

NON-FINANCIAL REPORT 2020 _____

21.2%

of Österreichische Post AG's
entire fleet is electric

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THE NON-FINANCIAL REPORTING

**#
ALWAYS
DELIVER A
SOLUTION**

**CLEAR STRUCTURES
HAVE BEEN ESTABLISHED**
within the company to
live out Austrian Post's
commitment to sustainability.
Find out more on page 51

GENERAL INFORMATION


Sustainability is of great importance to Austrian Post. Austrian Post is continuing to implement a large number of targeted measures to ensure its impact on the economy, employees, the environment and society is positive. As a company, Austrian Post is committed to generating economic success on behalf of its investors. At the same time, it is also very much aware of its corporate social responsibility, its role as an employer and its ecological footprint. Integrating sustainability into the core business is the way to secure a successful future for the company.

Report Contents

The following chapters include the required information in accordance with Section 243b (1–3) of the Austrian Commercial Code (UGB) in conjunction with Section 267a (1–3) of the UGB and contain non-financial information concerning Österreichische Post AG and its consolidated subsidiaries. In order to avoid redundancy, references are provided to parts of the Management Report and Corporate Governance Report, which also contain non-financial information. This particularly relates to additional information about the business model, risk management and Austrian Post's diversity plan.


Non-financial indicators are presented in a two-year comparison.

The information published in this report was audited by an independent third-party. A corresponding declaration made by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft can be found at the end of the Non-financial Report.

■  see p. 95

The Non-financial Report is divided into six sections covering all information required under the Austrian Sustainability and Diversity Improvement Act (NaDiVeG), such as the concerns laid out in the act, challenges, concepts, outcomes, due diligence processes, risks and non-financial indicators.

For additional information about the individual sustainability topics and examples of sustainability-related projects, please refer to the separate Sustainability Report, which was prepared according to the "Core" option of the GRI Standards. This Sustainability Report was also audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and published at the same time as the Annual Report.

■  see 2020 Sustainability Report

COMPANY & RESPONSIBILITY

Business Model

With around 23,000 employees and annual revenue in excess of EUR 2bn, Austrian Post is a major logistics and postal services provider in Austria and beyond. As part of Austria's critical infrastructure, Austrian Post is responsible for ensuring security of supply within the country. Its core business is the delivery of letters, direct mail items, print media and parcels as well as various logistics services and value-added services. In addition to postal and telecommunications services, the most extensive branch network in Austria also offers financial services. Austrian Post groups its operations into three divisions: Mail, Parcel & Logistics and Retail & Bank.

Through its Group companies, Austrian Post's Mail Division and Parcel & Logistics Division not only operate in Austria but in Germany, Southeast and Eastern Europe and Turkey as well. The following Non-financial Report covers the entire Group. Österreichische Post AG, the parent company, generates 82% of the total revenue and employs 76% of the company's employees. The scope of data compiled about the Group of consolidated companies was expanded in 2020. For this reason, the non-financial indicators at Group level are not directly comparable with those of the previous year. The company is working on further harmonisation in order to enable better comparability of these indicators at Group level in future. Changes relating to Österreichische Post AG will therefore be commented upon in each case below.

Further information on the business model as well as the integrated corporate and sustainability strategy of Austrian Post is provided in the Company & Responsibility section.

—  see from p. 12ff

Subsidiary	Country
ACL advanced commerce labs GmbH	Austria
adverserve	Austria
bank99 AG (formerly Brüll Kallmus AG)	Austria
EMD – Elektronische- u. Mikrofilm-Dokumentationssysteme Ges.m.b.H.	Austria
feibra GmbH	Austria
Medien.Zustell GmbH	Austria
Post E-Commerce GmbH	Austria
Post Immobilien GmbH	Austria
Post Systemlogistik GmbH	Austria
Post.Wertlogistik GmbH	Austria
Post IT Services GmbH	Austria
PROWERB Gesellschaft für produktive Werbung GmbH	Austria
Scanpoint GmbH	Austria
sendhybrid ÖPBD GmbH	Austria
AUSTRIAN POST International Deutschland GmbH	Germany
City Express d.o.o.	Serbia
City Express Montenegro d.o.o.	Montenegro
Express One d.o.o.	Bosnia and Herzegovina
Express One Hungary Kft.	Hungary
IN TIME s.r.o.	Slovakia
M&BM Express OOD	Bulgaria
Overseas Trade Co. Ltd. d.o.o.	Croatia
Scanpoint Slovakia s.r.o.	Slovakia
Slovak Parcel Service s.r.o.	Slovakia
Weber Escal d.o.o.	Croatia
Aras Kargo a.s.	Turkey

Material Topics

The fundamental prerequisite for systematic and targeted sustainability management is the identification of material topics. Austrian Post reviewed its materiality survey as part of a Group-wide strategic process relating to its integrated corporate and sustainability strategy. This review involved identifying material topics, holding discussions with internal and external experts and deciding on measures to be taken.

The materiality analysis was then performed in three stages.

- In the first stage, top management assessed the relevance of the 14 main topics to the operations of the company.
- In the second stage, internal and external stakeholders were asked about how the main topics influence their opinions and decisions relating to Austrian Post.
- In the final stage, selected internal and external experts were asked for their assessment of how the main topics affect environmental, labour and social issues, corruption & bribery and human rights in accordance with the Sustainability and Diversity Improvement Act (NaDiVeG). This was done using an online survey.

Material Topics of Austrian Post

T 03 Economy & Customers

Material Topic	Description	NaDiVeG concerns
1 Sustainable appearance & services for private customers	All activities focus on developing sustainable and customer-focused products and services. This area covers our activities with a direct connection to end customers.	<ul style="list-style-type: none"> — Social and employee concerns — Environmental concerns
2 Sustainable mail & parcel products	This area focuses on the range of products related to letters, direct mail items and parcels used by business customers. All products should be designed to not only benefit the customer but also to have a positive impact on the environment, society and the economy.	<ul style="list-style-type: none"> — Social and employee concerns — Environmental concerns
3 Sustainable procurement	This area focuses on the application of sustainability criteria and principles to our procurement practices. This includes evaluating suppliers and defining a policy. Austrian Post is particularly committed to following a regional strategy in this area in order to improve the company's regional focus and minimise the negative impact on Austrian Post, people and the environment.	<ul style="list-style-type: none"> — Respect for human rights — Combating corruption and bribery
4 Sustainable governance & compliance	Austrian Post wants to create structures and processes that will anchor and manage sustainability in every area of the company. This area includes transparent reporting to stakeholders in addition to "traditional" compliance and governance responsibilities.	<ul style="list-style-type: none"> — Respect for human rights — Combating corruption and bribery
5 Stakeholder value	Efforts to create value for all stakeholders are focused on contributing to society (e.g. maintaining the regional infrastructure and reliable supply of postal services), contributing to the economy (e.g. taxes and social security contributions) and creating value for its owners (e.g. dividends).	<ul style="list-style-type: none"> — Social and employee concerns

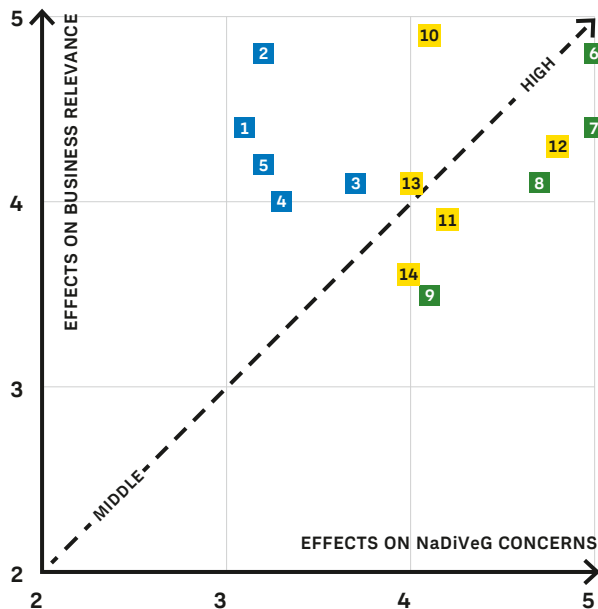
T 04 Environment & Climate

Material Topic	Description	NaDiVeG concerns
6 Green & efficient mobility	Our efforts in this area focus on making our fleet modern and sustainable by using vehicles with alternative drives in all areas. We are significantly reducing our fuel consumption in order to lower carbon emissions.	— Environmental concerns
7 Green & efficient buildings	This area includes all of the measures that we take to reach a high level of sustainability in all of our buildings. These include using renewable energy for power and energy efficiency measures. Our overall objective with these measures is to reduce energy consumption and carbon emissions.	— Environmental concerns
8 Resource-efficient processes	This area covers all of Austrian Post's measures for making its processes more efficient. These measures include expanding our certified environmental management systems, raising awareness among our employees and promoting joint delivery services.	— Environmental concerns
9 Circular economy	As a logistics service provider, we foster partnerships with a wide variety of players (customers, suppliers, local authorities, research institutions) to promote circular economy and the efficient use of resources. Our main focus here is on reducing waste and recycling materials.	— Environmental concerns

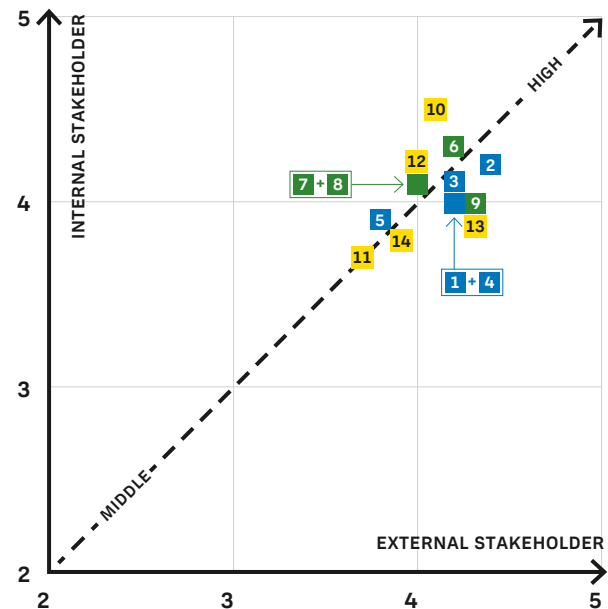
T 05 People & Social

Material Topic	Description	NaDiVeG concerns
10 Corporate & work culture	This area involves fostering a positive work environment. Relevant measures include coming up with new ways of working and laying the groundwork for a respectful management culture. We also focus on providing opportunities for staff to prosper and retaining expertise with targeted succession planning.	— Social and employee concerns
11 Integrated diversity management	We take steps to promote diversity both within our own company and among all of our stakeholders. We do this by establishing appropriate central logistics and service processes (e.g. barrier-free branches), making services available online and using inclusive language.	— Social and employee concerns — Respect for human rights
12 Occupational health & safety	Our success as a company is driven by our employees. This area focuses on keeping them safe from risks and hazards at work. It also includes measures aimed at improving the health of all our employees and their ability to work.	— Social and employee concerns
13 Digital responsibility	This area deals with how we protect personal data and make sure that it is handled in line with all relevant legal requirements. This includes keeping it confidential. It also focuses on the data security of our IT systems in terms of their integrity, availability and safety.	— Social and employee concerns — Combating corruption and bribery
14 Social dialogue & partnerships	Austrian Post wants to engage with stakeholders on an equal footing and make a positive contribution to society. This is covered in this area, along with our focus on partnerships to ensure sustainable development. This includes our work with charitable organisations, partnerships with educational institutions and cooperating with partners to protect the environment.	— Social and employee concerns

G 10 Effects on Business Relevance and Concerns Laid Out in the Sustainability and Diversity Improvement Act (NADiVeG)



G 11 Effect on Stakeholder Opinion and Decision-making



Economy & Customers

- 1 Sustainable appearance & services for private customers
- 2 Sustainable mail & parcel products
- 3 Sustainable procurement
- 4 Sustainable governance & compliance
- 5 Stakeholder value

Environment & Climate

- 6 Green & efficient mobility
- 7 Green & efficient buildings
- 8 Resource-efficient processes
- 9 Circular economy

People & Social

- 10 Corporate & work culture
- 11 Integrated diversity management
- 12 Occupational health & safety
- 13 Digital responsibility
- 14 Social dialogue & partnerships

Interpretation of Business Relevance and Impact of Material Topics

Sustainable mail & parcel products were the dominant issue in terms of Austrian Post's economic performance in the Economy & Customers area, along with sustainable appearance & services for private customers. Sustainable procurement and sustainable governance & compliance have the biggest impact. The issue of stakeholder value has somewhat less impact on economic success and matters relating to the Sustainability and Diversity Improvement Act (NADiVeG).

In the Environment & Climate area, green & efficient mobility, green & efficient buildings and resource-efficient processes have the biggest impact in terms of the economic success of the company and

environmental concerns, with the circular economy playing a subordinate role.

The top issues in the People & Social area are the corporate & work culture and occupational health & safety. Integrated diversity management, digital responsibility and social dialogue & partnerships are other relevant topics with a comparable level of impact on economic success and environmental concerns.

How Austrian Post takes these material topics into account within the context of its sustainability management, which management approaches it pursues in each case, and the progress it has made with respect to the material topics is handled in the following sections of this report.

Interpretation of How the Material Topics Affect Stakeholder Opinion and Decision-Making

External and internal stakeholders have the same priorities in the area of Economy & Customers. For both groups, sustainable mail & parcel products are top of the list, followed by sustainable procurement and sustainable governance & compliance. Stakeholder value was somewhat less important to those surveyed.

In terms of Environment & Climate, external stakeholders thought that the circular economy was the most important issue, followed by green & efficient mobility. The latter is the most important issue for employees in this area.

In the People & Social category, the corporate & work culture were far and away the top priority for the employees of Austrian Post, followed by occupational health & safety. Both of these issues are also important for external stakeholders, although they prioritise digital responsibility, including data protection and data security. Integrated diversity management has a lower priority for both groups.

Sustainable mail & parcel products were the most important issue for external stakeholders across all of the different areas, followed by the circular economy and digital responsibility. The top three for employees were corporate & work culture, green & efficient mobility and occupational health & safety.

Sustainable Governance & Compliance

Good corporate governance is the means by which organisations create long-term value in a responsible and sustainable manner, while also ensuring that all of the Group's employees act in line with legal requirements, internal policies and moral and ethical principles (compliance). As a listed company, Austrian Post considers itself obliged to observe the principles of good corporate governance in line with the expectations of national and international investors.

Since its initial public offering, Austrian Post has been committed to adhering to the Austrian Corporate Governance Code (ACGC). Austrian Post reports extensively on corporate governance annually in its Corporate Governance Report.

— see Governance Report p. 31ff

A compliance culture was established to ensure ethically impeccable and exemplary behaviour on the part of the company. The compliance management system ensures adherence to defined rules.

This is also reflected by the following material topic identified by Austrian Post:

— Sustainable governance & compliance

Austrian Post has defined the following targets and measures in order to monitor its success and progress in the area of "Sustainable Governance & Compliance".

T06 Targets for the Material Topic: Sustainable Governance & Compliance

Our aim

→ Best practices for sustainable governance & compliance among ATX companies

Objectives	Measures	Status
<p>SDG 12.6 Incorporate sustainability targets into the variable remuneration system in 2021</p>	<p>From 2021 onwards, each member of management level 1 must have one sustainability target as part of their variable remuneration</p> <p>From 2022 onwards, each member of management level 2 must have one sustainability target as part of their variable remuneration</p>	<p>Sustainability targets will be taken into account in the variable remuneration system for everybody at management level 1 in 2021</p>



<p>SDG 12.6 Maintain and improve reputation for implementing compliance best practices in the Austrian capital market</p>	<p>Conduct discussions and surveys on risk to enhance compliance risk analysis</p> <p>Monitor implementation and effectiveness of measures</p> <p>Information, communication and training on these rules and continued operation of the help desk (contact point for compliance issues)</p>	<p>Follow-up audit confirmed ISO certification in 2020</p> <p>124 enquiries and reports from employees through the business and capital market compliance help desk</p> <p>Employees of Österreichische Post AG and its national subsidiaries completed 3,109 e-learning courses on business compliance, anti-corruption and capital market compliance in 2020</p> <p>A new communication campaign was drawn up in 2020</p>
<p>SDG 12.6 Update internal sustainability indicator reporting process for management purposes by 2022</p>	<p>Implementation of a standard process for reporting sustainability indicators at a Group level during the year</p>	<p>Establish an interdisciplinary working group to define targets, perform a gap analysis looking at the data collection and evaluate implementation from a technical perspective</p>
<p>SDG 12.6 Make improvements to stakeholder-oriented reporting, including EU Taxonomy from 2021 onwards</p>	<p>Establish a reporting process that meets TCFD requirements</p> <p>Establish a reporting process that meets the requirements of the EU Taxonomy</p>	<p>Comprehensive TCFD-compliant reporting process established in 2020</p> <p>Interdisciplinary working group will be established to evaluate the requirements of the EU Taxonomy</p>
<p>SDG 12.6 Make sustainability a key focus area across the Group from 2021 onwards</p> <p>Define sustainability targets for all national and international subsidiaries</p>	<p>Nominate points of contact for CSR & Environmental Management issues at all subsidiaries</p> <p>Draw up measures and targets for every subsidiary based on 2030 sustainability master plan</p>	<p>Sustainability officers were appointed at our subsidiaries in Southeast and Eastern Europe in 2021</p> <p>The Global Sustainability Team held its kick-off meeting at the beginning of 2021</p>

