

2007 Sustainable Development Report



GRUPE LA POSTE



The background of the page is a complex, abstract graphic design. It features a large, stylized face on the right side, composed of various colored segments (purple, orange, green, blue) and white space. The face has a large, curved eye and a wide, open mouth. To the left of the face, there are several other abstract shapes, including a large orange circle with a purple arc inside, a green and blue shape, and a purple and orange shape. The overall design is vibrant and modern, with a mix of bold colors and clean lines.

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La Poste, a Group that provides services to individuals and companies

Profile

La Poste operates in four Divisions: Mail, Parcels-Express, retail banking with La Banque Postale and the distribution of La Poste Retail Brand products and services. Within a close-knit but diversified Group, each Division has specialised and integrated subsidiaries. In five years, La Poste has demonstrated its abilities to evolve and adapt, and has become a powerful industrial Group. Today, it is a major services Group ready to anticipate customer expectations to improve performance and extend the confidence its history has always been built on.

€20.819 billion

Turnover

€943 million

Net profit/(loss) Group share

€1.314 billion

Capital expenditures

71%

Revenues generated in **DEREGULATED MARKETS**

16.1%

Revenues generated **OUTSIDE FRANCE**



Interview

“3 questions for Jean-Paul Bailly”

Reduction of CO₂ emissions
from La Poste transport
between 2003 and 2007

-6.14%

Percentage of postal
workers ready to get
involved in sustainable
development actions in 2008

86%

Five years ago you launched
La Poste's sustainable
development approach.
What are you most proud
of today?

When I arrived at La Poste, I was convinced that in order to protect the Group's continuity and improve its performance, the Group had to pay more attention to its environment and to the resources it uses because that is the only path to sustainable economic efficiency.

We have changed our vision of transportation so that La Poste and its subcontractors deliver mail and parcels responsibly. To do this, we are continuously improving the environmental performance of our vehicle fleet. We are gradually shifting from air cargo to rail cargo. We are training all mail carriers in eco-driving and encouraging postal workers to use public transport. We are increasing our subcontractors' awareness through communication activities so they reduce their CO₂ emissions. La Poste is testing clean vehicles and encouraging manufacturers to mass-produce them.

Our new buildings incorporate High Environmental Quality criteria and we are helping develop renewable energies by using roof areas to produce solar power. We recycle our industrial waste and reduce its volume at source. We have improved our control of paper consumption and give priority to recycled paper or paper from sustainably managed forests thanks to our products' eco-design

**By placing responsible development
at the centre of our corporate
“Performance and Confidence” strategy,
we have entered
a new phase.**

Jean-Paul Bailly, **Chairman**

and our cooperation with admail customers. If I could only mention two sources of pride, it would be that we surpassed our objective to reduce CO₂ emissions (with a decrease of 6.14% between 2003 and 2007 instead of 5%) and the postal workers' involvement in sustainable development, demonstrated by the latest surge in our internal barometer.

To continue improving, what levers do you plan to use?

Responsible development (I prefer to use this term because in some French peoples' mind "sustainable development" is only associated with its environmental component) is on fertile ground at La Poste thanks to its corporate culture based on public service values that motivate La Poste's employees on a daily basis and our Group's size, which gives our actions considerable weight (e.g.: when La Poste chooses fair trade cotton for mail carriers' professional uniforms, that represents 11% of the volume purchased in France!).

La Poste Group's multiple activity dimension is also a favourable factor in the promotion of responsible development. Our various Divisions open several areas of activity for us: the fight against banking exclusion, eco-design, fair trade, gender equality, diversity, socially responsible financial products, etc.

To continue improving, we have identified five main levers: strengthen postal workers' empowerment, develop responsible products and services (purchased or designed by the Group),

integrate responsible development in impact studies for all projects, develop methods of recognising managers and make extra-financial reporting reliable.

What are the innovations for 2008?

We are entering a new phase that places responsible development at the centre of our "Performance and Confidence" corporate strategy based on four ambitious commitments: the fight against climate change, the responsible use of paper, the diversity policy and also increased consideration for territories in our decisions. To do this we are working with all stakeholders (customers, elected officials, professional organisations, suppliers, etc.) and implementing a network of regional sustainable development delegates, particularly to help local public authorities successfully implement their Agenda 21 and Climate Plans.



Group overview

Organised around four Divisions (Mail, Parcels-Express, La Banque Postale and La Poste Retail Brand), La Poste employs nearly 300,000 people in France and Europe and generated turnover of €20.8 billion in 2007. La Poste is an industrial and services group that is proud to accept its public service and accessibility missions, including universal postal service, transporting and distributing the press, regional planning and fighting banking exclusion.

Mail



In accordance with its obligations as a "universal service operator", La Poste ensures that mail is collected, sorted, transported and delivered six days a week, everywhere in France. For Mail, 2007 was a year of major changes: an industrial revolution with the accelerated implementation of ultramodern processing hubs; a products and services revolution with decisive innovations to help business performance; a revolution in distribution (organised by teams and professionalised even further to strengthen the quality of public service); and the extension of La Poste's unique proximity to all customers, businesses and individuals alike. All of these changes will improve Mail's ability to cope with the challenge of total market deregulation as of 1st January 2011.

55.6% of La Poste Group's turnover
2nd European operator
in terms of revenues

Universal postal Service
operator in France

28.6 billion objects
transported per year

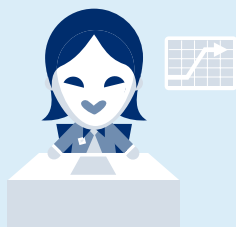
82.5% of letters delivered the next day

Parcels-Express



This Division combines the activities of transporting and delivering parcels (ColiPoste) and express in France and around the world (GeoPost). 2007 marked a decisive watershed in GeoPost's history. Europe's No. 2 in express put the finishing touches to its European network and laid the groundwork for its intercontinental network. It is now ready to take its place as one of the major players in the globalisation of exchange. The leader in the home delivery market, ColiPoste intensified technology and quality initiatives for customer services.

