



posti

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SUSTAINABILITY

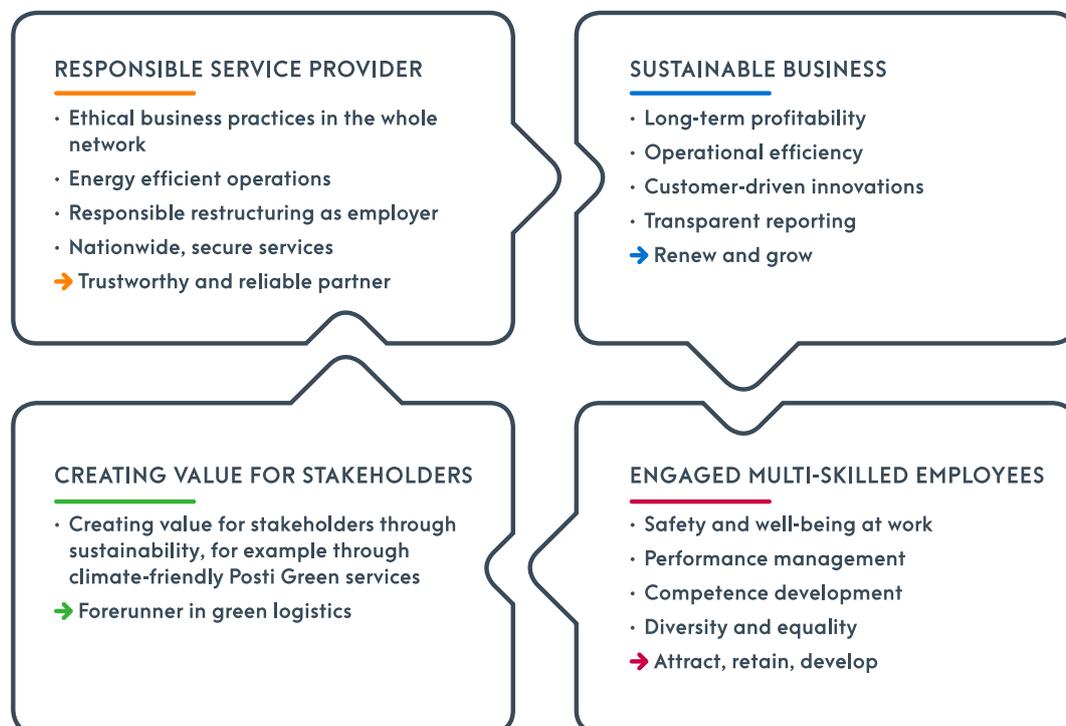
Sustainability at Posti

Sustainability has been a cornerstone of Posti’s operations for nearly 400 years, since the early days of postal operations. Since then, our business operations and their geographical coverage have been significantly expanded. Our commitment to responsibility has become even more important – it is part of our strategy, it is based on our shared values, and our customers also expect it from us to an increasing extent.

Posti announced its new strategy in the summer, with the primary objectives of renewing Posti to make it a customer-oriented, first-class service company and pursuing profitable growth in new services. For this reason, we also updated our material sustainability aspects and targets for the coming years. The materiality analysis consisted of an information collection stage based on interviews with key individuals, stakeholder perspectives, and an analysis of the megatrends and peer companies. Based on the results of this work, the corporate responsibility steering group updated Posti’s material sustainability aspects in a workshop, the results of which were validated by the Management Board.

We divide our sustainability into four areas: responsible service provider, sustainable business, creating value for stakeholders, and engaged multi-skilled employees. The figure below describes the content of each area in more detail.

The four areas of sustainability



Management of sustainability

Sustainability is part of our daily work and management. At Posti, management is based on our values: succeeding together with the customer, driving for improvement and innovation, taking responsibility, and winning together. Good management supports the achievement of these targets and fosters a positive work atmosphere.

Posti is committed to operating in a responsible and ethical manner. Posti's way of working is documented in more detail for personnel in the company's [Code of Conduct](#). The Code of Conduct covers compliance with laws and regulations, good business practices, non-discrimination and equality, conflicts of interest, ethical commercial practices, and environmental responsibility. The Code of Conduct also specifies the anonymous whistleblowing channels established by the Group for employees to confidentially report suspected cases of misconduct or other problems. In accordance with the [principles of the UN Global Compact](#), we are also committed to promoting employees' rights, environmental protection, anti-corruption work, and human rights. We require our suppliers to make the same commitments.

Sustainability is the responsibility of our Vice President of Stakeholder Relations, who is a member of the Management Board. Sustainability issues are discussed by the Board of Directors' Audit Committee and the Group's Management Board at least once a year. During the review period, we updated our sustainability action plan for 2016–2018. The indicators and targets are described in the table below.



Indicators and targets of sustainability

Area of corporate responsibility	Indicator	Description	Realized in 2015	Target in 2020
Sustainable business	Operating result (non-IFRS), %*	Operating result as a percentage of net sales. The operating result equals the result reported in the income statement after the deduction of all expenses and depreciation and amortization, but before the deduction of financial items and taxes.	2.9%	Over 5%
	Revenue from new business areas and solutions	According to Posti's strategy it aims to gain over 10% of its revenue in 2018 from new business areas such as home services and food logistics.	N/A	Over 10% (in 2018)
Responsible service provider	Number of Posti's service points	Posti aims to be the number one service provider for postal and logistics customers. Accessible and reliable services are in the core of our business. The indicator includes the service points maintained by Posti and its partners, parcel points, delivery pickup locations and business service points.	1,401	1,500
	Customer satisfaction rate	The indicator applies solely to the operations of Posti Ltd. Customer satisfaction refers to the results of the customer satisfaction survey conducted in Finland by Posti, on a scale from one to five.	2.93	N/A
Engaged multi-skilled employees	Personnel engagement index	Engagement index contains four items: pride, satisfaction, willingness to recommend and engagement.	47%	-
Environmental responsibility	Carbon dioxide emissions	The primary goal of Posti's environmental program is to reduce carbon dioxide emissions by 30 percent by 2020 (compared to 2007; emissions in relation to net sales).	-16%	-30%

* Non-IFRS = excluding non-recurring items

Management of sustainability risks

We update our sustainability risks twice a year as part of our comprehensive risk management process, and they are reported as a separate item in the Group's risk report. The risk report is processed by the Posti Group Board of Directors and its Audit Committee, the Group's Executive Board, and corporate responsibility steering group.

Sustainability risks include, for example:

- outsourcing measures related to potential personnel arrangements that can have a negative effect on our reputation and, consequently, cause us to lose customers;
- potential information leaks and information security deviations, particularly those related to personal information;
- possible accidents that cause extensive damage to the environment.

Compliance risks include, for example, corruption as well as risks related supplier management and the failure of internal control. These are particularly important in Russia, Poland and the Baltic countries.

We process all information in strict confidence, taking information security issues into account. Our corporate security policy determines the minimum level for all of our countries of operation. Exceeding legal requirements, our policy is based on international standards (SoGP, ISO/IEC 27001 and TAPA), which determine our targets, responsibilities, and implementation methods in information security management.

Our policy takes into account the information security requirements of our customers, the business environment, and risk management. In terms of protection, we see as particularly important customer and personnel information as well as our and our partners' confidential information and the related systems and business processes.

Our risk management unit prepares information security guidelines and supports the management in implementing them. In all of our Group companies, the management is responsible for implementing our corporate security policy as part of their daily work.

Highlights in 2015

Some of Posti Group's sustainability highlights of the year are described below.



Q1

January-March

Posti's carbon neutral Posti Green concept was expanded early in the year to cover all of Posti's services in Finland: postal services, parcels, transport and freight services, as well as warehousing services. With its 100% carbon neutral services, Posti is a [pioneer in green logistics](#) in Finland.

Finnish representatives **Heikki Toikkanen** and **Päivi Blom** took first place in the [Drivers' Challenge driving habit competition](#) organized by Posti and the International Post Corporation (IPC) in Ivalo in

March. The competition involved driving efficiency and safety tests as well as customer service-oriented tasks. In addition to vehicle handling skills, points were awarded on the extent of the postal companies' commitment to environmental objectives and sustainable development.



Q2

April-June

Posti started a cooperation with Lassila & Tikanoja to [reuse and recycle pallets](#). Pallets that can be fixed are renovated and stored, while those that cannot be fixed are chipped and recycled as fuel for energy. Posti also started a pilot with L&T to recycle plastic used for binding and sheeting.

In late spring, we launched a new online training program to put Posti's [Employee Code of Conduct](#) into practice. The Code of Conduct documents the common ethically acceptable procedures

that apply to everyone at Posti. The training is mandatory for all employees.

Posti participated in the Responsible Summer Job campaign and hired 1.900 summer employees all together.



Q3

July-September

The Group's sourcing system harmonization project was completed in Finland and the Baltic countries, which supports the monitoring of compliance with the sourcing policy. Posti's sourcing policy documents our commitment to an ethical and responsible way of working.

Posti participated in the national Energy Awareness Week by engaging in active communications to personnel on how to [reduce carbon dioxide emissions and other environmental impacts](#) from operations by using energy and materials sensibly.

Posti participated in the PopUp Electric Car event at Senate Square in Helsinki. Posti uses several alternative fuel vehicles, some of which are in test use and some are permanently part of the fleet. They include electric vans and cars powered by biodiesel and biogas as well as dual fuel trucks and very large eco-trucks.