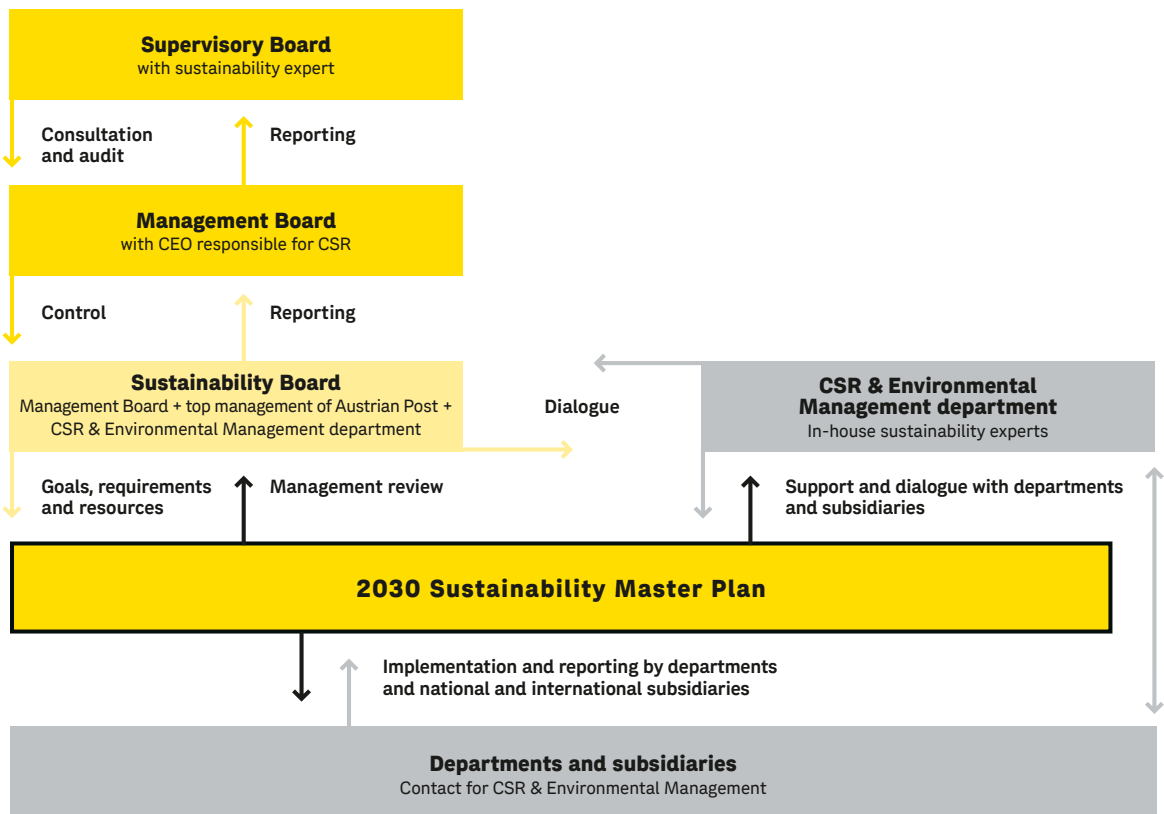
Responsibility and 2030 Sustainability Master Plan

Austrian Post has established clear structures within the company to live out its commitment to sustainability. On an organisational level, responsibility for sustainability is directly in the hands of Chief Executive Officer Georg Pözl in the CSR & Environmental Management department. Because sustainability plays a role in a number of different areas within the company, the CSR & Environmental Management department remains in constant contact with Austrian Post's various divisions.

The 2030 sustainability master plan covers 14 material topics and was developed on the basis of the company's strategic pillars and target markets as part of the update to the strategy. Austrian Post uses strategic projects to address the 14 material topics which come under the three areas covered by the 2030 sustainability master plan – Economy & Customers, Environment & Climate, People & Social. Great importance is attached to an interdisciplinary approach and cooperation among the individual units. Intercompany working groups deal with current sustainability-related issues, formulate

corresponding objectives and implement appropriate measures – always on the basis of the integrated corporate and sustainability strategy.

A new organisational structure was established in 2020 to manage sustainability issues within the company and make sure that sustainability is at the heart of its future development. This involved setting up a new committee, the Sustainability Board. From 2021 onwards, the Sustainability Board will provide the Management Board with updates about progress and targets in the three main sustainability areas three times a year. The Supervisory Board, which is the company's highest decision-making and governance body, is also actively involved in sustainability management, enabling Austrian Post to discharge its economic, social and ecological responsibilities. Professor and founder of the Institute for Ecological Economics Sigrid Stagl joined the Supervisory Board in 2020 as an expert in sustainability. Austrian Post benefits from her expert analyses of its sustainability measures.



Capital Market and Business Compliance

Austrian Post is one of the country's flagship companies. The company is aware of its obligation to act as a role model and the responsibility which goes along with this. The company aims to fulfil this responsibility in every respect. Austrian Post therefore attaches great importance to responsible and transparent corporate management.

The mission statement was used as a basis for developing the Group-wide Code of Conduct and Ethics. The contents reflect Austrian Post's commitment to the principles of the UN Global Compact. The Code of Conduct provides the foundation for an open, respectful and legally compliant corporate culture. It serves as a reference framework for employees in their daily dealings with one another and for responsible behaviour towards business partners and the public.

The Management Board is ultimately responsible for ensuring that the Code of Conduct and Ethics is applied in a uniform manner within the Group. The process of confirming that the company's own employees comply with the Code of Conduct and Ethics was


completed to a large extent in 2020. Austrian Post requires its business partners to meet the standards of its Code of Conduct for Suppliers. Vendor integrity checks are used to monitor compliance.

More information on p. 67ff

In order to live up to this responsibility in the areas of business compliance (which also incorporates anti-corruption) and capital market compliance, Austrian Post established a Group-wide compliance management system (CMS), which is managed by the central Compliance Office. The CMS for business compliance meets the requirements of ISO 37001 (anti-bribery management systems), while the CMS for capital market compliance meets the requirements of ISO 19600 (compliance management systems). This was reviewed and certified for the first time by TÜV Süd in 2018. The certifications were upheld for Österreichische Post AG in surveillance audits in 2019 and 2020.

As part of the CMS, Österreichische Post AG has named compliance officers in the individual departments and in all subsidiaries in which it holds a majority stake.

The compliance officers help the central Compliance Office to embed the CMS throughout the entire Group. At the time of compiling this report, there are 27 compliance officers in Austria and nine compliance officers in foreign subsidiaries. The activities of the central and regional compliance organisation contribute towards ensuring the sustainable and practical professionalisation and further development of the compliance management system in all units of the company. In addition to certification and surveillance audits, the company uses additional internal and external audits throughout the year to ensure that its compliance standards and the CMS are appropriate and effective.

■  Capital markets and business compliance targets are available on p. 31ff

RISK ANALYSIS AS THE BASIS FOR THE COMPLIANCE MANAGEMENT SYSTEM

Austrian Post's CMS makes compliance issues transparent with the help of a prevention strategy that focuses on risk. Rules designed to reduce risks are established on the basis of the compliance risk analysis results, and appropriate measures are integrated into business processes.

The primary tool for identifying corruption risks is the annual compliance risk analysis carried out by the Compliance team. The risk analysis incorporates information from Group risk management, personal discussions with the compliance officers and compliance observations. Personal risk discussions incorporate compliance monitoring and now cover around 72% of Group sites. Capital market compliance risks are analysed on a central basis by the Compliance Office due to their nature and the groups of people most affected. No material compliance risks were identified in 2020. The results are reported to the Management Board, which then approves the resulting compliance programme.

COMPLIANCE AND ANTI-CORRUPTION GUIDELINES FOR RESPONSIBLE CONDUCT


Company guidelines are another instrument for promoting responsible conduct and integrity. These guidelines are derived from the Code of Conduct and Ethics and set out a clear framework for each topic. The objective of the capital market compliance policy is to ensure that Austrian Post acts with integrity on the capital market and to promote understanding of capital market compliance. Its rules focus primarily on the prevention of the improper use of insider information. The policy reflects valid European and Austrian capital market regulations and is binding for all employees of the Group.

The purpose of the business compliance policy is to ensure that Austrian Post employees act with integrity in all of their interactions with each other and with business partners and to promote understanding of business compliance. It provides guidance about combating corruption and how to handle gifts, invitations and other benefits, sponsorship and donations, conflicts of interest and company resources. The policy reflects all relevant Austrian legislation and international standards and is binding for all employees of the Group.

RAISING AWARENESS THROUGH TRAINING ACTIVITIES

A responsible corporate culture plays a central role in the compliance management system. The basis for this is the mission statement, the Code of Conduct and Ethics, clear rules specifying roles and responsibilities as well as compliance guidelines. All steps are accompanied by comprehensive information and training measures as well as practical advice.

A variety of training and awareness-raising measures are held every year to make sure that all full-time and part-time employees are provided with capital market compliance and business compliance training at least once a year. Business compliance training and awareness-raising measures are also provided for selected business partners and contractors. Austrian Post uses a variety of communication and training methods – such as posters, info screens, articles in the employee magazine, and in-person and online training – to provide its stakeholders with targeted information and training and to address a wide range of compliance issues. In 2020, a new video on business compliance was produced and the roll-out of two capital market compliance and business compliance e-learning courses was continued. A subject was added to the updated communication campaign to increase awareness further. This campaign will be rolled out in 2021.

In addition to training for employees, the further education of compliance officers is also a part of the company's training activities. In-person training sessions continued, albeit with restrictions due to the pandemic. We frequently used virtual options instead of in-person training throughout 2020, in addition to articles in the employee magazine "Meine Post" covering important  business and capital market compliance topics. The Compliance Academy delayed its second intake until the beginning of 2021 due to COVID-19. The anti-corruption and compliance measures mentioned above enabled Austrian Post to provide all its employees with training and information on these issues, including top management, the entire Management Board and the Supervisory Board.

The Compliance team and a compliance help desk accessible to employees throughout the Austrian Post Group are available in person, by telephone, on the intranet or by email to deal with questions, comments, concerns and suspected misconduct. Austrian Post provides a telephone hotline, intranet site and email address which whistle-blowers can use to report their concerns anonymously. All correspondence is kept in the strictest confidence. In 2020, a total of 124 employee inquiries and documents regarding the acceptance and granting of gifts, donations and sponsorship, capital

market compliance as well as Austrian Post's principles of conduct were processed by the compliance help desk.

MEASURES TAKEN IN RESPONSE TO CASES OF CORRUPTION

No cases of corruption occurred at Austrian Post in 2020. If such a case occurs, steps in line with applicable labour laws as well as disciplinary measures are taken. Measures to prevent corruption were successfully carried out throughout the Group as part of Austrian Post's compliance management system in 2020.

Indicators

Austrian Post Group

Indicators

2018

2019

2020

Non-compliance with laws and regulations governing social and business issues

In 2018 no lawsuits were filed against Austrian Post and no sanctions or fines were imposed upon the company for anti-competitive behaviour, or for the formation of cartels or monopolies, based on the Federal Act Against Unfair Competition (UMG) and/or the Austrian Cartel Act (KartG).

Austrian Post was not the subject of any major lawsuits, sanctions or fines imposed for violations of social welfare laws or regulations in 2018.

In June 2019 a case was brought against Austrian Post before the Cartel Court in connection with the cessation or determination of abuse of a dominant market position. The charges were related in particular to the alleged discrimination of the claimant through the granting of unfavourable price conditions, obstruction of competition as well as the inadmissibility of the contractually agreed confidentiality provisions and incorrect application of VAT regulations. The case is still pending at the court of first instance.

Austrian Post was not the subject of any major lawsuits, sanctions or fines imposed for violations of social welfare laws or regulations in 2019.

A petition was submitted to the Cartel Court in June 2019 requesting that it make a determination of and remedy the alleged abuse of market dominance by Austrian Post. The charges were related in particular to the alleged discrimination of the claimant through the granting of unfavourable price conditions, obstruction of competition as well as the inadmissibility of the contractually agreed confidentiality provisions and incorrect application of VAT regulations. The case is still pending at the court of first instance.

In 2020, four administrative penal proceedings were pending with regard to labour legislation (e.g., the Austrian Act on the Employment of Foreign Nationals [Ausländerbeschäftigungsgesetz] and the Working Time Directive [Arbeitszeitgesetz]). In one case, a minor administrative fine was issued due to an employee's misconduct for which Austrian Post is responsible; the other three cases are still pending.

SUSTAINABILITY & CLIMATE RISK MANAGEMENT

Comprehensive risk and opportunity management is a key cornerstone of good corporate governance. As a result of the increasing importance of sustainability and the new integrated corporate and sustainability strategy, environmental, social and governance issues (ESG issues) are featuring more heavily in Austrian Post's risk management than before. Sustainability and Diversity Improvement Act (NADiVeG) concerns and the requirements of the Task Force on Climate-related Financial Disclosures (TCFD) are also taken into consideration. The company's aim is to recognise sustainability-related opportunities and risks at an early stage and implement measures which will help the company achieve its strategic objectives and targets. Austrian Post is an official TCFD supporter, underlining the importance of this issue.

This section focuses on how the Group manages opportunities and risks relating to sustainability and climate change as part of its overall risk management strategy. For more information about the Group's general approach to risk management, as well as its risk strategy, risk policy and internal control system, please refer to the 2020 Management Report.

Management Report p. 97ff

Identifying Risks

Due to the increasing significance of sustainability risks to the company's business activities, focus was placed on improving the management of sustainability-related risks and opportunities in the 2020 financial year. Both the traditional outside-in¹ approach for general sustainability-related risks and the TCFD risk categories and the inside-out² approach in accordance with the Sustainability and Diversity Improvement Act (NADiVeG) were used.

The Risk Management, CSR & Environmental Management and Investor Relations departments worked closely together on this issue in 2020. An internal working group was established at the beginning of the

year to give representatives from these departments the opportunity to identify, analyse and evaluate opportunities and risks as part of a structured, interactive and iterative process.

The company also held two workshops to discuss ideas with external experts – one focusing on ESG and NaDiVeG, the other on TCFD. The internal working group then held a number of workshops to identify the primary ESG-related and climate-related opportunities and risks for the company. Risks were identified on the basis of Austrian Post's key topics, the concerns laid out in NaDiVeG and a wide range of international standards which are relevant for Austrian Post (SASB, TCFD, IFC General EHS Guidelines and MVO Risk Check).

All risks reported by other departments in the Group-wide risk management system were also screened to determine if they had any connection to ESG or TCFD.

Risk Assessment

Any identified sustainability-related risks were then assessed from the following perspectives:

- Two time scales (medium term = four years, longer term = ten years) which affect the probability of opportunities and risks occurring
- Gross (status quo in 2020) and net (status quo in 2020 factoring in the effect of any risk mitigation measures)
- Qualitative (outside-in approach based on the Group-wide risk assessment matrix; inside-out approach based on a newly defined assessment matrix adapted to the Group-wide matrix)
- Quantitative, based on financial impact

¹ **Outside-in**: Outside-in: risks arising from societal or environmental concerns (for example) with the potential to impact the company's business

² **Inside-out**: risks arising from the company's business with the potential to impact society or the environment (for example). The size and importance of Austrian Post was taken into consideration when assessing impact

Risk Management

This approach significantly increased the extent to which ESG and climate-related risks are integrated into the Group-wide risk management system. Detailed ESG opportunity and risk reports (which also took NaDiVeG concerns into consideration) and the company's first climate-related risk report in accordance with the TCFD requirements also played a significant role in these efforts.

All opportunities and risks within the Group are updated every six months. Any risks or opportunities which exceed internally defined qualitative and quantitative thresholds are reported to the Management Board. As short-term and long-term climate-related and ESG opportunities and risks are now covered by the Group-wide risk management system, they are also included in the biannual risk analysis and reported to the Management Board if the defined threshold is exceeded. Two ESG risks exceeded the reporting threshold in 2020.

The biannual Group risk management report will include a TCFD and ESG opportunity and risk report from 2021 onwards to improve internal TCFD and ESG reporting.

➡ see p. 121ff

Table of ESG Risks According to TCFD and NaDiVeG

This section lists all of the ESG and TCFD risks which meet the threshold for inclusion in the Group-wide risk management system.

➡ see p. 122f

All risks are presented in gross form. The process of identifying, analysing and assessing ESG and climate-related risks also identified three opportunities related to the key topic of "sustainable services for private customers". However, none of these opportunities met the threshold for external reporting. Ten ESG risks based on the outside-in approach (of which five are climate-related) and five ESG risks based on the inside-out approach in accordance with NaDiVeG have therefore been included.

Economy & Customers

One significant outside-in risk and one significant inside-out risk were identified in the Economy & Customers area.

The most significant risk to the company relates to its position as a sustainable company and the risk to investment due to a lack of governance processes. In the area of business ethics, corruption was the most significant inside-out risk due to the size and importance of the company within Austria and the capital market.

T 07 Economy & Customers: Gross Risks

Outside-In

Key topic	Risk	Measures
Sustainable governance & compliance	Risk to the company's position as a sustainable company and investment due to sustainability reporting not being up-to-date and an inadequate organisational focus on sustainability	Focus on sustainability in corporate structures and processes Up-to-date reporting (e.g. TCFD report) See p. 50ff
Sustainable procurement	Possible loss of reputation due to a failure to meet minimum social standards or uphold human rights across the supply chain	Certification of compliance management system, Code of Conduct for Suppliers, supplier screening See p. 66ff



Inside-Out

NaDiVeG concern	Risk	Impact	Measures
Corruption, human rights	Business ethics & procurement: negative impact on society (state, social security system, competition, capital market) due to lack of integrity	Possible misconduct can have negative impact on rule of law and society	Already meets very high legal standards (antitrust law, capital market requirements, Federal Procurement Act) due to state ownership and legal form as stock company Additional implemented and certified management systems See p. 50ff See p. 66ff

Environment & Climate

Austrian Post has identified outside-in and inside-out risks in the Environment & Climate area.

