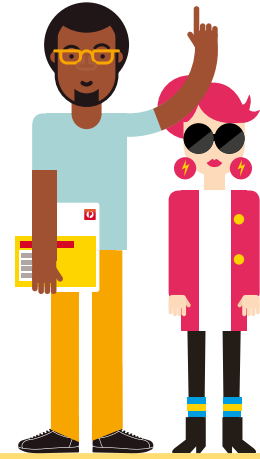


## Delivering a better future... for our community

While Australia Post has grown to be one of Australia's largest organisations, it is the many local communities we serve and, our impact on them, that best define our business.



Our business is focused on providing every customer, regardless of their location, with the means to access goods, services and business opportunities quickly, cheaply and as safely as possible.

For more than 200 years, serving the Australian community has been our reason for being and our assets and capabilities, along with the community's trust in our brand, mean that we can play a unique role in helping to drive greater inclusion and prosperity for all Australians.

We believe this is especially important to communities in rural and regional areas, where the post office continues to be an important hub and, in many cases, is the last remaining service provider.

Every day we help citizens, communities, businesses and government connect with each other across the country, regardless of their size or location, fulfilling our purpose to help our people, customers and communities build a better future. Everyone, Everywhere, Everyday.

### Aligning with our purpose in the community

Last year, Australia Post embarked on a journey to shift our approach from traditional Corporate Responsibility practices to focus on "Shared Value", assisted by our partnership with the Asia-Pacific Social Impact Leadership Centre.

Over the past six months we have worked alongside various community and business groups to understand their changing expectations and identify where they intersect with Australia Post's purpose and business strategy. These insights will focus and direct the evolution of Australia Post's community program in 2015/16.



Ahmed Fahour, Australia Post Managing Director & Group CEO officially opening office space on the first floor of the Heidelberg West Post Office in August 2014. This initiative was developed in consultation with local and state governments, together with small business incubator Darebin Enterprise Centre Limited (DECL)

### Building on our key community programs

This year we continued to work side by side with our seven National Community Partners on a number of initiatives designed to help build healthier and more inclusive communities. In partnership with the AFL and Netball Australia we worked with local football and netball clubs across Australia to help build their capacity to provide a more welcoming environment for people from diverse backgrounds and with different abilities.

The Australia Post AFL Multicultural Program continues to go from strength to strength with participation growing across the wider community and within the Australia Post workforce. Over 5,000 Australia Post employees from multicultural backgrounds participated in the 2014 Multicultural Round. Australia Post AFL Ambassadors once again visited a number of facilities around the country to share personal stories and join with staff to celebrate the diversity of Australia Post's workforce.



Australia Post AFL Ambassadors Nic Naitanui (West Coast Eagles) and Bachar Houli (Richmond Tigers) with Melbourne Airport Gateway Facility employees

Regional and remote communities were the focus for the 2015 Australia Post AFL Community Camps. We ran eight community competitions via local newspapers offering AFL fans the chance to win a once-in-a-lifetime VIP session with an Australia Post AFL Multicultural Ambassador.

The winning entries ranged from aspiring footy players who opted for a one-on-one training session to young footy fans who chose a chat around the family breakfast table with their heroes.

The Australia Post One Netball Community Awards recognise and reward the individuals, clubs and associations that go above and beyond to create and support inclusive netball environments.

The Australia Post One Netball Ambassadors engaged new communities at the grassroots level to build awareness and understanding around diversity. Working in partnership with local community brokers, new community groups were invited to Australia Post “Come and Try” clinics to join in and play netball for the first time.



Australia Post One Netball Ambassador Mo'omia Gerrard with students from Punchbowl Primary School at the NSW “Come and Try” Clinic

## Workplace Giving

We also provide a voluntary workplace giving program that offers our employees the opportunity to make tax deductible donations to a large number of charity partners.

For 11 of these charities, Australia Post matches contributions made up to a maximum of \$200 per employee per annum. In 2014/15, our Workplace Giving program raised \$477,709 for charitable causes, with employee donations accounting for \$295,235 and Australia Post’s matched contribution totalling \$182,474.

The Our Neighbourhood Community Grants program continues to be well supported. In October 2014, 113 grant winners were announced across the categories of Digital Inclusion, Workplace Inclusion, Community Inclusion, Disaster Readiness and Small Business Innovation.

The number of applications in the 2015 grant round increased by 27 per cent on the previous year. In addition to the Our Neighbourhood Community Grants, a new Small Business Grants program was introduced.



Australian Chinese Community Association of NSW – empowering local CALD communities through digital technology education

This year, together with our National Community Partner, Infoxchange, we launched “Go Digi”, a digital literacy platform and network aimed at helping to reduce the digital divide by building the capability of Australians to participate in a digital world. The “Go Digi” platform was unveiled in Canberra in February with representatives from leading digital organisations in attendance at the National Library.

