
SUSTAINABILITY REPORT 2018

Swiss Post sustainability reporting for 2018

Swiss Post documents its sustainability performance in accordance with GRI Standards. Sustainability means ensuring an appropriate balance between economic success, environmental action and social responsibility. The Global Reporting Initiative (GRI) sets out internationally recognized standards for sustainability reporting, helping to foster transparency and comparability. All standards used are based on the 2016 GRI Standards (GRI publication date). This report was prepared in accordance with the GRI Standards Core option.

Sustainability Report

■ Reporting structure

The Swiss Post annual reporting documents for 2018 consist of:

- Swiss Post Annual Report
- Swiss Post Financial Report (management report, corporate governance, annual financial statements for the Group, Swiss Post Ltd and PostFinance Ltd)
- Sustainability Report (report in accordance with the Global Reporting Initiative guidelines)
- Annual Report key figures

■ Languages

This report is available in English, German, French and Italian.

The German version of the online report is authoritative (www.swisspost.ch/sustainabilityreport).

■ Ordering

Electronic versions of the annual reporting documents are available at www.swisspost.ch/annualreport.

The Annual Report and Financial Report are also available in printed form.

■ Forward-looking statements

This report contains forward-looking statements. They are based on current management estimates and projections, and on the information currently available to management. Forward-looking statements are not intended as guarantees of future performance and results, which remain dependent on many different factors; they are subject to a variety of risks and uncertainties, and are based on assumptions that may not prove accurate.



Dear Reader

Sustainability as an element of corporate responsibility is part of Swiss Post's ethos. This is implemented at our company based on clear principles which are firmly embedded as core values – "reliable", "value-enhancing" and "sustainable". For us, sustainability means ensuring an appropriate balance between economic success, environmental action and social responsibility, while taking account of the needs of current and future generations. By adopting this approach, I firmly believe we are on the right path. We have been named the world's best postal service by the Universal Postal Union on two consecutive occasions. This provides us with motivation and spurs us on to be and remain a pioneer in sustainable development.

To ensure transparent and comparable reporting and to promote dialogue, we review the key issues of sustainability and our corporate responsibility annually in our Sustainability Report.

Our five strategic areas of action – "responsible procurement", "climate and energy", "employees", "circular economy" and "corporate citizenship" – were defined as priorities in 2018. Swiss Post, which has a strong regional presence, is one of Switzerland's biggest employers and makes a significant contribution to the economy. Over the past year alone, 90% of our procurement volume was placed with suppliers in Switzerland. We are on track with our climate objective of increasing our CO₂ efficiency by 25% by 2020 (base year 2010). Swiss Post proactively promotes flexible and location-independent forms of work for employees, enabling them to determine themselves how to balance the various aspects of their lives. To support the circular economy, we recycle Swiss Post clothing and the used batteries from our electric scooters. And with our "2 x Christmas" initiative and cultural support, we make company resources available for the common good. Even though we can be satisfied with what we have achieved, we are already looking ahead to the challenges of the future to ensure we continue to develop in the defined areas of action.

Adopting a sustainable approach to the way we think and act is extremely important to us as a company, as well as to me personally. At Swiss Post, we assume our responsibility towards our employees, our customers, our owner and society.

A handwritten signature in black ink, appearing to read "Ulrich Hurni". The signature is fluid and cursive, written in a professional style.

Ulrich Hurni
Interim CEO



For the Materiality Disclosures Service, GRI Services examined whether the GRI content index is represented clearly and whether the references for disclosures 102-40 to 102-49 correspond to the relevant sections in the Report. The GRI Materiality Disclosures Service was completed for the German online version of the Report (see www.swisspost.ch/gri-index).

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Universal standards

101 Foundation 2016

102 General Disclosures

Organizational profile

102-1: Name of the organization

Swiss Post Ltd

102-2: Activities, brands, products, and services

Swiss Post operates in the communication, logistics, financial services and passenger transport markets. In each market, it offers solutions and products that meet the fundamental needs of business and private customers. Swiss Post operates six executive Group units: PostalNetwork, PostMail, PostLogistics, Swiss Post Solutions, PostBus and PostFinance. Its legal structure comprises the holding company Swiss Post Ltd and its strategic subsidiaries Post CH Ltd, PostBus Ltd and PostFinance Ltd.

Swiss Post's range of services includes the processing of logistics and communication consignments, secure electronic solutions, and financial and mobility services. Within the core business in its four markets, Swiss Post positions itself as a quality provider offering the best value for money. Cross-market solutions create tailor-made customer benefits (e.g. in e-commerce). Swiss Post is constantly developing its products and services in line with the needs of business and private customers. This involves consistently linking the physical and digital worlds, e.g. with cross-channel marketing campaigns or the digitization of incoming mail processing. Together with its customers, Swiss Post is increasingly developing solutions which connect elements right across the Group (e.g. working capital management as a combination of logistics and financial products).

Swiss Post is one of the best-known brands in Switzerland. Thanks to its strong market presence, its brand values are well established among the Swiss population and business customers.

The brand identity and strategy developed and introduced last year, together with the optimized brand identities, were further implemented in day-to-day operations in 2018. The current improvement measures aim to create a customer-oriented experience at all contact points with the Swiss Post core brand and the two flagship brands PostFinance and PostBus. Synergy effects are also achieved and the brands are compellingly brought to life across all the points of contact by means of closely coordinated interplay between the different communication tools in terms of content, form and timing.

References and related documents:

- Financial Report 2018, "Business activities" section, pages 6–11
- Financial Report 2018, "Brands" section, page 10–11

102-3 Location of headquarters

Swiss Post Ltd
Wankdorfallee 4
P.O. Box
3030 Berne
Switzerland

102-4 Location of operations

Swiss Post has its own branches in 19 countries.

References and related documents:

- Financial Report 2018, “Geographical segmentation” section, pages 7–10

102-5 Ownership and legal form

Swiss Post has been structured as a holding company since 26 June 2013. Swiss Post Ltd as the overall holding company is a company limited by shares subject to a special statutory regime solely owned by the Confederation. The organization chart on page 12 of the Financial Report shows the Group’s organizational units. The “Subsidiaries, associates and joint ventures” section on pages 172–180 of the Financial Report outlines the shareholdings.

References and related documents:

- Financial Report 2018, “Group structure and shareholders” section, page 62

102-6: Markets served

References and related documents:

- Financial Report 2018, “Business activities” section, pages 6–11
- Financial Report 2018, “Business performance” section, pages 28–46
- Financial Report 2018, “Segment information” table, pages 143–146

102-7: Scale of the organization

References and related documents:

- Annual Report 2018, “Five-year overview of key figures” table, page 69
- Annual Report 2018, “Our performance in 2018” table and “Markets and segments” section in the front flap of the Annual Report
- Financial Report 2018, “Subsidiaries, associates and joint ventures” section, pages 172–180

102-8 Information on employees and other workers

References and related documents:

- Annual Report key figures 2018, sheet 102, “Headcount” and “Employment conditions” sections
- Annual Report key figures 2018, sheet 203, “Jobs in the regions” section
- Annual Report key figures 2018, sheet 404

102-9: Supply chain

Swiss Post’s procurement organization is divided into three clusters which manage the technical aspects of procurement for the units.

Cluster	High-risk product groups (due to socio-economic and environmental risks) Non-exhaustive list
ICT, Services and products	Hardware Clothing Advertising material and gifts Third-party products
Vehicles, Transport, Maintenance	Tyres Batteries Bodywork parts Goods transport by road through subcontractors Passenger transport by road through subcontractors
Real estate	Cleaning products External cleaning services Orders involving subcontractors

In 2018, 90 percent of the procurement volume was generated with suppliers from Switzerland. Swiss Post worked with 40,036 suppliers from Switzerland and 2,270 from abroad in 2018. The procurement volume amounted to 2,946 million francs.

References and related documents:

- Annual Report key figures 2018, “Supply chain” sheet
- Swiss Post’s procurement strategy: www.swisspost.ch/en/business/a-z-of-subjects/procurement-organization/procurement-policy
- Responsible procurement: www.swisspost.ch/en/about-us/company/responsibility/responsible-procurement

102-10: Significant changes to the organization and its supply chain

References and related documents:

- Financial Report 2018, “Additions and disposals of subsidiaries”, pages 174–175 and “Additions and disposals of associates and joint ventures”, pages 178–179

102-11 Precautionary Principle or approach

Swiss Post has adopted an economically, ecologically and socially responsible approach in order to ensure a better future, is increasing the value of the company and is contributing to sustainable development with forward-looking solutions.

The precautionary principle is applied mainly in order to reduce or prevent negative effects on society and the environment. The corporate responsibility strategy is based on this principle. For Swiss Post, sustainability means ensuring an appropriate balance between economic success, environmental action and social responsibility, while taking account of the needs of current and future generations. On this basis, the company continues to develop its long-term and forward-looking corporate responsibility strategy and pick up on new trends at an early stage.