TRANSITORY CLIMATE RISKS¹

The company is exposed to a material risk arising from new legislation or the amendment/tightening of existing legislation, in addition to loss of reputation and negative effects related to the digitalisation trend. These have the potential to result in significant direct costs (e.g. carbon tax, emissions trading) or changes to the business model (e.g. opt-in requirements for direct mail items).

see p. 122f

Austrian Post has consistently set itself ambitious climate targets for over a decade in order to improve its energy efficiency and minimise transitory climate risks. Since 2017, it has been one of just two companies in Austria to submit a science-based climate target to

the Science Based Targets initiative. This target will be revised in 2021 so that it can make an increased contribution to combating climate change. It is committed to the objectives of the Paris Agreement and will take action to ensure that global warming is limited to 1.5°C.

see Environment & Climate, p. 71ff

PHYSICAL CLIMATE RISKS

Long-term climate change has the potential to pose a risk for Austrian Post, and may increase the cost of guaranteeing nationwide access to postal services as climate change progresses (hot summers, heavy precipitation in winter). Additional personnel, protective equipment and cooling measures may be required over the longer term in order to minimise these risks.

The most relevant inside-out environmental risks are the company's contribution to climate change and its role in increasing airborne pollutants due to the large amount of energy required by Austrian Post as a logistics company.

¹ Risks which can occur when moving towards a greener economy

T 08 Environment & Climate: Gross Risks

Outside-In

Key topic	Risk	Measures
TCFD: Policy and Legal Risks Green & efficient mobility Green & efficient buildings	Introduction of a carbon price (national carbon tax or inclusion of transport sector in national carbon emissions trading system)	All vehicles in the delivery fleet will be 100% electric by 2030. The company will focus more heavily on its partnerships in the area of delivery services, encouraging the increased use of electric vehicles. The company is looking for alternatives for its heavy-goods vehicles (biogas, hydrogen). Austrian Post is converting and modernising the heating systems it uses at its buildings. It is also implementing energy efficiency measures. See p. 71ff

TCFD: Policy and Legal Risks Sustainable mail & parcel products	Change to the legal requirements for addressed and unaddressed direct mail items due to more sensitive societal attitudes towards the potential environmental impact of advertising (e.g. opt-in requirement for advertising)	Life cycle assessment for advertising in 2020, resulting in improvements, partnerships with customers, development of alternative sustainable digital offerings See p. 65, 67
TCFD: Chronic Risks Green & efficient mobility Green & efficient buildings	Possible negative impact on procedures and processes due to high temperatures in summer	Increased use of air conditioning systems and alternative cooling methods, procurement of uniforms which provide protection against the sun, changes to schedules (beginning and end of day), more personnel to compensate for decreased productivity
TCFD: Reputation Risks Circular economy	Loss of reputation with customers due to potential negative opinion of how resources are consumed by the logistics industry and packaging waste from parcels	Life cycle assessments for letters, direct mail items and parcels from 2020 onwards. Improvements, partnerships with customers, competence centre for sustainable packaging/circular economy within Austrian Post See p. 65, 67
TCFD: Market Risks Sustainable mail & parcel products	Risk of general population and business partners accelerating the already considerable negative trend in mail and direct mail volumes due to digitalisation in an effort to combat climate change	Life cycle assessment for letters, direct mail items and parcels. Improvements, partnerships with customers, development of alternative sustainable digital offerings See p. 65, 67

Inside-Out

NaDiVeG concern	Risk	Impact	Measures
Environmental concerns	Increase in the company's carbon emissions	This increase has a negative impact on the nation's carbon footprint and the effort to combat climate change in general	Promotion of e-mobility, delivery and transport logistics partnerships with shipping companies, energy/fuel saving measures, ISO 14001 certified environmental management systems See p. 71ff
Environmental concerns	Increase in the company's local emissions (NO _x , fine particulate matter, noise)	The increase has a negative impact on local emissions	Promotion of e-mobility, use of vehicles with EEV exhaust standard or better, delivery and transport logistics partnerships with shipping companies, energy/fuel saving measures, ISO 14001 certified environmental management systems See p. 71ff

People & Social

Two outside-in risks and two inside-out risks were identified in the People & Social area.

Due to the company's extensive business relationships, Austrian Post is exposed to the outside-in risk of a loss of reputation due to a failure to observe human rights or minimum social standards along the value chain. Measures such as the vendor integrity check and the supplier assessment have been implemented throughout the Group in order to minimise this risk.

■ see p. 66ff

Another risk is personnel being absent due to inadequate employee health and safety measures.

Austrian Post provides a comprehensive range of health and safety measures for its employees to reduce this risk. ■ see p. 84, 86f

Despite the company's health and safety measures, there is still an inside-out risk of accidents or health issues for the company's employees due to heavy seasonal workloads.

■ see p. 84, 86f

A further inside-out risk arises from the possibility of damages for customers and employees due to their sensitive data being misused or illegally disclosed.

■ see p. 84, 87f

T 09 People & Social: Gross Risks

Outside-In

Key topic	Risk	Measures
Occupational health and safety	Potential absences and costs due to inadequate implementation of efficient health and safety measures for employees	Health services (health days, vaccinations), safety measures for employees (PPE, etc.), training for drivers See p. 84,86f
Digital responsibility	Potential for damage due to inadequate awareness of data protection, IT security, cybersecurity and data security issues	IT security measures, enhancements to data protection organisational structure, awareness-raising measures for employees See p. 84,87f
Corporate & work culture	High turnover rate due to low level of employee satisfaction	Measures to improve the corporate and work culture See p. 83,85

Inside-Out

NaDiVeG concern	Risk	Impact	Measures
Social concerns	Possibility of loss of customer/employee data due to theft and/or data protection violations, and related negative impact on society	The misuse or illegal disclosure of sensitive data could have a negative impact on society in terms of data protection	IT security measures, enhancements to data protection organisational structure, awareness-raising measures for employees See p. 84,87f
Employee concerns Social concerns, human rights	Potentially high (seasonal) workload for the company's employees, drivers and temporary workers, both in terms of hours and the nature of the activity (parcel weight/size/volumes)	Health issues for staff and third parties due to an increase in the accident rate resulting from the higher workload	Health services (health days, vaccinations), safety measures for employees (PPE, etc.), training for drivers See p. 84,86f

Climate-related Risks Pursuant to the TCFD (TCFD Index)

T 10 Governance


TCFD recommendations	Implementation at Austrian Post
a) Describe the board's oversight of climate-related risks and opportunities	<ul style="list-style-type: none"> — From the 2021 financial year onwards, the Sustainability Board will provide the Management Board of Austrian Post with quarterly updates about the status of measures and the extent to which targets have been reached for all of the main areas related to Environment & Climate. This will allow the Management Board to monitor and supervise the company's progress in terms of its targets and requirements for climate-related issues. In addition to being covered at Sustainability Board meetings, climate-related topics can also be discussed and monitored at the monthly meetings of the Management Board. More information is available on p. 52. — Climate-related issues are factored into management decisions and covered in the Environment & Climate area of the integrated corporate and sustainability strategy. As a result, climate-related issues also feed into the financial planning process. — The remuneration policy for members of the Management Board includes climate-related sustainability targets. Targets are related to the expansion of photovoltaic systems, the expansion of e-mobility and the implementation of environmental management systems to improve the company's energy efficiency. From 2021 onwards, sustainability targets will also be incorporated into variable remuneration components for the entirety of top management (first reporting level) in line with the new integrated corporate and sustainability strategy. More information is available on p. 50. — From a risk management perspective, Austrian Post defines the climate as an objective fact rather than an opportunity or risk per se. As a result, its risk management system covers climate-related opportunities and risks, such as risk/opportunities related to climate change. →

	<ul style="list-style-type: none"> Relevant climate-related opportunities and risks are integrated into the central risk management system. This system is used to provide the Management Board with a biannual report covering TCFD-related opportunities and risks. Risk Management also reports to the Audit Committee of the Supervisory Board on a half-yearly basis, and to the entire Supervisory Board on an annual basis. Reports can be provided on an ad hoc basis if required.
b) Describe management's role in assessing and managing climate-related risks and opportunities	<ul style="list-style-type: none"> Top management is responsible for climate-related risks and opportunities, as it is for all other Group risks and opportunities. Opportunities and risks which can be allocated to a particular department are the responsibility of the management of that department. Opportunities and risks which involve multiple departments are the responsibility of the Management Board. For additional information about identification, analysis and assessment, see T12 "Risk Management" on p. 61. Top management is prompted every six months to update the company's climate-related opportunities and risks so that the Management Board can be informed of the most significant opportunities and risks in the biannual opportunity and risk report. Individual members of the Management Board have an opportunity to share their views when opportunities and risks are discussed. These views are incorporated into the opportunity and risk report.

T 11 Strategy

TCFD recommendations	Implementation at Austrian Post
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	<ul style="list-style-type: none"> The short term has been defined as the next four years; this is in line with the definition used for medium-term planning and Group-wide opportunity and risk analysis. The company also defined a long-term timescale of ten years (identical to the duration of the 2030 sustainability master plan) in order to analyse climate-related opportunities and risks over a longer period. A table of the ESG risks and opportunities identified by Austrian Post is available on p. 57f. All risks from the ESG risk management system are covered, including outside-in risks based on TCFD categories and inside-out risks in accordance with NaDiVeG. The most significant climate-related risk identified by Austrian Post is the physical risk arising from the long-term consequences of climate change (chronic risk). It can be assumed that an increase in daytime temperatures will have an impact on the company's procedures, as well as the efficiency and health of its employees. Based on the TCFD categories, the risk will be higher over the long term than in the short term as climate change has an increasing effect.
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	<ul style="list-style-type: none"> Austrian Post has developed an integrated corporate and sustainability strategy which puts it in a position to be more effective at managing climate-related risks and seizing climate-related opportunities. See A p. 12ff, S p. 16ff. TCFD risks primarily affect delivery processes and building standards, and could result in increased costs. Austrian Post does not believe there is currently any risk to the company's ability to continue as a going concern. As the company implements measures to minimise climate-related risks, climate-related issues and risks are also included in the financial planning process (medium-term plan = four years) to varying degrees depending on the extent to which they are prioritised. Investment expenditure is the area of Austrian Post's financial planning that is most affected by climate-related measures as these measures include the procurement of electric vehicles and photovoltaic systems. Austrian Post also identified two climate-related risks with the potential to reduce revenue. Life cycle assessments also have an impact on financial planning and strategic decisions. See T08 Environment & Climate: Gross Risks, p. 57. Three ESG and climate-related opportunities were identified in 2020 but did not meet the threshold for external reporting.
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<ul style="list-style-type: none"> All of Austrian Post's deliveries within Austria have been carbon neutral since 2011. The company has also been committed to a science-based target (SBT) since 2017 with the aim of limiting global warming to 2°C. Austrian Post began the process of revising the existing SBT with a 1.5°C scenario (for Scope 1 and 2 emissions) in 2020. Austrian Post also submitted an EV100 target to the Climate Group in 2018; the company aims to use electric vehicles for all deliveries by 2030. For more information, please refer to p. 71. Austrian Post approved a new integrated corporate and sustainability strategy in 2020 to avoid climate-related risks and take advantage of climate-related opportunities. Combating climate change is the most significant issue in the Environment & Climate area. Market risk is the main source of potential factors which could prevent Austrian Post from implementing this new strategy and achieving its SBT. The most significant risk is the possibility of stagnation in the development of alternative drives for transport logistics purposes. See T08 Environment & Climate: Gross Risks, p. 57. The company analysed different scenarios which assumed a 2°C and 4°C increase in the global temperature. These scenarios had a long-term timescale of ten years. See p. 62f. ➔

T 12 Risk Management

TCFD recommendations	Implementation at Austrian Post
<p>a) Describe the organisation's processes for identifying and assessing climate-related risks</p>	<ul style="list-style-type: none"> — All climate-related risks are included in the risk management system and managed with the same level of diligence as other (business) risks. — The general Group risk management process is used to identify and assess climate-related opportunities and risks (see p. 55 of the Group Management Report). This general approach was implemented for climate-related and ESG opportunities and risks as follows: the Risk Management, CSR & Environmental Management and Investor Relations departments worked closely on the issue in 2020. A structured and interactive process was used to identify, analyse and assess climate-related opportunities and risks on the basis of the main areas identified by Austrian Post and international reporting standards (e.g. SASB). This identification process included all TCFD risk categories, which allowed the company to analyse both transitional and physical climate-related risks. For more information about this process, please refer to p. 55ff. — In the past, climate-related and ESG opportunities and risks were primarily assessed from a qualitative perspective. Austrian Post made a significant step forwards in terms of quantifying these opportunities and risks in 2020. Existing and newly identified TCFD opportunities and risks were assessed from the following perspectives: <ul style="list-style-type: none"> — Two time scales (short term = four years, longer term = ten years) — Gross (status quo in 2020) and net (status quo in 2020 factoring in the effect of any risk mitigation measures) — Qualitative (outside-in approach based on the Group-wide risk assessment matrix; inside-out approach based on a newly defined assessment matrix adapted to the Group-wide matrix) — Quantitative, based on financial impact.
<p>b) Describe the organisation's processes for managing climate-related risks</p>	<ul style="list-style-type: none"> — Climate-related and ESG opportunities and risks are managed, disclosed and prioritised in line with general Group risk management processes. Climate-related opportunities and risks are also prioritised in terms of their impact. — Risks are managed by defining appropriate measures aimed at avoiding or reducing risks or otherwise transferring them to third parties, alongside measures which put the company in a position to seize opportunities. The business areas examine the potential measures on the basis of a cost-benefit analysis, and subsequently implement them. These measures are monitored and adjusted within the context of a biannual analysis undertaken by the risk managers. — The materiality of relevant climate-related opportunities and risks is analysed in line with Group risk management processes. All opportunities and risks within the Group are updated every six months. Any risks or opportunities which exceed internally defined qualitative and quantitative thresholds are reported to the Management Board. Short-term and long-term climate-related and ESG opportunities and risks are now included in the biannual risk analysis and reported to the Management Board in the form of an opportunity and risk report if the defined threshold is exceeded. One TCFD risk exceeded the reporting threshold in 2020.  p. 122f. — The Group risk management report will include a TCFD and ESG opportunity and risk report from 2021 onwards to improve internal TCFD and ESG reporting. This will ensure that climate-related opportunities and risks with a timescale of ten years are reported to the Management Board. — The approach described under point a) significantly increased the extent to which climate-related risks are integrated into the Group-wide risk management system. Austrian Post also prepares detailed external ESG opportunity and risk reports and is in the early stages of preparing climate-related sustainability reports in accordance with TCFD standards.
<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management</p>	<ul style="list-style-type: none"> — As previously stated in point a) of the section on processes for identifying, assessing and managing climate-related and ESG opportunities and risks, the processes for climate-related and ESG opportunities and risks are identical to the Group's general risk management processes. The processes for climate-related and ESG opportunities and risks are therefore integrated into the organisation's overall risk management.

T 13 Metrics and Targets

TCFD recommendations	Implementation at Austrian Post
<p>a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process</p>	<ul style="list-style-type: none"> — The main indicators which Austrian Post uses to measure and manage climate-related opportunities and risks are: <ul style="list-style-type: none"> — Scope 1 to Scope 3 GHG emissions — Proportion of energy from renewables — Proportion of delivery fleet that is electric — Energy consumption — Additional indicators related to water, land use and waste management are currently being investigated internally to determine if they are relevant.



An internal working group will be set up in 2021 with the task of implementing the requirements of the EU Taxonomy. Austrian Post intends to disclose the proportion of its revenue linked to sustainable business activities from the 2021 financial year onwards.

— The remuneration policy for members of the Management Board includes climate-related sustainability targets. Targets are related to the expansion of photovoltaic systems, the expansion of e-mobility and the implementation of environmental management systems to improve the company's energy efficiency. From 2021 onwards, sustainability targets will also be incorporated into variable remuneration components for the entirety of top management (first reporting level) in line with the new integrated corporate and sustainability strategy. See p. 50.

— Indicators for Austrian Post are published in its Sustainability and Non-financial Reports. See p. 76ff.

b) Disclose Scope 1, Scope 2, and if appropriate Scope 3 greenhouse gas (GHG) emissions, and the related risks

— Austrian Post discloses all of its Scope 1, Scope 2 and Scope 3 GHG emissions in its annual Sustainability Report and Non-financial Report. See p. 37.

— Carbon indicators are calculated on the basis of ISO 14064, which specifies requirements for the quantification and reporting of greenhouse gas emissions, and are therefore compliant with the requirements of the Greenhouse Gas Protocol. The indicators are validated every year by two external parties: the auditor of Austrian Post's annual financial statements and TÜV Austria.

— There are currently no significant risks related to Scope 3 emissions. Additional possible sources of Scope 3 emissions will be analysed in 2021 to determine if they are relevant. If carbon emissions cannot be calculated on the basis of primary data, Austrian Post uses data from its own consumption units (fleet and property) instead.

c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

— Austrian Post's main climate-related targets have been submitted to and certified by international institutions.

— Science-based target: Reduce carbon emissions (Scope 1 to Scope 3) by 14% by 2025 (base year 2013)

— EV100 target: All deliveries made using electric vehicles by 2030

— Austrian Post's environmental targets and the extent to which these targets have been reached are published annually in its Sustainability and Non-financial Reports. More information is available on p. 72ff.


TCFD Scenario Analysis

Austrian Post has performed a scenario analysis on the basis of the TCFD recommendations. It assessed how climate change would impact Austrian Post in the future based on TCFD guidance ("outside-in risks"). The first scenario analysis focused on the physical risks faced from climate change and their potential financial ramifications for Austrian Post.

An internal workshop identified the following physical risks as being material and appropriate for inclusion in a scenario analysis:

— Acute physical risks: extreme weather events, particularly hail. This risk was identified as an emerging risk worthy of continued monitoring in the internal ESG and TCFD risk process

— Chronic physical risks: periods of intense heat due to increasing temperatures in summer

—  see T08 Environment & Climate: Gross Risks on p. 57

The scenario analysis covered the period 2020 to 2040, in line with the climate change adaptation requirements which are expected to be included in the EU Taxonomy. We used representative concentration pathways (RCPs) adopted by the Intergovernmental Panel on Climate Change (IPCC) as a framework for the analysis.

