

Environment Report 2010
2009 CO₂ Data Result and Analysis

Issued in March 2011



CONTENT

1. Introduction	2
2. PostEurop Environmental Strategy	3
3. The GHG Reduction Programme	5
4. Data Collection Results	9
5. Data Analysis	15
6. Actions to Reduce CO ₂	19
7. Future Perspectives	21
8. Reporting SCOPE and Method	23
9. Assurance Report on CO ₂ Emissions	30
10. Contacts and Acknowledgements	32

Introduction

European postal business promotes healthier living and working environment and is committed to reduce its impact on climate change. As part of the PostEurop **Greenhouse Gas Reduction programme**, CO₂ data are collected, consolidated and analysed in relation to our activities.

This report presents the development and result of the 2009 CO₂ data collection programme as well as PostEurop Environment working group activities during 2010.

Since its launch, the programme has enabled participants to continuously develop new environmental activities to meet common objectives and pave the way for new initiatives. This report highlights some of the key activities and the way forward.

About PostEurop

PostEurop is the trade association which represents European public postal operators since 1993.

Its 49 members in 46 countries and territories collectively operate 175,000 retail counters, employ 2.1 million people and link 800 million people daily. PostEurop unites its members and promotes greater cooperation, sustainable growth and continuous innovation.

PostEurop is also an officially recognised Restricted Union of the Universal Postal Union (UPU). It is governed by a Management Board, which is responsible for supervising and monitoring the implementation of the Association's strategy at operational level.

PostEurop Environmental Strategy

PostEurop understands that, through the very nature of its day-to-day activities, the postal sector has an impact on the environment, mostly in the form of greenhouse gas emissions. As a vital sector of the European economy, the postal sector is committed to reducing carbon dioxide (CO₂) emissions within the communities it serves, through working together and closely with customers, suppliers and other stakeholders.



“ With approximately *1 million postal vehicles* and *175,000 retail counters* across Europe, we see great potential in working together to address a common solution to make our business greener. **”**

Botond Szebeny, PostEurop Secretary General

3. THE GHG REDUCTION PROGRAMME

“The energy and knowledge amongst experts within the environmental working group has really brought in many more new ideas for us to further explore.”

Stephanie Scoupe, Chair to the Environment Working Group (Groupe La Poste)

The Greenhouse Gas Reduction Programme

The PostEurop Greenhouse Gas (GHG) Reduction Programme was launched by the PostEurop Environment Working Group in June 2007 in recognition of the importance of issues surrounding climate change, the environment and the communities postal operators serve.

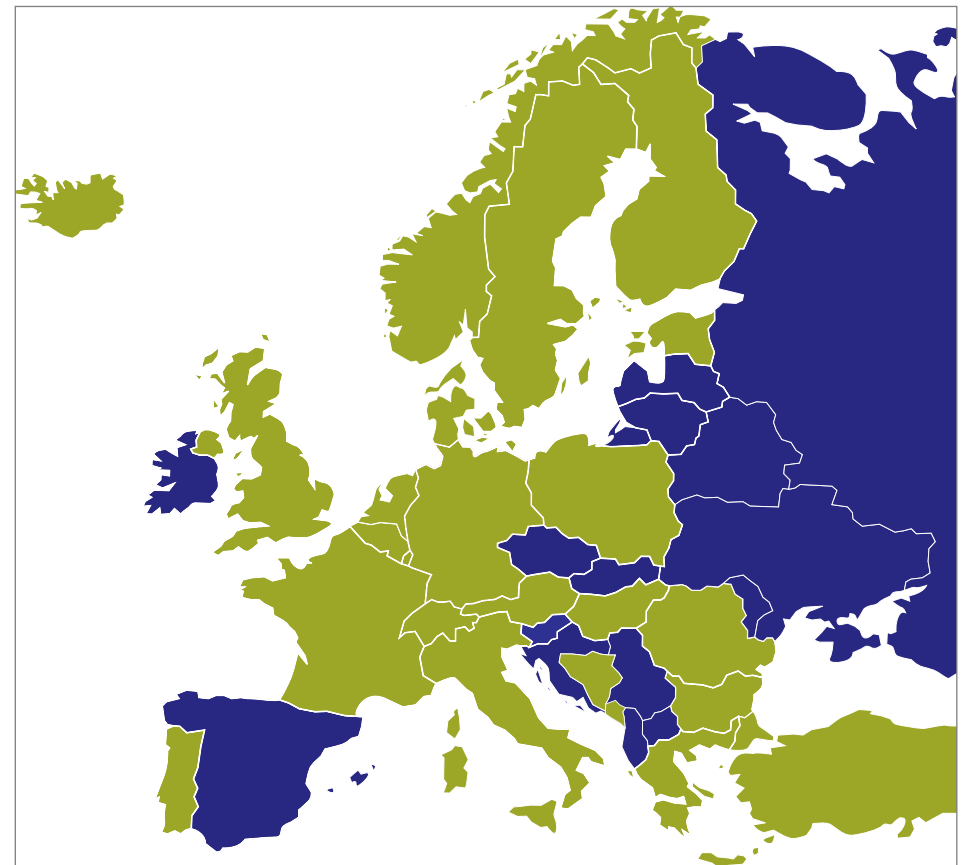
The Goal

In 2007, the **European postal operators** agreed to set a common goal: an average 10% reduction of CO₂ emissions by 2012, across all programme participants.

GHG Reduction Programme members:

- | | |
|-------------------------------------|---------------------------------------|
| Österreichische Post (Austria) | TNT Post (The Netherlands) |
| CTT-Correios de Portugal (Portugal) | P&T Luxembourg (Luxembourg) |
| Deutsche Post DHL (Germany) | Poczta Polska (Poland) |
| bpost (Belgium) | Posta Romana (Romania) |
| Hellenic Post – ELTA (Greece) | Posten Åland (Finland) |
| Itella (Finland) | Turkish PTT (Turkey) |
| Groupe La Poste (France) | Bulgarian Posts PLC (Bulgaria) |
| Guernsey Post (Guernsey) | Cyprus Post (Cyprus) |
| Magyar Posta (Hungary) | Poste Srpske (Bosnia and Herzegovina) |
| Malta Post (Malta) | Montenegro Post (Montenegro) |
| Posten Norden (Denmark and Sweden) | Eesti Post (Estonia) |
| Poste Italiane (Italy) | Iceland Post (Iceland) |
| Posten Norge (Norway) | Royal Mail Group PLC (United Kingdom) |
| Swiss Post (Switzerland) | |

Map of **members** participating in the programme:



3. THE GHG REDUCTION PROGRAMME

Objectives

The GHG Reduction programme is an initiative which brings postal members together in a joint European programme by creating a common platform for learning and knowledge sharing of:

- ▶ Ways to **measure progress** when implementing environmental actions.
- ▶ Measures that raise **environmental awareness**.
- ▶ Initiatives to **reduce environmental impact**

The Programme is a call-to-action for PostEurop's members on a common platform. The purpose of the programme is to:

- ▶ Promote a **healthier living** and working environment throughout the postal sector;
- ▶ Encourage use of **innovation** and further **research and development** on environmental initiatives;
- ▶ Identify the emerging challenges for the postal sector, share them and see how to be **proactive** and create value for the postal sector;
- ▶ Educate and enable **expert knowledge sharing** amongst PostEurop members across Europe through engaging them in the programme;
- ▶ Implement a **common methodology** for tracking the European postal sector's carbon footprint.

