

Each week 1.7 million customers visit our 1,164 post offices. Each day we deliver 2.5m mail items to 2.1 million business and residential addresses. The scale of our operations, whether through our mails or retail networks, provides opportunities to make a positive impact on the economy, the environment and society in general.

# SUSTAINABILITY AT AN POST

During 2010 we made strong progress. Sustainability continues to be managed as a strategic project within the Company. A robust and appropriate Governance structure was developed and implemented as well as a formal Energy and Carbon Policy. We invested considerable resources in the continued professional development of our management and staff. We also implemented a number of health-related initiatives. We commenced two new staff engagement programmes, which have both been rigorously evaluated. In each case these have resulted in service improvement.

We continue to focus on making Sustainability a reality within our business strategy. This required the Company to implement:

- Quantitative assessment and linked targets for carbon and energy reduction.
- A number of environmental initiatives designed to reduce carbon output and energy usage and we are working toward achieving a 20% reduction in carbon emissions by 2020.
- Individual energy and carbon targets/metrics in senior manager performance appraisals.
- Qualitative assessment of our internal reporting processes and governance structures including an Executive-level Project Board which provides a mechanism for cross-directorate decision making at manager and director level.
- Collaborative working with government agencies and energy suppliers such as the Sustainable Energy Agency of Ireland (SEAI) and our electricity supplier.

We continue to work with the International Post Corporation (IPC) to benchmark An Post's operations with 20 other postal services across the world; under this benchmarking process we have increased our ranking by six positions over the last two years. This process has endorsed the improvements we have made in management and strategy, target-setting, measurement and verification.

## ENERGY MANAGEMENT

**THE COMPANY HAS A FORMAL ENERGY AND CARBON POLICY WHICH GUIDES US IN REDUCING OUR ENERGY USE AND CARBON EMISSIONS.**

This approach ensures sustained access to diverse energy resources, thereby contributing to the Company's business objectives as well as its reputation. The Policy sets out the ways in which An Post manages and will manage energy consumption, emissions from buildings, transport and operations. In essence this policy encourages the development and implementation of responsible business practice.

While committing the Company to particular targets it will facilitate a management system which aims to integrate energy and emissions into our decision-making and review processes.

## ENERGY USAGE

The heating and lighting of facilities and the use of fuel within our transport fleet comprise the bulk of the Company's energy use.

In 2010, An Post consumed 125MWh of energy, consisting of:

- 21.6MWh of electricity
- 103.4MWh of fossil fuels

In 2010 An Post undertook a range of initiatives to improve its energy performance, including:

- Upgrading the lighting in a number of our offices with motion and light detection, which resulted in 0.8MWh of annual savings.
- Improvements to the heating controls in the GPO, Dublin which resulted in 0.4MWh of annual savings.
- An energy management programme at the Cork Mails Centre. This programme involved improvements to the Building Management System (BMS) system, the replacement of SON lighting with Patina lighting and an upgrade to the gas boilers which resulted in annual savings of 0.2MWh.
- A tendering process for the acquisition of alternative powered vehicles was completed.
- Implementation of a driver management programme was implemented. This resulted in all drivers undergoing a fleet management briefing in general maintenance and the upkeep of their vehicle.
- Implementation of a driver assessment and training programme was also implemented. In 2010, 1,000 drivers were assessed and trained to a minimum standard of advanced driving skills. Altogether, these and other energy-saving measures related to our fleet are producing fuel consumption savings of 5%.

## ACTIONS PLANNED FOR 2011

During 2011 and subsequently, An Post intends to further improve its energy performance by undertaking the following initiatives:

- Achieving certification to the ISO 16001 which will save an estimated 4MWh annually.
- Investing in the lighting upgrade at a further nine offices which will save an estimated 0.5MWh annually.
- Incorporating energy improvements as part of our ongoing building refurbishment programme where practicable using:
  - Solar energy
  - Grey water
  - Gas/LPG (Liquid Petroleum Gas) heating systems
  - Motion and Light detection lighting
  - TRV (Thermostatic Radiator Valve) on all radiator circuits.
- Upgrading the Building Management System in the GPO, Dublin to provide better control of the heating and lighting loads within the building. This action will save an estimated 0.3MWh annually.
- Transferring knowledge gained from last year's energy initiative in the Cork Mails Centre to the Athlone Mails Centre, which will save an estimated 0.2MWh annually.
- Completing a review of the energy usage in our retail offices in order to develop an energy improvement programme for 2012.
- Commencing a pilot project to determine if particular alternative-powered vehicles are suitable to operate in An Post.
- Continuation of the driver management and assessment programme. This programme will result in the assessment and training of a further 1,000 drivers.
- Implementation of a new fleet and driver management information system.

#### **CARBON-RELATED MANAGEMENT**

The IPC represents postal administrations from Europe, Asia Pacific and the US, who together account for 80% of global mail volumes with 275 million addresses, using 600,000 vehicles and over 100,000 facilities.

