Sustainability Report 2020

an post

For your world

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For your world

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For 'sustainability' read 'quality of life'; where you see 'carbon footprint' think 'a healthy island'; and for 'climate action' believe in the joy of future generations. That is how we view sustainability in An Post. Being human is at the core of An Post, and our horizon is stated in our purpose 'to act for the common good: now, and for generations to come' DAVID MCREDMOND, AN POST CEO

Message from the CEO



For 'sustainability' read 'quality of life'; where you see 'carbon footprint' think 'a healthy island'; and for 'climate action' believe in the joy of future generations. That is how we view sustainability in An Post. Being human is at the core of An Post, and our horizon is stated in our purpose 'to act for the common good: now, and for generations to come.

The response of An Post's staff to the COVID-19 pandemic demonstrated, better than any report or statistic, a deep commitment to sustainable living: to look after our most vulnerable, to stand with the elderly, to unite communities in solidarity with the State, and to deliver an essential infrastructure to every home, community, town and city in our country.

Our sustainability strategy is visible every day. The big commitment to replace the biggest fleet in the country with electric vehicles can be seen on the streets of Ireland's cities. We have made explicit the commitment to have a Post Office in every community (defined as over 500 population). And regardless of where someone lives they have a world class delivery service. Our employees are rightly proud of the community initiatives from Address Point (a secure personal address for people who are homeless) to free deliveries to and from care homes. And an understanding that cultural life is essential to sustainable living, we have extended our sponsorship of the Irish Book Awards in tandem with our passion for literacy through the National Adult Literacy Agency and the Imagination Library.

But we have much more to do to realise our vision of an Island where sustainable living can be commonplace. Green Hub is a great example of combining our commercial role, in this case selling financial services, with a commitment to sustainability by helping our customers retrofit their homes. In 2020 our carbon emissions, despite the rapid fleet replacement, actually increased due to the exceptional volumes of parcels being delivered. But we are steadfast that the commitment to be carbon neutral which we brought forward from 2050 to 2030 will be met. We also have much work to do on the circular economy: how to work with suppliers as online shopping grows exponentially to ensure less waste and lower energy usage. And if big moves and good ideas characterised the start of our sustainability journey, innovation will be the essential characteristic to increase momentum.

And finally my own commitment to Decent Work has been forged by the great employees in An Post and by their Unions. The right to a decent job with good terms and conditions is fundamental to a sustainable society. An Post will continue to fight against the excesses of the gig economy, and in contrast promote the dignity and respect of the postal profession, both for the sake of employees and customers. We will adapt to a new changing world with hybrid work policies, using the best technology, and driving efficiency in all we do. But above all to be human. That, to us, is sustainability.

David McRedmond | An Post CEO

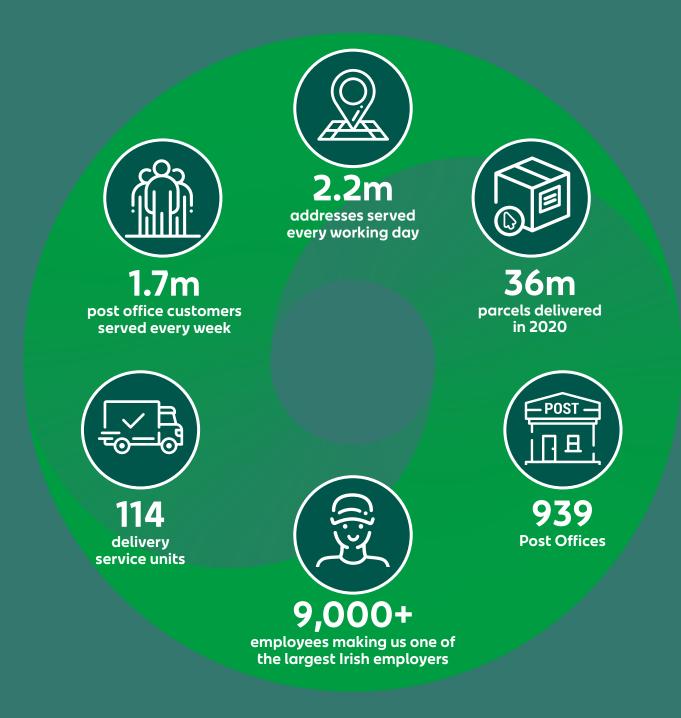


For your world

About An Post

An Post is Ireland's national postal operator serving 2.2 million addresses every working day and more than 1.7 million post office customers every week. We are a major commercial organisation providing a wide range of services which encompass postal, logistics and financial services.

We provide agency services for Government departments, the National Treasury Management Agency, the National Lottery and many commercial bodies. We are one of Ireland's largest companies, directly employing more than 9,000 employees throughout our national networks, and contracting with almost 900 postmasters. As masters of delivery, our parcel business yielded delivery of 36 million parcels in 2020.



Our Strategy and Purpose

At An Post our purpose is to act for the common good and to improve the quality of life in Ireland, now and for generations to come.

In order to achieve this, we are committed to embedding sustainability in everything we do. Sustainability informs every aspect of our business, every single day, enabling us to deliver benefits to our employees, our customers and the communities

OUR STRATEGY

To make sustainable living commonplace in Ireland

Accelerate An Post's journey towards having a positive environmental impact, equality for all and create everyday opportunities for consumers to live a more sustainable life.

FOR Irish Citizens Local Communities Irish Businesses Government

OUR PURPOSE

To act for the common good, to improve quality of life now and for generations to come

we serve. We are committed to having a positive environmental and social impact, equality for all and creating everyday opportunities for consumers to live a more sustainable life.

We recognise that our operations impact every county, community, household and business in Ireland. We are one of the largest employers, maintain one of the largest fleets and have the largest retail network in the country. Therefore, we are:

THROUGH

Our Staff

Our Network Our Partners

- leading the way in making sustainable living commonplace in Ireland
- revolutionising our operations to reduce waste, source sustainably and improve efficiency
- partnering with industry leaders to ignite innovation
- a national champion for protecting the planet
- making a positive impact on our communities and our planet.

Our **governance** over sustainability matters is embedded within our business-as-usual model. It is a primary consideration in all of our decisions and is subject to the same standard governance policies and processes as all aspects of the business, rather than being in a separate "Corporate Social Responsibility" function or governance structure. Our Corporate Governance is discussed in detail in our Annual Report.

We recognise our **stakeholders'** views about our future role in society and the economy. These, along with An Post's own evaluation of key risks, are crucial in identifying the items that matter for our strategic direction and subsequent measurement and reporting. As such, ensuring that we provide our stakeholders with opportunities to engage with us on the topic of Sustainability has been key. We discuss our stakeholders further in Appendix 2.

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Our Commitments - at a Glance

To put our strategy into action we have devised a number of commitments, targets and metrics which are detailed in Appendix 1. Our commitments include:



Our Reporting

We understand the importance of using sustainability frameworks in guiding how An Post identifies risks and opportunities.

Working with our stakeholders, we identified the UN Sustainable Development Goals (SDGs) as the key framework for creating our sustainability strategy and reporting on relevant areas for our business. This framework is also used by the European postal sector and the International Postal Corporation (IPC).