The following scenarios were selected to cover the entire range of possible impacts:

— RCP2.6 (Decarbonisation scenario – Paris Agreement targets are met, with global warming limited to <2°C above preindustrial level by the end of the century)

— RCP8.5 (Business as usual scenario, global warming limited to >4°C by the end of the century)

Austrian climate data and sources were also used in the analysis to reflect a regional focus. European or global data from the IPCC and other sources was used whenever regional data was unavailable.

The company selected the following cost-inducing climate change parameters to model the negative impacts of climate change on Austrian Post:

— Chronic physical risks: impact of changes in average temperature on productivity and air conditioning

— Acute physical risks (hail): impact of increased damage to buildings and vehicles due to hail

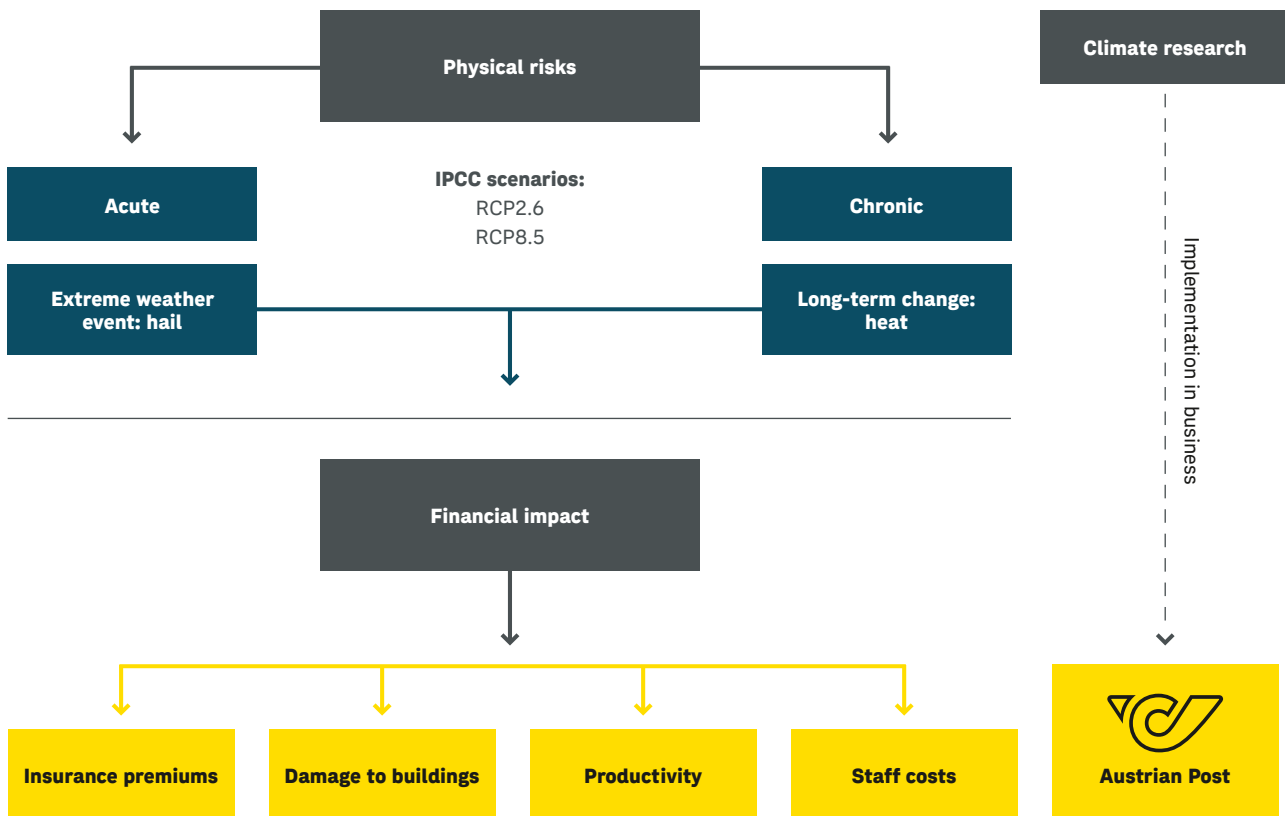
The following climate indicators were selected:

- Changes in summer weather and periods of warm temperatures in Austria were considered, but the quality of the data was considered too low to merit inclusion in the analysis
- Heat: change in monthly maximum temperature (°C) for June to September as a reference for decrease in productivity (2% per 1°C increase in temperature) and increased electricity costs for air conditioning (linear based on increase in temperature)
- Hail: this weather event is difficult to model and has been volatile in the past. As a result, it was not possible to provide any meaningful forecast for how hail events will impact Austrian Post financially in the future. An increase in hail damage is, however, expected in the future.

Based on a thorough review of the literature and an assessment of the climate indicators, the following conclusions were reached:

- Heat stress may result in lower productivity in future, particular in the warmest months of the year between June and September
- Increased power consumption and operating expenses (OPEX) for air conditioning due to an increase in cooling degree days and additional investment (CAPEX) required to install the necessary infrastructure.
- As it stands, hail events are not a suitable indicator for an acute climate risk due to a lack of data
- Austrian Post will continue to perform scenario analyses in future

G 13 TCFD Scenario Analysis Approach



ECONOMY & CUSTOMERS

The long-term economic success of the entire company is a high priority for Austrian Post. Key factors here are defending the company's position as a leader in Austria for the long-term and pursuing profitable growth in defined markets. Advancing digitalisation, growing competitive pressure and the internationalisation of markets are resulting in changes in the marketplace and posing challenges for the entire logistics industry. In the interest of ensuring sustained economic success, Austrian Post is actively addressing these changes with solutions that are viable for the future and tailored to meet customer needs. Innovation therefore plays an especially important role.

C COVID-19 accelerated all of these changes last year. Austrian Post saw a particularly steep decline in letter mail business and direct mail items, along with a significant increase in the number of parcels due to the boom in online shopping. Österreichische Post AG also needed to answer the question of how it was going to meet its universal service obligation and continue to serve the population despite the restrictions, all without making any compromises. These changes were a challenge for Austrian Post and the rest of the logistics sector. The company is actively adapting to these changes in order to safeguard its longterm economic success.

Concepts and Results

Austrian Post continually invests in the expansion and modernisation of its infrastructure and operating processes. In addition, it pursues an attractive dividend policy for the benefit of its shareholders. The company also aims to meet the growing needs of all customers by offering tailored products and services as well as leveraging growth potential. This strategic direction is in line with material topics identified by stakeholders as part of the materiality analysis focusing on business issues:

- Sustainable appearance & services for private customers
- Sustainable mail & parcel products
- Sustainable procurement
- Sustainable governance & compliance (this key area is covered in the Company & Responsibility section)
- Stakeholder value



Austrian Post has defined the following targets and measures in order to monitor its success and progress in the area of Economy & Customers.

T 14 Targets for the Material Topic: Sustainable Appearance & Services for Private Customers

Our aim

→ Increase in customer satisfaction



Strengthening Austrian Post in public perception and seamless customer experience

Objectives	Measures	Status
Improve customer satisfaction score to 73 by 2030	Numerous measures discussed in connection with material topics: sustainable appearance & services for private customers, sustainable mail & parcel products, stakeholder value	The average CSI score for Austrian Post in 2020 was 70 points
(Digital) services available 24/7 for everyone in Austria Double the use of self-service solutions by 2030	Expand various 24/7 services Expand range of online solutions	24/7 services in 2020: more than 51,000 pick-up boxes, 454 pick-up stations with 86,109 post office boxes, 463 drop-off boxes, 363 stamp vending machines A total of 13.3 million mail items sent using self-service machines Relaunch of post.at in 2020
 12.2 shopping carbon neutral in 2021	Same plan as Österreichische Post AG's CO ₂ NEUTRAL DELIVERY initiative: 1. Avoid, 2. Alternative technologies, 3. Compensation	Austrian Post began drawing up the plan in 2020
 8.10, 12.2 bank99 carbon neutral in 2022	Same plan as Österreichische Post AG's CO ₂ NEUTRAL DELIVERY initiative: 1. Avoid, 2. Alternative technologies, 3. Compensation	Austrian Post began drawing up the plan in 2020

T 15 Targets for the Material Topic: Sustainable Mail & Parcel Products

Our aim

→ Develop products and services in line with social and environmental requirements

Objectives	Measures	Status
 17.17 In 2021, Austrian Post intends to set up a roundtable with representatives from across the company to address issues related to direct mail items and parcels	Cooperation with other companies on joint measures to improve products	Work began on drawing up the plan in 2020
 12.2 Life cycle assessments to be performed for "letter", "parcel", "direct mail" and "digital services" products by 2022	Implement improvements for own products based on life cycle assessment of "Das Kuvert" Conduct life cycle assessments for other products specified above	Complete life cycle assessment for "Das Kuvert" in 2020 Implement improvements for own products based on life cycle assessment of "Das Kuvert" in 2021 Assess possibility of conducting additional life cycle assessments

T 16 Targets for the Material Topic: Sustainable Procurement

Our aim

→ Best practices for sustainable procurement among ATX companies

Objectives	Measures	Status
<p>SDG 12.2, 12.5</p> <p>80% of main suppliers to have recognised sustainability certification by 2025</p>	<p>Perform supplier assessments as part of the vendor integrity check process</p> <p>Draw up an internal sustainable procurement policy</p>	<p>Vendor integrity checks were performed for 176 suppliers in 2020</p> <p>Procurement figures were analysed in 2020 to identify the proportion linked to sustainable business activities</p> <p>Austrian Post plans to define sustainability criteria and recognised certificates in 2021</p>

T 17 Targets for the Material Topic: Stakeholder Value

Our aim

→ Create short-term, medium-term and long-term (i.e. sustainable) value for our stakeholders

Objectives	Measures	Status
<p>SDG 8.5, 8.10</p> <p>Steady increase in revenue (revenue of EUR 3bn by 2030)</p> <p>Sustainably high profitability and continuation of the attractive dividend policy (>75% net profit)</p>	<p>Measures related to strategic focus areas and six markets to increase revenue while maintaining a commitment to sustainability, diversity and customer orientation</p> <p>Ongoing optimisation of structures and processes to enhance efficiency</p>	<p>In 2020, Austrian Post generated revenue of EUR 2.2bn</p> <p>Dividend of EUR 1.60 per share subject to the approval of the Annual General Meeting scheduled for 15 April 2021</p>
<p>Number of sites in excess of the 1,650 required by law</p> <p>Ensuring reliable delivery at all times and exceeding legal requirements by Österreichische Post AG</p>	<p>Ensuring a nationwide network of postal service points that exceeds legal requirements</p> <p>High-quality nationwide delivery</p>	<p>Austrian Post had 1,765 postal service points in 2020, exceeding the legal minimum requirement once again</p> <p>Both delivery indicators outperformed legal universal service obligations in 2020: 95.6% of letters delivered on the next working day, and 92.8% of parcels addressed to private individuals delivered with two working days</p>

Sustainable Appearance & Services for Private Customers

Austrian Post knows what its customers want and expect – a key cornerstone of any company's success. This is the only way to be successful over the long term and develop tailored solutions and innovations for private customers. Austrian Post focuses on the needs of its customers and constantly works on new products and services which perfectly respond to the current demand for greater flexibility. Austrian Post always develops new solutions with sustainability in mind so that its products

and services are fit for the future and meet the needs of its customers.

Austrian Post is continuously working on innovations to supplement its range of products and services in response to changes in the lifestyles and demands of customers. In this regard, customer comfort and service quality are always at the forefront of the company's efforts. Customer orientation and the high level of service provided by employees are reflected in Österreichische Post AG's positive customer satisfaction ratings, which are measured quarterly by an outside institute.

Customer satisfaction was measured on a quarterly basis during the reporting period by the Institute for Empirical Social Studies (IFES). The "Customer

Satisfaction Index" (CSI) encompassing customer satisfaction and customer loyalty is determined by means of a representative survey with a sample size of n = 2,000 per wave. On the CSI scale, a score below 50 is considered critical, with scores between 51 and 60 points considered moderate. Scores above 61 are good. Scores above 70 are very good. Scores of 81 up to the maximum of 100 points are outstanding. The average CSI score for Austrian Post in 2020 was 70 points, as it has been since 2018. Prior to 2018, Austrian Post's average CSI score was lower than 70, but improved steadily. Austrian Post is very proud of this achievement. Its initial score was 64 points in 2011.

Reliable customer service plays a significant role in ensuring that customers are satisfied. Customers can get in touch by email, contact form or Facebook if they have any questions, comments or concerns. This service was particularly popular during the year under review due to all of the changes and uncertainty caused by the COVID-19 pandemic. Austrian Post's website was accessed 146 million times in the year under review.

Sustainable Mail & Parcel Products

Austrian Post is always looking for ways to improve how it delivers letters and parcels. This involves improving processes and focusing on sustainability. Austrian Post brings digital and analogue offerings together to provide business customers with services which go beyond traditional logistics. These include innovative solutions that they can use to optimise their own internal processes. These range from input management through to modular mail processing services, cutting edge document management services and output management.

Austrian Post works in partnership with a wide range of companies to offer high-quality services across a large geographical area. That is how Austrian Post has kept its network efficient for so many years. Subsidiaries in Austria, nine other European countries and Turkey provide services that complement the core business and constantly provide new opportunities for development. All subsidiaries help the company to succeed by bringing their expertise to the Austrian Post family. This versatility makes Austrian Post more varied, more innovative, more creative and stronger.

Sustainable Procurement

Responsible conduct and integrity are very important – not just in the company's own processes, but in all business relationships. Austrian Post is aware of its role in the supply chain and assumes responsibility along the entire value chain. Efforts are made to ensure that the Group's suppliers share its values when it comes to the environment, taking responsibility and human rights.

As a service provider, Austrian Post's core activities involve receiving, sorting and delivering mail items. In order to fulfil these tasks, Austrian Post requires technical equipment, machinery, supplies, vehicles, IT and other services, such as shipping companies, which help Austrian Post with its deliveries. Austrian Post therefore distinguishes between procurement for its core business (particularly infrastructure and logistics) and purchasing on behalf of its administration (IT as well as indirect materials and services).

Focus on Sustainable Regional Procurement

Within the context of its responsible procurement policy, Austrian Post considers environmental and social factors in addition to price, quality and delivery time. Austrian Post's 2030 sustainability master plan defines targets and an action plan for sustainable procurement as part of its overall corporate and sustainability strategy. As part of this strategy, Austrian Post began the process of determining how much of its procurement spend was allocated to sustainable products in 2020. This analysis showed that 17% of the procurement spend is already linked to defined sustainability strategies. Individual sustainability measures are in the process of being implemented for a further 40% of expenses. Austrian Post will draw up an internal sustainable procurement policy in 2021. The processes and criteria defined in this policy will be used to ensure that the company's procurement processes have a focus on sustainability. The plan is to roll this policy out within Austrian Post and its subsidiaries so that it comes into effect in 2021.

Group Procurement is responsible for an annual order volume of around EUR 700m. Accordingly, Österreichische Post AG ranks among the leading contracting entities in the Republic of Austria. Regional structures are already used in the company's procurement policy – around 92% of the approximately 6,000 suppliers used are located in Austria. This means that Austrian suppliers account for more than 87% of the total purchasing volume.

Code of Conduct for Suppliers

Austrian Post is aware of its role in the supply chain and the associated consequences of its purchasing decisions. It therefore demands consistent compliance with environmental and social standards from all suppliers. These requirements are set out in the Code of Conduct for Suppliers.

The Code of Conduct for Suppliers of Austrian Post has been part of the standard documents included in tendering procedures since 2012. Austrian Post suppliers are subject to the Group's own Corporate Procurement Policy and are required to adhere to the minimum social standards stipulated in the Code of Conduct for Suppliers.

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 the purchasing risk and above all default and dependency risks.

Vendor Integrity Check

One tool used to monitor compliance with the Code of Conduct and ensure that human rights are upheld in Group Procurement is the vendor integrity check (VIC), which is a compliance verification procedure.

Suppliers are subject to a vendor integrity check starting at an annual net purchasing volume of at least EUR 1m, or for high-risk categories starting at a volume of EUR 50,000. This enables Austrian Post to verify compliance with the Code of Conduct for Suppliers. In addition to compliance-related aspects, this evaluation also encompasses sustainability criteria such as human rights and labour laws, health and safety, environmental protection as well as ethics and corporate responsibility. Austrian Post has used a system-supported process for the VIC since 2018. A social monitoring solution was added in 2019. This automated approach considerably increases the data security and quality of the compiled information. Subsequently, the data is reviewed by the Compliance department and Group Procurement.

If critical issues arise, suppliers are requested to provide an explanation. If a supplier does not meet the criteria of the VIC, appropriate measures are agreed in conjunction with the Compliance department and their implementation is verified. There were six such cases in 2020. Austrian Post is continuously working on improving its upstream review process to enhance its supplier management procedures.

Group companies, i.e. subsidiaries, also perform services for Austrian Post and are therefore also

considered suppliers. However, they do not undergo the VIC because they are integrated into Austrian Post's compliance management system. Postal companies in other countries with which cooperation agreements have been signed are also exempt from VICs. International partnerships and the conditions underlying cross-border postal traffic are regulated by the Universal Postal Union.

Policies

The corporate and local procurement policies further stipulate that all business relationships must be oriented to ethical principles and correspond to the requirements of fairness. All purchases over EUR 100,000 are subject to the Corporate Procurement Policy. The Local Procurement Policy supplements the Corporate Procurement Policy for purchases under EUR 100,000 in value.

The policies also take sustainability into account. Another principle calls for environmentally and socially responsible procurement and supplier relationships in line with the sustainability strategy. The rules in the procurement policy relating to procurement excellence (quality standards, reporting and supplier evaluation) and compliance apply to all Group Procurement activities. Added to this are the portion of procurement activities that are handled decentrally by the operating division. The compliance rules also apply for cases on the exceptions list which are subject to special rules in line with the procurement policy of Austrian Post.