€4.5 billion in turnover
21.6% of La Poste Group's turnover
No. 2 in Express in Europe in terms
of volume and **No. 1** for Parcels in France
803 million parcels transported



La Banque Postale

On 1 January 2006, La Poste's Financial Services became La Banque Postale, which is operating today as a full service bank with a Supervisory Board and an Executive Board, and whose capital is fully owned by La Poste. Financial year 2007 confirmed the fundamentals of La Banque Postale's postal banking model, its operation and its ability to stay on target in 2007. La Banque Postale has been authorised to distribute consumer credit and accredited by the Lending Institutions and Investment Firms Committee (CECEI French banking regulator) to grant microcredit to people that don't normally have access to credit.

€4.7 billion of Net Banking Income

22.6% of La Poste Group's revenues

4th leading retail bank in France in terms of outstanding deposits and savings

€250.9 billion funds under management, including sight deposit accounts



La Poste Retail Brand

The meeting place for three Divisions and the public, the post office network is the lever for La Poste Group's economic success and integrity. It generates nearly 20% of Mail's revenues, more than 27% of Parcels' turnover and plays a key role in marketing La Banque Postale's products and services. To improve customer service and build their loyalty in the face of the announced competition, Europe's densest network is starting to change. It is moving from a network logic to that of a strong retail brand, focused on customer relationships and being an expert in local services with one clear priority: customer satisfaction.

17,000 retail outlets, including 5,099 in partnership

No. 1 local network in France

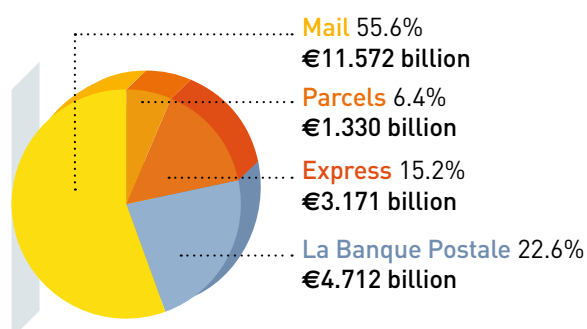
€2.6 billion of the Group's turnover (12.5%) generated by La Poste Retail Brand

Significant events Group 2007

- Europe decided to delay complete Mail deregulation until 2011
- National postal presence contract signed for 2008-2010
- Post office network transformed into La Poste Retail Brand
- Joint mail/parcel cargo subsidiary created with SNCF
- Europe Airpost air cargo subsidiary sold
- Agreement signed to raise employees' remuneration
- Unanimous agreement signed to promote housing for postal workers
- "Professional equality" label obtained

Breakdown of turnover by Division

- 2007 turnover: **€20.819 billion**
- More than 70% of turnover generated in deregulated markets
- La Poste Retail Brand sales: **€2.6 billion**





A company that shares the fruits of its performance

An industrial and services company operating in increasingly competitive and international markets, La Poste carries out four general interest missions defined by law: universal mail and parcel post service, press transportation and distribution, regional planning and banking accessibility. These four missions are at the centre of French people's daily lives and ensure that every company and citizen has easy access to La Poste's services throughout the country at reasonable rates, with mail and parcels distribution 6 days out of 7.

The Livret A regulated savings account is a major tool in La Poste's banking accessibility mission. It contributes to social cohesion on behalf of the most vulnerable people. That is why La Poste will pay special attention to the terms of current negotiations to make the Livret A available for distribution in all banks, especially in terms of the resulting economic conditions for La Banque Postale.

La Poste contributes 0.9% to the French GDP through the added value generated by these activities. La Poste reinjects an important part of its earnings into the economic circuit through its purchases and capital expenditures, payroll and taxes.

Consistent with its public service missions and by nurturing its longstanding values (openness and accessibility, dialogue and consultation, fairness and consideration for everyone), La Poste is innovating by adapting its presence, diversifying the services offered and strengthening its partnerships with regional players. Since 2004, La Poste has consulted with elected officials to adjust its regional coverage to demographic changes.

The new national postal presence contract for 2008-2010 signed in November 2007 with the government and the Association of French Mayors sets out La Poste's obligations in terms of regional development and its funding mechanisms based on a compensation fund.

The compensation fund created by the 2005 postal regulation law and funded with approximately €140 million per year, guarantees a fair distribution between the French administrative *départements*, with priority given to rural, mountainous and sensitive urban areas as well as overseas territories.

As such, between 2008 and 2010, €420 million will be devoted to maintaining and modernising the postal presence in the nation's most fragile areas under the supervision of the National Observatory on Postal Presence.

CASH FLOWS GENERATED

Including 71% in deregulated markets

Mail

€11.572 billion

Parcels-Express

€4.501 billion

La Banque Postale

€4.712 billion

Revenues generated by La Poste Retail Brand

€2.609 billion
of which its margin on third products

€34 million

Capital expenditures and investments

(tangible and intangible assets, acquisitions)

€1.314 billion

Personnel

€11.806 billion

CASH FLOWS
REDISTRIBUTED
TO POSTAL WORKERS
OR REINVESTEDCASH FLOWS
REDISTRIBUTED
TO THE COMMUNITY**Suppliers and subcontractors**

(purchases of consumables, delivery of services, transportation costs, rents, telecommunications, maintenance, etc.)