Q4

October-December

Posti's meal delivery service concept won [PostEurop's CSR Coups de Coeur corporate responsibility award](#) in the Society category.

Posti's headquarters organized a campaign to collect household linen and cutlery for reception centers operated by the Finnish Red Cross. Posti also supported the refugee assistance operations of the Finnish Red Cross by transporting meals and supplies to reception centers in cooperation with partners.

In November, we partnered with the Finnish War Veterans Federation and the Union of Front Veteran Soldiers to organize a campaign encouraging people to send thank you cards to the veterans of Finland's wars. The campaign was well received and Posti delivered some 15,000 cards to veterans before the Finnish Independence Day.

Posti's personnel magazine, [Me postilaiset](#), was recognized as the best personnel magazine in Finland.

We donated our customer and partner Christmas gift funds to support the operations of SOS Children's Villages Finland. SOS Children's Villages provides diverse family care and child protection services to families and children in need.

Posti in society

Posti's most significant task in society is to ensure a smooth daily life for Finnish consumers and businesses. Each weekday, we visit the front door of some 2.8 million Finns, and we serve approximately 200,000 business customers per year.

Our well-functioning and efficient infrastructure enables us to provide reliable services for all of our customer groups in a socially responsible manner. We deal ethically, openly, and transparently with all of our stakeholders. We use various channels to provide our stakeholders with information and enable them to interact with us.

Posti is the largest logistics company in Finland. We have nearly 400,000 m² in warehousing capacity in Finland, more than 4,000 vehicles, and we drive over 100 million kilometers on Finnish roads every year. We offer the most comprehensive nationwide logistics network. The strategy in parcel services is to act as an enabler of online shopping for Finnish companies and consumers.

Our basic business is undergoing a transformation as digitization erodes letter and publication delivery volumes. Letter and publication delivery volumes are declining by some 10% annually, and it is estimated that letter delivery volumes will fall to half of their current level by the end of the decade. Nevertheless, providing premium mail services to everyone across the country is our main mission in Finland.

We ensure that the letter and parcel services that fall within the scope of universal service obligation are available to everyone. We are the only operator in Finland to provide five-day delivery services that cover the entire country. The universal service obligation covers the entire country, with the exception of the Åland Islands, and its fulfilment is supervised by the Finnish Communications Regulatory Authority.

We delivered items that fall within the scope of the universal service obligation on five weekdays to all households in accordance with the Finnish Postal Act. In areas that are difficult to reach, we deviated from the five-weekday obligation in the case of approximately 106 households, with the allowed maximum being 300. Posti handled 2,894 inquiries related to normal letters during the year. Altogether 1,749 inquiries were unresolved, and 178 items were declared as having been lost, while 967 lost items were found. Inquiries related to letter items represented 0.00033% of the total volume.

The Postal Museum has an important social mission

Owned by the Postal Museum Foundation, the Postal Museum is located in Museum Centre Vapriikki in Tampere. Established in 1926, the Postal Museum studies, records, and exhibits phenomena related to postal operations, mail communications, and data and goods traffic. It houses extensive collections of Posti's artifacts and photographs as well as every stamp released in Finland and various philatelic special collections.

The Postal Museum offers a variety of interesting experiences. The experience-oriented Messengers exhibition illustrates the long history of postal operations and communications in Finland, from the 1600s to the present day. The museum also organizes exhibitions on special themes as well as a broad range of events for various target groups. In 2015, the theme exhibition On the Move! – To a New Home touched on a current topic of interest. The exhibition highlights the experiences of evacuees from Karelia as well as refugees who have migrated to Finland for humanitarian reasons.

The main mission of the Postal Museum Foundation is to maintain and develop the Postal Museum and to preserve and present the cultural heritage of Finnish postal operations. The Postal Museum Foundation is responsible for the archival, presentation, and information services related to Posti's history under a service agreement.



Financial responsibility

Posti's financial responsibility is based on transparency and profitability. We want to grow profitably, as only a financially sound company can implement its responsibilities in terms of society, personnel, the environment, and all stakeholder groups. We plan our finances from a long-term perspective, anticipating changes in the market, customer demands, and risk scenarios in Finland and abroad. Financial responsibility management is supported by our risk management policy, internal control principles, and corporate governance principles.

We are a state-owned company that operates on market terms, and our operations are entirely based on the revenue received from our customers. We implement our financial responsibility by reforming our business operations and improving our profitability in line with our strategy.

Our financial targets are that the company's operating profit percentage exceeds 5%, return on invested capital is at least 10%, gearing does not exceed 35%, and more than 10% of the Group's net sales comes from new business areas in 2018.

The financial impact of our operations is comparable to those of the banking and telecommunications sectors, as our services are used by hundreds of thousands of private and public sector operators every day, in addition to consumers.

Financial impact in accordance with the income statement

EUR million	2015	2014	2013
From customers			
Net sales:	1,650.3	1,858.7	1,976.8

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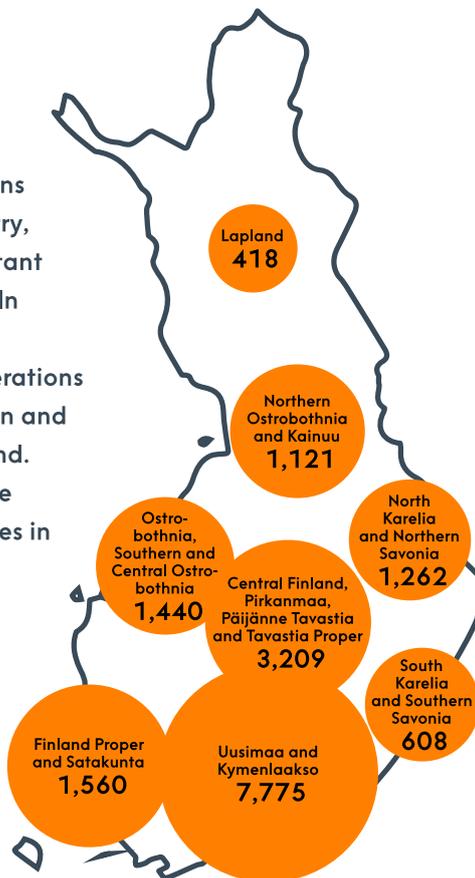
EUR million	2015	2014	2013
To personnel			
Salaries and fees	606.9	684.7	713.4
Social security expenses	50.9	59.3	64.1
Pension expenses	98.8	103.9	107.9
To suppliers			
Materials and services	437.6	526.7	572.2
Other operating expenses	365.4	400.5	411.1
To public sector			
Income tax on profit for the period*	18.3	1.6	4.5
To Financial sector			
Interest expenses	14.1	16.3	17.4
To owner			
Dividends for profit for the period*	18.0	0.0	0.0

* more information from the section Tax footprint

We support development and well-being throughout the country. Our Group's operations span the entire country, and we are an important employer in Finland. In addition to providing employment, our operations generate well-being and tax revenue for Finland. At the end of 2015, we had 16,874 employees in Finland.

The geographical distribution of our employees in Finland on December 31, 2015

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Tax footprint 2015

In its tax footprint reporting, Posti adheres to the country-specific tax reporting guidelines for companies of which the state is the majority shareholder, provided by the Ownership Steering Department on October 1, 2014.

Tax strategy

All companies in the Group have committed to operating responsibly and to meeting all obligations and requirements defined by the valid legislation of each country. Posti Group companies pay their taxes in the countries in which their actual business operations take place. All taxes are to be paid on time without delay. The Group's long-term target is to ensure that the Group's effective tax rate is at the same level as the corporate income tax rate valid in Finland at each particular time.

According to the Group's tax strategy, taxation is always a consequence of business operations, which means that tax solutions must also be based on business needs. Posti does not practice tax planning that would aim at artificially decreasing the Group's taxable income. In tax-related issues, the Group operates within the framework of legislation and legal practice in planning the taxable profit of Group companies. This can include the utilization of tax losses accrued in a subsidiary or the granting of group contributions, for example. In transfer pricing between subsidiaries, Posti aims to always ensure that the prices are market-based. To clarify taxation practices, some situations may involve contacting the tax authorities for either verbal guidance or a written decision on the taxation treatment of the planned action.

Management of tax-related issues

The management of tax-related issues is centralized to the Group Finance unit, which is responsible for managing and monitoring tax-related issues at the Group level. Decisions related to taxation are made at the Group level. Significant matters of principle are presented to the parent company's Board of Directors for decision-making. The Group's CFO reports regularly on taxation-related issues to the Group's Audit Committee. The key task of the management of tax-related issues is to ensure that all Group companies comply with the regulations of tax legislation in all countries of operation. Tax risk management is part of the Group's risk management process.

Principles observed in tax reporting

The information presented in this report is based on information collected from the Group's accounting systems. Taxes refer to taxes or tax-like fees paid to public sector entities, whether they are paid or remitted by the company. The nature and amount of taxes vary significantly from country to country. Taxes payable refer to taxes paid by the Group companies which are, as a rule, expensed in the company's Financial Statements. Taxes remitted refer to taxes or fees collected by the companies which are remitted to tax collectors, often on behalf of parties other than the company itself.

The company has restricted its tax reporting to only cover substantial operating countries. Based on this decision, country-specific tax information is only presented for Finland and Russia. Nearly 84% of the Group's net sales comes from these countries. According to the Group's strategy, these countries are its main markets. Other operating countries are grouped under Scandinavia and Other countries. Posti also uses the same geographical categorization in its Consolidated Financial Statements.

