

Royal Mail PLC

TRA Transportation and Transportation Infrastructure

Member of DJSI World, DJSI Europe

Company Information

Country	United Kingdom
Market cap (USD million)*	4,730

*Source: S&P Global BMI, 31 July 2017

Company Description

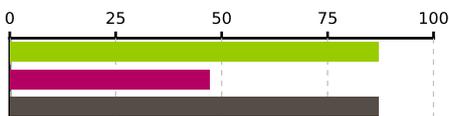
The Royal Mail Group operates through two core divisions: UKPIL and GLS. UKPIL operates in the UK collecting and delivering parcels and letters through two main networks, the Royal Mail Core Network and Parcelforce Worldwide. GLS is their European parcels business covering 41 European countries and nation states through a combination of wholly-owned companies and partner companies. The company also provides parcel and express services, as well as logistics solutions. As of 2017, 159,000 people were employed across the group, which reported over GBP 9.7 billion in total revenues and GBP 335 million in pre-tax profits. Royal Mail Group is well-positioned for geographic expansion after recently increasing their digital capabilities, particularly in e-commerce.

Industry Drivers

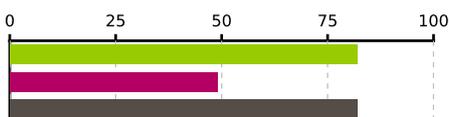
The transportation industry consists of a number of sub-industries (e.g. marine, rail, trucking, freight-forwarders, logistics and related infrastructure), each with distinctive dynamics, competitive landscapes, and sustainability issues. The most important material issues across the entire industry relate to the safe and efficient movement of goods and passengers. These include fuel efficiency, operational eco-efficiency, and occupational health & safety. Effectively managing these issues contributes to cost advantages which influence a companies ability to offer competitive pricing and capture market share gains. Strong customer relationship management is essential to proactively understand today's needs and identify potential issues. Offering lower carbon and more efficient transportation options provide an opportunity to acquire new customers and retain existing ones as more companies commit to reducing their carbon footprint along the entire value chain. Offering high quality, reliable service requires companies to work internally on developing an engaged and motivated workforce through effective human capital development programs. In addition, it also requires that companies work on their external image to enhance their ability to attract talented and skilled individuals.

Sustainability Scores

Total Scores



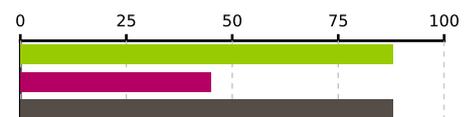
Economic Dimension



Environmental Dimension



Social Dimension



■ Industry best score ■ Industry average score ■ Royal Mail PLC

Sustainability Performance

With the vision to be recognized as the best delivery company in the UK and across Europe, Royal Mail PLC bases their strategy in sustainability and has been selected as the Transportation Industry group leader. Royal Mail has demonstrated outstanding performance with respect to labor practices indicators, providing employees and contractors a safe working environment and fair employment conditions. As a transport business, they focus their efforts on effectively managing their environmental impacts and reducing their resource use. The company has deployed a new fuel management system, and has begun replacing air transport with road services and continues to test vehicles with low or zero direct emission technology. Their strong climate strategy is well-founded and they have shown significant decreases in their GHG emissions, water consumption and the amount of waste sent to landfill. Finally, their focus on developing innovative online products and new platforms for their customers has helped support strong customer service relationships.

Company Performance for Selected Criteria



■ Industry best score ■ Industry average score ■ Royal Mail PLC

For more information on assessment criteria, please visit www.robecosam.com/csa

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