We performed a **materiality assessment** (as described in Appendix 3) to map the issues identified as most relevant for An Post under the five SDGs which are core to the business:



We have identified objectives and metrics against each of these SDGs. This Sustainability Report outlines our plans and monitors our progress against them. To provide transparency to our reporting, Appendix 1 includes the full list of our metrics and targets; it also indicates the likelihood of achieving these within our stated timeframe, recognising that many of our targets are ambitious.

Whilst our core focus is on these five SDGs, we remain committed to helping achieve the remaining SDGs and are aware that these goals are interconnected. In particular, we understand that, for example, making progress on climate action (SDG 13) is not possible without taking care of our employees (SDG 8); investing in sustainable infrastructure (SDG 9); supporting and being part of sustainable communities (SDG 11); and adopting a circular economy business model (SDG 12).

In 2020 An Post was re-appointed as one of 12 SDG Champions within Ireland's SDG Champions Programme, established by the Department of the Environment, Climate and Communications. As such, we will share our learnings and work with Government and public and private sector organisations in leading Ireland's drive for sustainability.

2020 is also the first year we committed to the **Science Based Target initiative** as part of our work on net carbon zero. This Report also benchmarks our achievements against other frameworks and disclosure initiatives, and the best outcomes achieved by other public and private organisations.



Our Achievements - at a Glance

Narrowed gender pay gap to 1.41% in 2020

(3.7% in 2019)



Zero emission

deliveries extended beyond Dublin to city centres in Waterford and Kilkenny



Launched COVID Community

FOCUS initiatives such as our postal operatives checking-in on older and vulnerable customers



New SUSTAINABLE procurement policy



1012 electric vehicles & 110 electric trikes in our fleet



Launched the Green Hub



Ranked 6th in Ireland by the Carbon Disclosure Project





Zero waste to landfill for the 3rd consecutive year



Water usage reduced by 31% compared to 2019

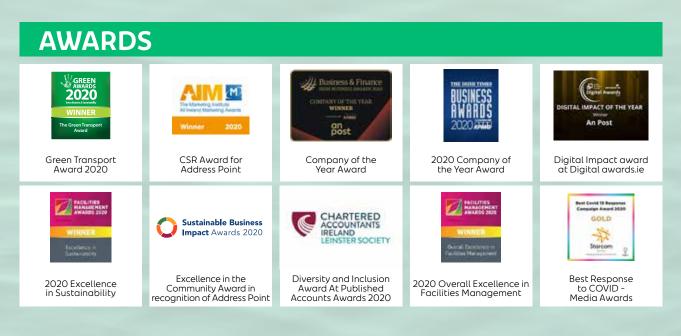


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Awards, Memberships and Certifications

We are proud that our sustainability reporting and initiatives have contributed to us winning a number of awards in 2020.

We strongly believe that being active members of bodies which support sustainability initiatives, as well as obtaining relevant certifications, are key to maintaining momentum and focus towards our goals. We will seek to maintain and expand these memberships, relationships and certifications every year.



OUR MEMBERSHIPS



OUR CERTIFICATIONS



DECENT WORK AND ECONOMIC GROWTH

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SDG 8: Decent Work and Economic Growth

1005

Decent Work and Economic Growth

UN DEFINITION:

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

We are proud to be one of Ireland's largest employers. In An Post, we promote inclusivity and respect, offer equality of opportunity, develop potential and attract the very best talent.

We are committed to the elimination of discrimination, the protection of human rights and the promotion of equality of opportunity. Our goal is to be a fully diverse and inclusive workplace which will be good for everyone - our people, our customers and the communities we serve.

FOCUS AREA:

Provide a safe, healthy and inclusive working environment for our employees that encourages personal and professional growth.

Achievements - at a Glance

0%

5%

Reduction since 2019 in the total lost time per 200,000 hours worked, due to injuries

Percentage of senior management positions held by women (33% in 2019)

Gender pay gap compared to 3.7% in 2019

2020 Performance

Health and Safety

At An Post, the health and safety of our employees and customers is at the forefront of our ethos. We follow the advice of dedicated experts who ensure that we adhere to all necessary health and safety guidelines.

COVID-19 provided An Post with a number of challenges. Our priority and focus centred on our employees' health and wellbeing and to prevent the spread of COVID-19. We immediately introduced safety measures: all non-essential employees to work from home, splitting shifts in our Delivery Service Units to reduce the possibility of close contacts, and the provision of protective barriers in our Post Offices. Personal Protective Equipment (PPE) was immediately dispensed throughout our premises.

A reduction in our road traffic accident rate and employee injuries was also evident in 2020.



3.15 hours

Total lost time injury rate Employee absenteeism due to injuries (total lost time injury rate per 200,000 hours worked) down from 3.92 hours in 2019, a reduction of 20%

1,200 employees have access to remote working

The road traffic accident rate was 0.57 per 1 million km in 2020, down from 0.60 in 2019

DECENT WORK AND ECONOMIC GROWTH



A Spotlight on Gender Equality

At An Post, we are committed to positive change. We're creating a workplace that's inclusive, with equality and a sense of belonging for all our people at its core. We're creating a workplace we can all be proud of.

Our goal is to be a fully diverse and inclusive workplace which will be good for everyone - our people, our customers and the communities we serve. To support this, one of our aims is to close the gender pay gap. In 2020, we published our second **Gender Pay Gap Report** which demonstrated that we have narrowed the pay gap from 3.7% in 2019 to 1.41%, inching us closer to achieving our goal.

MALE
An Post Board 67%
Management Board
Senior Management Group 65%
An Post Management Group 71%
2020 Graduate Programme Intake

There continues to be a 50/50 gender balance on the Management Board. Our aim is to have equal representation in our intake. We have supported a gender balanced shortlist which has resulted in 57% of our recruits to the An Post Management Group over the last 12 months being female, and 43% male. This is ensuring women's full and effective participation and is providing equal opportunities for leadership roles. There was also a 53/47 gender balance in the Graduate Employment Programme in 2020.



We have increased representation and reduced the gender pay gap but we have more work to do. We need the statutory board (Government appointments) to move from 30% female representation to also be 50/50 at Board level. The broader management group has seen a huge increase in the number of women but we still have some way to go for that group to be 50/50. The COVID pandemic has shown how quickly management practices and ways of working can change. It is vital that this new flexibility is respectful of all women and men so that they can engage fully in the workplace, real or virtual, whatever their circumstances.

Diversity, Equality and Inclusion

An Post's Diversity, Equality and Inclusion (DEI) strategy for 2020 focused on organisational strategic change.

By strengthening internal governance and building a Diversity and Inclusion team, policy frameworks are aligning the direction of An Post's business structures with the DEI strategic pillars of Gender, Intergenerational, Ability Spectrums, LGBTQ advocacy and Ethnicity.

In 2020, through Diversity Charter Ireland, we continued our voluntary commitment to strong diversity management, preventing discrimination and promoting equality for all.





