Independent assurance report on the greenhouse gas footprint statement, the "pro clima" shipment service statement and the calculation of the Group target "increasing CO2 efficiency" of Swiss Post for the financial year 2018

To the Executive Management of Swiss Post Ltd.

We have been engaged to perform a limited assurance engagement in the context of Swiss Post's annual reporting for the financial year 2018 on the greenhouse gas footprint statement and the "pro clima" shipment service as well as the Group target "increasing CO2 Efficiency".

Scope and subject matter

Our limited assurance focused on data and information disclosed in the environmental reporting of Swiss Post for the financial year ending on 31 December 2018 in relation to:

- the greenhouse gas footprint statement and the greenhouse gas footprint "pro clima" statement 2018 and the calculation of the Group target "increasing CO2 efficiency" as per the end of 2018 (base year: 2010);
- the downstream cash flows for offsetting greenhouse gas emissions in connection with the "pro clima" shipment service, including the correct use of "pro clima" customer funds; and
- the management and reporting processes as well as the control environment associated with data aggregation for the greenhouse gas footprint and the greenhouse gas footprint "pro clima" and the corresponding offsets.

Criteria

The greenhouse gas footprint statements were assessed on the basis of the following guidelines applied by Swiss Post:

- ISO 14064-1: 2006, GRI 305: Emissions 2016, and WRI/WBCSD Greenhouse Gas Protocol, Revised Edition 2004: Basis and requirements for the quantifying, monitoring and reporting of greenhouse gas emissions and their reduction at corporate level;
- the processes defined within the scope of Swiss Post data management (technical directive and manual on organizational life cycle assessment, report on product life cycle assessment) with which internal greenhouse gas emission data is collected, processed and aggregated, and allocated to postal services;
- internal documentation and guidelines for offsetting.

Inherent limits

The accuracy and completeness of environmental indicators are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. Our assurance report should therefore be read in connection with Swiss Post's internal guidelines, definitions and procedures on the reporting of its greenhouse gas footprints.

Swiss Post's responsibilities

The Executive Management of the Swiss Post is responsible for both the subject matter and the criteria as well as for selection, preparation and presentation of the selected information in accordance with the criteria. This responsibility includes the design, implementation and maintenance of related internal control relevant to the greenhouse gas footprint reporting and the calculation of greenhouse gas emissions that is free from material misstatement, whether due to fraud or error.

Our responsibilities

Our responsibility is to express a limited assurance conclusion on the greenhouse gas footprint statements and the calculation of the offsets 2018 based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain limited assurance about whether the greenhouse gas footprint statements and the calculation of the offsetting are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3410 involves assessing the suitability in the circumstances of Swiss Post's use of applicable Criteria as the basis for the preparation of the greenhouse gas footprint statements and the calculation of the offsetting, assessing the risks of material misstatement of the greenhouse gas footprint statements and the calculation of the offsetting whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the greenhouse gas footprint statements and the calculation of the offsetting. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures selected depend on the assurance practitioner's judgement.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of the work performed

Our limited assurance procedures included, amongst others, the following work:

- **Evaluation of application of Group guidelines**
  Review of the application of Group-wide guidelines regarding greenhouse gas emissions reporting and offsetting processes;
- **Interviews with data suppliers and responsible persons**
  Interviews with key data suppliers from the following units: Communication (Corporate Responsibility), Swiss Post Solutions Ltd. (Vietnam), Swiss Post Solutions SAS (France), PostBus Ltd, PostMail (Asendia Switzerland), PostFinance Ltd and Post Immobilien Management und Services AG;
  Interviews with persons responsible for collecting and processing the data in the relevant units and at Group level as well as for offsetting;
- **Assessment of the key figures**
  Performing tests on a sample basis of evidence (fuel consumption of passenger, mail and cargo transportation of the company's own fleet and of subcontractors, energy consumption for heating and electricity) as well as of the necessary funds for the acquisition of the offsets concerning completeness, accuracy, adequacy and consistency;
- **Review of the documentation and analysis of relevant policies and basic principles**
  Review of relevant documentation on a sample basis, including the Group principles regarding organizational and product life cycle assessment, the management and reporting structures as well as documentation of the offsetting process;
- **Assessment of the processes and data consolidation**
  Reviewing the appropriateness of the management and reporting processes for the environmental key figures and for offsetting; and assessing the consolidation process of data at Group level;
- **Assessment of the method of calculating the greenhouse gas footprint**
  Assessment of the appropriateness and functionality of the methodology used; and assessment of the procedure regarding the underlying method of calculating the greenhouse gas emissions of all Group business units;
- **Assessment of offsetting for "pro clima" consignments**
  Assessment of the offsets regarding full use of all "pro clima" customer funds for the acquisition of greenhouse gas emission certificates as well as full offsetting of greenhouse gas emissions resulting from "pro clima" consignments.
- **Assessment of the calculation of the "increasing CO2 efficiency" Group target**
  Assessment of the methodology for determining the CO2 efficiency improvement as per the end of 2018 in accordance with internal requirements.

We have not conducted any work on data other than outlined in the subject matter as defined above. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusions.

Conclusion

Based on our procedures described in this report, nothing has come to our attention that causes us to believe that the greenhouse gas footprint statement of Swiss Post and the "pro clima" shipment service of Swiss Post as well as the Group target "increasing CO2 Efficiency" for the financial year 2018 has not been prepared or calculated, in all material aspects, in accordance with Swiss Post's internal policies and procedures.

PricewaterhouseCoopers Ltd

Dr. Marc Schmidli Konstantin Meier

Zurich, 7 March 2019