

'BUSINESSES CAN NO LONGER GLOSS OVER SUSTAINABLE DEVELOPMENT ISSUES'

The companies of tomorrow will be those in which growth is defined not just by financial indicators. What role could POST's Board of Directors play in this paradigm shift? To find out, three directors – Sandra Denis, Marie-Josée Ries and Günter Mirkes – agreed to an informal interview with Isabelle Faber, Head of Communications, PR & CSR at POST Luxembourg.



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ISABELLE FABER,
Head of Communications, PR & CSR

'We will have to carefully consider our social and environmental impacts at every level, so as to gradually shift the focus of our business models away from profitability goals and towards addressing the social and environmental issues facing our society,' adds Isabelle.

One of the priorities of POST's CSR strategy will be to build CSR into the decision-making framework of the company and each of its business lines. Directors and managers will have to take responsibility for introducing measures to ensure that creating sustainable value becomes a top priority, and that the change of mindset is permanent.

By incorporating corporate social responsibility (CSR) into its core strategy, POST is seeking to create long-term value for wider society. 'People and the planet now have a seat in the boardroom,' says Isabelle Faber, Head of Communications, PR & CSR, and designer of the POST Luxembourg CSR strategy approved by POST's Board of Directors in December 2020. 'This is because financial performance and social and environmental performance are two sides of the same coin.'

Growth can be considered sustainable when its benefits are not limited to a small part of the population. Sustainable growth is not measured in euro alone, but also in terms of its impact and its response to human needs. 'Doing business without paying much attention to the resources that we use, to the social impact that we have, or to the emissions that we produce, has become unimaginable,' Isabelle continues.

CSR is fully embedded in corporate strategy, as its challenges are above all about supporting innovation, managing risk and maintaining confidence to guarantee POST's long-term viability.

Left to right: Isabelle Faber (Director of Communication, PR & CSR at POST Luxembourg), Günter Mirkes, Sandra Denis and Marie-Josée Ries (members of the Board of Directors of POST Luxembourg)



Isabelle Faber: DO YOU THINK THAT THE BOARDS OF DIRECTORS OF LUXEMBOURG COMPANIES PLACE SUSTAINABLE DEVELOPMENT AND CLIMATE ISSUES SUFFICIENTLY HIGH ON THEIR AGENDAS?

Marie-Josée Ries (MJR): Whether they like it or not, businesses can no longer gloss over sustainable development issues. Some need their arms twisting by regulations; others act out of conviction. Few businesses and institutions can turn a deaf ear when their customers and society at large expect strong gestures and concrete action. Ignoring them could mean putting their business's future at risk.

Sandra Denis (SD): There is growing awareness in the business world. Proof of this can be found in the success of training offered to directors, especially by the ILA. In this specific example, financial institutions are well represented, as is the industry. However, I'm convinced that while the interest in CSR may be real, putting it into practice is a different matter. And I don't think that it is high on Boards' lists of priorities just yet, even if there are hardly any companies that don't vaunt their CSR work.

Günter Mirkes (GM): It's true that training attendance figures show a certain level of interest. However, given the financial difficulties that many companies are experiencing as a result of the crisis, it's understandable that directors' priorities may have lain elsewhere for the past year or so. Some people still see CSR as 'nice to have' and let financial interests take prec-

edence over protecting nature and the environment. Let's hope that this interlude ends very soon.

IF : HOW MUCH RESPONSIBILITY DO COMPANIES HAVE FOR MEETING THE MAJOR CHALLENGES OF SUSTAINABLE DEVELOPMENT?

GM: Big businesses – especially long-standing companies that serve the local population – must set an example because they're not under the same pressure to meet shareholders' financial demands as a private or listed firm. That makes it incumbent upon us to consider the long term, rather than an immediate return on investment.