Global Perspective

PostEurop, as a restricted Union of the Universal Postal Union (UPU), works in synergy with the UPU to bring European postal efforts to reduce the environmental impact on a global scale.

The data collected within the GHG Reduction Programme are included in the UPU International Bureau inventory of CO₂ emissions. This inventory will allow further assessment and actions to reduce the impact on climate change of the designated operators of the 191 member countries of the UPU.



“ Any actions undertaken by mankind today will have a lasting impact on future generation and on the global environment. The world community is facing up to this reality and the Postal Sector needs to do its fair share. ”

UPU's Nairobi Postal Strategy



4. DATA COLLECTION RESULT



Data Collection Result

Reporting Members

16 Postal operators have reported their 2009 data. The remaining 11 GHG Reduction Programme members act as observers in the programme.

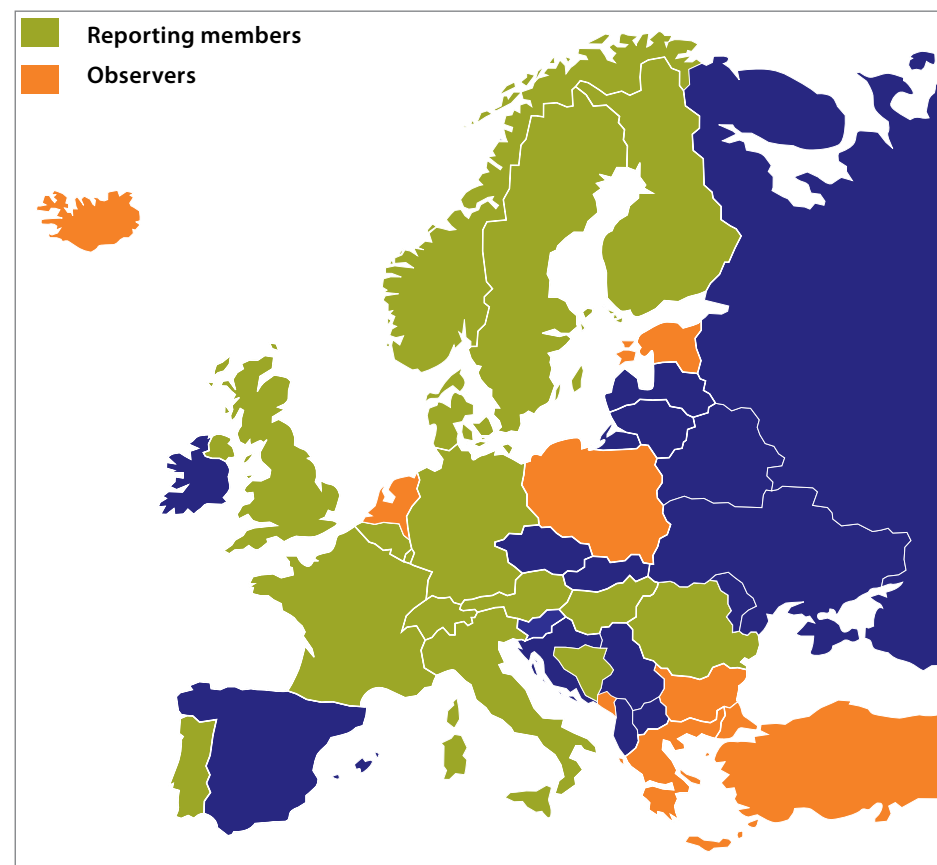
Reporting members:

Österreichische Post (Austria)
 CTT-Correios de Portugal (Portugal)
 Deutsche Post DHL (Germany)
 bpost (Belgium)
 Itella (Finland)
 Groupe La Poste (France)
 Magyar Posta (Hungary)
 Posten Norden (Denmark and Sweden)
 Poste Italiane (Italy)
 Posten Norge (Norway)
 Royal Mail Group PLC (United Kingdom)
 Swiss Post (Switzerland)
 P&T Luxembourg (Luxembourg)
 Posta Romana (Romania)
 Posten Åland (Finland)
 Poste Srpske (Bosnia and Herzegovina)

Observers:

Hellenic Post – ELTA (Greece)
 Guernsey Post (Guernsey)
 Malta post (Malta)
 TNT Post (The Netherlands)
 Poczta Polska (Poland)
 Turkish PTT (Turkey)
 Bulgarian Posts PLC (Bulgaria)
 Cyprus Post (Cyprus)
 Montenegro Post (Montenegro)
 Eesti Post (Estonia)
 Iceland Post (Iceland)

Map of reporting members and observers :



4. DATA COLLECTION RESULT

Data Collection Result

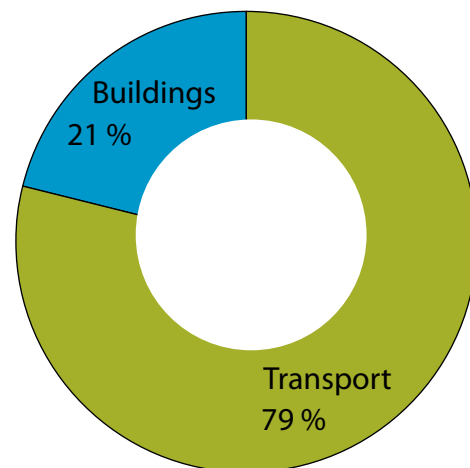
The 16 GHG Reduction Programme members emitted a total* of 4.27 million tonnes of CO₂ from their 2009 activities.

These emissions mainly derive from transport activities (own and subcontracted) of postal operators, while emissions from buildings account for one third of the total.