For countries other than Finland and Russia, information is presented on a country group-specific basis as the information reported is not of material importance and the presentation of country-specific information might jeopardize the non-disclosure of confidential information, such as customer or pricing details. From the Group's perspective, the amount of information reported is not of material importance when the taxes payable for an individual country do not exceed EUR 5 million.

The Group operates in nine countries. In addition, Posti has companies in countries where the Group no longer has business operations. When assessing the materiality threshold, net sales of EUR 1 million for each individual subsidiary is considered the threshold for non-materiality. Non-material companies are excluded from the reporting, as the amount of taxes paid by the companies is minor in proportion to the figures disclosed by the Group. These companies are in the categories Scandinavia and Other countries.

Changes in Group structure during the financial period are described in more detail in the Group's Financial Statements release.

In 2015, the Group's effective tax rate was 17.1% (2014: 3.4%). The divestment of logistics operations in Scandinavia in fiscal year 2015 had a significant effect on Posti Group's position with regard to taxation. Posti's sale of postal center properties in spring 2015 resulted in significant taxable profits.

Tax disputes

The Large Taxpayers' Office has partly approved Posti Group Corporation's petition for the deduction of losses by foreign subsidiaries merged into the company. Based on a decision made in October 2015, these losses were approved in the amount of EUR 2.4 million. At the same time, Posti's petition for the deduction of losses in the amount of EUR 39.0 million was refused. Posti considers the decision erroneous in this respect and has decided to lodge an appeal regarding the tax authority's decision with the Board of Adjustment of the Large Taxpayers' Office (Konserniverokeskuksen oikaisulautakunta).

The Group's tax footprint

2015, MEUR	Finland	Russia	Scandinavia	Other countries
Net sales	1,265.3	118.5	140.4	126.1
Result before taxes	133.9	-14.6	-9.7	0.6
Number of personnel	16,874	2,809	417	1,498
Paid taxes	43.7	7.5	5.6	5.0
Remitted taxes	274.8	10.4	13.5	6.8
Received public support	0.1	0.0	0.0	0.2

2014, MEUR	Finland	Russia	Scandinavia	Other countries
Net sales	1,358.8	171.8	211.5	116.5
Result before taxes	76.6	7.5	-21.3	0.9
Number of personnel	18,033	3,063	656	1,400
Paid taxes	31.7	10.8	6.1	3.3
Remitted taxes	305.5	18.0	13.3	6.0
Received public support	0.1	0.0	0.0	0.1

Taxes by category and by geographical area

Paid taxes 2015, thousand EUR	Total	Finland	Russia	Scandinavia	Other countries
Income taxes	18,092	16,061	345	490	1,196
Real estate taxes	3,675	2,588	1,087	0	0
Employer taxes	26,278	11,240	6,082	5,115	3,841
Environmental taxes	13,184	13,184	0	0	0
Other taxes	567	567	0	0	0

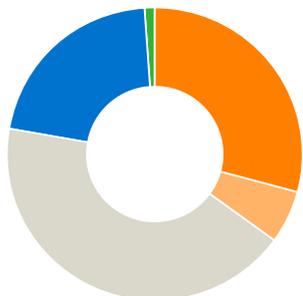
Paid taxes 2014, thousand EUR	Total	Finland	Russia	Scandinavia	Other countries
Income taxes	1,873	1,436	536	-288	190
Real estate taxes	4,314	2,636	1,566	112	0
Employer taxes	29,830	11,691	8,744	6,272	3,124
Environmental taxes	14,152	14,152	0	0	0

Remitted taxes by category and by geographical area

Remitted taxes 2015, thousand EUR	Total	Finland	Russia	Scandinavia	Other countries
Value added taxes	172,389	155,400	6,505	8,918	1,566
Salary taxes	132,154	119,262	3,206	4,463	5,223
Other taxes	830	79	646	88	17

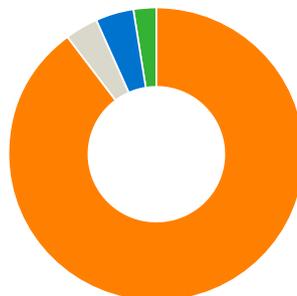
Remitted taxes 2014, thousand EUR	Total	Finland	Russia	Scandinavia	Other countries
Value added taxes	197,208	178,478	12,523	4,463	1,745
Salary taxes	144,916	127,065	4,830	8,819	4,202

Paid taxes and fees, total 61.8 MEUR



- Income taxes 18.1 MEUR
- Real estate taxes 3.7 MEUR
- Employer taxes 26.3 MEUR
- Environmental taxes 13.2 MEUR
- Other taxes 0.6 MEUR

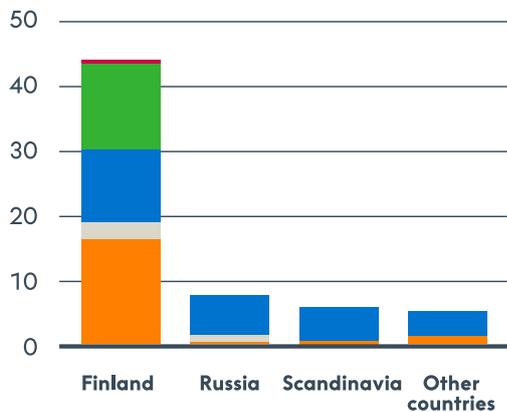
Remitted taxes by geographical area, total 305.4 MEUR*



- Finland 274.7 MEUR
- Russia 10.4 MEUR
- Scandinavia 13.5 MEUR
- Other countries 6.8 MEUR

* Of which value added taxes 172,4 MEUR, salary taxes 132,2 MEUR and other taxes 0.8 MEUR.

Paid taxes by type and geographical area, total MEUR



- Income taxes
- Real estate taxes
- Employer taxes
- Environmental taxes
- Other taxes

Cooperation with stakeholders

The postal industry is undergoing a profound transformation, which is why Posti must actively engage its stakeholders. Our key stakeholders are customers, personnel, the state as our owner, political decision-makers, authorities and the media, as well as our partners in subcontracting, research and the industry. The table below presents our key stakeholders and their expectations, as well as the key tools and forms of stakeholder interaction during the review period.

Stakeholder group	Expectations	Key interaction tools and results in 2015
Customers	<ul style="list-style-type: none"> • Reliable high-quality postal and logistics services and financial management services for a reasonable price • Information security and protection of privacy in all services • Commitment to ethical principles • Modernization in response to customer needs • Solutions for digitization • Environmental efficiency 	<ul style="list-style-type: none"> • We made effective use of customer satisfaction surveys and feedback. • We expanded the carbon neutral Posti Green portfolio to cover all operations in Finland. • We operate in an environmentally responsible way by reducing the emissions of our vehicles, for example. Since 2011 the emissions of Posti's delivery vehicles have decreased by 8 %.
Personnel	<ul style="list-style-type: none"> • Responsible management and supervisory work • Equal treatment of personnel • Competitive and fair rewards • Development of well-being at work • Engagement and flow of information 	<ul style="list-style-type: none"> • Posti is in the midst of an industry transformation, which is why we have placed a significant focus on change management and the training of personnel. Approximately 180 supervisors participated in the Changemakers training, while some 450 supervisors participated in line management training for production operations. • The bonus plan covers the entire Group. • The Group invested in occupational safety and organized safety walkabouts for management, for example. • Posti organized Ideatalkoot (Idea Drive), an innovation competition for personnel, which saw nearly 90 employees submit a total of 57 ideas for business development.

- Employees have a channel for submitting feedback on issues related to the Code of Conduct and topics discussed by the equality committee. Feedback can also be submitted anonymously.
- We continued to actively cooperate with our personnel, and managers and employee representatives met regularly at cooperation meetings.

Owner, political decision-makers, and authorities

- Reliable high-quality postal services for reasonable prices throughout Finland
- Profitability and solvency
- Good governance and transparency of operations
- Employees' status and rights, and environmental responsibility
- Increasing ownership value in a sustainable and responsible manner
- The revised Employee Code of Conduct was deployed among personnel. In 2015, the Group completion rate for the training was 63%.
- Active dialog with political decision-makers, interest groups, and authorities.

Partners in subcontracting, research, and the industry

- Transparent sourcing criteria and equal treatment of suppliers
- Pilot and research projects for new technologies and business models
- An active role in international industry associations
- Permanent membership of PostEurop, the Universal Postal Union (UPU), and the International Post Corporation (IPC).
- Membership of the Finnish service sector employers' association Palta, the Finnish Federation for Communications and Teleinformatics (FiCom), and Finnish Business & Society (FIBS).

The media

- Fast and reliable flow of information
- High level of availability and swift services
- We issued approximately 300 media releases during the year.
- We organized meetings with representatives of the media and offered reporters information on news and current events in our industry.
- Our MediaDesk serves journalists: we received nearly 700 contact requests from the media. We generally responded to all requests for an interview within 30 minutes.

Stakeholder survey results

At the turn of the year, Posti surveyed its stakeholders' views regarding the regulation of the postal industry, the future of the industry, as well as their perceptions related to corporate responsibility. The survey was sent to consumers and business decision-makers, as well as representatives of the public administration and labor market organizations.