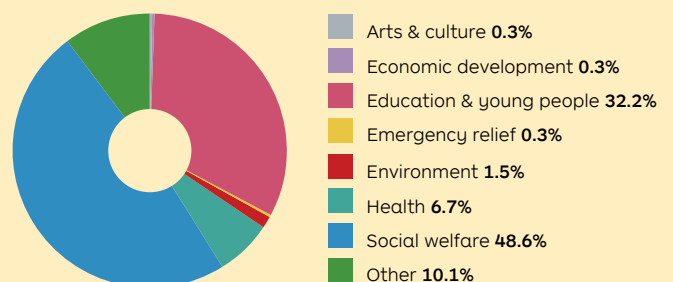
## Measuring our impact

**This year, we invested more than \$6.5 million in the community. This figure was comprised of cash, time, in-kind donations, and management and operational costs to support our community programs.**

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

A copy of LBG’s verification statement can be found at [auspost.com.au/annualreport2015](http://auspost.com.au/annualreport2015)

### Allocation of cash, time and in-kind contributions



## Engaging the community

In May 2014, we introduced our Community Engagement Program, which involved Local Community Discussion Groups in nine locations across Australia, an online National Conversation platform, Listening Posts and Community Leader meetings in 166 towns nationally (see page 16).

These forums were introduced to engage with the Australian community around the changing nature of Australia Post and gain feedback on the proposed reform changes. This year the Community Engagement Program was further expanded to include local and national briefings to Peak Community Representative Groups.

A national marketing campaign helped raise awareness of the proposed business changes and invited the community to contribute their views via the different engagement mechanisms. As at 30 June 2015, more than 132,000 people have participated in the conversation around reform. A detailed summary of the community views and national engagement can be downloaded from [auspost.com.au/conversation](http://auspost.com.au/conversation).



## Good Spender

Goodspender.com.au is a social enterprise marketplace developed by Australia Post and our community partner, Social Traders.

The Tjanpi Desert Weavers is a dynamic social enterprise established in 1995 by the Ngaanyatjarra Pitjantjatjara Yankunytjatjara Women's Council. Tjanpi was created to enable women living in remote communities across the Central and Western Deserts to earn their own income from fibre art.

Today the Tjanpi enterprise is more than just fibre art and income; it is firmly embedded in contemporary Central and Western Desert culture as a movement that celebrates life, creativity, culture and country.

Tjanpi provides artists with opportunities to come together and share their unique gifts, perspectives and identity with the world.

The Tjanpi Desert Weavers sell their fibre art on the Good Spender website (see page 24).



Tjanpi Desert Weavers from Docker River, 2011. Image: Rhett Hammerton © Tjanpi Desert Weavers, NPY Women's Council

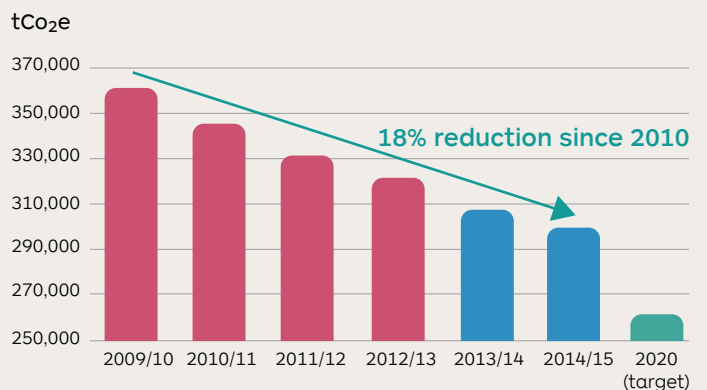
## Environmental sustainability

This year, our focus remained on helping our people, our customers and community build a better environment. We aimed to achieve this by valuing our natural resources and delivering sustainable solutions for our customers – the environment is considered in everything we do.

Our approach to environmental sustainability is in line with our commitments under the United Nations Global Compact and aligns with the International Standard for Environmental Management, ISO14001.

Our Environment Management System enables us to identify and prioritise important environmental issues. It guides continual improvements in our environmental performance, which is monitored by the Australia Post Board Audit & Risk Committee. In 2014/15, we had no significant environmental incidents, spills, fines or prosecutions.

### Carbon reduction target (Scope 1&2 GHG emissions)



Since 1999/2000, our CO<sub>2</sub> emissions have declined by 15 per cent.



## Valuing our natural resources

Australia Post continued to reduce our environmental footprint through a comprehensive and consistent approach to driving fuel and energy-efficiency savings across our real estate and transport businesses.

As a result we have again achieved carbon savings of 10,707 tonnes of CO<sub>2</sub>e this year, bringing our overall Scope 1 & 2 GHG emissions reduction to 15 per cent, on the way to achieving our 25 per cent reduction target by 2020.