Looking at the breakdown by SCOPE**, it emerges that the subcontracted activities (SCOPE 3) have a significant impact on the total figures.

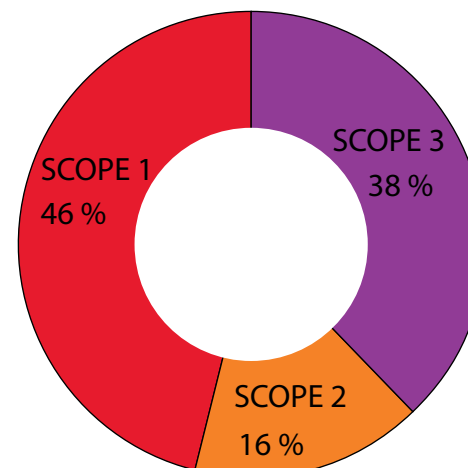


Transport and Buildings Emissions



* The total includes Scope 1, 2 and 3 emissions, while the reduction target considers SCOPE 1 and 2 only.

Breakdown by SCOPE

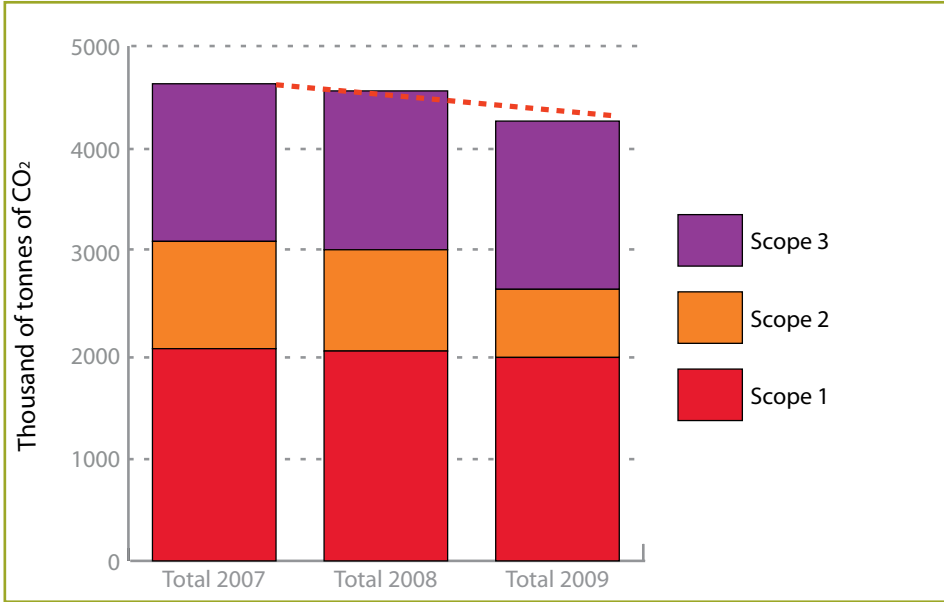


** See section "The SCOPE 1, SCOPE 2 and SCOPE 3 categories" in the "Reporting SCOPE and Method" chapter for more information on the three so called "SCOPES", page 23.

Evolution 2007- 2009, SCOPE 1-2-3

The evolution* between 2007 and 2009 data shows an overall reduction, mainly focused on CO₂ emissions from electricity usage (SCOPE 2). The practice of switching to green power** has provided a significant contribution for achieving this result.

Total CO₂ Emissions 2007-2009



* The recalculation methodology operated by PostEurop in order to facilitate like-for-like comparison over the years is detailed in the section "SCOPE: Historical Changes" of the "Reporting and Methods" chapter, page 27.
 ** See section "Green Electricity Accounting" of the "Reporting and Methods" chapter, page 28.



Limits behind the evolution

In order to understand the carbon footprint evolution of the GHG Reduction Programme in terms of having comparable data over the years*, PostEurop recalculated 2007 and 2008 data using the same perimeter as 2009 (reporting members, activities included in the report, methodology used to calculate CO₂).

In 2011, members are asked to consolidate the historical data and where necessary recalculate according to 2010 perimeter.

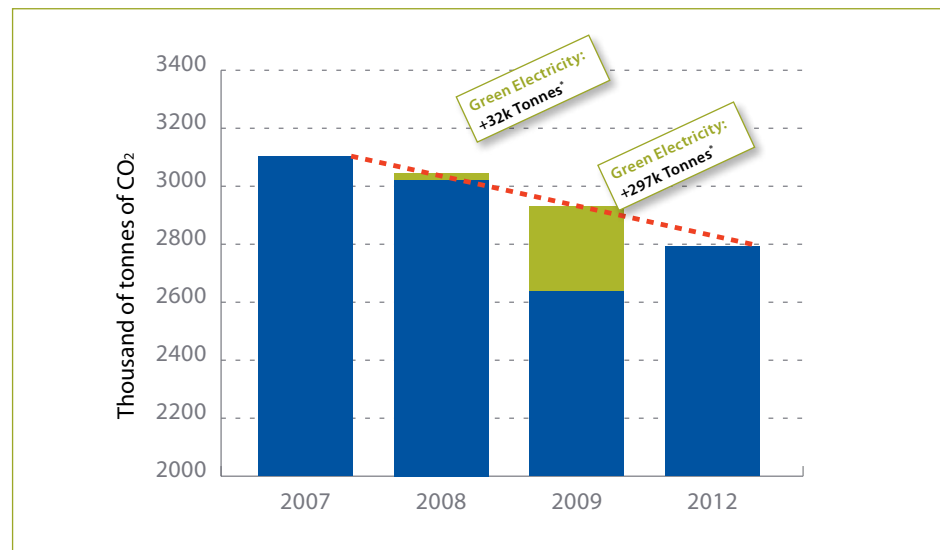
4. DATA COLLECTION RESULT

Evolution of Target

Following the PostEurop recalculation on historical data, it shows that members are on the right track to reach the reduction target in 2012.

From 2007 to 2009, a **reduction by 465 thousand of tonnes of CO₂** was accounted for, meaning a collective reduction of 15%. However, green electricity with a low emission factor was major contribution in achieving this result. Consequently, without considering the reduction obtained thanks to green electricity*, the result will be a lower reduction, that will require further alternative efforts in order to reach the target in 2012.