€5.981 billion

State and local authorities

(payroll and related taxes + corporate income taxes + local and other taxes)

€1.389 billion

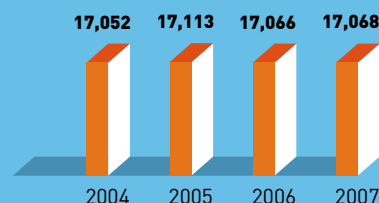
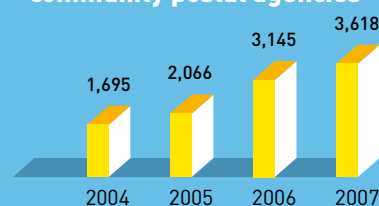
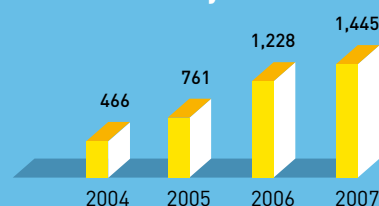
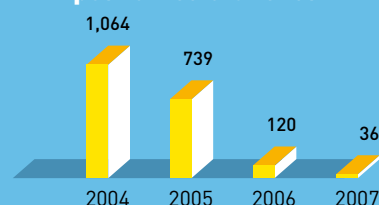
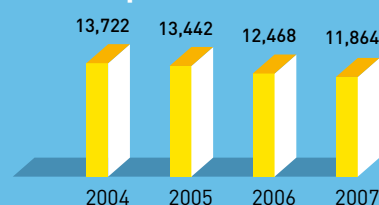
Investors and banks

(expenses on financial debt)

€265 million

Changes in the postal presence

The signature in 2007 of 606 new partnerships with local public authorities and shopkeepers brings the number of outlets managed in partnership to 5,099 over the entire country.

TOTAL ***community postal agencies****Poste Relay Outlets****post office branches****post offices**

* including 105 outlets with the army





Assessment 2003-2007

LA POSTE GROUP

Strategy

Environment

Employee relations

4 DIVISIONS IN SYNERGY

Mail

Parcels-Express

La Banque Postale

La Poste Retail Brand



STRATEGY

ENVIRONMENT

EMPLOYEE RELATIONS

MAIL

PARCELS-EXPRESS

LA BANQUE POSTALE

LA POSTE RETAIL BRAND

LA POSTE GROUP

Strategy



Between 2004 and 2007, the Divisions and cross-divisional departments appropriated the sustainable development issues, enabling the Group's Sustainable Development Department to focus on its coordination, assessment, surveillance, benchmarking, reporting, internal awareness and external promotion missions. Its major role is to help steer the new responsible development strategy and implement all of the cross-divisional levers that help new commitments succeed.

Sustainable development's integration in the company's governance

In 2003, the official date it was recognised, sustainable development was mentioned in the "Performances and Convergences" strategic plan as an area the Group could improve in. Gradually, the initiative has been developed and promoted by the company's management bodies. Examples include signing the United Nation's Global Compact in 2003, the Executive Committee's sustainable development commitments in 2004, the responsible paper policy in 2005 and the willingness to have the approach assessed by Vigeo a rating agency. The Board of Directors' decision to expand the Customer Quality Committee's scope of responsibility to include sustainable development in January 2007 testifies to sustainable development's integration in corporate governance.

2007 The Board of Directors' Customer Quality and Sustainable Development Committee

In 2007, the Customer Quality Committee, a specialised committee on the Board of Directors comprised of two qualified people, a representative from personnel and a government representative, became the Quality and Sustainable Development Committee. Meeting six times in 2007, it examined proposals to update the strategy and the Division's policies put in place to implement the Group's sustainable development commitments.

Sustainable development integration in cross-divisional policies

Between 2003 and 2007, sustainable development became an integral part of the company's cross-divisional policies (purchasing, finance, communications and training). Initiated by the Sustainable Development Department, today the responsible purchasing policy has been incorporated by the Group Purchasing Department, going from an occasional approach in symbolic markets to a phase where it is being rolled out to all purchasing families. Dedicated tools enable buyers to implement the approach in each Division and throughout France.

2007 The Responsible Purchasing Charter

The Responsible Purchasing Charter, incorporated in all consultations over €40,000 and included in all contracts signed between La Poste and a service provider, is based on the principle of continuous improvement and encourages a collaborative work ethic between La Poste and its suppliers. A hundred suppliers signed it during the first few months of its existence.

2007 La Poste's Chair in Sustainable Development

La Poste and the Euromed School of Management in Marseille signed a partnership in April 2007 to create a Chair in sustainable development. This partnership gives La Poste preferential access to the work of researchers, teachers and professors who are experts in this field. For its part, La Poste provides students with its operational expertise, supports their projects and receives them for their placements or research.

2003

- Group's Sustainable Development Department created
- Group's sustainable development strategy developed
- United Nations Global Compact signed
- Weekly sustainable development newsletter created (accessed via the Intranet)

2004

- Executive Committee adopted 12 sustainable development commitments
- First annual Sustainable Development Report published

2005

- Adispo Essentiel banking accessibility
- Fair trade cotton purchased for mail carriers' uniforms

86% of postal workers are ready to get involved in sustainable development actions and **91%** of them are senior managers.

Postal workers and sustainable development

Since 2006 La Poste has measured postal workers' perception of sustainable development. The results show that postal workers have an excellent understanding of the issues and opportunities involved with this approach and a strong motivation to participate in it. In 2008, 88% of them thought it was an increasingly important subject for La Poste (82% in 2007). 79% believe that sustainable development improves the company's economic results and 77% that it develops innovation.

