
GRI REPORT 2017

About the GRI report

■ Structure of reporting documents

The Swiss Post annual reporting documents for 2017 consist of:

- Swiss Post Annual Report
- Swiss Post Financial Report (management report, corporate governance, Group, Swiss Post Ltd and PostFinance Ltd annual financial statements)
- GRI report (report in accordance with the guidelines of the Global Reporting Initiative)
- 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/gri-report-2017).

■ 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.

GRI report 2017 – Swiss Post sustainability reporting

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.



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General standards

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, Post-Logistics, 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. In addition, Swiss Post offers its customers a range of third-party products at 1,189 branches and 968 branches with partners, including products relating to Swiss Post such as stationery items and gift cards.

The services offered to business customers are structured partly as solutions along the e-commerce value chain and partly as specific products in the communication, logistics, financial services and passenger transport markets.

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, which were optimized in 2017, will guarantee an even more consistent experience of the core brand and the two flagship brands PostFinance and PostBus. Synergy effects are achieved and the brands are compellingly brought to life across all the distribution channels by means of closely coordinated interplay between the different communication tools in terms of content, form and timing.

References and related documents:

- Financial Report 2017, "Business activities" section, pages 6–11
- Financial Report 2017, "Brands" section, page 10

102-3: Location of headquarters

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

102-4: Location of operations

Swiss Post operates in 19 countries.

References and related documents:

- Financial Report 2017, "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 "Relationships with subsidiaries" section on pages 152–154 of the Financial Report outlines the investments.

References and related documents:

- Financial Report 2017, "Group structure and shareholders" section, page 62

102-6: Markets served

References and related documents:

- Financial Report 2017, "Business activities" section, pages 6–11
- Financial Report 2017, "Business performance" section, pages 25–52
- Financial Report 2017, "Segment information" table, pages 94–97

102-7: Scale of the organization

References and related documents:

- Annual Report 2017, "Five-year overview of key figures" table, page 71
- Annual Report 2017, "Our performance in 2017" table and "Markets and segments" section in the front flap of the Annual Report
- Financial Report 2017, "Relationships with subsidiaries" section, pages 152–154

102-8: Information on employees and other workers

References and related documents:

- Annual Report key figures 2017, sheet 102, "Headcount" and "Employment conditions" sections
- Annual Report key figures 2017, sheet 203, "Jobs in the regions" section
- Annual Report key figures 2017, 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)
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 Chemicals Energy sources Construction contracts to subcontractors

In the year under review, 95 percent of suppliers came from Switzerland (40,575) and five percent from abroad (2,196). The procurement volume amounted to 2,947 million francs.

References and related documents:

- Annual Report key figures 2017, “Supply chain” sheet
- Swiss Post’s procurement strategy:
<https://www.post.ch/en/business/a-z-of-subjects/procurement-organization/procurement-policy>
- Responsible procurement:
<https://www.post.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 2017, “Additions and disposals of subsidiaries” section, pages 155–157

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 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 department provides methods and tools specifically designed for this purpose, 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 the following organizations: act Cleantech Agentur Schweiz, United Nations Global Compact, Fair Wear Foundation, the Environmental Monitoring and Measurement System run by the International Post Corporation, WWF Climate Savers, RE100. It is an active contributor to the “Confederation: exemplary in energy” group.

References and related documents:

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

102-13: Membership of associations

References and related documents:

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

Strategy

102-14: Statement from senior decision-maker

Swiss Post’s vision, which was developed and adopted by the highest level of management (and is a statement from the most senior decision-makers, the Board of Directors and Executive Management), includes the core value “sustainable”. Excerpts from the vision:

We connect the physical and digital worlds, setting new standards with our products and integrated solutions. We make it easier for our customers to operate in today’s complex environment, giving them greater scope to succeed.

For our customers:

- We meet our customers on their level
- Our services are easy to understand and straightforward to use
- Our integrated solutions lead to relationships based on partnership
- We create a consistent customer experience across all points of contact

For society:

- We make a significant contribution to Switzerland's modern infrastructure
- We secure international connections through our subsidiaries and partnerships
- We combine business success with environmental awareness and social responsibility

For our staff:

- We recognize that our staff's dedication and innovativeness are key to our success
- We pursue common goals and promote constructive, respectful cooperation throughout Swiss Post
- We encourage our staff to perform and offer progressive, market-driven working conditions

Sustainability:

- We act in a sustainable manner and gear our activities to long-term business success. We strive to achieve an appropriate balance between acting in an environmentally friendly manner, embracing our social responsibilities and achieving business success.

