



SpencerStuart

2018 Switzerland  
Spencer Stuart  
Board Index

## ABOUT SPENCER STUART

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# Foreword

The *Spencer Stuart Board Index* is an annual study that analyses aspects of board governance among major listed companies, including composition, committees and remuneration. First published 33 years ago in the US, there are now editions in 24 countries around the world, including 11 in Europe.

This is the sixth edition of the *Switzerland Spencer Stuart Board Index*. As in previous years, we have analysed the 20 companies that comprise the Swiss Market Index (SMI). In addition, and for the first time, we have also included 27 companies in the SMI Mid Index (SMIM). Our analysis of the companies is based on data available for the most recent fiscal year.

Our purpose is to provide business leaders with a snapshot of current practice on Swiss boards. In addition to data on each SMI company board, we publish a detailed chart showing how they compare with leading companies in other European markets and in the US on a range of key governance measures.

We hope that you will find the *2018 Switzerland Spencer Stuart Board Index* an interesting read. We welcome your feedback and the opportunity to discuss any of the issues that arise from our research.

Marie-Pierre Rogers  
*Board Practice*  
Spencer Stuart Switzerland



# Highlights

## INDEPENDENCE

The percentage of board directors who are classed as independent continues to fall, albeit slightly, from 88% in 2016 to 84% last year and 83% in 2018. The share of independent directors is the same in both the SMI 20 and SMI Mid. The Netherlands is the only country in Europe where a higher share of independence is found in the boardroom. See page 13

83%

The proportion of SMI board directors who are independent

## WOMEN ON BOARDS

Although the percentage of board positions held by women continues to increase in Switzerland, the rate of change is relatively slow in comparison to other European markets. The proportion of female board directors in the SMI 20 has increased from 22.2% last year to 24% in 2018. The overall average is affected by the SMI Mid, in which only 21.3% of all board seats are held by women. As in previous years, there is only one female chairman in the SMI 20 (at Swatch Group), with another holding the same position at Helvetia in the SMI Mid. There are still no female chief executives in the SMI 20, while in the SMI Mid only one company (EMS Chemie) has a woman in the top executive role. See page 14.

22.6%

The proportion of board members who are women

55%

The proportion of SMI and SMI Mid non-executive board directors (excluding chairs) who are non-Swiss nationals

CHF 215'280  
(€195,709)

The average retainer fee for SMI 20 directors

## FOREIGN DIRECTORS

The number of foreign non-executive directors in SMI 20 boardrooms remains the same as last year at 61%. The overall average is brought down by the SMI Mid where just under half of all non-executives are non-nationals. Boards in Switzerland remain by far the most internationally diverse, with the Netherlands and Denmark the next highest at 39%. Although fewer foreign directors were appointed to the boards of SMI companies in the past 12 months, they still account for 64% of the incoming class. Interestingly, in SMI 20 companies that figure increases to almost 79%, while in the SMI Mid it is only 42%.

## DIRECTOR REMUNERATION

The average retainer fee paid to non-executive directors in the SMI 20 for the 2017 period remains at the same level as the previous two years. Total pay however (including committee fees) increased by 6.5%, to CHF 316'497. Board fees for non-executives at SMI Mid companies are around 25% lower, with an average of CHF 163'137. That pay disparity rises to nearly 40% when total remuneration for 2017 is examined, with these directors taking home an average of CHF 191'645. Nonetheless, SMI Mid directors are the second-highest-paid in Europe, overtaken only by their SMI 20 counterparts. See page 26.

## BOARD PERFORMANCE REVIEW

Of the 16 companies in the SMI 20 that disclosed their board assessment practices, only two performed an evaluation with the support of an independent third party in 2017, a slight decrease from the previous year. Levels of disclosure in this area among SMI Mid companies is much lower, with two-thirds of companies not referring to board assessment practices in their annual report. Of the remaining companies, four disclose that they intended to undergo an evaluation in 2018, while the remainder performed a self-assessment of the board's performance.

8%

The percentage of SMI companies that underwent an externally facilitated board evaluation

## WOMEN IN SENIOR MANAGEMENT

The number of executive committee (ExCo) roles that are held by women in SMI 20 companies has again grown, from 17 last year to 19 in 2018. Yet this represents only a 10% share of the total. The picture is even bleaker among SMI Mid companies, where women occupy only 4% of ExCo positions. When looking at the two indices together, women account for only 7% of all ExCo positions, putting Switzerland at the bottom of the European table, behind fellow stragglers Germany (10%) and Turkey (9%). In contrast, women hold almost one-quarter of all ExCo positions in Sweden and Norway, and one-fifth in Finland. See page 20.

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The number of women on the executive committees of SMI companies — out of 364 executives

## IN THE SPOTLIGHT

# In the new era for boards, culture is key

A healthy board culture is increasingly recognised as vital to board performance. But unlike clearly defined areas of governance — risk, strategic planning or financial reporting, for example — board culture is far more nebulous.

Boards tend to talk about their cultures using generalities such as “collegial” and “engaged” — terms that apply to many boards. What is needed is a way to gain the insight that allows boards to understand in a fuller, more nuanced way the role of board culture in overall board performance.

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With less implicit understanding about how directors should interact, it’s essential to get board culture right.

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Two forces — growing stakeholder scrutiny and greater board diversity — have made board culture an urgent topic. As shareholder activism gains momentum, investors are driving improvements in governance, holding boards to account on issues ranging from strategy and performance to CEO pay.

In some regions, diversity is the result of investor pressure in the face of research showing that board diversity enhances company performance. Boards themselves recognise the value of broader sets of perspectives, adding directors from other countries or different industries or widening gender, ethnic or age diversity.

But greater diversity also increases opportunities for conflict. In the past, boards tended to be homogeneous, with implicit agreements about how directors should interact. So as boards strive to be more performance- and shareholder-focused, getting culture right is critical.

## WHAT IS BOARD CULTURE?

A board’s culture is defined by the unwritten rules that influence directors’ behaviours and decisions. These include the mindsets, assumptions, group norms and values that influence director discussions and decision-making, as well as levels of engagement and trust.



We have developed a model for understanding board culture, drawing on extensive research showing that there are two dimensions of culture: attitudes towards people (individual versus collective) and change (flexible versus stable). These same dimensions can be used to evaluate organisational and team cultures; indeed a comprehensive study<sup>1</sup> of organisational culture found that companies can create an optimal culture that leads to better business outcomes when they have a framework for evaluating and managing culture.

In practice, we observe a wide range of working styles and dynamics, yet in our experience board cultures tend to be more heavily weighted in one of four main culture styles:

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Board cultures tend to be more heavily weighted in one of four main culture styles: Inquisitive, Decisive, Collaborative or Disciplined.

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- » **Inquisitive:** These boards value the exchange of ideas and the exploration of alternatives.
- » **Decisive:** These boards are focused on measurable results, driving a focused agenda and outcome-oriented decisions.
- » **Collaborative:** These boards value consensus and having a greater purpose.
- » **Disciplined:** These boards emphasise consistency and managing risks, and prioritising planning and protocols.

None of these styles is objectively better or worse than any other, so long as it aligns with the business strategy.

## HOW TO CHANGE BOARD CULTURE: FOUR QUESTIONS TO CONSIDER

A natural time to assess board culture and how it supports strategy is during the board's annual self-assessment. Using a framework and vocabulary such as that developed by Spencer Stuart, boards can diagnose current board culture and agree on a target culture. For example, companies in industries where strategy must be reinvented frequently may benefit from an inquisitive, flexible board culture, where directors question assumptions and encourage the exchange of ideas. A board may also want to evolve its culture if it is underperforming or in a crisis situation, when a board may seek to be more decisive and results-driven.

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<sup>1</sup> "The Leader's Guide to Corporate Culture." Groysberg, Lee, Price and Cheng. *Harvard Business Review*. January/February 2018.

Directors can then ask the following questions to help shift the board culture:

**Do we have the right people in the boardroom?**

When recruiting, boards can consider how a new director would help shift dynamics towards the desired culture. For example, a board that needs to become more results-driven may want the next director to have a no-nonsense, by-the-numbers style, perhaps a CFO profile. A board wanting to become more adaptive and inquisitive may look to add an entrepreneur or an innovator.

**Are we structuring our work to focus on the right issues and activities?**

Boards can reinforce their priorities by structuring agendas and committee and board assignments in a way that supports the culture they want to create. A board seeking greater collaboration may want to close discussions by soliciting comments from each director.

**Do board and committee leaders model the desired board culture?**

The board chair has a profound role in shifting the board culture. If the board ought to become more inquisitive, the chair may reduce time devoted to

operational reviews to increase time to explore strategic alternatives. On a board that seeks to become more disciplined, the chair can direct a change in board materials and build more structure around discussion topics. There is great influence in how board leaders model the desired culture: for example, by establishing pre-meeting activities a mechanism can be created for directors to ask questions in advance of a board meeting.

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A board may seek to evolve its culture if it is underperforming or in crisis.

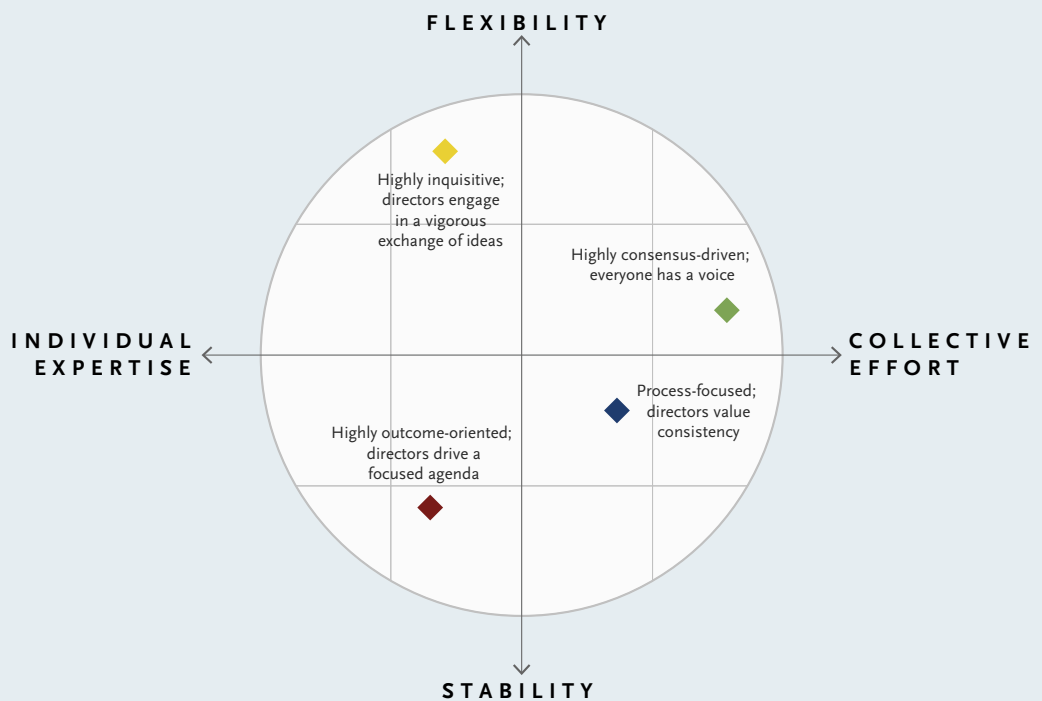
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**Do we as individual directors consider how we are contributing to the culture?**

As directors become comfortable with the language of culture and more self-aware of whether they are nourishing or undermining the target culture, they can provide feedback to each other, as well as reviewing their own behaviours. The key is always to “serve” the target culture.