SD: Companies must be part of the solution, but they cannot do it alone. It's up to each of us, individually and as a society, as well as our elected politicians. That said, companies can and must set an example to create a virtuous circle, bringing their staff and other stakeholders on board.

MJR: Each individual can do his or her bit by eating organic products or by taking public transport, for example. However, seismic change can only come from large companies. How can you expect people to use less water if industry is wasting it?

IF: DO YOU THINK THAT POST IS WELL EQUIPPED TO CREATE SUSTAINABLE VALUE?

MJR: I think that POST Luxembourg is on the right track, consolidating an approach that began 12 years ago. However, there are two points to keep a close eye on: the importance of transparent governance and the adoption of a systematic approach to promote CSR across all areas. If pragmatic, appropriate priorities are to be set, then I also take the view that outside observers and stakeholders must be brought in to offer constructive criticism, which every management team needs, especially when it comes to matters of public interest.

SD: The mere fact that POST has a unit working exclusively on the pursuit of CSR at the company shows that we are past the wishful thinking stage. By equipping itself to act, and as a public enterprise, POST must set an example while exerting a degree of pressure on its stakeholders to match its determination to run an environmentally and socially responsible business. All the more so, this rings true with regards to its employee relationships.

GM: POST Luxembourg is perfectly equipped at every level, across all of its business lines and beyond. Examples of this include delivery workers getting around in electric Paxsters, and POST Finance guaranteeing financial inclusion for all despite low profitability. And now there is a clear, detailed strategy approved by all of the decision-making bodies in place. Yes, we can say that POST is on the right track.

IF: WHAT ROLE DO YOU THINK THAT YOU SHOULD/ COULD PLAY IN THE ONGOING TRANSFORMATION?

SD: As directors, it is up to us to set out our requirements as regards the content of the materials presented to us. From now on, we will have access to non-financial key performance indicators, or KPIs, which we will factor into our final decisions without prejudice, even if it means shaking up our habits. In so doing, I think that directors are supporting the ongoing paradigm shift in the most tangible way possible. It's also a strong signal, and an encouragement, for those at POST who are committed to a more sustainable future.



The three directors have taken the ILA's '21st Century Board Leadership Model' course, which makes climate, health, technology and governance issues central to economic emergency planning.

MJR : Members of the Board of Directors have a real role to play in the decision-making process, in stark contrast to the 'nice to have' approach. It's up to us to scrutinise non-financial KPIs with the same thoroughness and responsibility as with financial indicators. This brings me back to the question of the resources at POST's disposal for effectively measuring expected returns and outcomes, in order to draw relevant conclusions.

GM : I'm with Marie-Josée and Sandra, in that I think that as directors we now have to look at every project – without exception – from a new angle, apply a CSR filter, and ask ourselves whether a given decision fits in with our desire to target sustainability.

IF: DO YOU HAVE ANY CLOSING REMARKS ON MATTERS CLOSE TO YOUR HEART?

GM: A little earlier I outlined the areas in which POST Luxembourg excels, and for which I congratulate it. The list is already long but not exhaustive. Who knows? Maybe in the near future we'll see the company add even more strings to its bow in the form of new technologies such as artificial intelligence or blockchain.

MJR: I think it's essential to trust the science and to find ourselves, then follow, a common denominator. We can no longer ignore the evidence of scientific research and observation on climate change. There's no alternative. We must adopt a perspective that allows us to face facts and ensure that consideration of non-financial KPIs becomes instinctive for everyone, without exception.

SD: The COVID-19 pandemic has shown a great many people and companies that the lifestyle to which we are accustomed is fragile. Climate change is a fact, and in my mind presents a risk that is at least equal to, if not greater than, that of the current health crisis. This is why we need to act quickly, and I regret that, globally, we have not been able to learn longer-term lessons from this crisis to refocus our priorities a bit more. What was once considered idealism regarding CSR has since become realism. With the resources already in place and the determination of staff and managers alike, I tend to believe that POST Luxembourg has understood this.