Our performance Making a positive social contribution

Building better communities for everyone.

Highlights

- Announcing seven National Community Partners that share our goal of building healthier, more vibrant and more inclusive communities
- Establishing a public charitable fund Our Neighbourhood Trust
- Launching the Australia Post National Conversation platform to engage the Australian community in our future

Challenges

 Engaging the Australian community in the need to reform our postal services while supporting those most vulnerable throughout change

Outlook

- Continuing to expand the National Conversation platform and engaging communities at national and local levels through various initiatives
- Building on our community programs and the work with our community partners as a major stakeholder group
- Instilling a "shared value" mindset and evolving our Corporate Responsibility framework

Throughout 2013–14 we again demonstrated our commitment to the communities we serve through the various activities of the Our Neighbourhood program. Our Neighbourhood continues to guide Australia Post's community approach and investments as an important part of our overarching commitment and support to the community, particularly those most vulnerable.

We developed and launched Our Neighbourhood last year to bring to life our commitment to the community beyond our services and our role as a large employer of people. Our Neighbourhood is an integrated community investment program that delivers shared value for Australia Post and the communities we serve. This means achieving tangible and measurable business benefits to create economic value for all Australians.

As the Australian community's reliance on our traditional core services changes, we know we must also evolve to play a relevant role in their lives. To elevate community discussion about Australia Post's future and the need to reform the way we work, we are actively encouraging all Australians to tell us how they see our business.



Our community efforts in 2013–14 also focused on further aligning our activities to our enterprise strategy, which saw us commit to new programs and ways of engaging the community. As our organisation addresses the challenge of managing our declining letters business, it's crucial that we work with the Australian community to build awareness around the need for change and modernisation of Australia Post. In June 2014 we delivered a digital platform to enable the wider Australian community to be part of a "national conversation" about our evolution. We will continue to build our engagement activities using a range of new and traditional consultation channels.

Evolving shared value

Australia Post has been operating in communities across our nation for over 200 years, and we understand the importance of providing commercial services and initiatives that deliver real value for our business and the local community. We describe this approach as the creation of "shared value" between Australia Post and the community. While our approach to determining and measuring shared value is new, the activities and mindset that underpin it are intrinsically woven into how we operate and who we serve; we are an organisation that provides both a community service and a commercial dividend.

To help us maximise our impact within the community, in May 2014 we launched a partnership with the Asia-Pacific Social Impact Leadership Centre (APSILC) at Melbourne Business School. This research partnership provides a framework to determine and measure the impact we make as an organisation across the community, customers, workforce and business operations, with a focus on our national community partners.

Our association with APSILC reflects a growing global trend where major organisations are seeking to deliver value to their community – not just through a sense of corporate social responsibility, but through a desire to achieve "shared value" where both parties benefit.

New community engagement forums

We value the views and the perspectives of the community in which we operate. Part of our commitment to the community is to engage and consult with them about our evolving business. In May 2014, we commenced a new community engagement program designed to open up conversation with all Australians.

The first phase of the new engagement program was a pilot of nine face-to-face Local Community Discussion groups in various locations: Scottsdale (Tas), Pakenham (Vic), Shepparton (Vic), Alexandra (Vic), Cessnock (NSW), Paddington (NSW), Toowoomba (Qld), Darwin (NT) and Fitzroy Crossing (WA).

The next phase of this strategic engagement program involved developing a digital conversation platform that is available nationally. In June 2014 we launched the Australia Post National Conversation platform. The objective of this platform is two-fold – enabling Australia Post to share information about our business with as many Australians as possible, while encouraging the community to share their perceptions about our future.

We plan to pilot a range of other national and locally based initiatives to reach more individuals and local communities as we expand our community engagement program over the next 12–18 months.

Connecting communities through Our Neighbourhood

Australia Post has always played a role in connecting communities. Through fundraising and giving programs we are able to facilitate the collection of funds from the Australian community and give to those in need. We particularly seek to support vulnerable groups such as the elderly, culturally and linguistically diverse, rural and remote communities, the socially disadvantaged and people with a disability.

Our Neighbourhood Trust

Our Neighbourhood Trust is a public charitable fund that makes it possible for all Australians to play a role in building better neighbourhoods.

Established by Australia Post in June 2013, the Trust enables our vast network to make tax deductible donations through our employee Workplace Giving program, while our customers and the community can donate through Australia Post post offices or online at ourneighbourhood.com.au

Donations made to Our Neighbourhood Trust are distributed to communities across Australia through the Our Neighbourhood Community Grants program to support local community projects.

