



SUSTAINABILITY REPORT 2014
AUSTRIAN POST

CONTENTS

- PREFACE
- THE COMPANY
- ECONOMY
- ENVIRONMENT
- EMPLOYEES
- SOCIETY
- FACTS & FIGURES

CONTENTS

4–5

PREFACE

6–49

THE COMPANY

- 08 Sustainability
- 20 Profile
- 44 Stakeholder involvement
- 48 Important issues

52–63

ECONOMY

- 54 Strategy & objectives
- 57 Important issues
- 59 Performance

64–79

ENVIRONMENT

- 66 Strategy & objectives
- 69 Important issues
- 72 Performance

80–97

EMPLOYEES

- 82 Strategy & objectives
- 86 Important issues
- 88 Performance

98–109

SOCIETY

- 100 Strategy & objectives
- 103 Important issues
- 105 Performance

110–122

FACTS & FIGURES

- 112 Thematic and Goal Matrix
- 114 GRI Content Index
- 120 Independent certification
- 122 Contact & imprint

This Sustainability Report refers exclusively to Österreichische Post AG (referred to in the report as Austrian Post). Subsidiaries of Austrian Post are not included in this report. However, if a statement in the report refers to a subsidiary or the entire Group (including all subsidiaries), this will be clearly expressed in the text.

PREFACE

Ladies and Gentlemen, Dear Stakeholders!

G4-1

Austrian Post and the entire logistics sector are subject to an ongoing transformation. These changes arise as a consequence of current megatrends and developments in the industry. Changing conditions and requirements, for example shifts in consumer behaviour and new technologies and processes, pose demands and inspire us at the same time. They bring us opportunities as well as challenges.

The ongoing boom in Internet shopping has led to a strong increase in parcel volumes. Simultaneously, traditional letter mail is being replaced by e-mail and other electronic solutions, which in turn results in a continuous decline in letter volumes. In addition to these trends, we also see strong competition and price pressure on the market and an internationalization of trade flows. In addition, sustainability issues are gaining in importance due to the increasing scarcity of natural resources and climate change.

Against the backdrop of these influencing factors, Austrian Post has defined four strategic cornerstones serving as the basis for the implementation of our measures. This includes our orienting operations to the wishes of customers and moving ahead with innovations. At the same time we aim to defend our market leadership in our core business, ensure profitable growth in selected markets as well as enhance efficiency and increase the flexibility of the cost structure.

In this regard, it is important to Austrian Post to consistently pursue the defined objectives and implement improvements. It is just as important to try out things and provide new impetus. One example is the deployment of e-mobility in the delivery process. We already have the largest e-vehicle fleet in Austria with 862 electric-powered vehicles. We plan to further expand this fleet to 1,300 e-vehicles by 2016.

As a universal services provider, Austrian Post is not only an important Austrian flagship company but a company which has always focused on its responsibility to society. Therefore, it is not surprising that we have integrated the issue of sustainability in our corporate strategy for years.

The focus is on the wishes of our stakeholders and customers – from business customers to private individuals. We orient our business operations and sustainability activities to them. We strive to act innovatively and with foresight on their behalf as well as in a trustworthy and reliable manner. This is not only the pre-requisite for our success but also our responsibility.

We systematically deal with the issue of sustainability, enabling us to more effectively assess the opportunities and risks for our core business at an early stage. Our strict compliance standards help us to protect the company and its very good reputation.

The sustainable orientation of Austrian Post is reflected by our joining the United Nations Global Compact in 2007 and by numerous other activities, in particular the CO₂ NEUTRAL DELIVERY initiative launched in 2011.

With this initiative we are meeting one of the biggest challenges in the logistics sector, namely the intensity of resource use and greenhouse gas emissions in the field of transport. CO₂ NEUTRAL DELIVERY means that we are intensively pressing ahead with efficiency measures and the expansion of e-mobility. We neutralize the remaining CO₂ emissions by providing a corresponding level of support to national and international climate protection projects. Thanks to this voluntary measure, we have now been able to deliver all mail items in Austria in a CO₂ neutral manner for close to five

years. Our customers neither have to make a special request for this service, nor do they have to pay extra for it!

At present, we are devoting special attention to the issue of sustainable procurement, with the goal of positively impacting the supply chain of Austrian Post. Procurement and the supply chain are important issues because they involve the further development of environmental and social standards along the entire value chain.

However, the sustainability strategy of Austrian Post not only concentrates on the ecological and social challenges of transport or the demands and needs of society. As one of the biggest employers in the country, the company is responsible for more than 18,400 employees. Our main goals are to promote the occupational health and safety of employees as well as a corporate and leadership culture.

This sustainability report devotes one section to each of the four dimensions of our sustainability strategy i.e. economy, environment, employees and society. You will see that we have achieved quite a lot, but still have a lot of plans for the future as well.



Sincerely yours,

A handwritten signature in black ink, appearing to be 'G. Pözl', written in a cursive style.

**Georg Pözl,
Chairman of the Management Board and
Chief Executive Officer
of Austrian Post**

COM

THE COMPANY



SUSTAINABILITY

The sustainability strategy of Austrian Post focuses on the ecological, social and societal effects relating to its core business. For this reason, it is a major part of Austrian Post's corporate strategy and thus closely linked to the mission statement of the company as well as its opportunity management and risk policy.

The chapter on sustainability consists of the following sub-chapters:

- I. Core strategies and mission statement**
- II. Opportunities and risks**
- III. Sustainability strategy**

I. CORE STRATEGIES AND MISSION STATEMENT

The four strategic cornerstones of Austrian Post are 1. Defending market leadership in the core business, 2. Profitable growth in selected markets, 3. Enhancing efficiency and increasing flexibility of the cost structure and 4. Customer orientation and innovation.

In turn, the mission statement defines in which ways the strategies are to be implemented. The mission statement was developed in 2010 by involving about 500 employees from all business units in the Group. Three core values of Austrian Post clearly and quickly emerged from this process:

1. Customer orientation
2. Profitability and sustainability
3. Communication and appreciation

The management's top priority is the sustainable success of the company and thus sustainably securing its profitability. On the basis of the mission statement, Austrian Post has come full circle. The sustainable success of Austrian Post not only encompasses economic aspects but also the environment, the social environment and employees.

The mission statement of a company is of major importance. Only when employees have a clear idea of where the company is headed, as well as how and why this path is being taken will everybody be able to pull in the same direction.

The core values contained in the mission statement should be lived and embodied by all employees in their everyday work, and

THE FOUR CORE STRATEGIES OF AUSTRIAN POST

1.

DEFENDING MARKET LEADERSHIP IN THE CORE BUSINESS

2.

PROFITABLE GROWTH IN SELECTED MARKETS

3.

ENHANCING EFFICIENCY AND INCREASING FLEXIBILITY OF THE COST STRUCTURE

4.

CUSTOMER ORIENTATION AND INNOVATION

all serve as the basis for decisions of all kind. Sustainable corporate management will practically arise by itself by consistently orienting the activities to the main values in the mission statement.

Austrian Post believes that the sustainable orientation of the business operations will open up major opportunities for the entire company. It is convinced that the company can only be sustainably successful if it not only focuses on the economic aspects of its operations but also the ecological and social dimensions as well.

The sustainability strategy of Austrian Post not only refers to its core strategies, core values and mission statement but is also closely tied to the opportunities and risks of the company.

A COMMONLY SHARED MISSION STATEMENT LEADS TO SUSTAINABLE DEVELOPMENT

1. CUSTOMER ORIENTATION
EVERYTHING WE DO REVOLVES AROUND OUR CUSTOMERS

2. PROFITABILITY AND SUSTAINABILITY
WE ARE FUTURE-ORIENTED

3. COMMUNICATION AND APPRECIATION
WE ARE ALL PART OF AUSTRIAN POST

ECONOMY

ENVIRONMENT

SOCIETY

EMPLOYEES

II. OPPORTUNITIES AND RISKS

Austrian Post operates a comprehensive risk management system integrating all business units and subsidiaries. The Management Board defines the risk policy of the company and sets out a framework for the risk management system.

The objective of risk management is to identify risks at an early stage and manage them by taking appropriate measures designed to minimise any potential deviation from the company's business targets. Risks are identified, evaluated, monitored and documented in their overall context by a Group-wide risk management system in accordance with uniform principles.

Thresholds of reporting were established in the form of upper limits (EUR 300,000 on a Group level), which are deliberately aligned with the magnitude and responsibilities of Austrian Post, its business areas and subsidiaries. In the interest of sustainability, ecological, social and ethical aspects are integrated into the risk assessment and risk management processes and the planning of suitable measures.

Opportunities and risks whose scope falls below those levels of significance are the responsibility of experts in the organisational units who

handle the monitoring and management of risks. Sustainability-related risks below this value of limitation are monitored by the Investor Relations department, which also handles CSR. If required, these risks are reported to Risk Management.

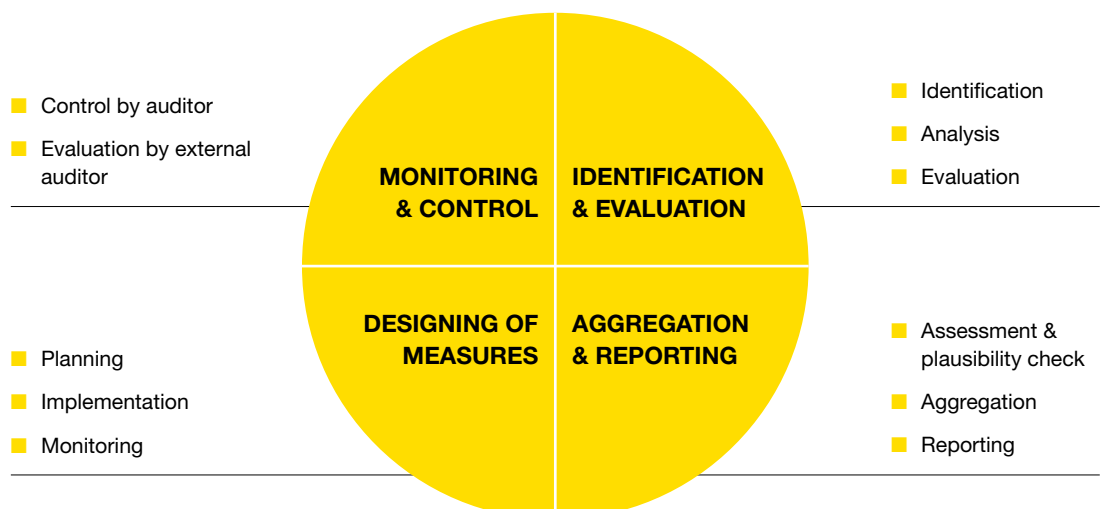
Further details on risk management as well as on the internal control system can be found in the Annual Report 2014 Part 2, Financials, starting on page 46.

The most important steps in the risk management process are:

1. Identification and evaluation:

Risks are defined as the potential deviation from planned medium-term corporate results. The risk manager analyses the risk situation of the respective business area on a quarterly basis. An employee is assigned responsibility to evaluate and monitor each identified risk. Risks are quantified to the greatest possible extent with respect to the potential consequences and probability of occurrence. Non-quantifiable risks are evaluated on the basis of pre-defined qualitative criteria. In addition, the central risk management team cyclically examines the risk situation of the individual business areas on the basis of proactive risk assessments and workshops. The results of the identification and evaluation process are documented in the corresponding IT application of the risk management system.

RISKSTRATEGY AND -POLICY



2. Aggregation and reporting:

The central risk management team gathers information and reviews the identified and evaluated risks. The financial effects of potential overlapping are taken into account in the aggregation process. Subsequently, the risks are analysed by the Risk Management Committee and subject to a plausibility check. This Risk Management Committee consists of representatives of the controlling, legal, strategy and accounting departments as well as representatives of the operating units. The results are integrated in the quarterly report of the central risk management team to the Management Board focusing on risks and their development. Risks which unexpectedly arise are immediately reported to the Management Board on an ad-hoc basis. The Supervisory Board and Audit Committee are also regularly informed about the risk situation.

3. Designing of measures:

The control of risks is based on defining appropriate measures aimed to avoid or reduce risks, or else transfer them to third parties. The business areas examine the measures on the basis of a cost-benefit analysis, and subsequently implement them. These measures are monitored and adjusted within the context of a quarterly analysis undertaken by the risk manager.

4. Monitoring and control:

In conformity with the Austrian Corporate Governance Code, the reliability and performance of the risk management system is subject to an annual evaluation by the auditor. Moreover, the concept, suitability and effectiveness of the risk management system were assessed by an external auditor.

The risk management system of Austrian Post not only focuses on risks but also on identifying and managing opportunities. In this way, Austrian Post pursues the goal of identifying and exploiting potential opportunities. The identification, evaluation, management and reporting is carried out in line with the risk management process.

The identified and evaluated risks and opportunities are integrated into the process of defining sustainability targets and developing corresponding measures. A list of the detailed objectives and related measures is presented in condensed form in the Thematic and Goal Matrix found on page 112.

ECONOMIC RISKS

Market and competitive risks

Austrian Post generates most of its revenue in Austria. If current economic growth forecasts have to be revised downwards, this would force a change in the planning assumptions upon which the company operates and thus limit the reliability of its planning.

In addition, the company generates a considerable share of its revenue from a small number of large customers. The sustained and successful existence of these large customers is an important prerequisite in ensuring the stable development of Austrian Post. Moreover, large customers are not contractually required to have their mail handled by Austrian Post, and could decide on a medium-term basis to contract the delivery of at least part of their mail items to competitors on the postal service market.

The parcel business, in which Austrian Post has a leading position in the Austrian market, is dependent on the economic development of its customers as well as increased competition, which arises on the basis of market penetration of alternative providers. The possibility of a decline in revenue cannot be excluded. For this reason, the company is striving to maintain customer loyalty by offering an attractive range of services.

In the branch network, Austrian Post is partly dependent on strategic partners such as BAWAG P.S.K. Risks affecting these partnerships over which Austrian Post has no influence could negatively impact the earnings situation of the company. Austrian Post strives to continually coordinate such risks with its business partners and jointly counteract them insofar as possible.

All the above-mentioned market and competitive risks could lead to significant volume decreases and thus to a corresponding drop in earnings.

Procurement risks

Procurement risks of Austrian Post are mainly limited to fluctuations in fuel prices. A rise in fuel prices could have minor negative effects on the earnings situation of Austrian Post.

Moreover, Austrian Post carries out regular risk assessment relating to purchasing, default and dependency risks arising from long-term business relationships with financially or strategically important suppliers.

ECONOMIC OPPORTUNITIES

Austrian Post is the undisputed market leader in Austria's letter mail segment as well as in the transport and delivery of parcels, particularly to private recipients. In the future Austrian Post will continue to attach particular importance to defending its leading position. Based on its excellent market position, the company has the opportunity to achieve an even higher customer penetration by expanding its range of services along the value chain, thus generating additional revenue.

Austrian Post will only be successful in the long-term if it can provide an attractive product and service offering corresponding to the specific needs of its customers. For this reason, the company will focus on targeted innovation in its service offering as well as an attractive and diverse range of services. A broad-based portfolio of self-service solutions such as pick-up stations, automatic franking machines, shipping boxes and online solutions should all contribute to fulfilling customer requirements.

Furthermore, Austrian Post also offers its business customers tailor-made solutions, for example in the fields of warehousing and fulfilment which encompass the entire logistics value chain, from incoming goods, commissioning of customer orders, additional services such as greeting cards or gift packaging as well as packing, labeling, shipping and delivery.

ECOLOGICAL RISKS

Austrian Post operates in a very energy-intensive business. With about 9,200 vehicles, the company boasts the largest vehicle fleet in the country. Moreover, the buildings used by Austrian Post consume some 142m kWh of energy each year. Austrian Post is subject to risks due to its high degree of dependence on fossil fuels.

Risks relating to changes in environmental standards

Changes to Austria's exhaust emissions laws could lead to a withdrawal of the permission to operate held by a portion of the delivery vehicles now being deployed. These vehicles would then have to be replaced ahead of schedule. As a general rule, Austrian Post's vehicles have to be replaced after eight years of use. This means that the programme of normally replacing vehicles would have to be complemented by further investments. This risk is being minimised by the replacement of vehicles, which is part of the current program of fleet modernization and thus limits excess costs. Over the past few years, the share of vehicles meeting the Euro 4, Euro 5, Euro-5/EEV and Euro-6 emissions standards in Austrian Post's fleet has been consistently increased.

Risks relating to rising prices for climate protection certificates

Austrian Post has set a goal of compensating for all CO₂ emissions caused by its business operations which cannot be reduced. Within the context of its CO₂ NEUTRAL DELIVERY initiative, all mail items (letters, direct mail items, magazines, parcels) are delivered in Austria in a climate-neutral manner. This initiative is being implemented in a three-phased program: the top priority is always to avoid emissions in the company's core processes i.e. primarily in its buildings and vehicle fleet. The second step is for Austrian Post to increasingly rely on alternative energy sources. Third, all emissions which cannot be avoided at the present time will be compensated by support provided to recognised and certified climate protection projects.

The risk is that the growing number of companies taking part in emission trading and the lower volume of certificates distributed on the free market will increase the price of a ton of CO₂. Thus a rise in the price levels means Austrian Post will have to bear the added costs for climate protection certificates. However, in

the years 2011, 2012 and 2013, Austrian Post decided to purchase CO₂ certificates at a low price level sufficient until 2016, at least managing to counteract this risk in the medium-term.

Risk in not achieving the stipulated environment objectives

Austrian Post is aware of its responsibility to the environment and thus continually strives to identify optimisation potential in order to minimise its ecological footprint. In addition to comprehensive climate protection measures it implements on its own, it also actively participates in projects such as the “Environmental Measurement and Monitoring System (EMMS)” of the International Post Corporation (IPC), which aims to reduce greenhouse gas emissions.

Austrian Post has defined a very ambitious goal for itself: its CO₂ emissions, including those of the shipping companies it uses, should be reduced by 20% in the period 2010 to 2015. Moreover, the number of electric powered vehicles in its vehicle fleet should be expanded to 1,300 vehicles by the year 2016. Furthermore, the entire delivery of letters and direct mail items in Vienna is only to be carried out by e-vehicles or by the delivery staff on foot by the time the year 2016 comes around.

The risk here is that the stipulated reduction targets cannot be reached, which would subsequently damage the company's reputation. Austrian Post alone does not determine the influencing factors. For example, if e-vehicles are not offered or if the technology is not reliable and no conventional vehicles can be removed from service, this could negatively impact the ability of Austrian Post to achieve its targets, which could, in turn, damage its reputation. This is aggravated by the ongoing technologisation of the postal and logistics business, which makes it necessary to deploy more efficient machinery and thus increase energy consumption. Austrian Post is on the right track when it comes to fulfilling its objectives thanks to a consistent monitoring of CO₂ emissions as well as the measures which have already been introduced, such as the complete conversion to “green electricity“, efficient lighting concepts, optimised route planning, a modern vehicle fleet, the expansion of its fleet of electric-powered vehicles and its own photovoltaic facilities.

Risks relating to the effects of climate change on the infrastructure

Climate change and the related effects on the weather impact the infrastructure in Austria. Weather-caused phenomena such as heavy rain, flooding, landslides and mudslides are likely to occur more frequently. In addition, an increase in the frequency and/or intensity of storms and more frequent transitions between frost and thawing periods as well as higher temperatures in winter are also considered to be probable. Potential consequences include damage to road surfaces, traffic facilities and bridges, interruptions due to fallen trees, interruptions in the energy supply and thus disruptions of normal traffic flows. The resulting detours, interruptions and losses of time have negative effects on freight transport and delivery services. A further factor is Austrian Post's legal obligation to ensure a nationwide supply of postal services. Further financial obligations could ensue in cases in which natural disasters result in the company being unable to fulfil this obligation over a long period of time. An increase in the number of heat waves reduces the comfort of people working in buildings and increases energy consumption due to the use of air conditioning.

Austrian Post counteracts this risk by the ongoing inspection of its buildings to ensure they are weatherproof and making investments in their maintenance on an ongoing basis to ensure safe workplaces. Employee safety is also enhanced by the fleet of modern vehicles and by driver training.

Risks relating to weather conditions in winter

Recent studies suggest that a consequence of global warming could be cold and snowy winters in the northern hemisphere of the Earth. The delivery staff of Austrian Post and thus a majority of the employees work outdoors. Their work could be influenced by changing weather conditions. Accidents during work (primarily mishaps occurring on paths during delivery) and days lost to sickness are closely related to the weather conditions prevailing during the winter months. Due to the mild winter (without heavy snow and slippery ice), the number of reported accidents at work significantly declined in the 2014 reporting year, from 984 to 794 accidents.

A modern vehicle fleet and training employees in driving techniques enhance the safety of the delivery staff. The provision of service and protective clothing and the conducting of nation-wide campaigns of flu vaccinations help minimise the risks arising from unfavourable weather conditions.

Risks relating to rising energy costs

Austrian Post largely depends upon its vehicle fleet to transport and deliver shipments. This means that increases in fuel prices and in other costs of energy lead directly to reductions in margins. The risk exists that increases in taxes levied on energy or a scarcity of resources could cause fuel prices and other costs of energy to rise beyond the level taken into account in business plans.

Due to the good supply situation in Europe, it is assumed at the present time that prices will develop sideways in a stable manner, and that no dramatic cost increases will take place. Nevertheless, Austrian Post carried out new tenders for the supply of natural gas and electricity in the year 2014, in order to be able to achieve a long-term benefit from the current situation of favourable lower energy prices.

ENVIRONMENTAL OPPORTUNITIES

EC 2

The increasingly strong consumer trend towards environmentally-friendly or ecological products open up a variety of opportunities for Austrian Post, in the light of the fact that the company is playing a pioneering role on the basis of its CO₂ NEUTRAL DELIVERY initiative. It can be expected that in the future consumers will attach even greater importance to determining whether or not products and services entail ecological aspects as well. The services already offered by Austrian Post since 2011 are carried out in a CO₂ neutral manner, thus giving the company a clear-cut competitive edge compared to other providers. This could lead to additional revenue, particularly in the highly competitive parcels business.

Moreover, on the job market highly qualified employees are increasingly focusing on ecological aspects in the selection of their employer. In addition, existing employees perform more effectively if they do something which fills them with pride. A credible

sustainability strategy spearheaded by the initiative CO₂ NEUTRAL DELIVERY enables the company to more easily find employees. This prevailing ecological trend opens up opportunities which have a positive effect on the stakeholder relationships to customers and employees.

Climate change gives rise to the possibility of the legislators imposing additional taxes in order to reduce the consumption of energy by households and companies. These measures would also affect Austrian Post, which would in turn face a rise in prices. However, the measures would also create opportunities for Austrian Post, which has a number of advantages over its competitors, for example, the fact that it features the largest delivery network in the country. Volumes of letters and parcels are usually delivered via a single, unified system of transport and distribution. Austrian Post's costs comprise a very low share of energy and/or resource-dependent costs per shipment/unit compared to those of other service providers. Any changes in laws causing energy to become more expensive or resources to become scarcer (and thus also generating rises in energy costs) would result in Austrian Post's experiencing rises in costs per shipment that are less than those of their competitors. This could enable Austrian Post to increase its market shares, since its competitors would be forced to respond to rises in energy costs by increasing their prices. The latter would be greater than those enacted by Austrian Post.

EMPLOYEE-RELATED RISKS

As one of the biggest employers in the country, Austrian Post is aware of the considerable responsibility it has to its approximately 18,400 employees. In the service sector so-called human capital is the most important success factor. A service company can only succeed on the market in the long term on the basis of qualified and motivated employees. This also entails a series of risks due to the high relevance of employees for corporate success. On the other hand, an effective human resources policy which supports and encourages but also places demands on employees opens up numerous opportunities.

Risks relating to structural changes

Much of Austrian Post's business (above all the sending of letters) is characterised by declining volumes. For this reason, a key aspect of the company's business strategy is to continually operate in a more efficient manner. Austrian Post continuously tries to develop solutions based on the increased application of technologies in order to accelerate or optimise procedures and processes. This is precisely the reason why Austrian Post attaches considerable importance to ensuring future career perspectives for its employees within and outside of the company in the light of a constantly changing working world. However, a large proportion of the employees have employment contracts which make it more difficult to adapt to these changes.

Austrian Post counteracts employment-related structural problems by promoting increasingly flexible working processes and working time models. Employees impacted by restructuring can take advantage of a social plan in effect since the year 2011 which is designed to cushion them against the impact of these measures.

Risks related to a high rate of attrition and the age structure of employees

The service sector is subject to extensive natural attrition, which nevertheless poses the challenge to maintain the high quality of services offered. For this reason Austrian Post offers target group-oriented and competence-oriented further education and professional development measures for all employees, such as specialised trainings, continuing education courses and coachings as well as trainings in all areas relating to the company's business operations.

The topic of "appreciation" is viewed as being of central importance, as it increases the recognition given to employees. This issue is of great relevance to the schooling of managers. They receive special training in courses held at the Management Academy, enabling them to carry out their duties in a performance-oriented manner while showing appreciation for the services rendered.

The changing age structure in companies also entails risks. The share of employees who are more than 50 years old is increasing annually. Many of the activities in the postal business are work-intensive. The result is the risk of not being able to fully retain the capability of older employees to satisfy the requirements ensuing from their occupations. To counter this

risk, Austrian Post has established personnel development and health promotion programs.

The opening up of new areas of activity is accompanied by the configuring of work to take the age structure of employees and the needs of older employees into account. This also applies to target group-oriented further education and professional development programmes designed to create and strengthen overall health awareness as well as to maintain and strengthen the ability of employees to work.

The targeted recruiting of new employees and the promotion of young "high potentials" round off the necessary age management measures taken by Austrian Post as a consequence of demographic developments.

Risks relating to insufficient occupational safety

The very large number of staff members engaged in performing physical tasks necessitated by the delivery and sorting of shipments makes the topics of occupational safety and protection of health of the utmost importance. The relevance of the measures preventing accidents and protecting health stems from their ability to maintain and strengthen the capability of employees to work, with this extending well into old age. The identification and assessment of risks to health and safety ensuing from places of work and the determination of any requisite protection measures guarantee secure and ergonomic work environments. The regular availability of information to employees and the holding of regularly scheduled training programs on the topic of occupational safety ensure that employees are aware of the risks associated with their activities. Their proper conduct contributes to their minimisation.

EMPLOYEE-RELATED OPPORTUNITIES

Austrian Post invests extensively in the further education and professional development of its employees, which gives it a competitive edge vis-à-vis its competitors. In addition to a broad range of target-group oriented and competence-oriented further education and professional development programmes, a talent management and trainee programme promotes promising young employees.

In the year 2010, the mission statement of Austrian Post was developed featuring the three following value categories:

- Customer orientation:
 Everything we do revolves around our customers
- Profitability and sustainability:
 We are future-oriented
- Communication and appreciation:
 We are all part of Austrian Post

A variety of measures now serve the purpose of implementing and embedding these new corporate principles in the daily work of all employees. The objective of the corporate principles can only be achieved if they are consciously put into practice i.e. promoting a cultural change in the way employees deal with each other, customers and partners of Austrian Post and the strengthening of employee identification with the company. In order to ensure this transformation in values, Austrian Post developed its own leadership guidelines in cooperation with executives in the company which are based on four guiding values: assume responsibility, provide orientation, promote cooperation and build confidence. Based on these measures, Austrian Post can distinguish itself from its competitors and position itself as an attractive employer for qualified staff.

SOCIETAL RISKS

As a provider of universal postal services, Austrian Post bears a considerable responsibility to society. It makes an important contribution towards maintaining and safeguarding the communications infrastructure on the basis of providing reliable, top-quality nationwide postal services in Austria. This responsibility entails risks but also opens up opportunities. Moreover, due to the high relevance of Austrian Post to society, it is affected to an above-average degree by societal trends which influence consumer behaviour.

Regulatory and legal risks

The full-scale liberalisation of the Austrian postal market took place on January 1, 2011 when the new Postal Market Act took effect. This development carries the risk of future shifts in market share. The legal framework for the full-scale liberalisation of the postal sector was defined in this new Postal Market Act. In many

cases, this Postal Market Act does not prescribe equal treatment between Austrian Post and its competitors, but places an additional burden on Austrian Post.