## STARTING TO UNDERSTAND YOUR BOARD CULTURE

When it's able to diagnose culture, a board can evaluate the role culture plays in board performance and consider whether there are elements of the culture that need to change. Having a common language about the culture and identifying directors' preferred styles helps members understand and adjust to the preferences of one another and make better decisions about the potential culture fit of new director candidates. To provide a sense of various board cultures based on our model, we have plotted several examples of board culture below.



The full version of this article is available at [www.spencerstuart.com](http://www.spencerstuart.com).

# Our survey approach

The *2018 Switzerland Spencer Stuart Board Index* is a survey of the Swiss Market Index (SMI), the 47 largest companies listed on SIX Swiss Exchange by market capitalisation, as of 30 April 2018. As previous editions of this publication focused only on the SMI 20, we have split out our analysis across the SMI 20, the SMI Mid and the SMI in total, enabling year on year comparisons for the SMI 20. The addition of the SMI Mid means that the Austrian company, ams AG, is included in our sample, and the three employee representatives present on their board have been excluded from our analysis.

We analysed board size and composition, committee structure, and director compensation for the 2017 financial year, compiling our research from a combination of publicly available sources such as company annual reports and websites, minutes and agendas of general meetings, and from BoardEx.

Measured as of 31 May 2018:

- » Supervisory board composition
- » Management board composition
- » Representation of female and foreign directors
- » Independence
- » Tenure
- » Board commitments
- » Age

Measured as of 31 December 2017:

- » Board meetings
- » Board committee meetings
- » Board remuneration

The *2018 Switzerland Spencer Stuart Board Index* focuses on quantifiable data pertaining to boards of directors and offers comparisons with leading companies in a number other European countries, namely Belgium, Denmark, Finland, France, Germany, Italy, the Netherlands, Norway, Poland, Spain, Russia, Sweden, Turkey and the UK, as well as with S&P 500 companies in the USA.

# Board size and composition

## BOARD SIZE

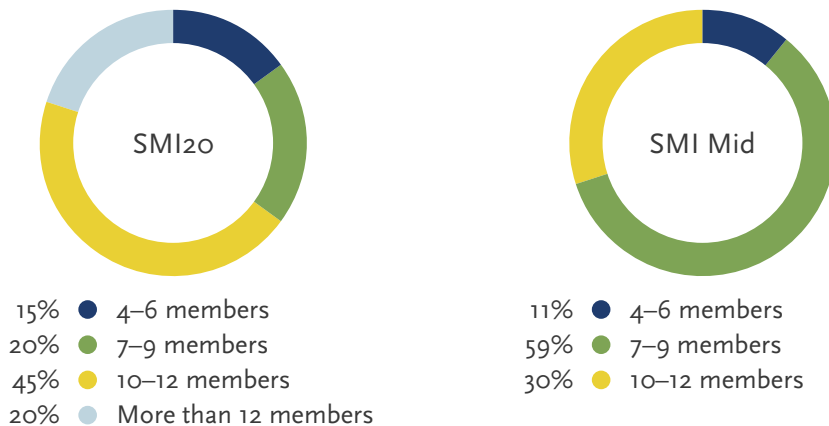
Companies in the SMI 20 have seen a small decrease in the size of their boards from 10.6 last year to 10.4 in 2018; however, the number of directors has barely changed since our first edition in 2013 when it was 10.8. Interestingly, boards of SMI Mid companies are smaller, with an average of 8.3 members. Looking at the SMI as a whole, average board size is 9.2 directors.

The smallest company board — at EMS Chemie — is composed of just four directors, although an additional director was appointed after our cut-off date. Notwithstanding, this is still the smallest board of the 47 companies in our analysis. The largest company board, by a long way, is that of Richemont, with 19 directors.

Among the SMI Mid, 70% of companies operate with a board of nine or fewer directors; in the SMI 20, the figure is half this at 35%. Only 11% of SMI Mid companies have more than 10 directors on their boards, far lower than the 65% seen in the SMI 20.

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### Board Size



**THE BROADER VIEW: Board size**

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK	USA
Board size	10	9.8	8.1	13.7	13.8	11.5	9.3	8.1	8	10.4	10.9	10.6	9.2	9.8	10.1	10.8

**THE ROLES OF CHAIRMAN AND CHIEF EXECUTIVE**

There are no directors serving on Swiss boards who hold the dual role of chairman and chief executive. Only six companies in our sample allocate a seat on the board to their chief executive: Nestlé, Roche, and Swatch Group in the SMI 20, and Dufry, EMS Chemie, and Logitech International in the SMI Mid. Two companies, DKSH and Kuehne & Nagel, have an honorary chairman on the board.

Following a management restructure in late 2016, Richemont operated without a group chief executive. The role has since been reinstated with the appointment of Jérôme Lambert in September 2018, but it occurred after our cut-off date for data collection.

**VICE-CHAIRMAN AND SENIOR INDEPENDENT DIRECTOR**

In the SMI 20, 90% of companies have the role of vice-chairman on their boards. Two companies share the role between two different board members. Five SMI 20 companies also have a designated lead independent director on their board (Credit Suisse, Nestlé, Swiss Re, Richmont, and UBS), the first three of whom are also the vice-chairman.

Just under two-thirds of companies in the SMI Mid have a vice-chair on the board, and one company (Logitech International) operates with a lead independent director instead.



## INDEPENDENCE

Across both indices, 83% of all board members are deemed to be independent, second only to the Netherlands in Europe. The proportion is the same when looking at each index separately.

Among our enlarged sample, 70% of companies operate a board composed only of non-executive directors. An observable difference exists between the two indices, however: the figure increases to 80% in SMI 20 companies, compared with 63% among those in the SMI Mid.

There are only 26 executive directors in our sample of board members, half of them accounted for by three companies: Richemont, Partners Group, and Schindler. Dufry and Logitech have two executive directors on their board, and all other companies that include an executive director on their board have only one.

The only countries in Europe where fewer than half of all board members are classified as independent are Belgium, Poland, Russia and Spain, while in Italy the proportion is just over 50%.

### THE BROADER VIEW: Independent directors

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK	USA
% Independent directors	49.2	77.1	80.8	58	60	51	87.1	75.8	45	38.1	45	69.1	82.9	33.1	61	85

## WOMEN ON BOARDS

Women hold just under one-quarter of board seats in SMI 20 companies, representing an 8% increase on last year's figure of 22.2%. Since 2013, there has been a 47% increase in the number of female board directors on Swiss boards, from 34 to 50. Swiss women, however, account for only 38% of female directors, slightly fewer than the 43% of male directors who are Swiss nationals. Among SMI Mid companies, the percentage of board positions held by women is lower, at 21.3%, although half of these are occupied by women holding Swiss nationality.

There is one female chair among the companies in our sample, Nayla Hayek at Swatch Group, or just 2% of the chair population. As low as that may be, it is slightly better than Denmark, Finland, and Russia, where among the largest public companies no women occupy the lead board role.

Unfortunately, the landscape at executive level in Switzerland is no more progressive, with Magdalena Martullo-Blocher at EMS Chemie the only female chief executive in our sample. She is also the only woman who occupies an executive position on any board in our sample.

SGS remains the only SMI 20 company with no female representation on the board. A further three SMI Mid companies (11%) also had no women board members at our cut-off date — ams AG, Barry Callebaut, and OC Oerlikon. However, in June 2018 ams AG appointed a female non-executive director, and in December 2018 Barry Callebaut appointed two female non-executives.

There were 28 new board appointments to the SMI 20 in the preceding 12 months, of which 25 were of non-executive directors, and marking a rise of 32% on last year's number (19). It is heartening to see that women make up 44% of the new intake, an increase from last year when 37% of all new directors were female; in 2015 the figure was 29%.

While we do not have historical figures for the SMI Mid, it is encouraging to see that of the new directors appointed to boards between 1 June 2017 and 31 May 2018, 47% are women.

In June 2018, Switzerland's National Council very narrowly passed a vote (95 to 94) to introduce gender quotas for boards (30% women) and executive committees (20% women) for publicly listed companies with more than 250 employees. Although companies that fail to meet these quotas will not face any punishment, they will be required to explain their failure and their plans to meet the quotas in the future. It appears that almost three-quarters of the companies in our sample will need to do so, given that they currently fall below the 30% threshold for boards.

In the SMI 20, only 35% of companies meet the quota for boardroom diversity. The boards of Swisscom and Zurich Insurance are the most diverse in terms of gender, with 44% of seats held by women. Among SMI Mid companies, the proportion of companies complying with the quota is even lower at 19%, indicating how much work remains to be done in this area. The picture is no healthier at senior management level, where only four companies in our sample have an executive committee composed of more than 20% women. Only one company among the 47 analysed in our sample, Clariant, meets the gender diversity quota across both non-executive (30%) and executive management (25%).

Gender diversity levels on SMI boards are among the lowest in Europe, with only boards in Netherlands (22%), Spain (19.5%), Turkey (17%), Poland (15%) and Russia (8%) having a lower percentage of female board members.

### THE BROADER VIEW: Women directors

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK	USA
% Women directors	32.1	27.6	33.3	42.5	32	32.3	21.6	45.6	15.2	7.8	19.5	39	22.6	17.1	27.5	24

## FOREIGN DIRECTORS

Boards in Switzerland remain the most internationally diverse in Europe, with 52% of all board members coming from outside the country, ahead of Denmark and the Netherlands, both of which sit at 39%. Among SMI 20 companies, the proportion is even higher at 58%, although this marks a drop from the 61% seen in previous years. Even though the proportion of non-national directors is lower on SMI Mid boards (46%), the figure is still the highest in Europe.

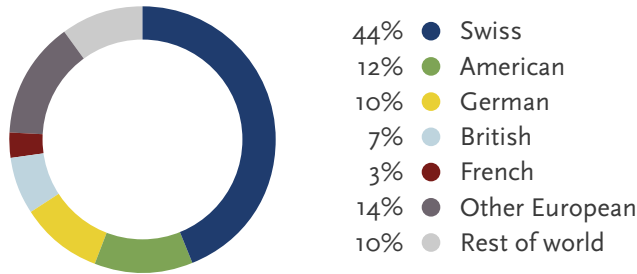
It is hard to imagine any other country reaching the levels seen in Switzerland in this area, given that of the 50 new board members appointed in the previous 12 months, 32 (64%) were non-Swiss nationals. In the SMI 20, the figure increases to 79%, itself an increase from 68% last year. The SMI Mid records a more modest 45%. The USA was, by far, the biggest contributor to new, foreign board directors, accounting for 28% of the new class, ahead of the UK's 16%.