To ensure its future viability, Swiss Post also operates a professional ideas management system for innovation, new business and sustainability. The relevant department provides methods and tools, as well as help and support for ideas and processes. It also brings selected external knowledge and partners into the company.

102-12: External initiatives

Swiss Post has signed agreements with organizations including United Nations Global Compact, act Cleantech Agentur Schweiz, Fair Wear Foundation, the Environmental Monitoring and Measurement System run by the International Post Corporation and RE100. It is an active contributor to the Confederation: exemplary in energy group.

References and related documents:

- Partnerships: www.post.ch/en/about-us/company/responsibility/our-claim

102-13: Membership of associations

References and related documents:

- Partnerships: www.post.ch/en/about-us/company/responsibility/our-claim

Strategy

102-14: Statement from senior decision-maker

See CEO statement in the Foreword.

References and related documents:

- CR charter: www.post.ch/en/about-us/company/responsibility/our-claim
- Annual Report 2018, “Strategy, transformation and responsibility” section, pages 7–16
- Financial Report 2018, “Corporate responsibility strategy” section, pages 23–25
- Code of Conduct: www.post.ch/-/media/post/ueber-uns/dokumente/verhaltenskodex.pdf?la=en
- Vision: www.post.ch/en/about-us/company/our-principles/vision?query=vision

Ethics and integrity

102-16: Values, principles, standards, and norms of behavior

References and related documents:

- Vision: www.post.ch/en/about-us/company/our-principles/vision?query=vision
- Code of Conduct: www.post.ch/-/media/post/ueber-uns/dokumente/verhaltenskodex.pdf?la=en
- Compliance factsheet: www.post.ch/en/about-us/company/responsibility/our-claim
- Principles of leadership and cooperation: www.post.ch/-/media/post/jobs-und-karriere/dokumente/grundsatzefuehrung.pdf
- Code of Ethics and Social Responsibility for suppliers: www.post.ch/-/media/post/beschaffung/dokumente/sozial-ethik-kodex.pdf?la=en

Governance

102-18 Governance structure

The CEO and the six members of Executive Management are elected by the Board of Directors. Each is responsible for the operational management of the unit assigned to them. The CEO represents Executive Management to the Board of Directors. The Board of Directors has a responsibility to the Federal Council to guarantee the uniform management of Swiss Post and its subsidiaries. The holding company represents the entire Group to the owner and is responsible for ensuring that Swiss Post fulfils the universal service obligation. It is entitled to enlist the help of subsidiaries to do so.

References and related documents:

- Financial Report 2018, “Corporate governance” section, pages 61–75

Stakeholder engagement

102-40: List of stakeholder groups

Swiss Post endeavours to take into consideration the concerns of its stakeholder groups. The main stakeholders relevant to Swiss Post are shown below (non-exhaustive list):

- Federal Council and regulatory authorities
- Cantonal governments
- National Parliament
- Trade unions
- Regional representatives and municipalities
- Business associations
- Consumer protection organizations
- Competitors (International Post Corporation)
- Customers / general public
- Employees

102-41: Collective bargaining agreements

Employees with a collective employment contract are covered by collective agreements without exception. This applies to more than 85 percent of employees. Management employees are instead subject to a management contract.

References and related documents:

– Annual Report key figures 2018, sheet 102, “Employment conditions” section

102-42: Identifying and selecting stakeholders

The factors used as the basis for identification include management of reputational risks, inclusion of second opinions and external views, increased opportunities for joint political advocacy, corporate and operational interests, and economic and diplomatic conventions.

102-43: Approach to stakeholder engagement

Swiss Post operates in a complex environment of conflicting political and regulatory requirements, social acceptance and economic interests. This can be a tense environment, in which Swiss Post strives to maintain a dialogue in order to help shape opinion-forming and decision-making. To do so, it cultivates relationships with its stakeholders in Switzerland and abroad, and with international organizations within which it advocates both its political and operational interests. Swiss Post's experts ensure that key representatives from the worlds of politics, economics and society are informed directly of Swiss Post's position on relevant issues, and maintain an ongoing dialogue with them. Views are exchanged in face-to-face meetings or via institutionalized platforms. In addition, Swiss Post is looking to further anchor and expand communications in the different regions of Switzerland and has set up a dedicated organizational unit that offers the regions in French-speaking Switzerland, German-speaking Switzerland and Ticino direct contacts for media and political issues. As part of the development of the postal network, more than 500 discussions with local municipalities, over 270 public information events and 52 discussions with cantons have been held since 2017.

Some of the ways in which stakeholders are involved include meetings and membership and participation in various organizations, institutions and initiatives. At the same time, the specialized Public & International Affairs department and the Human Resources and Communication units are in regular and intensive discussion with the groups listed under 102-40. This ensures that concerns are brought to the attention of Swiss Post at all times and that opinions and sentiments, particularly among employees and customers, can be gathered regularly and in a standardized procedure. Stakeholders are also involved via a stakeholder board (Salon Politique).

The approach to stakeholders is presented to and approved by the decision-making bodies on an annual basis. The approach itself is confidential and is not published.

102-44: Key topics and concerns raised

The current and future need for the transformation of Swiss Post as a link between the physical and digital worlds remains a key issue in the stakeholder dialogue, as does the customer-oriented ongoing development of the network of access points. In addition, the importance accorded to and role played by Swiss Post in the public service in Switzerland was demonstrated in dialogue with the various groups.

References and related documents:

– Swiss Post and public affairs: www.post.ch/en/about-us/subjects/public-and-international-affairs
– Swiss Post positions: www.post.ch/en/about-us/subjects/position-papers

Reporting practice

102-45: Entities included in the consolidated financial statements

The reporting boundaries for this Sustainability Report extend to Swiss Post Ltd (Post CH Ltd, PostBus Ltd), but do not include PostFinance Ltd. However, most quantitative indicators were collected for Swiss Post Ltd as a whole, i.e. including PostFinance Ltd.

References and related documents:

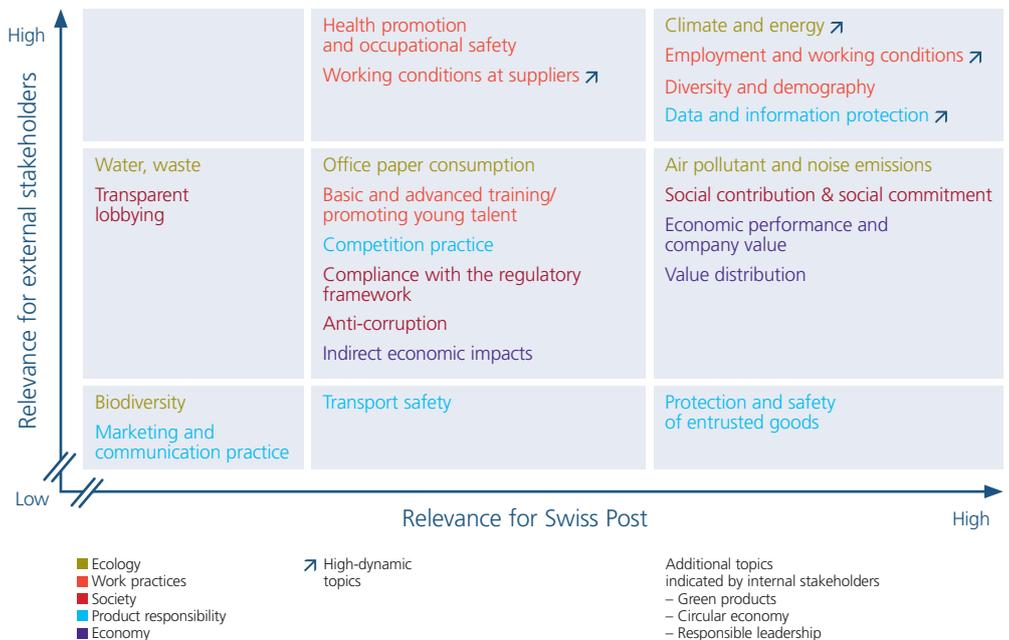
- Financial Report 2018, “Subsidiaries, associates and joint ventures” section, pages 172–180
- Financial Report 2018, “Group annual financial statements” section, pages 84–99 (Basis of accounting)

102-46: Defining report content and topic Boundaries

Ten material topics which Swiss Post is focusing on in the current strategy period were identified during the preparation of the Swiss Post relevance matrix in association with internal and external stakeholders. The result is based on contributions by private and business customers, federal offices, parties, trade unions and NGOs, and members of Executive Management during interviews and focus groups, and applies to Post CH Ltd and PostBus Ltd. The dialogues provided input for the determination of the content of the report and communication, and also for the definition of the target groups (stakeholders) for the report. This Sustainability Report is based on this relevance matrix, which is currently being fully revised. The results will be integrated into the next strategy period and into Swiss Post’s 2019 Sustainability Report.