The Universal Postal Service Obligation requires Austrian Post to provide a minimum offering of postal services of comparable quality across the country, and ensure a nationwide distribution network of at least 1,650 postal service points. Austrian Post is only allowed to convert company-operated post offices manned by its own staff to postal partner offices following a regulatory approval process. The possibility that Austrian Post will be required to continue operating unprofitable postal branches, at least in the short term, cannot be excluded.

At present Austrian Post does not assume that it will be obliged to grant its competitors access to some of its services. If this did indeed happen, these firms could potentially provide services in segments of the postal market which are particularly lucrative, and rely on partial services provided by Austrian Post at regulated prices in less lucrative business segments. This could also potentially have a significantly negative effect on earnings.

Great importance is attached to the issue of the equal treatment of Austrian Post compared to other market participants in the company's public relations activities and its dialogue with all its stakeholders. The company considers itself responsible for making people aware of the unresolved issues in connection with compensation for Universal Postal Services, and the problems arising as the result of an asymmetric market liberalisation. Austrian Post is subject to legal restrictions by regulatory authorities in setting its business terms and conditions (including postal rates) in providing universal postal services. For this reason, the company only has limited flexibility to impose price adjustments for the Universal Postal Services as a means of reacting to market changes. A difference in the definition of the limits to universal postal services between regulatory authorities and the company could be reflected in the design of the product portfolio and pricing policies.

In the past, Austrian Post was subject to antitrust investigations and processes evaluating the legitimacy of its agreements and business practices in the light of existing antitrust regulations. Other legal risks may arise as the

consequence of unexpected court cases initiated by competitors, customers or suppliers.

In order to optimally avoid as far as possible any potential adverse effects on earnings resulting from regulatory and legal risks, Austrian Post strives to expand its value-added chain and product portfolio in its core processes, as a means of offering its customers even better services and achieving an optimisation of service quality. Moreover, Austrian Post intends to generate increased revenue in the already liberalised areas.

According to the Postal Services Structure Act of 1996, changes in civil service laws for civil servants are fundamentally applicable to those civil servants working for Austrian Post. Thus, revisions to civil service laws could have a direct effect on the cost structure of the company. In principle, further risks arising from varying interpretations of the Postal Services Structure Act can also not be excluded. With respect to the general issue of determining the correct reference date for salary increments, demands for an adjustment were voiced which could have a negative effects on Austrian Post. The Austrian Federal Government introduced a law which was adopted by the Austrian Parliament on January 21, 2015. The corresponding federal law took effect on February 12, 2015. The reform implements a new salary system which does not involve any dependency on the age of a civil servant. For Austrian Post, it is unlikely that there will be an outflow of resources with an economic benefit with respect to the applications of active civil servants as at the balance sheet date of December 31, 2014.

Furthermore, Austrian Post and the Austrian Federal Government have varying interpretations concerning the calculation of the pension contributions to be paid by Austrian Post for civil servants who are still actively working. For this reason, the Austrian Federal Government could potentially demand additional payments on the part of Austrian Post which exceed existing provisions made by the company, and thus lead to higher staff costs in the future.

Risks relating to partnerships

With respect to its business partnerships, Austrian Post relies on its collaboration with a large number of partners. These ties lead to a dependency on the general public's perception of these partners' reputation and credibility. A risk

arises if these cooperation partners are exposed to events leading to negative publicity for them. This would result in a bad light being cast on Austrian Post as well. The only way to minimise this risk is by intensively scrutinizing potential candidates for such partnerships with Austrian Post. Accordingly, for example, the partnerships with the charitable organisation Caritas, the radio station Ö3 and Mondi in conjunction with the Ö3 Wundertüte bags have been extremely successful, and will be continued with these strong and reliable partners. Risks arising from working relationships with Austrian Post's major partners such as BAWAG P.S.K. and Telekom Austria are subject to ongoing evaluation.

Reputation risks

The transport sector is generally considered to be one which negatively impacts the environment, in which case damage to the reputation of the company could arise. As a result, private individuals and companies are increasingly doing without the physical shipment of letters and direct mail items, and are changing over to alternative forms of shipment or advertising. This could lead to a decline in revenue, in which case the fixed cost structure of the company could not be adjusted in the short-term to reflect this situation.

Austrian Post counteracts this risk on the basis of its initiative CO₂ NEUTRAL DELIVERY and has been offering "green" products throughout Austria since 2011. This means that all shipments (letter mail and direct mail items, magazines, parcels) have been delivered in a climate-neutral manner in Austria since 2011.

Risk of e-substitution

Traditional letter mail is being increasingly replaced by electronic media. This trend, in particular the one towards electronic mail delivery, will continue in the future. This development, which is being promoted by legislation, could lead to a significant decline in mail volumes and earnings. A one percent decrease in revenue in the letter mail segment leads to a negative revenue effect of about EUR 7m annually, which in turn correspondingly reduces earnings in the short- and medium-term due to the fixed cost structure of the company's operations. The possibility cannot be excluded that a change in legal regulations with regard to the delivery of government mail will put responsibility for delivering some of these mail items in the hands of competitors and not only Austrian Post.

Austrian Post is counteracting the volume decline resulting from the greater use of electronic media by developing new products and services. Diversifying business operations into different markets enables Austrian Post to more effectively spread or minimise risks in individual sectors.

Austrian Post counteracts this risk on the basis of its CO₂ NEUTRAL DELIVERY initiative and has been delivering all shipments (letter mail and direct mail items, magazines, parcels) in a climate-neutral manner in Austria since 2011.

Moreover, within the context of its membership in different trade and professional associations and in the governing bodies and working groups of these associations, Austrian Post regularly communicates its views on issues which impact the business activities of Austrian Post, and also states its concerns. The focus of Austrian Post is to provide postal services throughout the country for the benefit of the Austrian population. This has to take place in a modern and service-oriented manner. In this regard a key issue is the field of electronic postal delivery.

Furthermore, Austrian Post continually develops innovative, new solutions in order to fulfil changing customer requirements and wishes. Austrian Post constantly assesses its private customer focus and the feasibility of the measures being implemented. Accordingly, innovative online solutions are constantly being developed in order to link the physical and digital worlds of communication.

A key aspect entailed in the risk of e-substitution is the changing communications behaviour of younger generations. The mail business – and primarily the writing and sending of letters – is a key part of societal life. Despite this, the knowledge possessed by children and adolescents of this topic is progressively disappearing. For this reason, the risk exists that in particular the younger generations will cease to make use of the societal institution of mail. Such persons are increasingly replacing the writing and sending of letters with different forms of electronic communication. It is for this reason that Austrian Post regards its scope of responsibilities to include informing such people about its spectrum of activities and safeguarding the high status and importance of Austrian Post in the future. In order to achieve this, Austrian Post establishes partnerships in order to foster a modern image for the company among Austria's young people and to promote a culture of writing and reading

letters. Under the title “Die Post macht Schule”, Austrian Post has developed educational materials for primary schools which present the responsibilities, tasks and services of Austrian Post, and which are designed to stimulate pupils to read and write.

OPPORTUNITIES IN SOCIETY

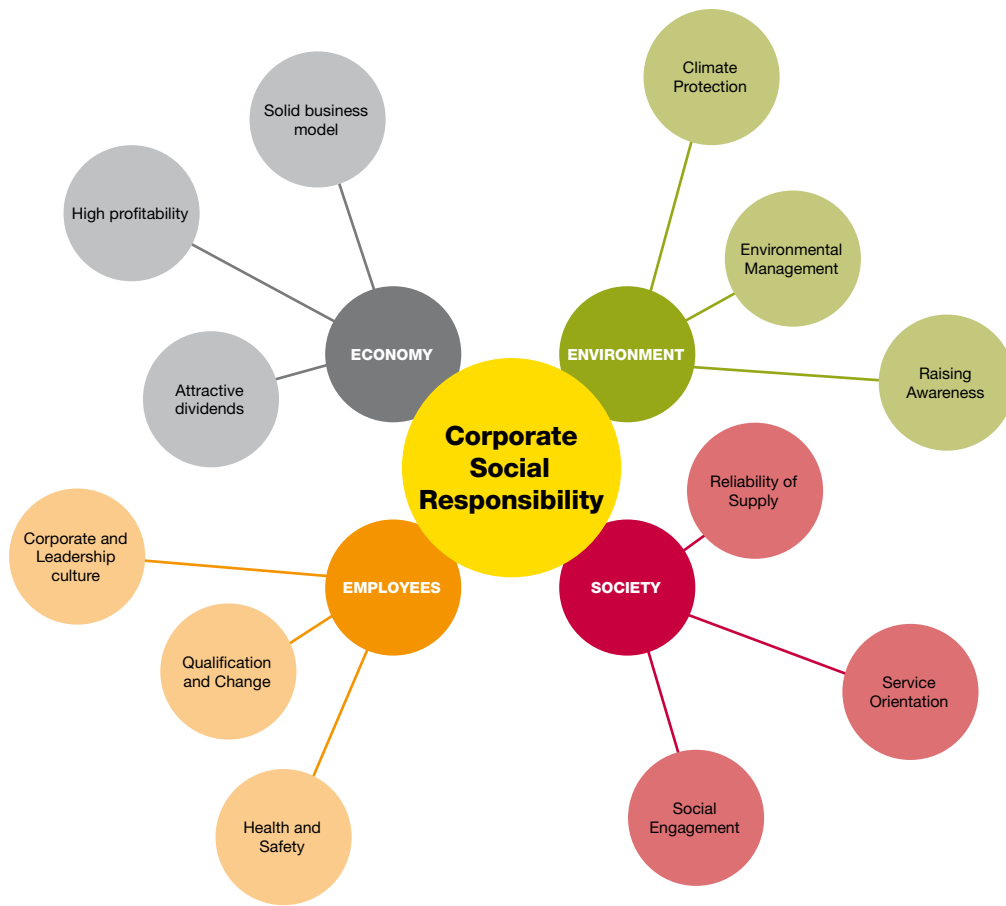
Austrian Post systematically focuses on identifying trends in society, and subsequently develops new products and solutions on an ongoing basis in order to exploit the opportunities that arise. For example, opportunities arise from the sustainability trend as well as in the field of online business.

Customers attach considerable importance to flexibility, and an increasingly important role is being played by the Internet as well as by mobile applications. For this reason, Austrian Post is continually expanding its online service offering. The extensive online services offered by the company are well received by customers and are thus being continually further developed and improved. These services underline the fact that Austrian Post is already actively shaping its own future. One of the focal points of its operations is to offer dual solutions which link the digital and physical communications world with each other.

Based on the CO₂ NEUTRAL DELIVERY initiative as well as its pioneering role in the field of e-mobility, Austrian Post stands out as a climate protection partner and clearly distinguishes itself from its competitors. In this manner it can achieve a significant competitive advantage.

Austrian Post transports and delivers letters and parcels everyday to every address and every doorstep throughout Austria. Naturally this is of major importance to the population and also offers Austrian Post the opportunity to be closer to its customers and thus to more directly react to customer requirements and wishes.

On the basis of its sponsoring and cooperation activities, Austrian Post is contributing to a change in societal values.



III. SUSTAINABILITY STRATEGY

The sustainability strategy of Austrian Post is based on its strategic cornerstones, taking account of the core values encompassed in the mission statement as well as the concerns of stakeholders. The sustainability strategy focuses on four areas: economy, employees, society and the environment.

In organisational terms, responsibility for sustainability at Austrian Post is directly assigned to Chief Executive Officer Georg Pözl in the Investor Relations Department. Moreover, inter-company working groups have been set up for each of the four areas i.e. economy, environment, employees and society. These working groups meet at least twice annually to analyse sustainability-relevant issues in the company and define related objectives and measures. Considerable importance is attached to ensuring that each of the four areas is not viewed in isolation but are mutually aligned to one another.

ECONOMY	ENVIRONMENT	EMPLOYEES	SOCIETY
Only a successful company can assume its corporate social responsibility on a long-term basis.	As a logistics company, Austrian Post operates in a resource-intensive business and has a correspondingly high level of responsibility to the environment.	As one of the biggest employers in the country, Austrian Post is responsible for 18,400 motivated and productive employees.	As a provider of universal postal services, Austrian Post bears a considerable responsibility towards society.
The related objectives and measures can be found in the “Economy” chapter of this report starting on page 52.	The related objectives and measures can be found in the “Environment” chapter of this report starting on page 64.	The related objectives and measures can be found in the “Employees” chapter of this report starting on page 80.	The related objectives and measures can be found in the “Society” chapter of this report starting on page 98.

An overview of all objectives can be found in the Thematic and Goal Matrix on page 112.



PROFILE

G4-9

Austrian Post is the leading logistics and postal services provider in Austria, with annual revenue of close to EUR 1.7 billion and approximately 18,400 employees.

The “Profile” chapter of this report consists of the following subchapters:

- I. Organisational profile**
- II. Business profile**
- III. Reporting profile**
- IV. Leadership profile – Corporate governance**
- V. Integrity profile – Compliance**

I. ORGANISATIONAL PROFILE

STAFF OF AUSTRIAN POST

In the year 2014, the staff of Austrian Post consisted of an average of 18,403 employees (annual average, full-time equivalents). Of these employees, a total of 8,496 were civil servants, whereas 9,628 people were salaried employees, 27 were trainees and 252 were temporary employees (vacation replacements). With the exception of the 1.4% of the Austrian Post workforce serving as vacation replacements for employees, all employees are subject to an Austrian collective wage agreement. The 252 vacation replacements (employed for up to twelve weeks) are not subject to a collective wage agreement in accordance with the stipulation of the Postal Services Structural Act (Section 19 Para. 5), but are employed in accordance with the Austrian Civil Code (ABGB).

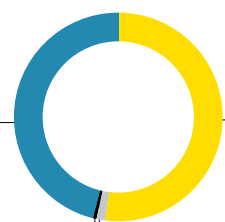
STAFF STRUCTURE OF AUSTRIAN POST

52.3% SALARIED EMPLOYEES

46.2% CIVIL SERVANTS

0.1% TRAINEES

1.4% VACATION REPLACEMENTS



G4-10

G4-11

AUSTRIAN POST – EMPLOYEE INDICATORS	2012	2013	2014
Total number of employees (FTE) ¹	19,534	18,951	18,403
thereof women (FTE %)	29.3%	28.9%	29.1%
thereof men (FTE %)	70.7%	71.1%	70.9%
Civil servants (FTE)	9,738	9,146	8,496
Salaried employees (FTE)	9,558	9,548	9,655
Employees pursuant to the Austrian Civil Code ² (FTE)	238	256	252
Full-time employees (persons)	17,724	17,178	16,654
thereof women (%)	23.7%	23.4%	23.7%
Part-time employees (persons)	3,422	3,388	3,315
thereof women (%)	85.4%	83.5%	82.4%
Average tenure of civil servants (years)	28	29	30
Average tenure of salaried employees (years)	11	11	11

1 FTE = Full-time equivalents

2 Employees working pursuant to the Austrian Civil Code (ABGB) are not subject to the collective wage agreement due to stipulations contained in the Postal Services Structure Act (Section 19 Para. 5).

Leased employees

Austrian Post also employs externally leased staff if needed. These employees are not included in the employee indicators of Austrian Post.

If leased employees were actually included in the employee indicators, the share of leased employees as a proportion of the total staff would have been close to the one percent threshold in 2014.

LEASING STAFF	2012	2013	2014
Leased employees (FTE)	196	210	180

LA1

New employee hires and employee attrition in 2014

In 2014 the rate of employee attrition in the company was 10.3%, slightly lower than the prior-year level.

AUSTRIAN POST – EMPLOYEE INDICATORS	2012	2013	2014
Employee attrition (nominal)¹	2,109	2,222	2,037
thereof women	943	842	831
thereof men	1,166	1,380	1,206
By age group			
under 30	420	404	486
30–50 years	886	904	836
over 50	803	914	715
Employee attrition (%)²	10.1%	10.9%	10.3%
thereof women	44.7%	37.9%	40.8%
thereof men	55.3%	62.1%	59.2%
By age group			
under 30	19.9%	18.2%	23.9%
30–50 years	42.0%	40.7%	41.0%
over 50	38.1%	41.1%	35.1%
New employee hires (nominal)¹	1,458	1,801	1,391
thereof women	643	785	591
thereof men	815	1,016	800
By age group			
under 30	495	851	787
30–50 years	683	760	549
over 50	280	190	55
New employee hires (%)²	6.9%	8.8%	7.1%
thereof women	44.1%	43.6%	42.5%
thereof men	55.9%	56.4%	57.5%
By age group			
under 30	33.9%	47.3%	56.6%
30–50 years	46.8%	42.2%	39.5%
over 50	19.2%	10.5%	4.0%

1 Permanent staff leaving/joining the company with an employment contract of at least six months

2 Permanent staff leaving/joining the company in relation to the average number of employees

OWNERSHIP STRUCTURE OF AUSTRIAN POST

As a consequence of the Initial Public Offering in 2006, 49.0% of the shares were placed with investors. The shareholding held by the Austrian state holding company ÖBIB (Österreichische Bundes- und Industriebeteiligungen GmbH), formerly ÖIAG (Österreichische Industrieholding AG) in the share capital of Austrian Post thus decreased from a 100% stake to 51.0%.

In relation to the 67,552,638 shares currently in circulation, ÖBIB holds a 52.8% stake in the company, and thus remains the majority shareholder of Austrian Post.

A shareholder ID carried out in January 2015 concluded that, in addition to the main shareholder ÖBIB (formerly ÖIAG), 40% of the shares are held by European investors (unchanged compared to the previous analysis of January 2014). All in all, 15.3% of these shares are held by private and institutional investors in Austria

G4-7

(plus 0.1 percentage points), 15.1% in Continental Europe (plus 0.9 percentage points) and 9.9% in Great Britain (minus 0.5 percentage points). A total of 6.7% of the shares (minus 0.3 percentage points) are currently held by North American investors (USA, Canada), whereas investors in the rest of the world account for 0.1% (minus 0.1 percentage points).

Due to the fact that shares in Austrian Post are not registered shares but bearer shares, Austrian Post is not aware of the names of the individual shareholders. According to the Austrian Exchange Act (Section 91/1), Austrian Post is legally required to be informed about the acquisition of shares in the company if this exceeds the reportable threshold of 4%. In light of the fact that Austrian Post has not received any such notification, there are no individual shareholders with the exception of ÖBIB which hold more than 4% of the shares in the company.

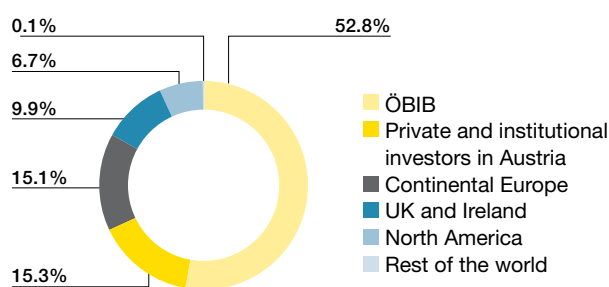
COMMITMENT OF AUSTRIAN POST

Austrian Post has been a member of the UN Global Compact since 2007, orienting the implementation of its objectives and activities to the Global Compact's principles relating to human rights, labour rights, environmental protection and anticorruption. In 2014, Austrian Post continued its participation in international programmes such as the "Environmental Measurement and Monitoring System" (EMMS) of the International Post Corporation (IPC).

Austrian Post operates in a sustainable manner from the capital market's perspective. This is demonstrated by its listing in VÖNIX, the sustainability index of the Vienna Stock Exchange, since the year 2007.

Austrian Post once again improved its standing in the Carbon Disclosure Project (CDP), the world's largest data base for company-relevant environmental and climate information. Austrian Post achieved 91B points in 2014 (2013: 88A), considerably above the sector average of 81C. Accordingly, the company is ranked fourth in the transport industry in the DACH region (Germany, Austria and Switzerland).

SHAREHOLDER STRUCTURE BY COUNTRY, BASIS: 67.6M SHARES



The sustainability activities of Austrian Post were also analysed and positively assessed by oekom research, one of the world's leading rating agencies in the sustainable investment segment. In particular, the agency emphasized the objectives and measures of Austrian Post in the field of environmental and climate protection, for example the relatively high share of electric powered vehicles as well as the implementation of standards for occupational safety and health.

AUSTRIAN POST AND SITES WITHIN THE AUSTRIAN POST GROUP

This Sustainability Report 2014 refers exclusively to the parent company Österreichische Post AG (Austrian Post), which generates about 70% of the revenue of the Austrian Post Group and employees about 77% of the total workforce.

Subsidiaries of Austrian Post are not included in the sustainability reporting. However, if a statement in the report refers to a subsidiary or the entire Group (including all subsidiaries), this will be clearly expressed in the text (also refer to the chapter starting on page 31).

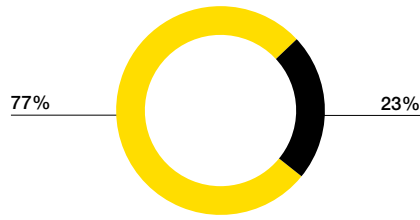
G4-15

G4-6

G4-8

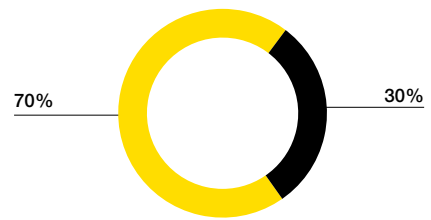
G4-17

SHARE OF TOTAL EMPLOYEES IN THE AUSTRIAN POST GROUP



■ Austrian Post
■ Subsidiaries of Austrian Post

SHARE OF REVENUE IN THE AUSTRIAN POST GROUP



■ Austrian Post
■ Subsidiaries of Austrian Post

Nevertheless, it should be mentioned that the Austrian Post Group has been operating for years beyond the country's borders. It is primarily active in Central and Eastern Europe, but its subsidiaries in Germany also generate

a considerable share of Group revenue. Since 2013 the Austrian Post Group has also held a 25% stake in the parcel services provider Aras Kargo, which operates in the promising market of Turkey.

The Austrian Post Group operated in the following countries in 2014:



A complete list of all Group companies can be found in the Annual Report 2014, Part 2 (Financials) starting on page 124.



II. BUSINESS PROFILE

BUSINESS AREAS OF AUSTRIAN POST

The services provided by Austrian Post are assigned to two operating divisions: the Mail & Branch Network Division and the Parcel & Logistics Division.

Mail & Branch Network Division

The service portfolio of the Mail & Branch Network Division ranges from the acceptance, sorting and delivery of letters, postcards, addressed and unaddressed direct mail items and newspapers to the sale of postal and telecommunications products as well as financial services in cooperation with its banking partner BAWAG P.S.K.

HIGHLIGHTS OF THE MAIL & BRANCH NETWORK DIVISION

- About 6bn mail items are delivered in Austria each year to 4.4m households and companies.
- 96.3% of domestic letters are delivered on the next working day after the mail items are posted.
- 22,032 mail pick-up points serve as the basis for a functioning communications infrastructure throughout the country.
- 1,826 postal service points, including 1,306 postal partners, ensure nationwide postal services are provided in all of Austria.
- 60m customers visit Austrian Post's postal service points each year.
- The Mail & Branch Network Division boasts 100m customer contacts annually.

G4-4

The Parcel & Logistics Division

The main business of the Parcel & Logistics Division is transporting parcels and Express Mail Service (EMS) items for private and business customers.

In 2014, Austrian Post delivered about 74m parcels and EMS items. Accordingly, it is the leading service provider for the delivery of mail order parcels, featuring nationwide delivery of the highest quality.

HIGHLIGHTS OF THE PARCEL & LOGISTICS DIVISION

- 74m parcels and EMS items are delivered to households and companies in Austria each year.
- 470,000 parcels were delivered in Austria on a single day in December 2014.
- 90% of parcels are successfully handed over to the recipients on the first delivery attempt.
- In 2014, a total of 8,415 pick-up boxes enabled parcels to be deposited directly at the recipient's residence.

PROCUREMENT AT AUSTRIAN POST

The core business of Austrian Post involves the acceptance, sorting and delivery of mail items. For this purpose, it requires technical facilities, and equipment, machinery and operating materials as well as information technology and vehicles. The company also requires the services of shipping companies (freight transport and parcel delivery). Moreover, the administrative units of Austrian Post also need various materials and services.

For this reason, Austrian Post fundamentally distinguishes between purchasing for its core business (infrastructure and logistics) and procurement on behalf of its administration (indirect materials and services):

INFRASTRUCTURE & LOGISTICS

- Technical systems and machinery
- Technical equipment
- Transport (shipping companies)
- Fleets
- Information technology

INDIRECT MATERIALS & SERVICES

- Consulting
- Construction
- Facility management
- Furniture and fittings
- Office supplies
- Printed forms
- Marketing
- Philately
- Human resources management
- Travel management

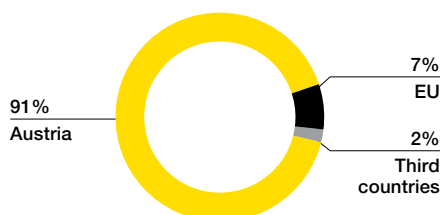
Austrian Post ranks among the leading contractors in the sector in Austria, with an annual external order volume from Group Purchasing exceeding EUR 0.5 bn.

Business relationships of Austrian Post

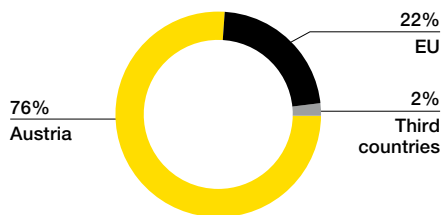
At present, 90% of the more than 7,000 external suppliers of Austrian Post are located in Austria.

Accordingly, Austrian suppliers account for three quarters of the total purchasing volume of Austrian Post. 4-6% of the suppliers are large companies, whereas the rest are small and medium-sized enterprises.

SUPPLIERS OF AUSTRIAN POST (ORIGIN)



BREAKDOWN OF AUSTRIAN POST'S PURCHASING VOLUME



Corporate Procurement Policy

All purchases made by Austrian Post which exceed a value of EUR 100,000 are subject to the Group-wide procurement guidelines (CCP: Corporate Procurement Policy).

The Group-wide procurement guidelines of Austrian Post stipulate that all business relationships have to be oriented to ethical principles and correspond to the requirements of fairness.

A further principle contained in the Corporate Procurement Policy is sustainability. The Corporate Procurement Policy also stipulates that Group Purchasing must carry out its activities in cooperation with environmentally

and socially responsible suppliers. Moreover, in procuring products and services, it is important to take account that the business ties are in accordance with the sustainability strategy of Austrian Post, with particular attention paid to the issues of energy, mobility and CO₂ emissions.

The rules in the Corporate Procurement Policy relating to procurement excellence (quality standards, reporting and supplier evaluation) and compliance not only apply to the entire Group Purchasing but also purchases which are processed in a decentralized manner by an operating unit. The compliance rules also apply for those exceptions (list of exceptions) which are subject to special rules in line with the procurement guidelines.

Code of Conduct for Suppliers

Suppliers of Austrian Post subject to the Group's own Corporate Procurement Policy are required to adhere to the minimum social standards stipulated in the Code of Conduct for Suppliers.

THE CODE OF CONDUCT

for Suppliers of Austrian Post refers to 12 areas:

1. Respect for human dignity
2. Adherence to legal regulations
3. Promotion of equal opportunity and diversity
4. Ban on child labour
5. Ban on forced labour
6. Adherence to national labour laws
7. Support for the freedom of association and freedom of assembly
8. Ensuring occupational health and safety
9. Adherence to environmental and safety regulations
10. Adherence to the respective national anticorruption laws
11. Prevention of conflicts of interest
12. Implementation by the contractor, impact on business and contractual relationships

This Code of Conduct for Suppliers of Austrian Post has been part of the standard documentation in tender proceedings since 2012.

With respect to all external suppliers with which Austrian Post wants to establish strategically important, financially material or long-term business relationships, a risk assessment is regularly carried out on a medium-term basis in order to minimise purchasing and above all default and dependency risks.

Vendor integrity check

Starting with an annual net purchasing volume of at least EUR 1m, or with respect to high risk categories (e.g. management consulting) starting with a volume of EUR 50,000, suppliers are already subject to a vendor integrity check aiming to ensure that sustainability criteria are taken into consideration.

The Group's own companies (subsidiaries and sister companies) which perform services on behalf of Austrian Post and for which invoices are offset are also listed as suppliers but are exempt from the vendor integrity check.

