

An Post

UN Global Compact: Communication on Progress

Human Rights

- Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights
- Principle 2 - Make sure that they are not complicit in human rights abuses

Commitment

- We respect and support the UN Declaration of Human Rights within our business. As stated within our Company's mission, our ambition is to work together as a united team to outperform the competition we face.
- We expect our suppliers to act responsibly in all areas of business activity and to adopt and apply standards that are consistent with An Post standards on social, ethical and environmental issues.
- Our Company Values include a requirement for staff to respect each other and take personal responsibility. Staff are required to care for the environment and to engage in the community as respected corporate citizens.

Framework

- Our Company's mission, vision and values refer to the need for staff to respect each other, take personal responsibility, and to act as a respected corporate citizen within the communities, in which we work and live.
- An Post Code of Conduct available to all staff.
- An Post Policy and Procedure for Raising Matters of Concern is available to all staff. This document sets out procedures intended to encourage and enable employees to come forward and raise, within a supportive Company framework, genuine and serious concerns they may have about dishonest or unethical activity in An Post or its subsidiaries.
- The policy document Work Life Balance Initiatives is available to all staff

Practise

- During 2013 the An Post Disability Guide 'Providing Quality Customer Service to People with a Disability: Practical Guidelines for Managers and Staff'. Was launched on International Day of Persons with Disabilities.
- We have integrated our expectation of suppliers conduct into our tender documentation. During 2012 it was agreed to include within tenders a cost evaluation and life cycle analysis by suppliers of products using large amounts of energy.
- A review of Equality Policy and Disability Policy has been carried out through the Joint Conciliation Council (JCCC) diversity sub-committee. This booklet has been disseminated to staff including information on civil partnership rights.
- We have conducted a review of Disability Policy due to recent changes in Government legislation.
- A procedure for reporting bullying and harassment is included within the Dignity at Work policy. Also, a 'Discipline and Grievance' procedure is available. An Equality Officer is available to managers on policy issues. In relation to whistle blowing the policy document 'Raising Matters of Concern' offers guidance and direction in terms of key contact persons.

Performance

- Disability Equality eLearning certificate (NDA)
- Disability Champion Fetac Level 6 (ICTU)
- The Company has achieved OHSAS 18001/2007 accreditation on 25/03/2012
- Publication of the Company Staff Health and Safety Policy
- The Joint Conciliation Council has established a diversity sub-committee
- Preferred employer: An Post was voted in top 60 (of 800) Best Irish Companies for graduates: GradIreland survey 2011.
- The Staff Health and Safety Policy is Documented, publicly accessible and subject to consultation with staff/staff organisations. The booklets are distributed by hand to staff in all areas of the business.
- A tailored An Post Safety Guide has been developed for each area of the business with guides applicable to Collections and Delivery, Mails Processing, Retail, Administration & Managers.
- The Company has achieved a Health & Safety management system accredited to national/international standards - OHSAS 18001/2007 accreditation on 25/03/2011.
- Health & Safety programmes within the Company are dealt with through various work streams including the Dignity in the Workplace Policy and a dedicated Occupational Health Support service which is an internal employee assistance programme.

Labour

- Principle 3 - Businesses should uphold freedom of association & effective recognition of the right to collective bargaining
- Principle 4 - The elimination of all forms of forced and compulsory labour
- Principle 5 - The effective abolition of child labour
- Principle 6 - Eliminate discrimination in respect of employment and occupation

Commitment

- We respect the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) in accordance with national laws and customs. At An Post responsible business practice involves recording and investigating any accident, health or personal welfare incident with a view to implementing corrective action and to reducing and preventing further incidents. A culture of safety and well being is also critical to business success within the Company.

Framework

- A Code of Conduct has been developed by the Company for all staff, including guidelines on behaviour, uniform, health and safety, incident & accident reporting, standards and policies within the Company.

- The National Wage Agreement & collective bargaining system are used to determine staff pay levels while the performance related pay system is in place for senior managers.
- Staff representatives are selected in a transparent and fair process by all employees. There are four Worker Director positions on the Board of An Post. These elected representatives are included in strategic decision making by the Board. All staff representatives on the Joint Communications Committee are also directly elected by staff as union representatives
- The Company has implemented driver training for 1,000 fleet operatives under the programme 'Driving Risk Down'.