An Post participates in the IPC Environmental Management and Monitoring System (EMMS) which benchmarks postal operators' performance on carbon management and emissions. This scheme allows us to benchmark our carbon management performance and enables us to communicate changes experienced by the business year on year.

The EMMS tool measures carbon management proficiency across ten specific areas. In 2010 the members of the IPC EMMS achieved an average management proficiency score of 61%. This indicates that both energy management and carbon emissions are a priority for the business. An Post's annual improvement is in line with the IPC sectoral target of 20% reduction by 2020 which indicates steady progress in our energy management and carbon management proficiency.

### **DURING 2010 WE REDUCED OUR CARBON DIOXIDE EMISSIONS BY 9,000T.**

This reduction was facilitated by a switch to 100% renewable electricity.

Our 2010 carbon-related data has been audited by Maplecroft, a leading risk, responsibility and reputation management consultancy. Our Sustainability data is benchmarked and assured by the International Post Corporation (IPC).

#### **OTHER ENVIRONMENTAL INITIATIVES**

In 2010 a company-wide Waste Management System was implemented. This system segregates the Company's waste into appropriate streams. As a result, An Post has achieved a recycling rate of 90% in 2010. A pilot scheme within one mails Delivery Service Unit (DSU) has reduced water charges.

During 2010, the Company decided to use only bio-degradable cleaning products which have also reduced our impact on the environment.

Significant efficiencies are also emerging from the advanced driver training mentioned above, including eco-driver techniques, our fleet retirement policy, fuel management and the use of Ad Blue bio-fuel additive.

A Building Energy Rating (BER) initiative is underway in the Company's largest premises. This is designed to encourage improved energy awareness and usage at each location. Heating and lighting control systems have already achieved savings in the region of €200,000, while simultaneously reducing carbon emissions as indicated above.

#### **WORKPLACE**

Staff development initiatives, designed to better equip our frontline management, administration and operations staff continued. Workshops to be attended by all employees commenced early in 2010. This initiative focused on how staff can work to, and indeed live, the Company's values. The content and format was well received and the outcome deemed to be entirely positive.

The An Post Cycle to Work scheme encourages staff to travel to and from work by bicycle. 675 staff registered for the scheme in 2010, bringing the number of employees availing of the scheme to 1,081.

## COMMUNITY

The Company literacy awareness initiative has already resulted in over 13,000 people, with literacy and numeracy difficulties, looking for help to return to further education. This campaign was refreshed during 2010. We produced three new advertising executions and, following broadcast, numbers responding increased dramatically. In conjunction with the National Adult Literacy Agency we successfully applied to the Labour Market Activation Fund for support to provide online literacy training. This initiative will enable students to acquire a FETAC level qualification online for the first time.

## THE HIGHLY SUCCESSFUL LOG ON, LEARN INITIATIVE WHICH DEALS WITH ISSUES OF DIGITAL EXCLUSION AND INCLUSION AMONG OUR SENIOR CITIZENS CONTINUED.

An Post remains the main sponsor of cycling in Ireland. This position was reinforced by the acquisition of title rights to Ireland's only UCI race event, the An Post Rás, now in its 58th year. The An Post Cycle Series, which is open to cyclists of all abilities, attracted 10,252 participants. The Series runs from May to September and incorporates fun, leisure and serious challenge. It is estimated that the economic benefit to the host communities of Ballyvaughan, Sligo, Trim, Dungarvan and Cork exceeded €2m during 2010. The Series is coordinated by Local Sports Partnerships and supported by the Irish Sports Council.

## THE AN POST MUSEUM

The An Post Museum located in the Company Headquarters was officially opened in July 2010. The exhibition currently on display is entitled Letters, Lives and Liberty. A blend of traditional and digital displays, it was awarded a gold rosette at the 2011 Digital Media Awards.

The museum offers a unique and engaging insight into the history of one of Ireland's oldest and most respected institutions. From stamps and mail boats to the role of GPO staff on Easter Monday 1916, Letters, Lives and Liberty tells the story of how the Post Office has played a vital role in the development of Irish society over the generations.

The audio visuals and interactive displays allow visitors to choose subjects of particular interest as they explore aspects of the Irish Post Office story.

## DISABILITY ACT

The Disability Act, 2005 places a duty on public organisations to ensure that their public buildings and services are, as far as is practicable, accessible to people with disabilities. In particular, those areas of buildings to which the public has access are to be made accessible not later than 2015. Overall, An Post is on target to meet its commitments with regard to access under the Act. The majority of post offices are, however, operated on a contract basis by postmasters and postmistresses appointed by An Post and the Company is not in a position to oblige them to alter their premises. The Company has contacted them; informed them of the requirements of the Disability Act and encouraged them to address any access issues that may exist on their premises. All new contracts require the postmaster or postmistress contractor to provide accessible premises.