Stakeholder Value

Austrian Post has been a universal services provider since full-scale market liberalisation took effect in Austria, guaranteeing the supply of high-quality postal services throughout the country. When it comes to ensuring reliable postal services, there are two societal trends that play an important role for Austrian Post: demographic change and people's altered lifestyles. Demographic change is associated with changing customer needs. Austrian Post provides a customer-focused range of products and services to meet these needs and keep customer satisfaction on an upwards trend.


Regional Infrastructure and Reliability of Supply

The parent company Österreichische Post AG is required to fulfil its obligation to supply high-quality universal postal services daily to every household across

Austria at a uniform price and to operate a nationwide branch network. Due to Österreichische Post AG's obligation to provide universal service, this topic only applies to Österreichische Post AG and not to its Group companies. Every day, Österreichische Post AG delivers letters and parcels throughout Austria. In order to safeguard the supply of basic postal services to the Austrian population, Österreichische Post AG offers nationwide services and delivers billions of mail items annually. Österreichische Post AG fulfils its mandate in outstanding quality: in 2020, 95.6% of all letters were delivered on the next working day, and 92.8% of parcels to private individuals were delivered within two working days.

Both levels are higher than what is legally stipulated in the context of the universal service obligation. Thanks to a broad range of online and offline services, Austrian Post takes into account customer needs and integrates them into its core business via everyday solutions. The optimisation of facilities and processes ensures efficient logistics. This leads to improved customer satisfaction. Österreichische Post AG's reputation and, as a result, the annual Customer Satisfaction Index are factors that influence the long-term growth of the company.


C Austrian Post has remained steady and reliable throughout the coronavirus pandemic, and is playing its part in maintaining the country's critical infrastructure. It delivers mail to four million households every day and never lets deliveries drop, even in areas under quarantine. Forty additional post boxes were set up in areas of high footfall for the Vienna elections as a significant increase in the number of people voting by post was anticipated this year due to the pandemic. A number of measures were introduced in the company's branches and for deliveries this year to keep customers and staff healthy and safe, including Plexiglas dividers at branches and postal partner sites, and contact-free deliveries.

■  see p. 94, interview, p. 86f for information about the extensive range of health and hygiene measures we have implemented since the beginning of the pandemic

Added Value for Stakeholders

Austrian Post pursues the goal of generating sustainable added value on behalf of its stakeholders and society as a whole. The revenue of EUR 2.253,3m generated by Austrian Post in 2020 (incl. other operating income) was offset by advances in the amount of EUR 1.039,1m. The resulting added value of Austrian Post totalling EUR 1.214,2m 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 EUR 1.044,0m.

■  refer to the Annual Report 2020 p. 103ff for more information about the earnings situation

Payments of Österreichische Post AG to the Republic of Austria

For the 2020 financial year, the majority owner (52.85%) of Österreichische Post AG, namely Österreichische Beteiligungs AG – ÖBAG, will receive EUR 571m in dividends from the total dividend payout of EUR 108.1m (subject to approval by the Annual General Meeting on 15 April 2021). Moreover, EUR 44.4m was paid to the Republic of Austria as taxes and duties.

Payments of the Republic of Austria to Österreichische Post AG

Österreichische Post AG benefits from public sector funding for individual projects, and also actively participates in projects funded by the European Commission, such as "Smarter Together". The support and knowhow of the Climate and Energy Fund, the Austrian Research Promotion Agency, the Vienna Business Agency and other government funding bodies enables the company to implement projects featuring a high level of research and innovation and/or relevance to environmental protection.

The objective of several mobility projects is to further expand climatefriendly mobility solutions in the form of evehicle fleets. These projects are financed largely by the European Agricultural Fund for Rural Development (EAFRD) of the European Union and the Federal Ministry for Sustainability and Tourism.

A central funding management unit was created to optimally support project managers. As a competent internal and external contact partner, the company provides assistance on everything from application submission to the invoicing of project costs.

Capital Market – Stable Dividends

An attractive dividend policy 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. For the 2020 financial year, the Management Board will propose a dividend payment of EUR 108.1m (equivalent to EUR 1.60 per share) to shareholders to the Annual General Meeting scheduled for 15 April 2021.

The company's dividend policy is based on a solid business model and strong cash flow from operating activities. Earnings before financial result and income tax (EBIT) of EUR 161m were generated in 2020. The operating free cash flow came to EUR 125.7m following EUR 67.8m in maintenance investments and can therefore cover the

planned dividend payout. The operating free cash flow thus forms a solid base on which the company will be able to make investments and pay dividends in the future. With a dividend yield of 5.6% at the end of 2020, we rank among the most attractive dividend stocks both in Austria and internationally of the last few years.

Non-financial Indicators

Indicators	Österreichische Post AG		Austrian Post Group	
	2019	2020	2019	2020
Number of supplier assessments (Vendor Integrity Check)	-	-	123	176
Number of postal service points	1,770	1,765	Not applicable ¹	Not applicable ¹
Delivery success rate on the first working day after posting	95.4% of mail items were delivered on the first working day after posting	95.6% of mail items were delivered on the first working day after posting	Not applicable ¹	Not applicable ¹
Customer satisfaction (Customer Satisfaction Index value) ²	The average good CSI value was 70 points	The average good CSI value was 70 points	Indicator not available at Group level	Indicator not available at Group level

¹ These indicators are not applicable to the Group companies of Austrian Post in light of the fact that they are not subject to the universal service obligation.

² Customer Satisfaction Index (CSI) value on a scale from 0-100, < 50 points: critical, 51-60: moderate, 61-70: good, 71-80: very good, 81-100: excellent

Financial Indicators

T18 Analysis of Value Creation

EUR m	Österreichische Post AG ¹		Austrian Post Group ²	
	2019	2020	2019	2020
ORIGIN				
Revenue and other operating income	1,945.8	1,927.1	2,153.0	2,253.3
less advances	-830.3	-825.8	-965.7	-1,039.1
thereof materials and purchased services	-392.5	-464.7	-473.3	-596.2
thereof other operating expenses	-370.4	-286.1	-374.4	-300.7
thereof depreciation and amortisation	-67.5	-75.0	-118.1	-142.2
ADDED VALUE	1,115.5	1,101.3	1,187.3	1,214.2
DISTRIBUTION				
to employees (salaries, social contributions)	912.2	940.8	980.1	1,044.0
to shareholders (dividends)	140.5	108.1 ³	140.5	108.1 ³
to the Republic of Austria (taxes)	57.5	41.5	61.6	44.4
to creditors (interest)	0.2	0.2	4.7	5.1
Balance	5.1	10.8	0.3	12.7
ADDED VALUE	1,115.5	1,101.3	1,187.3	1,214.2

¹ Pursuant to Austrian Commercial Code (UGB)

² Pursuant to IFRS

³ Proposal to the Annual General Meeting on 15 April 2021

ENVIRONMENT & CLIMATE

As a logistics company, Austrian Post bears a huge responsibility, particularly for the environment. In order to fulfil its responsibility, Austrian Post analyses global developments and challenges, and aligns its concepts and measures in view of this.

Megatrends which pose challenges for Austrian Post are global climate change, local emissions, and the shortage of resources and the resulting energy transition. In particular, globalisation and the continuing increase in international trade are having a major impact on the environment and the climate, especially due to emissions of climate-changing greenhouse gases such as carbon dioxide.

Environment and Climate Strategy

Austrian Post wants to minimise the impact that its operations have on the environment to the greatest extent possible. The CO₂ NEUTRAL DELIVERY initiative has been running since 2011, making Austrian Post a pioneering company in Austria when it comes to its track record on environmental and climate action. Other important parts of the strategy are the science-based carbon reduction target, switching the delivery fleet over to electric vehicles or other alternative drives by 2030 and the consistent expansion of ISO 14001 certified environmental management systems.

Protecting the environment and preventing climate change also play a key role in the integrated corporate and sustainability strategy and the 2030 master plan. This ensures that environment and climate targets and measures are factored into everything the company does. Targets and measures are used to improve and monitor performance in four key areas (green & efficient mobility, green & efficient buildings, resource-efficient processes and the circular economy).

The reduction of carbon emissions, and thus the CO₂ NEUTRAL DELIVERY initiative, plays a key role in the company's efforts in the field of climate protection and energy. All mail items within Austria are delivered by Österreichische Post AG in a carbon neutral manner. The first step of this initiative consists of taking measures to

ensure greater efficiency in core processes, for example the energy optimisation of buildings and lighting, and the continuous renewal of the vehicle fleet.

The second step involves the increased use of alternative technologies. Austrian Post operates six photovoltaic plants and is the largest operator of e-vehicle fleets in Austria. The energy generated by the photovoltaic plants nearly supplies sufficient electricity to power the entire Österreichische Post AG electric vehicle fleet without greenhouse gas emissions.

All the remaining unavoidable carbon emissions are offset in a third step by supporting national and international climate protection projects.

In order to enhance credibility, the carbon neutral delivery of all mail items by Österreichische Post AG is confirmed each year by TÜV Austria. More than 200 customers now use the logo in their communications, recognising that the carbon neutral delivery of their mail items also improves the carbon footprint of Austrian Post's customers.

In 2017, Österreichische Post AG defined a science-based target stipulating a further 14% reduction in emissions by the year 2025 compared to the base year of 2013. Since the calculation of the first science-based target in 2016, the assumptions for calculating growth in the parcel business and the framework conditions have changed significantly. As a result, a new science-based target will be calculated in 2021. This new target will be in line with limiting global warming to 1.5°C. Emissions also climbed by 23.5% in 2020 in comparison to the base year. The strong organic growth in the parcel segment (+138% in the period from 2013 to 2020) and the larger parcel volumes resulting from the partnership with Deutsche Post DHL increased the kilometres driven by Austrian Post. This led to the vehicle fleet consuming more energy and an increase in carbon emissions.

Austrian Post compiles all relevant indicators required to calculate carbon emissions at Group level and in accordance with ISO 14064 Part 1. All indicators and calculations are verified by external audits. Österreichische Post AG's data is also certified according to ISO 14064. This process ensures that the necessary due diligence will be exercised in compiling key figures for the material topic of climate protection.

T 19 Environmental and Climate Strategy: Carbon Targets

Our aim

→ Decarbonisation of logistics thanks to environmental efficiency at all stages of the value chain

Objectives	Measures	Status
<p>SDG 13.1, 13.2, 13.3</p> <p>Ambitious carbon reduction targets</p>	<p>Calculate a new science-based target to reduce emissions by -40% between 2020 and 2030</p> <p>Define a relative carbon emission target of -70% by 2030 compared to 2010</p>	<p>Austrian Post has begun the process of calculating a new science-based target for a 1.5°C economy as part of a company-wide project headed up by the WWF and supported by the Climate and Energy Fund. The new target will be submitted to the Science Based Targets initiative in 2021 (SBTi)</p>
<p>SDG 7.2, 7.3, 13.1, 13.2, 13.3, 13.3b</p> <p>Science-based carbon reduction target: reduce carbon emissions by 14% by 2025 (base year: 2013)</p>	<p>Continuation of the CO₂ NEUTRAL DELIVERY initiative – measures to support the material topics of green and efficient mobility, green and efficient buildings and resource-efficient processes</p>	<p>Österreichische Post AG's carbon emissions have increased by 23.5% (compared to base year 2013) due to rising parcel volumes up 138% between 2013 and 2020</p>

Environment & Climate targets are available on p. p. 81

Concepts and Results

Austrian Post has been consistently integrating environmental activities into its core business for many years in order to manage its ecological footprint from year to year. The measures taken by Austrian Post in the Environment & Climate area are tailored to reflect the material topics:

- Green & efficient mobility
- Green & efficient buildings
- Resource-efficient processes
- Circular economy

Austrian Post see protecting the environment and preventing climate change as an ongoing process. For this reason, it regularly evaluates its priorities, objectives and measures, and adjusts them if necessary.

In order to manage and monitor its environmental performance, Austrian Post has defined the following targets and measures:

T 20 Targets for the Material Topic: Green & Efficient Mobility

Our aim

→ Mobility based on renewable low-carbon energy

Objectives	Measures	Status
<p>SDG 13.1, 13.2, 13.3, 13.3b</p> <p>Add exclusively electric vehicles to the delivery fleet from 2024 onwards</p> <p>100% electric vehicles for the last mile of delivery by 2030</p>	<p>Steady addition of electric vehicles to delivery fleet</p>	<p>2,047 electric vehicles were in use at Österreichische Post AG at the end of 2020, or 22.4% of all delivery vehicles</p>

	Expanding green deliveries (on foot, electric bicycles, electric mopeds, electric cars) to new areas	Green deliveries of letters and direct mail (on foot, electric bicycles, electric mopeds, electric cars) in state capitals: Bregenz: 87% Eisenstadt: 95% Graz: 66% Innsbruck: 71% Klagenfurt: 72% Linz: 57% Salzburg: 48% St. Pölten: 65% Vienna: 97%
	Shifting all mail and parcel deliveries in Graz from diesel-powered vehicles to 100% electric vehicles by 2022	Austrian Post began the process of ensuring emission-free deliveries for all letters and parcels in Graz in 2020. By 2021, all deliveries will be made on foot or using electric vehicles or bicycles
SDG 13.1, 13.2, 13.3, 13.3b	Increase proportion of electric vehicles in management fleet	19 electric management vehicles were in use in 2020. This number is going up continuously
100% electric management and sales fleet by 2030	Draw up a modern and environmentally friendly mobility scheme for employees	Company bicycle-sharing stations were installed at two sites in 2020. Employees can use the bicycles for short business trips
		A new mobility scheme for employees will be drawn up in 2021
SDG 7.3, 12.2	Technical solutions to increase efficiency and safety	All 145 Austrian Post trucks were fitted with turning assistants in 2020 to keep the population safe
Increase vehicle utilisation from 77% to 80% in transport logistics between 2020 and 2025		Three trucks were fitted with photovoltaic systems in 2020 to reduce fuel consumption
Test, procure and use alternative engines in company truck fleet depending on availability		Liquid natural gas (LNG) truck ordered and set to go into service in 2021
More procurement of trucks with exclusively alternative drives from 2030 onwards		

T 21 Targets for the Material Topic: Green & Efficient Buildings

Our aim

→ Develop and operate our buildings with a focus on eco-efficiency

Objectives	Measures	Status
SDG 7.2, 7.3, 13.1, 13.2, 13.3, 13.3b Stabilise carbon emissions produced by Austrian Post real estate	Use electricity from renewable energy sources	Österreichische Post AG has been using electricity from renewable energy sources since 2012 Since 2017, all of Österreichische Post AG's electricity has come from renewable energy sources in Austria. Companies in the Austrian Post Group have procured all of their electricity from renewable energy sources in Austria since 2018
SDG 7.2 Double proportion of internally generated electricity from renewable energy sources by 2030	Expand photovoltaic systems	Austrian Post currently uses six photovoltaic systems with a combined rating of around 2,400 kWp. New systems with a rating of 1,300 kWp are in the planning stage; Austrian Post intends to add a further 2,500 kWp. Approval of a pilot project for a new energy plan for the planned base in Bruck an der Leitha: combined photovoltaic system & energy storage & e-mobility Installation of photovoltaic systems at all new logistics centres and post bases →

<p>SDG 7.3 Improve efficiency of thermal energy per m² by 10% by 2030</p>	<p>Carry out energy audits in accordance with the Energy Efficiency Act (EEffG) and implement energy efficiency measures</p>	<p>Implementation of ten energy efficiency measures in the categories of lighting, room heating, electricity measurement and water heating at Österreichische Post AG and its national Group companies</p> <p>Gradual phasing out of oil as a heating fuel</p>
<p>SDG 12.2, 12.5 Use a variety of projects to implement sustainable infrastructure standards by 2026</p>	<p>Promoting sustainable new buildings</p>	<p>Use regional wood from Austria to build the hall at the new Styria logistics centre in Kalsdorf and the Thalgau logistics centre in the state of Salzburg</p>
	<p>Biodiversity measures</p>	<p>Use regional wood from Austria to build the hall at the new Styria logistics centre in Kalsdorf and the Thalgau logistics centre in the state of Salzburg</p> <p>Draw up a green space plan for the new Tyrol logistics centre</p> <p>Continue funding for eight bee colonies at the Vienna Letter Mail Centre</p> <p>Installation and maintenance of the green roof of the Vienna Letter Mail Centre which provides a habitat for endangered crested lark (red list) and wild bee swarms</p>

T 22 Targets for the Material Topic: Resource-efficient Processes

Our aim

→ Make sure our processes are efficient in terms of resources

Objectives	Measures	Status
<p>SDG 7.3, 12.5, 13.3 Company headquarters, all logistics centres and delivery bases with more than 70 employees ISO 14001 certified by 2025</p>	<p>Ensure more sites are ISO 14001 certified</p>	<p>An additional Austrian Post site was ISO 14001 certified in 2020. Four of Austrian Post's logistics centres and the entirety of Group company Medien.Zustell GmbH are ISO 14001 certified</p>
<p>SDG 7.3, 12.5, 13.3 Implement Environment and Energy Coach programme to raise awareness of all employees at these sites by 2030</p>	<p>Waste optimisation and quality assurance projects at some sites</p>	<p>Waste disposal processes have been redesigned and optimised from a logistics perspective at multiple sites in Styria</p>
	<p>Make employees more aware of waste issues</p>	<p>Employees at the two largest ISO 14001 certified sites were given practical training on waste management. Practical training on the same topic was also provided for all staff at the Group company Medien.Zustell GmbH</p>
	<p>Focus on sustainability for meetings and events</p>	<p>New catering for "Post am Rochus" corporate headquarters using regional and seasonal products; deliveries made using electric vehicles</p> <p>All major events (annual kick-off, Christmas party, Brochure Award, Annual General Meeting) have been held and certified as Green Events since 2019. The internal policy for sustainable events is used for smaller events</p>

T 23 Targets for the Material Topic: Circular Economy

Our aim

→ Contribute to the circular economy

Objectives	Measures	Status
<p>SDG 12.5 Develop a range of reusable packaging solutions by 2021</p> <p>Start selling reusable packaging solutions from Austrian Post by 2022</p>	<p>Partnerships with customers, research institutions, etc. to promote circular economy</p>	<p>Project launched with an Austrian research institution (FH Steyr) evaluating reusable shipping solutions for parcels</p>

Green & Efficient Mobility

Austrian Post is committed to using a modern and sustainable fleet. Fuel consumption is being significantly reduced in order to lower carbon emissions. The aim is to use vehicles with alternative drives for deliveries, transport logistics and management whenever possible. In 2020, Österreichische Post AG increased the number of electric vehicles in its fleet by 17% compared to the previous year. There are 2,047 vehicles in the electric fleet, making it the largest electric fleet in the country.

