

# SWAROVSKI

## STRATEGIC RISK MANAGEMENT

Strategic Planning Circle | 18 November 2010 | Zurich

Ernst Bachmann, Corporate Risk Management

Urs Sigg, Corporate Planning & Performance Controlling



**Risk management is constraining the business  
and prevents us from making profit.**

*- Senior Manager*

**Who is Swarovski**

**Our Understanding of  
Strategy Management**

**Our Understanding of  
Integration**

**Our Understanding of  
Risk Management**

**Global Distribution Network:  
In 42 Countries**

**A WORLD OF INSPIRATION**

**A WORLD OF CREATION**

**Employees  
20,029**

# **Introduction to Swarovski Company**

**Production Locations:  
In 8 Countries**

**Turnover  
1.77 Billion Euro**

**Retail:  
1014 Swarovski-operated Boutiques  
819 Partner-operated Swarovski Boutiques**

**A WORLD OF IMAGINATION**

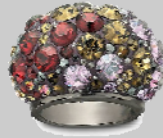


# Swarovski Crystal Business

Finance &  
Administration

Corporate  
Branding &  
Communication

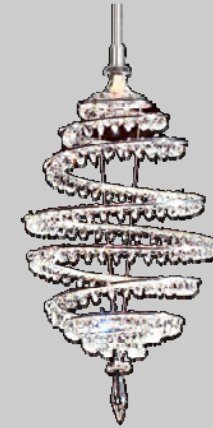
Consumer  
Goods  
Business



Crystal  
Comp.  
Business



Lighting  
Business



...

...