The average number of nationalities represented on SMI company boards is 4.9, although that number is higher among SMI 20 companies (6.2) and lower in the SMI Mid (4.0). Swatch Group is the only company in the SMI 20 that operates with a Swiss-only board. In the SMI Mid, three companies have no foreign representation among board members: Galenica, Helvetia, and Straumann. In contrast, the board of Temenos Group is composed of eight directors, each of whom has a different nationality.

Thirty percent of all SMI company board chairs are non-Swiss nationals. The number of foreign chairs in SMI 20 companies continues to decrease and there are now only six, or 30%, as opposed to 2013 when half of all chairs came from outside the country. The proportion of foreign chairs among SMI Mid companies is also 30%.

Just over half of all SMI company chief executives come from outside Switzerland. The number of foreign CEOs in the SMI 20 has fallen from 11 last year, to 10 in 2018. In the SMI Mid, foreigners occupy 52% of chief executive roles.

## Nationality of board directors in the SMI



## THE BROADER VIEW: Foreign directors

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK	USA
% Foreign director	30.4	39.4	33.8	35	25.3	10.1	39	28.2	26.8	25.8	19.8	33.6	51.7	17.1	33.3	8.2

## AGE OF DIRECTORS

The average age of SMI non-executive directors (excluding chairs) is 59.8 years. There is barely any difference between the SMI 20 and SMI Mid indices, with averages of 59.9 and 59.7 years respectively. The average age of non-executives in the SMI 20 has fallen from 61.2 years in 2017, which is explained by the outgoing board directors who left in the past year, and had an average age of 63.8 years. Board directors in Switzerland are also no longer the oldest in Europe, and indeed have been overtaken by the Netherlands and Spain. In contrast, Russia is the only European country where the average age of non-executive directors is under 55.

Swisscom again has the youngest board in the SMI 20 with an average age of 53.7 years, even lower than the previous year's 56.1 years. The company with the oldest average age in this group of companies is Sika, at 65.1 years.

The youngest board in the SMI Mid (and second overall) is found at Dormakaba, where the average age is 54.5 years; Temenos Group has the oldest, with an average of 67.2.

The average age of SMI company chairs is 63.2 years. The youngest chair, at 48.4 years, is found at Partners Group; the oldest chair is 73 and leads the board of Dormakaba.

### THE BROADER VIEW: Age of directors

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK
Age of directors	57.7	58.9	58.5	58.9	58	58	61.5	57.3	55.6	54.5	60.3	58.9	59.9	58.7	59

### LENGTH OF SERVICE

The average tenure of all SMI board directors is 6.6 years. Looking at the SMI 20 alone, the figure is 5.9 years, a decline of 13% from last year. This shift can be explained by the fact that directors who departed SMI 20 boards in the past 12 months had an average tenure of 7.4 years. The average tenure of SMI Mid directors is somewhat higher than that of their SMI 20 counterparts, at 7.2 years.

Board tenure of chairs in SMI companies averages out at 10.7 years, with an average of 5.6 years spent in the chair role. In SMI 20 companies, the average tenure for chairs is six years, compared with 5.2 years among their SMI Mid counterparts.

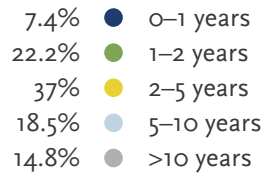
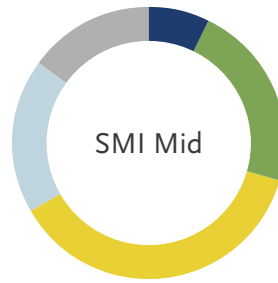
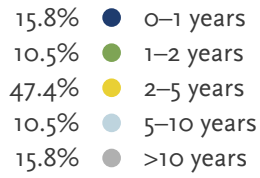
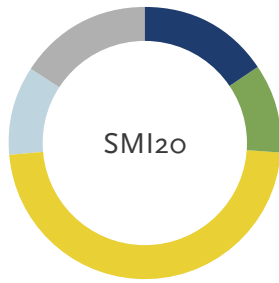
Non-executive directors at Galenica have the shortest tenure at one year, but that is due to the company having gone public only in April 2017. Board members at SMI Mid constituent Sunrise Communications have the second-lowest tenure at 2.2 years; in the SMI 20, the shortest average tenure is seen among directors at Swiss Re, at 2.8 years.

The longest-tenured non-executives are found in the SMI Mid, at Kuehne & Nagel. The average at this company is 16.2 years, but the figure is inflated due to two board members having served more than 40 years. Among the SMI 20 the highest average board tenure is at Sika, at 11.9 years.

Looking at all SMI company chief executives, average tenure is 4.5 years — with very little difference between SMI 20 and SMI Mid companies — although this same CEO cohort has been employed by their respective companies for an average of 12.2 years. Five companies in our sample appointed a new CEO in the 12 months prior to 31 May 2018: Aryzta, Julius Baer, LafargeHolcim, Sika, and Sonova.



## CEO and non-executive tenure



## THE BROADER VIEW: Average tenure of directors

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	<b>Switzerland</b>	Turkey	UK	USA
Tenure (years)	5.1	5.3	4.8	5.7	5.7	6.5	4.5	4.3	4.2	4.3	6.3	5.7	<b>6.6</b>	5.3	4.6	8.1

## ADDED PERSPECTIVE

**Gender diversity on the executive committee**

For the fifth year, we have analysed gender diversity among executive committee (ExCo) members.

Only 26 women occupy ExCo roles at SMI companies, translating to a meagre 7% of the 364 roles in our sample. Among SMI 20 companies, the proportion of women in ExCo roles is higher at 10%, an increase from last year's figure of 8.4%. Five SMI 20 companies operate with an all-male ExCo: Adecco, Geberit, Lonza Group, Swiss Life, and Swisscom, although Adecco appointed a female ExCo member in January 2019. Only one company in the SMI 20, Zurich Insurance, exceeds the 20% quota, thanks to the three women sitting on its 11-member ExCo. Indeed, at our cut-off date only SGS and UBS have more than one woman sitting on their highest management body (since then, SGS has become an all-male board).

Unfortunately, the level of female representation on SMI Mid executive committees is worse, with only seven female ExCo directors, representing just 4% of the senior management population. Almost 75% of all SMI Mid companies operate without a single female director among the members of the executive committee, although two — GAM and Vifor Pharma — have since appointed a female director to their ExCo.

Despite the low numbers of women in the c-suites of SMI Mid companies, at our cut-off date three companies exceeded the 20% female management board quota: Clariant, EMS Chemie, and OC Oerlikon. It is perhaps worth noting that all three companies have a management board composed of only four members, while the average size of an SMI Mid company ExCo is 6.5 members.

Overall, 60 new directors were appointed to the executive committee in the previous 12 months, six (10%) of them women. In the SMI 20, 31 new ExCo directors were appointed, with a female candidate successful in 19% of cases. This is an encouraging increase on last year's 14.3%, and the 9% seen in 2016. Unfortunately, this level of representation is not replicated among SMI Mid companies where not one woman was among the 29 new ExCo members appointed in the previous year.

As previously mentioned, only one woman leads an SMI company. It is hard to imagine that situation changing soon when so few female candidates are available for promotion from within the ExCo. There are also no women at the head of the leading public companies in Denmark, Germany, Russia, and Turkey. Sweden leads the European statistics in this measure, even though the proportion of female CEOs there is still only 8%.

The 26 women who do have a seat on the ExCo of SMI companies are mainly found in general management roles, with one chief executive, one COO, five divisional CEOs, and seven regional CEOs. There are also two female CFOs, and a further five women oversee the HR function.

### THE BROADER VIEW: Female ExCo members

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK
% Female ExCo	18.5	11.5	19.2	16	10	14.6	14.9	24.4	13.4	13	-	24.7	7.1	9.2	18.6

# Board governance

## BOARD MEETINGS

SMI companies held on average 7.6 scheduled meetings in 2017. When including ad-hoc meetings and/or additional conference calls, this increases to 8.9. Among SMI 20 companies, the average number of scheduled meetings is 8.3, similar to last year, although the total average, including ad hoc meetings, increased from 9.7 to 10.4.

The number of scheduled meetings for SMI Mid companies is lower, at 6.8 in 2017, with the total meeting average standing at 7.7. It is interesting to note that companies with fewer board members also meet less frequently.

UBS once again held the greatest number of board meetings in the year with 23, a figure that is 64% more than the next highest of 14 (a figure recorded at three companies). Two SMI Mid companies, Kuehne & Nagel and PSP Swiss Property, held just four meetings. Of the 15 companies that met the least frequently, only 20% were from the SMI 20 group, perhaps reflecting the fact that SMI 20 board members are remunerated more highly than their SMI Mid peers.

## THE BROADER VIEW: Board meetings

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK	USA
Board meetings	8.4	8.2	10.8	9.1	6.8	11.2	7.4	8.5	8.7	6.4	11.1	10.3	7.6	19.7	7.3	8

## BOARD COMMITTEES

The average number of board committees in operation at SMI 20 companies remains at 3.7; among SMI Mid companies the average is three. The number of committees per company again ranges between two and five, with every company in our sample having an audit committee and a remuneration committee.

There are 23 additional committees across all companies, the most common of which are focused on risk and governance. Many companies combine committees, although in 79% of cases audit is kept separate.

Only 18% of companies have a woman in the role of audit chair; at 23% of companies a woman leads the remuneration committee. Further details of committees for each company can be viewed in the company table on pages 37–39.

### Committees of SMI 20 boards

	Number of committees			
	2	3	4	5
% companies	21%	38%	32%	9%

All SMI boards have an audit committee with an average of 6.1 meetings per committee in 2017. UBS again had the most meetings with 19, followed by Credit Suisse at 16. In contrast, the audit committees of Flughafen Zurich, Richemont, SGS, and Swatch Group met only four times in 2017.

Thirty boards have a separate remuneration committee; the remaining 17 companies in our sample combine it with the nomination committee. The average number of committee meetings held in 2017 is 4.7. Credit Suisse and Aryzta held the highest number of meetings (10), while the committee of PSP Swiss Property met once.

Three SMI 20 boards operate with a designated risk committee (Credit Suisse, Novartis, UBS). In addition, four companies have a joint risk committee: Swiss Re has a finance & risk committee, Swiss Life and Zurich Insurance both have an investment & risk committee, and Julius Baer has a chairman's & risk committee.

There are no dedicated risk committees among the SMI Mid companies; however, six companies have a joint risk committee: Baloise, Galenica, Partners Group, and Vifor Pharma (Audit & Risk); Barry Callebaut (Audit, Finance, Risk, Quality & Compliance); and Helvetia (Investment & Risk).