Postal companies in other countries with which Austrian Post has reciprocal cooperation agreements are also exempt. International cooperation and the framework for cross-border postal traffic are regulated by the Universal Postal Union.

All 24 postal companies which are members of the international association of postal companies International Post Corporation (IPC) including Austria, Germany, Ireland, Belgium, Spain, Portugal, Cyprus, Greece, Finland, Sweden, France, Italy, Hungary, Norway, Denmark, Luxembourg, Netherlands, Great Britain, Switzerland, Iceland, Australia, New Zealand, Canada and the USA) are working on a systematic documentation of their effects on climate change and a reduction of their CO₂ emissions.

The objectives and measures of the International Post Corporation are published each year in the IPC Sector Sustainability Report and on the Website of the IPC (refer to: <http://www.ipc.be/en/programmes/sustainability/emissions> and also: http://www.ipc.be/~media/documents/public/sustainability/ipc_sustainability_2014.pdf).

VENDOR INTEGRITY CHECK

1. OBTAIN INFORMATION FROM SELF-DECLARATIONS OF SUPPLIERS

2. VENDOR INTEGRITY CHECK

Analysis/Check of supplier data:

Review of the completeness and correctness of information, assessment of information with respect to compliance and appraisal of legal conformity, integration of past experiences with suppliers and risk assessment.

Review of cooperation:

Evaluation of the integrity of the suppliers

Questions to be answered by the suppliers (review of adherence to compliance guidelines):

1. Questions on human rights and labour laws:

- Is your company committed to complying with the principles contained in the UN Global Compact (e.g. human rights, fair working conditions, environmental protection and anticorruption)?
- Does your company ensure compliance during working hours of national and international laws and ILO standards?
- Does your company pay its employees at least the minimum wages stipulated by collective wage agreements, also taking account of payment for overtime and legally stipulated entitlement to vacation?
- Does your company promote the right of employees to freely join associations, set up trade unions and to have employee representatives (works councils) and thus not to discriminate against its employees?

2. Questions on health and safety

- Does your company actively take steps in the field of occupational safety and to prevent accidents and illnesses at work?
- Does your company make available safe working devices, equipment, utensils and warning signals for the benefit of its employees, and does your company offer training in occupational safety?

3. Questions on sustainability and environmental protection

- Does your company implement measures to actively prevent environmental pollution, and does it ensure compliance with the minimum legal requirements?
- Is your company certified in accordance with ISO 14001 (environmental protection)?
- Has your company implemented a system to measure its CO₂ footprint, and does it have binding measures in effect which are designed to reduce its CO₂ emissions?

4. Questions on ethics and corporate responsibility

- Does your company have a code of conduct and ethics?
- Is it ensured that your company complies with the prevailing legal regulations on anticorruption in your country?
- Do internal guidelines exist in your company on the issues of accepting invitations, gifts and other advantages?
- Does a compliance management system (CSM) exist in your company?
- Does your company require its own business partners to comply with anticorruption regulations?
- Has your company or its current management ever been indicted or convicted in the past on charges of committing financial crimes, or due to alleged corruption or fraud?
- Has your company implemented corporate responsibility in its processes and management systems, and does it actively implement initiatives relating to the issue of corporate responsibility?
- Does your company actively cooperate with NGOs, including those involved in human rights, environmental protection organisations or charitable organisations?

3. ASSESSMENT OF RESULTS

The Compliance Office must be informed even if only one question is critically appraised, and the supplier is requested to submit a statement on this particular issue.

Supplier audit

At present Austrian Post is carrying out supplier audits on a case by case, event-driven basis. Such an event can be tenders, where not only intensive off-site inspections take place but

(mainly in connection with the corresponding complexity or size of the contract) also talks on site. On-site evaluations are envisaged in cases where a higher risk has been identified.

STRUCTURE OF AN EVENT-DRIVEN AUDIT (EXEMPLARY):

OFF-SITE EVALUATION – REVIEW OF INFORMATION

- Obtain information on the credit rating of the supplier
 - Statement of the Credit Protection Association of Austria
 - Dun & Bradstreet information
- Examine excerpt from the Commercial Register
- Demand a list of subcontractors
- Proof of quality standards (ISO 9001, ISO 14001, EMAS ...)
- Other certificates
- Verification of professional liability insurance/business liability insurance (copy of the insurance policy or cover note of the insurance company)
- Annual report/financial statements over the preceding two years
- References on comparable orders
- Evidence of formal qualifications about the professional qualifications of the managers
- Up-to-date criminal record certificate of the managing director
- Current account statement by the social insurance carrier

**ON-SITE EVALUATION – Review on site
 (Inspection of production areas and workplaces)**

- Subjective evaluation of cleanliness and fire protection
- Subjective evaluation of production facilities and machinery
- Subjective evaluation of occupational safety and working conditions
- Subjective evaluation of security (e.g. access controls)

Green procurement

“Green procurement” means that purchasing decisions take environmental aspects into consideration in addition to price, quality

and delivery time. Green procurement is an important issue for Austrian Post, and is treated in this report in the chapter on the company’s ecological performance starting on page 78. ■



III. REPORTING PROFILE

The Sustainability Report is designed to show how Austrian Post takes responsibility for the environment, employees and society and integrates this into its core business without losing sight of economic criteria. In this regard Austrian Post follows five principles:

PRINCIPLE OF REGULARITY

The Sustainability Report of Austrian Post is published on an annual basis. The current report refers to the 2014 financial year and thus seamlessly follows the Sustainability Report 2013.

PRINCIPLE OF COMPARABILITY AND TRANSPARENCY

Austrian Post's sustainability reporting is in accordance with the GRI standard (standard of the Global Reporting Initiative).

G4-18

GLOBAL REPORTING INITIATIVE

The Global Reporting Initiative (GRI) develops globally applicable quality criteria for sustainability reporting in consultation with a wide range of stakeholders drawn from business, employer and employee representatives, civil society, academic institutions and other areas. The GRI Sustainability Reporting Guidelines are designed to serve as a universally valid framework which an organization can use to report on its economic, environmental, and social performance. The voluntary adoption of the criteria set out in the Guidelines increases transparency, credibility, and comparability in sustainability reporting.

The performance indicators supply comparable information on the economic, ecological and social performance of the organisation, and are characterised using the following abbreviations: EC (Economy), EN (Environment), LA (Labour), HR (Human Rights), SO (Society) and PR (Product).

The Sustainability Report 2013 of Austrian Post was still prepared in accordance with the requirements of A+ Application Level of the GRI G3.1 Sustainability Reporting Guidelines. For the first time, the Sustainability Report 2014 has been prepared "in accordance with" the new GRI reporting standard G4 – Core. As a result, the structure and appearance of the Sustainability Report have changed.

The compilation and calculation of indicators are carried out by the Accounting and Controlling departments in the Group as well as by Human Resources, Vehicle Fleet and Corporate Real Estate. Both the scope of the reporting and the measurement methods used were selected in a similar fashion as with the last sustainability report. If there are individual deviations, this will be noted at the appropriate place.

G4-33

The data published in the German-language version was checked by an independent auditor. The corresponding confirmation on the part of Ernst & Young Wirtschaftsprüfungsges.m.b.H. can be found at the end of this report under "Independent Certification" (refer to pages 120f).

PRINCIPLE OF CLEAR DEMARCATION AND CONSOLIDATION – SCOPE OF THE REPORT

This Sustainability Report refers exclusively to Österreichische Post AG (referred to in the report as Austrian Post) and its core business in Austria. Subsidiaries of Austrian Post are not included in this report. However, if a statement in the report refers to a subsidiary or the entire Group (including all subsidiaries), this will be clearly expressed in the text (also refer to the chapter "Austrian Post and sites within the Austrian Post Group" in the organisational profile on pages 23 and 24).

The national and international subsidiaries of Austrian Post have not yet been integrated into the sustainability reporting of Austrian Post. This can be attributed to the fact that the data of all subsidiaries cannot yet be compiled according to a unified standard, and thus not all sustainability-relevant data which is material to the Austrian Post Group is available in a form which enables it to be consolidated.

However, Austrian Post plans to integrate all Group companies which make a material contribution to Group revenue or have a material share of employees in the Group in the sustainability reporting of Austrian Post. At present, this would apply to the trans-o-flex Group, which generates about 21% of Group revenue and accounts for 8% of all employees.

The remaining Group companies together have 15% of the workforce, but generate only 9% of Group revenue. Austrian Post is still evaluating whether or not and to what extent these companies can be integrated into the sustainability reporting.

AUSTRIAN POST GROUP		SUSTAINABILITY REPORT
Parent company	Österreichische Post AG	Complete reporting
Subsidiaries in Austria	Post.Wertlogistik GmbH (100%)	Partly reported Vehicle fleet data included
	Scanpoint GmbH (100%)	Partly reported Data on buildings is included
	feibra GmbH (100%)	Not included in the sustainability reporting
	Systemlogistik Distribution GmbH (100%)	
	Medien.Zustell GmbH (100%)	
	Post Immobilien (100%)	
Subsidiaries abroad	Not included in the sustainability reporting	

A complete list of all Group companies can be found in the Annual Report 2014, Part 2 (Financials) starting on page 124.

PRINCIPLE OF TARGET GROUP-ORIENTATION

Once again, the Sustainability Report 2014 consists of two different but complementary publications.

This Sustainability Report prepared in accordance with GRI criteria and reviewed by an external auditor should provide interested parties with a high level of transparency and comparability to other companies.

In addition to this report, Austrian Post also publishes a “Sustainability Magazine” for the 2014/15 reporting year. This is included as a supplement to the Austrian business magazines profil and trend, with the goal of informing a broader public about the activities and projects of Austrian Post.

PRINCIPLE OF MATERIALITY

In accordance with GRI stipulations, the contents of the report were selected in accordance with the criteria of materiality. As a result, all sustainability aspects are covered in the GRI Sustainability Report which either reflect significant economic, ecological or social impacts of the organisation or which can have a considerable influence on stakeholders.

The basis for evaluating materiality was primarily the Materiality Matrix 2014, which defined key issues from the point of view of stakeholders and the management of the company.

(Also refer to the chapter on “Stakeholder Involvement” starting on page 44 and “Important Issues” starting on page 48.) ■



Peter Umundum,
 Georg Pözl,
 Walter Oblin and
 Walter Hitziger
 (from l. to r.)

IV. LEADERSHIP PROFILE – CORPORATE GOVERNANCE

Good corporate governance is a top priority of sustainable business management and involves much more than just fulfilling legal stipulations.

Key elements of good corporate governance include respect for the interests of shareholders and employees, transparency in all company decisions and an appropriate risk management system.

G4-34

Since its Initial Public Offering, Austrian Post has been committed to complying with the Austrian Corporate Governance Code in the spirit of ensuring a responsible and transparent management of the company.

Both the Management Board and Supervisory Board have the responsibility to ensure that the management and supervision of the company are oriented to national and international principles in order to ensure the long-term creation of value and the continued existence of the company in the long term.

MANAGEMENT AND SUPERVISORY BOARDS

The members of the Management Board jointly share responsibility for overall business management, and decide upon fundamental issues relating to business policy and corporate strategy. The Supervisory Board as the controlling body has the responsibility to monitor the management of the company and provide support to the Management Board in making decisions of material importance to the company.

In accordance with the Austrian Stock Corporation Act, the Management Board has sole responsibility for managing the company for the benefit of the enterprise itself and for enhancing enterprise value on a sustainable basis.

The Management Board consisted of four members in the 2014 financial year. Walter Oblin was reappointed to serve as Chief Financial Officer of Austrian Post by the Supervisory Board at its meeting held on November 11, 2014. His term of office, taking account of the extension option, expires on June 30, 2020.

The Supervisory Board has resolved to establish committees consisting of its own members to carry out specific functions. The Executive Committee is responsible for regulating the relationships between the company and the members of the Management Board. The Presidential Committee deals with issues relating to appointing members of the Management Board. The Audit Committee carries out the responsibilities defined in Section 92 Para. 4a Austrian Stock Corporation Act.

RESPONSIBILITY FOR SUSTAINABILITY

As the highest governing body of the company, the Supervisory Board performs the tasks assigned to it with respect to the economic as well as social and ecological responsibility of the company.

The Management Board bears the responsibility and carries out the task of presenting sustainability-relevant facts to the highest decision-making bodies and processes in order to ensure sustainability-oriented business development. Major corporate decisions relating to social aspects are made in accordance with the mission statement of Austrian Post on the basis of relevant legal regulations.

Details on the composition and mode of operation of the Management Board and Supervisory Board can be found in the Annual Report 2014, Part 2 – Financials, starting on page 10.

INDEPENDENCE

In accordance with the stipulations contained in the Austrian Corporate Governance Code, the Supervisory Board has defined criteria modelled after Appendix 1 of the code. If these criteria are fulfilled, a Supervisory Board member is considered to be independent.

All the members of the Supervisory Board elected by the Annual General Meeting declared their independence in accordance with these criteria. Moreover, the Supervisory Board consists of six representatives who can be considered as independent from the core shareholder of Austrian Post. Accordingly, the majority of the Supervisory Board members do not have any direct relationship to the majority shareholder of the company.

Details on the criteria determining the independence of Supervisory Board members can be found in the Annual Report 2014, Part 2 – Financials on page 14.

G4-35

G4-36

G4-39

PARTICIPATION IN THE DECISION-MAKING PROCESS

G4-51

The Austrian Stock Corporation Act contains detailed regulations concerning the exercising of shareholder rights at the Annual General Meeting of a public limited company. This includes the right to pose questions and to vote on resolutions as well as the right to challenge resolutions.

At the Annual General Meeting 2014, shareholders were once again given the opportunity to cast their votes by absentee ballot. Moreover, within the context of the Annual General Meeting 2014, a series of sustainability-oriented issues were discussed in response to requests on the part of shareholders.

The key issues dealt with included the effects of structural changes on the employees of the company, ensuring the reliable supply of postal services as well as ecological issues such as the photovoltaic facility in Vienna-Inzersdorf and the expansion of the e-vehicle fleet.

The staff representative bodies have the task of representing and promoting the economic, social, health-related and cultural interests of the employees in the company.

The staff representative bodies of Austrian Post are structured into a Central Works Council based in Vienna, a total of six staff committees and more than 90 employee ombudsman committees.

REMUNERATION SYSTEM

The remuneration system of the Management Board is based on the fundamental idea of taking a three-tiered approach. It consists of fixed and variable salary components along with a Long-Term Incentive Programm.

The fixed salary (basic salary) is linked to the salary structure of publicly listed Austrian companies, and takes into account the range of responsibilities assumed by each of the members of the Management Board.

The variable remuneration system (variable salary) is based on short-term objectives defined in advance. The amount depends on the achievement of these goals. Payment is made in the following year. The list of objectives underlying the variable salary includes measurable, quantitative performance indicators and also encompasses the achievement of qualitative performance targets, in which case both the quantitative as well as the qualitative performance indicators include all four components of sustainability which are of relevance to Austrian Post: economy, environment, employees and society. In the 2014 financial year, close to 40% of the targets were not economic, but also related to human resources development (“employees”), the expansion of the e-vehicle fleet (“environment”) and the increase in customer satisfaction (“society”).

- **Employees**
 With respect to employees, a package of measures is to be developed and implemented in the field of human resources development. Particular importance must be attached to achieving improvements in health, operating materials, the performance culture and information/communications.
- **Environment**
 In terms of environmental targets, the focus is on further reducing the ecological footprint of Austrian Post and continuously expanding the e-vehicle fleet.
- **Society**
 In terms of society, the focus is on customers. In the year 2014, the priority was to implement service improvements and thus enhance the satisfaction of private customers as well as improve the image of the company.

The Long-Term Incentive Programme (LTIP) is based on the performance-based allocation of shares and aims at achieving a positive, long-term increase in shareholder value. The LTIP applies to a period of three years, and includes target values for three key economic performance indicators, namely total shareholder return, free cash flow and earnings per share. The underlying goal is to align the interests of company management with those of Austrian Post shareholders and to achieve a medium to long-term increase in shareholder value.

The three-tiered remuneration system (basic salary, variable salary, Long-Term Incentive Programme) for the Management Board has also been adapted for the company's senior management.

More information on the amount and structure of the remuneration paid to the Management Board and Supervisory Board is contained in the Remuneration Report (Annual Report 2014 of Austrian Post, Part 2 – Financials, pages 15ff).

AVOIDING CONFLICTS OF INTEREST

Pursuant to § 13 of the internal rules of procedure for the Supervisory Board of Austrian Post, Supervisory Board members are required to immediately report any conflicts of interest to the Chairman of the Supervisory Board. If the Chairman is also involved in a conflict of interest, he must immediately notify the Deputy Chairman.

On the one hand, conflicts of interest of members of the Management Board are avoided by the regulations contained in the Austrian Stock Corporation Act (for example Section 79 non-competition clause, Section 80 on the granting of loans). On the other hand, the internal rules of procedure for the Supervisory Board generally require the formal approval of the Executive Committee to any other positions held by members of the Management Board.

In addition, the internal rules of procedure applying to the Management Board of Austrian Post stipulate that a member of the Management Board is not permitted to vote on a proposed resolution if the Management Board meeting deals with matters relating to the personal or business interests of this member.

EXPERTISE OF GOVERNING BODIES ON ECONOMIC, ENVIRONMENTAL AND SOCIAL ISSUES

Relevant expertise and experience in management positions are of primary importance in the selection process for members of the Supervisory Board.

In addition, the composition of the Supervisory Board also pays attention to ensuring sufficient diversity. With this in mind, it should be noted that three of the twelve members of the Supervisory Board as December 31, 2014 were under the age of 50, and two members were not Austrian nationals. Two women were members of the Supervisory Board. Since the constitution of the Supervisory Board on April 15th 2015 four women are represented, including Edith Hlawati as Chairman and Edeltraud Stftinger as Deputy Chairman.

Members of the Management Board are appointed in line with the stipulations contained in the Public Appointments Act. The focus is on ensuring that the Management Board members have the particular knowledge and professional skills which should be expected to enable them to fulfil the tasks assigned to them. In addition, special importance is also attached to the individual's leadership competence as well as his or her organisational and social abilities.

G4-40

G4-41



V. INTEGRITY PROFILE – COMPLIANCE

- DMA-SO
- DMA-PR
- DMA-LA

Acting upon an initiative launched by the Management Board, Austrian Post developed a mission statement for the company in 2010. 500 employees and executives from all divisions and levels throughout Austria participated in the project within the context of workshops or via electronic surveys.

The aim now is to establish a Group-wide compliance culture on the basis of our mission statement, and thus to make a value-added contribution to the development of the company. In order to achieve this, Austrian Post pursues a risk-oriented prevention strategy, which identifies and minimises risks at an early stage.

This includes developing clearly-defined rules and integrating them in all relevant business processes. Austrian Post is continually pressing ahead with the ongoing integration of the compliance organization, also at Group subsidiaries. For this purpose, the number of regional compliance officers supporting the central Compliance Officer in implementing

Group-wide compliance activities was once again increased in 2014 and consisted of 26 compliance representatives. A further increase is planned for 2015.

The activities of the central and regional compliance organization should create a sustainable, practice- and action-oriented consulting offering for all employees in all business units, and also ensure transparency in compliance-relevant matters. In addition, the recommendation of measures in cases of compliance violations comprises an important instrument designed to promote the professionalization and further development of the compliance management system.

In a process which took close to one year, PwC evaluated the conception, suitability, implementation and effectiveness of the compliance management system on the basis of IDW PS 980, the standard recognised by the Institute of Public Auditors in Germany. The assessment showed that the compliance management system of Austrian Post is consistent with the stipulations contained in IDW PS 980.

COMPLIANCE MANAGEMENT SYSTEM



CODE OF CONDUCT

A further important step towards the Group-wide roll-out of the compliance management system took place with the publication of Austrian Post's Code of Conduct. It is based upon the Group's mission statement and serves as a guide for all employees of Austrian Post in their everyday work.

The Management Board approved the Code of Conduct to serve as binding rules applying to everyone in the Austrian Post Group.

The Code of Conduct was first announced in e-mails in Austria. These e-mails were accompanied by further information in the Intranet. In addition, one issue of the employee magazine was devoted to the mission statement and the Code of Conduct. Printed copies were also sent out and distributed.

The Code of Conduct was translated into all national languages represented in the company in 2012 and rolled out throughout the Group. The Group-wide roll-out was implemented by the top management of the respective subsidiaries. The management was supported by the

international compliance officers. Printed copies were made available to the subsidiaries. The Code of Conduct can also be downloaded from the Austrian Post Website in all the languages used in the Group.

G4-56
G4-57

The Code of Conduct contains the principles underlying ethical and legally impeccable behaviour on the part of all employees of the Group. The Code of Conduct is oriented to international agreements as well as ethical standards, and reflects the commitment of Austrian Post to complying with the principles of the UN Global Compact.

The Code of Conduct is given to all new employees of Austrian Post together with their employment contracts. By signing the employment contract, the employee declares his or her willingness to comply with the ethical standards of Austrian Post. The Human Resources Department ensures that each new employee receives a copy of the Code of Conduct.

MISSION STATEMENT (PRINCIPLES)	CODE OF CONDUCT
<p>1.</p> <p>CUSTOMER ORIENTATION</p> <p>EVERYTHING WE DO REVOLVES AROUND OUR CUSTOMERS</p> <p><i>We treat our customers the way we would like to be treated – with friendliness, approachability and competence.</i></p>	<p>Issues addressed:</p> <ul style="list-style-type: none"> • Customer outreach • Transparency • Communication • Bribery • Gifts and invitations • Donations, charitable grants and sponsoring <p>Principles:</p> <ul style="list-style-type: none"> • Our actions are customer-oriented and strive for constant improvement. • We tolerate no form of bribery and corruption. • Demanding an advantage is always punishable.
<p>2.</p> <p>PROFITABILITY AND SUSTAINABILITY</p> <p>WE ARE FUTURE-ORIENTED</p> <p><i>We act efficiently and make our personal contribution to the success of the company.</i></p>	<p>Issues addressed:</p> <ul style="list-style-type: none"> • Efficiency • Fair competition • Sustainability • Accounting and reporting system • Cooperation with authorities • Capital market <p>Principles:</p> <ul style="list-style-type: none"> • Our actions are characterised by efficiency, fair competition and sustainability. • Utmost care is applied to our financial reporting and accounting. • Our attitude towards authorities is always cooperative • We act as a trustworthy player in the capital market.
<p>3.</p> <p>COMMUNICATION AND APPRECIATION</p> <p>WE ARE ALL PART OF AUSTRIAN POST</p> <p><i>We deal with each other openly and respectfully. We respect all people.</i></p>	<p>Issues addressed:</p> <ul style="list-style-type: none"> • Openness and respect • Equal opportunity and diversity • Health and security • Avoiding conflicts of interest • Handling business and corporate secrets (data protection) <p>Principles:</p> <ul style="list-style-type: none"> • Honesty, appreciation and respect towards everybody are the basis for our daily actions. • Our actions are guided by our corporate interests. Potential conflicts of interest are disclosed without being requested to do so. • We protect our business and trade secrets. • We treat personal data in accordance with legal stipulations.

In 2014 the Code of Conduct was revised and visually redesigned. The behavioural standards of Austrian Post are based on and oriented to the mission statement of Austrian Post. This means that the issues dealt with in the Code of Conduct correspond to the mission statement of the company. The basic principles contained in the Code of Conduct can be assigned to each guiding principle in the mission statement.

As an additional measure, Austrian Post developed a Code of Conduct for Suppliers in 2011, which obliges contractors of Austrian Post as well as their subcontractors and suppliers to comply with minimum legal and social standards.

GUIDELINES

The focal points of the compliance management system are the “capital market” and “anti-corruption”.

For this reason, specific, valid company-wide guidelines were developed and published by Austrian Post at an early stage.

Another aid to employees on the issues of “capital market” and “anti-corruption” is an e-learning tool which was made available in the fall of 2013. All employees in the Group with computer access can use this tool.

The Compliance Officer supports the conception of guidelines and processes in order to more effectively integrate compliance in the relevant areas and processes.

Capital Market Compliance Directive

The Capital Market Compliance Directive of Austrian Post reflects valid Austrian capital market regulations as well as the Compliance for Issuers Ordinance of the Financial Market Authority, and was issued in order to prevent insider dealings. Due to the fact that this represents a Group-wide regulation, it is binding for all employees in the Group.

An e-learning programme was developed in 2014 which particularly addresses the issue of capital market compliance. In line with legal stipulations, this training is mandatory for all people in confidentiality areas. The compliance management team ensures that the affected employees conclude this training.

Internal directive on the “Acceptance and Granting of Gifts, Invitations and Other Advantages”

The Group’s internal directive on the “Acceptance and Granting of Gifts, Invitations and Other Advantages” issued in 2011 had to be adapted in 2012 due to the changed legal situation arising as a consequence of the Corruption Criminal Code Amendment Act and the related extension of the term “official”.

The Management Board approved this to serve as binding rules applying to everyone in the Austrian Post Group. This Group directive explains relevant legal terms (e.g. “official”, “undue advantage”) in detail and provides employees with all the information they need to know about the topic of anticorruption.

Moreover, the directive also contains a comprehensive practical handbook including a graphic representation, and thus offers assistance to all employees in dealing with presents and invitations in their everyday work.

The compliance team intensively focused on this directive in the year 2014. After more than a year, the company had already gained experience in how to deal with this directive. On the basis of these experiences, Austrian Post began revising the directive, particularly concentrating on simplifying it, especially with respect to accepting and granting other advantages.

ANTICORRUPTION

Austrian Post attaches great importance to the issues of compliance with valid laws and regulations as well as transparency. Accordingly, as already mentioned, the issue of “anticorruption” is a top priority of the compliance management system of the Austrian Post Group. In order to increase its activities in the field of anticorruption, Austrian Post expanded the organisational outreach of its compliance management system in 2014, and also intensified and professionalized the communications of its compliance agenda.

In order to achieve these goals of integrating, improving and expanding the compliance management system, a two-day “train the trainer” session was held in 2014 in cooperation with a renowned law firm on the issue of “compliance and anticorruption”. Both the Compliance Officer on a national level and

SO4

the international compliance officers of the subsidiaries took part in the event.

The year 2013 focused on the new legal situation with respect to anticorruption regulation and the resulting new Group guidelines and the related communications and awareness campaign. In contrast, the focus in 2014 was on evaluating the compliance management system.

Various issues were discussed, for example: “To what extent are Group directives accepted and complied with?”, “Has our communications campaign achieved the targeted objectives?”, “Where is there potential to improve?” and “How can we strengthen the compliance organization?” This evaluation process led to the decision to once again revise the Group directive on the “Acceptance and Granting of Gifts, Invitations and Other Advantages” as well as to develop a Group directive on sponsoring and donations as a supportive measure.

G4-58

Both projects were initiated in the year 2014. The guidelines were approved and rolled out in 2015.

With respect to strengthening the compliance organization, regular jour fixes and conference calls with the compliance officers were held, as well as the above-mentioned “train the trainer” session.

Investigations relating to corruption risks

If necessary, potential corruption risks are identified by the risk management system and the annual compliance risk analysis of Austrian Post.

In 2014 no corruption risks for Austria were reported via the risk management system.

A Group-wide compliance risk analysis for all sites was carried out once again in 2014. Risks with respect to capital market compliance as well as anticorruption were analysed. The results of the analysis were integrated into Austrian Post’s compliance programme for 2015.

Measures to avoid corruption

The issue of anticorruption is one of the focal points of the compliance training and information programme of Austrian Post.

The employees are regularly trained in a risk-oriented and target group-oriented manner on the issues of compliance awareness and anticorruption in the form of classroom training and e-learning within the context of a comprehensive training programme.

On the occasion of training and information events, employees are informed about the existence of the central compliance help desk which was set up to serve as the main contact point for concerns, questions and tips on compliance-relevant issues, for example bribery and corruption.

As already mentioned, the priority in 2014 was on evaluating the existing compliance management system of Austrian Post. The existing Group directive on the “Acceptance and Granting of Gifts, Invitations and Other Advantages” was completely revised, and a new guideline on sponsoring and donations was developed. For this reason, the compliance team decided to do without training and information events in the year 2014, and to implement an intensive training and information programme accompanying the introduction of the new directives, similar to the situation in 2013. Company-wide training and information measures were already launched in 2015.

The compliance help desk can be reached by all employees throughout the Group via a separate e-mail post box and cost-free hotlines.