2013 Our Neighbourhood Community Grants

The Community Grants program encouraged charities and community organisations to apply for funding of



Plan 2day 4 2morrow

The David Wirrpanda Foundation aims to improve the quality of life for Aboriginal and Torres Strait Islander people by empowering and building capacity among individuals, their families and their communities.

The \$10,000 Our Neighbourhood Community Grant awarded to the David Wirrpanda Foundation helped fund an Indigenous employment project in the town of Kwinana, which has one of the highest unemployment rates in the country. The program provided 80 participants with employment, numeracy, literacy and life skills.

Image: Mentors and participants from Kwinana (WA) enjoy health and fitness activities as part of the Plan 2day 4 2morrow Indigenous employment program.

one-off cash payments of up to \$25,000 for projects that benefited the wider community. This year 107 community organisations received grant funding.

2013 Our Neighbourhood Workforce Nominated Community Grants

This program encouraged the entire Australia Post workforce to nominate a community organisation – which they have a direct connection to – for a grant of up to \$10,000. Nominations were open to our 36,944 people as well as external contractors, licensees, franchisee agents, contractors and sub-contractors. Our Neighbourhood Community Grants and Workforce Nominated Community Grants were accepted between 13 May and 28 June 2013 and announced in September 2013.

For a full list of the 2013 grant recipients visit ourneighbourhood.com.au

2014 Our Neighbourhood Workforce Nominated Community Grants

We opened applications for the second round of Our Neighbourhood Community Grants and Workforce Nominated Community Grants in March and April 2014. We received 1.597 nominations and the winners will be announced in October 2014.

Our Neighbourhood National Community Partners

In February 2014 we announced seven organisations as the national partners in Our Neighbourhood community program. We will work closely with these organisations over the next three to five years to deliver a series of programs that will build community capacity and impact at a national and local level through education, employment, technology and sport programs.

Our National Community Partners represent a diverse group of dynamic organisations which all share the common goal of helping to build more vibrant and more inclusive communities. Together they reflect the different ways that we as an organisation touch the lives of Australians every day, helping to build healthier communities.

Our inaugural partners are: Australian Football League (AFL), Infoxchange, Lifestyle Solutions, Netball Australia, The Pyjama Foundation, Reclink Australia and Social Traders. To find out more about how Australia Post and our partners are delivering positive community outcomes, visit ourneighbourhood.com.au

Workplace giving

We also offer a voluntary workplace giving program that enables our people to support the charitable organisations that matter to them. Employees can give back to the community by making regular voluntary donations directly from their pre-tax pay to charities or organisations that are entitled to receive tax deductible donations. Employees can choose to donate to one of 11 matched community partners, where Australia Post matches the employee's contribution up to \$200 per employee per year; or employees can donate to a non-matched charity partner of their choice. In 2013–14 our Workplace Giving program raised \$513,903 for charitable causes with employee donations totalling \$316,444 and Australia Post's matched contribution of \$194,459.



Delivering real support for people living with a disability

As one of our inaugural Our Neighbourhood National Community Partners, Lifestyle Solutions joined Australia Post to support people living with a disability to deliver community mail programs in up to 18 communities across Australia.

The program focuses on mail sorting and delivery in regional and remote areas, offering people living with disability the opportunity to provide a valued community service that encourages community participation, relationships and belonging.

Our partnership with Lifestyle Solutions is an extension of the highly successful Bindi Mail initiative, in which local community members with a disability took on the task of delivering mail to around 3,000 residents living across 21 established camps surrounding Alice Springs.

Bindi Mail team members benefit from meaningful work experience that builds their capabilities and provides them with the opportunity to connect with their local communities.

It also helps us to meet our community service obligations around the delivery of mail, enabling us to reach members of our community we may otherwise not be able to reach.

Measuring our impact

Australia Post is a member of the London Benchmarking Group (LBG) and sits on the Steering Committee. We use the LBG internationally recognised approach to measure our community investment. The data we report is verified by LBG each year.

This year we invested \$6.5 million in the community (including \$383,000 invested by StarTrack, not included in previous years. Nearly 90 per cent of StarTrack community investments were in health-related programs). This total community investment equates to 5.6 per cent of our net profit (up from 1.8 per cent in 2012–13). The chart outlines how we focus our community investment expenditure,

which includes cash, time and in-kind contributions across seven key categories.

Allocation of community investment

(includes cash, time and in-kind contributions)

