

LET'S ADDRESS THE WORLD

2013 **SUSTAINABILITY** REPORT



ASENDIA The world
is your
address
BY LA POSTE & SWISS POST

Editorial



Marc Pontet
Chief Executive
Officer
Asendia

SUSTAINABILITY. IT'S THE ASENDIA WAY.

Our business, like any business, is concerned with performance and results. But we know this is not the only target by which we can be judged. Sustainability is an increasingly important factor for every company, and it is one in which Asendia is determined to excel.

But what do we mean by “sustainability”? First there is the literal sense: we must be a business which is able to **survive and thrive. A business with employees who love working here.** And with customers who **don't want to go anywhere else.**

Sustainability also means finding ways of doing business that are less impactful on the environment – helping protect it for future generations. In this report you'll find details of how we do that - initiatives that **measure, reduce** and **offset** our carbon emissions.

There is also a fourth element to our policy: Asendia will **advise** its customers and partners to support them to measure, reduce and offset the environmental impact of their own business operations.

Though Asendia is a young company, we are the offspring of two parents who have already proved over centuries that they are truly sustainable. Their spirit of thinking for long term and proving themselves worthy of the trust their customers have placed in them is one we are very keen on emulating.

This year will see the start of our carbon offsetting programme. All international mailing services we offer our European customers (even if they're headed to a destination further afield) will be **Carbon Neutral**. This is all part of the service from Asendia, offered at no cost to our customers.

By becoming a more efficient, more sustainable business we put ourselves in a stronger position for the future.

To this end, Asendia aims for exemplarity in sustainability. By the nature of our business, where margins are narrow, we must involve all our stakeholders, from clients to suppliers, employees to governance if we are to reach this 'exemplarity principle'. We are today at the very beginning of both our business journey and our sustainability journey, but we all have a role and a duty to make them the same. Put simply, being sustainable makes good business sense.

Our integrated approach to sustainability gives us a **powerful differentiator** on the market that fits perfectly with **Asendia's brand values**. Our customers and our people can trust that we are acting responsibly and that we are a company with a long-term vision. We are demonstrating **friendliness** towards the environment and the community we affect. And the Asendia business offer means customers who use our offsetting service enjoy perfect **ease of use** by offsetting carbon emissions at no cost or effort on their part.

BY BECOMING A MORE EFFICIENT, MORE RESPONSIBLE BUSINESS WE PUT OURSELVES IN A STRONGER POSITION FOR THE FUTURE.

TABLE OF Contents

ASENDIA AND SUSTAINABILITY	04
EMPLOYEES	08
MEASURE	10
REDUCE	12
OFFSET	14
ADVISE	16

ASENDIA AND

Sustainability

— ABOUT ASENDIA

Asendia was founded as a joint venture in 2012 when La Poste and Swiss Post spun off and merged their international mail entities. Asendia is now the global expert in cross-border mail*. With a global team of experts across Europe, North America and Asia, our business is making customers' business easier, every day.

— ASENDIA IN NUMBERS

A PARTNERSHIP BETWEEN

La Poste
and
Swiss Post
in 2012



15 subsidiaries

MORE THAN

200

destinations



— OUR BUSINESS

Asendia was created to respond to structural changes in the postal industry, as business customers sought solutions to address their changing needs. By combining and expanding La Poste and Swiss Post's existing expertise in cross-border mail and leveraging their complementary geographic spreads, we became a world-leader in cross-border mail. Our knowledge of local markets means customers across Europe, North America and Asia regard us as trustworthy and reliable, thanks to our flexible, efficient solutions.

— SUSTAINABILITY BUILT INTO EVERYTHING WE DO

We have put considerable time and energy into developing our sustainability strategy. We embrace truly sustainable business practices both as a differentiator on the market and as a strategy for long term, market-leading success. The strategy is built upon the mantra of **measure, reduce** and **offset**, which is built in to everything we do.

— A FOCUS ON OUR MAIN STAKEHOLDERS

In the logistics sector it is necessary to act to become more sustainable. The transportation of goods is by nature a source of emissions, and margins are narrow – this makes cooperation at every level crucial in the sustainability mission. At Asendia we aim to work at continual improvement in and between **three main groups of stakeholders**: customers, employees and suppliers.