Production / Technology

# **Our Understanding of Strategy Management**

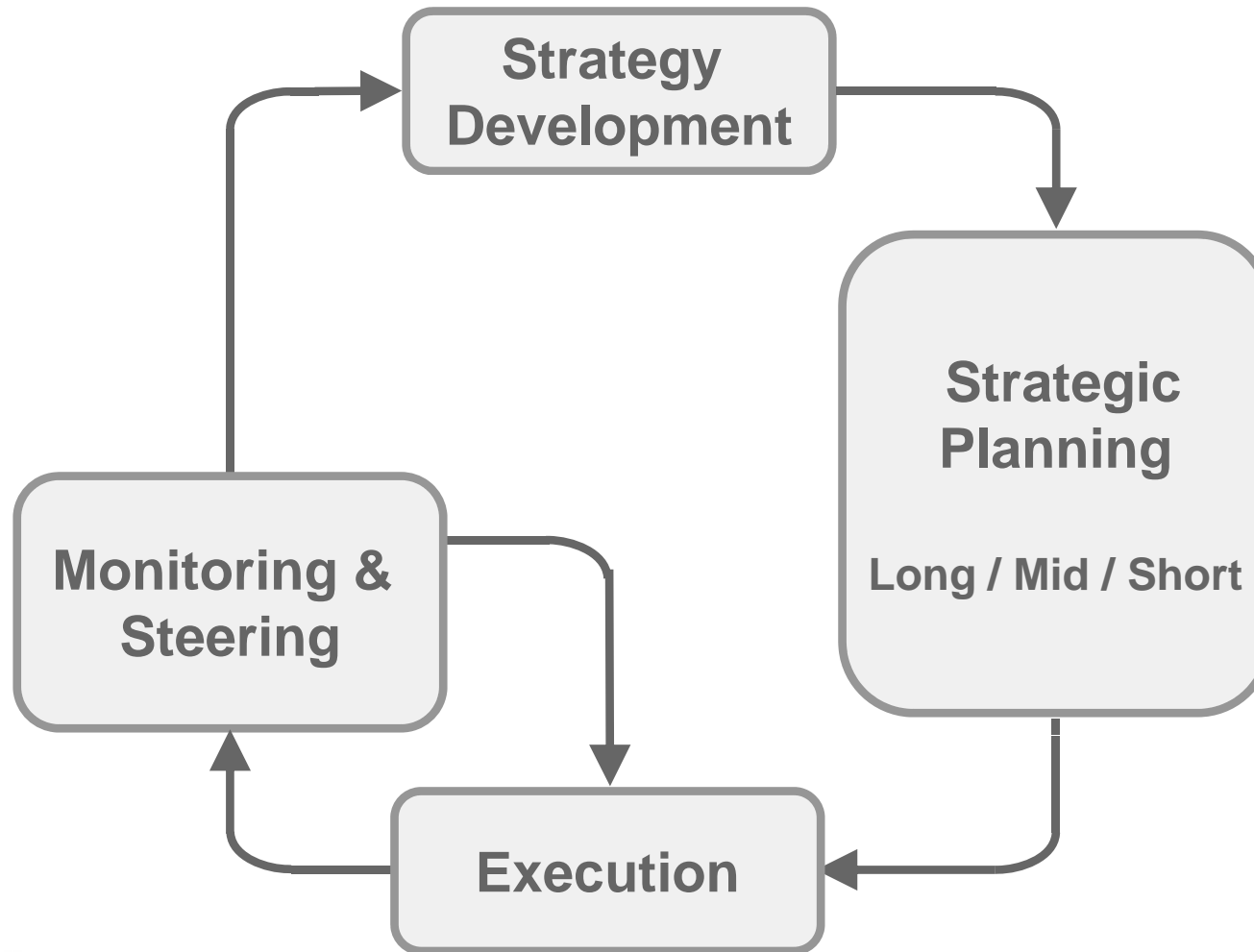
**Who is Swarovski**

**Our Understanding of  
Integration**

**Our Understanding of  
Risk Management**

# Our Understanding of Strategy Management

## Typical Strategy Cycle at Swarovski



**Who is Swarovski**

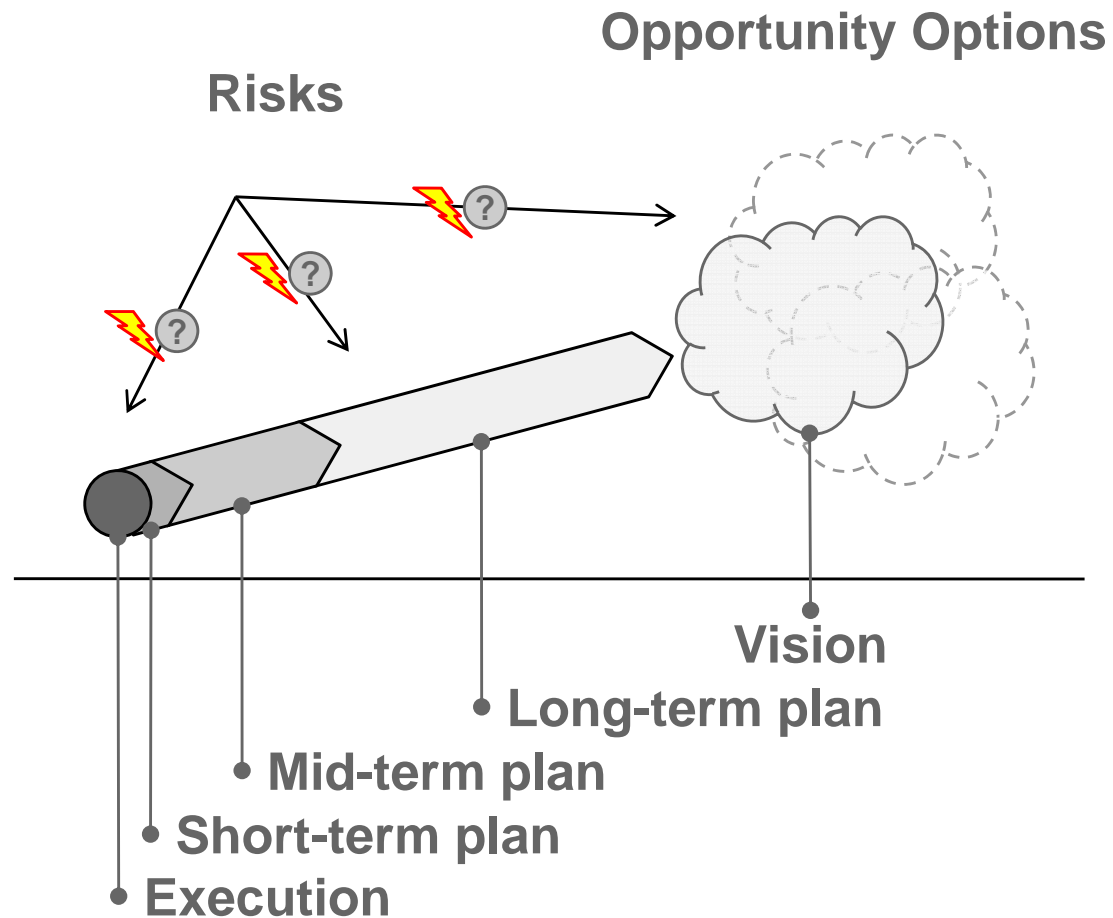
**Our Understanding of  
Strategy Management**