The results of the survey indicate that consumers, business decision-makers, and influencers in the public administration all understand the need for change in the postal industry and support the customer-focused development of the business. According to the respondents, the most important objectives related to regulatory reform in the postal industry include ensuring reasonably priced postal services throughout the country, on the one hand, and easing regulation to curb the increase in delivery costs, on the other hand.

The respondents were asked about how to best secure the availability of postal services in the future. The most commonly held view was that services are best secured by improving the profitability of Posti's business and easing the regulation of the postal industry. Subsidizing postal operations from the state budget or by a separate postal tax was not a popular option among the respondents.

Consumers value Posti's comprehensive retail network and accept that Posti must develop its cooperation with partner companies to ensure the availability of postal services.

With regard to responsibility, the themes highlighted as the most important by the respondents included ensuring confidentiality and information security for customers as well as ethicality and transparency in business. Promoting occupational safety and the well-being of the personnel as well as improving energy efficiency and reducing emissions from transport operations and properties were also rated as important issues for Posti's image as a responsible company.

Measuring the customer experience

Recognizing that the customer experience is key, we constantly request feedback from our customers in order to further improve our operations. We conduct customer satisfaction studies both on a project and incident-specific basis and with more comprehensive customer satisfaction surveys that are conducted regularly once or twice a year. In Finland, we conducted one extensive consumer and business customer survey in 2015.

The consumers' overall rating of Posti as a whole declined from the previous year. The overall assessment represents more than the sum of customer experiences, as it is related to a broader view of Posti's position in society. Customer ratings related to parcel delivery, however, improved substantially from the previous year and remained at a high level. This was particularly attributable to a high level of satisfaction with regard to home-delivered parcels and Parcel Point services. The overall satisfaction rating for customer service decreased slightly from the previous year, but the ratings for self-services provided at Posti outlets and via the online and mobile channels remained at a good level.

Among business customers, the Net Promoter Score (NPS) increased from the previous year for postal services as well as parcel and logistics services. Customers have been satisfied with Posti's parcel services for several years. Customer satisfaction among freight and supply chain customers in Finland also improved from the previous year.



Engaged multi-skilled employees

Posti is the largest private employer in Finland. We are an equal, international, multicultural, and tolerant workplace community. Our aim is to be the best workplace in the industry by 2020.

During the year, we received 27,504 job applications. In Finland, we entered into 338 new permanent employment contracts. Seasonal changes are significant in our industry, and we hire the highest number of seasonal employees in the summer and around Christmas. We provided summer jobs for approximately 1,900 people across Finland. We prepared for the Christmas season by hiring 3,350 seasonal assistants in different parts of the country. Most of the seasonal assistants worked in mail delivery, sorting, and transportation.

We also participated in the national Responsible Summer Job campaign, alongside many other companies, making a commitment to its principles: a meaningful job and reasonable pay, a good applicant experience, employee orientation and guidance, fair and equal treatment, and a written employment contract and reference.

Multiculturalism is a significant resource for our company. In Finland alone, our employees represent 80 nationalities.

Since 2012, we have been a member of Diversity Charter Finland, which is coordinated by the corporate responsibility network FIBS. We were among the first companies in Finland to sign the charter. Diversity Charter Finland offers its members information on best practices in the management of diversity and support in business development. The dimensions of diversity include age, sex, ethnic origin, sexual orientation, operational capability, and religion, among other aspects.

Me postilaiset wins best personnel magazine award in Finland

Posti's personnel magazine, Me postilaiset, was recognized as the best personnel magazine in Finland in the annual Procom Magazine Review. The jury characterized Me postilaiset by stating that the best personnel magazine of the year is "a modern, clear, high-quality, and professionally produced publication. The Posti Group employees who produce Me postilaiset have understood that a personnel magazine must foster a positive spirit and a sense of togetherness. The jury finds that employees are presented in the magazine as interesting personalities."

Me postilaiset is a magazine for all Posti Group employees in Finland. Its circulation is approximately 19,000 copies and it is delivered to employees' homes. The purpose of the magazine is to communicate to employees the Group's objectives, financial development, and changes in operations.



Focus on well-being at work

Posti's goal is to provide a healthy and safe working environment for its employees. No employees should suffer injuries or illnesses, neither physical nor psychological, at work. This goal can be achieved through proactive measures including the prevention of occupational accidents, good ergonomics, and work design.

Posti is committed to promoting the well-being at work of its personnel and their ability to cope with work to ensure that employees are healthy and motivated in different life situations and through the various stages of their employment relationship. Putting well-being at work into practice is part of the daily work of supervisors. Every Posti employee is also responsible for promoting psychological well-being in the working community.

Posti provides a diverse range of well-being services to its employees, including occupational health care, support for independent physical exercise under a sports program, sport and wellness events via the Foundation for Well-being at Work, as well as support for workplace meals.

Posti employees have access to comprehensive health care and medical services aimed at supporting the employee's well-being at work, work ability, and occupational safety in all career stages.

Since 2006, Posti has had its own Foundation for Well-being at Work tasked with promoting the physical and psychological health of employees. The Foundation's operations are divided into measures improving well-being at work and research activities. Events organized by the Foundation include sports festivals and Kuntoremontti fitness overhauls, for example. The activities are intended for all Group employees in Finland.

Promoting occupational safety is high on the agenda

Reducing our accident frequency is one of our most important areas of development. Altogether 1,739 (2014: 1,971) accidents were recorded at Posti in Finland during 2015. Figures include both accidents that happened at the workplace and during commutes. Posti's LTA1 figure, which reflects the frequency of occupational accidents per one million working hours, was 38.8 (2014: 39.1). The figures do not include OpusCapita.

We continued to conduct safety tours by senior management during the year. In 2015, we focused particularly on increasing safety observations and corrective actions. We achieved a new record in safety observations with 7,786 observations, and we increased their rate of completion from 45% to 78% during the year. We also began to monitor proactive measures on a monthly basis with regard to safety walkabouts and turvavartti safety updates. A total of 1,712 safety walkabouts and 1,515 turvavartti safety updates took place during the year.

We also organized an occupational safety seminar, occupational safety week, and accident awareness day for our personnel. The focus of these events was on proactive occupational safety measures and discussion on occupational safety. We took a pioneering role by joining the Institute of Marketing to launch a Specialist Qualification in Management focused on occupational safety management, with 27 managers and supervisors from production operations participating in the program. We also provided Occupational Safety Card training, with content customized to Posti's operations, to a total of 48 participants (46 early-morning delivery supervisors and two experts).

Responsible employer

Posti conducts a personnel survey annually. The Voice survey assesses the extent to which employees are dedicated to their work and their employer, and the extent to which the employer is successful in facilitating good performance. The survey is divided into eight themes: employee commitment, facilitating performance, teamwork and cooperation, future and leadership, performance management, well-being, strategy, and cultural change.

The survey was conducted in September in Finland, Sweden, Estonia, Latvia, Lithuania, and Russia. More than 11,000 Posti employees completed the survey, which represents 62% (2014: 59%) of all personnel.

Based on the results, the employee dedication index was 47% (2014: 48%). This means that slightly under half of employees expressed a positive attitude towards the four aspects measuring dedication. When compared to the norm in the postal and logistics industry on a global scale, the result can be considered low. Posti is undergoing a major transformation, which may be reflected in the results of the personnel survey. Linking one's own role and activities to the strategy is a key factor in assessing dedication. The results also revealed clear differences between different units and employee groups. The results indicate that the implementation of strategy has reached the management, supervisor and expert levels of the organization to a good extent.

At 58% (2014: 58%), the performance facilitation index was higher than the employee dedication index. It measures the extent of an organization's commitment to producing excellent customer service and high-quality products or services and to basing its operations on the practices of continuous improvement. Cooperation with one's closest colleagues, in particular, was rated at a good level.

Uusi polku program helps employees get a new start

Posti's business is undergoing a major transformation and, in recent years, we have had to carry out several cooperation negotiations with personnel representatives based on production-related and financial reasons. In these difficult situations, it is important for Posti to operate responsibly and seek solutions related to personnel impacts in cooperation with personnel organizations.

As a responsible employer, we have invested in helping our personnel to cope with the changes in the industry. In 2014, we launched the Uusi polku (New Path) support program for our personnel. The support program offers personal counseling and services to those who are interested in a new career, retraining or starting a business. In addition to the services, Posti offers a monetary lump sum in compensation, proportional to the duration of the employment relationship, for those who volunteer for the program.

As of December 31, 2015, a total of 1,327 employees have applied for the program, and 925 have been accepted. We are actively monitoring the impacts of the program on its participants. Based on a survey of past participants, a significant proportion of the respondents (80%) have been successful in realizing the plans they had when leaving the company. They have either found a new job, found a place of study, started a business, or retired. The remaining 20% of the respondents indicated that they were out of work at the time of the survey. A total of 29 respondents indicated that they have started a business during the time the program has been in effect.

In 2015, personnel reductions amounted to a total of 423 person-years. Out of this total, 328 person-years were related to production and finance and 42 person-years were reduced through voluntary resignation and pension plans. In addition, 53 person-years were related to acquisitions.

People responsibility indicators

At the end of the year, we employed a total of 21,598 people. Our average number of personnel was 22,219. A total of 17,360 people on average were employed in Finland.