The aspects covered in the three most important areas are considered essential for this Sustainability Report. The assignment to GRI aspects is listed under 102-47.

Relevance matrix



The report also sets out positions on environmental, social and governance cases that are considered relevant by external sources.

102-47: List of material topics

Material topics for Swiss Post	GRI aspects
Economic performance and company value, value distribution	Economic Performance
Employment and working conditions Diversity and demography	Market Presence, Employment, Labor/Management Relations Diversity and Equal Opportunity, Non-discrimination, Freedom of Association and Collective Bargaining, Human Rights Assessment
Working conditions at suppliers	Supplier Social Assessment Child Labor, Forced or Compulsory Labor
Basic and advanced training/promoting young talent	Training and Education
Data and information protection	Customer Privacy
Compliance with the regulatory framework	Compliance
Health promotion and occupational safety	Occupational Health and Safety
Indirect economic impacts Social contribution and commitment	Indirect economic impact, Local Communities
Climate and energy, air pollutant and noise emissions	Energy, Emissions, products and services Ecology as a whole, Supplier Environmental Assessment
Anti-corruption	Anti-corruption
Competition practice	Anti-competitive Behavior

102-48: Restatements of information

There are no changes compared to the Integrated Annual Report for the prior year.

102-49: Changes in reporting

There are no changes in reporting compared to the prior year.

Report profile

102-50: Reporting period

The content of this report refers to the financial year 2018 (1 January to 31 December 2018).

102-51: Date of most recent report

The last Integrated Annual Report was published for the financial year 2017 on 8 March 2018.

102-52: Reporting cycle

Annually.

102-53: Contact point for questions regarding the report

E-mail: responsibility@swisspost.ch

Tel. +41 58 338 11 11

Media relations +41 58 338 13 07

102-54: Claims of reporting in accordance with the GRI Standards

This report was prepared in accordance with the GRI Standards Core option.

102-55: GRI content index

See the GRI table of contents in the authoritative online version of this report at www.swisspost.ch/gri-index.

102-56: External assurance

Greenhouse gas performance is audited externally and includes: 305-1, 305-2, 305-3 and their basis, including 302-1, 302-2.

References and related documents:

– Assurance report on greenhouse gas performance: www.post.ch/en/about-us/company/responsibility/our-claim

103 Management Approach

103-1: Explanation of the material topic and its Boundary

Material topics for the report were determined by using an internal and external stakeholder survey and presented in the relevance matrix for Post CH Ltd and PostBus Ltd (see aspect 102-46).

Material topics which have an impact within Swiss Post's company boundaries include employment and working conditions, health promotion and workplace safety, diversity and demography, climate and energy, as well as air pollutant and noise emissions with directly generated emissions, economic performance and company value, value distribution, data and information protection, and social contribution and commitment.

For some topics, the extent and influence on the impact are outside Swiss Post's company boundaries. Important examples of material topics are indirectly generated greenhouse gas, air pollutant and noise emissions, working conditions at suppliers and social contribution and commitment. As far as is possible, improvements to Swiss Post's sustainability performance with respect to these topics are already being achieved indirectly.

103-2 as well as 103-3: The management approach and its components as well as evaluation

The Corporate Responsibility (CR) department is responsible for coordinating and implementing the Group's corporate responsibility strategy. It also helps the units to implement all material topics related to sustainability. In cooperation with the Sustainability Technical Committee and specialist groups, it develops, implements and reviews the effectiveness of measures for the CR strategy. Members of management from each business and function unit sit on the Sustainability Technical Committee.

The corporate responsibility strategy was developed in association with internal and external stakeholders and implemented together with the units. In the current strategy period from 2017 to 2020, Swiss Post is placing particular emphasis on the following five areas of action: responsible procurement, climate and energy, employees, circular economy and corporate citizenship.

A broadly-based network of sustainability ambassadors from across the entire company presents, discusses and promotes issues related to corporate responsibility. This is a vibrant community open to all employees, and it enjoys a great deal of popularity. Innovation Management gives all employees the opportunity to submit their personal ideas for improving Swiss Post's environmental and social efforts.

Economic Performance, company value, value distribution, and market presence

In order to meet customer requirements now and in the future, Swiss Post is pursuing a transformation strategy until 2020. Its aim is to complete a transformation by 2020 that will enable it to offer

solutions that meet the customer requirements of the future. Swiss Post's strategy is based on its statutory mandate, the strategic goals set by the Federal Council and Swiss Post's vision. The strategy consists of four strategic thrusts for achieving the specified targets (Swiss Post's strategic goals): transformation, growth, optimization and regulatory conditions. Swiss Post is considering growth options that could be achieved through new business models in seven growth and business development areas.

Changing customer requirements are the basis for Swiss Post's actions. Based on its capacities in communication, logistics, financial services and passenger transport, Swiss Post increasingly represents integrated solutions and continues to offer individual products and services in modular form. Swiss Post regards the world as interlinked and builds bridges between physical and digital channels. It wants to win over customers by offering them products that are both easy to access and easy to use, while creating a consistent customer experience across all its points of contact. This will enable Swiss Post to develop and maintain a high-quality universal service.

In order to implement its vision, Swiss Post's actions are guided by its core values "reliable", "value-enhancing" and "sustainable".

Effectiveness and results

In the first year of strategy implementation, Swiss Post not only defended its leading market positions, but also successfully developed them. Switzerland benefits from an efficient universal service offering postal services and payment transactions. The value added by other products and services is communicated to the general public and other companies. Swiss Post trains more than 2,000 apprentices each year.

References and related documents:

- Financial Report 2018, "2020 Swiss Post strategy" section, pages 16–22
- Financial Report 2018, "Non-financial results of a material nature" section, pages 47–53
- Sponsorship overview: www.swisspost.ch/sponsoring
- Financial Report 2018, "Corporate responsibility strategy" section, pages 23–25
- Jobs and careers, apprenticeships: www.post.ch/en/about-us/a-z-of-topics/jobs-and-careers

Local Communities

Swiss Post is a regionally anchored company. It is an important employer in mountain regions and other rural areas, offering just under 18,000 jobs – in delivery, in branches and in customer service. It makes its contribution to striking a balance between town and country and between economically stronger and weaker regions. Where major transformations to Swiss Post are required and in the customer-oriented ongoing development of the network of access points, Swiss Post involves key stakeholders early and intensively. To accommodate this, it is further expanding communication in the regions.

Employment and working conditions, diversity and demography

Swiss Post's HR policy defines the rules for fair interaction in a spirit of partnership and lays down binding HR policy guidelines. At the same time, it sets out what Swiss Post expects as an employer from its management, its line managers and its employees in Switzerland and abroad. All employees receive the "Swiss Post Code of Conduct" with their employment contract. Suppliers must sign the Code of Ethics and Social Responsibility, which includes the Fundamental Conventions of the International Labour Organization.

Swiss Post creates an operating framework which empowers staff members to combine the different aspects of their lives, to continue developing, and to remain fit and efficient in a rapidly changing working environment. As a founding member of the Work Smart Initiative, Swiss Post actively promotes flexible and location-independent forms of work. These include flexible working models such as part-time work, teleworking and job sharing, which are used by more than half of employees. Swiss Post also contributes around 1.3 million francs towards external childcare, helping employees to achieve a good work-life balance. Swiss Post consistently advertises management positions with an employment level of 80 to 100 percent, with the particular intention of promoting part-time work and the percentage of women in management roles.

It also implements a number of measures to ensure that Swiss Post's increasingly ageing workforce remains healthy and employable. These include flexible models for retirement and the promotion of bridge employment and flexible working time models. In 2019, special focus will be placed on options for employees in physically demanding positions. Measures for operational staff of all ages are evaluated with regard to health promotion, qualification and advanced training, internal mobility, work design and working time models.

In accordance with the provisions set out in the Postal Services Organization Act, Swiss Post negotiates the framework conditions for the relationship between company and employees with the contracting trade unions syndicom and transfair. The labour law principles governing Swiss Post staff are based on the Swiss Code of Obligations (with reference to the Employment Act, or the Working Hours Act for PostBus). The majority of employees have signed one of the current nine collective employment contracts (CECs), which are continually being developed in partnership and are accessible to the public. The cooperative relationship between employer and employee associations allows for consensual solutions. In conjunction with its social partners, Swiss Post is always seeking forward-looking solutions in the interests of customers, employees and the company.