In terms of strategic thrusts, Swiss Post seeks to create added value for Switzerland, customers, employees and its owner by safeguarding the quality of its universal service, operating in a sustainable manner, increasing customer satisfaction and employee commitment, and meeting its owner's financial goals by achieving stable market positions. As one of its key benchmarks, it defines a target value for its CO₂ efficiency.

The importance of sustainability is publicly stated in the corporate responsibility (CR) charter presented by the CEO. Swiss Post also has a CR strategy that focuses on the four areas of action considered essential by stakeholders – responsible procurement, climate and energy, circular economy and corporate citizenship.

References and related documents:

- CR charter: <https://www.post.ch/en/about-us/company/responsibility/our-claim>
- Annual Report 2017, "Strategy and transformation" section, pages 5–18
- Annual Report 2017, "Responsibility" section, pages 57–62
- CR strategy: <https://www.post.ch/en/about-us/company/responsibility/our-claim>
- Code of Conduct: www.post.ch/-/media/post/ueber-uns/dokumente/verhaltenskodex.pdf?la=en
- Vision: <https://www.post.ch/en/about-us/company/our-principles/vision>

Ethics and integrity

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

References and related documents:

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

Governance

102-18: Governance structure

The seven members of Executive Management and the CEO 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 fulfilling the universal service obligation. It is entitled to enlist the help of subsidiaries to do so.

References and related documents:

– Financial Report 2017, “Corporate governance” section, pages 61–73

Stakeholder engagement

102-40: List of stakeholder groups

With the aim of improving the quality and usefulness of corporate responsibility communications, Swiss Post endeavours to engage its main stakeholders either directly or indirectly in the reporting and communication process. Stakeholders are engaged through a standardized stakeholder survey which is conducted at regular intervals and through membership and participation in the organizations, institutions and initiatives set out under 102-13. Swiss Post takes its main stakeholders into account when selecting key figures and determining the scope of statements and form of the report. For this reason, it seeks to ensure that the report’s form and content fulfil the needs of the various groups at which it is aimed.

The following stakeholders were engaged in the dialogue by Swiss Post (not exhaustive):

- 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.

References and related documents:

– Annual Report key figures 2017, 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 political 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 specific issues, and maintain an ongoing dialogue with them. Views are exchanged in face-to-face meetings or via institutionalized information platforms. In addition, Swiss Post is looking to further anchor and expand communications in the different regions of Switzerland and is setting up a dedicated organizational unit that will offer 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, a total of 130 dialogue events were held in municipalities in 2017. This approach gives the general public the opportunity to tell Swiss Post about their needs from the customer and employee perspective, and Swiss Post examines these in detail.

Some of the ways in which stakeholders are engaged 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 remained a key issue in the stakeholder dialogue, as did 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:
<https://www.post.ch/en/about-us/subjects/public-and-international-affairs>
- Swiss Post positions: <https://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 GRI 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:

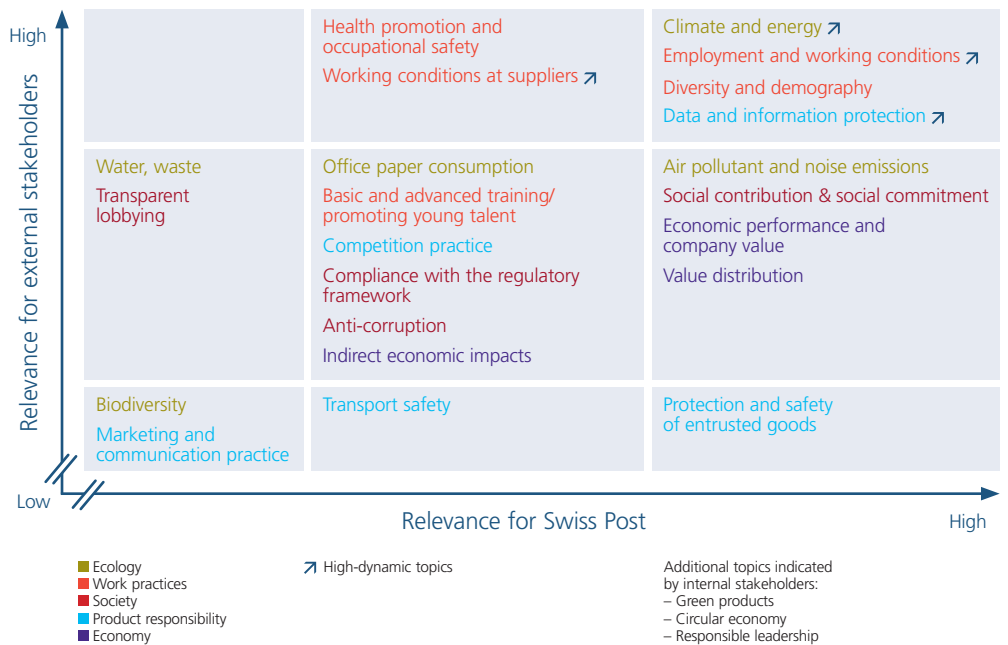
- Financial Report 2017, "Relationships with subsidiaries" section, pages 152–154
- Financial Report 2017, "Group annual financial statements" section, pages 75–80 (Basis of accounting)

