

## Governance

# Remuneration Report

Migros has a clearly defined remuneration policy: the remuneration of Migros' management is based on predetermined salary bands. The FMC Board of Directors issues guidelines for the remuneration of the other organs.

The salary bands define **minimum and maximum salaries** for the various management levels. They are regularly reviewed and adjusted by the FMC Board of Directors and must be approved by the G. and A. Duttweiler Foundation. Mitreva AG verifies that the salary bands are adhered to; the Chairwoman of the Board of Directors is informed of the results in writing.

**Migros' remuneration model is clear and simple.** Salaries are based consistently on rates of pay in the market, and the rationale of social capital is taken into account when fixing them. Workplace quality is a conscious component of responsible management. The benchmark working conditions, such as regulations for annual leave and employee training entitlements, are published on the [Migros employment webpage](#).

For the remuneration of the Migros organs, the Board of Directors issues FMC guidelines that are **regularly reviewed and adjusted**. These also apply to the external members of the boards of directors of FMC subsidiary companies. Internal members do not receive any form of remuneration for such mandates. The remuneration of the Board of Directors is approved by the G. and A. Duttweiler Foundation.

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The bonus-free remuneration and salary system is one of **Migros' core values** and is integral to the company's long-term development. The members of the Board of Directors and Executive Board do not receive any bonuses or profit-sharing for their duties at Migros. They are not entitled to any contractually regulated severance pay.

## Fees paid to members of the Board of Directors

Members of the FMC Board of Directors (including the Chairwoman) received a total of CHF 1'114'825 in fees in 2020 (2019: CHF 1'168'500), including all attendance fees for committee meetings and conferences.

**No other forms of remuneration** are paid, in particular no expenses. The Chief Executive Officer and the managing directors of the regional Cooperatives did not receive any form of remuneration in their role as members of the FMC Board of Directors.

The detailed disclosure of the remuneration paid to members of the Board of Directors is shown below:

## Remuneration paid to members of the Board of Directors

In CHF	Flat-rate remuneration		Attendance fee [5]		Total remuneration [6]	
	2020	2019	2020	2019	2020	2019
Ursula Nold (president), since 01.07.2019 Remuneration and Nominations Committee (president), Evaluation Committee until 29.06.2020 (president) [1] [2]	420'000	210'000	-	-	420'000	210'000
Dominique Biedermann Audit Committee (member)	61'500	60'000	22'950	28'500	84'450	88'500
Jean-René Germanier Remuneration and Nominations Committee (member), Evaluation Committee until 29.06.2020 (member) [8]	61'500	60'000	18'100	19'850	79'600	79'850
Paola Ghillani Audit Committee (member), ADH (strategic issues)	61'500	60'000	26'400	33'550	87'900	93'550
Marianne Janik, since 01.07.2020 Remuneration and Nominations Committee (member)	31'500	-	3'500	-	35'000	-
Martin Künzi, since 01.07.2020 Finance Committee (Chairman)	31'500	-	9'800	-	41'300	-

In CHF	Flat-rate remuneration		Attendance fee [5]		Total remuneration [6]	
	2020	2019	2020	2019	2020	2019
Cornelia Ritz Bossicard, since 01.07.2020 Audit Committee (member) [2] [9]	31'500	-	5'800	-	37'300	-
Christoph Tonini, since 01.07.2020 Finance Committee (member)	31'500	-	3'500	-	35'000	-
Hubert Weber, since 01.07.2020 Finance Committee (member), ADH (strategic issues)	31'500	-	8'150	-	39'650	-
Hans A. Wüthrich (vice-president since 01.07.2019) Audit Committee (Chairman) [3]	78'425	68'250	38'600	52'500	117'025	120'750
Patrick Avanthay (Employee Representative) [4]	-	-	8'925	12'100	8'925	12'100
Séghira Egli, since 01.07.2020 (Employee Representative) [4]	-	-	2'875	-	2'875	-
<b>Retired members</b>						
Andrea Broggini (Chairman), until 30.06.2019 Remuneration and Nominations Committee (Chairman) [11]	-	210'000	-	-	-	210'000
Doris Aebi (vice-president), until 30.06.2019 Remuneration and Nominations (member), ADH (strategic issues) [3]	-	38'250	-	15'400	-	53'650
Roger Baillod, until 30.06.2020 Remuneration and Nominations Committee (member), Evaluation Committee (president) until 15.04.2019 [10]	30'000	60'000	1'650	23'350	31'650	83'350
Roelof Joosten, deceased 02.03.2020 Finance Committee (member) [7]	10'000	60'000	1'650	4'400	11'650	64'400