## BOARD EVALUATION

Twenty-two companies in our sample did not disclose their board assessment process in their annual report on corporate governance. Of the remaining 25, two companies conducted a board review with the help of a third-party facilitator, and 20 chose to do a self-assessment. Three companies did not perform an evaluation in the year under review; however, they did note that they would be undergoing such a process in 2018.

The assessment procedure of board operations is vastly different across Europe, with 44% of companies in the UK's FTSE 150 undergoing an externally facilitated evaluation. This method of review is also popular in Italy (38%), Spain (34%), France (30%) and Netherlands (30%). However, the review method is rarely seen among the largest companies in Belgium (5%), Denmark (8%), and the US (9%).

### THE BROADER VIEW: Externally-facilitated board assessment

	Belgium	Denmark	Finland	France	Germany	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	UK	USA
% Externally-facilitated board assessment	5%	8%	17%	30%	17%	38%	30%	22%	n/a	17%	34%	17%	4%	44%	9%

## SERVICE ON OTHER LISTED COMPANY BOARDS

The average number of listed company boards on which an SMI board director sits is 1.9. Among SMI 20 directors the figure stands at 2.1, just slightly down on last year, while in the SMI Mid, the number drops to 1.8. The average number of listed company directorships for SMI chairs is 2.1, but this is again higher in the SMI 20 where the figure is 2.4 compared with 1.9 in the SMI Mid.

SGS again has the highest number of additional board seats per director at 3.8, followed by LafargeHolcim at 3.4. At the opposite end of the spectrum, directors at EMS Chemie sit on one external board on average.



One director in our sample sits on 10 listed company boards, nine of which are foreign. Two directors have eight board seats in their portfolio; a further two have seven, and two more have a portfolio of five.

Just over half of all board directors (53%) are sitting full-time executives, with the remaining 47% classed as portfolio directors. However, when looking at new directors appointed in the previous 12 months, two-thirds are currently employed on a full-time basis. Newly appointed directors are also much younger than their more experienced governance counterparts, with an average age of 54.3 years compared with 59.8 years.

The rate of director refresh on Swiss boards is one of the lowest in Europe, given that only 10% of all board members were appointed to their role in the previous year. The proportion is half of that seen in Germany. First-time board directors account for only 34% of the new cohort. However, this is perhaps unsurprising given the high remuneration offered by Swiss companies, allowing them to attract experienced and well-respected board members from all over the world.

**THE BROADER VIEW: Average number of listed boards per director**

	Belgium	Denmark	Finland	France	Italy	Netherlands	Norway	Poland	Russia	Spain	Sweden	Switzerland	Turkey	UK	USA
Average number of listed boards per director	1.9	1.9	1.8	1.3	3.2	1.9	1.8	1.3	1.7	1	2.5	1.9	1.8	2.2	1.5

# Remuneration

*Detailed remuneration details for each company can be found in the company tables on pages 40–43. Please note that social contributions are not included in our analysis. Figures reported in currencies other than Swiss Francs are converted using the appropriate yearly average.*

The majority of SMI companies remunerate their board directors using a mixture of cash and share payments, although the splits are not always disclosed in the annual report. Eleven companies remunerate in cash only, while one remunerates in shares only (except for the chair, who gets a split of cash and shares).

In 2017, the average retainer fee for non-executive directors (excluding chairmen and vice chairmen) is CHF 190'094. At SMI 20 companies this rises to CHF 215'280, a less than 1% increase on the amount seen in the past two years. The average amount remunerated in cash is CHF 131'885, with the corresponding average in shares standing at CHF 112'487. Non-executive board members in SMI Mid companies receive an average retainer fee of CHF 169'946, almost 21% less than their SMI 20 peers.

Barry Callebaut, a constituent of the SMI Mid, pays the highest retainer fee (CHF 409'645) to board members. The next highest is UBS, which offers basic board compensation of CHF 325'000. At the other end of the scale, the board of Austrian company ams AG offers the lowest retainer fee of CHF 72'280 (€65,000). The lowest remunerating Swiss company is PSP Swiss Property, with a retainer of CHF 75'000.

Where disclosed, the majority of companies in our sample pay additional fees for committee membership, and seven also pay meeting attendance fees. When these remuneration elements are included, the average total fee paid to non-executive directors is CHF 245'084. This again rises for those serving on SMI 20 company boards, to CHF 316'497, a 6.5% increase on 2017 payments. Non-executives on SMI Mid boards receive nearly 40% less when taking into account these additional fees, with an average total remuneration of CHF 192'187. At first glance, this might seem something of an anomaly given the 19% difference in retainer fees; however, committee chairmanship and membership fees are much higher in the SMI 20.

When all payments made to non-executive directors are included, the highest paid are, perhaps unsurprisingly, those found in financial services companies. UBS, Swiss Re, and Credit Suisse pay total average compensations of CHF 631'250, CHF 470'206, and CHF 470'000, respectively. Barry Callebaut, which pays the highest retainer, is ranked fourth when it comes to total compensation, largely because its committee chair and membership fees are CHF 40'000 and CHF 25'000, compared with the CHF 480'000 and CHF 150'000 paid for the same roles at Credit Suisse.

The average compensation awarded to audit committee chairs in the SMI 20 is CHF 132'788. This is just over two-thirds more than the sums paid to their counterparts in the SMI Mid, who receive an additional CHF 44'082 for taking on this important board role. The gap between the two indices is not as wide when pay for audit committee membership is compared — although it is still 56% — with SMI 20 audit members receiving CHF 57'500 on average, while their peers in the SMI Mid are paid CHF 25'344 on average.

Remuneration committee chairs in the SMI 20 receive on average CHF 99'722, compared with CHF 39,072 in the SMI Mid, a 60% differential. The comparable figures for members of the remuneration committee are CHF 50'278 and CHF 21'700 respectively, a gap of 57%.

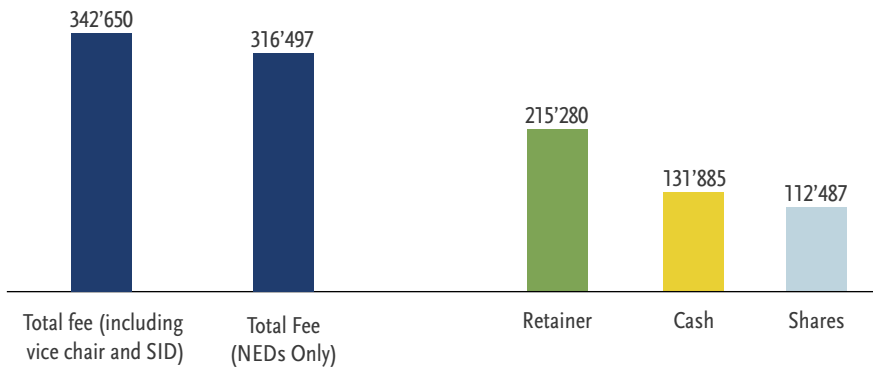
The average retainer fee for chairs (excluding executive chairs) is CHF 1,241,850; however, a large difference exists between SMI 20 and SMI Mid chair compensation. SMI 20 chairs receive on average CHF 1,831,052, which equates to 55% more than the average CHF 811'279 that SMI Mid chairs receive. The difference between the two indices is slightly lower when looking at total compensation received: total remuneration for SMI 20 chairs averaged out at CHF 1'994'523 and SMI Mid chairs received CHF 1'105'239. SMI 20 chairs received 4% less than reported in our 2017 index.

For the second year, we have analysed the total board fees paid by each company. In 2017, the average total board cost for SMI 20 companies was CHF 5'184'124, a minimal increase compared with the CHF 5'207'948 they paid on average in 2016. The average cost per board member was CHF 484,892.

The highest total board fee is attributed to UBS (CHF 12'800'000), as is the highest average cost per board member at CHF 1'163'636. The lowest total board fee is that paid by Austrian company, ams AG, at CHF 465'000, with EMS Chemie the lowest among the Swiss companies at CHF 509'000. The Swiss company with the lowest average cost per board member is PSP Swiss Property at CHF 96'857.

Further details comparing board director remuneration across Europe and the US can be found on pages 30–35.

SMI 20 Average fees and fee components (CHF)



SMI Mid Average fees and fee components (CHF)



# Comparison Tables

# International Comparison

In the 2018 *Switzerland Spencer Stuart Board Index* we provide two sets of tables. In addition to the detailed data for SMI companies (beginning on page 36), we are publishing a chart comparing aggregated data from 16 countries (pages 32–35).

All data is taken from individual country Board Indexes published by Spencer Stuart in 2018.

Visit the Spencer Stuart website and discover “Boards Around the World”, a visual tool that compares the composition, diversity, compensation and board evaluation practices of different countries.

## Composition information

BELGIUM	BeL20 + BelMid
DENMARK	OMX Copenhagen (25 companies)
FINLAND	OMX Helsinki (25 companies)
FRANCE	CAC40
GERMANY	DAX30
ITALY	37 (FTSE MIB) + 63 (Mid Cap, Small Cap, Other)
NETHERLANDS	AEX (21 companies) + AMX (21 companies) + eight further large listed companies
NORWAY	OBX (25 companies)
POLAND	WIG 20
RUSSIA	Russian Trading System Index
SPAIN	IBEX-35 + top companies by market cap
SWEDEN	OMX Stockholm (25 companies)
SWITZERLAND	SMI and SMI Mid (47 companies)
TURKEY	BIST 30
UK	Top 150 FTSE companies excluding investment trusts
USA	S&P 500



## INTERNATIONAL COMPARISON FOOTNOTES

### General

N/A = Not applicable.

A blank cell denotes that either the information is not available or we did not include it our research.

