %   | 0.01      | 0.91      | 0.47      | 0.47      | 0.40      |
| indirect energy consumption (scope 2–3)                      | Gigajoules  | 561,169   | 569,757   | 631,315   | 637,830   | 685,845   |
| renewable percentage   | %   | 94        | 94        | 93        | 96        | 92        |
| <b>Carbon footprint (scope 1–3)</b>                          |   |           |           |           |           |           |
| Carbon footprint   | t CO <sub>2</sub> equivalent                            | 460,464   | 449,366   | 459,857   | 447,721   | 465,196   |
| CO <sub>2</sub> intensity of added value                     | t CO <sub>2</sub> equiv. per CHF million of added value | 86.7      | 86.6      | 87.3      | 89.8      | 95.4      |
| CO <sub>2</sub> intensity of jobs                            | t CO <sub>2</sub> equiv. per full-time equivalent       | 9.9       | 9.7       | 9.8       | 9.6       | 10.2      |

\* Factor = Average remuneration paid to Executive Management members vs. average employee salary.

A comprehensive set of key figures and accompanying notes can be found in the table of figures on the Annual Report. It is available for download at [www.swisspost.ch/annualreport](http://www.swisspost.ch/annualreport).

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**SWISS POST** 