Measures reacting to specific corruption cases

No cases of corruption took place at Austrian Post in 2014. If such a case occurs, Austrian Post takes legal steps in line with prevailing labour laws as well as disciplinary measures. In 2014 measures designed to prevent corruption were successfully continued within the context of the compliance management system of Austrian Post.

DATA PROTECTION AND SECURITY

The issue of data protection is a major concern to Austrian Post. This issue is also extremely important to our stakeholder groups, as the stakeholder survey implemented within the framework of the Stakeholder Round Table 2014 showed.

Great importance is attached to data protection at Austrian Post. Business customers provide Austrian Post with data to ensure the smooth processing of transport and delivery services, but also recipients of mail items transmit personal data to Austrian Post. For this reason, Austrian Post strictly complies with the legal stipulations contained in the Data Protection Act (DSG 2000) and the Telecommunications Act (TKG 2003).

Data protection is lived and practiced at Austrian Post. This is also underlined by the fact that the company has a Data Protection Officer, a position which is not legally required by the Data Protection Act, in order to ensure compliance with relevant data protection regulations. The Data Protection Officer in the company guarantees the quickest possible resolution of issues on data protection.

Data security is also an extremely crucial issue with respect to information technology. Due to technical developments as well as the large volume of data, Austrian Post implements extensive measures in order to ensure the confidentiality and integrity of customer data and the IT systems operated by Austrian Post. A separate IT team assigned the task of implementing and monitoring security has been set up to protect digital data.

TRANSPARENCY WITH RESPECT TO LOBBYING AND INTEREST REPRESENTATION

According to the Lobbying and Interest Representation Transparency Act, which took effect on January 1, 2013, companies and employees are required to register and disclose cases in which they represent their interests or have their interests represented in the political arena.

The interests represented by Austrian Post mainly relate to its rendering of services and creating the necessary pre-requisites. For this reason, Austrian Post is committed to ensuring that the political framework is commensurate with the demands imposed on Austrian Post as well as the needs of customers. Austrian Post is also interested in all laws and decisions relating to e-Government, parcel delivery, regulation of the postal sector as well as transport.

The interests of Austrian Post are represented by its own employees as well as membership in associations (e.g. PostEurop, the Austrian Federal Economic Chamber, the Federation of Austrian Industries and the Austrian Retail Association) as well as consulting companies (e.g. pantarhei advisors Europe) which report about relevant political developments on a national and EU level.

All relevant information pertaining to the lobbying activities of Austrian Post, for example the names of company lobbyists, the fact that lobbying expenditures of Austrian Post exceed EUR 100,000 annually or the lobbying positions of Austrian Post are publicly available.

Austrian Post is not only listed in the Lobbying and Interest Representation Register of the Austrian Ministry of Justice (<http://www.lobbyreg.justiz.gv.at>; registration number LIVR-00196), but has also been listed in the voluntary EU Transparency Register since November 2014 (<http://ec.europa.eu/transparencyregister>; registration number 726916114945-91). ■

EC8



STAKEHOLDER ENGAGEMENT

Austrian Post attaches great importance to discussing and developing its strategies and measures within the context of a broad-based dialogue with all its stakeholder groups.

The sustainability targets and measures of Austrian Post are thus strongly oriented to the demands and expectations of the company's stakeholders.

The objective of stakeholder management is to get to know stakeholders interested in Austrian Post better, to respond to their concerns and to maintain and further expand the very good and open relationships to interest groups.

The term "stakeholder" is an English-language designation and means "partner". Generally speaking, stakeholder groups are those individuals, organizations or groups which have an influence on the company or which are affected by the activities of a company. Other terms used for stakeholders are "interest groups" or "interested parties". The term stakeholder is broadly defined at Austrian Post, due to the fact that Austrian Post has a very high significance to society as one of the biggest employers in the country and a provider of universal postal services.



2. STAKEHOLDER ROUNDTABLE OF AUSTRIAN POST

The stakeholder groups of relevance to Austrian Post were evaluated in 2014, and identified in line with ONR 192500, the certified guideline for ISO 26000. The identification took place on the basis of several criteria, for example focusing on stakeholders who:

- could be impacted by the decisions or activities of the company
- would be likely to object to these decisions or activities
- have legal obligations to the company
- would be impacted within the value chain and
- are basically interested in Austrian Post or would have an influence on it

Thanks to this analysis and clustering, Austrian Post can specifically address the demands of the particular interest groups. This is particularly significant in light of the fact that the different interest groups naturally have differing expectations of the company.

The stakeholder groups of Austrian Post are involved in several different ways:

1. DIRECT CONTACT WITH AUSTRIAN POST EMPLOYEES

The sustainability working groups on each of the four priorities of Austrian Post (employees, society, environment, economy) consist of employees from different departments. They are all in direct contact with the respective stakeholder groups. The wishes and demands of the individual stakeholder groups arising from this direct contact are integrated into the activities of the working groups, which meet at least twice a year.

Austrian Post invites its stakeholders to a roundtable every year, in order to give them the opportunity to present their demands to Austrian Post and discuss the sustainable development of the company together with the management.

The respective stakeholders are proposed by the individual departments of Austrian Post which are in contact with the particular stakeholder group. They are then personally invited by CEO Georg Pölzl. All stakeholders are given the option of naming a substitute in case they cannot come at the designated time to present their concerns at the stakeholder roundtable.

The organization of the stakeholder roundtable focuses on ensuring that

- all relevant stakeholder groups are represented,
- none of the stakeholder groups are under-represented or over-represented
- there is a balance between men and women participating in the roundtable and
- the various stakeholder groups are represented in the discussion groups

THE STAKEHOLDER ROUNDTABLE 2015 OF AUSTRIAN POST

The 5th Stakeholder Roundtable of Austrian Post took place on June 24, 2015. It was well attended, attracting a total of 41 internal and external stakeholders.

Composition of the participants by stakeholder group

- 6 participants from the stakeholder group "shareholders, investors"
- 7 participants from the stakeholder group "business partners"
- 7 participants from the stakeholder group "customers"
- 9 participants from the stakeholder group "employees"
- 5 participants from the stakeholder group "NGOs"
- 7 participants from the stakeholder group "politics"

By gender:

- 19 women
- 22 men

Questions posed to stakeholders

In 2014, the task facing the Stakeholder Roundtable was to determine the most important issues for Austrian Post. In 2015, the roundtable was asked to comment upon, prioritize and change or expand upon the defined performance and non-financial indicators of the company as well as the identified megatrends and targets.

Similar to the previous year's roundtable, the discussion took place at six tables and focused on the following areas: general conditions, customers, business success, employees, environment and society.

Procedure

Following a short introduction by an external moderator, CEO Georg Pözl presented the services, challenges and visions of Austrian Post.

Subsequently each stakeholder was given a fact sheet in which the relevant facts and figures were listed with respect to the particular topic, as well as a worksheet to write down any comments or additions.

The presentations of the respective groups following the discussion period showed that there was no need for any major expansion of Austrian Post's materiality matrix. It also showed that stakeholders want Austrian Post to more intensively deal with certain issues, trends and developments in some areas.

The following questions were posed within the context of the discussions for Austrian Post, amongst others:

- How can you balance the need to ensure high quality and reliability with the need to comply with strict rules (legal stipulations)?
- How can one effectively meet the inherent contradiction between providing universal postal services and the right to e-delivery?
- What opportunities arise from the freedom of choice on the part of customers? Does this mean that services are only provided when the customers actually want them?
- Are opportunities and potential being sufficiently exploited (e.g. e-commerce, invoicing models, parcel services, economies of scale)?
- Is it enough to concentrate on the core business?
- Can additional delivery options and changes in opening hours increase customer satisfaction and competitiveness?
- What types of strategic partnerships can be concluded?

G4-27

3. OTHER POSSIBILITIES FOR (INDIVIDUAL) STAKEHOLDER GROUPS TO EXPRESS THEIR OPINIONS, EXCHANGE VIEW OR PARTICIPATE

- Which additional services and combination of services can be offered?
- Can empty runs be avoided?
- How can internal communications, information management and employee management be improved?
- What is needed to build up a culture of trust and break down hierarchical barriers?
- How can the mission statement be invigorated and an understanding for restructuring developed? How can identity and loyalty to the company be strengthened?
- What standards apply to new buildings, shipping companies and partners?
- To what extent can internal potential be more effectively exploited, and can the company suggestion scheme be relaunched?
- Wouldn't it make sense to cascade performance objectives?
- To what extent is the leverage effect taken into account in raising awareness?
- What role can Austrian Post assume with respect to the ongoing influx of refugees?
- What possibilities does Austrian Post see with regard to the training and hiring of asylum seekers or people who have been granted asylum?
- What types of training or retraining are necessary in order to prepare employees for Industry 4.0 (digitalisation)?
- Does e-substitution also lead to opportunities for Austrian Post?
- What complementary business models would be conceivable for Austrian Post?
- What alternatives are there to competitive thinking?

- Employee survey (every two years)
- Customer service for private customers (available during normal business hours)
- Customer service for business customers (available during normal business hours)
- Customer survey (quarterly)
- Investor Relations department (available during normal business hours)
- Compliance hotline (available during normal business hours)
- Ombudsman for employees (available during normal business hours)
- Annual General Meeting for shareholders (once a year)
- Separate e-mail address for issues relating to sustainability (csr@post.at) ■



IMPORTANT ISSUES

Austrian Post concentrates on those issues which turn out to be important for the company and its stakeholder groups within the context of its stakeholder management. The challenge is to be or become active in those areas in which the company can have the greatest impact. Ultimately all of our actions today can have an impact on what happens tomorrow.

DEFINING OBJECTIVES

In 2011, three main objectives relating to the particular thematic areas were defined in the individual working groups, thus setting the general medium-term course of direction for Austrian Post (refer to the materiality matrix on page 112 as well as the chapters on Economy starting on page 52, Environment as of page 64, Employees as of page 80 and Society starting on page 98).

Moreover, annual sub-targets were defined and pursued. These were also developed by the individual working groups, and are based on the key issues defined by stakeholders.

IMPORTANT ISSUES

Austrian Post carries out a regular exchange of views with its stakeholders, and has been holding a stakeholder roundtable every year since 2011.

In 2014, the stakeholders at the roundtable discussion were split into six groups and asked to focus on one thematic area each and discuss the main issues identified in advance by Austrian Post, or to change or expand upon this if considered necessary.

Subsequently the results of the individual groups (thematic areas) were presented to all stakeholders who were present, and they were given the opportunity to vote electronically on the importance of the individual issues in the particular thematic area. After the end of the stakeholder roundtable, the top management was also asked to make their choices. The results of both rounds of voting were integrated into a materiality matrix.

The most important issues for Austrian Post are primarily the ones in the upper right quadrant of the materiality matrix (see illustration on page 51). These are the thirteen issues which are considered to be important by stakeholders and the management of Austrian Post.

CONTINUING FOCUS ON IMPORTANT ISSUES

The objectives and achievements of Austrian Post which are derived from the most important issues defined in 2014 were conveyed to stakeholders when a fact sheet was given to them at the Shareholder Roundtable 2015. This pointed to the current performance and non-financial indicators of Austrian Post (also refer to the chapter on “Stakeholder Engagement” starting on page 44.)

The performance and non-financial indicators of Austrian Post with respect to the defined issues are also included in the chapters on Economy starting on page 52, Environment as of page 64, Employees as of page 80 and Society starting on page 98.

Important issues for Austrian Post:

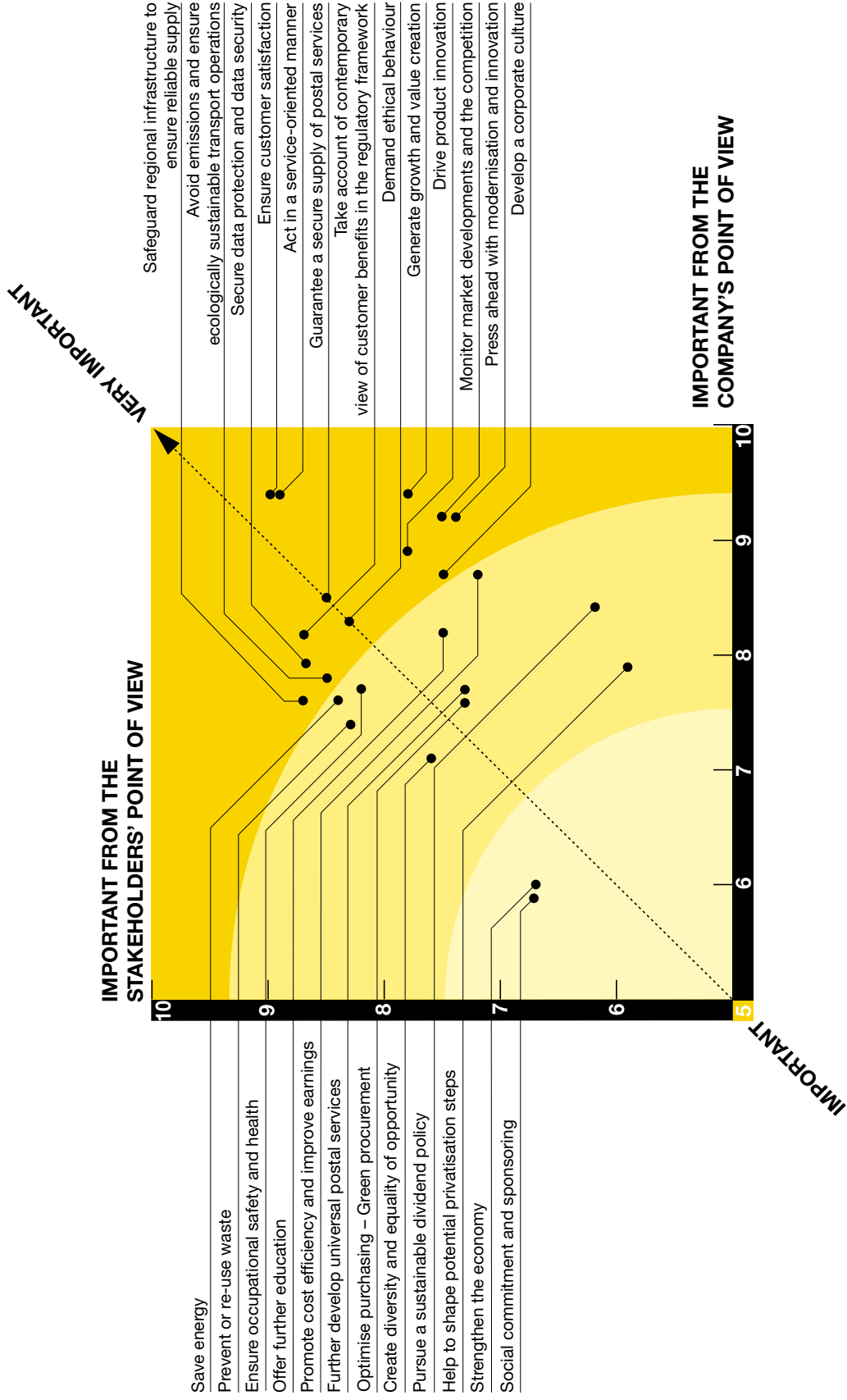
1. Ensure customer satisfaction
2. Operate in a service-oriented manner
3. Regional infrastructure to ensure reliability of postal services
4. Guarantee data protection and data security
5. Take account of an up-to-date view of customer benefits in the regulatory environment
6. Avoid greenhouse gas emissions and make transport more ecologically sustainable
7. Ensure reliability of postal services
8. Demand ethical behaviour
9. Generate growth and value creation
10. Enable product innovations
11. Observe market developments and competition
12. Drive modernisation and innovation
13. Develop a corporate culture

Other key issues include:

14. Save energy
15. Avoid waste or make use of it
16. Safeguard occupational safety and health protection
17. Optimise procurement – green procurement
18. Offer training and further education courses
19. Enable diversity and equal opportunity
20. Further develop universal postal services
21. Press ahead with cost efficiency and improve earnings
22. Pursue a sustainable dividend policy
23. Help shape any potential privatisation steps
24. Social commitment and sponsoring
25. Strengthen the national economy ■

The most important issues from the perspective of the company	<ul style="list-style-type: none"> • Ensure customer satisfaction • Operate in a service-oriented manner • Generate growth and value creation
The most important issues from the perspective of customers	<ul style="list-style-type: none"> • Operate in a service-oriented manner • Take account of an up-to-date view of customer benefits in the regulatory environment
The most important issues from the perspective of business partners	<ul style="list-style-type: none"> • Guarantee data protection and data security • Demand ethical behaviour • Ensure customer satisfaction • Generate growth and value creation
The most important issues from the perspective of NGOs	<ul style="list-style-type: none"> • Save energy • Avoid greenhouse gas emissions and make transport more ecologically sustainable
The most important issues from the perspective of the stakeholder group “government”	<ul style="list-style-type: none"> • Ensure reliability of postal services • Guarantee data protection and data security • Operate in a service-oriented manner • Take account of an up-to-date view of customer benefits in the regulatory environment

MATERIALITY MATRIX OF AUSTRIAN POST



- CONTENTS
- PREFACE
- THE COMPANY
- ECONOMY**
- ENVIRONMENT
- EMPLOYEES
- SOCIETY
- FACTS & FIGURES

ECCO

ONOMY



STRATEGY & OBJECTIVES

DMA-EC

Austrian Post pursues the objectives of safeguarding and expanding its market leadership and further growing on a long-term basis.

The fundamental goal of successfully managing the company on a long-term and sustainable basis is the top priority for Austrian Post's management. Only a successful company can seriously assume its corporate social responsibility on a long-term basis and make an appropriate contribution to fulfilling social and ecological needs.

At the same time, current economic developments also have an impact on Austrian Post. In addition to the state of the economy and market developments, factor cost increases and staff cost developments, the regulatory framework also ranks among the most important external influencing and success factors.

Austrian Post is currently confronted with the following economically relevant megatrends in particular:

- E-substitution – Pressure on the core business
- Market liberalisation and increasing competition – Price pressure
- Financial crises – Effects on the share price and ethic rankings
- Increasing unemployment – Uncertain expectations for the future
- Geopolitical tensions – Political and economic uncertainties
- Climate protection/Climate policy – Emissions trading, fluctuating fuel costs

Current developments on the international postal and logistics market pose major challenges to Austrian Post's efforts to achieve its business targets, but also open up new opportunities. In order to exploit these opportunities, Austrian Post clearly formulated its objectives and strategic measures within the framework of a broad-based strategic development process, and defined the following strategic approaches:

- Defending market leadership in Austria
- Profitable growth in selected markets
- Enhancing efficiency and increasing flexibility of the cost structure
- Customer orientation and innovation in all areas

This strategy serves as the basis for defining the economic aspects of the sustainability strategy.

MAIN ECONOMIC OBJECTIVES AND PROGRESS IN 2014

The objectives of Austrian Post were defined for the entire Group, and thus relate to Group data when it comes to the success in achieving these goals. The main economic objectives are to:

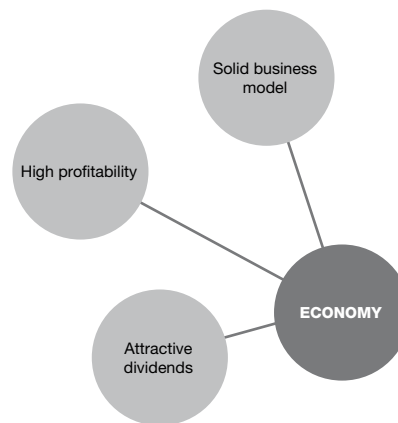
- Enable a solid business model
- Ensure high profitability
- Offer attractive dividends

Solid business model with an average revenue growth of 1–2% annually

The aim of the Austrian Post Group is to generate average revenue growth of 1–2% on a Group level in the medium-term. This target has been achieved over the last five years. Austrian Post achieved revenue growth of 0.2% in 2014, generating total revenue of EUR 2,370.5m.

High profitability

The Group target of achieving a high level of profitability featuring an EBITDA margin in the range of 10–12% was raised in 2014 to 12%. This was surpassed in the reporting year, when Austrian Post generated an EBITDA margin of 14.1%. This disproportionately high EBITDA increase compared to the revenue development was mainly due to a special revenue effect relating to the sale of the former corporate headquarters in Vienna's inner city.



Attractive dividends and sustainable total shareholder return

The Austrian Post Group aims to offer its shareholders a sustainable total shareholder return (value increase plus interest on the capital deployed) in order to fulfill their expectations and generate sustainable value. The total shareholder return in 2014 amounted to 21.6%. Accordingly, the value creation of Austrian Post was significantly higher than the ATX and relevant industry indices. An important cornerstone of this strong total shareholder return is the attractive dividend policy. The dividend payout of Austrian Post to its shareholders in 2014 was EUR 131.7m, thus more than 75% of its Group net profit for the year.

OTHER SUB-TARGETS FOR 2014

Improved EBIT

Another goal of Austrian Post in 2014 was to improve its earnings before interest and tax (EBIT) on a Group level compared to the prior-year level. In 2014 Austrian Post generated an EBIT of EUR 196.9m, a rise of 5.9% from the previous year.

Stable revenue development

For 2014 the Austrian Post Group set a target of striving for a stable revenue development, in which the revenue decline in the mail business would be offset by rising parcel revenue. In 2014, revenue on a Group level rose 0.2% to EUR 2,370.5m. Revenue in the Mail & Branch Network Division fell by 1.5%, whereas revenue in the Parcel & Logistics Division was up by 3.1%.

Further details on economic targets and the extent to which they were achieved can also be found in the Thematic and Goal Matrix on page 112.

OUTLOOK 2015

The main objectives on a Group level continue to be:

- A solid business model featuring an average revenue growth of 1-2% p.a.
- High profitability
- Attractive dividends and a sustainable total shareholder return

Austrian Post has defined the following economic sub-targets for the 2015 financial year:

- Increase in Group revenue of 1-2% compared to 2014
- Sustainable EBITDA margin of about 12%
- Improvement in the operating results



IMPORTANT ISSUES

The important issues for Austrian Post arise as a result of the Materiality Matrix, which in turn originates with the 2014 stakeholder and management survey (refer also to the sections on “Stakeholders” and “Important issues”).

The conversion of Austrian Post’s sustainability reporting to the new reporting standard GRI G4 means that the important issues will be subsequently dealt with. No indicators can be assigned to the issues “Observe market developments and competition” and “Help shape any potential privatisation steps”. For this reason, the sustainability reporting

will not focus on these issues. The issues “Press ahead with cost efficiency and improve earnings” and “Strengthen the national economy” will not be separately dealt with, as they appear in the indicators accompanying the issue “Generate growth and value creation.”

In this report Austrian Post concentrates on three important economic issues i.e.

- Generate growth and value creation
- Pursue an attractive dividend policy
- Drive modernisation and innovation

- G4-19
- G4-20
- G4-21

KEY ASPECTS			
Issue pursuant to the Materiality Matrix	Aspect pursuant to GRI G4	Internal importance	External importance
Generate growth and value creation	Economic performance	This aspect is important to shareholders and employees of Austrian Post in light of the fact that the development of the company, the amount of the dividend payout and the number and quality of jobs depends on the economic success of the company.	This aspect is not only important for business partners of Austrian Post, but also for the Republic of Austria and society. Ultimately order volume, taxes and duties paid depend on the economic success of the company. A company can also only accept its social and ecological responsibility if it is economically successful.
Pursue an attractive dividend policy			
Drive modernisation and innovation	Indirect economic impacts	This aspect is important to Austrian Post because a good infrastructure comprises the basis for economic success, and the indirect economic impacts also affect the reputation of Austrian Post.	This aspect is important for other companies as well as the Republic of Austria and society. They all profit from investments in the infrastructure and in turn are interested in keeping negative effects to a minimum.



PERFORMANCE OF AUSTRIAN POST

GENERATE GROWTH AND VALUE CREATION

A company which aims to be successful in the long term requires ongoing and above all healthy growth. Austrian Post's goal is to generate average revenue growth of 1-2% p.a. on a Group level in the coming years.

EC1 

However, growth alone is not sufficient. Sustainable perspectives for the future are based on a stable level of profitability. Austrian Post has defined its profitability target as achieving an EBITDA margin of about 12%. This will be generated by continually optimising operational processes and consistently enhancing the flexibility of the cost structure.

The income statement of Austrian Post (individual financial statements according to the Austrian Commercial Code) shows the following picture for 2014:

INCOME STATEMENT

(EUR m)	2012	2013	2014
Revenue	1,667.3	1,668.7	1,659.8
Own work capitalised	0.4	0.6	0.9
Other operating income	82.5	133.4	87.8
Raw materials, consumables and services used	-306.8	-315.0	-309.2
Staff costs	-985.7	-953.9	-993.4
Other operating expenses	-229.5	-228.8	-218.6
Results for financial assets accounted for using the equity method	-4.6	-24.5	-27.1
Depreciation, amortisation and impairment losses	-60.9	-59.4	-62.9
Earnings before interest and tax (EBIT)	162.5	221.1	137.4
Other financial result	-16.6	-5.5	3.4
Earnings before tax	146.9	215.6	140.8
Income tax	-32.8	-38.7	-46.1
Profit for the period	113.2	176.9	107.8

Revenue of Austrian Post on an individual company level declined by 0.5% in the 2014 financial year to EUR 1,659.8m. Revenue distribution among the two divisions shows the importance of the Mail & Branch Network Division, which accounted for 82.7% of total revenue in 2014. The Parcel & Logistics Division generated 17.3% of total revenue.

Other operating income fell by 34.2% compared to the previous year to EUR 87.8m. The prior-year results include the revaluation of the Postgasse 8 commercial property owned by Austrian Post to its market value in connection with its being contributed as an asset in a separate company.

The item raw materials, consumables and services used was down 1.9% from the prior-year level to EUR 309.2m. Other operating expenses decreased by 4.5% to EUR 218.6m. Staff costs, which account for 59.8% of revenue, comprise the largest expense item of Austrian Post, and rose by 4.1% during the period under review to EUR 993.4m.

The results for financial assets accounted for using the equity method dropped by minus EUR 24.5m to minus EUR 27.1m. Depreciation, amortisation and impairment losses on intangible assets and property, plant and equipment of Austrian Post climbed by 5.9% in the 2014 financial year to EUR 62.9m.

Earnings before interest and tax (EBIT) of Austrian Post fell to EUR 137.4m in 2014. Earnings before tax (EBT) amounted to EUR 140.8m in the 2014 financial year. After including the income from the merger of PDG Post Dienstleistungs Gesellschaft mbH and deducting the income tax of EUR 46.1m, the profit for the period totalled EUR 107.8m. Taking account of the reversal of untaxed reserves as well as the profit carried forward, the balance sheet profit amounted to EUR 168.6m in 2014.

The consolidated income statement can be found in the Annual Report 2014, Part 2 – Financials on page 56.

Value creation

Austrian Post pursues the goal of generating sustainable value added on behalf of its stakeholders and thus for the Republic of Austria.

The value generated by the company in 2014 consists of the following and was distributed to the following stakeholder groups (individual financial statements pursuant to the Austrian Commercial Code):

VALUE CREATION OF AUSTRIAN POST

(EUR m)	2012	2013	2014
Value creation:			
Revenue and other operating income	1,749.7	1,802.2	1,748.5
less advance outlays	-591.3	-597.4	-584.1
thereof raw materials, consumables and services used	-306.8	-315.0	-309.2
thereof depreciation and amortisation	-60.9	-59.4	-62.9
thereof other operating expenses	-223.6	-222.9	-212.0
Value added	1,158.4	1,204.8	1,164.3
Distribution:			
to employees (wages, salaries, social contributions)	985.7	953.9	993.4
to shareholders (dividends)	121.6	128.4	131.7
to the Republic of Austria (taxes and duties)	38.7	44.6	52.6
to creditors (interest)	2.0	2.2	0.7
Remaining amount	10.3	75.8	-14.1
Value added	1,158.4	1,204.8	1,164.3

The revenue of EUR 1,748.5m generated by Austrian Post in 2014 (incl. other operating income) was in contrast to advance outlays of EUR 584.1m.

The resulting value added of Austrian Post to the amount of EUR 1,164.3m was mainly distributed to employees directly in the form of wages and salaries and indirectly via social contributions. The total amount assigned to employees was thus EUR 993.4m.