References and related documents:

- Swiss Post human resources policy: www.swisspost.ch/-/media/post/jobs-und-karriere/dokumente/personalpolitik.pdf
- Employment conditions and Swiss Post collective employment contracts: www.post.ch/en/about-us/a-z-of-topics/jobs-and-careers/swiss-post-working-environment/employment-conditions-at-swiss-post
- Code of Conduct: www.post.ch/-/media/post/ueber-uns/dokumente/verhaltenskodex.pdf?la=en
- Code of Ethics and Social Responsibility: www.post.ch/-/media/post/beschaffung/dokumente/sozial-ethik-kodex.pdf?la=en
- Annual Report 2018, "Employees" section, pages 55–58
- Diversity at Swiss Post: www.post.ch/en/about-us/a-z-of-topics/jobs-and-careers/swiss-post-working-environment/diversity-at-swiss-post

Working conditions at suppliers

As one of the five areas of action in the 2017–2020 corporate responsibility strategy, responsible procurement is a top priority at Swiss Post. It falls under the responsibilities of the procurement organization. Responsible procurement is also anchored in the procurement strategy as one of five strategic thrusts and is therefore part of the responsibilities of all employees in Swiss Post's procurement organization. In all product groups and along the entire Swiss Post value chain, social, ethical and environmental criteria play an important role, in particular procurement practices, child and forced labour, human rights and social and environmental assessment of suppliers. As part of the process of developing Swiss Post procurement into a leading, responsible procurement organization, Swiss Post prefers partners who base their business policy on a holistic approach. Unsustainable procurement involves risks along the entire value chain for people, the environment and Swiss Post alike.

The majority of suppliers have already signed Swiss Post's Code of Ethics and Social Responsibility or undertaken to produce a more far-reaching code of their own. Among other things, the Swiss Post code calls for respect for human rights, the prohibition of child labour, adequate remuneration, and observation of Swiss Post's ecological principles. In addition, the Code of Ethics and Social Responsibility points to further Swiss and international standards for the protection of workers with respect to services rendered in Switzerland or abroad. For clothing suppliers, it also contains the contact addresses of the Fair Wear Foundation for complaints. These suppliers are required to display the Code of Ethics and Social Responsibility at their premises in the respective national language.

In 2017, general corporate responsibility criteria and criteria specific to product groups were defined and integrated consistently into the procurement criteria catalogue for each product group. Since 2017, these criteria have been integrated into all public invitations to tender. Also since 2017, Swiss Post has been working with EcoVadis, an independent organization where suppliers are assessed and state their position on their social and environmental business practices. Over the course of the next few years, this will enable Swiss Post to carry out standardized risk analysis and assessment and to continue developing cooperation with its partners. The aim is for the most important suppliers from a strategic perspective, of which there are around 240, to be assessed by 2020. The process has already been completed for over half of them (as at end of 2018: 121 suppliers). Swiss Post plans to

integrate the findings into the Corrective Action Plan and to use them to develop measures to improve suppliers' corporate responsibility performance.

Given that in the clothing sector in particular the risks in terms of socially responsible procurement are high, Swiss Post has taken far-reaching measures in this area, becoming the first major Swiss company to join the globally active Fair Wear Foundation (FWF) in 2012. Since 2014, Swiss Post has been awarded Leader status every year. By becoming a member of the FWF, Swiss Post is committed to strict inspection and sustainable implementation of social standards at its clothing suppliers. It has raised awareness of the FWF Code of Labour Practices among management and employees alike. The FWF carries out inspections of social standards and training on behalf of Swiss Post in the high-risk country of Bulgaria, which accounted for 35 percent of the procurement volume for clothing in 2018. In low-risk countries, which account for 65 percent of the procurement volume, both social standards inspections and training on the Code of Ethics and Social Responsibility and the FWF's Code of Labour Practices are conducted at factories every three years by Swiss Post itself. The remaining inspection work and training is done by Better Work, a programme by the International Labour Organization (ILO) and the International Finance Corporation (IFC), in Jordan. This accounts for six percent of total volume.

Social and ecological criteria have also been verified during audits in the transport sector since 2016. In 2019, Swiss Post plans to continue its internal training sessions to raise awareness within the procurement organization and is investigating the possibility of focusing these sessions on ISO 20400 in order to further optimize procurement processes. The planned integration of sustainability criteria into target agreements was postponed until 2019.

Effectiveness and results

The suppliers of key product groups have signed the Swiss Post Code of Ethics and Social Responsibility. Responsible procurement is an integral part of our approach to risk management in the context of supplier management. Building on this, corporate responsibility criteria were formulated and have already been incorporated into the procurement processes. There are criteria catalogues for specific product groups that make it easier for buyers and suppliers to make more sustainable decisions.

By the end of 2015, 100 percent of the Swiss Post procurement volume for work clothing was inspected, and this inspection is repeated at least every three years. During visits to local production facilities, Swiss Post also provided training for employees regarding their rights and the eight ILO standards. Swiss Post performs well: the work conditions at the production sites are good; the entire supply chain – from the material to the finished item of clothing – boasts full cost transparency, and no complaints have been reported to the FWF or Swiss Post by workers in the factories of Swiss Post's suppliers. At PostBus, 100 percent of all subcontractors have been audited, and at PostLogistics, the figure is 83 percent.

References and related documents:

- Financial Report 2018: "Responsible procurement" strategy section, pages 23–24
- Code of Ethics and Social Responsibility: www.post.ch/-/media/post/beschaffung/dokumente/sozial-ethik-kodex.pdf?la=en
- Procurement strategy: www.swisspost.ch/beschaffung/dokumente/beschaffungsstrategie.pdf
- Responsible procurement: www.post.ch/en/business/a-z-of-subjects/procurement-organization/responsible-procurement
- Corporate responsibility charter: www.post.ch/en/about-us/company/responsibility/our-claim

Health promotion and occupational safety

Ensuring the health and safety of employees is a key concern at Swiss Post. It relies on a number of measures to preserve and increase employees' working capacity in the long term. Workplace health management aims to promote and maintain employee health. It is essential to establish a healthy management and working culture based on appreciation, respect and transparency. Management training courses are therefore at the very top of Swiss Post's agenda for the next few years. The same applies to the prevention of absences and rapid reintegration after illness. These measures are supplemented by well-established health circles and ambassadors, possibilities for career reorientation and internal company counselling, which can help resolve private and professional conflicts and concerns neutrally and confidentially.

Swiss Post runs a so-called operating group solution to guarantee safe jobs for all Swiss Post employees. This ensures compliance with all the legal requirements relating to occupational safety and health protection. The operating group solution has been agreed with the trade unions and certified by the relevant authorities. It is constantly verified during external inspections by cantonal labour inspectors and the Swiss National Accident Insurance Fund (Suva). It is implemented in the occupational safety systems of the Group units, which are managed and developed by trained occupational health and safety specialists (ASGS). These systems are also certified in accordance with OHSAS 18001 at Real Estate Management and Services and PostLogistics. The relevant specialist units are coordinated by specialist groups, which meet on a monthly basis. An annual meeting of representatives is held in order to allow information to be exchanged between Swiss Post, the trade unions, external occupational safety and health specialists and the supervisory bodies.

The relevant Corporate Security unit conducts annual system audits to verify the effectiveness of the operating group solution, while the units carry out regular safety audits and training courses on their sites. Accident and illness figures are evaluated monthly as well as being included in annual consolidated Group reporting.

Effectiveness and results

Presence management helps line managers to approach employees promptly in the event of repeated short- or long-term absences and to define measures (in association with HR consulting where appropriate) that allow employees to return to their original or a new workplace quickly and in an appropriate manner. Key indicators, such as the number of occupational accidents per 100 full-time equivalents and the number of lost days per occupational accident, are analysed at least once a year by the ASGS specialist units. Tripping and falling remains by far the most common cause of accidents, but targeted awareness-raising measures are having an effect. In 2017, after a thorough and independent review of the implementation of health management by Health Promotion Switzerland, Swiss Post received the "Friendly Work Space" label for the third time in a row.

References and related documents:

- Annual Report key figures 2018, "Health management" sheet
- Swiss Post's commitment to its staff: www.post.ch/en/about-us/a-z-of-topics/jobs-and-careers/swiss-post-working-environment/swiss-post-commitment
- www.friendlyworkspace.ch

Social contribution and commitment

As a government-owned company with a long social tradition, Swiss Post supports charitable projects and institutions, particularly in the corporate citizenship area of action of the corporate responsibility strategy. Swiss Post wants to contribute to solving social or environmental challenges and create added value for society.