EMPLOYEES WITH DISABILITIES

4.6% of our employees have disclosed a disability to An Post, which exceeds the 3% employment target for persons with disabilities as per the Disability Act 2005. This is a decrease compared to 2019 owing to a variety of factors, including employee retirement.



FLEXIBLE WORKING OPTIONS

An Post provides many flexible working options to promote a healthy work-life balance. Additionally, during COVID-19, we committed to supporting employees with caring responsibilities and dependent children (while schools and childcare facilities were closed) by offering 'special paid leave'. 827 employees also availed of 'term time leave' in 2020 to take extended leave during the school summer holidays.

Term time leave is a fantastic scheme which I avail of annually. As a professional working parent, this scheme greatly benefits me and my family as it allows me to spend extra time with my children during their school holidays. JACQUELINE MORAN, PROJECT MANAGER

DECENT WORK AND Economic growth

Our Focus on Our Employees

WELLBEING

Wellbeing of our employees is at the heart of our purpose. Our 'Working Well Together' campaign is focused on empowering our people to feel and be their best by recognising the challenging effects of COVID-19; and engaging in conversations about mental, social, emotional, financial and physical wellness.

In collaborative efforts with our Occupational Health team, we invested in proactively promoting the support services available to our employees via the Post People app and company screensavers. We continue to reiterate our commitment to employee wellbeing through wellness initiatives and launched 'Wellness Wednesdays' in May 2020 to milestone **'National Workplace Wellbeing Day'**.

Our second annual Wellness Week in October 2020 was designed with virtual events to bring awareness to resilience and mental health in the workplace. We facilitated reflective sessions on Mindfulness, Tai Chi, Laughter yoga and Art therapy. Wellness Week was our opportunity to invest in our wellbeing by leaning into inclusive conversations and fostering a culture of positive wellness as we adapt and build resilience to new ways of living and working.

ZERO HOUR CONTRACTS

An Post is against the excesses of the gig economy. We are committed to providing all of our employees with fulfilling, secure careers with opportunities for professional development. In 2020, we maintained our commitment to no zero-hour contracts.

LEARNING AND DEVELOPMENT

We promote a learning environment to foster career development and believe in empowering employees at all levels to fulfil their potential through staff education, training and support schemes. Examples of developments in 2020 include:

- the expansion of our Strategic Leadership Programme
- the launch of an Employee Education Support Scheme which pays up to 50% of an employee's education course fees
- the continuation of our Graduate Programme

These programmes enable our employees to reach their full potential by improving their skill sets, expertise and capabilities.



I started my An Post journey 14 years ago in the Dublin Mails Centre while studying for a B.SC and Ph.D in Science. An Post were very accommodating which was crucial for my busy college schedule. I worked in State Savings and Pensions before joining An Post's 2020 Graduate Programme. Help and support from my colleagues, friends throughout this journey has made me feel at home in An Post. Jun Zhao, Data Analyst Graduate.



Looking Forward to 2021 and Beyond

In addition to the initiatives discussed above, the following are key areas of focus for 2021 and beyond:



- Establish a mentoring programme for female managers.
- Establish a programme for female talent acceleration.
- Launch an initiative with Open Doors to increase ethnicity and disability representation.
- Revise disability plans to better enable us to meet the incremental government target increase, to 6% employment for persons with disabilities by 2024.



Human Resources

- Introduce a new Human Resources Management System which will support identification of talent and ensure learning and development are accessible to everyone.
- Introduce a remote working policy to support employees in a post-COVID environment.



Employee Assistance

• Launch an employee assistance programme (EAP) which will give our employees access to advice, information and support on areas such as mental health, financial matters and bereavement.



IBEC Keep Well Mark

• Achieve the IBEC - Keep Well Mark in 2021

INDUSTRY, INNOVATION AND INFRASTRUCTURE

SDG 9: Industry, Innovation and Infrastructure



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Industry, Innovation and Infrastructure

UN DEFINITION:

• Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

An Post plays a central role in Irish economic life and society. As such we are uniquely positioned to partner with businesses, government and communities to help drive innovation that delivers sustainable, long-term growth and prosperity.

Innovation is key to solving the challenges we face in delivering on our sustainability ambitions. We operate Ireland's largest sustainable fleet (eVehicles, eTrikes and bicycles) and manage over 200,000m² within our property portfolio. Reaching 100% zero carbon transport requires innovation, technology and investment. Therefore, it is essential that we draw on new and developing technologies, integrate best practices and undertake strategic initiatives to achieve our sustainability goals.

FOCUS AREA: Responsible Industry, Innovation and Infrastructure through partnership.

Achievements - at a Glance

€21.75m Sustainability capital expenditure since 2018



Reduction in water usage since 2019



Carbon Disclosure Project rating in 2020

2020 Performance

In 2020, we significantly increased our investment in sustainability, rolling out a number of new key initiatives.

Capital Expenditure

In 2020, An Post increased sustainability capital expenditure by \in 16m, bringing spending to date up to \in 21.75m. This was driven by the procurement of 845 EVs and chargers.

Our previous objective was spending €100m on sustainability capital expenditure by 2022. However, due to COVID-19, we do not expect to achieve this until 2025. An Post plans to invest approximately €50m to increase the sustainable electric fleet and a further €30m for sustainability initiatives within the An Post property portfolio up to 2025.

SUSTAINABILITY CAPITAL EXPENDITURE (€m) (Cumulative)

Our objectives: Spending €100 on sustainability capital expenditure by 2025

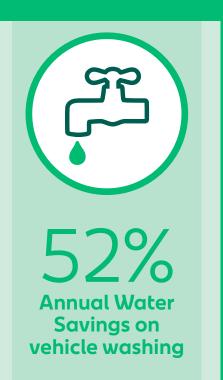


A Spotlight on Water Management

In 2020 we set a new objective to reduce annual water usage by 5% per annum. In order to achieve this a new water management system was developed and large water users were identified.

Water meters were installed enabling real time monitoring of usage at these sites and identifying leaks and areas for improvement. A new vehicle washing system was also introduced, eliminating the use of chemicals and wastewater.

These two initiatives successfully reduced water usage by over 80,000 m³ (31%) compared to 2019.



INDUSTRY, INNOVATION AND INFRASTRUCTURE



Innovation

PARCEL LOCKERS

In 2020 we continued to expand the An Post network of Parcel Lockers. These allow customers to collect, send or return parcels easily and conveniently from a parcel collection and delivery point within their community. The introduction of 40 new banks of lockers in 2020 along with the increased availability of lockers from 2021 will reduce carbon emissions thanks to:

- customers travelling to convenient local collection points rather than our offices.
- fewer journeys made by our delivery fleet.

Parcel lockers installed in 2020. Our objective is to install 130 parcel locker units by 2022.

VAN RENOVATION

In 2020, the volume of eCommerce our network handled grew significantly. Realising that we were not making the best use of space within our vans, we piloted a van renovation project in seven vehicles.

This involved installing transferrable and collapsible shelving kits which increased the vans' carrying capacity by 60%. The result was fewer journeys and emissions with less fuel used and lower maintenance requirements. Following the pilot project's success, a further 600 vans will be fitted with this kit by 2024.