Payments of Austrian Post to the Republic of Austria

The Republic of Austria owns a 52.8% share of Austrian Post via ÖBIB (Österreichische Bundes- und Industriebeteiligungen GmbH), formerly ÖIAG (Österreichische Industrieholding AG). Thus it received EUR 69.6m in dividends in 2014 (52.8% of EUR 131.7m). In addition, EUR 52.6m was paid to the Republic of Austria as taxes.

Payments of the Republic of Austria to Austrian Post

Austrian Post benefits from public sector funding within the context of individual projects. For example, Austrian Post has found a partner in the Climate and Energy Fund of the Austrian Federal Government and the "klima:aktiv mobil" programme of the Federal Ministry of Agriculture, Forestry, Environment and Water Management, which supports the company as part of the model region E-Mobility with funding as well as know-how in its efforts to further expand its e-vehicle fleet.

Up until now Austrian Post has not implemented centralized public sector funding management. Such a programme is planned in order to be able to present data in a consolidated form.

EC4

PURSUE AN ATTRACTIVE DIVIDEND POLICY

An attractive dividend policy pursued is not only a key cornerstone of the company's investment story, but also the foundation of its entire corporate philosophy. At least 75% of the Group's net profit should be distributed to shareholders each year. Austrian Post thus aims to further develop the dividend payout in line with operational Group results.

The attractive dividend policy featuring a dividend of EUR 1.95 per share was continued in the 2014 financial year (dividend payment date on April 29, 2015). On balance, the total dividend payout to shareholders amounted to EUR 131.7m. This attractive dividend policy is based on a solid business model and strong cash flow from operating activities. In 2014 a further earnings improvement was achieved. Moreover, the free cash flow was at a high level despite an extensive investment programme, providing a solid basis to support future investments and dividend payments.

At the end of 2014, the dividend yield was 4.8%. Accordingly, Austrian Post ranks among the most attractive dividend stocks both in Austria and internationally. This has been the case for several years now, which is proof of the sustainability of Austrian Post's dividend policy. The basis for the dividends is not short-term gains, but a solid business model which is also sustainable as a result of ongoing infrastructure investments, and is prepared to meet future challenges.

The total shareholder return amounting to 21.6% in 2014 shows that the objective of a sustainable increase in shareholder value could be achieved in line with the expectations of the shareholders.

DRIVE MODERNISATION AND INNOVATION

Modernisation and innovation involve investments. The Austrian Post Group relies on state-of-the-art technologies and invests about EUR 80m each year to improve and expand its operating infrastructure.

Investments and innovations are not limited to property, plant and equipment but are also designed to improve the way work is carried out. As a result, Austrian Post strives to integrate modern and up-to-date working time models in its daily processes. Ongoing modernisation also guarantees efficient and profitable processes, also in the future.

Infrastructure investments

Austrian Post continuously invests in expanding and modernising its infrastructure in order to enhance the efficiency of its services and maximise the benefits for its customers. The use of state-of-the-art technologies and the implementation of efficient processes are designed to optimise all working processes in the company, but above all to ensure that all products and services are of the highest quality for the benefit of customers.

In the 2014 financial year, total investments of Austrian Post amounted to EUR 72.7m. Most of the investments in property, plant and equipment related to technical plant and machinery.

Accordingly, the investment programme aiming at modernising sorting facilities and conveyor technology was continued in 2014. These

investments are being made for the purpose of increasing efficiency and productivity, but are also necessary to fulfil the high quality demands within Austria (delivery of 95% of all letters on the next working day, and 90% of all parcels within two working days).

The investments in this area mainly focused on the newly constructed logistics centre in Allhaming, Upper Austria, and Austrian Post's largest logistics centre located in Vienna.

Moreover, replacement investments in the vehicle fleet (in particular the new environmentally-compatible e-powered vehicles) as well as new equipment, furniture and fittings and hardware also comprise a significant share of the annual investment volume. The chapter on the "Environment" in the section about Austrian Post's achievements reports about the vehicle fleet and the expansion of e-mobility in connection with the goal to "Avoid greenhouse gas emissions and make transport more ecologically sustainable" (page 73) and "green procurement" (page 78).

The branch network pressed ahead with the remodelling and modernisation of the branch offices operated jointly with BAWAG P.S.K., and investments were also made in new self-service solutions. ■

■ EC7

ENV

VI IRON- MENT



STRATEGY & OBJECTIVES

DMA-EN

The activities of Austrian Post have effects on the environment in different ways. The main challenge for a logistics company is to avoid greenhouse gas emissions which are harmful to the climate, especially CO₂. Austrian Post is aware of its responsibility to the environment. For this reason, it continually strives to identify optimisation potential in order to minimise its ecological footprint. This can only succeed if environmental protection activities are integrated into the company's core business.

The dialogue with stakeholders of Austrian Post showed that the issue of environmental protection is a particularly important one. That is why the company considers itself directly responsible to respond to the important issues of stakeholders with respect to current and future ecological objectives and to carry out corresponding measures.

The topic of the environment pertaining to Austrian Post is substantially influenced by the following megatrends:

- Global climate change – Regional impacts
- Local emissions – Air pollution and noise
- Energy transition and consequences – Renewable energies
- Shortage of natural resources – Resource efficiency
- Urbanisation – New solutions for the last mile

If one studies the sustainability reports of other transport and logistics companies, one realizes that these megatrends are characteristic for the entire industry.

Austrian Post is striving to resolutely and actively shoulder its responsibility to the environment and take account of current megatrends on the basis of the CO₂ NEUTRAL DELIVERY initiative launched in 2011. All mail items in Austria, whether letters, direct mail, magazines or parcels, are delivered in a CO₂ neutral manner. The initiative consists of three steps.

The first step is to implement measures designed to enhance the efficiency with respect to the vehicle fleet and buildings. In a second step, the company promotes the use of alternative technologies, for example renewable energies and e-mobility. In addition, the remaining emissions are offset each year by support provided to national and international climate protection projects.

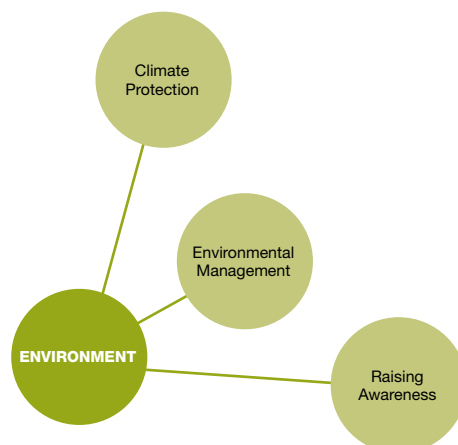
In the past years major successes were achieved by Austrian Post with respect to reducing the greenhouse gas emissions and energy consumption from its business operations. Austrian Post achieved its objective of reducing CO₂ emissions by 10% from 2007 to 2012 ahead of schedule, in 2010, so that it defined an even more ambitious target with respect to CO₂ emissions. Austrian Post intends to reduce CO₂ emissions by a further 20% in the period 2010 to 2015, including the shipping companies which work for it (transporting freight and delivering parcels).

In addition to comprehensive measures in the field of climate protection which it implements on its own (also refer to the section on ecological achievements starting on page 72), Austrian Post also actively participates in projects such as the “Environmental Measurement and Monitoring System (EMMS)” of the International Post Corporation (IPC) which aim to reduce greenhouse gas emissions.

MAIN ECOLOGICAL OBJECTIVES AND PROGRESS IN 2014

The main ecological objectives defined by Austrian Post in 2012 remained valid in the 2014 reporting year, and determined the measures taken by Austrian Post in this field. The dialogue with stakeholders showed that these measures were considered to be commensurate with the important issues raised by the stakeholders, and there was no need for change before the end of the target period in 2015. The objectives applying to the year 2014:

- Engage in climate protection
- Promote environmental management
- Increase awareness on the part of stakeholders



Reduction of CO₂ emissions in the period 2010–2015 by 20% and annual compensation for remaining emissions

The objective of delivering all mail items in Austria in a CO₂ neutral manner was achieved once again in 2014. This was confirmed by TÜV AUSTRIA SERVICES GMBH. The CO₂ emissions could be reduced by close to 19% in the period 2010 to 2014. The objective for 2015 was to reach the 20% threshold, a milestone which was most likely achieved thanks to the prevailing developments.

Creation and improvement of a central environmental management system

In 2012, Austrian Post defined its goal of further professionalising and expanding its internal environmental management system. As a result, a company-wide environmental and waste manager was nominated. The next step occurred in 2014, when Austrian Post began a GAP analysis to introduce an environmental management system. Corporate processes were examined in detail, in order to assess the benefits, internal efforts and external costs, and develop a project implementation plan. Due to the size and complexity of this undertaking, the project was extended into the year 2015. In this way, Austrian Post ensures that a clear basis for decision making exists.

Sensibilisation of relevant stakeholders for the issues of environmental and climate protection

Austrian Post also made good progress in raising awareness among relevant stakeholders for the issues of environmental and climate protection in the year 2014. Business customers were once again given certificates for the CO₂ emissions compensated for by Austrian Post within the context of the CO₂ NEUTRAL DELIVERY initiative. Furthermore, Austrian Post supported the VN (Vorarlberger Nachrichten) Climate Protection Award. A broader public was familiarized with the issue of e-mobility via publications, lectures, exhibitions and press relations in cooperation with its project partners i.e. the Climate and Energy Fund of the Austrian Federal Government and the Federal Ministry of Agriculture, Forestry, Environment and Water Management.

Above and beyond these main objectives, Austrian Post defined a series of ecological sub-targets. Further details on the company's ecological objectives and the extent to which they were achieved can be found in the Thematic and Goal Matrix on page 112.

OUTLOOK 2015

The main objectives of Austrian Post in 2015 continue to be:

- Reduction of CO₂ emissions in the period 2010–2015 by 20% and annual compensation of remaining emissions
- Setting up and improvement of a central environmental management system
- Sensibilisation of relevant stakeholders for the issues of environmental and climate protection

The sub-targets of Austrian Post for 2015 are:

1. Continuation of the CO₂ NEUTRAL DELIVERY initiative
2. Expansion of the e-vehicle fleet to more than 1,300 vehicles by 2016
3. Implementation of a Group-wide energy audit
4. Beginning of the conversion to LED lighting systems in two other logistics centres
5. Creation of a consistent data base for waste management

In light of the fact that the target period for several goals ends in 2015, Austrian Post is intensively working on updating and expanding upon its main ecological objectives. They will be presented in the Sustainability Report 2015. ■



IMPORTANT ISSUES

The issues “Avoid greenhouse gas emissions and make transport more ecologically sustainable“, “Save energy“, “Optimise procurement“ and “Avoid waste or make use of it” were discussed and assessed by external stakeholders within the context of the Stakeholder Roundtable 2014. Subsequently these issues were evaluated internally and integrated into the currently valid Materiality Matrix of Austrian Post.

Within the context of converting Austrian Post’s sustainability reporting to the GRI-G4 standards, these four key issues were intensively discussed once again both internally and at the Stakeholder Roundtable 2015. The issue “Avoid greenhouse gas emissions and make transport more ecologically sustainable” turned out to be the most important one. “Save energy” and “Optimise procurement – Green procurement” (an issue related to all four dimensions of sustainability) were also rated as important issues.

Due to its business operations as a logistics and service company, most of the waste generated by Austrian Post primarily consists of scrap paper, waste wood (palettes) and residual waste. It is difficult for Austrian Post to directly impact the volume of waste, as this waste is mainly generated by its customers or subcontractors. Waste paper is the primary waste arising in the company’s offices. In this case Austrian Post has launched initiatives to reduce paper consumption. Moreover, the company is implementing measures to avoid or re-use waste, but has decided not to publish any Austrian-wide data on this topic for the time being. However, Austrian Post is working on compiling and checking waste data of all its facilities (six letter and seven parcel logistics centres, 260 delivery bases, 520 branch offices and 1,306 post partner offices) via a central data base. This should make it possible in the future to include consolidated data on waste volumes in its sustainability reporting.

The following three issues were defined as important for the current GRI-G4 report, the GRI-G4 aspects and indicators to be reported and the further definition of environmental objectives and measures:

Developments relating to the thematic area of the environment and important issues in the 2014 reporting year are explained in detail on the following pages.

- Avoid greenhouse gas emissions and make transport more ecologically sustainable
- Save energy
- Optimise procurement – Green Procurement

- G4-19
- G4-20
- G4-21

KEY ASPECTS			
Issue pursuant to the Materiality Matrix	Aspect pursuant to GRI G4	Internal importance	External importance
Avoid greenhouse gas emissions and make transport more ecologically sustainable	Emissions	As a logistics company operating throughout Austria, Austrian Post is clearly seen by the public as a company responsible for greenhouse gas emissions. A responsible approach to emissions is very important for the company's reputation. This particularly applies to its operations in distribution, the transport of goods and commercial properties held by the Austrian Post Group in Austria.	The environmental effects of climate change impact the Austrian public. The regulatory framework, customer demands and sustainability-oriented investors are other important factors.
	Transport	Transport operations account for half of Austrian Post's energy consumption. This is the most visible part of the services the company provides. In this case a key issue is also the indirect emissions generated by shipping companies working on behalf of Austrian Post. This particularly applies to its operations in distribution, the transport of goods and commercial properties held by the Austrian Post Group in Austria.	Environmental pollution and traffic congestion impact the Austrian public. The regulatory framework, customer demands and sustainability-oriented investors are other important factors.
Save energy	Energy	Energy is an essential resource for the company as the basis for providing services, and energy consumption is relevant to costs which are incurred. This particularly applies to its operations in distribution, the transport of goods and commercial properties held by the Austrian Post Group in Austria.	The dependence on fossil fuels and the countries supplying them is considered to be a problem. The entire Austrian economy is affected.

Issue pursuant to the Materiality Matrix	Aspect pursuant to GRI G4	Internal importance	External importance
Optimise procurement – Green procurement	Materials	<p>In addition to energy consumption, paper consumption by Austrian Post is of importance. This mainly relates to the Purchasing department, which is responsible for the procurement of materials. The way this is carried out affects the reputation of the company.</p>	<p>The paper and forest industries are important for the Austrian economy. Illegal deforestation and plantations have raised awareness in the general public about where paper is derived from.</p>
	Supplier environmental assessment	<p>The assessment of suppliers with respect to their achievements in the fields of environmental protection, labour practices, human rights and society is important to the employees and shareholders of Austrian Post. This is because ensuring a social, humane and environmentally-compatible supply chain positively impacts both the reputation of the company and the motivation of employees.</p>	<p>Ensuring compliance with ecological standards is of importance to the employees of suppliers and local residents. Protection of the environment is also relevant for society and the state, not only because the environment is the basis of life for animals and people, but also because pollution and damage to the environment and health involves high costs.</p>
	Supplier assessment for labour practices		<p>Ensuring compliance with social and labour law standards is not only of relevance for employees of suppliers, but also for the particular state and society. Ultimately higher social standards have a positive impact on the health and well-being of those affected.</p>
Avoid waste or reuse it	Waste	<p>Compared to the aspects of emissions, energy and transport, this issue is not internally considered to be very important at the present time due to the type, volume and costs relating to waste which arises from the company's operations.</p>	<p>Austrian Post does not have much of an influence on the volume of waste which arises, in light of the fact that it is basically determined by customers.</p>



PERFORMANCE OF AUSTRIAN POST

As the country's largest logistics service provider, Austrian Post takes its responsibility seriously. Each day Austrian Post brings mail items to every address and every doorstep throughout the country. In this way Austrian Post ensures that basic postal services are provided to the Austrian population on foot and using bicycles, but also with mopeds, automobiles and trucks. Each day employees drive more than 240,000 kilometres, thus circling the Earth six times each day. In addition to the vehicle fleet, the company's buildings require a lot of energy. Billions of mail items are collected, sorted and prepared for delivery at six letter and seven parcel distribution centres, 260 delivery bases, 520 branch offices and 1,306 postal partner offices. For this reason, the company makes a major effort to keep its ecological footprint to a minimum. This is not an easy task. Nevertheless, Austrian Post has set a goal of reducing its emissions by 20% in the period 2010–2015.

The CO₂ NEUTRAL DELIVERY initiative is playing a major role in the company's efforts. Within the context of this initiative, the first step is to ensure a high level of efficiency in core processes, for example by optimising the use of floor space, introducing efficient lighting concepts and gradually converting the vehicle fleet to e-powered vehicles.

The second step involves the increasing use of alternative energies. In 2012 Austrian Post already procured its entire electricity needs from renewable energy sources. Furthermore, the company operates two photovoltaic facilities. In the meantime, Austrian Post boasts the largest e-vehicle fleet in the country.

More than 1,300 e-vehicles will be deployed by 2016. All the remaining CO₂ emissions which cannot be avoided as a result of all these measures are offset in a third step by support provided to national and international climate

protection projects. The CO₂ neutral delivery of all mail items in Austria is confirmed each year by TÜV Austria.

This initiative is also important to raise the environmental awareness of employees, customers and other stakeholder groups. For this reason the Website [www.post.at/CO₂neutral](http://www.post.at/CO2neutral) was also overhauled in order to raise the visibility of the company. Since the beginning of 2012 business customers of Austrian Post have been given a certificate each year to confirm the CO₂ neutral delivery of all their mail items. Climate-neutral delivery also enables Austrian Post to help its customers operate in an even more sustainable manner, because it improves the climate scorecard of every single customer. About 1,800 certificates were issued in the years 2012, 2013 and 2014. Customers can use the logo of the initiative at no cost, and are also informed about innovations.

In 2014 Austrian Post employees were continuously informed about the CO₂ NEUTRAL DELIVERY initiative and other measures via internal infoscreens, the employee magazine and the sustainability magazine, raising their awareness of this topic. Furthermore, one issue of the employee magazine entitled “We bear responsibility and all do our share” was devoted to the topic of corporate social responsibility in 2015. Other communication measures on this topic are being developed.

AVOID GREENHOUSE GAS EMISSIONS AND MAKE TRANSPORT MORE ECOLOGICALLY SUSTAINABLE

Austrian Post is striving to make its transport operations as environmentally friendly as possible. In the meantime, more than 20% of the delivery areas are covered on foot or on bicycles. Austrian Post is also focusing on sustainably exploiting its inherent potential in serving the motorized delivery areas. For this reason, Austrian Post is continually expanding the share of vehicles operating on the basis of alternative drive systems. At the same time, it is also striving to increase the eco-efficiency of its transport operations.

Amongst other measures, these efforts include the ongoing optimisation of route planning. Empty runs are being avoided and the capacity of deployed vehicles is being consistently improved. At the same time, a modern vehicle fleet and regular maintenance improve the vehicle fleet's eco-efficiency, help to avoid emissions and make transport operations more ecologically sustainable. The number of low-emission Euro 5, Euro 5 EEV and Euro 6 vehicles has risen from 3,337 in 2013 to 4,099 in 2014. Driver training courses are also part of the measures designed to promote enhanced eco-efficiency.

Moreover, Austrian Post is increasingly relying on alternative drive systems in its delivery operations, and once again massively expanded its vehicle fleet in the field of e-mobility in 2014. Supported by the funding program “klima:aktiv mobil“ launched by the Austrian Federal Ministry of Agriculture and Forestry, Environment and Water Management and the Climate and Energy Fund of the Austrian Federal Government, Austrian Post operated more than 862 electric powered vehicles in 2014, including 699 single track e-vehicles, 163 multi track e-vehicles and 68 natural gas-powered vehicles, and plans to expand its e-vehicle fleet to 1,300 electric-powered vehicles by 2016. In addition, all letters and direct mail to private customers in Vienna will be delivered by Austrian Post in a “green” or CO₂-free manner by 2016. This means that no conventional mopeds and cars will be used any longer, but deliveries will be carried out on the basis of the

delivery staff's own muscle power or electrical energy. At the end of 2014, eight districts in Vienna had already been converted to "green delivery".

Moreover, Austrian Post is taking measures to avoid emissions in the buildings it uses. In 2011 Austrian Post procured about half of its energy needs from renewable energy sources. Since January 1, 2012, the company has been only using green electricity (electricity from renewable energy sources) for buildings owned by the company and for leased buildings in which the origin of the electricity supply is known. This electricity procurement will be classified as direct electricity purchases. The small share of consumption of grey electricity is consumed by postal partner offices and by electricity supplied to leased properties which is of unknown origin. Further possibilities to avoid emissions arise in the conversion from oil and natural gas, the optimisation of the building infrastructure and consistent monitoring of energy consumption.

In the fall of 2013, Austrian Post constructed one of the largest rooftop photovoltaic facilities in the country with an output of 882 kilowatt peak (kWp), located on the Vienna Letter Centre in Inzersdorf. A second facility was constructed in 2014 on the roof of the new Allhaming Logistics Centre in Upper Austria. Together both facilities will generate enough electricity to provide the entire e-mobility fleet of Austrian Post with clean solar energy.

Emissions

The reporting of Austrian Post with respect to greenhouse gas emissions is focused on carbon dioxide (CO₂) as the climate-relevant gas, due to the fact that the level of emissions is monitored within the context of its business operations as a logistics services provider. Reporting is not done on other greenhouse gases.

Scope 1 and 2 encompasses reporting on greenhouse gas emissions caused by internal company activities (Scope 1) and from the energy supply (Scope 2). Scope 3 emissions arise as a result of outsourced transport services (freight transport and delivery services).

Data compilation is carried out on the basis of the "GHG Inventory Standard for the Postal Sector", the basis of which is the "Greenhouse Gas Protocol" (GHG). This is the most widely used international standard for calculating greenhouse gas emissions. More information is available at www.ghgprotocol.org.

Reporting encompasses the parent company Austrian Post and the subsidiary Scanpoint GmbH with respect to buildings emissions and the subsidiary Post.Wertlogistik GmbH with respect to emissions generated by road transport. Other national and international subsidiaries as well as international air mail and international rail transport are not included. There are no air mail delivery services provided by Austrian Post within Austria. Emissions from domestic rail traffic are evaluated each year, but are not material due to the low volume. Austrian Post is intensively working to expand sustainability reporting on CO₂ emissions to encompass other major national and international subsidiaries.

The calculation of CO₂ emissions from road transport is the responsibility of the vehicle management organisational unit. The basic data for calculating the emissions of Austrian Post (including Post.Wertlogistik GmbH) are derived from a special SAP production system, which includes vehicle data (type of vehicle and engine etc.) and performance data (kilometres driven and fuel consumption). The basic data or kilometres driven for "external shipping companies" for letter mail come from data bases which distinguish between the fields of distribution and freight traffic. The data for "external shipping companies" for parcels is determined by a calculation of ratios. The parcel delivery volume of the outsourced external companies is compared to the parcel delivery

CO₂-EMISSIONS	2012	2013	2014¹
CO₂ emissions (Scope 1–3) according to the Greenhouse Gas Protocol (in t)	70,834	71,899	70,672
thereof Scope 1 – Road transport (own operations) ²	35,052	36,184	36,046
thereof Scope 1 – Buildings ³	7,986	9,353	7,834
thereof Scope 2 – Buildings ³	7,402	6,411	7,447
thereof Scope 3 – Partner companies	20,394	19,951	19,345

1) The energy consumption indicators for buildings include all energy use invoices for electricity and gas for 2014 which were received by Austrian Post by the deadline July 29, 2015 (100%). 78% of the district heat invoices were received by Austrian Post by this deadline. The remaining share (to 100%) is an estimated value.

2) The figures for the vehicle fleet include the subsidiary Post.Wertlogistik GmbH. Other national and international subsidiaries are not taken into account.

3) The figure for buildings includes the subsidiary Scanpoint GmbH. Other national and international subsidiaries are not taken into account.

volume of Austrian Post to calculate mileage. This results in a figure for total mileage, which is multiplied by the average fuel consumption of the Austrian Post vehicles taking account of the particular vehicle category. The result is the fuel consumption of the shipping companies.

The organisational unit Corporate Real Estate is responsible for determining the level of CO₂ emissions from buildings. Data compilation includes all buildings and building space (own, leased space or space rented out to third parties) of Austrian Post (including Scanpoint GmbH). Generally speaking, a black box view is chosen, enabling significant energy flows (electrical energy, room heating) to be identified. These levels are determined via consumption reporting, 90% of which is based on prior-year invoicing. Consumption data is projected for 100% of use on the basis of the consumption reported in the previous year.

The CO₂ calculation factors for natural gas, heating oil, diesel and petrol are derived from the data base of the Federal Environmental Agency. The electricity is green electricity supplied in line with valid contracts. For the remaining grey electricity, the Austrian mix is used to calculate CO₂ emissions in accordance with the Electricity Labelling Report 2013. Information provided by operators is used in determining emission factors for district heat inasmuch as they seem plausible. The substitute data for implausible data and for small-scale suppliers is derived from the study on district heat carried out by the Federal Environmental Agency in the year 2013. The emissions factor from the report of the Federal Environmental Agency on Fernwärme Wien in the year 2015 is used for the company Fernwärme Wien

supplying district heat in Vienna. All emission factors are evaluated on an annual basis.

On balance, Austrian Post emitted a total of 70,672 tonnes of CO₂ in 2015 within the context of its business operations. 15,281 tonnes arose from buildings, and another 36,046 tons from the company's own vehicle fleet. The other 19,345 tonnes were emitted by partner companies.

The year 2010 was used as the starting point for the targeted CO₂ reduction of 20% by 2015. This year was chosen because the systematic implementation of measures to reduce CO₂ emissions began in 2011. In 2010 the CO₂ emissions of Austrian Post totalled 87,068 tonnes. 32,061 tonnes arose from the company's buildings at that time, and another 37,299 tonnes from the vehicle fleet. The other 17,708 tonnes of CO₂ were caused by the operations of partner companies.

Austrian Post was able to reduce its emissions by close to 19% or 16,396 tonnes of CO₂ in the period 2010 to 2014.

Transport

The main environmental effects of transport operations are covered by the reporting of CO₂ emissions. Other significant ecological impacts caused by the transport of products and other goods and materials used in Austrian Post's business operations as well as for the transport of staff members are not known to Austrian Post.

The composition of the vehicle fleet and the mileage responsible for the main environmental effects in the field of transport are presented in the following chart:

VEHICLES	2012	2013	2014
Vehicles (total) ¹	9,187	8,959	9,176
Bicycles	958	789	914
thereof electric bicycles	164	439	570
Mopeds	1,078	904	857
thereof electric mopeds	80	142	129
Vehicles up to 3.5 t	7,005	7,105	7,243
thereof natural gas-driven vehicles up to 3.5 t	74	71	68
thereof electric-powered vehicles up to 3.5 t ²	18	72	163
Vehicles over 3.5 t	146	161	162
Total number of kilometres (km m)	159	162	162
Austrian Post ¹	119	123	124
Shipping companies	40	39	38
Motorised vehicles according to emission class ¹			
Euro 0 (no Euromotor)	0	0	0
Euro 2	904	732	620
Euro 3	1,038	438	205
Euro 4	3,694	3,516	3,066
Euro 5	2,495	3,258	4,011
Euro 5 EEV	0	74	75
Euro 6	0	5	13

1) The figures for the vehicle fleet also include the Austrian Post subsidiary Post.Wertlogistik GmbH. Other national and international subsidiaries are not taken into account.

2) The figure includes all existing multi-track vehicles in 2014 (active and owned by Austrian Post) as well as the multi-track vehicles being tested (i.e. e-cars, 7 Kyburz trike scooters and 7 Paxster quads and 12 jet flyers). Furthermore, the figure in 2014 includes all e-vehicles which were ordered and delivered, but which were first put into operation in January 2015 due to delivery problems.

ENERGY INDICATORS	2012	2013	2014¹
Consumption of significant quantities of resources (kWh million)			
Total²	149.5	151.4	142.2
Natural gas	31.4	37.3	31.3
Heating oil	6.2	6.9	5.7
District heat	40.7	39.7	42.4
Electricity (total)	71.2	67.5	62.8
thereof electricity from renewable energy sources	64.1	63.0	57.4
thereof grey electricity	7.1	4.5	5.4
Building space (m²)	1,121,801	1,097,377	1,089,867
thereof owned by Austrian Post	680,144	669,342	662,272
thereof leased space	441,657	428,035	427,595
Fuel consumption: petrol, super, diesel, natural gas (litre million)³	14.3	14.8	14.7
thereof diesel	13.9	14.4	14.3

1) The energy consumption indicators for buildings include all energy use invoices for electricity and gas for 2014 which were received by Austrian Post by the deadline July 29, 2015 (100%). 78% of the district heat invoices were received by Austrian Post by this deadline. The remaining share (to 100%) is an estimated value.