### Belgium

- 1 7% did not disclose
- 2 One company did not disclose
- 3 Based on six companies only
- 4 Two chairs are not paid
- 5 Nine companies do not pay audit co members
- 6 10 companies do not pay rem co fees
- 7 14 companies do not pay nom co fees

### Denmark

- 8 All calculations exclude employee representatives
- 9 One executive director in the sample
- 10 Six companies did not disclose

### Finland

- 11 Only one CEO in sample

### France

- 12 75% of CAC 40 companies conduct an external evaluation at least every three years; in 2017, 75% of these were conducted by Spencer Stuart
- 13 According to Afep/Medef corporate governance code
- 14 Non-executive chairs only
- 15 47.5% of rem and nom cos are merged, with an average fee of €17,254

### Germany

- 16 Average minimum proportion of members that should be independent
- 17 Shareholder representatives only
- 18 Remuneration committees are very rare in Germany
- 19 Except for banks, German nominations committees only deal with non-executive director nominations and committee membership is rarely compensated
- 20 Supervisory Board only

### Italy

- 21 Includes some CEOs who are also chairs

### Netherlands

- 22 Includes executive board members
- 23 Non-executives only
- 24 Includes executive directors on two-tier boards
- 25 Includes directors of executive boards
- 26 Seven companies did not disclose the information

### Norway

- 27 Seven companies did not disclose
- 28 Only one executive director
- 29 Excludes one Executive chair

### Poland

- 30 Six companies have employee representatives (ER) on the board. ERs are excluded from subsequent figures
- 31 One board does not disclose; all directors are therefore classified as non-independent
- 32 Excludes 141 out of 302 directors (age not disclosed)
- 33 Excludes 16 chairs (age not disclosed)
- 34 Excludes 15 CEOs (age not disclosed; two are co-CEOs) and two companies with no CEO
- 35 Excludes 125 out of 265 directors (age not disclosed)
- 36 Excludes two companies: one had no chair and one chair could not be identified
- 37 Includes one company where all directors (8) were appointed during the year, due to formation of a new board/company.
- 38 Five companies do not disclose
- 39 Figure unavailable for 24 companies: year not served in full (9); person not remunerated (6); no vice chair (9)
- 40 Insufficient disclosure
- 41 Conversion at av. 2017 annual rate: PLN/EUR = 4.257

### Russia

- 42 Excluding Unipro PAO from sample
- 43 Average in-person board meetings. Average number of meetings including meetings held in absentia: 20.8.
- 44 Three companies do not disclose.
- 45 Excludes 15 directors (age not disclosed)
- 46 Excludes 2 chairs (age not disclosed)
- 47 Excludes one CEO (age not disclosed)
- 48 Excludes 9 directors (age not disclosed)
- 49 Excludes 4 directors (age not disclosed)
- 50 Magnit appointed a female CEO after cut-off date
- 51 Nine companies do not disclose specified amounts
- 52 28 companies do not disclose individual figures
- 53 35 companies do not disclose, or figure is not available for the year
- 54 32 companies do not disclose, or figure is unavailable for the year
- 55 Includes 24 companies only
- 56 Includes 22 companies only
- 57 All 12 exco members of one Dutch company are foreign
- 58 Annual rate set by the Central Bank of the Russian Federation: RUB/EUR = 66.0305, RUB/USD = 58.2982, RUB/GBP = 75.2038

### Spain

- 59 Top 50 companies only
- 60 Includes both executive and non-executive directors
- 61 The average additional fee paid to the SID was €31,645
- 62 Only 14% of companies in Spain have separated nominations & remunerations (N&R) committee into two. Average fee for N&R co members is €23,632

### Turkey

- 63 Excludes Koza Altin and Koza Anadolu Metal
- 64 Three companies held over 40 meetings per year, one held 92. Seven companies do not disclose
- 65 Excludes 17 directors (age is not disclosed)
- 66 Excludes one chair (age is not disclosed)
- 67 Excludes one CEO (age is not disclosed)
- 68 Turkish dual nationals not counted as foreign
- 69 Four companies do not disclose, or not available
- 70 Conversion at av. 2017 annual rate: TRY/EUR = 4.120

### UK

- 71 Four companies did not have a SID either due to a recent retirement and an ongoing search for a replacement or the application of a foreign corporate governance code.
- 72 The exchange rate used is 1 EUR = 1.141317 GBP
- 73 SIDs only; those who served the full year
- 74 Includes 140 part-time chairs. Eight chairs are full-time and paid on a different basis. Two chairs receive no fee.
- 75 FTSE 100 only

### USA

- 76 Percentage of S&P 500 boards that disclose
- 77 All CEOs sit on the company board
- 78 Top 200 only of S&P 500 companies
- 79 CEOs only
- 80 Average tenure of independent directors only
- 81 Non-executive chairs only

INTERNATIONAL COMPARISON

	BELGIUM	DENMARK	FINLAND	FRANCE	GERMANY	ITALY	
GENERAL INFORMATION	Size of sample	59	25	25	40	70	100
	Supervisory board/unitary board of directors	1/58	25/0	0/25	7/33	70/0	1/99
	Average number of board meetings per year	8.4	8.2	10.8	9.1	6.8	11.2
	% companies that conducted an external board evaluation	5.1% <sup>1</sup>	8.3%	17.4%	30% <sup>12</sup>	17%	38%
	Combined chair and CEO	1.7%	0%	0%	52.5%	0%	17%
	% boards with senior independent director (SID)	1.7%	0%	0%	52.5%	0%	34%
	% of boards with vice/deputy chairs	20.3%	100%	92%	35%	100%	49%
BOARD	Average board size (total)	10	9.8 <sup>8</sup>	8.1	13.7	13.8	11.5
	Average board size (excl. employee representatives)	10	6.8	7.9	12	7.5	N/A
	Average number of independent board members	4.5	5.2	6.4	7	N/A	5.9
	% independent board members	49.2%	77.1%	80.8%	58%	60% <sup>16</sup>	51%
	Average number of non-executive directors	7.7	5.8	6.8	11	6.5 <sup>17</sup>	8.8
	Average number of executive directors	1.4	0.04	0.1	1	N/A	2.3
AGE	Average age: all directors	57.7	58.9	58.5	58.9	58	58
	Average age chairs	61.8	62	61.3	61.4	66	65
	Average age CEOs who sit on the board	53.8	N/A	58.4 <sup>11</sup>	59	N/A	57
	Average age all CEOs, including those not on the board	54	55	56.7	57.9	55	N/A
	Average age: non-executive directors	57.7	58.5	58.2	59	60 <sup>17</sup>	61
	Average age: executive directors	54.5	47.6 <sup>9</sup>	51.5	57.8	53.2	60
FOREIGN	% foreign board members (all)	30.4%	39.4%	33.8%	35%	25.3%	10.1%
	% foreign chairs	15.3%	28%	16%	17.5%	13%	5.7%
	% foreign non-executive directors	32.7%	39.6%	36.8%	37%	26% <sup>17</sup>	8.1%
	% foreign executive directors	27.2%	0%	0%	2%	N/A	5.6%
	Average # nationalities represented on the board	3.1	3.4	2.9	4.3	2.5 <sup>17</sup>	2.2
GENDER	% female board directors (all)	32.1%	27.6%	33.3%	42.5% <sup>13</sup>	32% <sup>20</sup>	32.3%
	% female chairs	5.1%	0%	0%	2.5%	4%	9%
	% female CEOs	7.9%	0%	4.2%	2.5%	0%	6%
	% female non-executive directors	38.6%	27.8%	38.6%	45.3%	32% <sup>17</sup>	39%
	% female executive directors	14.5%	0%	0%	0.3%	10.4%	9%
	% boards with at least one female director	100%	88%	100%	100%	99%	99%

	NETHERLANDS	NORWAY	POLAND	RUSSIA	SPAIN	SWEDEN	SWITZERLAND	TURKEY	UK	USA
	50	25	40	42 <sup>42</sup>	100	25	47	28 <sup>63</sup>	150	485
	44/6	25/0	40/0	6/36	0/100	0/25	0/47	0/28	1/149	0/485
	7.4	8.5	8.7	6.5 <sup>43</sup>	11.1	10.3	7.6	19.7 <sup>64</sup>	7.3	8
	30%	22.2% <sup>27</sup>	N/A	17% <sup>44</sup>	34%	16.7%	46.8%	N/A	44%	9% <sup>76</sup>
	0%	0%	0%	0%	54%	4%	0%	10.7%	.7%	49.9%
	6%	0%	0%	17.1%	68%	4%	12.8%	0%	97.3% <sup>71</sup>	80%
	74%	56%	80%	34.1%	67%	48%	74.5%	96%	14.7%	-
	9.3 <sup>22</sup>	8.1	8	10.4	10.9	10.6	9.2	9.8	10.1	10.8
	9.3 <sup>22</sup>	6	7.6 <sup>30</sup>	N/A	N/A	8.8	N/A	N/A	10.1	N/A
	5.7	4.5	3.4 <sup>31</sup>	4	4.8	6.1	7	3.3	6.2	9.2
	87.1% <sup>23</sup>	75.8%	45% <sup>31</sup>	38.1%	45%	69.1%	82.9%	33.1%	61.3%	85%
	6.5	5	6.6	7.9	8.6	7.2	7.8	7.9	6.6	9.2
	2.8 <sup>24</sup>	0.04	N/A	1.6	1.8	0.6	0.6	1.1	2.5	1
	60.7	57.3	55.6 <sup>32</sup>	54.5 <sup>45</sup>	60.3	58.9	59.9	58.7 <sup>65</sup>	59	-
	66.9	62.3	53.8 <sup>33</sup>	59.3 <sup>46</sup>	63.8	63.6	63.2	58.3 <sup>66</sup>	65.4	-
	59	N/A	N/A	52.3	54.7 <sup>39</sup>	54.9	55.2	55.2	55	57.6
	56	55.5	50.4 <sup>35</sup>	51.8 <sup>47</sup>	-	54.1	53.9	54.6 <sup>67</sup>	55.3	57.6 <sup>77</sup>
	60.7	56.3	55.9 <sup>35</sup>	54.4 <sup>48</sup>	-	58.7	59.8	59.4	60	63
	54.2 <sup>25</sup>	66 <sup>28</sup>	N/A	52.3 <sup>49</sup>	-	53.9	56.1	54.4	54.2	-
	39%	28.2%	26.8%	25.8%	19.8%	33.6%	51.7%	17.1% <sup>68</sup>	33.3%	8.2% <sup>78</sup>
	18%	16%	18.4% <sup>36</sup>	28.6%	7%	12%	29.8%	10.7%	21.3%	-
	42.6%	30.6%	28%	29.7%	21.6%	38.3%	54.3%	19%	39%	-
	30.4% <sup>25</sup>	0%	N/A	4.5%	7.7%	12.5%	55.6%	6.3%	25.1%	-
	3.1	2.3	2	3.2	-	3.6	5.8	2	3.7	-
	21.3%	45.6%	15.2%	7.8%	19.5%	39.1%	22.6%	17.1%	27.5%	24%
	4%	16%	15.8%	0%	7%	12%	4.3%	10.7%	3.9%	4.1%
	6%	4.2%	5.6%	0% <sup>30</sup>	2%	8%	2.1%	0%	5.3%	5.4%
	27.3%	51.6%	15.2%	9.4%	21.3%	45%	25.8%	19.9%	38.6%	-
	7.2% <sup>25</sup>	0%	N/A	4.5%	7.2%	12.5%	5.6%	6.3%	8.4%	-
	86%	100%	67.5%	50%	92%	100%	97.9%	82.1%	100%	99.4%