Appropriation of sustainable development commitments by all postal workers

Sustainable development is more of a cultural and behavioural change than a technical change. Such an important change cannot succeed without the commitment and support of all employees. That is why, beginning in 2003, La Poste's approach has relied on internal communications, increasing postal workers' awareness, informing and training managers and making the strategy visible through operational actions tailored to postal workers. The objective was to explain the issues, get people to participate in concrete local solidarity projects and to encourage initiative and involvement. In 2007, every postal worker had access to information about sustainable development and could participate in an individual or group project.

2007 Solidarity leaves

In 2007 La Poste organised, in partnership with the Planète Urgence association, a solidarity leave system. 41 volunteers, selected from 280 applicants, carried out predominantly socio-cultural missions from July to October in five countries (Mali, Benin, Madagascar, Burkina Faso and Senegal). This allowed them to discover, in a new cultural and geographic context, their capabilities in terms of autonomy, listening, adaptation and resistance to stress, while actively participating in meaningful group projects.

2006

- Vigeo assessed the approach
- Postal presence observatory
- First internal barometer: "Postal workers and sustainable development"



Today La Poste is a recognised player in sustainable development.

Interview with **PATRICK WIDLOECHER**,
La Poste Group's Sustainable Development
Director, 2003-2008

How has sustainable development been created at La Poste since 2003?

P. W.: The creation of the Sustainable Development Department marked the beginning of the Group's approach. Everything had to be conceived.

We started with a blank piece of paper, then gradually transitioned from a militant approach, by postal workers who were already convinced, to a genuine shared awareness and finally to commitment and action. Our strength and the key to our success was to position sustainable development from the outset as a performance lever for the company. All projects implemented since 2003 have proven the relevance of our risks and opportunities analysis and are completely consistent with the issues and solutions identified by France's Grenelle de l'environnement (open multi-party forum on the environment).

What is the foremost improvement yet to be accomplished?

P. W.: The property area. It has to improve its expertise,

prioritise a long-term approach and use innovation to anticipate technical and regulatory changes in order to meet our commitment to reduce our buildings' CO₂ emissions. The eco-design of our products is also a real area for improvement.

How do you see the future for sustainable development at La Poste?

P. W.: Today La Poste is a recognised player in sustainable development and a leader on this subject in the transportation area. Internally, our approach is well understood and shared: nine postal workers out of ten say they are ready to get involved in actions on this theme. To succeed in our new strategic goal, we are strengthening the approach's territorial base through structuring and training the network of Group participants, in concert with Divisions. We also want to increase the projects co-developed with our customers, our partners and the local authorities.

2007

- Sustainable development strategy and commitments updated
- La Poste Chair in sustainable development created with Euromed Marseille
- Responsible Purchasing Charter



LA POSTE GROUP

Environment

Reducing transport-related CO₂ emissions by 5% between 2003 and 2007

Before 2003, no correlation had been established between the Group's transportation activities and their direct environmental impact. The Sustainable Development Department initiated a major project to diagnose, analyse, formalise and quantify this impact. The results of this work were used to identify and assess existing and future risks for these activities such as changes in regulations, availability and cost of fuel, new local requirements and increasing customer requests for environmentally friendly means of transportation. Based on the commitment to reduce transport-related CO₂ emissions, the Group has made a concerted effort to identify new solutions while improving existing processes and incorporating this issue into internal decision-making. This policy is now implemented operationally and structured in the most affected Divisions: Mail and Parcels-Express. Today, La Poste is strengthening its commitment with outside partners by exchanging good practices with transportation partners and suppliers and collaborating with the European postal operators' joint programme to reduce CO₂ emissions. All of these actions have enabled the Group to surpass its initial objective.

2007 CO₂ memorandum of understanding with PostEurop

On 15 June 2007, on PostEurop's initiative, nine European postal operators (including La Poste), announced they were going to combine their forces to combat climate change. Numbering 16 today, they have set the objective of reducing their greenhouse gas emissions by 10% on average over the next five years. Covering two key areas (transportation and buildings), the programme is based on exchanging experience and collaboration between participating post offices, plus defining a common tool to measure and collect CO₂ data for the postal sector.

Implementing an eco-design approach

In the same logic of identifying and decreasing the environmental impact of the Group's activities, a second approach has involved evaluating all products the Group produces, uses and markets in its different Divisions (stamps, parcels, packages, envelopes, chequebooks, etc.). The objective is to decrease their environmental impact while improving their performance, consistent with consumer expectations for more responsible products. This policy is manifested in the commitment to incorporate sustainable development criteria in marketed products whenever possible. The Group has trained product managers and widely distributed the eco-design guide to all public targets concerned. It has performed lifecycle analyses and guided the system to create the "Pour la Planète" line. A commission comprised of representatives from La Poste, ADEME (French Environmental and Energy Management Agency) and consumer associations approve products labelled "Pour la Planète." Each product family has to meet very strict environmental criteria. Two Mail products in this line were marketed in 2007: the eco-book of stamps and the NF Environment pre-paid envelopes (NF = French standard).

2007 Eco-book of stamps launched

On 16 January 2007 La Poste launched the eco-book, an "eco-designed" book of stamps that is more environmentally friendly. It contains 12 stamps instead of 10 on virtually the same amount of paper, which saved 12 tonnes of paper for the 92 million eco-books produced in 2007. Moreover these stamps are printed on paper from sustainably managed forests. Their red ink doesn't contain any hazardous substances and their glue is solvent-free.