2) The figure for buildings includes the subsidiary Scanpoint GmbH. Other national and international subsidiaries are not taken into account.

3) The figures for the vehicle fleet include the subsidiary Post.Wertlogistik GmbH. Other national and international subsidiaries are not taken into account.

SAVE ENERGY

The issue “Save energy” is closely linked to the issue “Avoid greenhouse gas emissions and make transport more ecologically sustainable”. Saving energy mainly refers to the vehicle fleet and buildings, and encompasses the same measures for the most part.

The use of vehicles with alternative drive systems (e-powered and natural gas-driven vehicles) in the delivery process is also relevant for this topic. The conversion of the vehicle fleet to lower emission vehicle classes with conventional drive systems and measures designed to optimise routes and train drivers also help to save energy.

“Save energy” is also an important topic with respect to optimising the building infrastructure. Together with monitoring energy consumption, the conversion of lighting systems to LED lighting solutions in the logistics centres comprises a particularly promising energy-efficiency measure. In 2014, most of the lights in the Vienna Letter Mail Centre were converted to this system. The project was concluded at the beginning of 2015. In the future the lighting systems in other logistics centres will also be gradually replaced. In the year 2014 a pilot project was launched to systematically identify the potential in the Group to save

energy. Energetic analyses and energy audits were carried out at twelve sites. This project was concluded in the middle of 2015. The measures being carried out range from the above-mentioned LED lighting solutions to further conversions of heating systems, adjustments to control technologies and separate measurements. Austrian Post expects considerable energy-saving potential to be realized by implementing these measures in the coming years.

The year 2010 was also used in this case as the starting point for reducing energy consumption. This year was selected because the systematic implementation of energy-saving measures began in 2011. In 2010 the energy consumption of the buildings of Austrian Post amounted to 164.7 kWh, and the vehicle fleet required 15.2m litres of fuel.

Austrian Post succeeded in cutting the energy consumption of buildings in the period 2010 to 2014 by 22.5m kWh. Fuel consumption by the vehicle fleet could be reduced by 0.5m litres.



OPTIMISE PROCUREMENT – GREEN PROCUREMENT

The procurement of Austrian Post is described in the “Business profile” chapter starting on page 25. Austrian Post is aware of its role in the supply chain and the repercussions of its purchasing decisions. Austrian Post demands compliance with environmental and social standards within the context of its Code of Conduct for Suppliers and the Vendor Integrity Check. Up until now no systematic evaluation of suppliers on the basis of audits has taken place. For this reason, no quantitative data can be supplied for the 2014 reporting year with respect to the ecological and social effects in the supply chain. In order to deal with this problem, processes and monitoring relating to supplier assessments are being continually upgraded.

Energy and vehicles

Since January 1, 2012, the company has been only using green electricity (electricity from renewable energy sources) for buildings owned by the company and for leased buildings in which the origin of the electricity supply is known. New vehicles added to the vehicle fleet only consist of the lowest emission classes, namely Euro 5, Euro 5 EEV and Euro 6. In addition, Austrian Post is massively relying on alternative drive systems in its delivery operations, and is in the midst of a far-reaching expansion of its e-powered vehicle fleet in a programme lasting until the year 2016.

Materials

Austrian Post is a logistics company. Therefore its paper consumption is of primary importance, which is why it is presented in the following table.

Copying paper is ordered in a decentralized manner. Moreover, in 2013 a large inventory of paper was used up. For this reason, paper consumption was significantly higher in 2014 than in the previous year.

	2012	2013	2014
Total paper consumption (t)	5,611.7¹	5,622.5	6,646.6
thereof sustainably produced (PEFC and FSC paper):			5,651.3
Copying paper	230.7	66.5	263.5
Printed materials	5,381 ¹	5,556	6,383.1

1) In 2012 the figure for paper consumption for printed materials was retroactively corrected due to optimised calculation methods. Furthermore, direct mail items were retroactively included.

AVOID WASTE OR MAKE USE OF IT

In the spirit of ensuring sustainable waste management, Austrian Post is working energetically to keep waste at a minimum and thus limit the burden on the environment. If waste cannot be avoided, it will be disposed of in an environmentally compatible manner. The separation of waste by category helps Austrian Post to make a significant contribution to reducing residual waste. At the same time, this measure enables the company to create the conditions underlying an economically and ecologically sensible recycling of these valuable waste materials.

At Austrian Post, waste mainly arises as a result of used packaging related to customer deliveries, and primarily consists of cardboard, plastic and wood pallets. Another major type of waste is paper which arises from offices and other facilities.

Waste management concepts exist for individual sites with a specified size. Several sorting centres have gone a step further and developed their own waste disposal and recycling concepts for the entire region. For example, in the Brieflogistik Ost (letter mail logistics centre for the eastern region of Austria), the concept includes the fact that recycled plastic, paper and cardboard can be remunerated at the Vienna Letter Mail Centre. However, the disposal of reusable scrap materials must be paid for at the delivery bases, where smaller quantities of waste are generated. Thus the reusable materials in the delivery bases are separated, but the waste is delivered to the Vienna Letter Mail Centre for recycling. Unused capacities in the delivery vehicles transporting goods are used for this purpose. This concept not only benefits the environment, but also results in considerable cost savings.

In the field of waste management, Austrian Post nominated a company-wide waste manager in 2013. In 2014 the company began to introduce a centralized data collection and assessment system. The aim is to develop a data base, in which the individual classes of waste can be recorded along with the respective volumes and the place where the waste was generated. ■

EMPLO

EMPLOYEES



STRATEGY & OBJECTIVES

DMA-LA
 DMA-HR

Employees are the key success factor in a service company. It promotes employees in many different ways. A good working environment, attractive career opportunities and workplace safety as well as occupational health-care play a major role in the company's efforts. Satisfied and healthy employees who feel happy and comfortable at work are generally more motivated and perform at their very best.

The thematic area "Employees" at Austrian Post is significantly influenced by the following megatrends:

- Demographic change
- Increasing complexity at work
- Pressure to be efficient
- Automation
- Work-life balance

Austrian Post tries to actively bear responsibility for its employees on the basis of a broad range of measures, and at the same time to effectively deal with the above-mentioned trends. The mission statement of Austrian Post has proven to be successful in recent years as a guidepost to the future. In a business environment in which the only constant is change, clearly held visions and values are important for employees in order to be able to act in a target-oriented and sustainable manner. The mission statement with its three values and three central principles are implemented by a variety of measures and embedded in the daily work of the company's employees. All the measures relating to employees are derived from the following value categories:

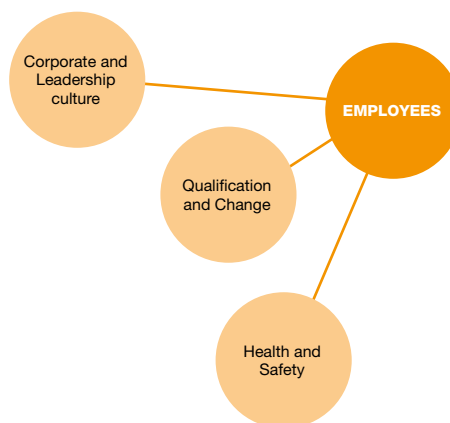
- Customer orientation:
Everything we do revolves around our customers.
- Profitability and sustainability:
We are future-oriented.
- Communication and appreciation:
We are all part of Austrian Post.

In particular, the value “Communication and appreciation” is important in dealing with employees. In line with the guiding principle “We are all part of Austrian Post,” each employee should do his or her share and actively be able to shape the future of Austrian Post.

Austrian Post aims to create reliable future perspectives for its employees, ensure they have the right qualifications for their work and promote their individual professional development. That is why further education and training is at the top of the agenda in all areas of the company. In addition, the “Internal Labour Market” platform offers new career opportunities to employees inside or outside the company affected by restructuring measures.

The “Career and Family” audit initiated by the Federal Ministry of Economy, Family and Youth in order to improve the compatibility of different areas of life was also carried out at Austrian Post. Moreover, the promotion of diversity in the staff enables different points of view to be expressed, and has an invigorating effect on the corporate culture.

Austrian Post carries out a broad range of measures designed to promote the health and safety of its employees and ensure that they can effectively deal with the growing pressure to work efficiently, and maintain their ability to work productively. The issues of occupational safety, health protection and occupational health care play an important role in the human resources management of Austrian Post. As one of the biggest employers in the country, Austrian Post naturally bears a special responsibility to its employees.



EMPLOYEES – MAIN OBJECTIVES AND PROGRESS IN 2014

The primary objectives of Austrian Post with respect to its employees continued to be valid in the 2014 reporting year, and determined the measures taken by the company. The dialogue with stakeholders showed that these measures were considered to be commensurate with the important issues raised by the stakeholders, and there was no need for change.

The current employee objectives are:

- Further develop a corporate and leadership culture
- Support qualifications and change
- Promote occupational health and safety

Promote a corporate and leadership culture

One of the objectives pursued by Austrian Post is to promote an open and modern corporate and leadership culture which enables employees to be creative and innovative and to act flexibly and independently. The basis is the executives of the company. It is their responsibility to identify the potential of their employees, promote their individual development and creative productive working conditions enabling employees to optimally unfold their skills.

Austrian Post has been making sustainable investments in the quality of its executives to ensure that the management staff can optimally perform these tasks. Since 2012, it has provided special executive training within the framework of the “Executive Academy”. In the year 2014 the executives received 4,422 person-days of training, thus surpassing the defined goal

of 3,000 person-days. A key element within the context of the Executive Academy is the programme “A Day Visiting Customers”. A total of 369 executives spent a day directly interacting with customers.

Create individual future perspectives

Another goal is to create individual future career perspectives for employees of Austrian Post. The target-group and competence-oriented training and professional development of employees is a top priority in the human resources management of Austrian Post, and was intensively continued in the year 2014. More than 5,000 participants at more than 1,000 seminars show that the trainings and seminars offered to employees were well received.

Promote occupational health and safety

Promoting occupational health and safety is another important goal of Austrian Post. Of course the employees themselves are also called

upon to preserve their own health. In this regard Austrian Post supports these efforts by means of target group-oriented and thematic occupational health care programmes. The issue of safety at work is also extremely important in light of the fact that many employees involved in delivery and at the distribution centres perform physically demanding and strenuous work. Furthermore, they use machines and vehicles, and have to be particularly mindful. Thanks to regular instructions and training, employees are aware of the safety risks related to their work, and can counteract risks by the right behaviour.

A series of sub-targets and employee-related measures have also been defined in addition to these primary goals. In 2014 all sub-targets were achieved on schedule. New sub-targets and measures were defined for 2015 at working group meetings.

ACHIEVEMENT OF OBJECTIVES IN 2014

All employee-related sub-targets were achieved on schedule in 2014.

Sub-targets in 2014	Status 2014
Executive Academy: Expansion to 3,000 person-days	A total of 4,422 person-days of courses and trainings were held.
“A Day Visiting Customers”: Participation of at least 250 executives	369 executives took part in the programme “A Day Visiting Customers”.
“Career and Family” audit: Four executive newsletters pertaining to the issue of career and family.	5 newsletters were sent out to executives.
“Career and Family” audit: Involvement of employees on leave in the internal information network	Employees can be reached and stay informed via e-mail and Intranet during their leave.
“Career and Family” audit: One network event per year within the context of Austrian Post’s diversity management	The event focusing on the issue “What role does diversity play in management?” (part of the series “Leadership beyond Limits”) took place in October 2014.
Integration of the issue of Sustainability at the Welcome Day	The issue of sustainability at Austrian Post was introduced at the Welcome Day for new employees.
Continuation of the programme “Post employees transfer to the federal public service”	The programme was continued in 2014 and extended to encompass all federal agencies.
Driver safety trainings Implementation of driver safety trainings for at least 50 participants	271 employees took part in driver safety trainings in the year 2014.

OUTLOOK 2015

NEW SUB-TARGETS FOR 2015:

- **Executive Academy:**
At least 1,500 person-days of trainings and seminars
- **“A Day Visiting Customers“:**
Participation of at least 250 executives
- **“Career and Family” audit:**
A comprehensive information offering on the Post Intranet on issues such as maternity leave or child care
- **“Career and Family” audit:**
Network event to be held in 2015
- Carrying out of an **employee survey** in 2015.
- **“Post employees to the federal public service“:**
Continuation of the programme “Post employees to the federal public service“
- **Driver safety trainings:**
Implementation of driver safety trainings for at least 150 participants
- **Health care counselling:**
Implementation of at least 750 health care counselling sessions and 10 Austrian Post Health Days
- **Heart rate variability analyses:**
Implementation of heart rate variability analyses and health care workshops in at least 3 departments
- **Running events:**
Support provided to 10 running events

Further details on the sustainability targets and the extent to which these goals were achieved can also be found in the Thematic and Goal Matrix on page 112. ■



IMPORTANT ISSUES

The following issues were considered to be important by external stakeholders participating in the Stakeholder Roundtable 2014:

- Develop a corporate culture
- Ensure occupational health and safety
- Offer further education and training
- Ensure diversity and equal opportunity
- Demand ethical behaviour

For this reason, these issues were also evaluated internally and were subsequently included in the currently valid Materiality Matrix of Austrian Post.

Within the context of converting Austrian Post's sustainability reporting to the GRI-G4 standards, these key issues were intensively discussed once again both internally and at the Stakeholder Roundtable 2015. The result was that all five of the important issues mentioned above continued to be of relevance. They were seen as important for this GRI-G4 report, the GRI-G4 aspects and indicators to be reported as well as for the further definition of objectives and measures in the thematic area "Employees".

Developments relating to the thematic area of employees and important issues in the 2014 reporting year are explained in detail in the following section.

KEY ASPECTS			
Issue pursuant to the Materiality Matrix	Aspect pursuant to GRI G4	Internal importance	External importance
Develop a corporate culture	Employment	All employees and executives. Shared guidelines, communication and appreciation are essential for employee identification and satisfaction.	Customers, shareholders, business partners and the general public. A strong, unified presence and a high level of employee satisfaction create a positive image of the company.
Ensure occupational health and safety	Occupational health and safety	All employees. Positive influence on health, essential to maintain an employee's ability to work productively.	Avoidance of additional costs for the government and society.
Offer further education and training	Training and education	All employees. Individual promotion of employees in order to ensure the right qualifications for the particular position and reliable future career perspectives.	Customers and the general public. Well-trained employees can offer optimal service and thus contribute to increasing customer satisfaction.
Ensure diversity and equal opportunity	Diversity and equal opportunity	All employees. Diversity of the staff and an improvement in the work-life balance invigorates the corporate culture.	Customers and the general public. Diversity of the staff opens up different points of view and leads to creative ideas.
	Equal treatment	All employees. Essential to counteract any form of discrimination and to ensure equal treatment of all employees.	Social partners, political decision makers, general public. Perception of Austrian Post as a fair company.
Demand ethical behaviour	Anti-corruption (see chapter on Compliance)	All employees. Increasing employee awareness for ethical behaviour and anti-corruption.	Customers, shareholders, business partners, political decision makers and the general public. Perception of Austrian Post as a fair, transparent and reliable partner.
	Compliance	All employees. Increasing employee awareness of the need for ethical behaviour.	Customers, shareholders and business partners, political decision makers and the general public. Perception of Austrian Post as a fair, transparent and reliable partner.



PERFORMANCE OF AUSTRIAN POST

As one of the biggest employers in the country, Austrian Post is clearly aware of its responsibility to its employees. Motivated and productive employees are the basis for corporate success. High value must be placed on the factor “employees”, especially in a service company. That is why the priority is ensuring the health and professional development of employees as well as their safety at work. Austrian Post attaches great importance to open communications and a respectful way of dealing with each other. In order to ensure a good working atmosphere and productive working conditions, leadership guidelines were developed, and the corporate and leadership culture was further developed on an ongoing basis.

Within the context of its diversity management, Austrian Post explicitly strives to promote social diversity, and constructively seeks to benefit from the diversity of its staff. Respect, appreciation and the promotion of diversity positively affect the corporate culture, and

make a significant contribution to employee satisfaction. Austrian Post also focuses on providing social services to its employees via the joint welfare association “post.sozial”.

CORPORATE AND LEADERSHIP CULTURE

In a business environment characterised by change, Austrian Post considers it extremely important to offer reliable future perspectives to its 18,400 employees and to promote their individual professional development. However, in order to be able to continue operating successfully on the market, the company and thus its employees will have to further develop their capacities and skills on an ongoing basis. This is only possible if the corporate culture and working environment motivate employees to be creative and innovative and support them in translating new ideas into reality.

For this reason Austrian Post not only works continuously on developing new products and services but also in creating an open and modern corporate and leadership culture. Only cleared shared visions and values enable Austrian Post to operate in a target-oriented and sustainable manner. That is why 2010 was marked by the development of a new mission statement with three value categories and three central principles, which are implemented and embedded in the daily work of all employees by a broad range of measures. All the measures carried out with respect to employees are derived from these value categories:

- Customer orientation: Everything we do revolves around our customers
- Profitability and sustainability: We are future-oriented
- Communication and appreciation: We are all part of Austrian Post

Executives comprise the foundation of an open and modern corporate culture at Austrian Post. It is their responsibility to identify the potential of their employees and promote their individual development as well as to create productive working conditions enabling employees to optimally unfold their skills. The basis are the leadership guidelines of Austrian Post based on the four guiding principles, "Assume responsibility", "Provide orientation", "Promote cooperation" and "Build confidence". In 2012 the Executive Academy was established to support executives in implementing management guidelines and to establish a mutually shared understanding of leadership in the company. Executives and key employees are trained at the academy within the context of a customized programme.

A variety of additional services available to all Austrian Post employees, regardless of their age, gender and the extent to which they are employed, including part-time employees, contribute to ensuring motivating and productive working conditions.

Employee profit-sharing

Austrian Post allows employees to participate in the success of the company. All employees of Austrian Post receive an annual EBIT bonus (participating in the company's success). The gross total of EUR 832 was voluntarily paid to each full-time employee for the 2014 financial year (bonus of EUR 782 and a special bonus of EUR 50). Part-time employees receive a pro rata share depending on their annual working time.

post.sozial – Customized social services for Austrian Post employees

Other social benefits enjoyed by Austrian Post employees are offered via the joint welfare association "post.sozial". The joint welfare association "post.sozial" reflects the social responsibility of Austrian Post to its employees based on additional social services above and beyond legally stipulated obligations. The association operates on a non-profit basis, and was established to provide social support to active employees of Austrian Post and its subsidiaries as well as to retired employees, family members and surviving relatives of employees. The services offered range from financial support to employees faced with unusually high costs arising as a result of illness or natural disasters along with discounted tickets for cultural and sports events and more favourably priced holiday deals to child care and day care services during vacations.

In 2014 nationwide burn-out prevention information evening events were held, and were well received by about 700 participants. The association has been financially supporting consulting services on burn-out prevention measures since 2013.

Victims and people affected by Austrian-wide flooding were quickly helped by the unbureaucratic financial assistance provided by post.sozial. 4,194 beneficiaries entitled to assistance were financially supported by post.sozial in the year 2014 in cases of exceptional costs arising from illness or natural catastrophes. The amount of financial assistance totalled EUR 1,089,000.

■ LA 2

ACHIEVEMENTS OF POST.SOZIAL 2014 AT A GLANCE

post.sozial	Total funding	EUR 6.3m
fair.reisen	Number of overnight stays	58,159
helfens.wert	Food coupons	EUR 4.2m
	Financial assistance	EUR 1,089,000
sehens.wert	Number of discounted admission tickets	21,206
	Events offered	144

Moreover, 21,206 tickets were offered at a minimum 20% discount to at least 144 events worth seeing (“sehens.wert”).

In 2014, employees spent a total of 58,189 relaxing holiday nights at numerous fair.reisen travel destinations.

In order to be able to finance all these measures, 1% of the wage bill paid by Austrian Post and its subsidiaries is devoted to funding the association. Total funding for the benefit of employees amounted to EUR 6.3m in 2014. The association is also supported by third-party donations.

HEALTH MANAGEMENT – OCCUPATIONAL HEALTH AND SAFETY

Motivated and healthy employees comprise a decisive success factor for Austrian Post as a service company. In order to maintain the ability of its employees to work, also until they reach an advanced age, the employer must ensure a safe and motivating working environment. Of course the employees themselves are also called upon to preserve their own health. In this regard, Austrian Post supports these efforts of employees to take responsibility for their own health by means of a targeted health care offering.

Campaign “A healthy heart and you”

In 2014 the focus was on further developing the project “A healthy heart and you”. Starting in October 2014, occupational physicians offered health counselling sessions at about 120 sites around the country. The health counseling enabled Austrian Post employees to measure their blood pressure, blood sugar and cholesterol levels. Within the context of personal consultations, they were informed about their individual risk profile for cardiovascular diseases and prevention measures. Flu vaccinations were also given on request. On balance, these measures involved a total of approx. 4,400 employees. About 1,300 employees took advantage of personal health consultations.

Health days

Other health stations were offered in addition to health counselling services at more than 25 sites. Employees were able to playfully test their stability and coordination skills on the MFT Challenge Disc, a training plate designed to ensure improved stability and balance, a strong back and healthy joints. Furthermore, training materials for exercise and training purposes were made available as an important preventive measure. At other stations the lung capacity, sight and venous pressure were tested. There were offerings on healthy diets with all the senses, sleep consultation for shift workers as well as biofeedback or heart rate variability analyses to measure the ability of employees to cope with stress and to relax. In addition, the seminar “Smoke-free with the power thinking model” was introduced, and a lecture was held at company headquarters on the topic “How can I charge my life battery?” On balance, some 2,000 employees took part in the Austrian Post Health Days or took advantage of the various health stations.

Stress management

In 2014 a pilot project on the topic “Stress management check to promote health at work” took place in response to the results of the employee survey. Within the scope of this project, about 90 employees voluntarily took advantage of the opportunity to measure their heart rate variability. Their capability to manage stress and their regenerative capacity were measured in a scientifically sound manner in just a few minutes. This measure was complemented by comprehensive information talks and workshops. These measurements will be expanded in the coming years in response to the level of demand within the company.

Safety and protection of employees

More than 2,000 inspections of workplaces were carried out by a team of safety experts in order to advise site managers on potential dangers as well as the issues of safety and protection of employees. More than 700 evaluations and 350 trainings were carried out. Improvement suggestions were implemented with respect to the working environment and work processes.

In addition, driver safety trainings were held in 2014 with the aim of reducing the number of accidents during the delivery process. On balance, about 300 employees were trained.

Health management in 2014 at a glance

- More than 3,300 workplace inspections (safety experts and occupational physicians), including 100 inspections with regulatory authorities
- More than 370 trainings (courses/instruction) by safety experts or occupational physicians
- More than 20 fire drills were carried out.
- More than 730 assessments, including maternity leave assessments
- Participation in 24 occupational safety committee meetings
- More than 2,600 vaccinations (including 1,290 flu vaccinations)
- More than 200 examinations of people’s eyes and vision
- Health counselling sessions at 120 sites with about 1,300 participants
- More than 25 Austrian Post Health Days at different sites with about 2,000 participants at the health stations
- About 2,800 Austrian Post employees took part in 10 running events.

The issues of occupational safety and health protection were also discussed in formal meetings of occupational safety committees. The members of these committees are comprised of safety experts, occupational physicians, safety officers, employee representatives and the management.

Austrian Post has also set up a central occupational safety committee for the parent company Österreichische Post AG and 25 regional occupational safety committees for sites with more than 100 employees or where certain dangers exist.

Guidelines are contained in Section 88 and 88a of the Employee Protection Act. Improvement suggestions are developed to individual safety and health issues, and the implementation of appropriate measures is discussed. The minutes of each meeting including a progress report are compiled and made available to the regional occupational safety committees and the central occupational safety committee.

In line with legal stipulations, counselling on occupational safety is carried out by the appropriate corporate bodies at smaller company sites. In this way, the entire workforce of Austrian Post is supported in ensuring safety at work by safety experts and occupational physicians.

LA 5



LA 8

In addition to legal regulations on occupational safety and accident prevention, there are also internal organisational rules and instructions as well as leaflets designed to contribute to enhancing occupational safety in the company. The trade union and the works council are included in all important matters relating to safety at work and accident prevention, and are also represented in the occupational safety committees. The main document containing relevant internal rules is the manual “Accident prevention at Austrian Post” (most recently updated in December 2013).

LA 6

Sick leave and accident statistics

In the reporting year 2014, the number of occupational accidents leading to at least one working lost declined by 19%, from 984 to 794. This number also encompasses all accidents on the way to and from work. This significant reduction in the number of accidents can be attributed to the far milder winter without strong snowfall and ice. One deadly accident took place in the reporting year 2014.

All accidents at work (including those incurred by leased personnel) must be immediately reported to the company as a key-requisite for analyzing the causes of accidents as a means of promoting efficient accident protection, and for preparing accident reports in those cases where there is a legal obligation to report the occurrence to the responsible regulatory bodies. Responsibilities and reporting processes are regulated in detail by the organisational directive 2/2007 “Reporting System for Occupational Accidents”.

Fourteen accidents occurred at work in 2014 involving leased personnel, comprising a six percent share of total accidents.

FURTHER EDUCATION AND TRAINING

Competition on the postal market is steadily increasing. At the same time the entire sector has been subject to a fundamental transformation. The increasingly demanding environment in which Austrian Post operates thus continuously places new demands on the personnel structure of the company and thus on each individual employee. Austrian Post meets these requirements on the basis of target group-oriented and competence-oriented training and further education programmes, which are designed to individually promote the skills of employees and help them to fully exploit their individual potential.

Promotion of a leadership culture on the basis of executive trainings

In order to be able to fulfil these demanding requirements, Austrian Post not only continuously works on upgrading its products and services but also improving its internal structures and processes and creating an open and modern corporate and leadership culture. Executives of the company provide the basis for a corporate culture encouraging employees to act in a creative and innovative manner. It is their responsibility to identify the potential of their employees and promote their individual

EMPLOYEE INDICATORS	2012	2013	2014
Rate of employees on sick leave (FTE ¹ in %)	7.4%	8.7%	8.6%
thereof women	31.1%	27.0%	27.1%
thereof men	68.9%	73.0%	72.9%
Days lost per sick leave (working days)	10.1	11.2	11.1
Number of occupational accidents ^{2,3}	903	984	794
Average number of (calendar) days lost per accident ³	21.6	21.8	19.7
Proportion of accidents ^{3,4}	4.6	5.3	4.3
thereof women	6.0	5.7	5.6
thereof men	4.1	5.0	3.8
Fatalities resulting from occupational accidents	1	1	1

1 FTE = Full-time equivalents

2 Accidents beginning with one working day lost (including accidents commuting to/from/during work)

3 Starting in 2012 subsequently reported occupational accidents are to be assigned to the actual year in which the accident took place, so that annual follow-up corrections of previous years will be necessary.

4 Number of occupational accidents beginning with one working day lost including accidents commuting to/from/during work per 100 FTE

FURTHER EDUCATION AND TRAINING INDICATORS	2012	2013	2014
Number of seminars	1,389	1,347	1,021
Number of participants	7,525	6,471	5,169
thereof women in %	39.4%	32.7%	26.4%
thereof men in %	60.6%	67.3%	73.6%
Person hours	84,580	75,841	100,859
Average annual number of person days for women	4.2	3.3	3.8
Average annual number of person hours for men	3.9	3.9	5.7

development as well to create productive working conditions enabling employees to optimally unfold their skills.

The basis are the leadership guidelines of Austrian Post based on the four guiding principles to assume responsibility, provide orientation, promote cooperation and build confidence. In 2012 the Executive Academy was established, building upon these leadership guidelines. The declared objective of this long-term initiative is to establish a consistent and mutually shared understanding of leadership within the company and support executives to implement management guidelines within the context of a customised programme. Leadership skills are imparted via different modules and with the help of specially trained coaches in order to convey leadership competencies and promote the individual's personal development. In 2014 approximately 1,000 executives took part in the Executive Academy. The four target group-oriented programmes to promote the professional development of executives will be continued in 2015.

