

AUDIT

Follow-up audit of the implementation of key risk management recommendations across the subsidiaries

Swiss Post AG

KEY FACTS

In 2022, the Swiss Federal Audit Office (SFAO) conducted the "Audit of risk management across subsidiaries" at Swiss Post AG.⁴ It examined whether the risks of the subsidiaries are identified, assessed, managed and communicated at the appropriate level in the Logistics Services business area. At that time, the SFAO found that there was a need for action with regard to the implementation of risk management in the selected business units and group companies.

As part of a follow-up audit, the SFAO reviewed the implementation of the recommendations in the organisational units that had already been selected at that time. The SFAO considers all recommendations to have been implemented.

All group companies with increased risk are included in the group risk management process

In 2022, Swiss Post only included domestic subsidiaries in which it held a stake of at least 75 percent and which had an elevated risk rating in the group risk management process. Foreign subsidiaries and domestic shareholdings in which Swiss Post held a majority stake and for which no increased risk was identified were required to provide a risk report, but were largely free to organise their own risk management. Swiss Post now assesses the risk situation of all its majority shareholdings, including those abroad. Group companies where Swiss Post identifies an increased risk are integrated into the group risk management process. This means that standardised guidelines apply throughout the group with regard to risk assessment, management and reporting.

The monitoring of risks and measures is focused on impact and implementation control

In 2022, the SFAO found that the group-wide monitoring of risks and measures could be improved. It was not possible to track the progress and impact of measures taken in a manner that was appropriate to each level and comprehensible across all levels of the group. With the new conceptual guidelines, the group companies and business units now decide on impact-oriented measures based on clearly defined risks. Swiss Post supplemented the risk and measure monitoring system, which can be evaluated at all levels of the Group, with an implementation journal. This provides meaningful progress monitoring for all measures.

The risk inventory covers the risks of all consolidated group companies

In 2022, Swiss Post left the internal reporting of risks at foreign subsidiaries and domestic companies with lower risk levels largely to the discretion of the responsible business units. The SFAO therefore recommended expanding the risk inventory so that the relevant risks of all consolidated subsidiaries can be recorded and analysed by group risk management. Group risk management now records all risks of all group companies, regardless of the defined risk classification. Swiss Post thus has a complete risk inventory that can be analysed as required at all levels of the group.

⁴ Audit of risk management across subsidiaries (audit mandate 22104).