102-46: Defining report content and topic Boundaries

In 2015, Swiss Post compiled a relevance matrix for Post CH Ltd and PostBus Ltd. A total of ten external interviews were conducted with private and business customers, federal offices, political parties, trade unions and NGOs, and two focus groups were consulted. Internally, around 35 people were interviewed, including four members of Executive Management. In addition, the stakeholder 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 GRI report is based on this relevance matrix.

The aspects covered in the three most important areas are considered essential for this GRI 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. In addition to any incidents already known, the sources for this include those taken from the RepRisk database. Swiss Post’s RepRisk risk index has generally been low in recent years. Accordingly, Swiss Post receives the third highest rating in the country and sector comparison.

102-47: List of material topics

Material topics for Swiss Post	GRI topics
Economic performance and company value, value distribution	Economic performance
Employment and working conditions, diversity and demography	Market presence, Employment, Labour/management relations, Freedom of association and the right to collective bargaining, Human rights assessment
Working conditions at suppliers	Supplier social assessment, Child labour, Forced or compulsory labour, Supplier human rights assessment, Supplier social impact assessment
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 impact, social contribution and social 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 behaviour

102-48: Restatements of information

The new presentation of information in this report follows the transition from GRI G4 to GRI Standards. Apart from this, there are no changes compared to the Integrated Annual Report for the prior year.

102-49: Changes in reporting

In terms of the focus of reporting, the topics covered in the three most important areas at the top right of the relevance matrix are considered material in this year's report.

Report profile

102-50: Reporting period

The content of this report refers to the financial year 2017 (1 January to 31 December 2017).

102-51: Date of most recent report

The last Integrated Annual Report was published for the financial year 2016 on 9 March 2017.

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: <https://www.post.ch/en/about-us/company/responsibility/our-claim>

103: Management Approach

The section covering the management approach explains in more detail the issues considered material to the company, identifies their impact and assesses how each is addressed and promoted.

103-1: Explanation of the material topics 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: The management approach and its components as well as

103-3: Evaluation of the management approach

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

Swiss Post is tackling the challenges in its environment in the years 2017 to 2020 by implementing a transformation strategy. Its aim is to complete a transformation by 2020 that will enable it to offer solutions that will meet the customer requirements of the future. Swiss Post’s strategy is based on its statutory mandate, the strategic goals of 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). 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

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 2017, "Transformation strategy" section, pages 16–22
- Financial Report 2017, "Non-financial results of a material nature" section, pages 45–52
- Sponsorship overview: www.swisspost.ch/sponsoring
- CR strategy: <https://www.post.ch/en/about-us/company/responsibility/our-claim>
- Jobs and careers, apprenticeships:
<https://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 over 18,000 jobs – in delivery, in branches, logistics and parcel centers, PostFinance Operations Centers and in customer service. Jobs for which, from an operational standpoint, a concentration would often be more advisable. However, Swiss Post wants to assume its regional political responsibility and therefore ensures that these jobs remain decentralized, making 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, Swiss Post 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.

Swiss Post creates an operating framework which empowers staff members to combine the different aspects of their lives. As a founding member of the "Work Smart Initiative", Swiss Post actively promotes flexible and location-independent forms of work. This includes flexible working models. Around 21,600 employees work part-time, and around 8,500 take advantage of teleworking each year. Opportunities for job sharing are also used. 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. Currently almost half of all employees work part-time, i.e. with an employment level of below 90 percent. This also includes increasing numbers of men.