The annual "A Day Visiting Customers" is one of the most successful measures implemented to embed and sharpen the understanding of leadership contained in the leadership guidelines of Austrian Post. Within the context of this programme, about 370 managers spent one day in 2014 gaining insights into the daily work of their colleagues – mail and parcel carriers on the delivery staff and employees in the branch network or in the customer service centre. This measure enables them to familiarize themselves with the work of these employees and experience first-hand what they achieve in their daily interaction with customers. Moreover, this "A Day Visiting Customers" initiative supports key cornerstones of Austrian Post's mission statement i.e. customer orientation, appreciation and open communication.

Individualised professional development of employees based on targeted further education and training measures

In addition to these special executive trainings, the target group and competence-oriented training and professional development of employees was intensively continued in 2014. These comprise a further focal point of Austrian Post's human resources management. The measures implemented consisted of specialized instruction, continuing education courses, coaching and training in all business areas of the company.

In the year 2014, a total of 1,021 seminars were held for Austrian Post employees. A total of about 5,200 employees took part in these events. 73.6% of the participants were men and 26.4% were women. On balance, each female employee spent an average of 3.8 hours being trained per year, and each male employee 5.7 hours annually. (These figures do not include internal on-the-job training as well as trainings on occupational safety and health.) Employees of Austrian Post took part in a total of 100,859 seminar hours in 2014.

Talent management programme

Moreover, in 2014 Austrian Post launched an internationally-oriented, customised talent management programme for 19 promising young employees of Austrian Post and its international subsidiaries at the IEDC Bled School of Management in Slovenia. The first get-together of the new talents took place in December 2014. The participants will focus on management and leadership issues for the next one and half years. The diversified range of training modules will enable the high potentials to expand their horizons by exchanging views with international lecturer and guest speakers. By getting to know other points of view, they can gain valuable experience for their personal professional development. After every training module, the promising and talented employees

will reflect on what they learned and develop new ideas in line with the motto “stretch your mind”.

The objective of this comprehensive initiative is to fully prepare the executives of tomorrow to take on their future roles.

Trainee programme

In September 2013, a trainee programme was already initiated to promote young, dynamic talents. The programme was continued in 2014 and concluded at the end of August 2014. A total of 27 trainees were subject to a comprehensive training programme, in which they got to know the work of different departments in detail in accordance with the rotation principle. Moreover, they took part in the “A Day Visiting Customers” programme, visited distribution centres and attended events such as the Annual General Meeting of Austrian Post and the Post Expo. Seminars complemented the practical part of the training.

Within the context of their final trainee project in 2014, Austrian Post trainees organised a charity project called “Trainees for Futurebag”. This is an association aiming to help socially and economically disadvantaged children in Bosnia-Herzegovina get a good start in school. They collected donations, helped with the preparations and were thus able to hand over 347 schoolbags filled with notebooks, pens and pencils to needy children in Sarajevo just in time for the beginning of school.

The trainee programme proved to be extremely successful. For this reason, 23 new trainees started their traineeships at Austrian Post in November 2014.

Apprenticeship training

Austrian Post also created a suitable programme for even younger talents i. e. youth. Five years ago it started offering an “apprenticeship with a secondary school diploma”. In 2014, 27 apprentices were being trained by the company, and were given a stimulating education in four areas in the branch network: banking, postal services, telecommunications and retail goods. In 2015, an additional 30 apprentices throughout Austria are to be given the opportunity to be trained as retail salespeople with a focus on the field of telecommunications.

Thanks to the high quality training of young people, Austrian Post was awarded the “TOP teaching enterprise” quality stamp by the Vienna Economic Chamber at the end of 2014.

Center of Excellence

In its role as the leading logistics and postal services company in the country, Austrian Post offers employees exciting areas of activity and diverse professional development opportunities for college graduates.

The best students meet in the Centre of Excellence of the Vienna University of Economics and Business. Austrian Post accompanied the group 44 for a period of two years, and got to know exceptional individuals, had many interesting talks and could look back at a high level of commitment for the charity project. The aim of the joint activities was not only to give the students a comprehensive insight into Austrian Post, but also to pose questions to the group on specific problems from different subject areas. A great deal of room for further development and diversity is offered in this context.

Individualised professional development

Regular performance reviews and staff appraisals are held between employees and their supervisors as a means of determining personal work priorities and goals as well as to agree upon support measures in the form of further education and training measures. Human resources management recommends that all executives carry out such a meeting at least once a year.

These employee reviews comprise a platform for partners to interact on a personal level and an opportunity to change the working relationship. They also represent an investment in the job satisfaction of employees and in working environment based on trust.

The discussions with employees have two main objectives. On the one hand, to look back at the employee's past performance and come to a conclusion regarding the success of the employee in carrying out the assigned tasks and the effectiveness of the cooperation. On the other hand, there is a looking ahead to the future to define priorities and to formulate goals and support measures.

Post Labour Market

In addition to a specific training and educational offering for employees in all business areas and age groups, Austrian Post also offers support to employees who are impacted by restructuring measures and who wish to reposition themselves on the job market in the form of Austrian Post's "Internal Labour Market".

Increasing competition and the need of the market require the company to implement ongoing efficiency improvement measures as well as adjustments to the personnel structure. In this case, responsible corporate behaviour means reacting to the resulting changes confronting employees, thus actively planning and supporting them on their career path in a socially acceptable manner. For this reason, the "Internal Labour Market" platform offers a diverse range of "training on the job programmes" designed to prepare employees for new jobs inside or outside the company.

One success model of the Post Labour Market is the initiative "Post employees to the federal public service". By the end of 2014, close to 500 Austrian Post employees had transferred to different federal agencies. The majority assumed positions in the Federal Ministry of Internal Affairs, the Ministry of Justice, the ministry of Education and Women's Affairs and the Ministry of Finance. The Federal Office for Aliens' Affairs and Asylum (BFA), the new government body created by the Federal Ministry for Internal Affairs, has also deployed 16 former Austrian Post employees up until now. These figures show that the competencies acquired at Austrian Post are very much in demand at the ministries, and that the programme has opened up new areas of work featuring interesting career perspectives for

Post employees.

DIVERSITY AND EQUAL OPPORTUNITY

Within the context of its diversity management, Austrian Post explicitly strives to promote social diversity and constructively seeks to benefit from the diversity of its staff. On the one hand, this applies to visible, perceptible differences such as gender, ethnic background, age and disability. On the other hand, it also applies to subjective differences such as religion and lifestyle.

Austrian Post not only aims to tolerate the individual differences among employees, but particularly highlight them in the spirit of promoting mutual esteem and respect. The objectives are to create a productive overall atmosphere in the company, prevent the social discrimination of minorities and improve equality of opportunity.

The company attaches considerable importance to ensuring equal opportunity at work in all business areas, and thus resolutely opposes any kind of discrimination, mobbing and sexual harassment.

Diversity of employees

In 2014 Austrian Post employed an average of 18,403 people, of which approximately one-third (29.1%) were women and 70.9% were men. 2,732 women and 583 men took advantage of customised part-time work models with which Austrian Post promotes the compatibility of family and career. Moreover, Austrian Post's workforce consists of employees from 83 different nations. Some 1,500 employees are not Austrian citizens. The senior management level at Austrian Post also includes 24 individuals from seven nations.

LA 10

AUSTRIAN POST – EMPLOYEE INDICATORS	2012	2013	2014
Total number of employees (FTE)¹	19,534	18,951	18,403
thereof women (FTE in%)	29.3%	28.9%	29.1%
thereof men (FTE in%)	70.7%	71.1%	70.9%
Full-time employees (total)	17.724	17.178	16.654
thereof women (in %)	23.7%	23.4%	23.7%
Part-time employees (total)	3.422	3.388	3.315
thereof women (in %)	85.4%	83.5%	82.4%
Employees with special needs (total as at December 31)	1.201	1.196	1.188
Employees by age group (FTE)			
Under 30	1,735	1,837	1,953
30–50 years	12,218	11,131	10,040
Over 50	5,581	5,982	6,410
Employees in management positions^{2,3}			
Number of employees in management positions	-	1,268	1,207
thereof women	-	320	299
thereof men	-	948	908
By age group			
Under 30	-	28	25
30–50 years	-	800	709
Over 50	-	440	473
Employees in management positions (in %)	-	6.7%	6.6%
thereof women	-	25.2%	24.8%
thereof men	-	74.8%	75.2%
By age group			
Under 30	-	2.2%	2.1%
30–50 years	-	63.1%	58.7%
Over 50	-	34.7%	39.2%

1 FTE = Full-time equivalents

2 Management Board members, management team (“direct reports” of the Management Board members), expanded management team (“direct reports” of the management team or executives), leadership conference (employees of BE 2 to 5, who are responsible for at least three employees)

3 A comparison can only first take place starting in 2013, due to the fact that this type of presentation was first integrated into the system in 2012.

Diversity in the Management Board of Austrian Post

The Management Board of Austrian Post consists of four members:

- Georg Pözl, Chairman of the Management Board and Chief Executive Officer
- Walter Oblin, Chief Financial Officer
- Walter Hitziger, Member of the Management Board, Mail & Branch Network Division
- Peter Umundum, Member of the Management Board, Parcel & Logistics Division

More detailed information on the members of the Management Board, their professional careers and current areas of responsibility can be found in the Annual Report 2014 of Austrian Post, Financials, pages 10-11.

Diversity in the Supervisory Board

The top priority in appointing members of the Supervisory Board is to choose people with the right professional qualifications and personal competencies. The Supervisory Board continuously emphasizes these requirements in presenting proposals for elections of Supervisory Board members.

Generally speaking, the Supervisory Board pursues the goal of optimally fulfilling its supervisory and consulting tasks thanks to the diversity of its members. In particular, diversity includes the internationality of its members and different backgrounds of experience. The share of women on the Supervisory Board is also considered to be one aspect of diversity. Taking account of the issue of diversity, it should be noted that three out of the twelve Supervisory Board members in 2014 were

under the age of 50, and two members were not Austrian citizens. Two of the Supervisory Board members elected by the Annual General Meeting were women.

Diversity in practice

Austrian Post puts a great deal of emphasis on ensuring sufficient diversity in the company. The broad-based diversity of employees at Austrian Post is appreciated, valued and proactively promoted, regardless of the employee's age, gender, country of origin, religion, disability or sexual orientation. Diversity practiced by Austrian Post is contingent upon respect and equality of opportunity, promotes innovativeness and creativity, helps open up international markets and also improves the image of the company.

Charter of Diversity

Austrian Post has been one of the companies which signed the Charter of Diversity since 2013. It is a voluntary corporate initiative of the Austrian Federal Economic Chamber and Vienna Economic Chamber, and thus sends out an important signal calling for greater tolerance and fairness.

Compatibility of career and family

Austrian Post takes its role seriously as a family-friendly employer, and thus promotes the compatibility of career and family on the basis of a variety of measures and offerings. For this reason, the company was given the basic "Career and Family" certificate by the Federal Ministry of Family and Youth in November 2013, which is valid until 2016. Austrian Post participated in the "Career and Family" audit.

The audit continually promotes the awareness of families and their needs in all relevant areas of the company. Studies have shown that a family-friendly working environment increases employee motivation, loyalty and commitment. Initially measures were carried out at corporate headquarters and overhead functions of the regional offices, due to the fact that employment structures within Austrian Post are quite complex. There are employees who do shift work and whose working hours constantly change. Some stand behind the counter, whereas others do not even have a PC at their workplace. The size of teams varies immensely, and also local conditions are not the same everywhere. For this reason, it was important to focus on one specific area at Austrian Post at the beginning of the audit. The more one can ensure a level playing field when starting out, the easier it is to agree on targeted measures for

this area. Following the successful implementation of measures, the audit will be gradually expanded to other business areas in the company.

Equal rights

It is important to Austrian Post to ensure that people with disabilities can take part in working life on an equal footing with others. In past years Austrian Post more than fulfilled its legally stipulated employment obligations towards people with disabilities. In the year 2014, 1,188 people with special needs were employed by the company. People with disabilities work in a diverse range of positions, for example as executives, Central Works Council representatives, on the delivery staff or in the branch network.

Equal rights also apply to the salaries of men and women. Both the civil servants employed by Austrian Post, salaried employees subject to the stipulations of the "old" collective wage agreement and those subject to the "new" collective wage agreement (effective August 1, 2009) are paid in accordance with the respective remuneration scheme or pay scale. Each position in the company is assigned to a specified classification within the context of this remuneration schemes or pay scale, which applies to all employees regardless of gender.

As a consequence of the remuneration system described above, there are no salary differences between men and women with the same education and training who perform the same work.

Contact persons for employees

Austrian Post offers a large number of programmes and initiatives designed to promote and support employees and contribute to a positive working climate. Nevertheless, personal issues can have a significant impact on an employee's motivation and his or her ability to perform well on behalf of the company. Since April 2014 these individuals have been able to confidentially turn to an internal ombudsperson when they require assistance to deal with personal problems in their working environment or with respect to compliance with the values of Austrian Post as defined in the mission statement.

Austrian Post has also set up a working group on issues relating to equal treatment. Generally, such cases can be resolved by carrying out consultations with the Compliance Officer. In 2014 there were no cases of alleged violations of the principle of equality which had to be passed on to the National Equal Treatment Commission. ■

LA 13

HR 3

so

SOCIETY



STRATEGY & OBJECTIVES

DMA-SO
DMA-PR

As a provider of universal postal services, Austrian Post bears a considerable responsibility to society. It makes an important contribution towards maintaining and safeguarding the communications infrastructure on the basis of providing reliable, top-quality nationwide postal services in Austria. Austrian Post wants to offer services to meet the modern needs of society. Its attractive and innovative services and a comprehensive service offensive demonstrate that the customer is the focal point of all its business decisions.

Austrian Post also makes its contribution to society by supporting a series of social projects. In this regard, the company strives to be involved in projects which have a direct connection to the core business of the company i.e. the nationwide delivery of mail items and its nationwide distribution network of branch offices.

Within the context of Austrian Post, the issue of society is significantly influenced by the following megatrends:

- Demographic change
- Differentiated life styles
- Growing trend towards sustainability and environmental awareness

On balance, Austrian Post quickly and reliably delivers about 6 bn mail items to every address and doorstep each year, thus ensuring that basic postal services of outstanding quality are provided to the Austrian population. In 2014, 96.3% of letters are already delivered on the next working day, and 97.5% of parcels are delivered within two working days. Both levels are clearly higher than the legal requirements for universal service providers. This is made possible by the know-how of Austrian Post employees and the ongoing investments in high-tech equipment at the six mail and seven parcel logistics centres throughout Austria.

Austrian Post has an extensive presence in the entire country, boasting a total of 1,826 postal service points, including 520 of its own company-operated branch offices and 1,306 postal partners. The concept of the postal partners, with food stores, petrol stations and pharmacies, amongst other businesses, offering their customers postal services in addition to the traditional goods or services they usually provide, has proven to be very successful as a customer-oriented initiative.

Austrian Post continuously works on developing new products and services in order to meet current customer requirements and take account of changing life styles. Customers of today want to take care of their postal business in a flexible manner and at different times. This is made possible by Austrian Post thanks to its new 24/7 concepts. The focus is on new solutions designed to enhance customer comfort and benefits and improve service quality.

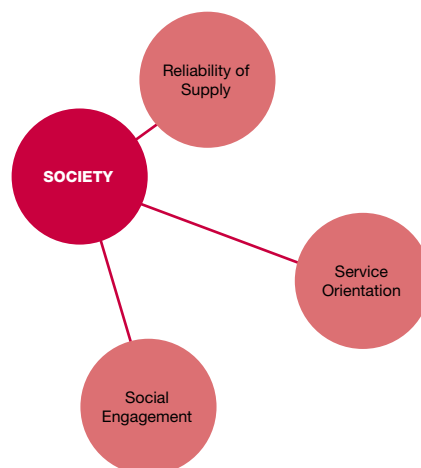
Austrian Post takes the growing trend towards sustainability and environmental awareness into account on the basis of its CO₂ NEUTRAL DELIVERY initiative, which is described in detail in the section on the environment, but also provides support to social projects and activities which are of relevance to society.

MAIN SOCIETAL AND SOCIAL OBJECTIVES AND PROGRESS IN 2014

The main goals pursued by Austrian Post with respect to society continued to be valid in the 2014 reporting year, and determined the measures taken by Austrian Post. The dialogue with stakeholders showed that these measures were considered to be commensurate with the important issues raised by the stakeholders, and there was no need for change.

The current social objectives are:

- Ensure reliable nationwide postal services
- Safeguard the company's service orientation
- Demonstrate social commitment



Ensure reliable and nationwide postal services

One of the main objectives with respect to society is to ensure the reliable and stable supply of postal services throughout the country for the benefit of the Austrian population. Every day Austrian Post brings letters and parcels to every address and every doorstep throughout Austria. In this way, Austrian Post is a reliable partner, thus ensuring that basic postal services of outstanding quality are provided to the Austrian population. External quality assessments showed that 96.3% of letters were already delivered to recipients on the next working day in 2014, and 97.5% of parcels reached the intended recipients within two working days. In addition to the daily, nationwide delivery of mail items, Austrian Post boasts a dense network of postal service points, which totalled 1,826 postal service points at the end of 2014, including 520 company-operated branch offices and 1,306 postal partner offices.

Ongoing further development of solutions to enhance customer benefits

Moreover, Austrian Post is steadily expanding its offering of self-service zones, which make postal services available to customers around the clock, seven days a week. At the end of 2014, customers could already take advantage of 260 self-service zones, equipped with modern franking machines, packing stations, drop-off boxes and in some cases pick-up stations. 8,415 pick-up boxes were already installed in residential areas, thus contributing to a further increase in customer comfort.

Promotion of business-related, socially relevant projects and activities

Austrian Post also does its share to help tackle social problems by providing support to social projects. This social commitment encompasses initiatives such as the “Ö3-Wundertüte“, campaigns such as “Christmas in the Shoebox“ or “Gift parcels for the Christ Child”, or

support provided to “Together: Austria Association Award”.

A series of sub-targets and measures have also been defined in addition to these primary goals. In 2014 all sub-targets were achieved on schedule. New sub-targets and measures were defined for 2015 at working group meetings.

ACHIEVEMENT OF OBJECTIVES IN 2014

All sub-targets were achieved on schedule in 2014.

Sub-targets in 2014	Status 2014
Postal service points Stabilisation of the number of postal service points at a high level, and surpassing legal stipulations.	In aggregate, Austrian Post had 1,826 postal service points in Austria in 2014, including 520 company-operated branch offices.
Postal partners Demand-oriented adjustment of the postal partner concept.	On balance, 1,306 postal partner offices were available to customers in 2014.
Post and BAWAG P.S.K. branch offices Demand-oriented adaptation of joint Austrian Post-BAWAG P.S.K. branch offices.	In 2014, customers had 478 jointly-operated branch offices at their disposal.
Self-service zones Expansion of self-service zones to 250 branch offices.	Self-service zones were installed at 260 branch offices.
Post pick-up boxes Expansion of number of pick-up boxes to 8,000.	8,415 pick-up boxes were installed in residential buildings.
Pick-up stations Installation of 100 pick-up stations.	126 pick-up stations were installed, including 111 in self-service zones at Austrian Post branch offices and 15 outside of the branch network.

OUTLOOK 2015

NEW SUB-TARGETS IN 2015:

- **Reliable delivery**
Ensuring reliable delivery and surpassing legally stipulated minimum requirements for service quality.
- **Safeguarding of a nationwide network of postal service points exceeding legal requirements**
Safeguarding network reliability and quality increases at company-operated and partner-operated postal service points.
- **Optimisation of solutions for recipients – Post pick-up boxes**
Expansion of number of pick-up boxes to 11,000 (medium-term expansion to 20,000).
- **Optimisation of solutions for recipients - Post pick-up stations**
Expansion of number of pick-up stations to 200 (medium-term expansion to 300).
- **Self-service zones**
Expansion of the number of self-service zones to 300 (medium-term expansion to 400).
- **Promotion of online solutions to enhance customer comfort**
Track & Trace, SMS/E-mail notification, Post App, parcel stamps, e-commerce services.
- **Data protection and data security**
Maintaining secure and reliable data protection and data security measures.
- **Support for social projects** on the basis of Austrian Post’s logistics competence.

Further details on the sustainability targets and the extent to which these goals were achieved can also be found in the Thematic and Goal Matrix on page 112. ■



IMPORTANT ISSUES

The following issues assigned to different thematic areas were considered to be important by external stakeholders participating in the Stakeholder Roundtable 2014. For this reason, these issues were also evaluated internally and were subsequently included in the currently valid Materiality Matrix of Austrian Post.

Thematic area: Customers

- Operate in a service-oriented manner
- Ensure customer satisfaction
- Enable product innovations
- Guarantee data protection and data security

Thematic area: Society

- Regional infrastructure to ensure reliability of postal services
- Social commitment and sponsoring
- Strengthen the national economy

Thematic area: General conditions

- Observe market development and competition
- Take account of up-to-date view of customer benefits in the regulatory environment
- Further develop universal postal services
- Ensure reliability of postal services
- Help shape any potential privatisation steps

Within the context of converting Austrian Post's sustainability reporting to the GRI-G4 standards, these key issues were intensively discussed once again both internally and at the Stakeholder Roundtable 2015. The result was that the issues "Regional infrastructure to ensure reliability of postal services", "Ensure customer satisfaction", "Operate in a service-oriented manner" and "Social commitment and sponsoring" were considered to be the most important issues, and are thus to be treated as material for the current GRI-G4 report.

The issues “Enable product innovations”, “Observe market development and competition” and “Strengthen the national economy” are dealt with in greater detail in the “Economy” chapter of this report. The important issue “Guarantee data protection and data security” is dealt with in the chapter on “Compliance”.

The issue “Ensure reliability of postal services” is dealt with together with “Regional infrastructure to ensure reliability of postal services”.

The issue “Take account of up-to-date view of customer benefits in the regulatory environment” is treated when this report focuses on the issue “Operate in a service-oriented manner”.

No separate performance indicators can be assigned to the issues “Further develop universal postal services” and “Help shape any potential privatisation steps”. For this reason, this report does not go into further detail with regard to these two topics.

The following important issues will be subsequently presented:

- Regional infrastructure to ensure reliability of postal services
- Social commitment and sponsoring
- Ensure customer satisfaction
- Operate in a service-oriented manner

- G4-19
- G4-20
- G4-21

KEY ASPECTS			
Issue pursuant to the Materiality Matrix	Aspect pursuant to GRI G4	Internal importance	External importance
Regional infrastructure to ensure reliability of postal services	Local communities	A dense network of postal service points and nationwide delivery are important for employees in the branch network and the delivery staff, because these factors ensure good customer contacts. For employees who are in contact with large customers, decisive criteria of quality include the reliable and quick delivery of mail items.	Optimal access to postal services is important for customers and the entire Austrian population. Lawmakers have passed laws with respect to the reliability of postal services.
Social commitment and sponsoring	Local communities	Positive perception of Austrian Post as a responsible company by employees.	By supporting social projects, Austrian Post makes a contribution to areas which are of concern to society.
Ensure customer satisfaction	Labelling of products and services	The satisfaction of customers is the pre-requisite for corporate success. For this reason, it is equally important to all employees.	Customer satisfaction surveys provide insights into the satisfaction of customers, and thus more or less all Austrians, with the services provided by Austrian Post. Customer satisfaction can be seen as an incentive to increasingly enhance the benefits and convenience for customers and to develop new ideas and solutions. In light of the fact that customer satisfaction is important for the success of the company, it is also an important issue for shareholders.
Operate in a service-oriented manner	Labelling of products and services	Customer and service orientation are embedded in the mission statement of Austrian Post, and are thus important for all employees. Moreover, service orientation contributes to customer satisfaction.	Service orientation is crucial to the success of Austrian Post and thus an important aspect for customers and shareholders of the company.



PERFORMANCE OF AUSTRIAN POST

Only Austrian Post brings letters and parcels to every address and doorstep throughout Austria every day. In this way, Austrian Post is a reliable partner, ensuring that basic postal services of outstanding quality are provided to the Austrian population. Moreover, Austrian Post operates a nationwide network consisting of 1,826 postal service points, including 520 of its own company-operated branch offices and 1,306 postal partners. Accordingly, the branch network of Austrian Post is one of the largest private customer networks in the country, offering customers optimal regional accessibility. In addition, Austrian Post offers its customers products and services which fulfil current customer requirements with respect to flexibility and additional services.

RELIABILITY OF POSTAL SERVICES

Austrian Post makes a decisive contribution towards maintaining and further developing the communications infrastructure of the country in a future-oriented manner by reliably providing the entire country with postal services. Only Austrian Post delivers letters and parcels each day to every address and doorstep throughout Austria, thus ensuring that basic postal services of outstanding quality are provided to the Austrian population. In 2014 96.3% of all letters are delivered to recipients on the next working day and 97.5% of parcels are delivered to recipients within two working days. Both levels are higher what is legally stipulated within the context of universal postal service requirements.

In addition to six mail and seven parcel logistics centres as well as 244 mail and 16 parcel delivery bases, Austrian Post operates a nationwide

SO 1

branch network comprising 1,826 postal service points at the end of 2014. Conditions in the postal sector are subject to major changes. For this reason, Austrian Post must continually adapt its services and infrastructure in a customer-oriented manner.

A primary focus of the company's efforts is the expansion of the very successful postal partner concept. On balance, a total of 1,306 postal partners were providing postal services as of the end of 2014, including food stores, petrol stations, tobacconists and municipal authorities, ensuring the optimal regional availability and accessibility of Austrian Post and the services it offers.

The advantages of the postal partner concept are obvious. By complementing the company's own branch network, postal partner offices ensure more service, shorter distances and improved opening hours, and also safeguard the sustainable supply of postal services to the population. At the same time, economic structures in rural areas are strengthened. This is due to the fact that a majority of postal partner locations are local businesses which offer Austrian Post's products and services in addition to their own product line and can thus generate additional income. This comprises a "win-win" situation for postal partners, customers and for Austrian Post.

Austrian Post's cooperation with postal partners in the social sector has proven to be particularly successful. In the meantime, 52 partnerships of postal partners with charitable organizations have a two-fold social effect. They make a contribution towards ensuring the supply of postal services. At the same time, they help employees of these organisations to be reintegrated into the job market. For example, pro mente already operates two postal partner offices in Burgenland. This organisation aims to develop offerings designed to integrate people suffering from mental disorders. Austrian Post's cooperation with postal partners in the social sector shows that it is a strong ally of charitable organisations.

SOCIAL COMMITMENT

However, Austrian Post also does its share to help tackle social problems by providing support to social projects. The company makes an effort to contribute its own core competencies to the partnerships it concludes, namely the nationwide delivery of mail items and its nationwide distribution network.

434,000 old mobile phones were collected by Austrian Post in 2014 within the context of the Ö3 Wundertüte initiative, resulting in donations of EUR 651,000 for the emergency aid funds of "Licht ins Dunkel" ("Light into the Darkness") and Caritas.

3,700 "gift parcels for the Christ Child" were sent by Austrian Post in cooperation with the Austrian Samaritan Foundation to children in social welfare institutions and disadvantaged families in Austria. In addition, Austrian Post participated in the campaign called "Christmas in the Shoebox" to help needy children in Moldova.

Under the title "Austrian Post Makes Children Clever", it sent about 3,500 "school boxes" to primary schools in the 2014/15 school year. These appealingly designed teaching materials aim to stimulate pupils to read and write, as well as to give them a better understanding of what Austrian Post does. Moreover, the company supports projects such as "Austria Reads – Meeting Point Library" and the "Children's Business Week".

For the first time, the Austrian Integration Fund granted the TOGETHER: AUSTRIA Association Prize in cooperation with Austrian Post and BAWAG P.S.K. The award is designed to promote associations which live and embody the peaceful coexistence of people of different descent, color and religion.

SERVICE ORIENTATION AND ENHANCEMENT OF CUSTOMER COMFORT

Knowing the needs of its customers is of prime concern to Austrian Post, and a key factor of success. Only if you know what your customers want can you realise up-to-date, customer-oriented innovations – and ensure long-term business success. For this reason Austrian Post maintains close proximity to customers, carefully analyses their requirements and further develops its product and service offering on this basis.

In line with its guiding principle “Everything we do revolves around our customers“, Austrian Post continually works on developing new

products and services corresponding to current customer demands for greater flexibility.