INTERNATIONAL COMPARISON

		BELGIUM	DENMARK	FINLAND	FRANCE	GERMANY	ITALY
NEW MEMBERS	% new board members	10.5%	12.9%	14.1%	13.5%	20% <sup>20</sup>	15.4%
	% women among new board members	46.8%	22.7%	32.1%	41.9%	26% <sup>20</sup>	48%
	% non-nationals among new board members	32.3%	45.5%	32.1%	36.8%	12% <sup>20</sup>	9%
OTHER BOARDS	Average # quoted boards per director (total)	1.9	1.9	1.8	1.3	N/A	3.2
	Average # quoted boards per chair (total)	2.3	2	2.1	2.3	2.8	3.6
	% executive directors with an outside board	28.4%	0%	33.3%	58%	22%	52.7%
	% non-executives with a full-time executive role	63.2%	62.5%	48%	54%	42% <sup>17</sup>	-
TENURE/RETIREMENT	% companies with a mandatory retirement age	47.5%	63.2% <sup>10</sup>	0%	45%	88%	4%
	Average mandatory retirement age	70.6	70.1	N/A	71.6	72	75.5
	Average tenure (chair and non-executives)	5.1	5.3	4.8	5.7	5.7	6.5
REMUNERATION	Average retainer for non-executive directors (excluding chair and vice chair/SID)	€29,847 <sup>2</sup>	€52,263	€58,436	€24,449	€75,507	€59,000
	Average total fees for non-executive directors (excluding chair and vice chair/SID)	€55,623	€83,573	€72,972	€85,165	N/A	€90,000
	Average total fee for vice chair (or SID)	€98,817 <sup>3</sup>	€133,487	€92,022	€143,509	N/A	€452,000
	Average total fee for chairs	€121,100 <sup>4</sup>	€210,682	€141,358	€627,954 <sup>14</sup>	€291,226	€903,000 <sup>21</sup>
	Average fee for audit committee membership	€11,762 <sup>5</sup>	€23,212	€5,877	€22,642	€31,552	€22,000
	Average fee for remuneration committee membership	€8,174 <sup>6</sup>	€20,402	€4,467	€14,542 <sup>15</sup>	N/A <sup>18</sup>	€17,000
	Average compensation for nomination committee membership	€8,365 <sup>7</sup>	€21,649	€4,215	€12,294 <sup>15</sup>	N/A <sup>19</sup>	€17,000
EXCOM	Average board size of executive committee	6.3	5.2	9.6	12.5	5.1	4.9
	% foreigners on the executive committee	34.1%	39.2%	27.1%	32%	25%	5.6%
	% women on the executive committee	18.5%	11.5%	19.2%	16%	10%	14.6%

	NETHERLANDS	NORWAY	POLAND	RUSSIA	SPAIN	SWEDEN	SWITZERLAND	TURKEY	UK	USA
	14.7%	16.1%	23.2% <sup>37</sup>	22.1%	11.4%	15%	11.5%	20%	13.6%	8.4%
	19.5%	45.8%	15.7%	9.3%	31%	36.4%	40%	27.3%	35.7%	40%
	49.4%	37.5%	25.7%	21.6%	24%	33.3%	64%	20%	37.7%	10.5%
	1.9	1.8	1.3	1.7	1.1	2.5	1.9	1.8	2.2	2.1
	2	2.2	1.3	1.9	1.3	2.9	2.1	1.3	2.2	1.5 <sup>39</sup>
	37.5%	100% <sup>28</sup>	N/A	22.7%	10.6%	50%	34.6%	21.9%	30.4%	40%
	34.8%	71%	74.6%	71.2%	-	40%	55.2%	54.8%	36.8%	-
	N/A	N/A	N/A	N/A	21%	N/A	44.7%	N/A	0%	71%
	N/A	N/A	N/A	N/A	71.9	N/A	70.7	N/A	N/A	73.5
	4.5	4.3	4.2	4.3	6.3 <sup>60</sup>	5.7	6	5.3	4.6	8.1 <sup>80</sup>
	€56,987	€34,030	€33,872 <sup>41</sup>	€107,242 <sup>51,58</sup>	€73,380	€64,844	€171,192	€60,633 <sup>69,70</sup>	€77,887 <sup>72</sup>	€110,229
	€71,878	€53,910	€31,984 <sup>38,41</sup>	€149,001 <sup>52,58</sup>	€121,020	€78,322	€220,714	N/A	€105,892 <sup>72</sup>	€265,124
	€84,453	€42,280	€25,724 <sup>39,41</sup>	N/A <sup>53</sup>	€154,526 <sup>61</sup>	€116,821	€355,838	N/A	€128,038 <sup>72,73</sup>	-
	€154,517 <sup>26</sup>	€71,854 <sup>29</sup>	€47,468 <sup>41</sup>	€238,080 <sup>54,58</sup>	€374,845	€250,179	€1,336,127	N/A	€477,176 <sup>72,74</sup>	€389,540 <sup>81</sup>
	€9,895	€7,808	N/A <sup>40</sup>	€15,502 <sup>55,58</sup>	€30,081	€19,354	€38,155	N/A	€17,472 <sup>72</sup>	€12,172
	€7,550	€4,773	N/A <sup>40</sup>	€16,380 <sup>56,58</sup>	€34,737 <sup>62</sup>	€11,046	€33,580	N/A	€14,868 <sup>72</sup>	€10,751
	€7,059	N/A	N/A <sup>40</sup>	€16,380 <sup>56,58</sup>	€33,888 <sup>62</sup>	N/A	€28,420	N/A	€11,183 <sup>72</sup>	€8,359
	6.6	7.7	5.8	9.7	-	9.4	7.7	9.3	9.9 <sup>75</sup>	-
	42.7%	19.2%	14.3%	6.9% <sup>57</sup>	-	18.3%	58.5%	6.1%	37.6% <sup>75</sup>	-
	14.9%	24.4%	13.4%	13.3%	-	24.7%	7.1%	9.2%	18.6% <sup>75</sup>	-

# Board composition

	SMI INDEX	TOTAL NUMBER OF DIRECTORS	FOREIGN CHAIRMAN	CHAIRMAN GENDER	FOREIGN CEO	CEO GENDER	VICE CHAIRMAN	SID / LEAD DIRECTOR	NATIONALITIES ON THE BOARD INCL. CHAIRMAN	NON-EXECUTIVE DIRECTORS (EXCLUDING CHAIRMAN)				
										TOTAL	INDEPENDENT	FOREIGN	WOMEN	AVERAGE TENURE
ABB	SMI 20	11	No	Male	Yes	Male	1	No	9	10	9	8	2	3.4
Adecco	SMI 20	8	No	Male	Yes	Male	1	No	5	7	7	4	3	5.2
ams	SMI Mid	6 <sup>1</sup>	No	Male	Yes	Male	1	No	5	5	5	4	0	9.5
Aryzta	SMI Mid	8	Yes	Male	Yes	Male	0	No	4	6	6	5	1	3.3
Baloise	SMI Mid	10	No	Male	Yes	Male	1	No	3	9	9	3	2	3.9
Barry Callebaut	SMI Mid	8	No	Male	Yes	Male	1	No	6	7	5	5	0	5.2
Clariant	SMI Mid	10	No	Male	Yes	Male	1	No	4	8	8	7	3	5.6
Compagnie Financiere Richemont	SMI 20	19	No	Male	N/A <sup>2</sup>	N/A <sup>2</sup>	1	Yes	9	14	8	11	3	5.8
Credit Suisse Group	SMI 20	13	Yes	Male	Yes	Male	1	Yes	9	12	12	7	3	3.6
DKSH	SMI Mid	10	Yes	Male	Yes	Male	0	No	4	9	7	3	2	8.5
Dorma Kaba	SMI Mid	10	No	Male	No	Male	1	No	4	9	9	5	3	7.2
Dufry	SMI Mid	9	No	Male	Yes	Male	1	No	7	7	6	7	3	4.4
Ems Chemie	SMI Mid	4	No	Male	No	Female	0	No	2	2	2	1	0	4.3
Flughafen Zurich	SMI Mid	8	Yes	Male	No	Male	0	No	2	7	7	1	3	3.2
Galenica	SMI Mid	7	No	Male	No	Male	0	No	1	6	6	0	1	1
GAM	SMI Mid	7	No	Male	Yes	Male	0	No	4	6	6	4	2	2.6
Geberit	SMI 20	6	No	Male	No	Male	1	No	3	5	5	2	1	5.1
Georg Fischer	SMI Mid	9	No	Male	No	Male	1	No	4	8	8	3	2	9.1
Givaudan	SMI 20	7	Yes	Male	Yes	Male	1	No	5	6	5	2	2	4.9
Helvetia	SMI Mid	11	No	Female	No	Male	1	No	1	10	9	0	2	4.3
Julius Baer Group	SMI 20	10	No	Male	No	Male	1	No	6	9	9	5	1	5.5
Kuehne & Nagel	SMI Mid	9	No	Male	Yes	Male	1	No	2	8	5	5	1	16.2
LafargeHolcim	SMI 20	10	Yes	Male	Yes	Male	1	No	8	9	9	7	1	8.6
Lindt & Sprüngli	SMI Mid	6	No	Male	No	Male	0	No	3	5	3	2	1	12.8
Logitech International	SMI Mid	12	No	Male	Yes	Male	0	Yes	5	10	10	8	4	3.9
Lonza Group	SMI 20	10	Yes	Male	Yes	Male	1	No	6	9	9	6	3	4.1

- 1 Excludes three employee representatives
- 2 No CEO at cut-off date
- 3 Will be conducted in 2018

#### Key to committees

- A Audit
- CG Corporate Governance / Governance
- Ch Chairman's

- Co Compliance
- CR Corporate Responsibility
- E Emergency
- F Finance
- HR Human Resources
- HSaSu Health, Safety & Sustainability