Green & Efficient Buildings

An important factor in reducing carbon emissions is improving the energy efficiency of buildings. For this reason, building renovation and energy efficiency measures are a key aspect of the sustainability strategy pursued by Austrian Post and its Group companies. Österreichische Post AG has been procuring all the electricity it needs solely from renewable energy sources since 2012. In 2018, Österreichische Post AG and all its Austrian Group companies began exclusively using green electricity from Austrian sources. Four major logistics sites and one office building use power generated by their own photovoltaic systems. Austrian Post also uses LED lighting in its buildings.

Resource-efficient Processes

When it comes to resource efficiency, the focus is on the conscious use of resources. This requires an analysis of the materials used by the Group and subsequent proactive management. A key instrument in increasing resource efficiency is the environmental management system in accordance with the ISO 14001 standard applied by Austrian Post since 2016. Raising awareness of environmental issues among employees leads to materials being used more consciously within the company. The Vienna Letter Mail Centre, Österreichische Post AG's largest logistics centre, along with the Wernberg Parcel Centre, the Hagenbrunn logistics centre, the Thalgau base and the entire Group company Medien.Zustell GmbH are now certified according to ISO 14001.

Circular Economy

Responsible waste and recycling management also play an important role with respect to the issue of resource efficiency. In the spirit of ensuring sustainable waste management, measures are taken to keep the waste produced by the Group's parent company and its domestic subsidiaries to a minimum. If waste cannot be avoided, it is disposed of properly.

Non-financial Indicators

Austrian Post compiles key energy indicators relating to its property holdings and vehicle fleet for Österreichische Post AG and all consolidated Austrian and international subsidiaries. The figures are compiled according to special operating procedures. All indicators and calculations are verified in external audits. This process ensures that the necessary due diligence will be exercised in compiling key figures for the material topics in the area of Environment & Climate.

Environmental Indicators

Fundamentally speaking, all indicators are based on both actual data and extrapolations. These extrapolations are necessary due to the fact that the availability of actual data is limited at the time of data collection. The approach used in making extrapolations is continually evaluated and improved.

The strong growth in the parcel business has resulted in increases in most indicators compared to the previous year.

Moreover, trends in the respective indicators are only explained for Österreichische Post AG.

Energy Overview

Total energy consumption for Österreichische Post AG properties and vehicle fleet increased year-on-year by 12% to around 419m kWh. Energy consumption in the properties area rose by 5% to around 128m kWh. In the vehicle fleet, energy consumption grew by 15% to approximately 291m kWh. The main driver in both cases is the strong growth in parcel volumes (+30%) brought about by Austrian Post's partnership with Deutsche Post DHL and significant organic growth, which in turn

was spurred by lockdowns imposed in response to the COVID-19 pandemic. Austrian Post added the delivery of Deutsche Post parcels to private individuals in Austria to its own existing logistics network in August 2019. The year-on-year growth driven by this partnership is therefore related to the period between January and August.

This integration and increase in volume required extended capacity in the logistics centres as well as in transport and vehicles.

	Unit	Österreichische Post AG			Austrian Post Group ¹		
		2018	2019	2020	2018	2019	2020
ENERGY CONSUMPTION – BUILDINGS AND VEHICLE FLEET	m kWh	354.0	375.9	419.5	433.1	486.3	531.4
Total energy consumption – buildings ²	m kWh	121.6	122.3	128.2	139.8	145.5	149.2
Total energy consumption – vehicle fleet ³	m kWh	232.4	253.6	291.3	293.3	340.8	382.2

¹ **Austrian Post Group 2018:** the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

² The energy indicators for property and buildings include all Austrian Post space (offices, delivery bases, logistics centres, branch offices). The Österreichische Post AG indicators are based on actual data running up to the relevant internal reporting date in January of the following year.

The indicators for the subsidiaries are based on data made available up to the relevant internal reporting date in January of the following year. Extrapolations were made in some cases.

³ The fleet indicators relate to all of Austrian Post's motorised vehicles and outsourced transport services in the respective countries. The indicators for Österreichische Post AG are based on actual data running up to 31 December in the year under review.

The indicators for the subsidiaries are based on data made available up to the relevant internal reporting date in January of the following year. Extrapolations were made in some cases.

Energy – Property and Buildings

The amount of area covered by buildings went up due to logistics centres being expanded to double sorting capacities.

The amount of electricity consumed in buildings went up in the year under review due to the higher

volume of mail items. While there was a decline in the volume of traditional letters (-7%) and direct mail items (-12%) due to lockdowns being imposed in response to COVID-19, parcel volumes increased (+30%).

	Unit	Österreichische Post AG			Austrian Post Group ¹		
		2018	2019	2020	2018	2019	2020
BUILDING SPACE	m ²	1,055,669	1,112,936	1,141,285	1,209,874	1,319,093	1,357,034
TOTAL ENERGY CONSUMPTION – BUILDINGS²	m kWh	121.6	122.3	128.2	139.8	145.5	149.2
Natural gas	m kWh	32.7	32	33.7	38.9	41.3	42.2
Heating oil	m kWh	2.0	2.4	2.1	2.1	2.5	2.1
District heat	m kWh	30.3	31.1	33.0	33.0	33	34.6
Biomass	m kWh	0.0	0.0	0.0	0.0	0.0	0.3
Electricity (total)	m kWh	56.6	56.8	58.7	65.8	68.7	69.2
thereof electricity from renewable energy sources	m kWh	55.4	55.4	57.6	59.0	59.2	61.7
thereof electricity from company's own photovoltaic plants	m kWh	1.4	1.3	1.6	1.6	1.3	1.6
thereof grey electricity	m kWh	1.2	1.4	1.1	6.8	9.4	7.5

¹ **Austrian Post Group 2018:** the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

² The energy indicators for property and buildings include all Austrian Post space (offices, delivery bases, logistics centres, branch offices). The Österreichische Post AG indicators are based on actual data running up to the relevant internal reporting date in January of the following year.

The indicators for the subsidiaries are based on data made available up to the relevant internal reporting date in January of the following year. Extrapolations were made in some cases.

Energy – Vehicle Fleet

The distance driven went up by 8% due to the increased parcel volumes. Parcel volumes went up due to two factors:

- Austrian Post entered into a partnership with Deutsche Post DHL in August 2019. Under the terms of this partnership, Austrian Post handles the delivery of parcels sent to private households through Deutsche Post DHL. These parcels are included in Österreichische Post AG's parcel volumes.
- There was a significant amount of organic growth in parcel volumes in 2020, spurred by COVID-19 lockdowns. Both buyers and

sellers showed a greater willingness to use e-commerce in the year under review.

The increase in the vehicle fleet's energy consumption outpaced the rise in the distance driven as the boom in parcel volumes has made it necessary to use a higher proportion of heavier vehicles which consume more energy. This trend was also driven by the significant increase in the number of bulky parcels being delivered. Austrian Post optimised the utilisation of all possible capacities in its own fleet of vehicles. Shipping partners account for the majority of the increased energy consumption.

	Unit	Österreichische Post AG			Austrian Post Group ¹		
		2018	2019	2020	2018	2019	2020
DISTANCE DRIVEN²	m km	170.1	185.8	200.9	229.4	266.8	283.8
TOTAL ENERGY CONSUMPTION – VEHICLE FLEET²	m kWh	232.4	253.6	291.3	293.3	340.8	382.2
thereof company's own vehicle fleet	m kWh	146.5	151	160.0	178.6	207	194.1
thereof electricity consumption for e-mobility	m kWh	1.2	1.5	2.3	1.2	1.5	2.3
thereof external vehicle fleet	m kWh	85.9	102.6	131.2	114.7	133.8	188.1

¹ **Austrian Post Group 2018:** the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

² The fleet indicators relate to all of Austrian Post's motorised vehicles and outsourced transport services in the respective countries. The indicators for Österreichische Post AG are based on actual data running up to 31 December in the year under review.

The indicators for the subsidiaries are based on data made available up to the relevant internal reporting date in January of the following year. Extrapolations were made in some cases.

Emissions

Österreichische Post AG's carbon emissions (Scope 1–3) rose by 13% compared to the previous year. Carbon emissions within the company's direct sphere of influence (Scope 1 and 2 emissions) only went up by 5% compared to the previous year. There was a 28% increase in Scope 3 emissions, which Austrian Post is unable to influence directly. These rises were driven by the strong growth in parcel volumes (+30%) brought about by Austrian

Post's partnership with Deutsche Post DHL Group and significant organic growth, which in turn was spurred by lockdowns imposed in response to the COVID-19 pandemic. This partnership and the increase in volumes made it necessary for Austrian Post to increase the capacity of its logistics centres, as well as its transport and vehicle capacities.

	Unit	Österreichische Post AG			Austrian Post Group ¹		
		2018	2019	2020	2018	2019	2020
TOTAL CO₂e EMISSIONS (SCOPE 1–3)² ACCORDING TO THE GREENHOUSE GAS PROTOCOL	t CO ₂ e	71,389	76,946	86,949	92,361	105,546	115,509
TOTAL CO₂e EMISSIONS (SCOPE 1–2)² ACCORDING TO THE GREENHOUSE GAS PROTOCOL	t CO ₂ e	49,430	50,764	53,485	62,788	71,439	67,586
TOTAL CO₂e EMISSIONS (SCOPE 3)² ACCORDING TO THE GREENHOUSE GAS PROTOCOL	t CO ₂ e	21,959	26,182	33,464	29,573	34,106	47,923
CO₂e EMISSIONS – BUILDINGS	t CO ₂ e	12,365	12,701	13,316	17,575	19,155	18,761
CO ₂ e Scope 1 – buildings	t CO ₂ e	7,078	7,238	7,584	8,819	9,122	9,300
Natural gas	t CO ₂ e	6,541	6,400	6,741	8,251	8,265	8,444
Liquid gas	t CO ₂ e	0	179	151	0	179	151
Heating oil	t CO ₂ e	537	659	556	567	678	569
Coolant in air conditioning systems	t CO ₂ e	0	0	136	0	0	136
CO ₂ e Scope 2 – buildings ³	t CO ₂ e	5,287	5,462	5,732	8,756	10,033	9,461
District heat	t CO ₂ e	4,991	5,105	5,445	5,543	5,500	5,785
Biomass	t CO ₂ e	0	0	0	0	0	5
Electricity	t CO ₂ e	296	358	287	3,213	4,533	3,670
CO₂e EMISSIONS – VEHICLE FLEET	t CO ₂ e	59,024	64,245	73,633	74,786	86,391	96,749
CO ₂ e Scope 1 – company's own vehicle fleet	t CO ₂ e	37,065	38,063	40,169	45,213	52,285	48,826
CO ₂ e Scope 3 – external vehicle fleet	t CO ₂ e	21,959	26,182	33,464	29,573	34,106	47,923

¹ Austrian Post Group 2018: the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

² All gases named by the GRI are taken into account when calculating Scope 1, Scope 2 and Scope 3 emissions. In order to meet GRI requirements, Österreichische Post AG's CO₂e emissions for the base year 2013 are listed as follows: CO₂e Scope 1 – road transport (company's own transport): 35,199 t; CO₂e Scope 1 – buildings: 8,887 t; CO₂e Scope 2 – buildings: 6,346 t; CO₂e Scope 3 – partner companies: 19,951 t. These figures are for Österreichische Post AG only. The difference to previously published CO₂e emissions for the year 2013 arises from not taking account of Post Wertlogistik GmbH.

³ The calculation of Scope 2 emissions (electricity and district heat) for Österreichische Post AG is carried out in line with the market-based method. This means supplier-specific emission factors are used if available. When Scope 2 emissions are calculated using the location-based method (no supplier-specific emission factors, no green electricity), carbon emissions for the year 2020 come to 21,442 t. This demonstrates the impact of procuring electricity from renewable energy sources. The calculation of Scope 2 emissions (electricity, district heat) for the national subsidiaries is carried out in line with the market-based method. This means supplier-specific emission factors are used if available. The calculation of Scope 2 emissions (electricity) of the international subsidiaries is carried out in line with the location-based method.

Relative Emissions

Carbon emissions per transported tonne decreased by 3% last year, continuing the downwards trend. They also fell relative to revenue. Carbon emissions went up slightly relative to revenue.

Relative Indicators	Unit	Österreichische Post AG			Austrian Post Group ¹		
		2018	2019	2020	2018	2019	2020
CO₂e EMISSIONS PER TRANSPORTED TONNE²	kg CO ₂ e/t	129.0	124.0	120.0	-	-	-
SCOPE 1-2 CO₂e EMISSIONS RELATIVE TO REVENUE³	t CO ₂ e/EUR m	27.4	27.3	28.2	32.1	35.3	32.4
SCOPE 1-3 CO₂e EMISSIONS RELATIVE TO REVENUE³	t CO ₂ e/EUR m	39.6	41.4	45.8	47.2	52.2	55.3

¹ Austrian Post Group 2018: the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

² Tonnes transported in 2018: 55,223 t; 2019: 62,184 t; 2020: 72,611 t. This data is not available at Group level.

³ Revenue of Österreichische Post AG to Austrian Commercial Code: 2018: EUR 1,804m; 2019: EUR 1,859m; 2020: EUR 1,897m

Revenue of the Austrian Post Group in accordance with IFRS excluding other operating income (excluding Aras Kargo a.s.): EUR 1,959m; 2019: EUR 2,022m; 2020: EUR 2,088m

Vehicles

There are 9,669 vehicles in the fleet, of which 2,047 (21%) are electric. This represents a 17% increase compared to the previous year and an important step

towards achieving the EV100 target of using only electric vehicles for all deliveries by 2030. At present, electric vehicles are used for 22.4% of deliveries.

	Österreichische Post AG			Austrian Post Group ¹		
	2018	2019	2020	2018	2019	2020
VEHICLES (TOTAL)	9,257	9,510	9,669	10,473	11,239	11,060
Bicycles	719	734	748	758	773	790
thereof electric bicycles	620	649	672	621	650	673
Mopeds	921	977	840	970	1,025	884
thereof electric mopeds	416	428	408	417	428	408
Vehicles up to 3.5 t	7,467	7,636	7,911	8,529	9,168	9,153
thereof natural gasdriven vehicles up to 3.5 t	0	0	0	2	1	1
thereof electric vehicles up to 3.5 t	556	673	967	560	684	972
Vehicles over 3.5 t	150	163	170	216	273	233

¹ Austrian Post Group 2018: the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

Vehicles by Emissions Standard

In addition to expanding its fleet of electric vehicles, Austrian Post is committed to ensuring that even its fleet of traditional diesel vehicles is as modern as possible. There was an 18% increase in the number of vehicles

that meet the newest EURO 6 standard compared to the previous year. All other vehicle categories went down year-on-year.

	Unit	Österreichische Post AG			Austrian Post Group ¹		
		2018	2019	2020	2018 ²	2019 ²	2020
MOTOR VEHICLES BY EMISSIONS STANDARD							
Euro 2	Number	185	119	8	-	-	81
Euro 3	Number	37	22	17	-	-	61
Euro 4	Number	366	455	425	-	-	589
Euro 5	Number	3,277	2,826	2,097	-	-	2,410
Euro 5 EEV	Number	74	70	56	-	-	61
Euro 6	Number	3,627	4,183	4,943	-	-	5,688

¹ Austrian Post Group 2018: the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

² Figures are not available for 2018 or 2019 as Austrian Post only started recording these figures in 2020.

Paper

The share of paper from sustainable resources (FSC and PEFC) grew to 88%.

	Unit	Österreichische Post AG			Austrian Post Group ¹		
		2018	2019	2020	2018	2019	2020
PAPER CONSUMPTION (TOTAL)	t	5,469	5,045	5,670	5,697	5,374	6,855
thereof sustainably produced paper (PEFC and FSC paper)	t	5,195	4,324	4,987	5,243	4,384	5,025

¹ Austrian Post Group 2018: the indicators apply to the entire Austrian Post Group with the exception of the subsidiary Express One Hungary.

Austrian Post Group 2019: the indicators apply to the entire Austrian Post Group.

Austrian Post Group 2020: the indicators apply to the entire Austrian Post Group, with the exception of the subsidiary Aras Kargo a.s.

PEOPLE & SOCIAL

Austrian Post operates in an environment of continuous change. Digitalisation, demographic change and increasing mobility and flexibility are changing the needs of customers and employees. To meet these new challenges, Austrian Post needs a highly qualified workforce that plays an active role in shaping the company and creating new innovative services.

Society in general is also holding companies to an increasingly high standard. Dialogue with interest groups is becoming an increasingly vital tool for identifying needs and meeting the challenges faced by both companies and society. As a means of dealing with these changes impacting the postal business, especially due to societal transformation and digitalisation, Austrian Post closely monitors and analyses these challenges and manages its business accordingly.

Concepts and Results

Österreichische Post AG and its Group companies attach particular importance to proper and appropriate interaction with employees, business partners, customers and other stakeholders. As a service provider and major employer, Austrian Post wants to be perceived as a trustworthy and responsible business partner, employer and service provider.