**Our Understanding of  
Integration**

**Our Understanding of  
Risk Management**

# Our Understanding of Risk Management

## Link between Opportunity and Risk



# Our Understanding of Risk Management

Maxim

**We don't have to know the future, but we have to be prepared for it.**

*- Perikles*



# Our Understanding of Risk Management

## The three Line of Defense

### 1st Line of Defense

Risk Owner

Line Management

### 2nd Line of Defense

Risk Management Support

Risk Management-  
(Umbrella)

Tax

Legal

Treasury

Controlling

Procurement

Business Continuity

Strategy Management

### 3rd Line of Defense

Assurance

Internal Audit

External Audit



**Who is Swarovski**

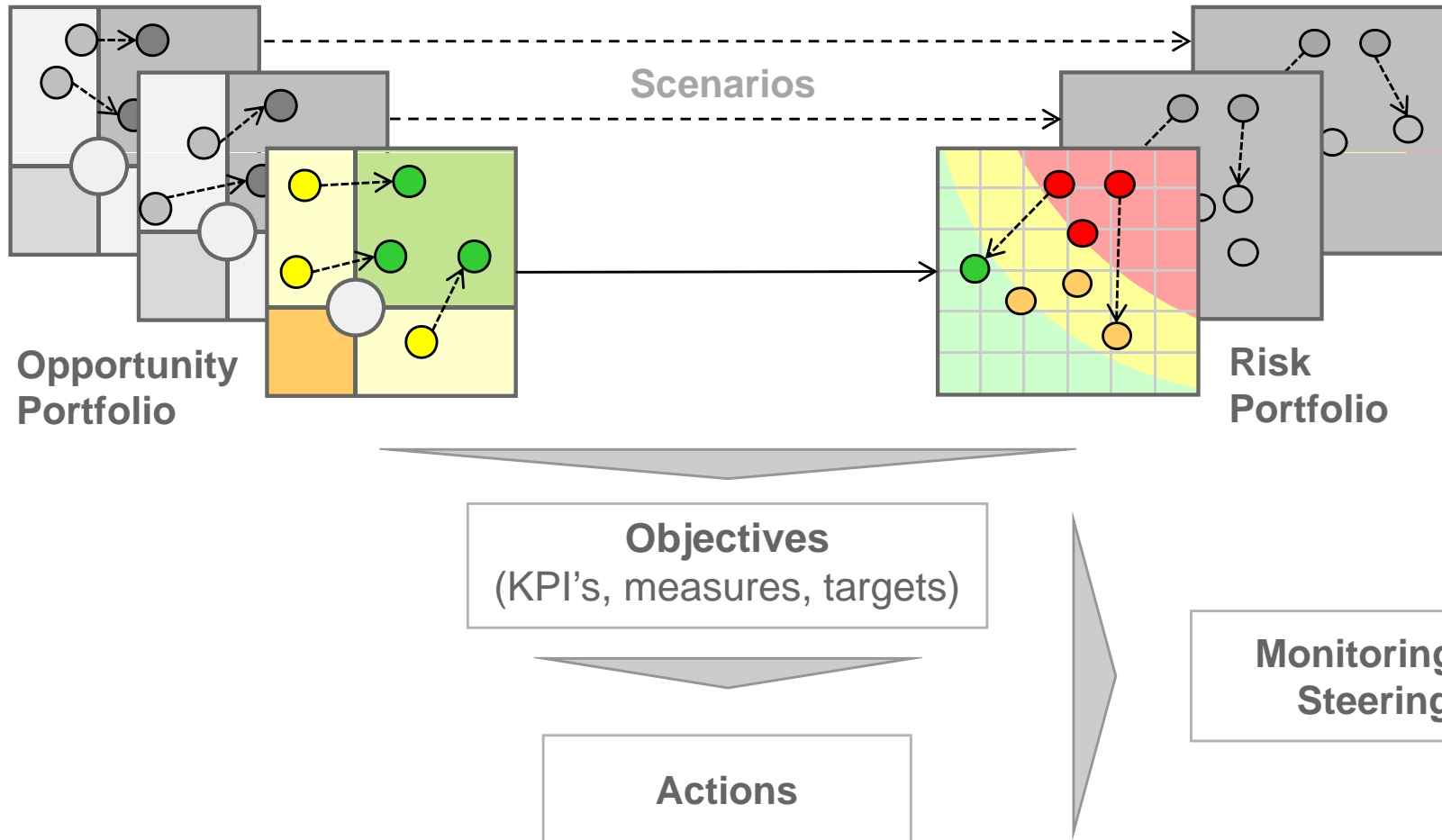
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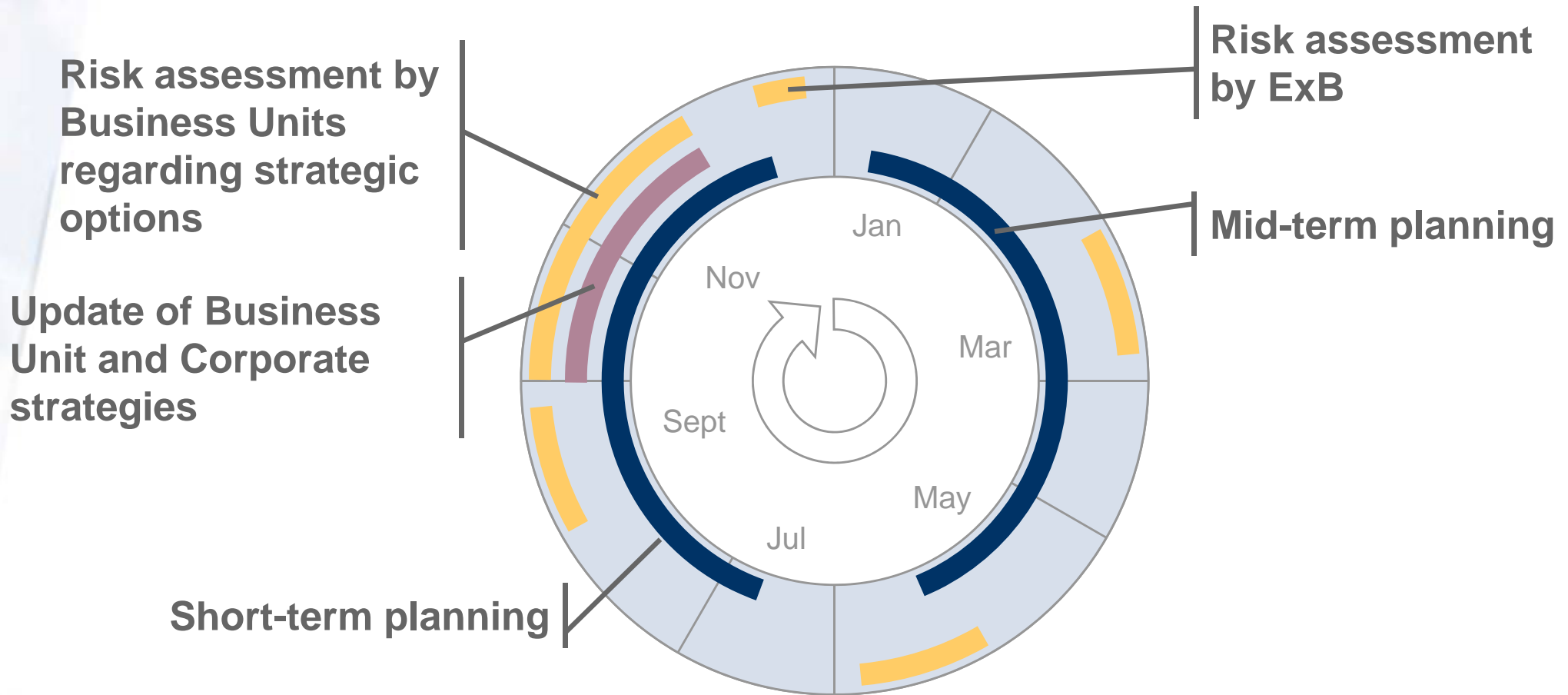
# Our Understanding of Integration

## Integrating Objectives from Opportunities and Risks



# Our Understanding of Integration

## Our Yearly Process Addressing Opportunities and Risks



**They don't put brakes in race cars so they can go slower;  
They put brakes in race cars so they can go faster.**

*- Al Unser*

# Contact Details

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