The Federal Council expects Swiss Post to provide a high-quality universal service comprising postal services and payment transaction services throughout Switzerland. Swiss Post should offer a high standard of marketable, innovative products, services and solutions in both physical and electronic form in its core business in the communication, logistics, financial services and passenger transport markets. Within its operating confines, Swiss Post should pursue a corporate strategy committed to ethical and sustainable principles and take account of regional concerns in the various areas of the country in its organizational structure. Its human resources policy should be progressive and socially responsible, and its employment conditions attractive. In addition, Swiss Post must involve any community affected by the relocation or closure of a branch (see also 413-2).

Effectiveness and results

- With its 2 x Christmas campaign for people in need in Switzerland and abroad, Swiss Post transports parcels free of charge to the Swiss Red Cross (SRK) logistics center, where donations are sorted by Swiss Post employees and volunteers.
- "Santa Claus campaign": Swiss Post helps Santa Claus to answer the letters of thousands of children each year.
- "A second lease of life for Swiss Post clothes": work clothing that is no longer used is collected and donated to the SRK; some items of clothing that can no longer be worn are made into bags or laptop covers.

- Employees have a range of opportunities to volunteer, for instance by taking part in the 2 x Christmas campaign, carrying out maintenance work on Swiss hiking trails or working on the energy education project “Each cell counts – schools generate solar power!”
- Swiss Post supports young Swiss artists, for example by maintaining its own art collection.
- Swiss Post supports foundations such as Pro Patria or Pro Juventute as well as other projects and institutions with a focus on social, cultural or youth work thanks to its postage stamp fund or the issue of stamps with a surcharge.

References and related documents:

- Annual Report 2018, “Responsibility” section, pages 15–16
- Financial Report 2018, “Corporate responsibility strategy” strategy section, pages 23–25
- Sponsorship overview: www.swisspost.ch/sponsoring
- Support: www.post.ch/en/about-us/company/responsibility/commitment-and-support
- Swiss Post position paper “The new postal legislation”: www.post.ch/-/media/post/ueber-uns/dokumente/positionspapier-postorganisationsgesetz-2011.pdf?la=en
- Swiss Post position paper “Public service for Switzerland: Swiss Post’s universal service obligation”: www.post.ch/en/about-us/subjects/position-papers/universal-service

Climate and energy, air pollutant and noise emissions

The climate and energy goals are derived from the strategy, thrusts and goals. In particular, the Group goal is to increase CO₂ efficiency by at least 25 percent by 2020 (base year 2010).

The units can submit applications for financial support for pilot and flagship projects to the Executive Management Committee Innovation, New Business & Sustainability. Furthermore, the funds from the redistribution of the CO₂ levy are earmarked for reinvestment in climate protection. In addition, the management systems of the operating units Real Estate, PostLogistics and Swiss Post Solutions are certified in accordance with ISO 14001 and are thus committed to continuous improvement.

Effectiveness and results

Swiss Post’s climate goal is geared to the long term and is in line with the objective of stabilizing global warming to well below 2 degrees Celsius by 2100 compared to pre-industrial levels. Swiss Post is thus fulfilling its corporate responsibility to reduce CO₂ emissions for the benefit of the environment and society, and, in turn, helping to alleviate the effects of climate change. In addition, Swiss Post seeks to anticipate the risks of future climate change and exploit the opportunities in this regard. Swiss Post is safeguarding its commercial success by pursuing the following priorities in reducing CO₂ emissions: sufficiency, efficiency, substitution (replacing fossil fuel sources) and offsetting of CO₂ emissions.

Achievement of the Group objective “Increase CO₂ efficiency by 25 percent by 2020 (base year 2010)” is on track. This is also reflected in external ratings such as the Environmental Measurement and Monitoring System (EMMS) run by the International Post Corporation (IPC), with Swiss Post registering a further improvement in its Carbon Management Proficiency Score and being awarded the gold rating for the third time in a row in 2018. Many key figures class Swiss Post as one of the leading companies within the IPC – for example, with regard to the proportion of renewable electricity and the use of alternative drive technologies in its vehicle fleet.

In the CDP Supply Chain Rating, Swiss Post achieved the second-highest status of A-. This is a substantial improvement for the company year-on-year and means that it lies well above the industry average. According to CDP, Swiss Post operates “coordinated action in matters of climate change anchored in management.”

References and related documents:

- Annual Report 2018, “Responsibility” section, pages 15–16
- Financial Report 2018, “2020 Swiss Post strategy” section, pages 16–22
- Financial Report 2018, “Corporate responsibility strategy” section, pages 23–25
- Annual Report key figures 2018, sheet 305
- Environmental and climate protection: www.post.ch/en/about-us/company/responsibility
-> For the environment

Compliance, data and information protection

The issue of compliance is one of the responsibilities of the Board of Directors and has a high priority at Swiss Post. Executive Management has set up a technical committee on the subject. The committee reports to Executive Management or the Board of Directors on a regular basis. The basic principles of ethical cooperation – as the basis of compliance – are set out in the Code of Conduct, which is binding for all employees.

The compliance portfolio drawn up by the technical committee is the result of a comprehensive analysis of the risks arising from the violation of prohibitory and regulatory standards which is carried out periodically. The portfolio currently covers the topics of data and information protection, anti-corruption, public procurement law, anti-trust law, postal law and subsidy law. Compliance programmes are developed for each topic covered by the compliance portfolio, in which the measures required to minimize the risks of breaches of standards and regulations are defined for each topic. At the heart of these measures are clear communication, systematic training in the individual topics and compliance controls. The compliance programmes are regularly reviewed in terms of their effectiveness and adapted.

The compliance management system has been continually built on and expanded since 2016. An audit carried out by an external company in 2018 confirmed its appropriateness and validated the planned development stages. Monitoring is currently carried out in constant dialogue with all affected units and in the implementation of the processes. In addition, exposed units are also ISO 9001- and ISO 14001-certified and are therefore externally audited at least once a year.

All management employees and selected technical specialists are trained and made aware of compliance issues via e-learning training courses, including learning assessments. The compliance management system is thoroughly documented and is accessible to all employees on the intranet. Executive Management and the Board of Directors are updated on the latest situation in a status report every six months. It is possible for all employees and customers to report violations anonymously.

Protection of customer, supplier and employee data is an important topic within the Swiss Post compliance system. Swiss Post has a comprehensive data protection programme which is compulsory for the entire Group. This includes a data protection organization that ensures that relevant laws and internal directives are adhered to.

Effectiveness and results

The effectiveness of the compliance management system is reviewed regularly and the necessary modifications are made. In 2018, no proceedings were opened in connection with data protection breaches at Swiss Post.

References and related documents:

- Annual Report 2018, “Corporate Governance” section, pages 59–67
- Compliance factsheet: www.post.ch/en/about-us/company/responsibility/our-claim
- Swiss Post’s anonymous reporting unit: www.swisspostcourage.ch
- Code of Conduct: www.post.ch/-/media/post/ueber-uns/dokumente/verhaltenskodex.pdf?la=en

Circular economy

The circular economy focuses on reusable materials and products that can remain in use for as long as possible. Swiss Post wants to promote and support a resource-friendly and circular economy with its products and skills, and is setting up new strategic business areas and partnerships for this purpose. Swiss Post’s services help to increase the recycling rate of resources, thereby ensuring that consumption in Switzerland is more responsible towards future generations. It is particularly committed to recycling selected reusable materials, repairing and reusing devices and work resources, and encouraging opportunities for sharing (known as the sharing economy). This enables Swiss Post to tap into new logistics potential.

Effectiveness and results

- Swiss Post collects used Nespresso coffee capsules from customers’ homes for recycling. It takes back PET bottles, carrier bags and cardboard packaging when exchanging e-food orders (e.g. coop@home) and disposes of them correctly.

- It collects used paper on behalf of municipalities and recovers everyday items and textiles for reuse and recycling in partnership with institutions such as Brocki or Texaid.
- Anyone borrowing an item such as a drill on the Sharely platform can have it sent to them via the many access points Swiss Post offers.
- Internal disposal processes are optimized. Swiss Post collects and recycles old Swiss Post clothing in cooperation with the Swiss Red Cross.
- Swiss Post is conducting a pilot project in which old batteries from electric scooters are used as energy storage units in buildings with solar systems.

References and related documents:

- Annual Report 2018, “Responsibility” strategy section, pages 15–16
- Financial Report 2018, “Circular economy” strategy section, pages 24–25
- Annual Report 2018, “Business performance Group” section, page 21
- Annual Report 2018, “Business performance PostMail” section, pages 24 and 27

Specific standards

200 Economic Disclosures

GRI 201: Economic Performance

201-1: Direct economic value generated and distributed

References and related documents:

- Annual Report key figures 2018, sheet 201, “Financial result” and “Distribution of added value” sections

201-2: Financial implications and other risks and opportunities due to climate change

The scarcity of natural resources is raising awareness about environmental sustainability among customers, investors and legislators. Demand for sustainable products is on the rise. An optimum mix of energy efficiency and renewable energy is becoming a critical factor for companies seeking to combat escalating costs or, in certain cases, to gain new competitive advantages.