Vans fit out in 2020.

Impact: 60% increase in carrying capacity

Industry Collaboration

AN POST CARBON DISCLOSURE: PROJECT RANKING

Our objectives: To be Ranked in Top 5 for the Carbon Disclosure Project (CDP) in Ireland



In 2020, we increased our Carbon Disclosure Project (CDP) score from B to an A-, an increase in ranking by 6 places since 2019.

This improvement was driven by investment in our electric fleet and the energy efficiency programmes in our properties, most particularly the internal lighting upgrades.

AN POST INTERNATIONAL POSTAL COMMISSION: PROJECT RANKING

Our objectives: To be Ranked in Top 5 for International Postal Commission SMMS Programme

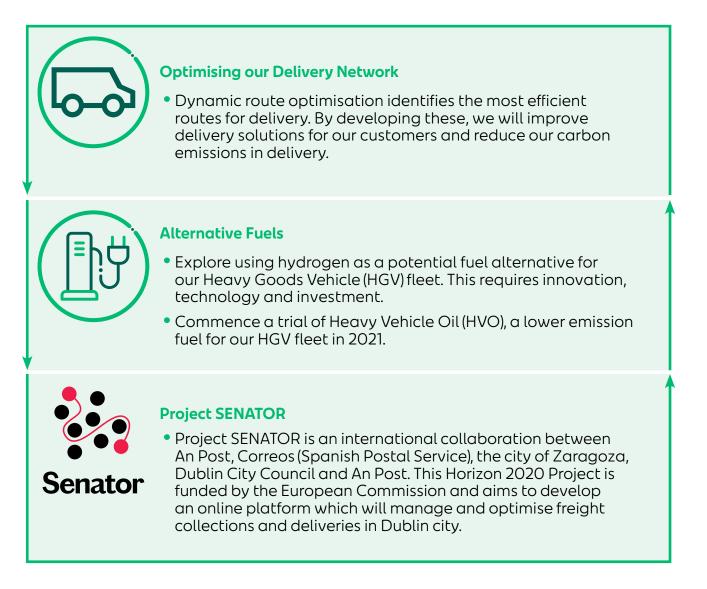


In 2020, the IPC Environmental Measurement Management System (EMMS), was updated to become the Sustainability Measurement and Management System (SMMS). This resulted in An Post falling from 10th to 12th position. SMMS is a new system with many additional areas focussed on sustainability. We are working hard to improve our ranking so that it reflects the work we are doing and meets our objective to be ranked in the top 5 postal companies for sustainability.

INDUSTRY, INNOVATION AND INFRASTRUCTURE

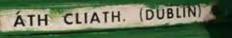
Looking Forward to 2021 and Beyond

In addition to the initiatives discussed above, the following are key areas of focus for 2021 and beyond:



SUSTAINABLE CITIES AND COMMUNITIES

SDG 11: Sustainable Cities and Communities







Write Vicu

post

Sending

Sustainable Cities and Communities

UN DEFINITION:

Make cities and human settlements inclusive, safe, resilient and sustainable

Creating sustainable communities and cities involves far more than just introducing cycle paths and recycling bins. An Post is the cornerstone within these thriving social networks, as 99% of the Irish population lives within 10km of a post office. Knowing this, we aim to provide economic, social and environmental benefits that help develop more sustainable cities and communities.

FOCUS AREA:

Make a positive difference to the communities we serve.

LIATH. (DUBLIN)

Achievements - at a Glance



Green Hub Launched with the objective of supporting 30,000 homeowners retrofit their homes by 2030, to make them more energy efficient



A post office in every community of over 500 people



Every household received two free postage-paid postcards, helping friends and family stay connected

2020 Performance

An Post Community Focus

An Post is at the centre of Irish life with 939 post offices, 114 delivery service units and 9,000 employees across the country.

These teams deliver mails, packages and parcels to every home and business address and provide a post office within 15km of every rural community and within 3km of urban customers.



Community is about reaching out with compassion, staying connected and sending love to each other. Rising to the challenge of the COVID-19 pandemic in 2020, our priority focus was to support government, communities and businesses. Taking advantage of our unique presence within the community we ensured connectivity with a human touch through our Community Focus initiatives which included:



A spotlight on the Green Hub

Launched in 2020, the **Green Hub** helps Irish citizens live a more sustainable life by providing access to advice, affordable finance and trustworthy suppliers. In particular, it offers homeowners two options for undertaking a home retrofit project:

- The **One-Stop-Shop** provides an end to end managed service, which includes appointing a project manager to keep things running smoothly. This covers everything from the initial home assessment, costing of work, coordination of contractors and management of the SEAI grant application process. When the retrofit is complete, the project manager handles quality assessment and submits the final sign-off and BER certification to SEAI.
- The **DIY** is our option for customers who want to manage the project themselves.

The Green Hub also offers an e-vehicle loan for customers looking to reduce their carbon footprint by upgrading to an electric or hybrid vehicle.

Our ambition is to assist 30,000 homeowners in retrofitting their homes as seamlessly as possible by 2030. In doing so, we will become Ireland's 'go to' location for greener living in Ireland.

Customers can access the Green Hub online through the An Post website at **anpost.com/Green-Hub** or via the 900+ post offices across the country.



SUSTAINABLE CITIES AND COMMUNITIES

Community Initiatives

LITERACY

Working in partnership with NALA, the National Adult Literacy Agency, we provide adult literacy services to encourage people who want to return to learning. By offering confidential, free resources we strive to remove stigma and offer support.

NALIA National Adult Literacy Agency Aisineacht Näisinna Litearthachta de Aosaigh



As part of the **Irish Book Awards**, we worked with Children's Books Ireland on **ImagineNation.** This initiative saw 25 children's authors and illustrators design a free playbook, delivered to almost 250,000 families.

We also worked with IMAGE.ie to offer **Reading Room**. In this, which was one of the first virtual events to enter the market, audiences were invited to join discussions with authors.

An Post's ongoing support for family literacy also includes working with Dolly Parton's Dollywood Foundation and the Childhood Development Initiative, Tallaght. Through these free monthly deliveries of books are provided to more than 5,000 children from birth to age five in the Dublin 24 postal district.

By the end of 2020, An Post staff had delivered more than 95,000 books to help children's vital early learning development and preparation for school. An Post looks forward to supporting a similar initiative across Cork City in 2021.



RECYCLED BIKES

As An Post's business transforms, many of our cycling routes are being replaced with electric trikes or vans.

In 2020, as part of our contribution to the circular economy, we introduced 'Re-Cycled' delivery bikes. This sees the donation of bicycles from decommissioned cycle routes to frontline workers in homeless charities who can use them for their daily work.

ABOVE AND BEYOND

Our Values In Practice (VIP) award programme rewards individuals who have gone the extra mile to live An Post's values.

With our Heroic Intervention Award, we recognise those who go beyond their line of duty - for example, by saving the life of a fellow employee or customer.

We are proud to share the stories of both programmes' 2020 winners here: Values in Practice.

ADDRESS POINT

In 2020 we continued to expand **Address Point**, our practical, simple service for people who are homeless or in temporary emergency accommodation.