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.

Under the social partnership, Swiss Post is obliged to negotiate the framework conditions for the relationship between company and employees with the contracting trade unions syndicom and transfair. The cooperative relationship between employer and employee associations allows for consensual solutions that guarantee freedom from disputes to the greatest possible extent. The labour law principles governing Swiss Post staff are based on the Swiss Code of Obligations (with reference to the Labour Act or the Working Hours Act for PostBus). For the majority of employees, one of the future ten collective employment contracts (CECs) will apply. In conjunction with its social partners, Swiss Post is always seeking forward-looking solutions in the interests of customers, employees and the company. In the past two years, the majority of the collective employment contracts have been renegotiated and brought into effect.

References and related documents:

- Swiss Post human resources policy:
www.swisspost.ch/-/media/post/jobs-und-karriere/dokumente/personalpolitik.pdf
- Employment conditions at Swiss Post: <https://www.post.ch/en/about-us/a-z-of-topics/jobs-and-careers/swiss-post-working-environment/employment-conditions-at-swiss-post>
- Swiss Post collective employment contract:
www.swisspost.ch/-/media/post/gav/gesamtarbeitsvertrag-postch-ag.pdf
- Code of Ethics and Social Responsibility:
www.post.ch/-/media/post/beschaffung/dokumente/sozial-ethik-kodex.pdf?la=en
- Code of Conduct: www.post.ch/-/media/post/ueber-uns/dokumente/verhaltenskodex.pdf?la=en
- Annual Report 2017, “Employees” section, pages 53–56

Working conditions at suppliers

As one of the four 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. Sustainability is 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 both for people and for the environment, as well as for Swiss Post.

More than 95 percent 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. Suppliers are required to display the Code of Ethics and Social Responsibility at their premises in multiple languages.

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. Sustainability criteria were also formulated and have been included in all public tenders since 2017.

Since 2017, Swiss Post has been working with EcoVadis, an independent organization where suppliers state their position on their social and environmental business practices and are assessed. 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 first suppliers were assessed in 2017, and by 2020 this should be the case for the suppliers which are deemed most important from a strategic perspective, a total of approximately 300. 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 countries of China and Bulgaria, which account for 27 percent of the procurement volume for clothing. In low-risk countries, which account for 65 percent of the procurement volume, both social standards inspections and training at factories on the Code of Ethics and Social Responsibility and the FWF’s Code of Labour Practices are conducted every three years by Swiss Post itself. The remaining inspection work and training is done by Better Work, a joint programme by the International Labour Organization (ILO) and the International Finance Corporation (IFC), in Jordan. This accounts for eight percent of total volume.

Since 2016, social and environmental criteria have also been reviewed in audits for the transport sector, and in 2017, all seminar hotels under contract were surveyed with respect to sustainability criteria and made aware of the relevant issues.

Internally, Swiss Post is planning extensive training in 2018 to raise awareness within the procurement organization, and will integrate sustainability criteria into all annual target agreements.

Effectiveness and results

The suppliers of key product groups have signed the Swiss Post Code of Ethics and Social Responsibility. Sustainable 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 performed 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 were reported to the FWF or Swiss Post by workers in the factories of Swiss Post's suppliers.

References and related documents:

- Annual Report 2017: corporate responsibility strategy, "Procurement" area of action, page 58
- 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: <https://www.post.ch/en/business/a-z-of-subjects/procurement-organization/responsible-procurement>
- Corporate responsibility charter:
<https://www.post.ch/en/about-us/company/responsibility/our-claim>

Health promotion and occupational safety

To ensure that all Swiss Post employees have safe and healthy workplaces, an operating group solution certified by the Swiss Federal Coordination Commission for Occupational Safety (FCOS) was drawn up for the subsidiaries Post CH Ltd, PostBus Ltd and PostFinance Ltd in 2011, in order to implement FCOS Guidelines 6508 and all legal requirements relating to occupational safety and health protection. This FCOS-certified operating group solution is mandatory for all Group units. It is revised and updated on an ongoing basis, and the details are agreed with the trade unions. Building on this, occupational safety systems were developed in all Group units with reference to their specific hazards and risks. They are managed, updated and implemented on-site by trained safety specialists.