Practise

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

- The HR document 'Revitalisation of Partnership Process' documents the Company policy on communication & consultation with staff representatives.
- A Joint Conciliation Council (JCCC) with Company and full union representation, meets monthly. The Company utilises the Partnership process within the JCCC to consult and inform on all change prior to implementation.
- The Company has provided modular training on Communications skills to senior & middle management (Learning for Results & Leading to Succeed) as well as providing accredited training in Frontline Management Training to staff within operational responsibilities.
- The Staff Health and Safety Policy is accessible to all managers and booklets are distributed by hand to staff in all areas of the business. A tailored An Post Safety Guide has been developed for each area of the business with guides applicable to Collections and Delivery, Mails Processing, Retail, Administration & Managers
- Address Stress – a guide for An Post staff and their families in the management of stress was circulated to all staff
- Male minder – a health checker manual, has been distributed to staff throughout the Company
- The Hard Stuff – an alcohol awareness manual, is being distributed to staff throughout the Company
- Ideas Matter – is a staff engagement programme in our mails network, aimed at encouraging participation and innovation among our staff members
- The Company has a health & safety management systems accredited to national/international standards, achieving OHSAS 18001/2007 accreditation on 25/03/2011
- Health & safety programmes within the Company are dealt with through various work streams including the Dignity in the Workplace Policy and a dedicated Occupational Health Support service which is an internal employee assistance programme

Performance

- The Company's health & safety programme includes targets and objectives for continuous improvement in terms of inspections, meetings with safety representatives and reduction of incidents and claims. A safety representative is appointed in each office and conducts meetings with their manager every

six months. Within each mails centre (4) a safety committee meets every six months

- Health and well being programmes are offered to all staff regardless of role and position. A variety of staff health and well-being initiatives are offered to all staff including flu vaccine, occupational health services, public health initiatives 'male minder' & active work walking challenge. Medicals are offered to senior management
- Workplace and equipment are subject to safety audits including monitoring environmental conditions in the workplace (air quality, temperature, water quality).
- Monitoring of workplace equipment occurs where an issue is identified. Safety audits are carried out internally and externally to comply with accreditation in the form of a sample audit through a rolling programme of inspection
- The Company keeps records of
 - the number of sick days per year
 - weekly working hours
 - the number of recorded accidents per year
 - the percentage of accidents that resulted in temporary leave of absence of employees per year – or Injury Frequency Rate
 - the percentage of accidents resulting in permanent injuries or disability per year
 - the percentage of accidents resulting in fatalities per year
 - the accident severity rate or the number of days lost as result of accidents per year or the decline in lost days
 - the amount of ergonomics training
 - the amount of sick days taken due to physical strain
 - carries out constant measurement and reporting - monthly inspections company wide
 - Health & safety reporting is conducted at board level - monthly accident statistics report supplied to Executive.

Environment

- Principle 7 - Businesses should support a precautionary approach to environmental challenges
- Principle 8 - Undertake initiatives to promote greater environmental responsibility
- Principle 9 - Encourage the development and diffusion of environmentally friendly technologies

Commitment

- Each week 1.7 million customers visit our 1,164 post offices. Each day we deliver 2.5 million mail items to 2.1 million business and residential addresses. The scale of our operations, whether through our mails or retail networks, provides opportunities to make a positive impact on the economy, the environment and society in general. We recognize that our building and fleet impact on the environment. Our focus is on increasing our carbon efficiency and energy reduction.

Framework

- During 2013 we have become ISO50001 accredited. This internationally accredited energy management standard assures our systems for energy monitoring and management as well as our internal and external reporting on energy use at An Post.
- The Company has a policy to measure its carbon footprint in an internationally recognised manner. During 2013 we worked with International Post Corporation (IPC) to benchmark our operations with 23 other postal services across the world.
- Our measurement of carbon emissions is co-ordinated through the IPC Environmental Monitoring and Management System (EMMS) – through which we report annually. Annual results are externally assured and published by IPC. An Post also publish our individual performance within the Company's annual report.
- The Company has a formal energy and carbon policy which guides us in reducing our energy use and carbon emissions.
- Sustainability at An Post is managed as a strategic business project, with monthly reporting to the executive. The goal and title for this project is making sustainability a reality.
- We measure our public buildings energy performance and report this to Sustainable Energy Authority Ireland (SEAI). We use our results to measure performance on a year on year basis.
- We are participating in a national, voluntary corporate responsibility mark awarded by Business in the Community Ireland and accredited by the National Standards Authority of Ireland (NSAI).
- The company has committed to a continuous process of reduction of greenhouse gas emissions in its operations over a period of time including the attainment of objectives and measurable targets. Our target is 20% reduction in CO2 by 2020.
- We are complying with government legislation, targeting a reduction in buildings energy use by 30% in 2020. Ref: EUROPEAN COMMUNITIES (ENERGY PERFORMANCE OF BUILDINGS) REGULATIONS 2006.

Practise

- The Company hosted and participated in the second IPC Eco-driver Challenge during October 2013 – placing 3rd. We also hosted a national level event to engage with and identify staff to participate and represent the Company at the international event.
- An Post includes environmental training as part of its management training and staff induction programme.
- Suppliers Corporate Social Responsibility are asked to provide details of their CSR practice as part of the tender process.
- The company engages with relevant industry bodies to learn best practice. An Post is part of IPC we have met with Royal Mail's, DHL and other postal operators to share best practice.
- The company links reductions in CO2 emissions to performance appraisals. All relevant directorates have a CO2 reduction target.