A quantification of the financial consequences of climate change for Swiss Post is not seen as constructive, with Swiss Post instead focusing on capturing greenhouse gases and measures for the reduction of greenhouse gases. In addition, Swiss Post seeks to anticipate the risks of future climate change, exploit the opportunities in this regard and examine possible measures for adaptation to climate change.

References and related documents:

- Financial Report 2018, “Non-financial results of a material nature” section, pages 51–53

201-3: Defined benefit plan obligations and other retirement plans

The Group’s own employee benefits institution, the Swiss Post pension fund, insures around 41,300 Swiss Post employees in Switzerland and pays 650 million francs in pensions to around 30,000 people each year. The level of cover stood at just over 100 percent at the end of 2018.

Swiss Post insures its employees with various pension plans in Switzerland. Pension benefits are based on the insured salary and retirement assets. On taking retirement, insurees can choose between drawing a lifetime pension or withdrawing a lump-sum capital payment. In addition to retirement benefits, employee benefits also include disability and survivors’ benefits, which are calculated as a percentage of the insured salary. Insurees also have the option of buying back pension benefits to improve their retirement situation, up to the regulatory maximum amount, or of withdrawing money early to purchase their home.

The benefits paid by the Swiss Post pension fund exceed the statutory minimum level. The standard retirement age is 65.

References and related documents:

- Financial Report 2018, “Staff pension plan” section, pages 149–155
- Financial Report 2018, “Retirement planning, social insurance” section, page 51 and “Cover status”, page 153
- Annual Report key figures 2018, sheet 201, “Pension fund” section
- The rights and obligations of beneficiaries of the Swiss Post pension fund and of the employer are governed by the employee benefit regulations: www.pkpost.ch/data/docs/de/1485/PKPostVSR-de-def-20130528.pdf

201-4: Financial assistance received from government

References and related documents:

- Financial Report 2018, “State compensatory payments” section, page 144

GRI 202: Market presence

202-1: Ratios of standard entry level wage by gender compared to local minimum wage

The main business sites are located in Switzerland (85 percent of employees). More than 85 percent of employees have employment contracts based on one of the current nine collective employment contracts, which were negotiated in detail with the contracting trade unions syndicom and transfair. These contracts usually contain binding salary bands for each level and require compliance with the applicable minimum wage.

References and related documents:

- Annual Report key figures 2018, sheet 201, “Employment conditions” section
- Annual Report key figures 2018, sheet 202

GRI 205: Anti-corruption

205-1: Operations assessed for risks related to corruption

As a general rule, the risk of corruption in the postal business is not seen as elevated. The areas regarded as particularly exposed are Procurement and Sales. Employees in both areas have received thorough training, and the internal auditing department focuses on these areas during its audits.

205-2: Communication and training about anti-corruption policies and procedures

Extensive and recurring e-learning training courses, including learning assessments on the topic of compliance for management staff, have been held. These are compulsory. Swiss Post also has a binding set of rules regarding the acceptance and giving of gifts and other benefits. These rules are communicated. Employees in exposed functions are trained in depth. There are established processes for exceptions.

205-3: Confirmed incidents of corruption and actions taken

There are no known cases.

GRI 206: Anti-competitive Behavior

206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices

In December 2017, the Competition Commission fined Swiss Post the sum of 22.6 million francs for allegedly granting discounts that are unlawful under anti-trust law to large-scale customers between 2009 and 2014. Swiss Post rejects the allegations and considers the sanction unjustified, and has appealed against the decision before the Federal Administrative Court. Furthermore, the Competition Commission has launched an investigation in which PostFinance is also involved. PostFinance is satisfied it has not violated Swiss anti-trust law and is cooperating with the competition authority to enable a quick and comprehensive review of the matter. Free and fair competition is a high priority for PostFinance.

References and related documents:

- Swiss Post press release: www.post.ch/en/about-us/company/media/press-releases/2017/swiss-post-rejects-comco-allegations
- PostFinance press release: www.postfinance.ch/en/about-us/media/newsroom/press-releases/comco-investigation-regarding-mobile-payment-solutions.html

300 Environmental Disclosures

GRI 302: Energy

302-1: Energy consumption within the organization

Swiss Post mainly uses procured energy produced by third parties. Energy consumption stands at 902 gigawatt hours. At 74 percent, fuels make up the largest share, followed by electricity at 15 percent and combustibles at 11 percent. A comparison with the prior year is not possible due to incorrect assignment within combustibles in previous years.

The share of renewable energy sources is 20.4 percent, as the entire two- and three-wheeled vehicle fleet is powered by electricity from renewable sources. This electricity has been obtained from renewable sources since 2008, and from "naturemade basic"-certified sources in Switzerland since 2013. Ten percent of this is "naturemade star"-certified eco-electricity produced from various small-scale power stations throughout Switzerland.

References and related documents:

– Annual Report key figures 2018, sheet 302

302-2: Energy consumption outside of the organization

The energy consumption outside Swiss Post is mainly due to goods transport by subcontractors and leased properties. It stood at 578 gigawatt hours and rose by 2 percent due to increased transport of parcels.

References and related documents:

– Annual Report key figures 2018, sheet 302

302-3: Energy intensity

Energy efficiency (the reciprocal of energy intensity) has increased by 26.2 percent since 2006. This means that Swiss Post has already surpassed the target of 25 percent by the end of 2020 set by the Confederation as part of the "Confederation: exemplary in energy" initiative for enterprises affiliated with the Confederation.

References and related documents:

– Annual Report key figures 2018, sheet 302

302-4: Reduction of energy consumption

In 2010, Swiss Post decided to use the annual funds from the redistribution of the CO₂ levy on fuels for climate protection and energy efficiency measures in the "pro clima – We're acting now" sustainability programme: since 2010, over 15 million francs from Swiss Post's internal CO₂ fund alone have been invested in measures such as electric and hybrid buses, electric delivery vans, electric charging infrastructure, biogas and biodiesel, replacement of fossil fuel heaters, LED lighting, awareness-raising and many other measures.

Important measures for the reduction of energy consumption include:

- Energy optimization programmes in buildings. To save energy in buildings, Swiss Post relies on environmentally and resource friendly technologies, with more economical servers, PCs, notebooks and screens, and with the use of virtualization technologies. This has significantly reduced the power consumption and the number of servers, and the power and cooling requirements at IT installations have fallen.
- Use of renewable energy in buildings. In its own buildings in Switzerland, Swiss Post is committed to renewable heat sources and heats buildings with heat pumps while also obtaining hot water via solar collectors on the roofs, uses 10 percent biogas in gas-heated buildings and makes use of

waste heat from the data centers. For new systems or replacements for systems in need of an overhaul, only systems that run using renewable energy sources are used.

- Energy-efficient construction and use of the very latest energy standards in new buildings: since 1 January 2019, Swiss Post has been committed to the integrated and sustainable DGNB construction standard as adapted for Switzerland in its new buildings and modernization projects. The new Swiss Post headquarters in Wankdorf, Berne is DGNB-certified and has been awarded the highest label, platinum. The PostFinance headquarters is MINERGIE-ECO-certified.
- Use of renewable energy. All electricity is generated from 100 percent renewable, “naturemade basic”-certified energy sources. At least ten percent is high-quality “naturemade star”-certified green power. Most of Swiss Post’s own petrol stations offer 7 percent biodiesel.
- Production of renewable energy. Swiss Post operates some of Switzerland’s largest photovoltaic systems on the roofs of its letter and parcel centers. The eleven systems currently in operation provide the public grid with approximately six gigawatt hours of solar electricity per year. The performance of these photovoltaic systems can be consulted live at any time. Three more systems on Swiss Post buildings, which produce electricity for in-house consumption, generated around 1.5 gigawatt hours of electricity. Further systems with a high share of in-house consumption are planned.
- Use of rail transport for carrying letter and parcel consignments between the sorting centers. At the heart of combined transport is the yellow container: it is quickly and conveniently reloaded from trucks to carrier wagons and vice versa. With this combined solution, business partners can achieve a better eco-audit and lower transport costs, and the environment is spared thousands of vehicle kilometres on a daily basis. With 30 double-decker trucks for large shipments, Swiss Post transports up to 50 percent more freight than with the usual trucks. This helps reduce the number of journeys and thus the emissions per truck and per year.
- Optimization of routes and vehicle utilization.
- Use of alternative drive vehicles. 41 percent of the energy-efficient vehicle fleet already uses alternative drive systems. All electric vehicles are powered by green electricity produced in Switzerland which is sourced exclusively from ecological, small-scale hydropower plants, biomass plants, solar plants or wind turbines.
- Training drivers to drive more efficiently with “Eco-Drive”.
- Swiss Post staff benefit from attractive reductions on public transport, reducing energy consumption on their way to work: they receive a Half-Fare travelcard free of charge; those who prefer a GA travelcard receive a discount on a second-class pass. All trainees receive the GA travelcard free of charge.
- Employees use public transport for business trips. Free day-return tickets are available for this purpose. Anyone who cannot leave the car behind can choose from a fleet of passenger cars. Swiss Post employees can also use the vehicles from Mobility CarSharing Switzerland.
- Swiss Post encourages its employees to cycle to work; for example, by supporting the Pro Velo bike to work scheme. They also have free use of more than 1,200 bicycles and e-bikes from PubliBike.