A safety committee and an occupational safety/health protection working group meet ten times a year. At these meetings, key aspects of health and safety are discussed and pursued. The effectiveness of the operating group solution is ensured in annual system audits of the units and in detailed safety audits by the safety specialists at the different sites. Where required, thematic risk assessments are also conducted at the different sites. In addition, the entire safety system was comprehensively reviewed by the internal auditing department in 2016. The outcome was very good. These measures are supplemented by external inspections by labour inspectors and the Swiss National Accident Insurance Fund (Suva), which can also be held unannounced.

Accident and illness figures are evaluated on a monthly basis. Each year, consolidated Group reporting provides information on accident figures, interpretation and measures. Each occupational safety system provides comprehensive training for employees. In the future, Swiss Post will focus on the use of virtual reality in the training of specialists, employees and line managers. This will enable the company to respond quickly and flexibly to current requirements, because it will be possible to adapt course content quickly.

Effectiveness and results

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. The results are presented in the Swiss Post safety programme. As a result of the introduction of the operating group solution, there has been a significant decline in the number of occupational accidents. Tripping and falling is by far the most common source of accidents, but targeted awareness-raising measures are having an effect. In 2017, after a thorough and independent review of the implementation of the occupational safety system 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 2017, “Health management” sheet
- Swiss Post’s commitment to its staff: <https://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

Since 1 January 2004, Swiss Post has had an infrastructure mandate, which was also included in the Postal Services Act of 17 December 2010. Swiss Post is obliged to operate a nationwide branch network. In addition, a branch offering universal service products must be accessible within a reasonable distance, i.e. within 20 minutes for 90 percent of the population. The branch must be accessible by public transport or on foot. The same requirement applies to payment transaction services, which must be accessible within 30 minutes.

Pursuant to Article 34 of the Postal Ordinance, 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.

Social commitments are anchored in Swiss Post’s corporate responsibility strategy in the “corporate citizenship” area of action. In activities of this kind, Swiss Post donates a portion of its resources specifically to support charitable and social concerns. A framework drawn up in 2017 helps to ensure that these diverse commitments are consistently anchored and coordinated. Through this framework, and through reference to Swiss Post’s core competencies, the potential impact of this social commitment can be put to more effective use.

Effectiveness and results

Swiss Post has a long tradition of social commitment, offering free logistics services for the Swiss Red Cross campaign “2 x Christmas” and distributing Christmas presents to people in need. Swiss Post also has a cultural commitment, supporting Swiss artists with its own art collection. Foundations and projects with a social, cultural or historical background or a focus on youth work are promoted by Swiss Post – via the postage stamp fund or the issue of stamps with a surcharge. All of this contributes to better visibility of the company’s efforts and to a perception of Swiss Post as an attractive employer.

References and related documents:

- Swiss Post position paper “The new postal legislation”: <https://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”: <https://www.post.ch/en/about-us/subjects/position-papers/universal-service>
- CR strategy: <https://www.post.ch/en/about-us/company/responsibility/our-claim>

Climate and energy, air pollutant and noise emissions

The climate and energy goals are derived from the strategy, thrusts and goals. At Group level, the Corporate Responsibility (CR) department is responsible for the management of environmental sustainability; in other words, coordination and implementation of the Group’s CR strategy in the climate and energy area of action. In cooperation with the Sustainability Technical Committee and selected 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, while the climate and energy expert group is staffed by operational members from each Group unit.

The units can submit applications for financial support for pilot and flagship projects to the Executive Management Committee Innovation, New Business & Sustainability. In addition, the funds from the redistribution of the CO₂ levy are earmarked for reinvestment in climate protection. A sustainability ambassador network was also founded in 2016 to present, discuss and promote 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. 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.

The 2017–2020 corporate responsibility strategy defines the Group objective “Increase CO₂ efficiency by 25 percent by 2020 (base year 2010)”, and achievement of the goal is on track.

For the second time in a row, Swiss Post received the Gold Award in the IPC Environmental Measurement and Monitoring System for strategic management and operational implementation in the climate and energy area of action. In 2017, it again improved its Carbon Management Proficiency Score, thus remaining among the best postal companies in the world.

In the CDP Supply Chain Rating, Swiss Post achieved the third best status of “B” in 2017. Only six percent of all companies surveyed achieve this status. According to CDP, Swiss Post operates “coordinated action in matters of climate change anchored in management.”