Performance

- The Company has implemented route optimisation, driver training, procurement of vehicles, monitoring and control of fuel usage and vehicles.
- The Company measures its CO2 emissions and other greenhouse gases as scope 1, 2 and 3 emissions.
- The company publicly discloses data on greenhouse gas emissions related to its operations on a regular basis.
- We measure CO2 output in tonnes per €1,000 Annual Turnover.

- During 2014 and subsequently, An Post intends to further improve our energy performance by:
 - Retaining ISO 50001 certification which will result in significant energy and cost efficiencies.
 - Having developed an energy management system suited to our Mails Centres nationwide we will now implement this across the business. We will also implement an energy bureau to manage the system.
 - Investing in the lighting upgrade of offices
 - Investing in ambient temperature initiatives
 - Incorporating energy improvements as part of our ongoing refurbishment programme.

Anti-Corruption

- Principle 10 - Businesses should work against all forms of corruption, including extortion and bribery.

Commitment

Ensuring good governance is a key principle of An Post's responsible business practice. As corporate responsibility becomes ever more important to our business performance, we have put in place appropriate governance structures to co-ordinate control and implement company policy and practice. Our Board of Directors and senior executives have formally adopted roles and responsibilities related to corporate governance as well as conducting their day to day business and decision-making in adherence with our Company's responsible policies and practices.

Framework

Maintaining high standards of corporate governance is a priority for An Post. In developing our corporate governance policy, the Board has sought to give effect both to the Code of Practice for the Governance of State Bodies, issued by the Department of Finance, and to the relevant main and supporting principles of good governance outlined in the 2009 Combined Code issued by the United Kingdom's Financial Reporting Council.

An Post Policy and Procedure for Raising Matters of Concern is available to all staff. This document sets out procedures intended to encourage and enable employees to come forward and raise, within a supportive Company framework, genuine and

serious concerns they may have about dishonest or unethical activity in An Post or its subsidiaries.

Practise

The key procedures that the directors have established with a view to providing effective internal control are:

- A clear focus on business objectives as determined by the Board after consideration of the statutory responsibilities and risk profile of the Group's businesses.
- A defined organisational structure with a clear lines of responsibility, delegation of authority and segregation of duties designed to foster a beneficial control environment.
- A risk management process which considers the strategy and development of the business in the context of the annual budget process when financial plans and performance targets are set and reviewed by the Board in light of the Group's overall objectives.
- A reporting and control system which ensures that individual businesses report to the board on an ongoing basis on their progress in achieving objectives.
- The preparation and issue of financial reports, including the consolidated annual accounts is managed by the Group Finance department.
- An internal audit function which monitors compliance with policies and the effectiveness of internal control within the Group's businesses.
- A Board level committee, the Audit and Risk Committee, which approves internal and external audit plans and deals with significant control issues raised by the internal and external auditors.

Performance

- In relation to the company's corporate governance policy and procedures, the board of Directors has an oversight role in setting and annually reviewing the company's responsible business practices and performance.
- The Company's diversity principles and policies apply to the nomination and composition of the company's board of directors/supervisory board.
- The Company's mission, vision and values are communicated internally and externally.
- Awareness is raised as to how the Company lives by these values in everyday activities and operations (e.g. via code of practice, code of ethics, code of conduct).
- The Company's executive has appointed a person to have executive responsibility on all corporate responsibility and sustainability issues.
- The company has allocated corporate responsibility KPIs to the relevant Company Directors. These KPIs are made part of a person's performance review and pay (compensation/bonus).
- The An Post Board has a review role in relation to the following areas:
 - Corporate responsibility policy
 - Corporate responsibility performance
 - Breach of legislation
 - Compliance
 - Anti-competitive behaviour

- Bribery & corruption
- Operational risks
- Reputational risks

Chief Executive Statement of Commitment

An Post is a major commercial organisation providing a wide range of services which encompass postal, communication, retail and financial services. This is our first communication on progress to the UN Global Compact.

An Post is one of Ireland's largest companies directly employing over 10,000 people through its national network of retail, processing and delivery points.

Each week 1.7 million customers visit our 1,164 post offices. Each day we deliver 2.5m mail items to 2.1 million business and residential addresses.

The scale of our operations, whether through our mails or retail networks, provides opportunities to make a positive impact on the economy, the environment and society in general.

Sustainability continues to be managed as a strategic project within the Company. A robust and appropriate Governance structure has been developed and implemented as well as a formal Energy and Carbon Policy.

Sustainability is incorporated as one of An Post's six key values, *Respected Corporate Citizen*. The Company's management and staff make the following commitment to our stakeholders: That we will, in the course of our day to day business, care for the environment and be engaged in the community as respected corporate citizens.

This commitment is key to our future business strategy, contributing to our overall vision of working together to deliver a better quality service, more efficiently, to more customers by continuously adapting, innovating and implementing change.

Signed:



**Donal Connell, Chief Executive.
An Post.**

Date: 16/12/2013