That is why fostering the corporate and leadership culture is of crucial importance to Austrian Post.

The company's human resources work promotes the corporate and leadership culture and actively supports it by a variety of programmes and measures.

Information security, data security and confidentiality are top priorities for Austrian Post in light of technological trends and the steadily increasing importance of data. This is due to the fact that both business customers as well as recipients of mail items make data available to the company to ensure smooth transport and delivery.

Österreichische Post AG also works with a range of external partners to support numerous business-related, social and environmental projects and activities. Efforts are made to ensure that the company's engagement is linked to its core business and support projects where its core expertise can make a meaningful contribution.

The measures taken by Austrian Post in the People & Social area are tailored to reflect the material topics:

- Corporate & work culture
- Integrated diversity management
- Occupational health & safety
- Digital responsibility
- Social dialogue & partnerships

The following table provides an overview of these targets and measures:

T 24 Targets for the Material Topic: Corporate & Work Culture

Our aim

→ Enhance our corporate and leadership culture

Objectives	Measures	Status
<p>SDG 8.5 Increase employee engagement from 76% to 82% by 2030 (indicator based on most recent employee satisfaction survey in 2017)</p> <p>Reduce turnover rate for all new employees joining the company under the new collective agreement (Kollektivvertrag-Neu) by 2030 from 35.8% to 28%</p>	<p>Respectful corporate and leadership culture: programmes to promote diversity and equality of opportunity</p> <p>Attractive career prospects and training</p> <p>Work-life balance schemes</p> <p>Measures to guarantee safety at work</p> <p>Occupational health care schemes</p> <p>Surveys to measure employee engagement</p>	<p>Measures being implemented</p> <p>Number of seminars: 1,577</p> <p>Number of seminar participants: 33,539</p> <p>Hours of training: 95,397</p>
<p>SDG 8.5 Define a voluntary financial social contribution as a percentage of staff costs and set an ambitious target for 2030</p>	<p>Benefit from the success of the company</p> <p>Comprehensive range of social services offered through post.sozial</p> <p>Occupational health care schemes</p> <p>Comprehensive range of training programmes</p>	<p>post.sozial:</p> <p>Total material resources: 6,352,000 EUR</p> <p>helfens.wert food coupons: 3,830,000 EUR</p> <p>helfens.wert paid support contributions: 510,000 EUR</p> <p>fair.reisen overnight stays 45,691</p> <p>sehens.wert: no services in 2020 due to COVID-19</p>
<p>SDG 5.5, 10.2 40% of all management positions to be held by women by 2030 on the basis of the Gender balance project Elly</p>	<p>Gender balance project Elly</p> <p>Participation in Women's Career Index</p> <p>Agreed targets for women in leadership positions</p> <p>Active parental leave management</p>	<p>Measures being implemented</p> <p>Status Gender balance project Elly¹</p> <p>Management positions held by women 2019: 33.1% 2020: 34.6%</p>

¹ Only employees of Austrian Post (excluding subsidiaries) are included in the figures for the Gender balance project Elly for management purposes. The figures do not include payroll units which are not involved in the project. The Internal Labour Market, employee representatives, Management Board members and their assistants are the most significant units which are not involved in the project. The figures are calculated based on the total number of employees as at the end of the year. Employees on long-term leave are included in the calculation. For the purpose of the Elly project, a management position is defined as any employee at reporting level 2 to 5, including other management positions, regardless of the number of employees they are responsible for.

T 25 Targets for the Material Topic: Integrated Diversity Management

Our aim

→ Live out our commitment to diversity and equal opportunity

Objectives	Measures	Status
<p>Combine various diversity measures implemented by Austrian Post</p>	<p>Plan for anchoring and implementing diversity measures</p>	<p>Currently in development</p>
<p>SDG 5.5, 10.2 Take a systematic and standardised approach to putting diversity activities at the centre of core processes and support functions</p>	<p>Unconscious bias training for managers</p> <p>Measures aimed at raising awareness and reducing unconscious bias in recruitment processes</p> <p>Adoption of a gender-inclusive language standard</p>	<p>Measures being implemented</p>

T 26 Targets for the Material Topic: Occupational Health & Safety

Our aim

→ Maintain health and safety

Objectives	Measures	Status
<p>SDG 3.6</p> <p>No fatal accidents during the delivery of letters or parcels</p> <p>Reduce accident frequency (per 1 million productive hours) by 15% by 2030</p>	<p>Occupational safety committees established</p> <p>Input provided by employee protection bodies</p> <p>Organisational rules, operating instructions and leaflets to promote safety at work</p> <p>Regular training on safety risks and potential hazards</p> <p>Regular inspections and evaluations to identify potential hazards</p>	<p>Around 1,000 safety at work training sessions</p> <p>Around 3,500 site visits and evaluations</p>
<p>SDG 3.6</p> <p>Implementation of a management system that meets ISO 45001 standards and Austrian Post certified by 2030</p>		

T 27 Targets for the Material Topic: Digital Responsibility

Our aim

→ Meet the expectations of our customers, minimise risks and ensure compliance with data protection legislation

Objectives	Measures	Status
<p>Data protection:</p> <p>Reduce number of data protection complaints by over 70% by 2025 (compared to year-end 2020)</p> <p>Speed up handling of requests from data subjects</p> <p>Establish dialogue with relevant authorities and arrange certification through external agencies</p>	<p>Enhance data protection activities</p> <p>Improve processes to ensure high-quality and efficient processing</p>	<p>The existing data protection management system was enhanced in 2020. In addition to setting up a data protection legislation team, a data protection centre was established to monitor and drive forward the implementation of legal data protection requirements within Österreichische Post AG</p>
<p>Data security:</p> <p>Expand the use of appropriate security measures to prevent the unauthorised use of data</p> <p>Minimise the risk of damage from cybercrime</p>	<p>Information security management and IT security based on ISO 27001</p> <p>Technical measures to prevent, detect and respond to IT security incidents</p> <p>Organisational monitoring and awareness raising measures</p>	<p>A Group IT Department was established in 2020 dedicated to the technical side of data security</p> <p>Implementation of technical measures to secure end devices and provision of information to employees about cybersecurity measures due to the increase in remote working during the COVID-19 pandemic</p>

T 28 Targets for the Material Topic: Social Dialogue & Partnerships

Our aim

→ Make a positive impact on society through dialogue and cooperation

Objectives	Measures	Status
<p>SDG 17.17 Hold at least one central and one regional stakeholder roundtable per year</p>	<p>Central stakeholder roundtable once a year in Vienna</p> <p>At least one regional stakeholder roundtable in a different state every year</p>	<p>The Stakeholder Roundtable was not held in 2020 due to the COVID-19 pandemic</p> <p>A digital stakeholder survey was used instead to ensure that stakeholder opinion was actively factored into the 2030 sustainability master plan</p>
<p>SDG 5.5, 10.2, 17.17 Involvement in one environmental campaign and one social campaign</p>	<p>Active support for social projects through the core business</p> <p>Post Generator</p>	<p>As in previous years, Austrian Post provided support for numerous social projects in 2020, such as the "Pakete fürs Christkind" Christmas gift initiative and the "Ö3-Wundertüte" phone donation drive</p> <p>The Re:Post upcycling project was launched in 2020. This takes the form of two workshops with young designers looking at ways to reuse old Austrian Post uniforms</p> <p>In 2021, Austrian Post will partner with workshops who employ people with disabilities to get some of these ideas ready for mass production</p>
<p>SDG 13.b Establish an Austrian Post company forest in order to foster climate action and conservation by 2022</p>	<p>Explore other avenues</p>	<p>Initial meetings were held with a variety of providers in 2020</p>
<p>SDG 7.2, 7.3, 13.1, 13.2, 1.3 From 2022 onwards, raise awareness of climate and conservation issues among employees with external partners</p>	<p>Draw up a plan to raise awareness of climate and conservation issues</p>	<p>Austrian Post provided support for the Dürrenstein Wilderness Area in 2020</p> <p>Issue of a special stamp for the Dürrenstein Wilderness Area</p>

Corporate & Work Culture

The company's success is dependent on the performance of its employees. This requires motivated and highly qualified employees who give their best day in and day out. Austrian Post needs to position itself as a modern employer. This is the only way for the company to attract and retain employees. Austrian Post is committed to being an attractive employer. It takes steps such as offering additional social benefits and comprehensive training to create an attractive working environment. It is also important to foster a culture of respect which employees can identify with and which is inclusive at every level.

In addition to offering a modern and open corporate and leadership culture, Austrian Post provides additional social services via the post.sozial association to improve the motivation levels and performance of its employees. This non-profit association aims to provide social support to active employees of Österreichische Post AG and its Austrian Group companies as well as to retired employees, family members and surviving relatives of employees. Services range from financial support for employees faced with exceptional expenses due to illness

or natural disaster, to discounted tickets for cultural and sporting events, to affordable holiday deals. They also include child care services during the holidays.

Austrian Post has developed a range of training and education programmes for specific target groups and areas of expertise. These programmes are designed to fully leverage the existing potential of the company's employees and guarantee its long-term success. These include specialised instruction, further education courses, coaching and training at Österreichische Post AG and its Group companies. Investments in training and education provide personal and professional development opportunities for employees which further their careers, improve job satisfaction levels and reduce turnover.

Integrated Diversity Management

Equal opportunity at work and equal treatment of employees are a matter of course at Österreichische Post AG and its subsidiaries.

For this reason, Austrian Post strongly opposes prejudice and discrimination of any kind. Equal treatment

of all employees regardless of their age, gender, sexual orientation or identity, nationality, ethnic origin, disability, religion or ideology is ensured by the terms of collective agreements concerning working conditions and the Groupwide Code of Conduct and Ethics. Executives are familiarised with the leadership guidelines at the Executive Academy, where training specifically focuses on conduct in conformity with the law and company standards. Furthermore, Austrian Post proactively promotes a corporate culture which has respect, openness, trust and appreciation at its core. The issue of bullying, for example, is discussed in various training courses. In addition, the Central Works Council of Österreichische Post AG is committed to ensuring adherence to these values, and continuously advocates for fair and equal treatment. The representation of the Central Works Council on the Supervisory Board ensures that employee concerns are also voiced at Supervisory Board meetings and that employees are involved in important management decisions.

Diversity management activities at Austrian Post promote social diversity and leverage it constructively. Austrian Post takes special care to ensure that its employees' individual differences are celebrated throughout the company. This creates a productive overall atmosphere in the company. In order to ensure equal opportunity at work, Austrian Post strongly opposes any and all types of discrimination, bullying and sexual harassment and, in a clear indication of its commitment, signed the Charter of Diversity in 2013.

Austrian Post believes that diversity drives innovation, and enables it to fulfil the multi-faceted demands of customers and master future developments in order to secure the company's long-term profitability.

For additional information on measures being taken to promote diversity within the company as well as details concerning diversity in the Management Board and Supervisory Board, please see the Corporate Governance Report.

Occupational Health & Safety

Preserving and promoting the health and safety of employees and preventing accidents and work-related illnesses are matters of great concern to Austrian Post.

Due to its crucial importance, occupational safety is firmly embedded in the organisation at Österreichische Post AG. Safety is addressed in formal occupational

safety committees in which safety experts, occupational physicians, safety officers, employee representatives and Austrian Post as the employer are represented.

In 2020, 15 regional occupational safety committee meetings were held at Österreichische Post AG for sites with more than 100 employees or sites exposed to certain dangers. The related standards are specified in Sections 88 and 88a of the Employee Protection Act (ASchG). At these meetings, members put together suggestions for improvements in individual safety and health topics and discuss the implementation of appropriate measures. Counselling on occupational safety is also carried out by the appropriate employee protection bodies at all company sites in line with legal requirements. This serves to ensure that the health and safety of all of Österreichische Post AG's employees is covered by safety experts and occupational physicians.

In addition to the legal provisions on the topic of occupational safety and accident prevention, there are internal organisational rules, operating instructions and leaflets. The company involves employee representatives in discussions on key occupational safety and accident prevention issues. Employee representatives also sit on the occupational safety committees mentioned above.

As part of its approach to health management, Austrian Post also uses preventive measures at various sites in Austria to maintain and improve the health and ability to work of all employees. These include vaccinations, initiatives to help employees quit smoking, eye examinations and regular health consultations and health days. This range of services had to be curtailed significantly due to the COVID-19 restrictions. Employees can of course speak to occupational physicians about their health and any questions, concerns or worries they might have in connection with COVID-19.

c EXTENSIVE RANGE OF HEALTH AND HYGIENE MEASURES IMPLEMENTED SINCE BEGINNING OF PANDEMIC

Thanks to its professional approach to health management, Austrian Post has been monitoring developments, putting precautionary measures in place and evaluating these measures since the beginning of the COVID-19 outbreak. It is particularly important to keep employees well informed about correct hygiene behaviour and measures. This information is provided via specialists on prevention, executive and internal media. A comprehensive package of measures was put together based around the Austrian government's traffic light

system to minimise the impact on operations. In autumn 2020, a handbook was published containing important information on preventive measures for all the company's divisions.

The handbook of general preventive measures provides a summary of the most important action and requirements. Additional handbooks were published for specific areas of the company. These handbooks allow executives to react quickly to developments, such as a sudden rise in infections.

The four-colour traffic light system is used to assess the COVID-19 epidemic on a regional level. Each colour represents a different level of risk. For example, green means low risk. The traffic light colours indicate the risk for a particular region. Different measures and recommendations apply depending on the level of risk. The purpose of the system is to prevent new coronavirus infections. The rules of conduct and measures which apply within the company are derived from the Austrian government's coronavirus traffic light system. Specific measures are implemented for different departments depending on the risk level.

The measures implemented by the company's logistics centres, for example, include employees being required to wear face masks, adjusting shift patterns to minimise direct contact between employees, random testing and taking people's temperature when they enter the logistics centres. All important information, such as the typical symptoms of COVID-19, are translated into the languages which are most commonly used by the linguistically diverse workforce.

The company's delivery services also have a range of additional measures which are implemented based on the colour category. These include measures such as staggered shifts and employees being required to wear a face mask when in contact with customers. Partition walls have been set up in delivery bases to address situations where employees are unable to keep a safe distance from one another.

Contact-free deliveries became mandatory for official mail in March 2020 following an amendment to the Austrian Postal Delivery Act (Zustellgesetz). This amendment allowed delivery staff to inform customers verbally when they receive official mail and sign on their behalf. Austrian Post also switched to contact-free deliveries for other products (e.g. registered mail and parcels). The temporary amendment was in effect until 30 June 2020. All mail has been delivered as usual since that date while maintaining a safe distance. Delivery

staff must wear a face mask in situations where it is not possible to maintain a safe distance.

Wearing a face mask is required at all times in the company's branches. The number of customers permitted in a branch at any one time is also limited. All branches have been fitted with Plexiglas partitions and floor markings. Plexiglas partitions are also in use at all postal partners' premises. High-risk surfaces such as touch-screens in self-service areas are cleaned and disinfected on a regular basis.

The opportunity was created for around 2,000 employees to start working from home in the middle of March 2020. Everybody working from home remained in touch with their colleagues virtually. Safety measures were also put in place at the company headquarters in line with the government's traffic light system. One such measure is that no more than 20% of Austrian Post employees may be present in the building at Vienna's Rochusmarkt at the same time if the traffic light shifts to red. Meetings are held virtually whenever possible. Intervals between cleaning have been reduced throughout the building. Additional soap and disinfectant dispensers have also been installed.

Austrian Post provides handbooks, additional instructions and checklists so that executives can improve compliance with safety measures as part of their day-to-day work. All employees have been provided with protective equipment to reduce the risk of COVID-19 infection, such as face masks and disinfectant.

In addition to corporate social responsibility, employee protection is also a factor of relevance to business operations, because accidents and lost working days lead to additional costs. Promoting occupational safety and health also serves as the basis for greater operational efficiency and productivity increases.

Digital Responsibility

Due to technical developments and the steadily increasing importance of data for the company's successful performance, the Austrian Post Group uses extensive measures to ensure the confidentiality of customer and company data as well as the integrity and availability of the IT systems operated by Austrian Post.

Data Protection

Austrian Post has carried out a number of measures in recent years to implement the requirements of

the EU General Data Protection Regulation (GDPR), which has been in effect throughout Europe since 25 May 2018. New processes were set up and existing processes were adapted to reflect the new legal situation. Various guidelines on data protection issues were written and communicated to all employees.

It is important to raise employees' awareness of data protection and security issues across the Group. The existing data protection management system was also enhanced. In addition to setting up a data protection legislation team, a data protection centre was established to monitor and drive forward the implementation of legal data protection requirements within Austrian Post. The data protection centre is divided into three main areas: data protection compliance (specialist assistance for data protection managers of Österreichische Post AG, product assessments, improving policies and training plans, point of contact for Group / data protection officers, coordinating the data breach process), data protection process management (providing support for and improvements to the process, project coordination) and data protection operations (handling the rights of data subjects).

Data protection within the company therefore consists of the data protection legislation team, the data protection centre, data protection officers and data protection managers (responsible for advising business units and managing processing records) in the different areas of Austrian Post and its subsidiaries.

The company uses training and events outlining the latest developments in the field of data protection and the relevant legislation to make sure that its data protection efforts are up to date. In 2020, a training session was held in partnership with several independent institutions, following which the participants received data protection certificates. All of Österreichische Post AG's data protection managers have therefore been certified as data protection officers.

Despite Austrian Post implementing internal processes and precautionary measures to improve data protection, in 2019 the Austrian Data Protection Authority (ADPA) declared the processing of statistically calculated "party affinity" marketing classifications to be unlawful as it considered the information to be

sensitive personal data. Austrian Post disagrees with this assessment. The ADPA levied an administrative penalty of EUR 18m. The final decision on the imposition of this penalty has not yet been reached.

The ADPA launched a new case against Austrian Post in 2020 which claimed that the company has an inadequate data protection compliance system and systematically violates the rights of its data subjects. Austrian Post disputes this allegation. The differences in opinion between the ADPA and Austrian Post are mainly due to unresolved questions of law which need to be referred to a higher court.