## Scopes 1, 2 and 3 greenhouse gas emissions (tonnes CO<sub>2</sub>e) – by source

	Emission source	1999/00 (baseline)	2012/13	2013/14	2014/15
<b>Scope 1</b> Direct emissions	Natural gas	5,444	5,819	4,756	4,787
	LPG	3,019	5,796	6,333	5,753
	Diesel (vehicle fuel)	86,630	97,320	96,372	94,408
	Petrol (vehicle fuel)	15,866	11,432	10,511	9,126
	Other small sources	68	0	327	1,545
	<b>Total</b>	<b>111,027</b>	<b>120,368</b>	<b>118,299</b>	<b>115,619</b>
<b>Scope 2</b> Indirect emissions	Electricity	237,409	201,490	188,855	181,919
	<b>Total</b>	<b>237,409</b>	<b>201,490</b>	<b>188,855</b>	<b>181,919</b>
	<b>Total Scope 1 and Scope 2</b> Direct and indirect emissions	<b>348,436</b>	<b>321,858</b>	<b>307,123</b>	<b>297,539</b>
<b>Scope 3</b> Indirect emissions (not included in Scope 2) that focus primarily on our contractor transport services	Energy production and transfer	40,576	36,120	39,479	34,061
	Subcontracted transport	0	404,886	572,024	556,461
	LPOs electricity consumption (estimated)	0	13,743	26,086	36,996
	Business travel		2,678	3,434	4,116
	Waste disposal	29,031	0	10,539	11,162
	<b>Total Scope 3</b>	<b>69,607</b>	<b>457,427</b>	<b>651,562</b>	<b>642,795</b>
	<b>Total Scope 1, 2, and 3 emissions</b>	<b>418,043</b>	<b>779,285</b>	<b>958,716</b>	<b>940,334</b>

### Notes:

All 2014/15 data includes StarTrack. Scopes 1 and 2 emissions from baseline to 2012/13 include StarTrack 2013 NGER data.

Calculation methodologies for Scope 3 subcontracted transport and LPOs electricity consumption have changed in 2014/15 and are not directly comparable to previous years.

Subcontracted transport and business travel provided for the 2013 calendar year. The majority of Scope 3 subcontracted transport carbon emissions are based on kilometres travelled. Kilometres travelled are based on the type of vehicle used and converted to carbon emissions using the National Greenhouse Accounts Factors – July 2013.

The 2013/14 data for scope 1 and 2 emissions has been updated to fully align with the energy and emissions information reported to the Clean Energy Regulator as part of the National Greenhouse and Energy Reporting Scheme, which was completed in October 2014.

## Better vehicles

Overall fuel consumption was down 3 per cent, including a 2,790 tonne reduction in carbon emissions due to the careful management of our fleet of just under 12,000 vehicles. The main highlights of our performance are detailed below:

Old vehicles	New vehicles	Carbon savings achieved	Litres saved
<b>Motorbikes</b>	4,469 NBC110 motorbikes	885 tonnes	386,956
<b>Sedans</b>	Toyota Corolla	453 tonnes	205,221
<b>Prime movers</b>	New prime movers	533 tonnes	197,942
<b>TOTAL</b>		<b>1,871 tonnes</b>	<b>793,119</b>

Australia Post has been able to reduce fuel consumption through the transfer of the New South Wales Transport Facility from Clyde to Chullora next to where the parcel facility is based. As a result there was an increase in productivity as vehicles no longer made the trip from Clyde to Chullora without any product. Total savings have been estimated at 147,807 litres, 398 tonnes of carbon for this year.



## Building great places

This year we have seen a reduction in our total carbon emissions from electricity of 7,595 tonnes. Our embedded approach to energy management has enabled the delivery of key projects, including:

### Energy efficiency

- Energy efficiency upgrades at over 100 facilities across Australia this year, including lighting, heating, and cooling upgrades.
- Our Green Information and Design Technology program, which has delivered savings through data centre management and computer equipment upgrades.
- We transitioned approximately 1,000 staff to 180 Lonsdale Street, Melbourne – a newly fitted building incorporating a high level of environmental sustainability with natural light, water conservation, waste management and “follow me” print technology. We’re currently working towards achieving 5 Star Green Star certification.

### Renewable energy

- This year we introduced renewable energy into our property and transport operations, including Australia’s first 100 per cent electric commercial van, biofuel and the installation of approximately 570kW of solar power at our sites around Australia.

## StarTrack House

**Our award-winning StarTrack House is a leading example of our commitment to improving the environment and creating great spaces for our people.**

Launched in May 2014, it is the first refurbished building in Australia to receive certification of Triple 5 Star Green Star (Office Design v3), 5 Star Green Star (Office As Built v3), and 5 Star Green Star (Office Interiors v1.1).