In CHF	Flat-rate remuneration		Attendance fee [5]		Total remuneration [6]	
	2020	2019	2020	2019	2020	2019
Thomas Rudolph, until 30.06.2020 Finance Committee (member) [12] [13]	30'000	60'000	5'500	4'400	35'500	64'400
Ursula Schoepfer, until 30.06.2020 Finance Committee (Chairwoman)	30'000	60'000	11'500	16'400	41'500	76'400
Andrea Hilber Truttmann, until 30.06.2020 (Employee Representative) [4]	-	-	5'500	11'550	5'500	11'550
<b>Total</b>	<b>940'425</b>	<b>946'500</b>	<b>174'400</b>	<b>222'000</b>	<b>1'114'825</b>	<b>1'168'500</b> [14]

- 1 The Chairwoman of the Board of Directors does not receive an attendance fee. The total compensation paid in 2019 includes 10% for expenses; the total in 2020 includes expenses of CHF 20'000.
- 2 Minus contributions to the occupational pension scheme (employer and employee contributions).
- 3 The Deputy Chair was paid a fixed fee of CHF 16'500 until 30.06.2020, and CHF 17'350 from 01.07.2020.
- 4 The employee representatives were paid CHF 1'100 for each meeting/conference until 30.06.2020, and a fixed fee of CHF 1'150 from 01.07.2020.
- 5 Committee meetings were paid as follows:  
Full-day meeting until 30.06.2020: CHF 2'750, from 01.07.2020: CHF 2'900  
Half-day meeting until 30.06.2020: CHF 1'650, from 01.07.2020: CHF 1'750  
Meeting before/after meetings of the Board of Directors until 30.06.2020: CHF 550, from 01.07.2020: CHF 575  
Allowance for the chair of the committee: fixed annual fee of CHF 12'000 until 30.06.2020, and CHF 12'600 from 01.07.2020  
Evaluation committee (only for pending elections), full-day meeting until 30.06.2020: CHF 1'350, from 01.07.2020: CHF 1'400  
Half-day meeting until 30.06.2020: CHF 800, from 01.07.2020: CHF 850
- 6 Plus accommodation and meals in own seminar centre during the administrative meetings.  
The total compensation includes expenses of 10% of the flat-rate compensation until 30.06.2020. No expenses are shown from 01.07.2020 onwards.  
Plus statutory contributions to social insurance.
- 7 Travel costs up to the Swiss border are covered by the FMC.
- 8 Plus remuneration for the seat on the board of Seba Aproz SA, amounting to CHF 10'000 per year.
- 9 Plus compensation for the seat on the board of Mitreva AG, amounting to CHF 16'500 per year from 01.07.2020.
- 10 Plus compensation for the chairmanship of the board of Mitreva AG, amounting to CHF 16'500 per year until 30.06.2020.

- 11 The Chairwoman of the Board of Directors does not receive an attendance fee. No pension fund contributions are paid.
- 12 Plus consulting fee of CHF 27'910 (in his capacity as Director of the Research Centre for Retail Management and holder of the Gottlieb Duttweiler Chair) for the development of the new supermarket/consumer market strategy.
- 13 Since 2000, Migros Culture Percentage has made an annual contribution of CHF 400'000 to the Gottlieb Duttweiler Chair of International Retail Management at the University of St. Gallen's Institute of Retail Management. The Migros funds are used to finance postdoctoral positions. Thomas Rudolph is the Director of the Institute of Retail Management and the Gottlieb Duttweiler Chair at the University of St. Gallen as well as the holder of a University-funded chair.
- 14 In the 2019 Annual Report, the flat-rate compensation of the Chairwoman included contributions to the occupational pension scheme, which is why the declared total compensation of the Board of Directors was lower by CHF 10'900 in the 2019 Annual Report.

## Salaries of the Executive Board

The seven members of the FMC Executive Board (including the CEO) received a total of CHF 5.572 million in 2020 (2019: CHF 5.488 million). The highest single salary paid (Fabrice Zumbrunnen, Chief Executive Officer) was CHF 909'000 (2019: CHF 900'000). Two thirds of **pension fund contributions** are paid by the employer and one third by the employee.

Members of the Executive Board are provided with a company car. An expenses allowance is included in the salaries above. The members of the Executive Board are not entitled to any contractually regulated severance pay, and **no variable remuneration** is paid. The seven members of the Executive Board do not receive any form of remuneration for business-related seats on management boards, supervisory boards or foundation boards. The remuneration for any approved mandates outside the Migros Group is paid to the employer.