CUSTOMERS

will have the opportunity to engage with Asendia with sustainable solutions aimed at reducing environmental impact throughout the logistics chain. We will share best practices and offer products and services that reflect their desire for sustainability.

EMPLOYEES

have a key role in reducing our carbon emissions and improving our environmental performance. Beyond that, we want to make Asendia a great place to work. To this end we want to promote employee diversity and personal/professional development to create an enriching workplace.

SUPPLIERS

play a vital role in making our supply chain greener. We will engage with existing suppliers to share best practices and improve environmental performance. Environmental sustainability will be a heavily weighted factor in future purchasing contract negotiations.

We understand the importance of **environmental, corporate** and **personal sustainability**, and we are working to make it happen.

Here are just some of the actions we have already taken prior to the definition of our sustainability policy:

- **Use of recycled paper or FSC (Forest Stewardship Council) paper**
- **Set-up of office printers to print sustainably (black and white, back to back)**
- **Recycling stations in Head Office and Subsidiaries**
- **Extension of green electricity use in key sites**
- **Social initiatives for employees**

— WHAT DOES A SUSTAINABLE FUTURE LOOK LIKE?

As a new company beginning our sustainable journey, our success is quite easy to judge: it's the continuing existence of our business. However, this is not the only criterion that we can use.

A sustainable future means we must have achieved success in each area of our strategy.

EMPLOYEES Happy and proud employees, who understand and are engaged in our sustainable mission

MEASURE We are using 2013 as a reference year for emissions supported by close monitoring. We are also putting - following customer demand - our expertise at their disposition, so they can calculate their own emissions

REDUCE

Though our operations will increase as the business grows, our aim is to put in place a reduction plan that will see us finding ever more efficient ways of doing business

OFFSET

We are committed over the long term to voluntarily offset emissions we cannot reduce

ADVISE

A growing list of customers who we have helped increase their level of sustainability



Laure
Mandaron
**Sustainability
Director of
Mail, Parcel
and Home
Services
La Poste**



Anne Wolf
**Sustainability
Director
Swiss Post**

**CROSSED
VIEWS**

“ Delivering operational sustainability is about much more than optimizing the network. That’s why Asendia works with national postal services like La Poste, as well as sub-contractors and other transport partners. We learn and share so we can all improve.

Giving carbon a cost through offsetting gives us a strong incentive. The less carbon we generate, the less we will have to offset. It’s just good business.

Laure Mandaron, Sustainability Director
of Mail, Parcel and Home Services, La Poste



“ We need to be aware that our business touches the environment in which we all live. And we need to ensure that every one of our employees is empowered to make the changes we need to make.

Here at Swiss Post we’re proud to share with Asendia our good tradition of sustainable business. But their new ways of thinking mean they have already taught us a few ideas of their own!

Anne Wolf, Sustainability Director, Swiss Post



Employees

— TRUE SUSTAINABILITY STARTS WITH OUR PEOPLE

Ask most people what sustainability means and they'll say reducing CO₂ emissions, recycling, green electricity and other environmental initiatives. Of course, as you've seen, carbon reduction is a vital part of sustainability for Asendia. But we must all understand that it goes much, much further: it involves every one of us and the way we work together.

Asendia wants to put our people at the heart of our sustainability strategy – and we can't do it without **your commitment**. In 2014 we will strive to improve the way we all work and interact with each other across the communities in which we operate. This will focus on three key areas:

- **Cherishing diversity.** With operations across the globe, Asendia is a company that is diverse by nature. We will develop a diversity mission statement that reflects and celebrates all our people and their cultures.
- **Promoting professional and personal development.** We want to create a pleasant working environment where our people are trained and encouraged to reach their professional goals.
- **Being environmentally aware.** We cannot meet our sustainable objectives without the contribution of our employees. We aim to continue to develop understanding of the positive impact each of us can have on a daily basis.