This generates a personal address based on the person's choice of local post office.

Having a fixed postal address makes it far easier to arrange medical appointments, contact schools, apply for jobs and keep in touch with family and friends.



SUSTAINABLE CITIES AND COMMUNITIES

SUSTAINABLE CITIES AND COMMUNITIES

Diversity in the Community

By providing work experience placements and paid employment to individuals with varied abilities, we have established strong relationships with our community partners. These include the Open Doors Initiative to support people from marginalised backgrounds, the Trinity Centre for People with Intellectual Disabilities and the Dublin South City Ability Programme.

As part of the #PurpleLights Campaign to celebrate the UN International Day of Persons with Disabilities, the GPO lit up in purple along with other local and national, major companies, civic and educational institutions, championing the message that the inclusion of people of all abilities is at the core of sustainable development. In 2020, An Post also continued to work with the **Trinity Centre for People with Intellectual Disabilities**.

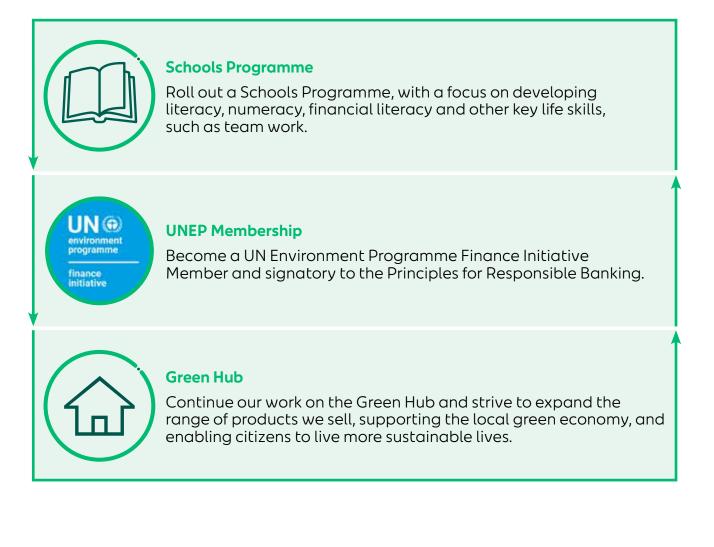
In 2020, for Nollaig na mBan, An Post supported the projection of images of women onto the GPO as part of Safe Ireland's Woman and Child Campaign. In collaboration with **2020 Herstory Light Festival**, photographs and a short film were projected onto the GPO, Christchurch Cathedral, a family home in Clontarf and the former Magdalene Laundry on Sean McDermott Street, celebrating female recognition and equality.

Sure we have some huge issues and life is not easy for people with disabilities but it's a great community and on this one day, let's celebrate that. Tomorrow we go back to fight the good fight on the numerous issues that affect us, housing, work, health, transport. PURPLE LIGHTS FOUNDER/ DISABILITY ACTIVIST, GARY KEARNEY In addition to our continued sponsorship of Dublin Pride, 2020 was the first year we also sponsored Cork Pride.

The Transgender flag was raised over the GPO on Transgender Day of Remembrance.

Looking Forward to 2021 and Beyond

In addition to the initiatives discussed above, the following are key areas of focus for 2021 and beyond:



RESPONSIBLE Consumption and Production



SDG 12: Responsible Consumption and Production

Responsible Consumption and Production

UN DEFINITION:

Ensure sustainable consumption and production patterns.

An Post is committed to protecting the planet's natural resources. With this in mind, we aim to re-use or recycle material where and when possible.

As we are responsible for controlling our environmental impact, efficient and effective supply chain management is essential. For this reason, we engage with our suppliers to procure goods, services and utilities in a way that delivers value for money over their lifecycle while also protecting communities and the environment.

FOCUS AREA:

Responsible Production and Consumption aims to minimise the environmental and social impacts of our products and services in our supply chain.

Achievements - at a Glance

Zero Waste to landfill for the third consecutive year

Reduction in packaging rate since 2019

Achieved

Top 20 suppliers audited to ensure our materials, services and utilities are purchased from responsible sources

RESPONSIBLE Consumption and Production

2020 Performance



WASTE MANAGEMENT

An Post has been working to reduce waste, and for a third consecutive year, we achieved our target of sending zero waste to landfill in 2020.

Since 2019, we have reduced our packing waste by 11%. This has been achieved by decreasing the amount of packaging created, by making our products reusable, recyclable or compostable. For example, our pre-paid credit cards are bio-degradable and pre-paid posting bags and boxes are made from 100% recycled material.

Reduction in packaging rate since 2019

All An Post external bins are weighed on collection, giving accurate, site-specific, monthly data. This allows us to monitor the amount of waste which is recycled and how much requires further treatment.



CANTEEN WASTE

In An Post's canteens we have continued to eliminate plastic waste where possible. Doing so has helped reduce our environmental impact by saving approximately 6 tonnes of carbon per annum.



Distributors have informed us that manufacturers are in the process of investigating bio degradable alternatives to their current plastic products.

In implementing our Environmental Management System, we have achieved a primary waste recycling target greater than 76%. The remaining 24% is secondary recycled at the waste depot. The reduction in our primary recycling rate in 2020 is due to the changes in our business which have been brought about by COVID-19.



RESTORING NATURE

We have begun the process of determining how we can resolve and restore the effect we have on the environment. An Post was Ireland's first investor in the Woodland Environment Fund. In 2019 over 20,000 trees, including oak, birch and alder, were planted in County Galway. These continue to flourish in 2020.

RESPONSIBLE Consumption and Production



We are committed to conducting business responsibly and advocate for 'sustainable procurement' which is meeting our needs for goods and services by factoring criteria and requirements that relate to social progress, environmental protection and economic development. This is subject to the relevant legislation but in particular insofar as it is proportionate and relevant to the subject matter of the procurement.

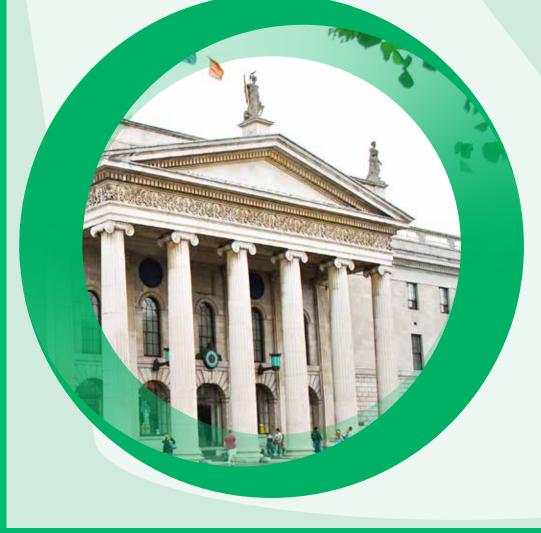
We recognise our responsibility to safeguard the environment and society and are committed to ensuring efficient and sustainable procurement and use of natural resources, including energy, water and consumables.