References and related documents:

- Annual Report 2017, “Responsibility” section, pages 57–62
- Financial Report 2017, “Transformation strategy” section, pages 16–22
- Annual Report key figures 2017, sheet 305
- Environmental and climate protection: <https://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. It is pooled and organized in a dedicated technical committee which reports to Executive Management and the Board of Directors. 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 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 and postal law. Programmes are developed for each topic covered by the compliance portfolio, in which the preventative 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 and systematic training in the individual topics. The compliance programmes are regularly reviewed in terms of their effectiveness and adapted.

After the successful implementation of the revised compliance system in 2017, monitoring is currently carried out in constant dialogue with all affected units and in the implementation of the processes. Regular audits of all Group units have been proposed for the future. In addition, exposed units are also ISO 9001- and ISO 14001-certified and are therefore externally audited at least once a year.

Extensive and recurring e-learning training courses, including learning assessments on the topic of compliance for management staff, have already been held and are obligatory. In addition, the compliance system is fully documented on the intranet, which is available to all employees. Executive Management and the Board of Directors are updated on the progress that has been made in a status report every six months. It is possible for all employees and customers to report violations anonymously.

The protection of customer, supplier and employee data is of particular importance for Swiss Post. It therefore maintains a comprehensive privacy organization that ensures that relevant laws and internal directives are adhered to. Swiss Post has appointed a company data protection officer in accordance with the Federal Act on Data Protection, who issues rules on data protection, monitors compliance with the data protection officers in the different units and recommends improvement measures.

Effectiveness and results

The effectiveness of the compliance management system is reviewed regularly and the necessary modifications are made. In 2017, no proceedings were opened in connection with data protection breaches at Swiss Post.

References and related documents:

- Annual Report 2017, “Compliance” article, page 56
- Compliance factsheet: <https://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

Specific standards

200 Economic Disclosures

The economic disclosures include financial aspects, performance and risks, market presence and information on anti-corruption and competition.

GRI 201: Economic Performance

201-1: Direct economic value generated and distributed

References and related documents:

– Annual Report key figures 2017, 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:

– Annual Report 2017, “Responsibility” section, pages 57–62

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

The Group’s own employee benefits institution, the Swiss Post pension fund, insures 43,600 Swiss Post employees in Switzerland and pays 740 million francs in pensions to 29,600 pensioners each year. The level of cover stood at just over 100 percent at the end of 2017.

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, insureds 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. Insureds 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 2017, “Staff pension plan” section, page 99

– Financial Report 2017, “Cover status” section, page 103

– Annual Report key figures 2017, 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 2017, “State compensatory payments” section, page 95

GRI 202: Market Presence

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

The main business locations are located in Switzerland (85 percent of employees). More than 95 percent of employees have employment contracts in accordance with Art. 319 et seq. of the Swiss Code of Obligations and are employed on the basis of a collective employment contract which contains binding salary bands for each level, and also states that the genders are to be treated equally and employees should not be employed below the applicable minimum wage. Under the social partnership, Swiss Post is obliged to negotiate the framework conditions for the relationship between company and employees with the trade unions syndicom and transfair.

References and related documents:

- Annual Report key figures 2017, sheet 102, “Employment conditions” section
- Annual Report key figures 2017, 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.

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

Swiss Post 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 is appealing against the decision before the Federal Administrative Court. Another procedure was abandoned in 2017 without consequences.

References and related documents:

- Swiss Post press release: <https://www.post.ch/en/about-us/company/media/press-releases/2017/swiss-post-rejects-comco-allegations>

300 Environmental Disclosures

The environmental disclosures include data on energy requirements, emissions generated and environmental aspects in the supply chain.

GRI 302: Energy

302-1: Energy consumption within the organization

Swiss Post mainly uses procured energy produced by third parties. In the year under review, energy consumption fell by four percent and now stands at 887 gigawatt hours. At 74 percent, fuels make up the largest share, followed by electricity at 17 percent and combustibles at nine percent.

The share of renewable energy sources for fuels and combustibles is 19.6 percent, as the entire two- and three-wheeled vehicle fleet is powered by electricity from renewable sources and all gas-powered delivery vehicles run on 100 percent biogas. Since 2008, the electricity has come from renewable and certified energy sources, and since 2016, ten percent is high-quality, "naturemade star"-certified green power produced by wind turbines on Mount Crosin in the Canton of Jura and from various farms, small businesses and small ecological hydroelectric power stations throughout Switzerland. The remaining 90 percent is fully "naturemade basic"-certified.