2003

- Waste management initiative

2004

- Chequebook's life-cycle analysed
- New generation clean-vehicle policy
- First business travel plan signed at the Nantes Financial Centre

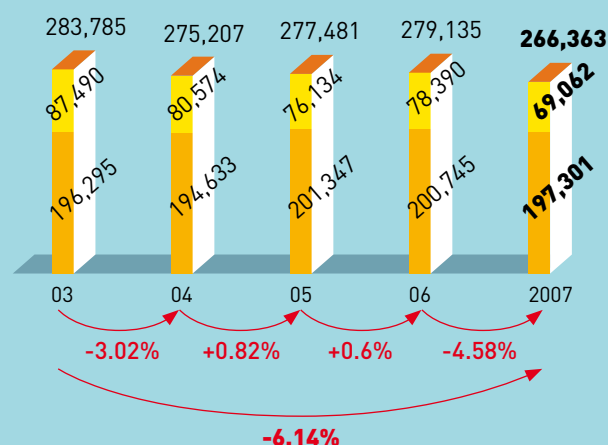
2005

- Responsible paper policy
- First eco-designed "Environment Charter" stamp



CO₂ emissions from transportation operated by La Poste (equivalent tonnes of CO₂)

■ Air transportation
■ Road transportation



Incorporating the environment in buildings

Even though there was some awareness in 2003 of the importance of environmental management for the Group's stock of properties, the complexity of the organisations and their ongoing developments combined with the mixed nature of properties and size made it difficult to develop and implement a proactive Group policy. Therefore, priority was given to increasing awareness and improving behaviour through the widespread use of eco-gestures. The 260,000 postal workers were sent the ADEME's guide on climate change and the "Sustainable family guide." At the same time, in-house guides on water and energy savings and sustainable construction have enabled several installations to improve, through programmes to renovate post offices and build Mail and Parcel sorting centres. In each Division the Group has coordinated energy analyses to provide an exhaustive analysis of consumptions and to be in a position to act on the right levers. Henceforth the Group has two tools to monitor its consumptions: Panorama for electricity and *My account online* for gas. In 2007, the Group was able to capitalise on the experience acquired in building several sites incorporating HEQ (High Environmental Quality) criteria, like the mail sorting centres in Montélimar, Faulquemont and Moissy-Cramayel. Strengthening the expertise and budgets dedicated to sustainable development in its Poste Immo subsidiary in charge of property management will make it easier to take the environment into account in the Group's building programmes.

2007 Creating the national HEQ reference guide for service logistics buildings

The future mail preparation and distribution hub in Montélimar (opening scheduled for end 2008) incorporates the High Environmental Quality criteria. Developed in collaboration with Certivea (subsidiary of the Scientific and Technical Building Centre), this pilot project will be used to help develop a national HEQ reference guide for logistics buildings in the service industry. The Montélimar hub will be the first service logistics building labelled HEQ.

CO₂ emissions reduction objective exceeded

With an overall decrease of 6.14% between 2003 and 2007, La Poste has exceeded its commitment to reduce its transport-related CO₂ emissions by 5%. This very satisfactory result is mostly explained by a major decrease in the use of planes, as well as the renewal of the automobile fleet, the bulking of flows and the development of rail transport.



2006

- Fret GV, a joint subsidiary with SNCF for high-speed freight

2007-2008

- Assessment of the prototype electric vehicle trials
- 12-stamp eco-book
- European bid for 500 electric vehicles and 300 electric quadricycles
- First training in Eco-friendly driving



LA POSTE GROUP

Employee relations

Encouraging diversity

La Poste Group aspires to reflect the current diversity of the French and European population in its workforce. La Poste signed the Diversity Charter in 2006 and protects its naturally diversified recruitment whilst improving its career management processes.

For the 2004-2007 period, La Poste recruited 495 disabled employees through strengthening managers' awareness. The Group has organised several events to bring La Poste's recruiters' closer to disabled job seekers. Today professional gender equality is culturally anchored at La Poste. There are more women than men (50.7% in 2007) and their proportion among high-level positions in terms of responsibility has increased 10 points to 31% over the past five years. La Poste is concerned about gender remuneration gaps and has devoted financial means to remedy these gaps, caused primarily by maternity or adoption leaves. Parental leave periods are fully taken into account when determining remuneration seniority.

2007 Disability awareness

In 2007, La Poste strengthened its actions to build awareness of the professional consequences of disability by organising disability-specific days for the healthcare insurance and medico-social branches. It also organised for the first time a trophy for accessibility to business facilities that 25 teams of postal workers participated in. Their ideas for improving accessibility were combined into a widely distributed practical guide.

2007 "Equality" label obtained

On the occasion of the International day for women's rights on 8th March 2007, La Poste was the first major public company to receive the "Equality" label. This label recognises its commitment in favour of gender equality for all of its activities. The organisation of "Gender equality forums" has enabled La Poste to strengthen its communication and awareness actions for managers with respect to professional gender equality. To date, four forums have already been held with satisfaction rates greater than 90%.

Professional and personal life balance

Between 2003 and 2007, La Poste strengthened the social benefits offered to postal workers. This employee relations policy, which facilitates postal workers' personal and professional life, meets the expectations of employees confronted with the daily difficulties related to transportation, lodging and childcare. To take into account local purchasing power issues and simplify postal workers daily commutes, La Poste is involved in Business Travel Plan (BTP) approaches concerning regional urban transportation policies. Today nearly 20,000 postal workers are involved with BTPs. At the end of 2007, 2,332 postal workers benefited from the co-financing scheme for the annual public transport subscription implemented by La Poste outside greater Paris (Ile-de-France).

2007 Housing assistance for new postal workers

La Poste is giving a new boost to its mobility policy with further support through housing aids. In 2007, 5,000 new postal workers collected an ALIF or ALP housing support aid, or twice as many as in 2006. After the 2006 agreement with the regional council housing cooperatives, La Poste signed a partnership agreement on 26th October 2007 with the *Chambre syndicale des Sociétés anonymes de Crédit immobilier* to favour postal workers' access to council housing.