We have developed our own guidelines for 'green procurement' that are aligned with our SDGs. Having achieved ISO 14001 in 2020, An Post has begun to integrate sustainable procurement into the business.

A Supplier Sustainability Questionnaire was issued to our top 29 suppliers (based on spend and risk) to assess responsible and sustainable business behaviour. This is the first stage in assessing our suppliers against our SDGs.

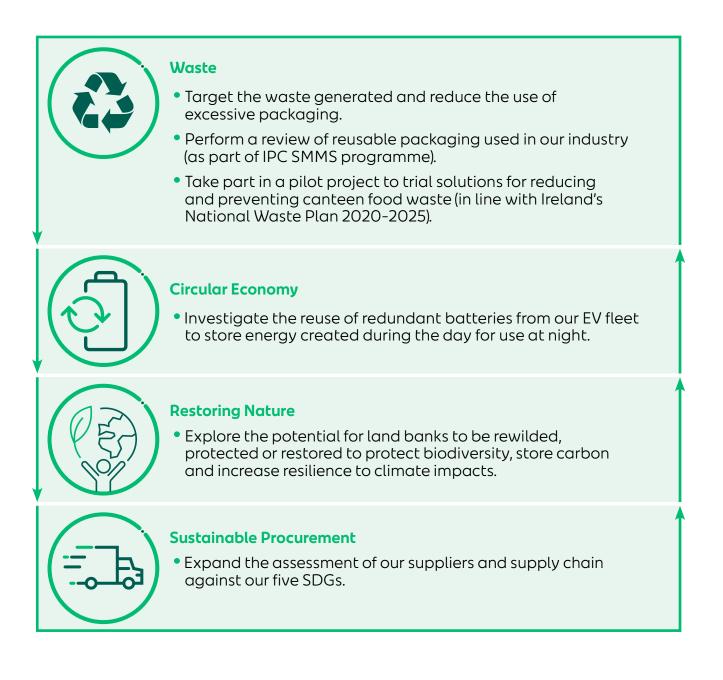
Questionnaire sent to 29 suppliers, 100% response rate.

As we align with ISO 20400, An Post is one of the first public sector companies in Ireland to audit suppliers in relation to decent work, climate action and sustainable production and consumption.



Looking Forward to 2021 and Beyond

In addition to the initiatives discussed above, the following are key areas of focus for 2021 and beyond:



CLIMATE Action

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SDG 13: Climate Action

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zero emissions

CLIMATE Action

Climate Action

UN DEFINITION:

Make urgent action to combat climate change and its impacts.

An Post is acutely aware of the impacts of climate change and the urgency of climate action. That is why we cannot wait until 2050 to get to net zero carbon emissions from our own operations, choosing instead to bring our target forward to 2030. More than making commitments and creating plans, we are delivering climate actions now, and are on track to halve our carbon emissions by 2025. We are committed to leading change in Ireland and creating a healthy environment in which our communities can thrive for generations. This is why we are signatories to the Low Carbon Pledge. We have chosen to bring forward our net zero carbon emissions target from 2050 to 2030.

An Post operates one of Ireland's largest vehicle fleets and has over two million square feet under management in our property portfolio. At the core of our decarbonisation strategy is the transition to a sustainable transport fleet and renewable energy.

FOCUS AREA:

Decarbonise our operations, maximise resource efficiency and support Ireland's transition to a low carbon future.

Achievements - at a Glance



<u>(</u>23%)

2020 Percentage of EVs in fleet

Carbon emission reduction since 2009



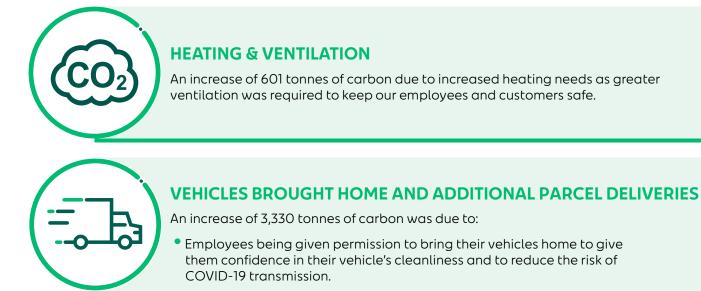
Renewable electricity used in buildings



2020 Performance

How COVID-19 impacted on our 2020 emissions

Since 2009 we have reduced carbon emissions by 23% against a baseline that has been measured and independently verified. However, our emissions increased slightly in 2020. This was due to the impact of COVID-19, specifically:



• Additional parcel deliveries as bricks and mortar retail networks were closed. Although we have increased the number of EVs, diesel vehicles still make up a sizable portion of our fleet with the associated additional carbon emissions.

Carbon emissions are categorised as Scope 1 (e.g. fuel combustion, company vehicles), Scope 2 (e.g. purchased electricity) and Scope 3 (e.g. employee commuting, waste disposal etc). COVID-19 was a key factor in the 15.4% increase of An Post's combined Scope emissions in 2020. Other factors include more emissions driven by higher delivery volumes. A detailed breakdown of the emissions can be found in Appendix 1.

The planned roll-out of additional electric vehicles, eco-driver training and stringent energy management will ensure that emissions reduce in 2021 and get back on track to achieve our carbon emission reduction ambitions.





Transport Fleet

An Post is a pioneer in the procurement and deployment of electric vehicles (EVs) in our light commercial vehicle fleet. In 2020 we increased our number of sustainable vehicles and extended emission-free deliveries to more cities across the country. At the end of 2020, sustainable vehicles made up 28% of our 4,062 strong fleet.

ELECTRIC VEHICLES

Globally, An Post is a pioneer in the procurement and deployment of EVs in our light commercial vehicle fleet. Our goal is to be the postal operator with the world's largest percentage of EVs; we are currently in the top six globally.



With over 1000 EVs purchased to date and 110 electric trikes in operation we now operate Ireland's largest EV fleet.

Our previous objective was to purchase 750 electric vehicles by 2022. With the purchase of 843 light commercial vehicles and 3 electric rigid trucks in 2020, this was exceeded. Our new objective is to increase the number of EVs to 2,000 by 2022. We also procured 32 additional eTrikes in 2020.

EMISSION-FREE DELIVERIES

In 2019 we introduced **emission-free deliveries between the canals in Dublin**. We have extended our emission-free deliveries to include the cities of Kilkenny and Waterford in 2020. Due to COVID-19, the planned extension of emission-free deliveries to Galway, Limerick and Cork cities will not be achieved until 2021.

FLEET EFFICIENCY

In 2020 eco-driver training, the installation of telematics to monitor vehicle usage, and the continual implementation of ISO 50001 improved our transport fleet's efficiency, despite an increase in kilometres travelled.

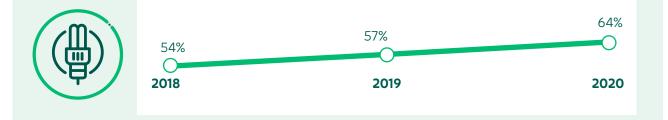
Eco-driver training focuses on safety, the causes of energy losses and how to improve fuel efficiency. This saved 484 tonnes of CO_2 emissions in 2020 and the light commercial fleet efficiency improved from 9.63L / 100km to 9.15L / 100km.