Evolution of Target (SCOPE 1 and 2 only)



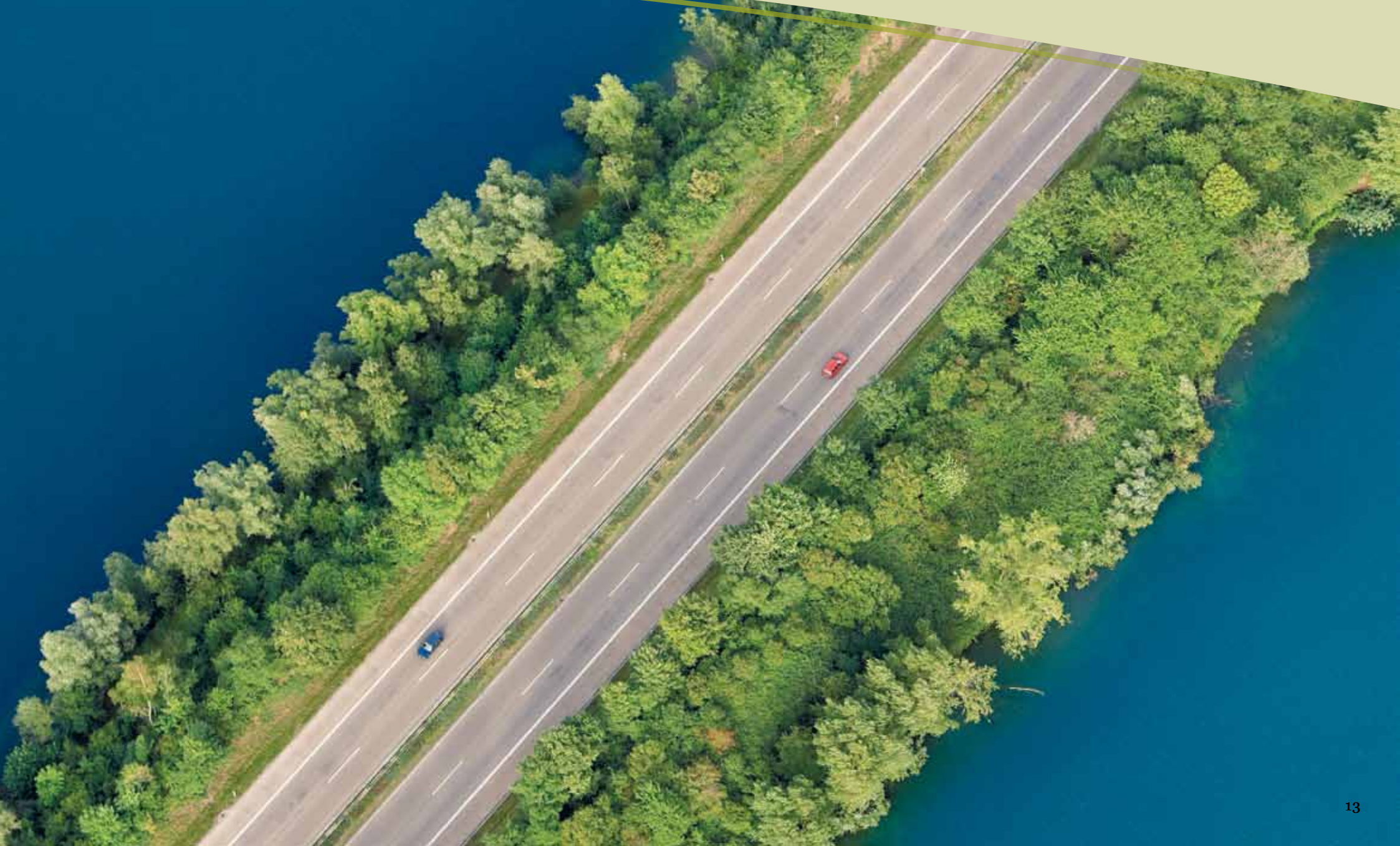
Evolution of Target (SCOPE 1 and 2 only)

	2007	2008	2009	Difference 2009 - 2007	Difference 2009 - 2008
TOTAL SCOPE 1-2	3,103 kt CO ₂	3,021 kt CO ₂	2,637 kt CO ₂ ✓**	-15%	-13%
TOTAL (green electricity accounted as national grid)	3,103 kt CO ₂	3,053 kt CO ₂	2,934 kt CO ₂	-5%	-4%

* PostEurop distinguished the impact of green electricity, if calculated applying a national grid average emission factor instead of an emission factor equal or close to zero. More details can be found in the section "Green Electricity Accounting" of the "Reporting and Methods" chapter, page 28.

** The data has been externally verified. The Assurance Report is available on page 30.

4. DATA COLLECTION RESULT



5. DATA ANALYSIS



Data Analysis

Verification Process

Figures have been verified and analysed for the 16 reporting members*.

Controls on data are performed by:

- ▶ **Members**, providing PostEurop with data consolidated internally.
- ▶ **PostEurop**, verifying that the GHG Reduction Programme methodology has been implemented correctly by each member.
- ▶ **External Verifier**, Ernst & Young, implementing a reliable and efficient methodology for the verification of GHG emissions.

“The audit provided us with a unique opportunity to evaluate and verify our internal data collection process with the help of external experts. Thanks to the verification we also identified ways to further improve the reporting process.”

Magyar Posta

* Details on the verification methods are on the “Assurance Report on GHG emissions (scope 1 and 2)” chapter, page 30.

Development in the Data Collection quality

The analysis shows an improvement in the reporting process compared to 2008 and 2009 data collection. Major improvements identified were on :

- ▶ **Reporting process**
 - Thanks to the adoption of a specific postal standard** based on clear principles and a pedagogical approach.
 - Improvement in the calculation & reporting tool.
- ▶ **Reporting network**
 - An efficient reporting network and a clear organisation.
 - Correspondents with a good knowledge and understanding of the reporting criteria, protocol, methodology and tools.
 - Increased engagement and motivation of the postal operators.
 - Availability of the correspondents during and after the audit.
- ▶ **Implementation of the methodology**
 - Enlargement of the perimeter covered (more activities included, and extension to international boundaries).
 - Efforts to improve the accuracy of the data and source of the emission factors.

** The GHG Inventory Standard for the Postal Sector, version 2010.

5. DATA ANALYSIS

Improvements for the future

Main improvements identified for the future includes:

- ▶ **Methodology update**
 - Need to further develop the green electricity accounting principle.
 - Further consolidation of the methodology to recalculate baseline.
- ▶ **Internal controls**
 - Need to systematise internal controls in the reporting tool and consolidation tool.
 - Request to formalise and traceability of the controls performed.
- ▶ **Application of the reporting rules**
 - Need to formalise the reporting process and calculation methodology.