302-5: Reductions in energy requirements of products and services

Examples of the use of energy-efficient and climate-friendly products:

- With the “pro clima” – Shipment service introduced in 2009, Swiss Post customers can send their mail carbon-neutrally for a small surcharge. Swiss Post also sends all its own mail carbon-neutrally.
- With ecological packaging such as the Eco PostPac made from recyclable card and the reusable Dispobox, resources can be conserved when packaging consignments.
- Thanks to Swiss Post’s 85 My Post 24 terminals, it is possible to collect or send parcels and registered letters around the clock. This can improve the first time delivery rate and save additional trips. The terminal compartments can also be used as lockers.
- In many cities in Switzerland, Swiss Post offers the bike sharing service PubliBike, promoting sustainable mobility and health. It also supports carvelo2go, the sharing platform for e-cargo bikes.
- Online services and the e-finance service save time, effort and paper.
- PostFinance offers investments in sustainable funds.

GRI 305: Emissions

305-1: Direct (Scope 1) GHG emissions

Direct CO₂-emissions amounted to 192,396 tonnes. At 92.1 percent, fuels make up the largest CO₂ source, followed by combustibles at 6.3 percent and volatile emissions at 1.6 percent. A comparison with the prior year is not possible due to incorrect assignment within combustibles in previous years.

References and related documents:

- Annual Report key figures 2018, sheet 305

305-2: Energy indirect (Scope 2) GHG emissions

Indirect CO₂ emissions from electricity consumption stood at 20,188 tonnes, remaining at the previous year’s level and accounting for approximately 10 percent of direct GHG emissions. All electricity is generated from 100 percent renewable, “naturemade basic”-certified energy sources. At least ten percent is high-quality “naturemade star”-certified green power.

References and related documents:

- Annual Report key figures 2018, sheet 305

305-3: Other indirect (Scope 3) GHG emissions

The remaining indirect CO₂ emissions consist primarily of emissions from the fuel- and energy-related upstream chain, and from transportation by subcontractors and commuter traffic. They stood at 227,371 tonnes, roughly equivalent to the sum of scope 1 and scope 2 emissions.

References and related documents:

- Annual Report key figures 2018, sheet 305

305-4: GHG emissions intensity

Greenhouse gas emissions per added value, operating income and job remained constant over the past year. The decline in emissions was roughly in line with declining added value, falling operating income and fewer jobs.

CO₂ efficiency measured by core services (e.g. number of consignments, number of transactions, customer frequency in branches, passenger kilometres, square metres) improved by 20,4 percent between 2010 and the end of 2018.

References and related documents:

– Annual Report key figures 2018, sheet 305

305-5: Reduction of GHG emissions

In 2010, Swiss Post decided to use the annual funds from the redistribution of the CO₂ levy on fuels for climate protection and energy efficiency measures in the “pro clima – We’re acting now” sustainability programme: since 2010, over 15 million francs from Swiss Post’s internal CO₂ fund alone have been invested in measures such as electric and hybrid buses, electric delivery vans, electric charging infrastructure, biogas and biodiesel, replacement of fossil fuel heaters, LED lighting, awareness-raising and many other measures. The measures implemented to reduce energy consumption make a full contribution to reducing greenhouse gas emissions. In addition, all addressed domestic letters and PromoPost consignments are carbon-neutral. Swiss Post assumes the “pro clima” surcharges for CO₂ offsetting and invests them in initiatives such as a Swiss Post offsetting project in Switzerland.

305-6: Emissions of ozone-depleting substances (ODS)

Emissions of ozone-depleting substances originate primarily in the refrigerants used in air conditioning systems. They have been declining for many years.

References and related documents:

– Annual Report key figures 2018, sheet 305

305-7: Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions

Through the use of vehicles that comply with the latest emission standards and the use of low-sulphur heating oil, Swiss Post is trying to reduce NO_x, SO_x and other significant air emissions. Since 2010 the volume of air pollutants generated by Swiss Post has been declining.

References and related documents:

– Annual Report key figures 2018, sheet 305

GRI 308: Supplier Environmental Assessment

308-1: New suppliers that were screened using environmental criteria

As of 2017, all new suppliers must state their position with respect to environmental and social award criteria in public service tenders, and this information is included in the award decisions. In the clothing sector, the basic requirement for taking on a new supplier is Oeko-Tex 100 certification, which ensures that a material is entirely free of environmentally hazardous chemicals. In addition, only FSC paper is procured as printing paper.

308-2: Negative environmental impacts in the supply chain and measures taken

By 2020, all strategic suppliers will be reviewed according to ecological criteria using the EcoVadis system. There are currently 121 suppliers under review with EcoVadis. The average score achieved is encouraging and is well above the EcoVadis benchmark.

There are no known actual material negative environmental impacts in the supply chain, and the definition of specific measures with individual suppliers was not necessary during the year under review. In the event that measures are required in the future, they will be recorded and tracked in corrective action plans in accordance with the EcoVadis system. Swiss Post is responding to the potential negative effects identified by complying with more stringent standards such as Oeko-Tex 100, FSC, etc.

400 Social Disclosures

GRI 401: Employment

401-1: New employee hires and employee turnover

The turnover rate increased to 5.5 percent in 2018, while there was a slight fall in headcount. The turnover rate is adequate, despite the slight rise.

The number of new employee hires rose by 553 persons compared to 2017. That equates to a 25.7 percent increase in new employee hires.

References and related documents:

– Annual Report key figures 2018, sheet 401, “Staff turnover and departures” section

401-3: Parental leave

All employees, whether mothers or fathers, are entitled to paid parental leave beyond the legal provisions in the event of birth or adoption and can apply for unpaid leave. Swiss Post also contributes around 1.3 million francs towards external childcare, helping employees to achieve a good work-life balance.

References and related documents:

– Annual Report key figures 2018, sheet 401, “Parental leave” section

GRI 402: Labor/Management Relations

402-1: Minimum notice periods regarding operational changes

Employee representatives’ rights to participation in the event of operational changes are based on the law (Swiss Code of Obligations) and are also governed by each of the collective employment contracts (CEC) with the contracting trade unions syndicom and transfair. The minimum notice periods are based on the Swiss Code of Obligations.

Together with its social partners, Swiss Post endeavours to find future-oriented solutions that serve the interests of customers, employees and the company and engages in early and regular dialogue with relevant stakeholders via specialist and staff committees (social partnership).

GRI 403: Occupational Health and Safety

403-1: Workers’ representation in formal joint management–worker health and safety committees

Under the Participation Act, staff committees can be formed at all locations with more than 50 employees at the request of the workforce. They deal with issues such as occupational safety and health protection. Staff committees are in place at more than 50 locations throughout Switzerland.

In addition, each Group unit has appointed at least one designated contact person who is available to employees at all times for advice and questions concerning occupational and leisure time safety.

References and related documents:

– Annual Report key figures 2018, sheet 403

403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

All relevant information is collected and evaluated centrally using a reporting system. Tripping and falling are by far the most common cause of accidents. It is mainly the limbs that are affected. However, targeted awareness-raising measures are having an impact, and the rate of occupational accidents is comparatively low. There is a particular focus on the delivery service, as this is where most accidents occur.

References and related documents:

– Annual Report key figures 2018, sheet 403

403-4: Health and safety topics covered in formal agreements with trade unions

The operating group solution is being developed in agreement with the trade unions. Otherwise, occupational safety and health protection issues are discussed with the trade unions in the meetings of the specialist committees, which are in place at Group level, PostFinance, PostBus, PostMail, PostLogistics and PostalNetwork and meet twice to four times per year.

GRI 404: Training and Education

404-1: Average hours of training per year per employee

To ensure Swiss Post is successful now and remains so in future, it requires competent employees and supports them in improving their skills. Firstly, Swiss Post provides internal training opportunities and secondly, it encourages participation in courses run externally through individual training agreements. It contributes to personal training plans both financially and by reducing working hours.