— HELPING BUILD A HEALTHY, HAPPY WORKFORCE

We want everyone working in our company to be happy, productive and proud to work at Asendia. That's why we have moved into two new head offices buildings, after listening and reflecting our employees' aspirations and desires for their new workplace.

To support work life balance, already around 24% of our Head Office workforce works at least five days per month from home.

In the US, we have put in place an employee car-pooling scheme to cut fuel use. An exchange programme offers the opportunity to meet and get to know people from other sites and areas of the business. This helps us understand each other's ways of working and share best practices.

In terms of professional development, we are committed to annual appraisals for every Asendia employee. You will see this progressively introduced to build on the common tool that was used to appraise Asendia Head Office staff in 2013.

— BUILDING LINKS WITH THE COMMUNITY

Asendia wants to achieve strong, sustainable links with the communities where we operate, and we always strive to tap into local suppliers and talent wherever possible. In Paris, for example, we use a waste-paper recycling company that hires workers who have been long-term unemployed. This is a blueprint that we aim to apply wherever we operate.

— PROMOTING ENVIRONMENTAL RESPONSIBILITY

If Asendia is to achieve carbon efficiency, it is vital that every Asendia employee buys in and contributes. This year you can expect to see growing internal communication on sustainability matters – starting with the report you are currently reading!

Our Sustainability team worked with an external consultant to gain insights we are already passing on to the trainers who will support the launch of the Sustainability policy in 2014. Sales, marketing and communications teams have received sustainability training in order to promote and diffuse our sustainability messages both internally and externally, when talking to customers and partners.

Anne Searl
Human
Resources
Director
Asendia US



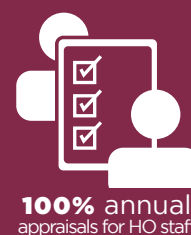
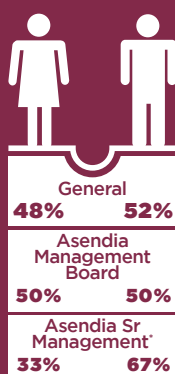
Marie Saadi
Mercier
Human
Resources
Manager,
**Asendia
Management**

“ If we are to achieve true sustainability, it is essential that everyone understands and commits to the initiative. We are in this together.

Anne Searl, Human Resources Director, Asendia US

“ Sustainable work practices are absolutely in tune with Asendia’s brand values. If we are friendly and honest towards each other, we create a more sustainable work environment. We will find new opportunities for collaboration, which will bring even greater business success.

Marie Saadi Mercier, Human Resources Manager, Asendia Management



*Management Board, CEOs and their local board.

Measure

— CALCULATING OUR IMPACT ON THE ENVIRONMENT

Because Asendia regards sustainability as a key business objective, we understand the importance of basing sustainability initiatives on hard, objective evidence. It is therefore crucial that we quantify and understand precisely our impact on the environment in terms of emissions across our entire operation.

— RELIABLE DATA FOR A SUSTAINABLE FUTURE

In order to make the measurement system as robust and trusted as possible, Asendia has integrated following GRI (Global Reporting Initiative) principles in its calculation methodology:

- **Clear definition of measurement scope**
- **Materiality - i.e. the threshold at which an emissions source becomes significant enough to be reported**
- **Completeness - across the reported scope**

In 2013, Asendia has defined as its measurement scope the transportation of mail and parcels to distribution partners, building emissions, employee commuting and business travels.

Furthermore, the applied calculation methodology and related outputs have been audited and verified by a third party (PricewaterhouseCoopers).