The building – originally the Redfern Mail Exchange in the 1960s – has collected a number of other awards for its amazing makeover including:

- 2015 Property Council of Australia Best Sustainable Development, Existing Buildings Award
- NSW MBA 2014 Excellence in Construction Award: Refurbishment/Renovation/Construction
- High Commendation at the 2014 Sydney Engineering Excellence Awards.



### Delivering sustainable solutions for our customers

Throughout 2014/15, we continued to explore environmentally sustainable solutions for our customers and the community. To that end, we worked with some of Australia's leading recyclers in leveraging the power of our network to enable the recycling, return and reuse of items that would normally go to landfill.

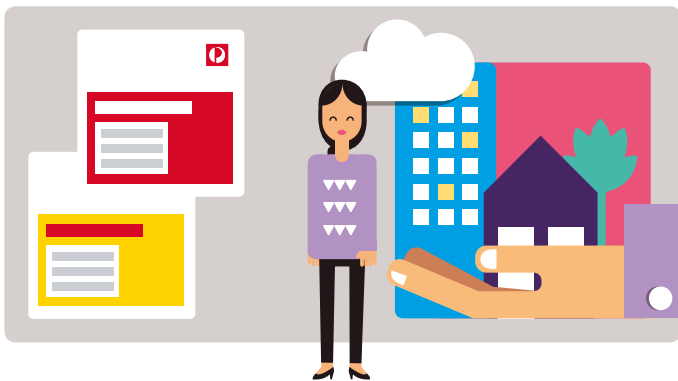
We continued our work with Planet Ark and Mobile Muster to collect and recycle mobile phones and printer cartridges across the network. To date, this has resulted in over 463,000 printer cartridges and 238,000 mobile phones being recycled.

Through our existing partnership with TerraCycle Australia, we recycle cigarette butts, coffee pods, toothbrushes and cleaning products using specially branded Australia Post satchels that can be securely sealed and posted to TerraCycle Australia.

The waste is then processed into industrial products such as lumber, shipping pallets and railway sleepers. We have helped recycle over seven million cigarette butts.

In an Australian first, we have partnered with TerraCycle Australia to develop the Zero Waste Box. This helps customers recycle items that aren't currently recyclable, such as pens, hard plastics, hairnets, plastic gloves and mailroom supplies.

We also partner with Close the Loop to transport thousands of collection boxes around Australia. Together we enable the recycling of 13 major brands of inkjet or laser printer cartridges, toner bottles, drum units or fuser kits, from printers, photocopiers and fax machines.



### Our packaging

We have a broad program to continually improve the sustainability of our packaging. This is outlined under our Australian Packaging Covenant Action Plan, which commits Australia Post to continue to reduce the environmental impacts of packaging related to our business activities.

We review our packaging to ensure that it is fit for purpose and, where possible, we reduce the impact on the environment through using recycled materials and increasing packaging recyclability. This approach applies to Australia Post-branded products as well as our customised packaging solutions for our customers.

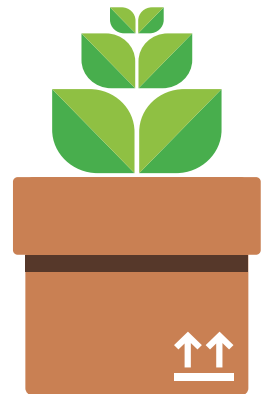
More recently, we have established a national recycling program for our flexible satchel products in partnership with TerraCycle Australia.

To view our Action Plan and Australian Packaging Covenant Report go to [auspost.com.au/environment](http://auspost.com.au/environment).

### Waste reduction program

Australia Post has a number of waste management strategies in place to assess and reduce waste, focusing on recycling non-hazardous waste and minimising the amount of waste going to landfill.

We continue to manage our waste streams with paper, cardboard, co-mingled and plastic recycling in place.



Operational waste stream	2014 (tonnes)	2015 (tonnes)
Cardboard	2,120.1	2,047.1
Co-mingled	116.1	105.9
General mixed waste	10,849.3	9,301.3
Timber	112.9	187.8
Paper	1,721.6	1,705.9
<b>Total</b>	<b>14,919.9</b>	<b>13,348.0</b>

### Engaging with our people, customers and community

We launched our three-year Environmental Engagement Strategy aimed at empowering our people, community and customers to build a better environment, driving sustainable practices both in the workplace and at our employees' homes.

Key achievements this year included establishing a Green Network of environmental ambassadors and, for the first time, celebrating World Environment Day creating awareness for over 2,000 decision makers in our business, giving away 500 seedlings for planting and four raised pallet gardens created from upcycled pallets. We also worked to strengthen our strategic partnerships with Banksia Foundation, Clean Up Australia, The World Wildlife Fund and the Centre for Sustainability Leadership.



An upcycled pallet garden at our 2015 World Environment Day celebrations