Swiss Post also focuses heavily on promoting young talent. In total, 2,001 apprentices received training in 16 professions in 2018. This represents 5.9 percent of its headcount in Switzerland. Swiss Post is therefore one of the largest training companies in Switzerland. The success rate in final apprenticeship examinations stood at over 99 percent. Four out of every five newly-qualified professionals continued to work for Swiss Post. Furthermore, Swiss Post enabled 27 university graduates to enter the working world as part of its in-house trainee programme. In 2018, Swiss Post also began training ICT operators. Its integration pre-apprenticeship in logistics represents a valuable contribution to the integration of refugees into the working world. Swiss Post was one of only two pilot companies to offer this opportunity in Switzerland and also extended it to French-speaking Switzerland in 2018.

References and related documents:

– lehrstellen.post.ch/de

404-2: Programs for upgrading employee skills and transition assistance programs

At strategic level, the FutureSkills programme supports development in the digital transformation sphere and improves Swiss Post employees' skills in line with future requirements. In parallel, management training was harmonized in 2018 and will be rolled out for all business units by 2019. With a high share of digital and modern learning methods, the focus is placed on modern work and management culture, more agile forms of cooperation and the approach to Swiss Post-specific elements, such as strategy, culture and management processes. Employees can get in touch with Swiss

Post's own Job Center at any time under their own initiative to assess their professional situation and get advice on advanced training, career planning and professional re-orientation.

Through its PostVenture innovation programme, Swiss Post specifically seeks out fresh ideas to help drive forward its range of products and services in its strategic business development areas. Swiss Post enters into partnerships with young talent and entrepreneurial spirits who want to capture the market with new business models, and provides these young entrepreneurs with expert help in the implementation of interesting projects.

References and related documents:

- Annual Report key figures 2018, sheet 404, "Job Center" section
- www.post.ch/en/about-us/company/innovation/postventure

404-3: Percentage of employees receiving regular performance and career development reviews

For the vast majority of the workforce, a meeting is held every year to assess performance and employee development. Around 62 percent of all employees also have a goal-setting meeting (around 34,000 employees). Due to their lower level of employment (less than 20 to 40 percent depending on the business unit), all other employees have a so-called management meeting.

GRI 405: Diversity and Equal Opportunity

405-1: Diversity of governance bodies and employees

References and related documents:

- Financial Report 2018, "Corporate governance" section, pages 61–75
- Annual Report key figures 2018, sheet 102, "Gender distribution" section
- Annual Report key figures 2018, sheet 405

405-2: Ratio of basic salary and remuneration of women to men

The main business sites are located in Switzerland (85 percent of employees). More than 85 percent of employees have employment contracts based on one of the current nine collective employment contracts, which were negotiated in detail with the contracting trade unions syndicom and transfair. These contracts contain binding salary brackets for every grade and provide for gender equality. In 2018, Swiss Post received the results of the last equal pay analysis. The independent external company entrusted with the analysis awarded Swiss Post a good result which is well within the tolerance threshold of +/-5 percent applicable to procurement checks by the Confederation. A further verification of equal pay will be carried out in 2019 on a voluntary basis.

GRI 406: Non-discrimination

406-1: Incidents of discrimination and corrective actions taken

A discrimination-free working environment is an important prerequisite for healthy and satisfied employees. To avoid cases of discrimination, line managers are trained to address conflicts quickly and to involve HR and Social Service at an early stage. All employees receive the "Swiss Post Code of Conduct" with their employment contract. In several organizational units, the Social Counselling Service has provided training in respectful treatment and on the bullying and sexual harassment procedure.

In the current year, more than 60 employees turned to Swiss Post Social Counselling Service due to bullying or sexual harassment. In eight cases, the reports resulted in detailed social audits of the units

concerned, and in four cases, in an internal investigation (three cases of bullying and one case of sexual harassment). In all other cases, solution-oriented discussions, mediation and, where possible, amicable solutions were sought to resolve the disputes with the parties concerned.

GRI 407: Freedom of Association and Collective Bargaining

407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Swiss Post employees are free to join trade unions. This right is governed by law in Switzerland. Staff committees may also be formed at all company locations with over 50 employees at the request of the workforce. Staff committees are in place at more than 50 locations throughout Switzerland.

By signing the Code of Ethics and Social Responsibility, Swiss Post's suppliers undertake to protect the rights of employees, including freedom of association and protection of the right to organize. Outside the clothing sector, the risk of violation of freedom of assembly, child labour (408) or forced and compulsory labour (409) is considered low. In the clothing sector, all products are made in Europe and all suppliers are obliged to guarantee the freedom of association.

GRI 408: Child Labor

408-1: Operations and suppliers at significant risk for incidents of child labor

At the Swiss Post business locations, no elevated risk level could be identified. There is a significant risk of child labour among the product groups in the clothing and footwear sectors, from which Swiss Post procures substantial volumes. The intensive cooperation with the Fair Wear Foundation and Better Work serves to reduce this risk.

GRI 409: Forced or Compulsory Labor

409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor

At the Swiss Post business locations, no elevated risk level could be identified. In terms of suppliers, the only risk is in the IT product groups. Without exception, all of their suppliers are members of the Responsible Business Alliance, which monitors compliance with fair working conditions, including in audits for member companies.

GRI 412: Human Rights Assessment

412-1: Operations that have been subject to human rights reviews or impact assessments

At the Swiss Post business locations, no elevated risk level could be identified.

GRI 413: Local Communities

413-1: Operations with local community engagement, impact assessments, and development programs

As a company that is primarily a service provider, Swiss Post has little impact on local communities beyond its many existing interactions with employees and customers. For upcoming changes in the postal network, all municipalities affected will be involved in an extensive dialogue designed to find

the best solution for the postal service in a region. In cases of restructuring involving more than 30 jobs, consultation processes are initiated for employees and cantons.

413-2: Operations with significant actual and potential negative impacts on local communities

The ongoing development of Swiss Post's branch network has an impact on local communities. Swiss Post therefore holds extensive talks with cantons, municipalities and relevant stakeholder groups in advance. This involves those affected proactively in network development and minimizes any negative effects.

In particular, Swiss Post must involve any community affected by the relocation or closure of a branch in the decision-making process, as described below. The Federal Council also regards branches with partners (previously known as agencies) as branches. The home delivery service is recognized as a substitute for a branch for the provision of the universal service.

- Before the relocation or closure of a branch, Swiss Post consults the authorities in the affected municipalities. in an effort to find a mutually agreed solution.
- If no mutually agreed solution can be found, a decision document containing the views of the authorities is submitted to the permanent independent Federal Postal Services Commission (PostCom) set up by the Federal Council. The Commission assesses access to the universal service in the region in question and makes a recommendation.
- Swiss Post has the final say, taking into account in particular the outcome of the consultation and the recommendation of the Commission. In addition, Swiss Post is obliged to record the development of the universal service and to inform the regulatory authorities.

References and related documents:

- Annual Report 2018, "PostalNetwork business performance" section, pages 34–39
- www.post.ch/de/ueber-uns/unternehmen/medien/veraenderungen-im-postnetz
- www.post.ch/en/about-us/subjects/the-postal-network-of-the-future

GRI 414: Supplier Social Assessment

414-1: New suppliers that were screened using social criteria

As of 2017, all new suppliers must state their position with respect to social and environmental award criteria in public service tenders, and this information is included in the award decisions.

414-2: Negative social impacts in the supply chain and actions taken

By 2020, the 240 most important suppliers from a strategic perspective will be reviewed according to social criteria using the EcoVadis system. No significant, actual negative impacts are known and the determination and follow-up of specific measures with individual suppliers is carried out on an ongoing basis in the relevant corrective action plans in accordance with the EcoVadis system.

Swiss Post responds to the identified potential negative effects in the clothing sector through its close collaboration with the Fair Wear Foundation and Better Work. Without exception, all suppliers of the IT product groups are members of the Responsible Business Alliance.

GRI 418: Customer Privacy

418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data

In 2018, no proceedings were opened in connection with data protection breaches at Swiss Post.

References and related documents:

- Code of Conduct: www.post.ch/-/media/post/ueber-uns/dokumente/verhaltenskodex.pdf?la=en
- Swiss Post's anonymous reporting unit: www.swisspostcourage.ch

GRI 419: Socioeconomic Compliance

419-1: Non-compliance with laws and regulations in the social and economic area

The Federal Office of Transport (FOT) determined unlawful accounting practices at the subsidiary PostBus. PostBus used accounting practices that do not comply with subsidy law in the period from 2007 to 2015 and received excessively high compensation for the provision of public transport services as a result. Swiss Post management has already undertaken measures to this end, and PostBus has reimbursed the Confederation and the cantons in full for the unlawful compensatory payments.

References and related documents:

- Press release from December 2018: www.post.ch/en/about-us/company/media/press-releases/2018/repayment-agreement-enters-into-force-swiss-post-now-able-to-repay-all-funds

See also 206-1

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