Our previous objective was to train 100% of our drivers in eco-driving by 2022. However, due to COVID-19 restrictions this will not be achieved until 2023. 1012 Electric Vehicles 110 Electric Trikes

Renewable Energy

PERCENTAGE OF BUILDINGS LIGHTING REPLACED WITH ENERGY EFFICIENT LIGHTS

Our objectives: Replace all lighting with energy efficient lighting by 2022



REDUCING ELECTRICITY USAGE

To contribute to our target of reducing electricity use within buildings by 40% by 2022 we have:

- installed energy efficient lighting in all of our Mail Centres
- upgraded energy efficiency external lighting in offices, wherever possible.

ELECTRICITY SOURCED FROM RENEWABLES

To limit carbon emissions within our property portfolio we have continued to ensure that 100% of electricity used in our buildings is certified by our energy provider as being from renewable sources.

PHOTOVOLTAIC PANELS

In 2018 we trialled Photovoltaic Panels (PV) at an An Post property in Monaghan. In 2020 this produced 7,592 KWh which is 22% of the site's electricity requirements. We hope to extend this initiative to more buildings and that PVs will produce our sites' electricity requirements, thereby reducing our overall carbon emissions.

A Spotlight on Renewable Energy: Microgeneration

Finding innovative solutions to the challenge of energy generation and usage is critical in achieving our SDG13 goal. Our ambition is to become a significant generator of renewable energy, by installing 2MW peak of solar energy in our properties.

This will maximise the potential for microgeneration, the small-scale generation of renewable energy. It also builds upon our membership of the Limerick City Exchange Project, Ireland's first microgeneration project. We aim to expand the project's brief to maximise the generation of renewable electricity for use in our own premises and to supply power to local communities.



Looking Forward to 2021 and Beyond

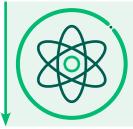
In addition to the initiatives discussed above, the following are key areas of focus for 2021 and beyond:

Property Portfolio

- Convert our LPG heating systems to Bio LPG, saving approximately 180 tonnes of carbon per year.
- Explore the potential of smart energy management systems.
- Begin the process of retrofitting buildings within our property portfolio, improving BER ratings. This includes the replacement of internal lighting with LED.

Electric Vehicle Charging

- Investigate EV home garaging through the installation of charging points at employees' homes, where the installation of chargers is not feasible at An Post premises or if space is constrained.
- Develop an improved charging system to maximise use of night-time charging rates thereby cutting costs.



Science Based Targets initiative (SBTi)

• Develop a programme in 2021 to ensure delivery of our SBTi requirements. We have chosen to align with the more ambitious 1.5°C targets.

Transport Fleet

- Extend our emission-free deliveries to the cities of Cork, Galway and Limerick as well as other urban areas.
- Increase the number of EVs in our fleet to 2000 by 2022.

Appendices

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How we track our progress

We have identified objectives and metrics to monitor our progress in relation to each of the five SDGs to which we are committed. To ensure transparency in our reporting, we have also included an indicator as to our current assessment of the likelihood of achieving the objective within the stated timeframe. This is to acknowledge the fact that many of our targets are ambitious in nature.

 Meets Expectations
Exceeds Expectations
Below Expectations

We have added some new metrics in 2020. No metrics have been removed since we reported in 2019. Some metrics from 2019 have been amended but this has not resulted in any restatement of prior year numbers. Where amendments have been made, the reasons are discussed in the Notes below the table.

SDG	Objective	КРІ	Performance 2018	Performance 2019	Performance 2020	Our Progress
SDG 8: Decent Work and Economic Growth	No zero hour contracts within An Post	Number of Zero Hour Contracts	0	0	0	\longrightarrow
	Reduce employee absenteeism due to injuries year on year	Total Lost Time Injury Rate (per 200,000 hours worked)	5.06 hrs	3.92 hrs	3.15 hrs	
	Reduce road traffic accident rate year on year ^{N1}	Road traffic accident Rate (Rate per Million KM)	0.6 accidents / Million Km	0.602 accidents / Million Km	0.566 accidents/ Million KM	>
	Strive for OHSAS 18001 certification at all An Post sites	% of sites with OHSAS 18001 certification	100%	100%	100%	>
	Increase the proportion of women in senior management positions year on year ^{N2}	% of management positions held by women	73% Male / 27% Female	67% Male / 33% Female	65% Male / 35% Female	
	Reduce the mean gender pay gap	Year on year reduction	n/a	3.7%	1.41%	\longrightarrow
	Maintain minimum 5% disabled representation in workforce	% Disabled Employees	5.20%	5.80%	4.6%	

SDG	Objective	КРІ	Performance 2018	Performance 2019	Performance 2020	Our Progress
SDG 9: Industry, Innovation and Infrastructure	An Post have committed to spending €100m on sustainability capital expenditure by 2025 ^{№3}	Sustainability capital expenditure each year	€750,000	€5,000,000	€16.000,000	
	An Post to be ranked in Top 5 for International Postal Commission SMMS programme ^{N4}	An Post International Postal Commission SMMS programme ranking	10th	10th	12th	
	An Post to be ranked in Top 5 for the Carbon Disclosure Project (CDP) in Ireland	An Post Carbon Disclosure Project Ranking	10th	12th	6th	>
SDG 11: Sustainable Cities and Communities	In rural areas 95% of the population will be within 15km of at least one Post Office	95% of rural population within 15km of at least one Post Office	95% Achieved	95% Achieved	95% Achieved	
	In urban areas 95% of the population will be within 3km of at least one Post Office	95% of urban population within 3km of at least one Post Office	95% Achieved	95% Achieved	95% Achieved	
	Offshore islands will retain their Post Offices	Offshore islands % retention of their Post Office	100% (8 Offshore Island Post Offices)	100% (8 Offshore Island Post Offices)	100% (8 Offshore Island Post Offices)	
	A post office in every community of over 500 people.	% of communities of over 500 with a post office	100%	100%	100%	

SDG	Objective	КРІ	Performance 2018	Performance 2019	Performance 2020	Our Progress
SDG 12: Responsible Consumption and Production	Zero waste to landfill by 2020	Primary Recycling Rate	85.50%	83.50%	76%	
		Secondary Recycling Rate	14.50%	16.50%	24%	
	Reduce water usage 5% annually	% reduction in water usage	An Post are work place a program water usage		31% reduction (80,000+ m ³) compared to 2019	
	Reduce the packaging that An Post place on the Irish market by 5% per annum	% reduction of material waste to market	n/a	18%	11%	
	Achieve and maintain ISO 14000	Has An Post achieved ISO 14000	No	Yes	Yes	>
	Incorporate an auditing programme of our top 20 suppliers	Number of suppliers audited	An Post are working to put in place a programme of auditing our top 20 suppliers for 2020 reporting.		29 Suppliers Audited	
	Ensure materials are purchased from responsible sources, e.g. 100% of paper FSC certified	% of materials purchased from responsible sources	An Post are working to ensure a process is in place to monitor this for 2020 reporting.		Not Achieved. Monitoring system implemented in 2020 for future reporting.	