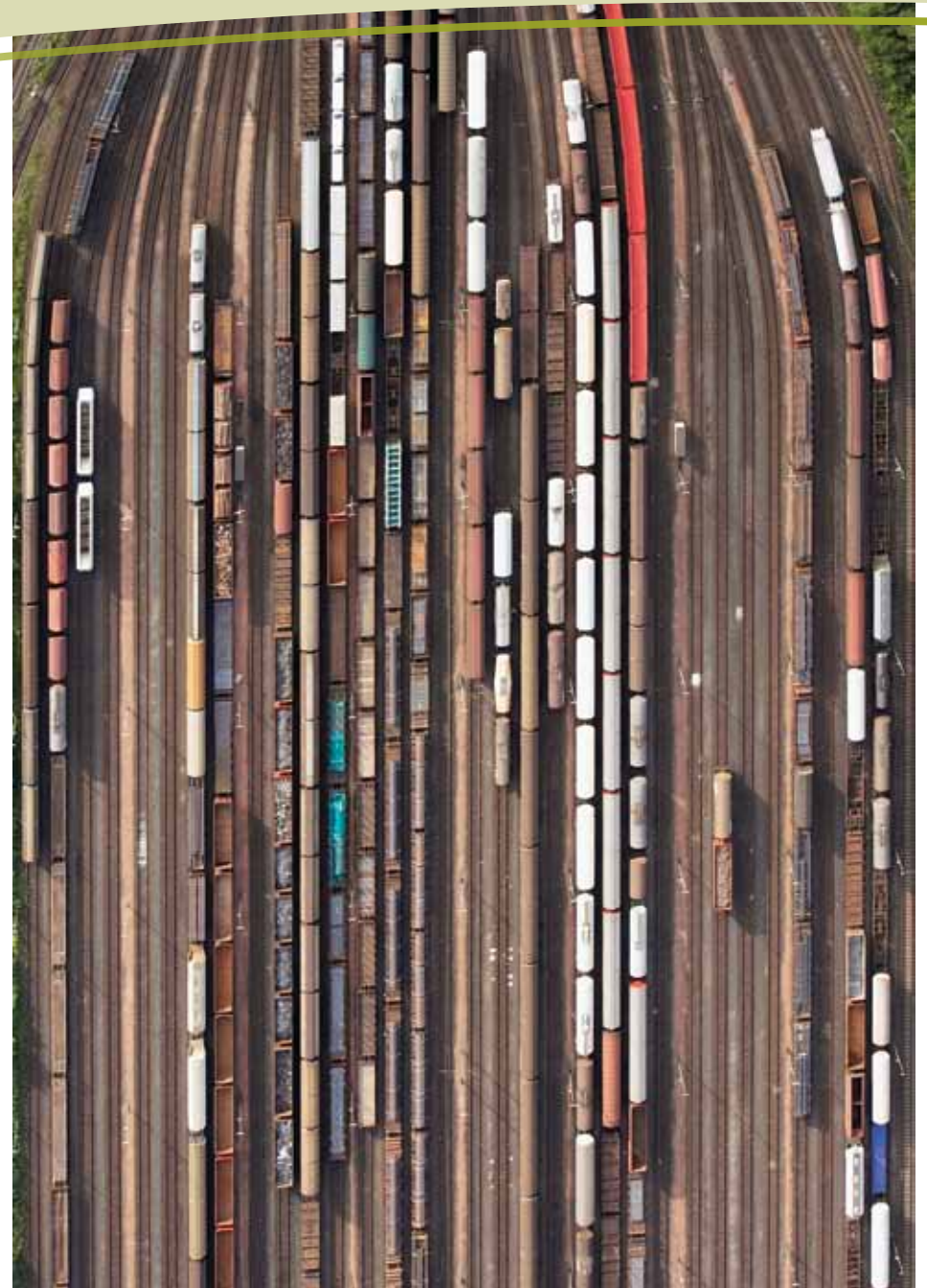
Moreover, two aspects require a special focus:

- ▶ **Reporting Perimeter**
- ▶ **Subcontractors data**

Reporting Perimeter

The flexibility in the implementation of the activities reported by members causes a lack of comparability between the operators. This emerges both for the implementation of the **mandatory** and for the **voluntary perimeter**.

However, the GHG Reduction Programme objective is not to benchmark postal operators amongst themselves, but it rather aims at encouraging each member to further reduce its impact on the environment whatever the reporting perimeter.



Subcontractors Data Quality

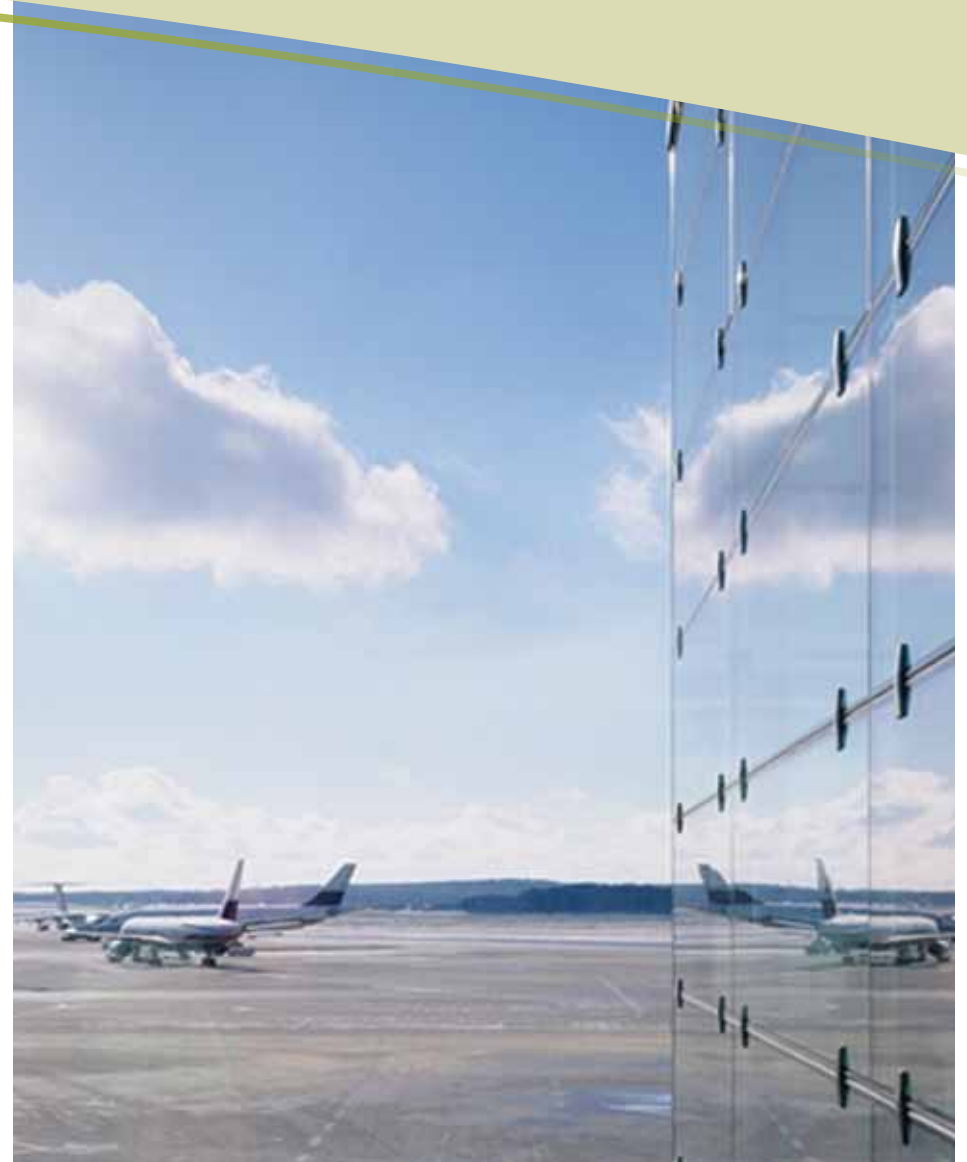
The data verification process has shown a gap in the data quality between the reporting on SCOPE 1-2 compared to SCOPE 3.