NON-EXECUTIVES APPOINTED 1 JUNE 2016 THROUGH 30 MAY 2018		DIRECTORSHIPS ON OTHER QUOTED BOARDS			EXECUTIVE COMMITTEE				BOARD MEETINGS SCHEDULED IN 2017	BOARD EVALUATION IN 2017	COMMITTEES	COMMITTEE MEETINGS IN 2017
TOTAL	FOREIGN	WOMEN	CHAIRMAN	ALL NON-EXECUTIVES (INCL. CHAIRMAN)	NUMBER OF MEMBERS	FOREIGN MEMBERS	FEMALE MEMBERS					
3	2	2	2	2.3	11	9	1	7	ND	3: FACo, G&N, R	FACo14; CG&N6; R7	
1	1	0	2	2.1	12	11	0	6	Internal	3: A, CG, N&R	A10; CG5; R6	
0	0	0	0	1.3	4	3	0	5	ND	4: A, E, N, R	A5; N2; R6	
1	0	1	2	1.6	9	8	0	9	No <sup>3</sup>	3: A, G&N, R	A4; G&N7; R10	
1	0	1	0	1.2	5	1	0	7	Internal	4: A&Ri, Ch, Inv, R	A&Ri4; Ch6; Inv3; R3	
1	0	1	0	1.5	9	8	1	6	ND	2: AFRIQCo, N&R	AFIRIQCo6; N&R5	
0	0	0	0	1.7	4	4	1	8	ND	4: A, N, R, T&I	A8, N3; R3; T&I4	
5	2	4	1	1.4	7	6	1	5	Internal	4: A, N, R, SS	A3; N5; R3; SS4	
2	1	2	1	1.5	12	7	1	6	External	4: A, G&N, R, Ri	A16; G&N8; R10; Ri6	
2	2	1	1	2.3	3	3	0	5	ND	3: A, N&R, S	A4; N&R3; S1	
0	0	0	3	1.9	10	7	0	8	ND	3: A, N, R	A5; N3; R5	
2	1	2	2	1.7	7	5	0	12	ND	3: A, N, R	A4; N2; R3	
0	0	0	0	1	4	0	1	10	ND	2: A, R	A6; R5	
0	0	0	1	2	5	0	0	ND	ND	3: A&F, N&R, PA	A&F3; N&R4; PA2	
1	0	0	0	1.6	5	1	0	6	No <sup>3</sup>	3: A&Ri, G&N, R	A&Ri4; G&N ND; R2	
1	1	0	1	1.6	7	5	0	11	Internal	2: A, G&N, R	A7; G&N5; R7	
0	0	0	2	2.2	7	3	0	4	Internal	2: A, N&R	A5; N&R3	
0	0	0	1	1.7	5	3	0	6	No <sup>3</sup>	3: A, N, R	A7; N3; R5	
0	0	0	0	2.4	7	6	1	7	Internal	4: A, I, CG&N, R	A4; I2: CG&N4; R4	
3	1	0	2	1.7	11	1	0	5	ND	4: A, Inv&Ri, N&R, S&G	A5; Inv&Ri4; N&R5; S&G3	
1	0	1	1	1.8	6	0	1	8	Internal	4: A, Ch&Ri, N, R	A9; Ch&Ri10; N6; R6	
0	0	0	1	2.1	8	8	0	4	ND	3: A, Ch, N&R	A5; Ch6; N&R4	
0	0	0	2	3.4	8	6	1	6	ND	4: A&F, CGN&R, S, HSaSu	A&F5; CGN&R3; S5; HSaSu3	
1	0	0	1	1.4	7	1	0	4	ND	3: A, N&R, Su	A5; N&R ND; Su1	
2	2	2	1	2	3	3	0	8	Internal	3: A, N, R	A8, N5; R6	
2	1	1	2	2	5	3	0	6	ND	3: A&Co, I&T, N&R	A&Co6; N&R6; I&T5	

I	Innovation	PA	Public Affairs	Sc	Scientific
Inv	Investment	PC	Professional Conduct	SS	Strategic Security
IO	Investment Oversight	R	Remuneration	Su	Sustainability
M	Markets	R&D	Research & Development	T	Technology
N	Nomination	Ri	Risk		
P	Presidium	S	Strategy		

BOARD COMPOSITION

	SMI INDEX	TOTAL NUMBER OF DIRECTORS	FOREIGN CHAIRMAN	CHAIRMAN GENDER	FOREIGN CEO	CEO GENDER	VICE CHAIRMAN	SID / LEAD DIRECTOR	NATIONALITIES ON THE BOARD INCL. CHAIRMAN	NON-EXECUTIVE DIRECTORS (EXCLUDING CHAIRMAN)				
										TOTAL	INDEPENDENT	FOREIGN	WOMEN	AVERAGE TENURE
Nestlé	SMI 20	14	No	Male	Yes	Male	1	Yes	7	12	12	8	5	4
Novartis	SMI 20	12	No	Male	Yes	Male	1	No	5	11	11	9	3	6.4
OC Oerlikon	SMI Mid	6	No	Male	Yes	Male	1	No	7	5	5	4	0	3.1
Partners Group	SMI Mid	10	Yes	Male	No	Male	1	No	5	6	6	5	2	5.2
PSP Swiss Property	SMI Mid	7	No	Male	No	Male	0	No	2	6	4	2	1	7.3
Roche	SMI 20	12	No	Male	Yes	Male	1	No	8	10	6	6	3	8.4
Schindler	SMI Mid	12	Yes	Male	No	Male	1	No	4	8	7	1	3	14.2
SGS	SMI 20	10	No	Male	No	Male	0	No	9	9	4	6	0	9.1
Sika	SMI 20	6	No	Male	No	Male	0	No	2	5	5	1	1	11.9
Sonova	SMI Mid	8	Yes	Male	Yes	Male	1	No	5	7	7	5	2	7.1
Straumann	SMI Mid	7	Yes	Male	No	Male	1	No	1	6	6	0	2	10.5
Sunrise Communications	SMI Mid	8	No	Male	No	Male	1	No	6	7	7	4	2	2.2
Swiss Life	SMI 20	11	No	Male	No	Male	1	No	6	10	10	3	2	6.4
Swiss Prime Site	SMI Mid	7	No	Male	No	Male	1	No	3	6	6	1	1	7.8
Swiss Re	SMI 20	13	No	Male	No	Male	1	Yes	8	12	12	10	3	2.8
Swisscom	SMI 20	9	No	Male	No	Male	1	No	3	8	7	2	4	3.8
Temenos Group	SMI Mid	8	Yes	Male	Yes	Male	1	No	10	7	6	6	1	6.4
The Swatch Group	SMI 20	6	Yes	Female	No	Male	1	No	1	4	0	0	1	11.6
UBS Group	SMI 20	12	No	Male	No	Male	1	Yes	8	11	11	6	4	4.6
Vifor Pharma	SMI Mid	8	No	Male	Yes	Male	0	No	4	7	5	1	2	4.8
Zurich Insurance Group	SMI 20	9	Yes	Male	Yes	Male	1	No	6	8	8	7	4	3.4

- 1 Excludes three employee representatives
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NON-EXECUTIVES APPOINTED 1 JUNE 2016 THROUGH 30 MAY 2018		DIRECTORSHIPS ON OTHER QUOTED BOARDS			EXECUTIVE COMMITTEE			BOARD MEETINGS SCHEDULED	BOARD EVALUATION IN 2017	COMMITTEES	COMMITTEE MEETINGS IN 2017
TOTAL	FOREIGN	WOMEN	CHAIRMAN	ALL NON-EXECUTIVES (INCL. CHAIRMAN)	NUMBER OF MEMBERS	FOREIGN MEMBERS	FEMALE MEMBERS				
3	1	3	2	2.4	12	8	1	11	Internal	4: A, Ch&CG, N&Su; R	A4; Ch&CG10; N&Su6; R4
0	0	0	1	1.8	11	9	1	9	External	5: A&Co, CGN&CR, R, R&D, Ri	A&Co7; CGN&CR3; R6; R&D3; Ri5
0	0	0	1	1.7	4	3	1	6	ND	3: A&F, HR, S	A&Fi7; HR3; S N/A
0	0	0	0	1.3	6	0	1	6	ND	5: A&Ri, IO, M, N&R, S	A&Ri5; IO2; M6; N&R3; S6
0	0	0	1	2	3	0	0	4	ND	2: A, R	A4; R1
0	0	0	2	2	6	4	1	7	Internal	4: A, CG&Su, P&N, R	A4; CG&Su3; P&N6; R2
0	0	0	0	2.5	12	9	0	7	ND	3: A, N, R	A5; N2; R6
0	0	0	6	3.8	21	15	2	5	Internal	3: A, N&R, PC	A3; N&R2; PC1
0	0	0	1	2	8	3	1	12	Internal	2: A, N&R	A5; N&R6
0	0	0	2	2.3	9	5	0	5	Internal	2: A, N&R	A4; N&R4
0	0	0	1	2.3	12	8	1	7	ND	2: A, R	A5; R5
1	1	0	0	1.8	6	4	1	7	ND	2: A, N&R	A5; N&R5
1	0	0	2	1.5	7	2	0	9	Internal	4: A, Ch&CG, Inv&Ri, R	A5; Ch&CG9; Inv&Ri11; R6
2	1	0	2	2.1	6	0	0	6	ND	3: A, Inv, N&R	A6; Inv5; N&R5
3	2	3	0	1.8	12	4	1	12	Internal	5: A, Ch&CG, F&Ri; Inv; R	A8; Ch&CG5; F&Ri6; Inv5; R6
1	1	1	1	1.7	7	1	0	12	Internal	4: A, F, N, R	A6; F3; N2; R3
0	0	0	0	1.1	5	4	0	5	Internal	3: A, N, R	A4; N1; R3
0	0	0	0	1.4	7	2	1	6	ND	2: A, R	A3; R2
2	0	2	0	2.3	11	6	2	23	Internal	5: A, CR, CG&N, R, Ri	A19; CR;6; CG&N8; R9; Ri12
1	0	0	1	2	7	5	0	9	Internal	4: A&Ri, G&N, R, Sc	A&Ri7, G&N1, R5, Sc2
1	0	1	0	2.4	11	9	3	12	Internal	4: A, CGN&CR, R, Ri&Inv	A8; CGN&CR4; R5; Ri&Inv9

I Innovation  
Inv Investment  
IO Investment Oversight  
M Markets  
N Nomination  
P Presidium

PA Public Affairs  
PC Professional Conduct  
R Remuneration  
R&D Research & Development  
Ri Risk  
S Strategy

Sc Scientific  
SS Strategic Security  
Su Sustainability  
T Technology

# Board remuneration in 2017

	COMPENSATION TYPE	RETAINER FEE <sup>1</sup>		BOARD MEETING ATTENDANCE FEE
		CHAIRMAN	NON-EXECUTIVES	
ABB	Cash and shares	1,200,000	290,000	N/A
Adecco	Cash and shares	1,460,000	250,000	N/A
ams	ND	116,760	72,280	N/A
Aryzta	ND	323,000	88,000	15,000 <sup>5</sup>
Baloise	Cash and shares	1,320,000 <sup>3</sup>	125,000	N/A
Barry Callebaut	Cash and shares	900,125	409,645	N/A
Clariant	Cash and shares	500,000	200,000	N/A
Compagnie Financiere Richemont	Cash	1,514,175	100,000	20,000
Credit Suisse Group	Cash and shares	4,500,000	250,000	N/A
DKSH	Cash	600,000	150,000	N/A
Dorma Kaba	Yes	570,000	170,000	N/A
Dufry	Cash	2,010,500 <sup>3</sup>	250,000	N/A
Erms Chemie	ND	242,000	ND	ND
Flughafen Zurich	Cash	225,000	85,000	Yes
Galenica	Cash and shares	429,000	110,000	N/A
GAM	Cash and shares	600,000	200,000	N/A
Geberit	Shares <sup>2</sup>	885,000	190,000	N/A
Georg Fischer	Cash and shares	628,000	249,000	N/A
Givaudan	Cash and shares	980,000	245,000	N/A
Helvetia	Cash and shares	ND	ND	N/A
Julius Baer Group	Cash and shares	1,000,000	210,000	N/A
Kuehne & Nagel	Cash	1,100,000	180,000	N/A
LafargeHolcim	Cash and shares	1,450,000	200,000	N/A
Lindt & Sprüngli	Cash	2,260,000 <sup>3</sup>	145,000	N/A
Logitech International	Cash and shares	492,000	210,000	2500 <sup>6</sup>
Lonza Group	Cash and shares	450,000	200,000	N/A
Nestlé	Cash and shares	ND	280,000	N/A
Novartis	Cash and shares	3,800,000	300,000	N/A
OC Oerlikon	Cash and shares	555,000	200,000	N/A