— THREE MAIN CARBON EMISSION SOURCES :

Total emissions of 181,745 teq CO₂



INTERNATIONAL TRANSPORT

172,194 teqCO₂
95 %



PROFESSIONAL TRAVEL AND EMPLOYEE COMMUTING

2,239 teqCO₂
1 %



BUILDINGS (ELECTRICITY CONSUMPTION AND HEATING)

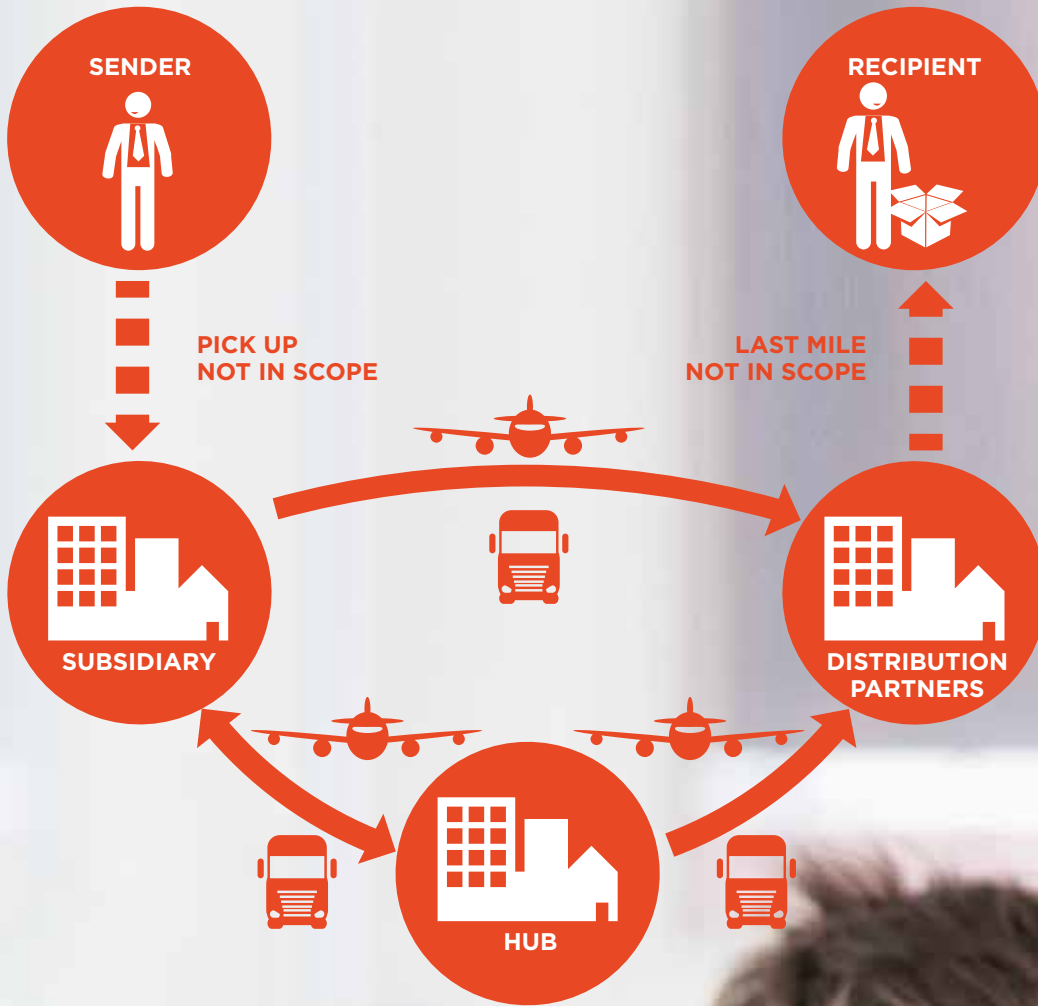
7,313 teqCO₂
4 %

“ It’s still early days. But being able to see our *carbon footprint* is a great achievement. Now we can see where we are, we can start acting quickly, decisively and with certainty.

Jean-Louis Vialle, Distribution Manager, Asendia



— OUR MEASUREMENT SCOPE



Reduce

— REDUCING CO₂ - REDUCING COSTS

We have started the process of implementing carbon reduction initiatives in our head office and every subsidiary, bringing all these initiatives under a single, unique policy with a clear action plan for the future. Here are some measures we have already put in place:

- **Introduction of sustainability criteria in the selection of suppliers and subcontractors**
- **Reduction measures at our hub, the Service Centre Logistics, based in Frankfurt, - efficient lighting, energy and heating is reducing emissions and saving money**
- **Identification and removal of inefficient routes from our transportation network; for European routes this has already taken place.**

— THE BENEFITS ARE BIGGER THAN YOU THINK

All this new thinking sounds expensive - and indeed it does require short-term investment. But the business case for sustainability is more clear-cut than you might think. Energy saving initiatives in our Frankfurt facility, for example have already saved **60 tonnes of CO₂** emissions a year - and this is just the beginning.