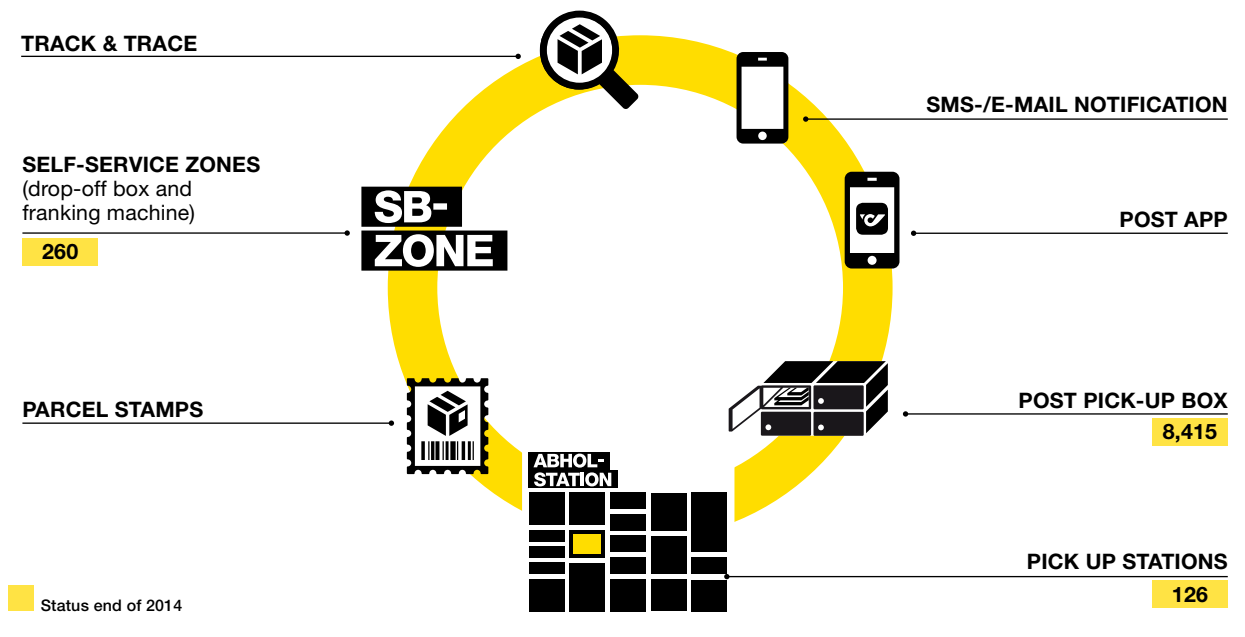
Self-service zones and pick-up stations

At the end of 2014, some 260 self-service zones at Austrian Post branch offices were equipped with packing stations, franking machines and drop-off boxes in order to allow customers to post their mail items at any time, day or night. 111 of these self-service zones also include modern pick-up stations, turning the “24/7” receiving of mail items into an everyday reality for them. Another 15 pick-up stations are available to customers at OMV petrol stations or outside of the branch network. By the end of 2015, the network of nationwide self-service zones will even expand to 300, putting 200 pick-up stations at the disposal of customers.



AT YOUR SERVICE AROUND THE CLOCK

NUMEROUS NEW SELF-SERVICE SOLUTIONS ENABLE CUSTOMERS TO TAKE ADVANTAGE OF POSTAL SERVICES ON A 24/7 BASIS – FOR EXAMPLE ONLINE OR IN A BRANCH OFFICE WITH A SELF-SERVICE ZONE.



Post pick-up box

Another practical possibility to pick up mail is the Post pick-up box. More than 8,400 of these pick-up boxes have already been installed in larger housing complexes, 80% of them in Vienna. By the end of 2015 more than 11,000 should exist throughout the country.

Parcel stamp

Customers have the possibility to conveniently, simply and quickly print stamps to send their parcels from their own homes, or to go to a franking machine in a self-service zones.

Post App

Since June 2014 Austrian Post has also offered the Post App, which puts the most important service functions available to customers at no charge, and which enables them to even more easily and quickly access the services offered by the company. With the track and trace function, the customer knows at any time where his or her mail item is, and also has the possibility to redirect it, for example to a nearby branch office, to his place of work or to a pick-up station. The site locator enables customers to find the nearest branch office or postal partner, and the postal rate calculator provides customers with information about the least expensive and quickest option to ship his or her letters and parcels. In addition, the Post App offers the mobile “yellow slip” in the form of e-notification. The new service has been well received by customers. It was downloaded about 122,000 times by the end of 2014.

CUSTOMER SATISFACTION

By implementing new ideas and introducing innovative services, Austrian Post always offers its customers the highest quality everywhere and at any time. The customers have expressed their appreciation with steadily improving levels of satisfaction.

Customer satisfaction with the services of Austrian Post was measured on a quarterly basis during the reporting period. The market research partner on this project was the renowned Institute for Empirical Social Research (IFES). By means of a representative survey with a sample size of $n = 1,000$ per wave, the “Customer Satisfaction Index” (CSI) encompassing customer satisfaction and customer loyalty is determined.

Measuring customer satisfaction in accordance with the CSI scale considers 50 index points or less to represent a critical level, 51 to 60 points as moderately content, more than 61 points is considered to be good and higher than 71 means very good. An outstanding level of customer satisfaction is for 81 points up to the highest possible score of 100.

Austrian Post has been able to show constant increases in customer satisfaction since 2011. The average CSI in 2014 was good, at a level of 68 index points, one point higher than in the previous year. In the fourth quarter the CSI was even at 69 points. All in all, 47% of the interviewees rate Austrian Post’s services as “very good” or “excellent”. On balance, Austrian Post is generally considered to be “good” across all age groups. However, young people below the age of 30 are among the most satisfied customers underlined by their rating of “very good”.

Once again, the delivery staff bringing letters and parcels received the best grades among all population groups. 84% of customers rated their mail carriers as “excellent” or “very good”, and 81% of customers gave a mark of “excellent” or “very good” to the parcel delivery staff.

The perception of the company’s sustainable development with respect to environmental protection as well as its responsibility to society and employees is also taken into account in the customer satisfaction survey. The results of the fourth quarter of 2014 show that Austrian Post’s activities focusing on the environment and its social commitment are positively perceived. ■

PR 5

FACTS FIGURES

URES

THEMATIC AND GOAL MATRIX

Mission statement	We are future-oriented			
ISSUE	ECONOMY*		ENVIRONMENT	
Main objectives	1. Solid business model with an average annual revenue growth of 1–2% p.a. 2. High profitability 3. Attractive dividends and sustainable total shareholder return		1. CO ₂ reduction and annual compensation for remaining emissions 2. Expansion and improvement of a central environmental management system 3. Sensibilisation of relevant stakeholders for environmental and climate protection	
Important issues	<ul style="list-style-type: none"> • Generate growth and value creation • Pursue an attractive dividend policy • Drive modernisation and innovation 		<ul style="list-style-type: none"> • Avoid greenhouse gas emissions and make transport more ecologically sustainable • Save energy • Optimise procurement – Green procurement 	
Sub-targets	Achievement of objectives in 2014		Achievement of objectives in 2014	
	Stable revenue development	+0,2% ✓	CO ₂ reduction of 20% in the period 2010–2015	18,8
	Sustainable EBITDA margin of around 12%	14,1% ✓	Expansion of e-vehicle fleet to 1,300 vehicles by the end of 2016	862
	Improved EBIT	+5,9% ✓	Delivery of all letters and direct mail items to private customers in Vienna by foot or using e-powered vehicles by 2016 („Green Vienna“)	8 Bez.
	Attractive dividend policy featuring a dividend payout of at least 75% of the Group net profit	>75% ✓	Continuation of the CO ₂ NEUTRAL DELIVERY initiative	✓
			Project „Green Vienna“: conversion in three additional city districts by the end of 2014	✓
			Creation of a consistent data base for waste management	X
New sub-targets for 2015	Increase of Group revenue by 1–2% compared to 2014		Continuation of the CO ₂ NEUTRAL DELIVERY initiative	
	Sustainable EBITDA margin of around 12%		Expansion of the e-vehicle fleet to more than 1,300 vehicles by 2016	
	Improved operating results		Creation of a consistent data base for waste management	
			Implementation of a Group-wide energy audit	
			Beginning of the conversion to LED lighting systems in two other logistics centres	

*) The economic objectives were defined for the entire Group, and thus relate to Group data when it comes to the success in achieving these goals.

We are all Austrian Post		Everything we do revolves around our customers	
EMPLOYEES		SOCIETY	
1. Promoting a corporate and leadership culture 2. Creating individual future perspectives 3. Promoting occupational health and safety		1. Safeguarding of reliable, nationwide postal services 2. Ongoing further development of solutions to enhance customer benefits 3. Promoting business-related and socially relevant projects and activities	
<ul style="list-style-type: none"> Develop a corporate culture Ensure occupational health and safety Offer further education and training Ensure diversity and equal opportunity Demand ethical behaviour 		<ul style="list-style-type: none"> Regional infrastructure to ensure reliability of postal services Social commitment and sponsoring Ensure customer satisfaction Operate in a service-oriented manner 	
Achievement of objectives in 2014		Achievement of objectives in 2014	
Expansion of the Executive Academy to 3,000 person-days by the end of 2014	4.422 ✓	Stabilisation of the number of postal service points at a high level	1.826 ✓
Participation of at least 250 executives in the programme "A Day Visiting Customers" by the end of 2014	369 ✓	Demand-oriented adjustment of the postal partner concept	1.306 ✓
„Career and Family“ audit: four executive newsletters by the end of 2014	5 ✓	Demand-oriented adjustment of jointly operated BAWAG P.S.K. branch offices	478 ✓
„Career and Family“ audit: Involvement of employees on leave in the internal information network	✓	Expansion of self-service zones to 250 branch offices by the end of 2014	260 ✓
„Career and Family“ audit: one network event within the context of diversity management by the end of 2014	✓	Expansion of number of pick-up boxes to 8,000 by the end of 2014	8.415 ✓
Implementation of driver safety trainings for at least 50 participants to reduce damage and the number of accidents	271 ✓	Installation of 100 pick-up stations by the end of 2014	126 ✓
Continuation of the programme „Post employees transfer to the federal public service“	✓	Launch of a mobile device management system to secure smart phones	✓
Integration of the issue of sustainability at the Welcome Day	✓		
Executive Academy: at least 1,500 person-days of trainings and seminars		Ensuring reliable delivery and surpassing legally stipulated minimum requirements for service quality.	
Participation of at least 250 executives in the programme "A Day Visiting Customers"		Safeguarding network reliability and quality increases at company-operated and partner-operated postal service points.	
„Career and Family“ audit: a comprehensive information offering on the Post Intranet on issues such as maternity leave or child care, along with one network event to be held in 2015		Expansion of number of pick-up boxes to 11,000 (medium-term expansion to 20,000).	
Carrying out of an employee survey in 2015		Expansion of number of pick-up stations to 200 (medium-term expansion to 300).	
Continuation of the programme "Post employees to the federal public service"		Expansion of the number of self-service zones to 300 (medium-term expansion to 400).	
Implementation of driver safety trainings for at least 150 participants		Promotion of online solutions to enhance customer comfort	
Implementation of at least 750 health care counselling sessions and 10 Austrian Post Health Days		Maintaining secure and reliable data protection and data security measures	
Implementation of heart rate variability analyses and health care workshops in at least three departments		Support for social projects on the basis of Austrian Post's logistics competence	
Support provided to 10 running events			

GRI CONTENT INDEX

GENERAL STANDARD DISCLOSURES

GRI Indicator No.	Indicator description	Page reference and notes
STRATEGY & ANALYSIS		
G4-1	Statement by the most senior decision-maker in the organisation	Page 4f
G4-2	Description of key impacts, risks and opportunities	Page 10ff
ORGANISATIONAL PROFILE		
G4-3	Name of the organisation	Austrian Post
G4-4	Primary brands, products and services	Page 25f
G4-5	Location of organisation's headquarters	Haidingergasse 1, 1030 Vienna
G4-6	Number of countries where the organisation operates	Page 23
G4-7	Nature of ownership and legal form	Page 22f
G4-8	Markets served	Page 23f
G4-9	Scale of the reporting organisation	Page 20
G4-10	Total number of employees by employment contract and region	Page 21
G4-11	Percentage of total employees covered by collective bargaining agreements	Page 21
G4-12	Organisation's supply chain	Page 26ff
G4-13	Significant changes regarding the organisation's size, structure or ownership	There were no significant changes in Austrian Post's size, structure or ownership in the year 2014.
G4-14	How the precautionary approach is addressed by the organisation	Page 10ff
G4-15	External charters, principles or initiatives	Page 23

GRI Indicator No.	Indicator description	Page reference and notes
G4-16	Memberships	Austrian Post is a member of the following associations and organisations: Vienna Economic Chamber, Federation of Austrian Industries, Vienna Economic Forum, Aktienforum, Cercle Investor Relations Austria (C.I.R.A.), Public Relations Association of Austria, DMVÖ – Austrian Dialogue Marketing Association, FMVÖ – Financial Marketing Association of Austria, Austrian Trade Association, Print Power, Austrian Logistics Association, Transparency International, respACT, PostEurop, International Post Corporation (IPC), Universal Postal Union (UPU), 21st Austria.
G4-17	Performance of entities included in the consolidated financial statements	Page 23f
G4-18	Report content and aspect boundaries	Page 32f
G4-19	Material aspects	Page 58 (Economy),
G4-20	Aspect boundaries for material aspects within the organisation	Page 70f (Environment), Page 87 (Employees) and Page 104 (Society)
G4-21	Aspect boundaries for material aspects outside of the organisation	
G4-22	Effects of restatements of information from previous reports	Page 32
G4-23	Significant changes in the scope, aspect boundaries or measurement methods used	Page 32
STAKEHOLDER ENGAGEMENT		
G4-24	List of stakeholder groups	Page 45
G4-25	Selection of stakeholder groups	Page 45
G4-26	Approaches to stakeholder engagement	Page 45f
G4-27	Topics and concerns of stakeholders	Page 46f
REPORT PROFILE		
G4-28	Reporting period	This report refers to the year 2014.
G4-29	Date of most recent previous report	The last report was published in 2014 and applied to the year 2013.
G4-30	Reporting cycle	The Sustainability Report of Austrian Post is published annually.
G4-31	Contact point for questions on report and its contents	Ms. Julia Kollouch Mr. Daniel-Sebastian Mühlbach (can be reached at: csr@post.at)
G4-32	“In accordance” option chosen	CORE (Page 32)
G4-33	External assurance	Yes, refer to page 32 as well as Independent Certificate on page 120.

GRI Indicator No.	Indicator description	Page reference and notes
GOVERNANCE		
G4-34	Governance structure of the organisation	Page 34f
G4-35	Process for delegating authority	Page 35
G4-36	Responsibility for economic, ecological and social topics on an executive-level position	Page 35
G4-37	Consultation between stakeholders and highest governance body	Page 36
G4-39	Chair of the highest governance body	Page 35
G4-40	Nomination and selection processes for the highest governance body	Page 37
G4-41	Measures to avoid conflicts of interest in the highest governance body	Page 37
G4-51	Remuneration policy	Page 36
ETHICS & INTEGRITY		
G4-56	Code of Conduct and values	Page 39ff
G4-57	Internal and external mechanisms on seeking advice on ethical and lawful behaviour	Page 39
G4-58	Mechanisms for reporting concerns about ethical behaviour	Page 42

SPECIFIC STANDARD DISCLOSURES

GRI Indicator No.	Indicator description	Page reference and notes
ECONOMIC PERFORMANCE INDICATORS		
DMA-EC	Disclosures on management approach – Economic	Page 54ff
G4-EC1	Direct economic value generated and distributed	Page 59ff
G4-EC2	Opportunities and risks for the organisation due to climate change	Page 13 (Risks) and Page 14 (Opportunities)
G4-EC4	Financial assistance received from the government	Page 61
G4-EC7	Infrastructure investments	Page 63
G4-EC8	Significant indirect economic impacts	Page 43
G4-EC9	Proportion of spending on local suppliers	Page 27
ECOLOGICAL PERFORMANCE INDICATORS		
DMA-EN	Disclosures on management approach – Environment	Page 26ff (Procurement) and Page 66ff (Environment)
G4-EN3	Energy consumption within the organisation	Page 77
G4-EN6	Reduction of energy consumption	Page 77
G4-EN15	Direct greenhouse gas emissions (Scope 1)	Page 75
G4-EN16	Indirect greenhouse gas emissions (Scope 2)	Page 75
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	Page 75
G4-EN19	Reduction of greenhouse gas emissions	Page 75
G4-EN30	Significant environmental impacts of transport	Page 76
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	Page 78
SOCIAL PERFORMANCE INDICATORS: LABOUR PRACTICES		
DMA-LA	Disclosures on management approach – Labour practices	Page 26 ff (Procurement), Page 38ff (Compliance) and Page 82 ff (Employees)
G4-LA1	Employee hires and employee turnover	Page 22
G4-LA2	Benefits only provided to full-time employees	Page 89

GRI Indicator No.	Indicator description	Page reference and notes
G4-LA4	Minimum notice periods regarding operational changes	Generally speaking, the rules relating to participation on the part of employee representatives in organisational changes is regulated by the Labour Constitution Act. Moreover, Austrian Post is obliged to comply with the stipulations contained in the Postal Service Works Constitution Act. In line with Section 72 Para. 3/7 of this law, Austrian Post is required to inform employee representatives in a timely manner before organisational changes take place and to promptly negotiate with them. Based on these regulations, organisational changes are coordinated with the employee representatives more than two months on average before they are implemented.
G4-LA5	Management-worker health and safety committees	Page 91
G4-LA6	Types and rates of injury in the organisation	Page 92
G4-LA8	Healthy and safety topics covered in formal agreements with unions	Page 92
G4-LA9	Average number of training hours per year and employee by employee category and gender	Page 93
G4-LA10	Programmes for skills management, approach to managing career endings and continued employability	Page 95
G4-LA11	Percentage of employees receiving regular performance and career development reviews	Page 94f
G4-LA12	Composition of governance bodies, and breakdown of employees according to gender and age group	Page 96
G4-LA13	Ratio of basic salary and remuneration of women to men	Page 97
G4-LA15	Significant actual and potential negative impacts on labour practices in the supply chain	Page 78
SOCIAL PERFORMANCE INDICATORS: HUMAN RIGHTS		
DMA-HR	Disclosures on management approach: Human rights	Page 82ff (Employees)
G4-HR3	Total number of incidents of discrimination and corrective actions taken	Page 97

GRI Indicator No.	Indicator description	Page reference and notes
SOCIAL PERFORMANCE INDICATORS: SOCIETY		
DMA-SO	Disclosures on management approach: Society	Page 38ff (Compliance) and Page 100ff (Society)
G4-SO1	Local Community Engagement	Seite 105f
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	In the reporting year 2014, a Group-wide compliance risk analysis was carried out encompassing all sites.
G4-SO4	Communication and training of anti-corruption procedures	Page 42
G4-SO5	Incidents of corruption and actions taken	There were no incidents of corruption in the reporting year 2014.
G4-SO7	Total number of legal actions for anti-competitive behaviour, antitrust and monopoly practices and their outcomes	There were no lawsuits, sanctions or fines imposed upon Austrian Post in 2014 due to anti-competitive behaviour, antitrust and monopoly practices.
G4-SO8	Sanctions for non-compliance with laws and regulations	With the exception of minor administrative fines, there were no lawsuits, sanctions or fines imposed upon Austrian Post in 2014 due to non-compliance with laws and regulations.
G4-SO11	Number of grievances upon impacts on society	There were no complaints filed against Austrian Post in the reporting period due to its impacts on society.
SOCIAL PERFORMANCE INDICATORS: PRODUCT RESPONSIBILITY		
DMA-PR	Disclosures on management approach: Product responsibility	Page 38ff (Compliance) and Page 100ff (Society)
G4-PR5	Results of surveys measuring customer satisfaction	Page 109
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	With the exception of a few isolated grievances in connection with approval to pass on data for advertising purposes, there were no complaints filed in the reporting year 2014 due to breaches of customer privacy.
G4-PR9	Sanctions due to non-compliance with laws and regulations concerning the provision and use of products and services	There were no lawsuits, sanctions or fines imposed upon Austrian Post in 2014 due to non-compliance with laws and regulations concerning the provision and use of products and services.

An den Vorstand der Österreichischen Post Aktiengesellschaft

UNABHÄNGIGER BESTÄTIGUNGSBERICHT

Unabhängige Prüfung des vorliegenden Nachhaltigkeitsberichts 2014
der Österreichischen Post Aktiengesellschaft

Auftragsgegenstand

Wir wurden von der Österreichischen Post Aktiengesellschaft mit der Durchführung einer Prüfung zur Erlangung einer begrenzten Sicherheit (nachfolgend „Prüfung“) des vorliegenden „Nachhaltigkeitsbericht 2014 Österreichische Post AG“ (nachfolgend „Bericht“), nach der GRI G4 KERN-Option erstellt, beauftragt.

Weiters bezog sich unsere Prüfung auf direkt im GRI Index angegebene Verweise, jedoch nicht auf darüber hinaus gehende weitere (Web-) Verweise, sowie nicht auf im Bericht direkt angeführte (Web-)Verweise.

Unsere Prüfungshandlungen wurden gesetzt, um eine begrenzte Prüfsicherheit als Grundlage für unsere Beurteilung zu erlangen. Der Umfang der Prüfungshandlungen zur Einholung von Prüfungsnachweisen ist geringer als jener für hinreichende Prüfsicherheit (wie beispielsweise bei einer Jahresabschlussprüfung), sodass ein geringerer Grad an Prüfsicherheit gegeben ist.

Gemäß der „Allgemeinen Auftragsbedingungen für Wirtschaftstreuhandberufe“¹ ist unsere Haftung beschränkt. Demnach haftet der Berufsberechtigte nur für vorsätzliche und grob fahrlässig verschuldete Verletzungen der übernommenen Verpflichtungen. Im Falle grober Fahrlässigkeit beträgt die maximale Haftungssumme gegenüber der Österreichischen Post Aktiengesellschaft und etwaigen Dritten insgesamt EUR 726.730.

Einschränkungen des Prüfauftrages

- Zahlen, die aus externen Studien entnommen wurden, wurden nicht geprüft. Es wurde lediglich die korrekte Übernahme der relevanten Angaben und Daten in den Bericht überprüft.
- Die im Rahmen der Jahresabschlussprüfung geprüften finanziellen Leistungsindikatoren und Aussagen wurden von uns keiner Prüfung unterzogen. Wir überprüften lediglich die GRI-konforme Darstellung dieser Angaben im Bericht.
- Informationen ausländischer sowie inländischer Tochtergesellschaften der Österreichischen Post Aktiengesellschaft sind grundsätzlich nicht Gegenstand des Berichts sowie der Prüfung.
- Die Prüfung zukunftsbezogener Angaben war nicht Gegenstand unseres Auftrags.

Kriterien

Wir beurteilten die Informationen im Bericht auf Basis der folgenden für das Geschäftsjahr 2014 maßgeblichen Kriterien (nachfolgend „die Kriterien“):

- GRI G4 Leitlinien zur Nachhaltigkeitsberichterstattung².

Wir gehen davon aus, dass diese Kriterien für die Durchführung unseres Prüfauftrags angemessen sind.

Verantwortung des Managements

Das Management der Österreichischen Post Aktiengesellschaft ist für die Erstellung des Berichts sowie für die darin enthaltenen Informationen, in Übereinstimmung mit den oben

1 Fassung vom 21. Februar 2011, herausgegeben von der Kammer der Wirtschaftstreuhänder, Kapitel 8, http://www.kwt.or.at/de/PortalData/2/Resources/downloads/downloadcenter/AAB_2011_de.pdf

2 <https://www.globalreporting.org/reporting/g4/Pages/default.aspx>

3 International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or reviews of Historical Financial Information (ISAE3000) effective for assurance statements dated after January 1, 2005

genannten Kriterien, verantwortlich. Diese Verantwortung beinhaltet die Entwicklung, Implementierung und Sicherstellung von internen Kontrollen. Diese sind für die Erstellung der Berichterstattung maßgeblich, um wesentliche falsche Angaben auszuschließen.

Unsere Verantwortung

Unsere Verantwortung besteht darin, ein Urteil über die Informationen im Bericht auf Basis einer Prüfung zur Erlangung einer begrenzten Sicherheit abzugeben.

Wir haben unseren Prüfauftrag unter Beachtung des „International Federation of Accountants' ISAE 3000“³ -Standards sowie des von der „International Federation of Accountants“ (IFAC) herausgegebenen „Code of Ethics for Professional Accountants“ – worin Regelungen zu unserer Unabhängigkeit enthalten sind – geplant und durchgeführt.

Unsere Vorgehensweise

Wir haben alle erforderlichen Prüfungshandlungen durchgeführt, um eine ausreichende und geeignete Basis für unser Urteil sicherzustellen. Die Prüfung wurde am Hauptsitz der Gesellschaft in Wien durchgeführt. Wesentliche Prüfungshandlungen von uns waren:

- Erlangung eines Gesamtüberblicks zur Unternehmenstätigkeit sowie zur Aufbau- und Ablauforganisation des Unternehmens;
- Durchführung von Interviews mit Unternehmensverantwortlichen, um relevante Systeme, Prozesse und interne Kontrollen, welche die Erhebung der Informationen für den Bericht unterstützen, zu identifizieren und zu verstehen;
- Durchsicht der relevanten Dokumente auf Konzern-, Vorstands- und Managementebene, um Bewusstsein und Priorität der

Themen im Bericht zu beurteilen und um zu verstehen, wie Fortschritte überwacht werden;

- Erhebung der Risikomanagement- und Governance-Prozesse in Bezug auf Nachhaltigkeit und kritische Evaluierung der Darstellung im Bericht;
- Durchführung analytischer Prüfungshandlungen auf Unternehmensebene;
- Stichprobenartige Überprüfung der Daten und Prozesse, um zu erheben, ob diese auf Konzernebene angemessen übernommen, konsolidiert und berichtet worden sind. Dies umfasste die Beurteilung, ob die Daten in genauer, verlässlicher und vollständiger Art und Weise berichtet worden sind;
- Bewertung der Berichterstattung zu wesentlichen Themen hinsichtlich Kernthemen welche im Rahmen von Stakeholderdialogen angesprochen worden sind, über welche in externen Medien Bericht erstattet worden ist und zu welchen wesentliche Wettbewerber in ihren ökologischen und gesellschaftlichen Berichten Bezug nehmen;
- Evaluierung der Wesentlichkeitsanalyse unter Einbeziehung von branchenspezifischen Megatrends, sowie Aspekten von GRI;
- Stichprobenartige Überprüfung der Aussagen im Bericht auf Basis der GRI-G4-Berichtsgrundsätze und
- Beurteilung, ob für die KERN-Option die GRI G4 Leitlinien konform angewendet wurden.

Unsere Bestätigung

Auf Grundlage unserer Prüfung zur Erlangung einer begrenzten Prüfsicherheit sind uns keine Sachverhalte bekannt, die uns zu der Annahme veranlassen, dass die Informationen im Bericht nicht in Übereinstimmung mit den oben definierten Kriterien sind.

Wien, 28. September 2015

ERNST & YOUNG Wirtschaftsprüfungsgesellschaft m.b.H.

Brigitte Frey e.h.

Georg Rogl e.h.



CONTACT/IMPRINT

Media owner and publisher

Österreichische Post AG
Haidingergasse 1, 1030 Vienna, Austria
T: +43 (0)577 67-0
E-Mail: info@post.at
I: www.post.at
FN: 180219d, Commercial Court of Vienna

Organisation/Coordination

Julia Kollouch,
Österreichische Post AG
Sustainability (CSR)

Daniel-Sebastian Mühlbach
Österreichische Post AG
Sustainability (CSR)

Kerstin Reißner,
Österreichische Post AG
Sustainability (CSR)

We have prepared this report and checked the figures with the greatest possible care. Nevertheless, rounding, typographical and printing errors cannot be excluded. The aggregation of rounded amounts and percentages may result in rounding differences due to the use of automated computational aids.

This report also contains forward-looking statements based on the information currently available to us. These are usually indicated by expressions such as “expect”, “anticipate”, “estimate”, “plan” or “calculate”. We wish to note that a wide variety of factors could cause actual circumstances – and hence actual results – to deviate from the forecasts contained in this report.

Statements referring to people are valid for both men and women.

This Sustainability Report is also available in German. In case of doubt, the German version takes precedence.

Editorial deadline: September 28, 2015