Austrian Post will continue to enhance its data protection activities in future. The plan is to make data protection processes more automated to improve their quality and efficiency.

Data Security, IT Security and Cybersecurity

The digitalisation trend is increasing the need for secure IT systems. A greater focus has therefore been placed on IT and data security in 2020 and established a department within Group IT dedicated to the technical side of data protection. The company's aim is to improve its IT security, data security and cybersecurity systems in a standardised and sustainable manner across Österreichische Post AG and its subsidiaries.

This brings two different skill sets together. Firstly, expertise is needed to draw up Group-wide standards and policies for effective information security management and IT security. Information security managers are responsible for implementing these standards and policies from a technical and organisational perspective at the subsidiaries of the Austrian Post Group. The relevant requirements are based on ISO 27001. Improving IT security will be one of the key projects undertaken over the next few years as part of the IT@Post strategy. A programme of measures was established for Österreichische Post AG with the aim of guaranteeing the sustainable development of IT security measures. These measures were derived from Group-wide standards. The programme involves modernising existing security systems and processes and introducing new ones. Efforts in this area involve technical components for preventing,

- detecting and responding to IT security incidents alongside organisational measures for monitoring issues and highlighting the importance of data security for employees. New technical measures were implemented to protect the devices of employees working from home due to the COVID-19 pandemic. Users were also provided with information about cybersecurity Measures.

Social Dialogue & Partnerships

Austrian Post is one of the leading companies in Austria and has deep roots in society. It believes it has a social responsibility to promote sustainable development and support people who are disadvantaged and require special support. The focus of this commitment is on education and awareness raising, culture and the arts, the environment and the common good. In order to fulfil these responsibilities, Austrian Post brings its core business to bear – the nationwide delivery of mail items and its Austrian distribution network. Österreichische Post AG once again supported the “Pakete fürs Christkind” Christmas gift initiative and the “Ö3-Wundertüte” phone donation drive in 2020. As part of the “Austrian Post at School” initiative, around 3,000 school boxes were sent to primary schools throughout Austria to promote reading and writing skills. Representatives from Austrian Post played an important role alongside other companies in Österreichische Beteiligungs AG (ÖBAG) sustainability workshops, the Council for Sustainable Logistics and the “Path to the 1.5° Economy” project, the purpose of which is to foster a climate-friendly economy.

Non-financial Indicators

2020 was an extremely challenging year for Austrian Post. Focusing on employees' health and safety while also maintaining operations was the priority last year, and remains so during the ongoing pandemic. Austrian Post is considered part of Austria's critical infrastructure, and plays an important role in everyday life. Together with other companies, the Group makes sure that people in the country have reliable access to postal services. Services were provided nationwide even when

lockdown restrictions were in place and this will continue to be the case. The COVID-19 pandemic and repeated lockdowns also unleashed a boom in e-commerce and a massive increase in parcel volumes. Capacities were increased across Austrian Post to maintain a record of fast and reliable deliveries. For this reason, the company's workforce grew in spite of the COVID-19 pandemic. Austrian Post also did not make use of short-time working schemes in any way. As in the previous year, Austrian Post remains committed to maintaining a large workforce and keeping utilisation levels high.

Employees

	Österreichische Post AG		Austrian Post Group ¹	
	2019	2020	2019	2020
TOTAL EMPLOYEES (FTE²)	17,205	17,465	20,338	22,966
thereof women	5,347	5,459	6,517	6,977
thereof women (FTE in %)	31.1	31.3	32.0	30.4
thereof men	11,859	12,007	13,821	15,989
thereof men (FTE in %)	68.9	68.7	68.0	69.6
FULL-TIME EMPLOYEES (HEADCOUNT)	15,139	15,279	18,029	20,580
PART-TIME EMPLOYEES (HEADCOUNT)	3,615	3,817	3,934	4,167

¹ The indicators apply to the entire Austrian Post Group. The data compilation in the scope of consolidation of the Group was expanded in 2020. For this reason, the non-financial indicators at Group level are not directly comparable with those of the previous year.

² FTE = Full-time equivalents

Employees by division

	Österreichische Post AG		Austrian Post Group ¹	
	2019	2020	2019	2020
Mail	404	393	856	865
Parcel & Logistics	152	166	2,553	4,829
Retail & Bank	2,143	2,000	2,146	2,077
Corporate	1,563	1,659	1,611	1,724
OPERATIVE DIVISIONS	4,261	4,218	7,166	9,494
Logistics Network	12,944	13,247	13,172	13,472
TOTAL EMPLOYEES (FTE²)	17,205	17,465	20,338	22,966

¹ The indicators apply to the entire Austrian Post Group. The data compilation in the scope of consolidation of the Group was expanded in 2020. For this reason, the non-financial indicators at Group level are not directly comparable with those of the previous year.

² FTE = Full-time equivalents (annual average)

Turnover

The employee turnover rate at Österreichische Post AG was 11.6% in 2020. This was lower than in the previous year due to fewer employees aged 51 or over leaving the company. A lower number of civil servants took Section 14

retirement in 2020 than in previous years. There was also a slight improvement at employees joining the company under the new collective agreement (Kollektivvertrag-Neu).

	Österreichische Post AG		Austrian Post Group ¹	
	2019	2020	2019	2020
TURNOVER (TOTAL STAFF DEPARTURES)²	2,910	2,189	3,652	2,910
thereof women	1,081	904	1,320	1,136
thereof men	1,829	1,285	2,332	1,774
By age group				
under 30	855	823	1,123	1,071
30-50	922	795	1,317	1,166
over 51	1,133	571	1,212	673
TURNOVER (STAFF DEPARTURES IN %)^{2,3}	15.5	11.6	16.6	11.8
thereof women	37.1	41.3	36.1	39.0
thereof men	62.9	58.7	63.9	61.0
By age group				
under 30	29.4	37.6	30.8	36.8
30-50	31.7	36.3	36.1	40.1
over 51	38.9	26.1	33.2	23.1

¹ The indicators apply to the entire Austrian Post Group. The data compilation in the scope of consolidation of the Group was expanded in 2020. For this reason, the non-financial indicators at Group level are not directly comparable with those of the previous year.

² Departures of permanent staff employed for at least six months. All forms of staff departures are taken into account.

³ Departures in relation to the employee average for the period (headcount).

Diversity

31.3% of the company's employees were women in 2020.

Due to restructuring, the number of employees in management positions at Österreichische Post AG was slightly lower in 2020 than in the previous year.

There was an almost negligible decrease in the "Women in management positions" indicator in the year under review on an FTE basis. The company helps female employees to progress in their professional lives by providing suitable career opportunities and a variety of measures to provide a balance between work and family life.

The gender balance project Elly includes targeted measures which play a role in bringing about the cultural and structural changes which the company needs to improve the gender balance in all of its divisions and at every level of management over the coming years.

The gender balance project Elly was established with the specific aim of advancing women, which is one of Austrian Post's priorities. The indicator "Women in management positions" for this project saw a slight improvement.

	Österreichische Post AG		Austrian Post Group ¹	
	2019	2020	2019	2020
EMPLOYEES (FTE²) BY AGE GROUP	17,205	17,465	20,338	22,966
under 30	2,956	3,174	3,667	4,511
30-50	7,437	7,542	9,247	10,871
over 51	6,813	6,750	7,424	7,584
EMPLOYEES BY AGE GROUP IN %				
under 30	17.2	18.2	18.0	19.6
30-50	43.2	43.2	45.5	47.3
over 51	39.6	38.6	36.5	33.0
EMPLOYEES IN MANAGEMENT POSITIONS (FTE)^{3, 4}	725	664	916	912
thereof women	178	162	234	233
thereof men	546	502	682	679
By age group				
under 30	20	21	33	32
30-50	341	308	490	508
over 51	364	335	393	372
EMPLOYEES IN MANAGEMENT POSITIONS IN %^{3, 4}	4.2	3.8	4.5	4.0
thereof women ⁵	24.6	24.4	25.6	25.6
thereof men	75.4	75.6	74.4	74.4
By age group				
under 30	2.7	3.2	3.5	3.5
30-50	47.1	46.4	53.5	55.8
over 51	50.2	50.4	42.9	40.8

¹ The indicators apply to the entire Austrian Post Group. The data compilation in the scope of consolidation of the Group was expanded in 2020. For this reason, the non-financial indicators at Group level are not directly comparable with those of the previous year.

² FTE = Full-time equivalents

³ Management Board members, strategic management team (reporting directly to the Management Board), operating management team (directly reporting to the strategic management team or executives), wider management team and leadership conference (employees of reporting levels two to five responsible for at least three employees) as well as all management positions responsible for at least three employees.

⁴ The subsidiary Post.Wertlogistik GmbH is not included in the Group figures for 2019.

⁵ 34.6% of management positions (as defined for the purpose of the gender balance project Elly) were held by women in 2020, compared to 33.1% in 2019. Only employees of Österreichische Post AG (excluding subsidiaries) are included in the figures for the gender balance project Elly for management purposes. The figures do not include payroll units which are not involved in the project. The Internal Labour Market, employee representatives, Management Board members and their assistants are the most significant units which are not involved in the project. The figures are calculated based on the total number of employees as at the end of the year. Employees on long-term leave are included in the calculation. For the purpose of the Elly project, a management position is defined as any employee at reporting level 2 to 5, including other management positions, regardless of the number of employees they are responsible for.

Sick Leave and Accidents

The sick leave numbers of Österreichische Post AG went down in 2020 despite the COVID-19 pandemic.

Sick leave numbers went down in 2020 due to fewer civil servants taking Section 14 retirement than in previous years.

The number of occupational accidents went up slightly from 2019 to 2020. A total of 791 occupational

accidents were reported at Österreichische Post AG in 2020. Falls, traffic accidents and the operation of equipment are the main causes of accidents. Austrian Post transported 166 million parcels in the financial year; this was an extremely high volume and represents a year-on-year increase of 30%. As a result, the distance driven by Austrian Post delivery staff also went up.

	Österreichische Post AG		Austrian Post Group ¹	
	2019	2020	2019	2020
EMPLOYEE SICK LEAVE (FTE² IN %)	9.0	7.6	8.5	6.8
NUMBER OF OCCUPATIONAL ACCIDENTS³	784	791	851	917
FATAL ACCIDENTS	0	0	0	0

¹ The indicators apply to the entire Austrian Post Group. The data compilation in the scope of consolidation of the Group was expanded in 2020. For this reason, the non-financial indicators at Group level are not directly comparable with those of the previous year.

² FTE = Full-time equivalents

³ Accidents starting with one working day lost incl. subsequent sick leave (incl. commuting accidents).

Training and Education

Due to the COVID-19 pandemic, Österreichische Post AG provided more online training and less in-person training in 2020 than in the previous year. E-learning will account for a greater proportion of training from 2020 onwards. This is the main reason for the number of

seminars and participants going up while person hours went down. Making greater use of e-learning allows Austrian Post to reach more employees while shortening the length of seminars.

	Österreichische Post AG		Austrian Post Group ¹	
	2019	2020	2019	2020
NUMBER OF SEMINARS²	1,142	1,577	1,296	1,804
NUMBER OF PARTICIPANTS	6,713	33,539	7,379	37,406
PERSON HOURS	135,340	95,397	142,708	111,330

¹ The indicators apply to the entire Austrian Post Group. The data compilation in the scope of consolidation of the Group was expanded in 2020. For this reason, the non-financial indicators at Group level are not directly comparable with those of the previous year.

² E-learning included from 2020.

	Österreichische Post AG		Austrian Post Group	
Indicators	2019	2020	2019	2020
Substantiated complaints concerning breaches of customer privacy and losses of customer data	<p>In 2019, an officially initiated investigation, three proceedings on individual complaints and an administrative prosecution with regard to the statistical calculation of party preference, among other things, were held and were decided by the Data Protection Authority, but are not legally binding. In addition, an investigation was conducted into offline retargeting, which was discontinued by the authorities. Moreover, the Data Protection Authority ruled against Austrian Post, which has appealed the decision, in the case of an abandoned post bag. In proceedings in which Austrian Post was not itself a party, Austrian Post failed to provide information about mailings to the Authority, basing its stance on postal secrecy, and was therefore issued an administrative penalty of EUR 600. Austrian Post paid this fine.</p>	<p>In 2020, the Austrian Data Protection Authority initiated two investigations, 37 individual complaints procedures and one administrative criminal procedure related to the rights of data subjects</p> <p>An appeal is pending in the case related to an abandoned post bag.</p>	<p>In 2019, an officially initiated investigation, three proceedings on individual complaints and an administrative prosecution with regard to the statistical calculation of party preference, among other things, were held and were decided by the Data Protection Authority, but are not legally binding. In addition, an investigation was conducted into offline retargeting, which was discontinued by the authorities. Moreover, the Data Protection Authority ruled against Austrian Post, which has appealed the decision, in the case of an abandoned post bag. In proceedings in which Austrian Post was not itself a party, Austrian Post failed to provide information about mailings to the Authority, basing its stance on postal secrecy, and was therefore issued an administrative penalty of EUR 600. Austrian Post paid this fine.</p>	<p>In 2020, the Austrian Data Protection Authority initiated two investigations, 37 individual complaints procedures and one administrative criminal procedure related to the rights of data subjects</p> <p>An appeal is pending in the case related to an abandoned post bag.</p> <p>Post.Wertlogistik GmbH was the subject of an official investigation in 2020.</p>

Vienna, 1 March 2021

The Management Board



GEORG PÖLZL
CEO
Chairman of the
Management Board



WALTER OBLIN
Deputy CEO
Mail & Finance



PETER UMUNDUM
Member of the Management Board
Parcel & Logistics

INDEPENDENT ASSURANCE REPORT ON THE NON-FINANCIAL REPORTING

To the Board of Directors of Österreichische Post Aktiengesellschaft,
Vienna

We have performed an independent limited assurance engagement on the combined consolidated non-financial report according to §§ 243b and 267a UGB ("NFI report") for the financial year 2020, which has been published as Non-financial Report 2020 of Österreichische Post Aktiengesellschaft, Vienna (referred to as "Post" or "the Company").

Management's Responsibility

The Company's management is responsible for the proper preparation of the NFI report in accordance with the reporting criteria. The Company applies the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) as reporting criteria.

The Company's management is responsible for the selection and application of appropriate methods for non-financial reporting (especially the selection of significant matters) as well as the use of appropriate assumptions and estimates for individual non-financial disclosures, given the circumstances. Furthermore, their responsibilities include the design, implementation and maintenance of systems, processes and internal controls that are relevant for the preparation of the sustainability reporting in a way that is free of material misstatements – whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to state whether, based on our procedures performed and the evidence we have obtained, anything has come to our attention that causes us to believe that the Company's NFI report is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) in all material respects.

Our engagement was conducted in conformity with the International Standard on Assurance Engagements (ISAE 3000) applicable to such engagements. These standards require us to comply with our professional requirements including independence requirements, and to plan and perform the engagement to enable us to express a conclusion with limited assurance, taking into account materiality.

An independent assurance engagement with the purpose of expressing a conclusion with limited assurance ("limited assurance engagement") is substantially less in scope than an independent assurance engagement with the purpose of expressing a conclusion with reasonable assurance ("reasonable assurance engagement"), thus providing reduced assurance. Despite diligent engagement planning and execution, it cannot be ruled out that material misstatements, illegal acts or irregularities within the non-financial report will remain undetected.

The procedures selected depend on the auditor's judgment and included the following procedures in particular:

- Inquiries of personnel at the Group level, who are responsible for the materiality analysis, in order to gain an understanding of the processes for determining material sustainability topics and respective reporting thresholds of the Company;

- A risk assessment, including a media analysis, on relevant information on the Company's sustainability performance in the reporting period;
- Evaluation of the design and implementation of the systems and processes for the collection, processing and monitoring of disclosures on environmental, social and employees matters, respect for human rights, anti-corruption as well as bribery and also includes the consolidation of data;
- Inquiries of personnel at the Group level, who are responsible for providing, consolidating and implementing internal control procedures relating to the disclosure of concepts, risks, due diligence processes, results and performance indicators;
- Inspection of selected internal and external documents, in order to determine whether qualitative and quantitative information is supported by sufficient evidence and presented in an accurate and balanced manner;
- Assessment of the local data collection, validation and reporting processes as well as the reliability of the reported data through a sample survey at Slovak Parcel Service s.r.o. (Slovakia)
- Analytical evaluation of the data and trend of quantitative disclosures submitted by all locations for consolidation at the Group level;
- Evaluation of the consistency of the of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) to disclosures and indicators of the NFI report, which apply to the Company;
- Evaluation of the overall presentation of the disclosures by critically reading the NFI report.

The procedures that we performed do not constitute an audit or a review. Our engagement did not focus on revealing and clarifying of illegal acts (such as fraud), nor did it focus on assessing the efficiency of management. Furthermore, it is not part of our engagement to audit future-related disclosures, prior year figures, statements from external sources of information, expert opinions or references to more extensive external reporting formats of the Company. Disclosures audited within the scope of the annual financial statement were assessed for correct presentation (no content examination).

Conclusion


Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the NFI report of the Company is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§§ 243b and 267a UGB) in all material respects.

Restriction on Use

Because our report will be prepared solely on behalf of and for the benefit of the principal, its contents may not be relied upon by any third-party, and consequently, we shall not be liable for any third-party claims. We agree to the publication of our audit certificate together with the NFI report.

General Conditions of Contract

Our responsibility and liability towards the Company and any third-party is subject to paragraph 7 of the General Conditions of Contract for the Public Accounting Professions.

—  The respective latest version of the AAB is accessible at kpmg.at/aab.

Vienna, 2 March 2021

KPMG Austria GmbH

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Peter Ertl m.p.

Wirtschaftsprüfer
(Austrian Chartered Accountant)

pp **Michaela Schmiedchen m.p.**