References and related documents:

- Annual Report key figures 2017, 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 amounted to 567 gigawatt hours in the year under review, a fall of three percent.

References and related documents:

- Annual Report key figures 2017, sheet 302

302-3: Energy intensity

Energy efficiency (the reciprocal of energy intensity) has increased by 29.6 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 2017, 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. In 2017, more than two million francs were invested in measures such as electric and hybrid buses, electric vans, 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 and 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, taking account of the MINERGIE, MINERGIE-ECO and DGNB standards. 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. Indeed, 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 11 systems currently in operation provide the public grid with approximately six gigawatt hours of solar electricity per year. The current performance of our photovoltaic systems can be consulted live at any time. 12 additional systems are planned by 2020.
- 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. Approximately 45 percent of the energy-efficient vehicle fleet already uses alternative drive systems such as electric or biogas engines. The entire electric vehicle fleet is powered by eco-electricity from Switzerland, which is sourced exclusively from ecological, small-scale hydropower plants, biomass plants, solar plants or wind turbines.
- Training our 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: our employees receive a half-fare SBB 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.
- Our 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. Employees also have free use of more than 1,000 bicycles and e-bikes from PubliBike.

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

Concrete examples of the use of energy-efficient and climate-friendly products:

- 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.
- Old electrical appliances and used Nespresso coffee capsules can be handed over to Swiss Post and disposed of properly.
- Online services and the e-finance service save time, effort and plenty of paper.
- PostFinance offers investments in sustainable funds.
- 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.

GRI 305: Emissions

305-1: Direct (Scope 1) GHG emissions

Direct CO₂ emissions stood at 188,245 tonnes, a decrease of two percent. At 93.1 percent, fuels make up the largest CO₂ source, followed by combustibles at 5.5 percent and volatile emissions at 1.4 percent.

References and related documents:

- Annual Report key figures 2017, sheet 305

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

Indirect CO₂ emissions from electricity consumption stood at 20,123 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. Indeed, at least ten percent is high-quality "naturemade star"-certified green power.

References and related documents:

- Annual Report key figures 2017, 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 228,182 tonnes, roughly equivalent to the sum of scope 1 and scope 2 emissions.

References and related documents:

- Annual Report key figures 2017, 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 19 percent between 2010 and the end of 2017.

References and related documents:

- Annual Report key figures 2017, 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. In 2017, more than two million francs were invested in measures such as electric and hybrid buses, electric vans, 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 2017, sheet 305

305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), 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 fallen.

References and related documents:

– Annual Report key figures 2017, 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 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 48 suppliers under review with EcoVadis. Preliminary results are encouraging at present and are above the EcoVadis benchmark.

There are no known actual material negative effects, 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

The social information ranges from information on jobs, working and employment conditions, basic and advanced training and diversity to compliance and suppliers' working conditions.

GRI 401: Employment

401-1: New employee hires and employee turnover

There is no breakdown by age group, gender and region, as Swiss Post considers this level of detail irrelevant: Swiss Post reports for the "Switzerland region". Divisions into gender and age groups are not communicated.

References and related documents:

- Annual Report key figures 2017, sheet 401, "Staff turnover and departures" section

401-3: Parental leave

All employees are entitled to parental leave in the event of birth and adoption. They can return to work when the contractual periods expire.

References and related documents:

- Annual Report key figures 2017, sheet 401, "Parental leave" section

GRI 402: Labor/Management Relations

402-1: Minimum notice periods regarding operational changes

Under the social partnership, Swiss Post is obliged to negotiate the framework conditions for the relationship between company and employees with the 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 Labour Act or the Working Hours Act for PostBus). For the majority of employees, one of the ten collective employment contracts (CECs) apply.

In conjunction with its social partners, Swiss Post is always seeking forward-looking solutions in the interests of customers, employees and the company. In the past two years, the majority of the collective employment contracts have been renegotiated and brought into effect. The minimum notice periods are based on the Swiss Code of Obligations.

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. The formation of staff committees at locations with fewer than 50 employees is also possible. 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. Around 25 percent of employees are represented by the staff committees.