SDG	Objective	КРІ	Performance 2018	Performance 2019	Performance 2020	Our Progress	
SDG 13: Climate Action	Reduce carbon emissions by 50% by 2025 from 2009 baseline and to net zero from own operations by 2030	Total Carbon Emissions (Scope 1 and Scope 2) ^{№5}	26,383 CO ₂ e	25,459 CO ₂ e (-3.5%)	29,426 CO ₂ e (+15.4%)		
		Total Energy kWh Used	121,136,935 kWh	120,140,280 kWh (-0.8%)	137,289,324 kWh (+14.2%)		
		Emissions from road transport (Tons of NOx, SOx, particulate matter)	190 tonnes	205 tonnes (+7.8%)	246 tonnes (+20%)		
	Achieve calculation and reporting of Scope 3 emissions for An Post by 2020 and for An Post service providers by 2021	Scope 3 Emissions for 1) An Post 2) An Post Service Providers ^{N6}	An Post are activ towards Scope 3 calculation and i	emissions	4,796 tonnes		
	Reduce electricity use within buildings by 40% by 2022 from 2009 baseline	Electricity used within buildings	17,323,658 kWh	16,539,340 kWh (-4.5%)	16,422,164 kWh (-5.2%)		
		Renewable Electricity Used in Buildings	100%	100%	100%	\longrightarrow	
	Replace all lighting with energy efficient lighting by 2022	% of programme complete ^{N7}	54% of buildings lighting replaced with energy efficient lights	57% of buildings lighting replaced with energy efficient lights	64% of buildings lighting replaced with energy efficient lights.		
	2000 electric vehicles by 2022 ^{N8}	Total number of electric vehicles	11	166	1012		
	150 electric trikes by 2022	Total number of electric trikes	0	78	110	>	
	Train 100% of Drivers in eco-driving by 2023 ^{№9}	% of drivers trained in Eco Driving	0%	10.2%	32%		
	All city centre deliveries in Cork, Galway, Kilkenny, Limerick and Waterford to be by electric vehicle by end of 2020 ^{NIO}	% deliveries by electric vehicle in selected cities	0 / 6 Cities	1/6Cities	3 / 6 Cities.		

Notes

- N1 We have amended the metric for the reduction of road traffic accident rates year on year from 'accidents per 10,000 km' to 'accidents per 1million km' to align with our safety reporting standards. This does not result in any restatement of prior year numbers.
- N2 We have amended the objective for the 'increase the proportion of women in management positions year on year' to 'Increase the proportion of women in senior management positions year on year' to align with the description of metrics in the An Post Gender Pay Gap Report. This does not result in any restatement of prior year numbers.
- N3 We have amended the objective for 'spending €100m on sustainability capital expenditure by 2022' to 'spending €100m on sustainability capital expenditure by 2025'. This is due to COVID-19. This does not result in any restatement of prior year numbers.
- N4 We have amended this objective to reflect the fact that during 2020, EMMS changed to SMMS. As part of that change, a broader range of factors was taken into consideration, which stretched beyond the original EMMS focus on climate change. This does not result in any restatement of prior year numbers.
- **N5** Scope 1 emissions are direct emissions from owned or controlled sources 1 (e.g. fuel combustion, company vehicles). Scope 2 emissions are indirect emissions from purchased utilities (e.g. purchased electricity).
- N6 Scope 3 emissions include all sources not within an organisation's scope 1 and 2 boundary (e.g. employee commuting, waste disposal etc).
- N7 We have amended the metric for upgrades to energy efficient lighting. It previously stated '% of buildings with lighting replaced', but a more accurate description is '% of programme complete'. We have done this because some sites have partial upgrades and therefore a description of it as the percentage of programme completed better reflects the work that has been done. This does not result in any restatement of prior year numbers.
- **N8** We have amended the objective to purchase 750 electric vehicles by 2022. With the purchase of 843 light commercial vehicles and 3 electric rigid trucks in 2020 exceeding this original objective, our new objective is to increase the number of EVs to 2,000 by 2022.
- N9 We have amended the objective for eco-driving. It previously stated that 100% of our drivers would be trained in eco-driving by 2022. However, due to COVID-19 restrictions this will not be achieved until 2023.
- N10 Due to COVID-19, the planned extension of emission-free deliveries to Galway, Limerick and Cork cities will not be achieved until 2021.

Appendix 2 Stakeholder Engagement

An Post is at the heart of Irish communities, as well as being one of the largest employers in the state. Our stakeholders are varied and we recognise that their views about our future role in society and the economy are key. Ensuring that we provide them with opportunities to engage with us on the topic of Sustainability is a priority for us.

This is built into all of our stakeholder interactions as we believe Sustainability must be fully embedded within every aspect of the business and not treated as a separate topic.

The following are examples of the interactions we have had with stakeholders during 2020:

GOVERNMENT

We have interacted with Government as we look to support them on the creation and achievement of Ireland's targets as detailed in the:

- Carbon Action Plan 2019
- Carbon Action Plan 2021
- A Waste Action Plan for a Circular Economy Ireland's National Waste Policy 2020-2025
- The Programme for Government
- Project Ireland 2040.

EMPLOYEES

Our employees don't just deliver the post, they deliver innovation and show that sustainability is possible. Our customers see An Post employees driving EVs and providing access to finance for home energy upgrades. Our employees are the best messengers for our commitment to sustainability. Our employee news app, Post People, plays an essential role in giving An Post's employees a voice in developing and executing our sustainability strategy. It also shares news of its initiatives and encourages employee support. Briefings and discussions with management and staff representatives also play a vital role in this process.

CITIZENS

We are helping Irish citizens to adopt more sustainable lifestyles. Through the Green Hub we are providing them with the information, the inspiration and the tools to live more sustainable lives. We seek input from customers on our various initiatives and our overall sustainability agenda, through targeted surveys and market research.

SUPPLIERS

We are auditing our suppliers to make sure that they uphold our values in relation to decent work, climate action, sustainable production and consumption. It is essential that suppliers understand our sustainability goals and actively support us in achieving these now and for generations to come.



Appendix 3 An Post's Material Indicators

CONTINUOUS ASSESSMENT OF OUR MATERIAL ISSUES

In addition to considering the SDGs identified by the International Postal Corporation (IPC) as most relevant for the postal sector, we consistently engage in dialogue with our stakeholders (listed in Appendix 2) to understand their views, worries and expectations. Combining these with An Post's own evaluation of key risks was crucial in identifying a list of potential areas of focus for 2020 and beyond.

We then plotted the areas of interest to stakeholders against our assessed risk to An Post to gain insight into the overall materiality of the areas to An Post. By reconciling the points in the top right quadrant with the 17 UN Sustainable Development Goals, we were able to identify the core SDGs we should focus on. Reassuringly, this exercise confirmed that the SDGs identified by IPC are also those which are most relevant to An Post. At the same time, it must be emphasised that An Post remains committed to advancing all 17 UN SDGs.



Materiality Approach Considerations

Risk to An Post