2004

- Agreement favouring employment of disabled personnel
- Agreement on the principles and methods of La Poste's dialogue between management and employees

2004-2005

- Agreements on employee relations in the Divisions

2005

- Apprenticeship Charter
- Agreement on vocational training and rewarding of skills
- Professional gender equality agreement



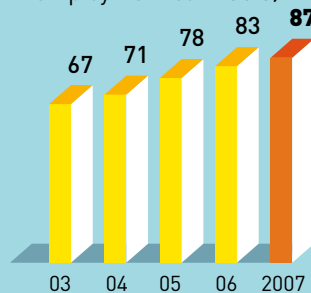
Implementing a strengthened policy of dialogue between management and employees

In 2004, La Poste implemented a new strengthened policy of dialogue between management and employees, reflected in numerous national and local agreements favouring decentralising managers' actions and increasing their responsibilities. It has calmed employee relations, illustrated in particular by the decrease in local levels of conflict. The employee relations model was substantially changed to improve the quality of employment, to limit the use of fixed-term contracts (3.3% in 2007) and to eliminate forced part-time employment. The right to training and career advancement tools have been redefined to enable everyone, irrespective of status or seniority, to be trained and move forward, based exclusively on his or her skills.

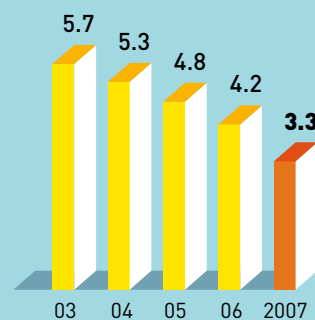
2007 Sharing the success

The willingness to improve postal workers' recognition is reflected in the implementation in 2007 of an optional group profit sharing plan for three years, a Group Savings Plan (GSP) and a Group Pension Savings Plan (GPSP) that 35,000 people have subscribed to for a total of €88 million. For the first time in the Group's history, optional profit sharing of €27 million was distributed for financial year 2007 to all of the parent company's postal workers in 2008. For the first time, the career advancement system's new organisation was implemented for a full year with 25,999 promotions compared to 11,020 in 2003.

Percentage of full-time permanent employment contracts
(based on total permanent employment contracts)



Percentage of fixed-term contracts



Improving the quality of employment

La Poste is respecting its commitments made in 2004 in favour of employment quality and is giving priority to employment stability rather than contract flexibility, a source of insecurity. The efforts carried out since 2004 have successfully decreased the use of fixed-term contracts and the number of part-time permanent employment contracts. La Poste has reached its objectives and considers that today the remaining part-time employment is chosen and not imposed.



2006

- Road safety charter
- Diversity charter
- Agreement on GSP and GPSP

- Agreement instituting two private law health and personal risk insurance schemes for employees
- Agreement on postal worker career advancement

2007

- "Equality" label obtained
- Agreement of 26th June on optional profit sharing for postal workers



4 DIVISIONS IN SYNERGY

Mail

Assessment 2003-2007

Mail joined the effort in 2003, undertaking innovative actions to measure and reduce the environmental impact of its business. Electric vehicles and eco-driving have proven their effectiveness in reducing polluting emissions. Customers are showing an interest in the eco-design and improvement initiatives undertaken on print advertising. Priority is given to stable employment in the search for responsible performance. After five years of apprenticeship and implementing actions, Mail is capitalising on its experience to anchor sustainable development at the centre of its strategy.

Transport-related CO₂ emissions

La Poste's commitment in 2003 to reduce its transport-related CO₂ emissions by 5% was reached in 2007. To reach this objective, Mail made firm commitments: significantly decrease air transport and develop rail transport, train postal workers in eco-driving, test new generations of electric vehicles, optimise logistics networks through pooling and outfit semi-trailers with a modular floor in order to increase the volume carried. These commitments were made during a complex period where, in addition to the complete reorganisation of Mail's plant and equipment, its logistics network was being transformed. Only a clear change in the means of transportation based on choosing all electric for distribution or developing rail freight or traditional high-speed freight would arguably go further towards implementing an even more ambitious commitment.

Environmental site management

In order to limit its sites' environmental impact, Mail needed a better understanding through diagnosis of its energy consumption distribution. The actions that resulted from these diagnoses will help reduce energy consumption at Mail's 3,500 sites, especially for electricity and water. Moreover, faced with certain difficulties implementing selective waste management, Mail has implemented a new project designed to regionalise such management.

Postal workers' commitment

The line of fair-trade cotton uniforms provided to mail carriers since 2005 has been well received. This demonstrates employee commitment to the Group's development approach and a desire to participate in ambitious actions. Mail carriers' awareness of sustainable development has also been strengthened in the "Communication" meetings dedicated to these issues.

Choosing employment quality

In 2004, Mail committed through the "Vaugirard Agreements" to give priority to stable employment; it transformed 10,000 fixed-term contracts into permanent ones, and reduced the number of part-time permanent contracts. The objective, achieved in 2006 (10,418 fixed-term contracts transformed into permanent ones), continued in 2007 with 3,867 new contract transformations.

For its part, MEDIAPOST has defended the national collective agreement for the direct Distribution Branch, which grants distributors genuine employee status. For MEDIAPOST, employees loyalty and professionalism is a founding theme of its strategy.