1 All figures reported in a currency other than Swiss Francs have been converted using annual conversion rate

2 Chairman receives both cash and shares

3 Executive or full-time chair

4 Independent board members only

5 For transatlantic travel

COMMITTEE FEES						TOTAL FEE	
CHAIRMAN: AUDIT	MEMBER: AUDIT	CHAIRMAN: REMUNERATION	MEMBER: REMUNERATION	CHAIRMAN: NOMINATION	MEMBER: NOMINATION	TOTAL BOARD FEE	TOTAL COST PER BOARD MEMBER <sup>6</sup>
110,000	40,000	60,000	30,000	60,000	30,000	4,505,000	439,512
150,000	50,000	150,000	50,000	150,000	50,000	4,285,000	514,200
N/A	N/A	N/A	N/A	N/A	N/A	465,000	77,500
16,000	8,000	16,000	8,000	16,000	8,000	966,000	120,750
70,000	50,000	70,000	50,000	N/A	N/A	3,299,616	329,962
40,000	25,000	40,000	25,000	40,000	25,000	4,614,799	542,918
80,000	40,000	60,000	30,000	N/A	N/A	3,010,000	334,444
60,000	45,000	45,000	30,000	N/A	N/A	6,008,003	429,143
480,000	150,000	300,000	100,000	N/A	50,000	9,550,000	795,833
75,000	ND	ND	ND	ND	30,000	2,375,000	263,889
60,000	15,000	45,000	10,000	45,000	10,000	2,432,600	243,260
50,000	50,000	50,000	50,000	50,000	50,000	7,277,600	909,700
ND	ND	ND	ND	ND	ND	509,000	169,667
11,448	ND	17,015	ND	17,015	ND	987,571	128,814
30,000	10,000	30,000	10,000	N/A	N/A	1,079,000	179,833
60,000	30,000	40,000	20,000	30,000	10,000	1,909,952	318,325
45,000	30,000	45,000	30,000	45,000	30,000	2,190,000	365,000
80,000	30,000	40,000	20,000	40,000	20,000	2,949,000	327,667
55,000	25,000	40,000	25,000	40,000	25,000	2,859,440	357,430
ND	ND	ND	ND	ND	ND	3,117,085	346,343
ND	ND	ND	ND	ND	ND	3,327,000	332,700
15,000	15,000	10,000	10,000	10,000	10,000	3,860,000	428,889
125,000	40,000	125,000	40,000	125,000	40,000	5,539,817	474,841
N/A	N/A	N/A	N/A	N/A	N/A	2,985,000	497,500
40,000	15,000	40,000	15,000	11,000	5,000	1,956,043	244,505
80,000	40,000	80,000	40,000	80,000	40,000	2,450,684	245,068
150,000	100,000	150,000	100,000	100,000	40,000	9,039,137	695,318
120,000	60,000	60,000	30,000	60,000	30,000	8,395,622	654,204
50,000	30,000	50,000	30,000	50,000	30,000	1,855,000	309,167

6 Per day of travel

7 Fee paid for each additional meeting after the 6th, and for those who travel internationally

8 Half day / full day

9 Fee for all committees irrespective of number

10. Total board cost divided by number of directors paid in 2017, pro-rata where applicable

## BOARD REMUNERATION IN 2017

	COMPENSATION TYPE	RETAINER FEE <sup>1</sup>		BOARD MEETING ATTENDANCE FEE
		CHAIRMAN	NON-EXECUTIVES	
Partners Group	Cash and shares	500,000	150,000 <sup>4</sup>	N/A
PSP Swiss Property	Cash and shares	160,000	75,000	8,000 <sup>2</sup>
Roche Holding	No (except for Chair)	3,500,000	300,000	N/A
Schindler	Cash	400,000	200,000	N/A
SGS	Cash	300,000	150,000	N/A
Sika	Cash and shares	813,409	200,000	N/A
Sonova	Cash and shares	900,000	256,406	500
Straumann	Cash and shares	600,000	200,000	N/A
Sunrise Communications	Cash and shares	300,000	100,000	N/A
Swiss Life Holding	Cash and shares	1,200,494	140,293	N/A
Swiss Prime Site	Cash and shares	350,000	180,000	N/A
Swiss Re	Cash and shares	4,000,000	225,000	N/A
Swisscom	Cash and shares	365,000	110,000	650/1,100 <sup>5</sup>
Temenos Group	Cash	1,341,874 <sup>32</sup>	103,320	N/A
The Swatch Group	Cash	171,919	100,305	N/A
UBS Group	Cash and shares	5,700,000 <sup>3</sup>	325,000	N/A
Vifor Pharma	Cash and shares	3,670,000 <sup>3</sup>	140,000	N/A
Zurich Insurance Group	Cash and shares	1,500,000	240,000	N/A

1 All figures reported in a currency other than Swiss Francs have been converted using annual conversion rate

2 Chairman receives both cash and shares

3 Executive or full-time chair

4 Independent board members only

5 For transatlantic travel

COMMITTEE FEES						TOTAL FEE	
CHAIRMAN: AUDIT	MEMBER: AUDIT	CHAIRMAN: REMUNERATION	MEMBER: REMUNERATION	CHAIRMAN: NOMINATION	MEMBER: NOMINATION	TOTAL BOARD FEE	TOTAL COST PER BOARD MEMBER <sup>6</sup>
50,000	N/A	50,000	N/A	50,000	N/A	6,837,000	683,700
N/A	N/A	N/A	N/A	N/A	N/A	678,000	96,857
60,000	30,000	60,000	30,000	60,000	30,000	7,550,890	686,445
40,000	40,000	N/A	N/A	N/A	N/A	9,254,000	793,200
30,000	30,000	30,000	30,000	30,000	30,000	1,950,000	195,000
50,000	30,000	50,000	30,000	50,000	30,000	2,657,849	295,317
25,000	7,500	15,000	7,500	15,000	7,500	2,713,554	339,194
38,000	N/A	50,000	N/A	N/A	N/A	1,972,000	295,800
60,000	30,000	50,000	30,000	50,000	30,000	1,216,000	145,920
ND	ND	ND	ND	ND	ND	3,125,611	284,146
10,000	N/A	N/A	N/A	N/A	N/A	1,432,000	226,105
425,000	75,000	200,000	50,000	N/A	N/A	9,495,000	918,871
50,000	10,000	20,000	10,000	N/A	N/A	2,134,000	237,111
39,360	N/A	39,360	N/A	N/A	N/A	2,114,100	285,047
20,000	20,000	20,000	20,000	N/A	N/A	987,423	164,571
300,000	200,000	300,000	200,000	N/A	100,000	12,800,000	1,163,636
30,000	10,000	30,000	10,000	N/A	N/A	5,068,000	602,139
80,000	60,000 <sup>9</sup>	60,000 <sup>9</sup>	60,000 <sup>9</sup>	60,000 <sup>9</sup>	60,000 <sup>9</sup>	4,832,000	449,488

6 Per day of travel

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8 Half day / full day

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10. Total board cost divided by number of directors paid in 2017, pro-rata where applicable

# Spencer Stuart in Switzerland

If you would like to discuss any of the issues raised in the 2018 Switzerland Spencer Stuart Board Index, or if you have any leadership needs, please feel free to contact a Spencer Stuart consultant:

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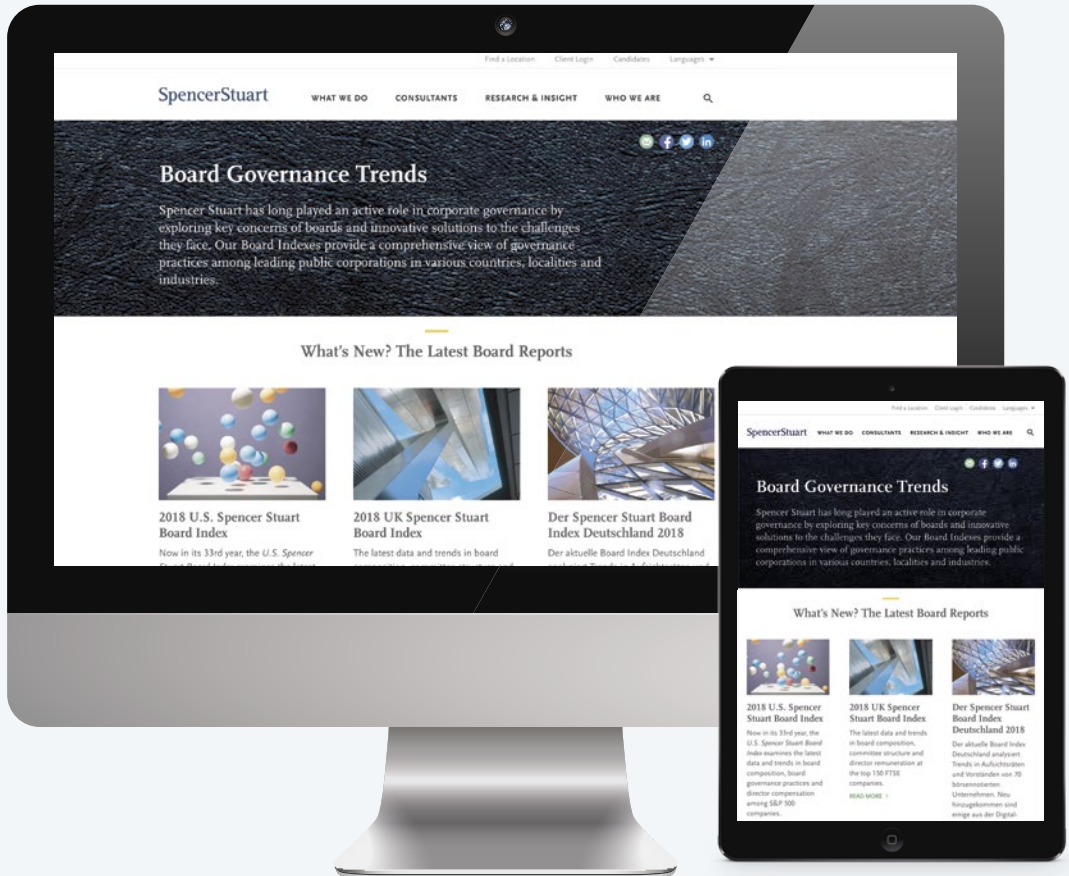
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# Board Governance Trends: A Global View




Spencer Stuart Board Governance Trends is an exclusive source of insight into the way board practices are changing around the world and how they compare across countries. It is a one-stop online resource for the latest data in board composition, governance practices and director compensation among leading public companies in more than 20 countries.

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