Considering SCOPE 3 data, three main issues were identified:

- ▶ **Consistency among postal operators**
 - The activities included by members as Scope 3 vary significantly.
- ▶ **Data accuracy**
 - The accuracy of the emissions is lower than the accuracy of Scope 1 and 2 due to the use of alternative methodologies (i.e. emissions calculation based on km and T.km).
 - Generally, SCOPE 3 data are based on assumptions, while data on SCOPE 1 and 2 are based on accurate calculations. Moreover, often members miss visibility on the data provided by their subcontractors.
- ▶ **Data availability**
 - Lack of information on subcontractors' data.

These difficulties have brought postal operators to set the reduction target on SCOPE 1 and 2 only.

On the other hand, postal operators recognize the importance of improving environmental management of subcontractors. In this regard, the PostEurop Environment Working Group is preparing a guidance with a list of best practices to improve subcontractors management.



6. ACTIONS TO REDUCE CO₂



Actions to Reduce CO₂

PostEurop Initiatives

PostEurop began organising a series of seminars in which members have the opportunity to directly experience green projects performed by hosting postal operators.

In 2010, a seminar was organised at Poste Italiane's headquarters in Rome. During the seminar, environmental experts test-drove the Free Duck electric quadricycle, and were given a demonstration on how these vehicles were recharged using "green stations" photovoltaic modules.

“ Hosting the PostEurop Environment Seminar in Rome gave Poste Italiane an interesting opportunity to exchange views and share experiences with other Postal Operators. It was also a good chance to present new green technologies and raise the environmental awareness within the company ”

Poste Italiane

Best Practices

In the context of the GHG Reduction programme, environmental experts share innovative practices to reduce emissions such as :

- ▶ **Electric vehicles** usage
- ▶ **Green electricity** purchasing
- ▶ **Alternative fuel** consumption (biodiesel, LPG, CNG, etc.)
- ▶ **Energy efficient technologies** in buildings
- ▶ **ECO-driving**



7. FUTURE PERSPECTIVES



Future Perspectives

Data Collection

Postal operators will keep reporting on a yearly basis. For 2011, improvements are expected in the data collection reporting process. Moreover, members are asked to consolidate historical data in order to have comparable data over the years.

The PostEurop Environment Working Group (EWG) follows also closely the ongoing discussions at international level in order to better define the methodology for Carbon accounting*.

The EWG has also decided to work on improving the quality of SCOPE 3 data, sharing best practices and initiatives related to subcontractors management.

“ A new generation of environmentally concerned costumers prompted CTT to the launch of a comprehensive new “green” portfolio, addressing the needs of both the private and the business. ”

CTT-Correios de Portugal

* Special attention is dedicated to the discussion at WBSD on drafting a GHG Standard for SCOPE 3 and for Products, and discussion at CEN on creating a European Methodology for calculation and declaration on energy consumption and GHG Emissions in transport services.

New Projects

Looking at the way forward for the Greenhouse Reduction Programme, the Environment Working Group also explores new areas of interest including:

- ▶ **Urban mobility**, studying how the postal operators could become a green actor in the cities and work with other partners to improve the overall urban mobility management.
- ▶ **Carbon offsetting**, informing postal operators on the subject.
- ▶ **Alternative fuel Vehicles**, testing new technologies for reducing the transport carbon impact.
- ▶ **Biodiversity**, evaluating the impact of postal business on biodiversity and sharing best practices to raise awareness on it.



8. REPORTING SCOPE AND METHOD



Reporting Scope and Method

Reporting Process Methodology

PostEurop has built, with its members and thanks to the support of external expertise, a reporting process based on:

- ▶ A **postal reporting protocol**, the GHG Inventory Standard for the Postal Sector, that provides the whole Postal sector with common guidelines, rules and methodologies for the reporting.
- ▶ A **calculation and reporting tool**, used by PostEurop members to report and calculate their GHG emissions, in accordance with the protocol.
- ▶ **Internal reporting process guidance**, the PostEurop Reporting Guidelines, that defines roles and responsibilities, data flows, internal controls, consolidation steps, etc. described in the above mentioned protocol.

This methodology is intended to ensure both quality of the reported information and its traceability and transparency. The methodology is designed to meet five criteria: Relevance, Completeness, Reliability, Understandability, and Neutrality.

The SCOPE 1, SCOPE 2 and SCOPE 3 categories

Following the international agreed standard GHG Protocol Corporate Standard*, PostEurop members report their emissions differentiating amongst **direct GHG emissions** from sources that are owned or controlled by the postal operator and **indirect GHG emissions** that are a consequence of the activities but occur at sources owned or controlled by another entity. These direct and indirect emissions are categorized into three broad scopes:

- ▶ **Scope 1:** own direct CO₂ emissions from sources operated by postal bodies (e.g. fleet vehicles, gas and oil heating facilities, etc.)
- ▶ **Scope 2:** Indirect CO₂ emissions resulting from the use of electricity and district heating.
- ▶ **Scope 3:** all other indirect emissions such as suppliers and subcontracted transport activities.