Women made up 39% and men 61% of our employees in the Group. Our Supervisory Board has 12 members and our Board of Directors has eight members. The Executive Board is composed of eight members, and the Management Board is composed of 13 members. Our Board of Directors has an equal number of men and women as members, while men constitute the majority on the Supervisory Board, Executive Board and Management Board.

Of our total personnel, 80% are covered by collective labor agreements. In Finland, 99% of our employees are covered by collective labor agreements. The Baltic countries, Poland, and Russia do not have binding collective labor agreements. The employees represented by the labor protection committee make up 78% of our total personnel. In Finland, the ratio between the basic salaries of women and men was 97%.

The share of the personnel within the scope of regular personal development discussions and performance reviews is approximately 2,175 people. The discussions are held at least twice a year. With the people working in production in Finland, the accomplishments of the previous year as well as the objectives and targets for the coming year are discussed with the working group once a year. In addition, a personal discussion is held in relation to personal development and well-being at work.

Personnel per country on December 31, 2015

Finland	16,874
Russia	2,809
Poland	568
Sweden	260
Estonia	419
Norway	157
Latvia	164
Lithuania	259
Germany	88
	21,598

Number of operating locations

	2015	2014
Finland	596	662
Russia	21	21
Other countries	30	30
Total	647	713

Accidents and sickness related absences*

	2015	2014	2013	2012	2011
Sickness related absences (%)	6.2	6.2	5.7	5.9	6.0
Lost time accidents (number)	931	1,027	1,306	1,329	1,318
Accident frequency**	38.8	39.1	46.7	48.7	45.1
Disability pensions	68	78	76	84	89
Part-time disability pensions	80	62	74	103	76
Total disability pensions	148	140	150	187	165
Average age for retiring on disability pension	56	56.3	56.7	56.5	56.1
Average retirement age	62.5	62.5	60.9	60.7	60.4
Retired	320	301	342	315	400

*Group level, Finland

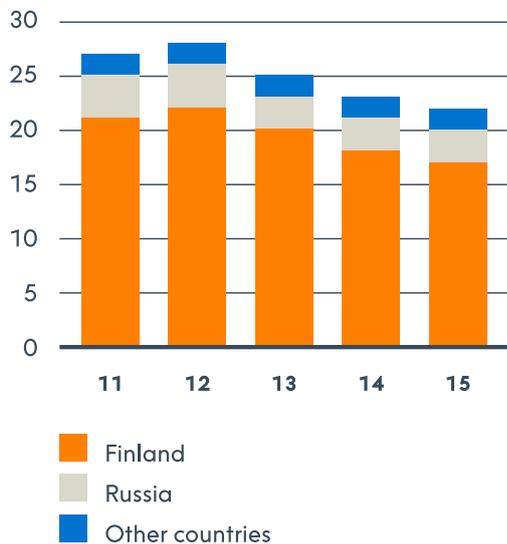
**Excluding OpusCapita

Employee leaving rate in Finland

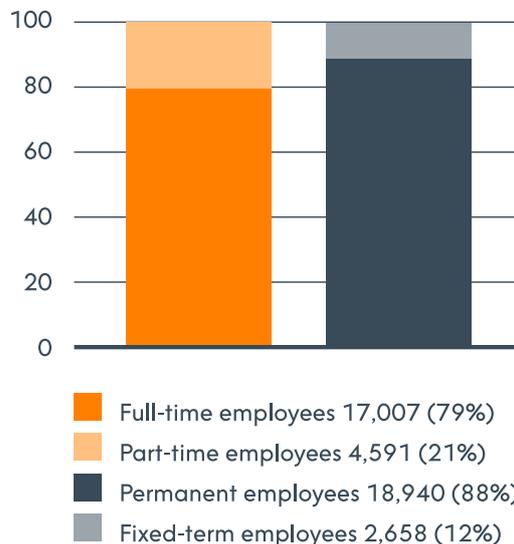
Leaving rate, Finland	Leaving rate
Females	9.7%
under 25 years	26.1%
25–34 years	8.5%
35–44 years	5.9%
45–54 years	4.8%
55 years or older	22.4%
Males	9.0%
under 25 years	20.9%
25–34 years	10.6%
35–44 years	6.5%
45–54 years	3.8%
55 years or older	14.0%

Total leaving rate 9.3% without seasonal employees

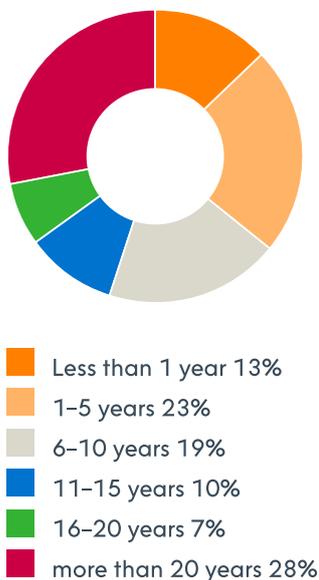
**Development in the number of personnel
1,000 persons**



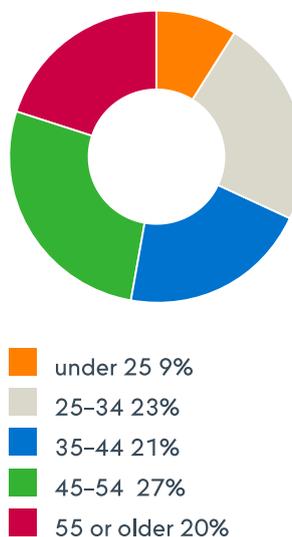
**Breakdown of employment contracts in 2015
%**



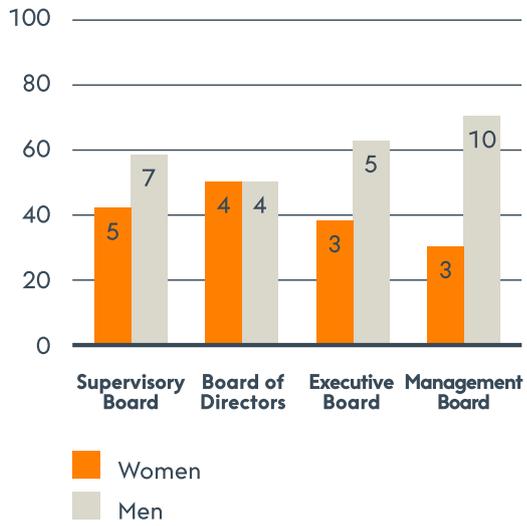
**Length of employees' career in 2015
%**



**Age distribution of personnel
%**



Number of women and men in leadership roles
%



Reducing environmental impacts

Posti's environmental management is based on environmental management standards, particularly ISO 14001, as well as legal and official requirements, and the UN Global Compact principles. Our [quality and environmental policy](#) covers all of our countries of operation.

The targets for our environmental work are determined by our corporate responsibility steering group. Our business groups determine more detailed operating programs as part of their management model. Environmental issues are discussed by our Management Board and the Audit Committee at least once a year as part of more extensive corporate responsibility reporting.



Our [environmental program](#) aims to reduce our carbon-dioxide emissions by 30% by 2020, in relation to net sales (compared to 2007). In addition, we are party to a freight traffic energy efficiency agreement in Finland and have made a commitment to improve our energy efficiency in our transport by 20% by 2016 (compared to 2008).

Transport and emissions from vehicles represent approximately 85% of our carbon-dioxide emissions in Finland. As the largest transport and delivery company in the country, we play an important role in the development of environmentally friendly and energy-efficient transport operations. We improve the environmental efficiency of transport operations primarily by planning routes efficiently, ensuring a high utilization rate, combining deliveries, and driving in an environmentally responsible manner.

As part of our ISO 14001 management system, we increase our employees' environmental awareness through training and employee orientation. Environmental issues are also regularly discussed in our internal communication channels. At the end of 2015, our certified environmental management systems covered 88% (2014: 88%) of the Group's employees. We have an ISO 14001 compliant environmental management system also in our warehouses in Russia.

Continuous improvement in energy efficiency

Between 2007 and 2015, Posti's carbon dioxide emissions relative to net sales have decreased by 16%. Absolute carbon dioxide emissions decreased by over 30,000 metric tons of carbon dioxide, or by 20%, during the period. In 2007, the International Post Corporation (IPC) set a common goal for its members to reduce the carbon dioxide emissions of the postal industry by 20% by 2020. In 2015, IPC members achieved their collective 20% emission reduction target six years ahead of schedule.

In addition to vehicles, Posti has also focused on buildings in its systematic efforts to improve energy efficiency. In Finland, electricity consumption fell by 3% and heating by 17%. Temperature-adjusted heat consumption decreased by 9%. Posti's Finnish properties use electricity generated 100% by renewable hydroelectric power.