References and related documents:

- Annual Report key figures 2017, 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 gathered centrally using a reporting system and summarized in an annual report. As a result of the introduction of the operating group solution, there has been a significant decline in the number of occupational accidents. Tripping and falling are by far the most common cause of accidents, and it is mainly the limbs that are affected. However, targeted awareness-raising measures are having an effect. There is a particular focus on the delivery service, as this is where most accidents occur.

References and related documents:

– Annual Report key figures 2017, sheet 403

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

An operating group solution serves as a guide and implementation tool for the various Swiss Post units, to ensure that occupational health and safety requirements are met. Its aim is to systematically reduce the number of occupational accidents and illnesses. Occupational safety and health protection are institutionalized in an internal technical directive for the entire Group. This operating group solution was discussed with representatives of the trade unions during its introduction in 2011 and during the restructuring in 2014. From recertification in 2017 onwards, discussions will be held annually. 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

In total, 2,106 apprentices received training in 15 professions at Swiss Post in 2017. This represents 5.7 percent of its headcount in Switzerland. This makes Swiss Post one of the largest training companies in Switzerland. Around 750 apprentices successfully completed their basic vocational training in 2017. The success rate in final apprenticeship examinations stood at 98.6 percent. Three out of every five newly-qualified professionals continued to work for Swiss Post. Furthermore, Swiss Post enabled 25 university graduates to enter the working world as part of its in-house trainee programme. Swiss Post introduced the new profession of ICT specialist at the start of the 2018 training period.

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.

Exact data on the number of hours for basic and advanced training of all employees is not available, as training activity data is currently incomplete and maintained in various different systems.

References and related documents:

– <https://www.post.ch/en/about-us/company/media/press-releases/2017/swiss-post-committed-to-basic-training>
 – <https://lehrstellen.post.ch/de>
 – <https://www.post.ch/en/about-us/company/innovation/postventure>

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

Employees can get in touch with Swiss Post's own Careers Center at any time to assess their professional situation and get advice on advanced training, career planning and professional re-orientation. The skills required from staff are also changing as a result of the digital transformation. To ensure that employees are prepared for this change and are supported in the transformation, Swiss Post has set up a working group that coordinates and initiates measures to develop digital skills.

References and related documents:

– Annual Report key figures 2017, sheet 404, "Careers center" section

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

For the vast majority of the workforce who are paid monthly, a meeting is held every year to assess performance and employee development. Depending on the collective employment contract, this does not apply to employees with an employment level of less than 20 to 40 percent.

An employee meeting is held annually with all employees. This is mandatory for line managers. Around 66 percent of all employees have a goal-setting meeting (around 41,000 employees). Due to their lower level of employment, all other employees have a so-called management meeting. New employees have a trial period interview.

GRI 405: Diversity and Equal Opportunity

405-1: Diversity of governance bodies and employees

References and related documents:

– Financial Report 2017, "Corporate governance" section, pages 61–73
 – Annual Report key figures 2017, sheet 102, "Gender distribution" section
 – Annual Report key figures 2017, sheet 405

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

In 2017, Swiss Post conducted a comprehensive equal pay analysis and successfully participated in the equal pay dialogue. At the time this report was completed, the result was not available.

GRI 406: Non-discrimination

406-1: Incidents of discrimination and corrective actions taken

A non-discriminatory 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, Social Service has provided training in respectful treatment, bullying and sexual harassment.

In the current year, more than 70 employees turned to Swiss Post Social Service due to tension in the workplace. To resolve the conflicts, solution-oriented discussions, mediation or audits were conducted with those affected.

Altogether, Social Service received eight specific complaints against work colleagues. On the basis of detailed explanations, concrete measures were taken and mutually agreed solutions sought where possible.

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

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, up to 85 percent of production is in Europe and all suppliers undertake to uphold the freedom of association. 15 percent of production takes place in China, where there is no general freedom of association. Internal employee representatives are in place at Swiss Post suppliers. By 2018, however, production in China will be scaled back significantly.

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.

References and related documents:

- Annual Report 2017, "Postal network business performance" section, pages 37–40
- www.post.ch/en/about-us/company/media/press-releases/2016/swiss-post-to-develop-network-of-the-future
- 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 300 most important suppliers will be reviewed according to social criteria using the EcoVadis system.

There are no known actual material negative effects, 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 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 2017, 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

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 is appealing against the decision before the Federal Administrative Court.

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