In order to define if sources are operated or not by the postal operator PostEurop methodology applies the operational control rule**.

* Copyright ©2010 The Greenhouse Gas Protocol®, A Corporate Accounting and Reporting Standard, Revised Edition.

** More details on the operational control rule are in the GHG Inventory Standard for the Postal Sector.

8. REPORTING SCOPE AND METHOD

SCOPE: Reported Activities

Members have been asked to report on postal activities. As a minimum, participants reported on mail, parcel, express activities. On a voluntary basis, members have the option to extend their scope to include other activities such as financial services, logistics, retail, business travel. The postal operators report on these activities, focused on transport (road, rail, air, and shipping) and building energy use.

Non-postal activities such as postal bus, employee commuting and waste are not included in the global figures reported. Members performing these activities have the option of reporting on it separately.

Reporting Perimeter

	NATIONAL	INTERNATIONAL
MANDATORY	Mail, Parcel, Express	Express (if data available)
VOLUNTARY	Bank, Logistics, Retail, Business Travel	Mail and Parcel



SCOPE: Geographic Boundaries

Members have to report on all domestic activities. If data are available, members have to integrate also data on international express activity, and, on a voluntary basis, on international mail and parcel.

Reporting Perimeter

POSTAL OPERATOR	MANDATORY		VOLUNTARY				International Express	International Mail and Parcel	Comments
	Mail and Parcel	Express	Bank	Logistics	Retail	Business Travel			
Österreichische Post	✓	NC	✓	✓	✓	✗	✗	✗	
bpost	✓	✓	NC	NC	✓	✓	✓	✓	
Poste Srpske	✓	✓	✓	✓	✓	✗	✗	✗	
Posten Norden	✓	✓	✗	✓	NC	NC	✗	✗	
Itella	✓	✓	NC	✓	✓	✓	✓	✓	
Post Åland	✓	NC	NC	✓	✓	✗	NC	✗	
La Poste	✓	✓	✓	NC	✓	✓	✓	✗	
Magyar Posta	✓	✓	✓	✓	✓	✗	✗	✗	

✓ Included	✗ Excluded	NC Not Concerned
------------	------------	------------------

8. REPORTING SCOPE AND METHOD

POSTAL OPERATOR	MANDATORY		VOLUNTARY				International Express	International Mail and Parcel	Comments
	Mail and Parcel	Express	Bank	Logistics	Retail	Business Travel			
Deutsche Post DHL	✓	NC	NC	NC	NC	✓	NC	✗	Deutsche Post DHL data only includes Deutsche Post Mail Division. For information on the other divisions of Deutsche Post DHL (Express, Global Forwarding, Freight and Supply Chain), visit Deutsche Post DHL's CR Report (www.dp-dhl.com/responsibility)
Poste Italiane	✓	✓	✓	NC	✓	✗	✗	✗	
P&T Luxembourg	✓	NC	✓	NC	✓	✗	NC	NC	
Posten Norge	✓	✓	✓	✓	✓	✓	✗	✗	
CTT-Correios de Portugal	✓	✓	NC	NC	✓	✓	✓	✓	
Posta Romana	✓	✗	NC	✓	NC	✗	✗	✗	
Swiss Post	✓	NC	✓	✓	✓	✓	✗	✗	Post Bus data are not integrated
Royal Mail Group PLC	✓	✓	✓	✓	✓	✓	✗	✗	GLS data are not included

SCOPE: Reduction Target

GHG Reduction Programme members decided to set the reduction target considering SCOPE 1 and SCOPE 2 only. Members are aware of the fact they are responsible also for their subcontractors' impact. However, considering the data accuracy of SCOPE 3, based often on estimations, it has been considered more cautious to exclude the subcontractors' impact from the reduction target.

SCOPE: Historical Changes

With the objective of assessing the evolution of the GHG Reduction Programme CO₂ impact, data from previous years are recalculated by PostEurop in line with the new scope of consolidation, to facilitate like-for-like comparison.

In 2010, **PostEurop** has recalculated historical data considering two elements:

- ▶ reporting members
- ▶ reported activities (including enlargement of reporting boundaries)

When the historical data were not comparable and recalculation was not possible, PostEurop has taken into consideration the data closest to the baseline (e.g. Post X 2007 data were not comparable to 2009, therefore PostEurop has accounted the 2008 Post X data in the 2007 baseline).



8. REPORTING SCOPE AND METHOD

Period

Members have reported CO₂ emissions emitted in 2009. This means that the activity period was January-December 2009 or April 2009-March 2010*.

Consolidation Data

PostEurop performs a review of the data provided by members to ensure a constant perimeter of reporting and a consistent reporting among members.

External Verification

PostEurop has engaged Ernst & Young, an external consultant, to verify and assess consolidated data. The third-party verification process for PostEurop's greenhouse gas emissions inventory aims to systematically verify:

- ▶ The quality of the **PostEurop Greenhouse Gas Emissions protocol**
- ▶ The execution of the **inventory process**
- ▶ The reliability and quality of the collection and consolidation steps.

* Royal Mail reports CO₂ data following the financial year time



Green Electricity Accounting

PostEurop allows members to apply their own methodology to proceed the calculation of green electricity. As minimum, Postal operators purchasing green electricity are requested to get a third party certificate to ensure that electricity has been produced with renewable energy sources.

Waiting for more guidance at international level, PostEurop agreed to trace the electricity consumption from green electricity and shows the impact that would occur in case a national grid emission factor is applied.

In 2009, six members have purchased **998 826 MWh** produced with renewable energies and have calculated their related CO₂ impact using an emission factor equal or close to zero. The estimated impact of this electricity, taking into account the respective national grid average mix, is of **297 thousand tonnes of CO₂**.