312
disabled workers recruited
between 2004 and 2007

455,000
fair-trade cotton garments
ordered between 2006 and 2007

43.2%
women in Mail division



As part of the 2004-2007 national agreement in favour of people with a disability or restricted ability, La Poste committed to recruit 450 disabled people. Between 2004 and 2007, the Mail Division integrated 312 disabled workers in its teams and provided appropriate employment for 5,475 agents with restricted ability. In addition, €26 million was invested in employment obligations (workstation conversions, training programmes, etc.) and purchases with specific sector companies amounted to nearly €8.5 million at the beginning of 2007.

Since 2006, Mail offers mail carriers professional garments made from fair-trade cotton. In view of the success encountered in 2006 (105,000 garments ordered), Mail decided to put the use of fair-trade cotton into general use. Consequently, in 2007 postal workers ordered 350,000 fair-trade cotton garments. Thanks to the mail carriers' responsible and socially supportive choice, the living and working conditions of thousands of African cotton producers have improved. The increase in revenues for these producers enables them to finance access to drinking water and to build schools and storage facilities.

Mail's professions have been feminised as part of the "Vaugirard Agreements". These agreements have essentially benefited women who represent a majority of the part-time and fixed-term jobs. Mail's management has appointed two women to the positions of Industrial and Major Modernisation Programme Director and Executive Director. Four women sit on the Strategic Committee



4 DIVISIONS IN SYNERGY

Mail

Significant events in 2007

The reflections undertaken in 2003, which were then translated into ambitious policies and actions, give Mail real expertise in the area of clean transportation, postal worker working conditions and the responsible use of paper. Financial year 2007 was marked by the essential integration of sustainable development in the company's overall strategy to ensure the continuity of operations.

Training in eco-driving

With simple rules, training in eco-driving gives mail carriers the means to reduce their vehicle's consumption while limiting the risk of accidents. Encouraged by the results observed in 2006 after a test in Lyon, Mail decided to train 60,000 mail carriers by the end of 2009. Eco-driving will eventually reduce CO₂ emissions by 10,000 tonnes a year.



The electric vehicle

La Poste is counting on clean vehicles to collect and distribute mail while reducing its environmental impact. Consequently, in 2007 Mail tested 10 electric quads for mail carriers and deployed 600 electric assistance bicycles (EAB). To accelerate its clean transportation policy, Mail launched a European invitation to bid in April 2007 to supply 500 new generation electric vehicles (10,000 if the test is conclusive).

A responsible paper policy

The work carried out since 2006 on eco-design resulted in two leading lines in 2007 that are part of La Poste's "Pour la Planète" range: the NF Environment pre-paid envelopes and the eco-books of stamps. MEDIAPOST has conducted a lifecycle analysis that was used to produce a guide for efficient and sustainable printed ad material in order to promote printed ad material as a responsible media with its customers. Lines that include targeting and eco-design have also been developed.



500
electric vehicles ordered

6,500
drivers trained in eco-driving

9,198
mail carriers promoted

Health and safety at work

In 2007, Mail made a concerted effort to implement the Health Safety Prevention at Work Awards. This constant improvement initiative aims to make the working conditions for Mail's postal workers safer, reduce the number of accidents and prevent reduced aptitude risks. In addition, efforts continued to improve the ergonomics of sorting equipment.



Professionalising distribution

For its part, MEDIAPOST allows its distributors to obtain the *CFG* General Training Certificate through participation with National Education (Cresa). The "Future mail carriers" project, which aims to promote professional development for mail carriers, enabled 9,198 of them to obtain a promotion in 2007.





4 DIVISIONS IN SYNERGY

Parcels-Express Assessment 2003-2007

For several years ColiPoste, La Poste's Parcel operator, has included a sustainable development approach in its daily activities. For its part GeoPost, the Express subsidiary whose operating entities are spread throughout Europe, has been a trailblazer with Chronopost's Chrono City, an electric trolley used for over four years in city centres. Since 2006, European subsidiaries have monitored six environmental and social indicators. Since controlling transport-related CO₂ emissions is an important issue for Parcels-Express in a growing market, sustainable development is at the centre of its strategy

Controlling CO₂ emissions

Parcels-Express' main environmental impact is caused by transportation and parcel delivery. To reduce this impact, all phases of the transport process must be examined. Choosing bulk transport or transport in high-volume trucks helps reduce the number of trucks used. Chrono City (the electric utility vehicles), the Urban Logistics Areas and Cityssimo help improve deliveries in city centres, thereby limiting transport-related CO₂ emissions. In order to measure the results of these actions, in 2006 GeoPost defined an indicator dedicated to its transport-related CO₂ emissions, which integrates the impact of its subcontractors.

Reducing the environmental footprint of products

In 2005, ColiPoste implemented a policy to reduce the environmental impact of its Colissimo packages. This eco-design initiative resulted in a change to the composition of packaging to reduce environmental impact: the proportion of recycled cardboard was increased, non-toxic products were used and the cardboard was cut "smarter" to reduce waste. Consistent with this work, a simplified lifecycle analysis of Colissimo packages was performed in 2007.

Improving working conditions

The many handling steps in parcel processing make workplace health and safety a major issue at Parcels-Express. ColiPoste has implemented major projects to reduce the burden of this issue. Road safety is also taken into account by the Parcels-Express division. Chronopost Portugal has decreased the number of accidents per vehicle by 64% since 2004 thanks to specific training. At the end of 2007, Chronopost had trained 236 employees in road risks. In Germany, DPD's workplace health and safety policy, reflected by the slogan "every accident is one accident too many," teaches drivers how to load delivery trucks in a way that protects their back. Between 2002 and 2005, the number of accident-related leaves dropped by 70%.





