

An Post to Transport HQ with Voluntary Severance Programme and HQ Location Review

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An Post is to invite applications for voluntary severance from managers and staff across all its corporate centre and support services next month.

1,200 individuals, most of whom are based in the GPO, will be able to apply for the scheme following a work re-design process, which identified where roles could be eliminated.

Since this is the first significant HQ Voluntary Severance programme for many years it is estimated that 200-300 staff may leave the organisation under recently agreed terms as recommended by the Labour Court.

David McRedmond An Post CEO said:

"The voluntary leaver programme is the latest step in An Post's plan to modernise every aspect of the business as An Post transitions from the old mails world to the new world of e-commerce and digital services. We have made great strides in the frontline delivery service, relaunched our parcels business and reached agreement on the transformation of the post office network. A reshaped HQ will be core to achieving the vision of An Post in the new world."

An Post will also explore options for the future location of its headquarters. The GPO headquarter offices were last refurbished when An Post was created out of the old Posts & Telegraphs in 1984. In addition to exploring refurbishment options for the GPO offices, the Company will explore other locations appropriate to a leading, modern logistics and retailing company. Recognising the historic and social significance of the GPO, An Post will always maintain its main Post Office in the iconic building, regardless of any decision on the location of the Company's HQ.

David McRedmond commented:

"The company is determined to provide office accommodation fit for the business and its employees. The GPO offices are dilapidated and in their current form are no longer fit for purpose as the modern Headquarter of one of Ireland's leading companies. It is 34 years since the last refurbishment and this time lapse far exceeds the accepted norm of 15-20 years for an office refurbishment (and typical depreciation period of 10 years). Initial estimates to refurbish the building are extremely high requiring a budget of tens of millions of euros and will take a long time to complete, especially as much of the building is listed."

"The Board of An Post has agreed that I explore potential alternative locations in addition to the refurbishment option. We have made no decisions yet and will consult with staff, unions and Government (the owner of the GPO). We are proud to call the GPO home but our commitment is to modernise our business for all our customers and our frontline staff."

Earlier this year An Post announced a return to profit and growth, having achieved a 30%



increase in parcel volumes to help offset an 8% decline in traditional mail; and the establishment of two distinct businesses - An Post Mails & Parcels and An Post Retail under the An Post Group. A breakthrough agreement was concluded with the Irish Postmasters' Union for a rejuvenated post office network. Cost-reflective bulk mail tariffs were introduced in April and the Company's Management Board and Senior Management Team have been significantly streamlined.

Key work streams currently underway include brand and digital strategies; and the development of next-generation Financial, Government and e-commerce services.

Source: An Post