And what about the effects on business and profitability? Doesn't all this investment mean we become less competitive? In fact, learnings from Frankfurt show the opposite. Investments there will pay for themselves in just two years, when the savings start kicking in. That shows there is a real business benefit on sustainability, and that Asendia can enjoy a competitive advantage as it does the right thing for the environment.



Axel Nitsche
Project Manager
Asendia Germany



EMBRACING SUSTAINABILITY IN FRANKFURT

“ The first thing we did was switch to a local energy provider offering 100% green, **100% carbon-neutral electricity** from sources including wind and solar. Then we identified the biggest energy-guzzlers at the plant, and took steps to replace them with more **energy-efficient systems**. Our large compressed air unit was one of the worst culprits, so we replaced it with a much smaller, more efficient system better suited to our actual needs.

Next, we set our sights on the lighting system in our 4000m² warehouse, replacing it with **energy-efficient LED lighting** – a switch that was eventually extended to the entire building.

In addition the facility is involved in **waste separation** and **Data Matrix Bar Coding**, which reduces the energy expended on physical returns to customers. Altogether we're currently saving 60 tonnes of CO₂ every year – and the investment will pay for itself in just two years. Then we start saving money, too!

Axel Nitsche, Asendia Project Manager in Frankfurt, Germany ”

“ Like Asendia, Air France-KLM is committed to carbon reduction through our aircrafts and the way we fly them, our development of biofuels and our commitment to offsetting the carbon we have to use to run our business. Our company has been awarded ISO 14000, which means we are a credible, reliable partner for Asendia. They share with us a commitment to sustainability and to excellence.

Jean-Michel Bara, Technical Director, Air France-KLM ”

Offset

— WHAT HAPPENS WHEN THERE ARE NO MORE REDUCTIONS TO MAKE?

Though Asendia is actively involved in finding more efficient, more sustainable ways of doing business, the simple fact remains that our mission consists basically in transporting and delivering documents and goods internationally.

Some 95% of the CO₂ emissions our business generates come simply from moving our customer's items – and though we are working hard to cut these emissions through optimising our transport, choosing sustainable suppliers and removing inefficient transport links, there is a core of emissions linked to fossil fuels that cannot be compressed. Asendia is voluntarily committing to offsetting the residual carbon emissions linked to European operations and, thereby, offering carbon neutral mailing for all European mail services.

— WHAT IS CARBON OFFSETTING?

In a nutshell, carbon offsetting means buying carbon credits for reductions in greenhouse gas emissions made at another location. This balances out the carbon emitted by our activities **until we achieve Carbon Neutrality.**

Carbon Offsetting is an important mechanism for reducing global carbon emissions. For Asendia, Carbon Offsetting is an important driver to reduce our carbon emissions and mitigate those emissions we cannot reduce further. In addition to the environmental benefits, it also brings significant economic and social benefits to the places our carbon offsetting projects happen.

— CARBON OFFSETTING AT NO ADDITIONAL COST TO CUSTOMERS.

From this summer, Asendia's European mailing services will be Carbon Neutral. This is offered at no additional cost or effort for the customer: it's all part of our service.

Carbon Offsetting is a must-have in today's postal sector. It allows Asendia

to be identified as a leading sustainable player in the market, and underlines our **long-term commitment to environmental sustainability.**

The Asendia carbon offsetting programme covers CO₂ emitted in European subsidiaries:

- **International mail transport**
- **In our buildings (head office and regional hubs)**
- **Business travel – including both commuting and Asendia HO business travel**

This perimeter and calculation of emissions related to it has been carefully audited in partnership with respected environmental consultancy EcoAct using internationally recognised carbon accounting standards.