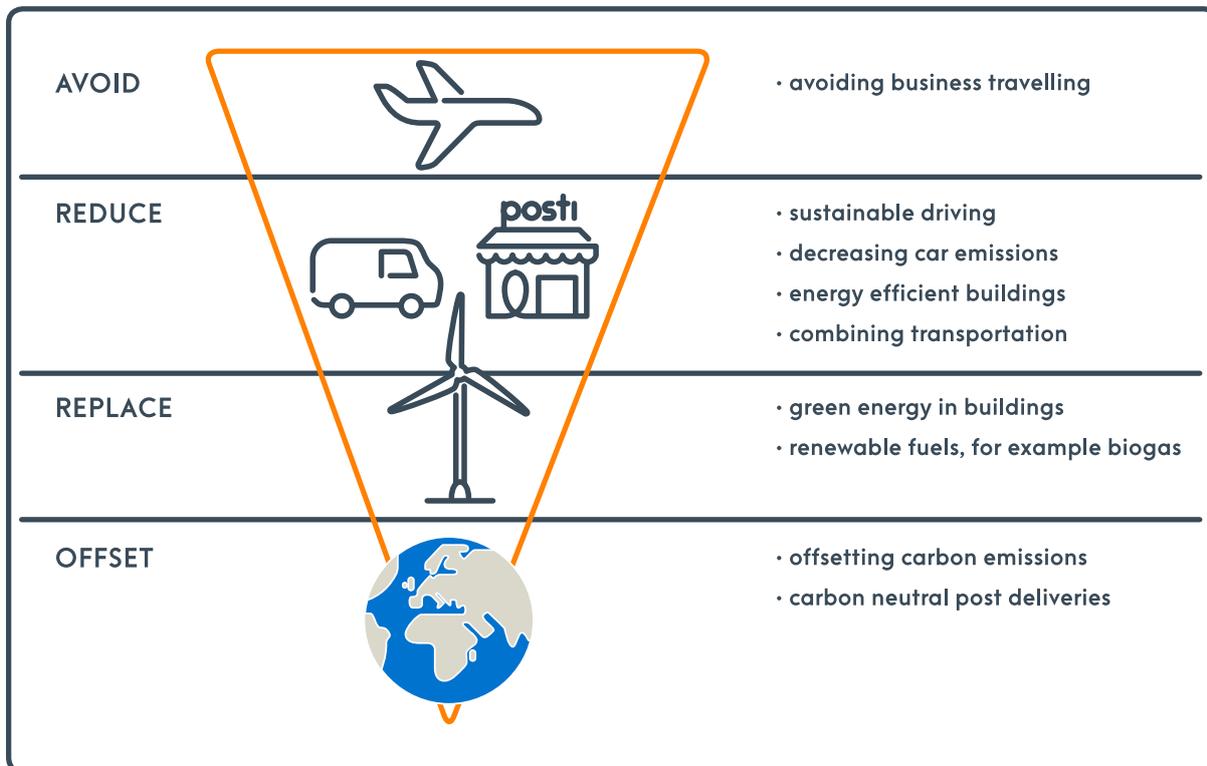
During the year, Posti conducted an energy audit at its properties pursuant to the requirements of the Finnish Energy Efficiency Act. An energy audit involves assessing the energy consumption profile of all the operating

locations of a company or Group and identifying opportunities for energy savings.

We have centralized our waste management services to a single operator in Finland, which helps us ensure energy efficiency and cost-effectiveness. The aim of waste management is to minimize landfill waste and increase recoverable waste. With our waste management partner, we have set a target of improving our recovery rate by 1% per year. In 2015, our recovery rate was 98% (2014: 95%) and recycling rate 67%. Each of our ISO 14001 certified operating locations has a documented waste management plan that includes a list of what waste fractions the property collects, related operating models, as well as illustrations of the placement of waste containers at the property.

With regard to the continuous improvement of energy efficiency and environmental efficiency, Posti is committed to:

- complying with all applicable environmental laws and standards, including ISO 14001
- reducing the fuel consumption of our vehicles
- reducing the energy consumption of our facilities
- improving recycling and reducing landfill waste
- considering environmental aspects in sourcing, subcontracting, and investment decisions
- engaging in open discussion with our stakeholders in order to minimize our environmental impact
- ensuring sufficient resources for maintaining and continually improving our environmental operations
- reporting our environmental impact annually and providing our employees with information and opportunities in order to operate in an environmentally efficient manner.



Convenient repairs and recycling for pallets

In order to increase our recycling rate and reduce waste volume, we collect surplus and decommissioned pallets at our warehouses, postal centers, and terminals. The pallets are handed over to Lassila & Tikanoja, where they are sorted. Mendable pallets are repaired and delivered for further reuse for customers. Pallets that are beyond repair are chipped and recycled as fuel for energy production.

Posti receives compensation for the pallets, and at the same time, the amount of wood waste is reduced. The properties gain a cost benefit through lower property maintenance costs charged by Posti Kiinteistöt. The service is part of Posti's waste reporting system. By monitoring the reports, we can verify the savings we have achieved.



A pioneer of green logistics

All of Posti's delivery, transport, freight, and warehousing services in Finland are carbon neutral Posti Green services that involve no additional cost to customers. By using Posti Green products, our customers can reduce CO₂ emissions in their supply chain processes.

Posti Green services are part of Posti's environmental program, which is aimed at decreasing carbon dioxide emissions by 30% by 2020. As part of Posti's environmental program, the carbon dioxide emissions arising from operations are actively reduced by route optimization, the efficient combination of deliveries, and using an ecological driving style.

The remaining emissions are neutralized through participation in [climate projects](#). In practice, if transporting a letter produces 20 grams of carbon dioxide, or transporting a parcel produces approximately 900 grams, we use certified climate projects to ensure that an equal amount of emissions is reduced somewhere else.

Our fleet of approximately 4,000 commercial vehicles in Finland recorded a total of 108 million kilometers last year. Posti plays a significant role in developing environmentally friendly delivery and transport. We have taken a pioneering role in this area by actively participating in the testing of alternative fuels. In 2006, we were the first company in Finland to roll out natural gas vehicles in delivery operations.

Our fleet currently includes approximately 40 biogas vehicles that run on 100% renewable Finnish Gasum biogas. Biogas produces no harmful particles and practically no greenhouse gas emissions during its life cycle. We are also participating in the Dual Fuel research project by VTT Technical Research Centre of Finland to investigate the combined use of biodiesel and biogas in heavy vehicles.

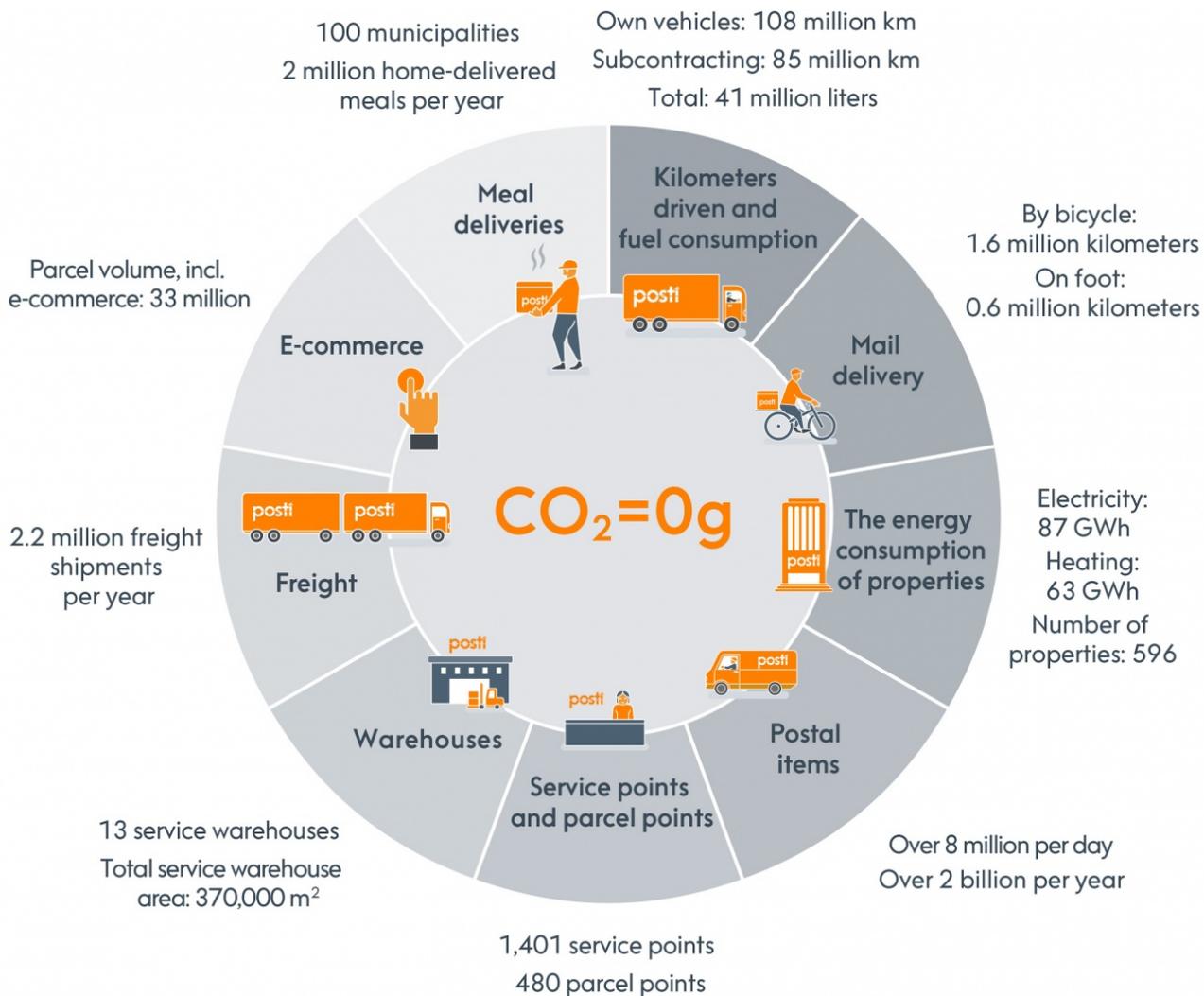
In 2014, we equipped all of Posti's delivery and transport vehicles with driving habit monitoring devices. The devices are a daily tool used in production activities, including supervisory work, planning, and operations management. Some 10,000 drivers have received training on the use of the monitoring device, which provides them with reports on their driving economy, safety as well as improvement targets on their driving habit.