Green Electricity Consumption by Postal Operator

Main Green Electricity consumers	Description of the situation and reporting methodology applied	Electricity concerned (MWh)	Estimated gap (kt CO ₂)
Postal operator 1	<ul style="list-style-type: none"> ▶ Purchase of Renewable Energy Certificates (RECs) ▶ Emission Factor (EF) = 0 on the certified energy 	▶ 323 703 MWh	▶ 140 kt CO ₂
Postal operator 2	<ul style="list-style-type: none"> ▶ Purchase of RECs ▶ EF = 0 on the certified energy 	▶ 277 865 MWh	▶ 113 kt CO ₂
Postal operator 3	<ul style="list-style-type: none"> ▶ Indirect purchase of RECs ▶ EF = 0 on the certified energy 	▶ 78 453 MWh	▶ 22 kt CO ₂
Postal operator 4	<ul style="list-style-type: none"> ▶ Green energy certificates ▶ EF = 0 on the certified energy 	▶ 116 000 MWh	▶ 12 kt CO ₂
Postal operator 5	<ul style="list-style-type: none"> ▶ Green energy certificate (EF=0) ▶ Proportion of renewables in the energy provider mix 	<ul style="list-style-type: none"> ▶ 25 000 MWh ▶ Not quantified 	▶ > 5 kt CO ₂
Postal operator 6	<ul style="list-style-type: none"> ▶ Consideration of the energy mix of the supplier : 100% hydraulics ▶ EF based on Life Cycle Assessment of hydraulics electricity 	▶ 177 805 MWh	▶ 5 kt CO ₂
TOTAL		998 826 Mwh	297 kt CO ₂

Assurance Report on GHG Emissions (SCOPE 1 and 2)

PostEurop, year ended December 31, 2009

At PostEurop's request, we have performed a review in order to provide the limited assurance that the Greenhouse Gas emissions data (Scope 1 and 2, which corresponds to the reduction target perimeter of the PostEurop GHG Reduction Programme) for 2009 ("the Emissions"), identified in this report by the symbol ✓, have been prepared in all material aspects in accordance with PostEurop Reporting Guidelines for the GHG Reduction Programme, Version for 2010, dated March 30, 2010 (the "Reporting Guidelines").

The Reporting Guidelines are summarized in the section of the PostEurop Environment Report 2010- 2009 Data Results and Analysis entitled "Reporting Scope and Methods".

PostEurop is responsible for preparing the Emissions and the Reporting Guidelines and to ensure they are made available.

It is our responsibility to express a conclusion on the Emissions, based on our review. We conducted our review pursuant to the International Standard on Assurance Engagements, ISAE 3000, International Federation of Accountants (IFAC), IAASB, December 2003. Our independence is defined by the IFAC Code of Ethics. A higher level of assurance would have required more extensive procedures.

The conclusion presented thereafter applies only to the Emissions and does not apply the complete PostEurop Environment Report 2010- 2009 Data Results and Analysis.

Nature and scope of our procedures

In order to express our conclusion, we performed the following procedures:

- ▶ We assessed the Reporting Guidelines for their accuracy, clarity, objectivity, completeness and relevance having regard to the PostEurop's activities and reporting practices of the sector.

At PostEurop level:

- ▶ we conducted interviews with the person in charge of reporting the Emissions,
- ▶ we assessed the risk of material misstatements,
- ▶ we assessed the application of the Reporting Guidelines, implemented analytical reviews and consistency checks, and verified, on a test basis, the calculations and the consolidation of the Emissions.

We selected a sample of six postal operators* representative of the activities and geographical locations, based on their contribution to the Emissions and previously identified risks of misstatement:

- ▶ the selected postal operators represent 42% of the total value of the Emissions published by PostEurop (Scope 1 and 2),
- ▶ at this level, we have verified the understanding and application of the Reporting Guidelines, and conducted detailed verifications on a test basis which consisted in checking the calculation formulas and reconciling the data with the supporting documents..

* Österreichische Post (Austria), Poste Srpske (Bosnia), Itella (Finland), Groupe La Poste (France), Magyar Posta (Hungary), Poste Italiane (Italy)

Information about the Reporting Guidelines

We have the following comments concerning the Reporting Guidelines:

- ▶ The **Emissions perimeter**, which corresponds to the reduction target of the PostEurop Reduction Programme perimeter, is limited to Scope 1 and 2. As a complement, Scope 3 activities emissions are monitored and analyzed.
- ▶ The **Reporting Guidelines** allow postal operators to report, on a voluntary basis, the emissions due to some activities (the activities covered by the reporting are detailed in the section "Reporting Scope and Methods" of this report).
- ▶ Regarding the **accounting of the emissions due to green electricity** consumptions, postal operators have been allowed to apply their own methodology (they are detailed in the section "Reporting Scope and Methods" of this report). As explained, the emission factor and criteria to recognize green electricity are still controversial. However, PostEurop requires members to keep the traceability of the green electricity consumptions.
- ▶ **Methodological improvements over years**, in particular with respect to scope and electricity emission factors, can impact the comparability of the data over the engagement period starting from 2007 and monitoring the objective achievement.

Conclusion

On the basis of our review, nothing has come to our attention that causes us to believe that the Emissions have not, in all material respects, been prepared in accordance with the Reporting Guidelines.

Paris-La Défense (France), February 15, 2011

ERNST & YOUNG et Associés
Christophe Schmeitzky
Partner in charge of the Climate Change and Sustainability
Services

10. CONTACTS AND ACKNOWLEDGEMENTS

Picture credits

CTT – Correios de Portugal	page 21
Deutsche Post	page 18
Iceland's Post	page 11
Magyar Posta	page 14
Osterreichische Post AG	page 24
Poste Italiane	pages 12, 19
bpost	page 27

Contacts



Stephanie Scoupe

Chair, Environment Working Group

Groupe La Poste, France

T: +33 1 55 44 02 03

E: stephanie.scoupe@laposte.fr



Michele Menghini

GHG Reduction Programme Coordinator

PostEurop, Belgium

T: +32 2 761 96 53

E: michele.menghini@posteurop.org

Acknowledgements

Acknowledgements to Ernst & Young, consultant verifying 2009 data.

Special acknowledgements to the GHG Reduction Programme postal operators' correspondents, who have been extremely proactive in making the programme progress.



Association of European Public Postal Operators AISBL
Association des Opérateurs Postaux Publics Européens AISBL

POSTEUROP is the association which represents European public postal operators. It is committed to supporting and developing a sustainable and competitive European postal communication market accessible to all customers and ensuring a modern and affordable universal service.

Our Members represent 2.1 million employees across Europe and deliver to 800 million customers daily through over 175,000 counters.

*Association of European Public Postal Operators AISBL
Association des Opérateurs Postaux Publics Européens AISBL*

Boulevard de la Woluwe 34 • 1200 Brussels/Bruxelles • Belgium/Belgique
T: +32 2 761 96 50 • F: +32 2 771 48 58 • info@posteurop.org

www.posteurop.org