In 2014 we estimate this will amount to compensation against an emissions volume of 41,457 tonnes of carbon. That's equivalent to:

4,600 typical European citizens' activities in a single year

4,100 round the world trips in a diesel-powered family car

— A CHOICE OF CARBON-OFFSETTING ACTIVITIES

For customers that want to go even further, we are committed to supporting them in their own offsetting projects, giving them access to our expertise and know how, as well as first class offset projects that meet their own values.

Carbon Offsetting is a vital part of Asendia's long-term quest to achieve total carbon neutrality – and it is an essential element in our sustainability strategy, both in terms of matching and exceeding competitor offers and in helping our customers achieve their own goals.

It allows us to play an active part in supporting communities around the world in carbon-reduction activities – and it fits our band values of trust, friendliness and ease of use perfectly. **Asendia is getting ready for a sustainable future.**



“ Following a request from a customer, Asendia UK has formed a carbon mitigation partnership with UK’s leading conservation charity: the Woodland Trust. Sustainability is an ever-more important part of our business – and it’s in all our interests to be more environmentally friendly. This initiative is a very positive step forward, both in the UK and further afield. ”

Elliot Mallows, Head of Marketing Asendia UK

“ Carbon offsetting is a new concept for many people, and it isn’t always easy to understand – especially when many people don’t really yet understand how carbon affects the environment. So for companies like Asendia the mission to explain is threefold: education, communication and transparency.

By responding to customer demand and going further than its competitors, Asendia is enriching the service it provides as well as improving its sustainability. This combined approach will be the key to the initiative’s success. ”

Gérald Maradan, Managing Director, EcoAct

ASENDIA SUSTAINABLE OFFER

Advise

— ASENDIA SUSTAINABLE OFFER

Asendia is offering a range of services that allow our customers to choose more sustainable, less impactful delivery. Our aim is to provide the best value-added services that save time, resources and energy – without compromising the quality of service we offer our customers. Let's take a look at these services and how they benefit the environment.

— DIGITAL SERVICES

Transporting an undeliverable letter to its point of origin means an average journey of 3,000km, emitting 355g of CO₂. Shifting undeliverable items to digital means that journey no longer has to happen.

CO₂ SAVING: 355g per item – equivalent to two days' electricity use in an average home.

— INTERNATIONAL ADDRESS CLEANING

Every address database contains erroneous addresses. And every letter with a wrong address takes time, money and energy to be returned to the sender. Around 3% of the entries on an address list are false. For a 10,000 name mailing list, that means address cleaning can save more than 100kg of CO₂.

CO₂ SAVING: 100kg per 10,000 names – equivalent to a family car travelling 425 km from Munich to Vienna

— PRINTING IN THE COUNTRY OF DESTINATION

In this digital age it's easy to print your letters closer to where they're going, cutting on average 90% of the physical distance they have to travel and saving approximately 320g of CO₂ per item. For an average international post campaign of 32,000 letters, that saves 10.2 tonnes. This service not only reduces CO₂ emissions. It also reduces delivery delays – which is just as important for our customers.

CO₂ SAVING: 10.2 tonnes per campaign – equivalent to the annual emissions of two family cars

— INK CARTRIDGE RETURNS

By encouraging the recycling of printer ink cartridges using our easy Ink Cartridge Returns service, you can help reduce toxic waste in landfills, save the resources and energy needed to make new cartridges and help protect the environment.

CO₂ SAVING: Asendia facilitated the recycling of 1 million cartridges in 2013. Studies estimate that recycling of printer cartridges can save up to 2kg of CO₂ per cartridge.



“ As one of the biggest cross-border mail providers, Asendia can offer services to its customers that really help them increase sustainability.

We sell more sustainable services to our customers if we make them really cost-effective. There's no need for a sustainability selling argument if the price is right.

Céline Gauthray-Guyenet, Product Manager, Direct Mail



Asendia is committed to minimising paper and ink consumption. Please use digital formats over printing whenever possible.

If you need to print this report, please use recycled paper and printer cartridges. And also opt for back to back black and white printing.

For more information on Asendia and sustainability, please contact
sustainability@asendia.com
www.asendia.com



The world
is your
address