The driving habit monitoring devices help reduce fuel consumption and carbon dioxide emissions. They also make it possible to set and monitor area-specific targets for both consumption and emissions. During the year, the monitoring devices and the improved utilization rate of our vehicles allowed us to reduce the number of traffic accidents as well as our maintenance costs. The average fuel consumption of vehicles used in mail delivery operations increased by 0.8% from the previous year. There were significant changes during the review period with regard to the operating model and the use of vehicles. The same vehicles were used to carry mail, parcels, and freight. The fill rate of vehicles improved substantially, which led to an increase in the average consumption in spite of an improvement in the driving habit index.

We also deliver mail by foot and by bicycle. A total of 1,900 delivery routes are handled by bicycle and foot every day which is 36% of all the routes. We also use environmentally friendly electric carts, 1,200 electric bicycles, and electric cars. Increasing the number of electric cars in delivery operations has thus far been challenging, as electric cars suitable for winter conditions in Finland are not available. About half of the mopeds we use are electric.

Posti Green service model

All of our services in Finland are carbon neutral Posti Green services which cause zero emissions for our customers.



Environmental responsibility indicators

EN3 Energy consumption within the organization

Terajoules (TJ)	2015	2014	2013	2012	2011
DIRECT ENERGY CONSUMPTION					
Renewable					
Biogas	1	4	2	1	0
Non-renewable – facilities and own vehicles					
Natural gas	158	267	165	188	197
Fuel oil	0	1	1	5	6
Traffic fuel	730	778	879	672	620
INDIRECT ENERGY CONSUMPTION					
Renewable					
Electricity, Finland	313	337	265	271	212
Non-renewable					
Electricity, other countries	204	207	303	280	335
District heating	278	324	352	346	337
Traffic fuel – outsourced, Finland	547	612	664	572	507

EN15–EN17 The Group's CO₂ emissions

Tons	2015	2014	2013	2012	2011
Fuel use in buildings – energy generation, Scope 1	8,900	15,020	9,268	10,724	11,254
Fuel use in transport – Posti's vehicles, Scope 1	50,014	53,396	60,406	46,169	46,005
Electricity and heat use in buildings, Scope 2	40,266	44,199	38,272	46,496	49,604
Subcontracted transport by vehicles* and air, Scope 3	65,298	70,801	73,490	59,287	50,818
Business travel flights, Scope 3	1,512	2,139	2,190	2,260	2,221
Total	165,991	185,555	183,625	164,936	159,902

*Includes subcontracted transport in Finland

EN21 Emissions to air – own vehicles

Tons/year	2015 Finland	2014 Finland	2013 Finland	2012 Finland	2011 Finland
CO	54	59	60	56	54
HC	16	16	16	14	13
NO _x	137	130	166	97	84
Particles	5.4	5.8	5.9	4.7	4.5
SO ₂	0.3	0.3	0.3	0.2	0.2

Source of information: VTT/LIPASTO emissions of traffic, fuel consumption and kilometers driven of own vehicles.

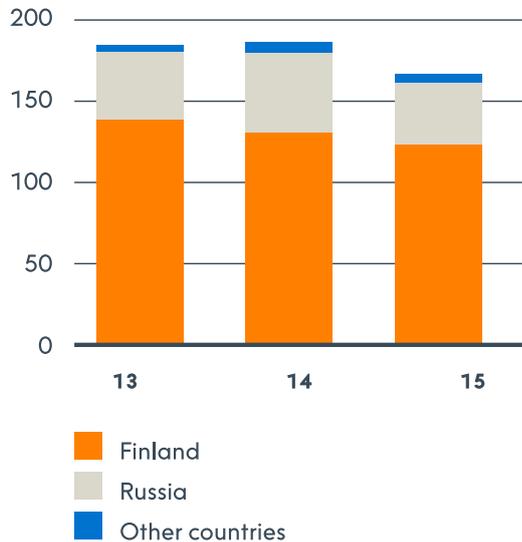
EN23 Waste management in Finland

Properties included in waste management agreement, tons*	2015 Finland	2014 Finland
Recycle and reuse	8,862	6,706
Other recover	3,247	3,010
Incineration	357	813
Final disposal	241	463
Hazardous waste**	468	89
Total	13,175	11,081
Recovery rate, %	98%	95%

*Excluding properties where waste management is included in the rent. The figures have been revised since 2014.

**of which 434 tons is refrigeration devices and Waste Electrical and Electronic Equipment (WEEE).

**Carbon dioxide emissions
1,000 tn**

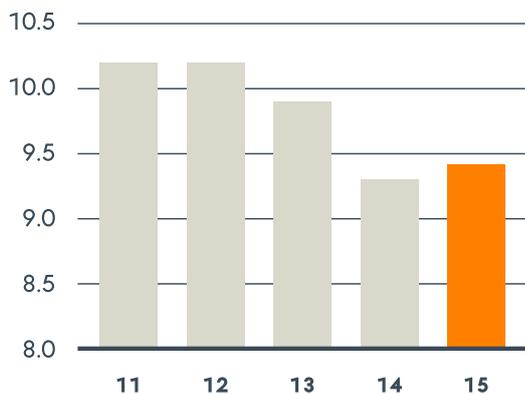


**Carbon dioxide emissions relative to net sales
in Finland*
kg/EUR**

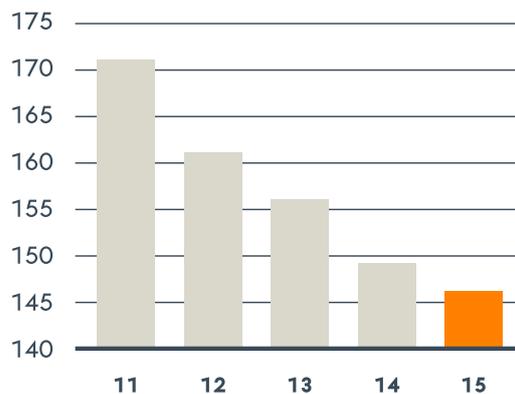


* The carbon dioxide emissions in relation to net sales were approximately at the same level as in the previous year. Absolute CO₂ emissions have decreased by over 30,000 carbon dioxide tons (20%) from year 2007 to 2015.

**Fuel consumption in postal delivery
l/100 km**



**Electricity consumption in sorting centers
kWh/sq.m.**



Responsible supply chain

Posti has a Group-wide uniform sourcing policy that determines how the sourcing function and supplier cooperation is managed. The sourcing policy supports Posti's strategy and environmental program, as well as the company's social responsibility and ethical principles. It outlines decision-making responsibilities and responsibility boundaries, and it specifies the minimum requirements for suppliers and the sourcing organization.

As part of our approach to [responsible sourcing](#), we have defined a [Supplier Code of Conduct](#) and require all of our service providers and suppliers to adhere to it. In addition to legality, the Supplier Code of Conduct includes principles related to corruption, human rights, child labor, discrimination, working conditions, and environmental concerns. Each approved supplier must have an agreement saved in Posti's agreement archive and must have conducted a self-assessment.

In 2015, we harmonized our sourcing processes and systems in Finland and the Baltic countries, which supports the achievement of cost savings and facilitates the monitoring of compliance with the sourcing policy. We also launched a Compliance project in sourcing in late spring 2015 with the aim of ensuring that everyone in Posti Group complies with the common practices.

During the year, more than 90% of Posti's sourcing in Finland originated from domestic suppliers. We also favored local suppliers in our other countries of operation. Of the suppliers approved during the year, 86% were within the scope of self-assessment, representing a combined purchasing volume of nearly EUR 470 million.

Sedex and EcoVadis – responsible sourcing networks

Posti belongs to the Supplier Ethical Data Exchange (Sedex) network as a service provider. We hold B membership of the network. With more than 30,000 members, Sedex is the largest collaborative platform for managing and sharing ethical supply chain data.

In addition to Sedex, we have joined in the EcoVadis system in the Supplier role. Through EcoVadis, we can provide our current or potential customers who have joined the system with information about responsibility and ethical issues related to our operations. As for our customers, they can use the EcoVadis system to assess our corporate responsibility and to manage responsibility information.

Posti was awarded [gold-level recognition](#) by EcoVadis for its CSR performance in 2015. With our score of 65 out of 100, we ranked among the top 5% of companies in all industries worldwide. EcoVadis assesses the overall CSR performance of suppliers annually in the areas of environmental responsibility, social responsibility, business ethics and sustainable procurement.



Business activities and human rights

Published in 2011, the UN principles concerning business activities and human rights have become a global standard that guides corporate responsibility in relation to human rights. The principles require companies to respect human rights in everything they do. Companies are obligated to assess the human rights impacts and risks of their operations, create systems to prevent risks, and develop processes for corrective action.

In spring 2016, Posti will participate in a series of training events organized by the Finnish corporate responsibility network FIBS, aimed at reviewing the practical implementation of the UN's guiding principles in business operations.



GRI reporting

Our sustainability reporting is based on the GRI G4 guidelines (the Global Reporting Initiative). In addition, we comply with the reporting requirements of our owner, the Finnish State. In accordance with the guidelines, we focus on factors that are key to our operations and essential to our stakeholders. This report complies with the GRI G4 guidelines and covers the key areas of economic, social, and environmental responsibility.

Posti has self-declared its sustainability reporting to be in accordance with the Core level of GRI's G4 guidelines. Accordingly, Posti reports material sustainability details and indicators related to its operations so that the report provides a sufficient and balanced view of sustainability and its impacts. The comparison of the report content with the GRI G4 guidelines is presented in the GRI index.

The report has not been the subject of external assurance. The accuracy of the information presented has been verified internally. An external party has assessed the compliance of the materiality assessment process with the GRI G4 guidelines.

Reporting description and boundary

The data is reported on an annual basis, and the reporting period runs from January 1 to December 31. We report the key indicators of the sustainability areas to the Board of Directors at least once a year.

Unless otherwise mentioned, the reporting covers all operations of our parent company and subsidiaries. It also covers all Group functions in all countries of operation. The reporting does not, as a rule, include the operations of subcontractors or affiliated companies. The coverage of the indicators is reported in conjunction with the indicators.

The information on personnel is primarily included in GRI reporting in Finland. With regard to personnel, we have calculated the key indicators in accordance with the Accounting Standards Board's general guidelines on annual reports.

Since 2009, our environmental reporting has covered all of our countries of operation. The indicators for environmental responsibility cover our operations with the greatest environmental impact in all of our countries of operation. In Finland, the environmental calculations also include the environmental impact of subcontracted transport.

The calculation of carbon dioxide emissions covers all of Posti's business operations. The key standards applied in our environmental calculations are:

- The WBCSD (World Business Council for Sustainable Development) Greenhouse Gas Protocol, and
- The GHG Inventory Standard for the Postal Sector, which includes more detailed instructions for the postal industry.

The data and indicators for financial responsibility are obtained from the Consolidated Financial Statements, prepared in accordance with the IFRS standards approved by the European Union. The notes to the Consolidated Financial Statements are prepared in compliance with Finnish accounting and corporate legislation.

As an issuer of two publicly listed bonds, we are obliged to disclose periodic information to a limited extent. Our duty of disclosure is based on the Finnish Securities Market Act and the rules and regulations of NASDAQ OMX Helsinki Ltd. A more detailed description of our financial communications policy is available on our website at www.posti.com/financials. In connection with our Financial Statements, we also publish our Corporate Governance Statement, referred to in Recommendation 54 of the Finnish Corporate Governance Code of the Securities Market Association.

Contact information

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GRI content index

Code	GRI Standard Disclosures	Reference page	Remarks
Strategy and Analysis			
G4-1	CEO's statement	President and CEO's review	
G4-2	Key impacts, risks, and opportunities	Group strategy Board of Directors' report 2015	
Organizational Profile			
G4-3	Name of the organization		Posti Group Corporation
G4-4	Primary brands, products, and services	Posti Group in brief	
G4-5	Location of the organization's headquarters		Posti Group's headquarters is based in Helsinki.
G4-6	Number of countries and names of countries with major operations or that are relevant to sustainability issues	Posti Group in brief	
G4-7	Nature of ownership and legal form	Share capital and shareholding	
G4-8	Markets served		
G4-9	Scale of the reporting organization	Key figures	
G4-10	Total workforce by employment type, employment contract, region and gender	Indicators for people responsibility	
G4-11	Percentage of total employees covered by collective bargaining agreements	Indicators for people responsibility	
G4-12	Organization's supply chain	Responsible supply chain	
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain		No significant changes during the reporting period.
G4-14	Whether and how the precautionary approach or principle is addressed by the organization		The precautionary approach and principle has been taken into account in accordance with statutory requirements.
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Sustainability at Posti	
G4-16	Memberships in associations (such as industry associations) and/or national/international advocacy organizations	Cooperation with stakeholders	

Identified Material Aspects and Boundaries		
G4-17	List of stakeholder groups engaged by the organization	Posti Group in brief Group companies
G4-18	Process for defining report content and aspect boundaries	Sustainability at Posti GRI reporting
G4-19	Material aspects	Sustainability at Posti Cooperation with stakeholders
G4-20	Aspect boundary for each material aspect within the organization	GRI reporting
G4-21	Aspect boundary for each material aspect outside the organization	GRI reporting
G4-22	Restatements of information provided in previous reports	No significant changes during the reporting period.
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	No significant changes during the reporting period.
Stakeholder Engagement		
G4-24	List of stakeholder groups engaged by the organization	Cooperation with stakeholders
G4-25	Basis for identification and selection of stakeholders with whom to engage	Cooperation with stakeholders
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Cooperation with stakeholders
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns	Cooperation with stakeholders
Report Profile		
G4-28	Reporting period	GRI reporting
G4-29	Date of most recent previous report	March 19, 2015
G4-30	Reporting cycle	Annually
G4-31	Contact point for questions regarding the report or its contents	GRI reporting
G4-32	GRI content index	Self-assessment has been made, no external assurance.
G4-33	The organization's policy and current practice with regard to seeking external assurance for the report	GRI reporting
Governance		
G4-34	Governance structure of the organisation and committees	Governance

G4-35	Delegating authority	Governance
G4-36	Executive-level positions with responsibility for economic, environmental and social topics	Sustainability at Posti
G4-37	Consultation with stakeholders	Cooperation with stakeholders
G4-42	Board of Directors' role in setting purpose, values and strategy	Corporate Governance Statement
G4-45	Board of Directors' role in the identification and management of risks	Corporate Governance Statement
G4-46	Reviewing the effectiveness of risk management	Corporate Governance Statement
G4-47	Frequency of risk reviews	Corporate Governance Statement
G4-48	Formal approval of the organisation's sustainability report	GRI reporting
G4-49	Communicating critical concerns	GRI reporting
G4-51	Remuneration policies for the Board and senior executives	Remuneration Statement
G4-56	Organization's values, principles, standards and codes	Sustainability at Posti Values Responsible supply chain
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity	Sustainability at Posti
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity	Sustainability at Posti

Code	Indicators	Reference page	Remarks
Generic Disclosures on Management Approach			
<i>Category: Economic</i>			
G4-EC1	Direct economic value generated and distributed	Posti in society Tax footprint 2015	
G4-EC4	Financial assistance received from government	Other operating income	
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Responsible supply chain	

Category: Environmental

G4-EN3	Energy consumption within the organization	Indicators for environmental responsibility	
G4-EN5	Energy intensity	Indicators for environmental responsibility	
G4-EN6	Reduction of energy consumption	Reducing environmental impacts	
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Indicators for environmental responsibility	
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Indicators for environmental responsibility	
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Indicators for environmental responsibility	
G4-EN18	Greenhouse gas (GHG) emissions intensity	Indicators for environmental responsibility	
G4-EN19	Reduction of greenhouse gas (GHG) emissions	Reducing environmental impacts Forerunner of green logistics	
G4-EN21	NOx, SOx, and other significant air emissions	Indicators for environmental responsibility	
G4-EN23	Total weight of waste by type and disposal method	Indicators for environmental responsibility	
G4-EN24	Total number and volume of significant spills		An accident occurred at a Posti freight terminal in June involving the release of hazardous resin-based fluid onto the terminal floor and its subsequent vaporization. The personnel were evacuated from the terminal, with 12 people sent to the hospital to be checked for respiratory exposure. Serious injuries were avoided and the accident did not have any negative impact outside of the terminal area.

G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Forerunner of green logistics	
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations		No significant fines or sanctions during the reporting period.
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	Reducing environmental impacts Forerunner of green logistics Indicators for environmental responsibility	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Responsible supply chain	
<i>Category: People</i>			
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	Engaged multitalents Indicators for people responsibility	Covers mainly operations in Finland. More information is available on Indicators for people responsibility.
G4-LA4	Minimum notice periods regarding operational changes, including whether it is specified in collective agreements	Responsible employer Indicators for people responsibility	
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Engaged multitalents Indicators for people responsibility	
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	Indicators for people responsibility	
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	Indicators for people responsibility	
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	Responsible supply chain	
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms		There were five grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms during the reporting period. After addressing the matters no reason for action was found.

G4-HR3	Total number of incidents of discrimination and corrective actions taken		One reported discrimination incident that was resolved in settlement.
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	Responsible supply chain	
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms		There were no grievances about human rights impacts filed through formal grievance mechanisms during the reporting period.
<i>Category: Society</i>			
G4-SO4	Communication and training on anti-corruption policies and procedures		Training of the Employee Code of Conduct is compulsory for all employees of the Group. In 2015, the completion rate for the training was 63%.
G4-SO5	Confirmed incidents of corruption and actions taken		No incidents of corruption during the period under review.
G4-SO6	Total value of political contributions by country and recipient/beneficiary		Posti Group does not support any political parties or institutions.
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes		No legal actions for anti-competitive behaviour or significant fines or other sanctions for non-compliance with laws and regulations.
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Legal proceedings	No significant fines or sanctions during the reporting period.
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	Responsible supply chain	
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes		None during the period under review.
G4-PR5	Results of surveys measuring customer satisfaction	Cooperation with stakeholders	

G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes		None during the period under review.
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Sustainability at Posti Posti in society	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Legal proceedings	No significant fines or sanctions during the reporting period.

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