-5.6%

**Reduction in GeoPost Group's
CO₂ emissions per parcel
between 2006 and 2007**

In 2007, in a growing market, GeoPost's parcel transportation emitted 596,000 tonnes of CO₂, up 4.9% over 2006. The volumes transported increased by 11% from 2006 to 2007, but bulking the flows successfully limited the increase in emissions and even decreased the CO₂ emissions per parcel by 5.6%.

-6.3%

**Change in GeoPost Group's
paper consumption per parcel
between 2006 and 2007**

Paper consumption per parcel at GeoPost decreased by 6.3% to 9.2 g per parcel from 2006 to 2007. This decrease is explained by the strengthening of the Internet ordering system, some subsidiaries' implementation of electronic invoices and the use of pocket computers to collect the recipients' signature during delivery.

15%

**Proportion of recycled
paper used by GeoPost**

Between 2006 and 2007, the proportion of recycled paper grew from 4 to 15%. Today recycled paper is used for office paper, but also for the head office's communications brochures. This change reflects team's increasing awareness of sustainable development, especially in the case of the Purchasing Department.

€2.158 millions

**Cost of waste removal
in 2007 at GeoPost**

In 2007, waste removal cost €2.158 million, down 4.9% compared to 2006. This decrease in cost is explained by the implementation of selective sorting, personnel's increasing awareness of selective sorting and the choice of efficient service providers.



4 DIVISIONS IN SYNERGY

Parcels-Express

Significant events in 2007

In 2007, to meet its customers' increasing expectations, as well as anticipating changes in environmental regulations, Parcels-Express Division reinforced sustainable development's integration in its daily activities. Today this progress is based on a network of sustainable development correspondents comprised of ColiPoste's regional managers in France and one manager per subsidiary in the GeoPost Group. Consequently, in 2007 Parcels-Express improved and increased the reliability of its sustainable development reporting, which is organised around six relevant indicators for its activities.



Optimising waste management

The waste management initiative that ColiPoste launched in 2006 at 15 Parcels sorting hubs was continued in 2007 with a process to sort waste for recycling, which reduces their processing cost. Waste management involves reducing waste production and recycling the waste produced. Chronopost Portugal's electronic invoicing project successfully reduced its paper production by 70% in 2007, thereby avoiding subsequent waste. Regarding waste produced, the objective is to sort and recycle the waste, either directly through recycling channels or via a foundation. This is what GeoPost's Turkish partner, Yurtiçi Kargo, is doing since 1989 with the Lokman Hekin Foundation (LHSV), a non-governmental organisation that uses the waste recycling revenues to finance its public health mission for people with no access to healthcare.

Widespread use of bulk transport

In 2007, ColiPoste extended bulk parcels loading to 85% of its linehauls. The fruit of several years of effort that required many studies and changes, bulk transport increases the fill rate for trucks. Most GeoPost subsidiaries also bulk load their trucks.





+37.5%

ColiPoste's increase in purchases from the protected sector between 2006 and 2007

1.127 kg

of CO₂ per parcel carried by GeoPost (international)

0.63 kg

of CO₂ per parcel carried by ColiPoste (national)



Improving the environmental quality of products

The simplified lifecycle analysis (VCA) of Colissimo's packaging enabled ColiPoste to assess the benefits of eco-design actions already implemented on packaging; it also indicated new areas for improvement to help limit the product's environmental impact (e.g.: reducing over-packing). This analysis was also used to increase team awareness of the main environmental impact generated by ColiPoste's activity.

Renewing the vehicle fleet

In a context of growth for its activities, GeoPost limits the environmental impact of transportation by regularly renewing its vehicle fleet and optimising logistics. In Portugal, two thirds of Chronopost's trucks are running on recycled biodiesel today. In the United Kingdom, GeoPost UK has achieved a 10% fuel saving by changing from the Euro 3 standard to the Euro 5 standard for its trucks. It has also optimised flows with trailers that can be loaded on two levels.



STRATEGY
ENVIRONMENT
EMPLOYEE RELATIONS

MAIL
PARCELS-EXPRESS
LA BANQUE POSTALE
LA POSTE RETAIL BRAND

4 DIVISIONS IN SYNERGY

La Banque Postale Assessment 2003-2007

La Banque Postale is a unique and singular bank with openness and accessibility at the heart of its activity, consistent with the general interest and transparency values inherited from La Poste's Financial Services. Its daily activities include a local presence, a sense of service, accessibility and consideration for social and environmental changes. As early as 2003, its 23 Financial Centres launched actions to control the environmental impact of their activities. After massively investing in training when it was created (ethics, fight against money laundering and the fight against terrorism), today the bank focuses its efforts on the economic and social responsibility of its banking actions.

"A line of accessible and responsible products"

Since its creation in 2006, La Banque Postale has confirmed its positioning as a "Bank like no other" through its range of products and services. A socially responsible bank, it maintains a long-term relationship with its modest and fragile customers as demonstrated by its recognised role in banking accessibility through the Livret A regulated savings accounts and the development of perfectly adapted banking services with the Adispo Essentiel account package. Created in July 2005, it had a million account holders at the end of December 2007. Since April 2007, La Banque Postale distributes small loans to people that don't normally have access to credit in partnership with associations specialised in the fight against banking exclusion. The first ethical funds offered in 1997 made La Poste's Financial Services pioneers in Socially Responsible Investment. Today La Banque Postale offers responsible financial products through its *Investir Autrement* (Invest Otherwise) line. This line's total assets under management were multiplied by 5 in four years, reaching €456 million at the end of 2007.



Respecting diversity

For their Financial Services, La Poste and La Banque Postale consider that promoting diversity and gender equality along with the social integration role are essential employee relations issues. Today, women represent 29% of La Banque Postale's Executive Committee.

The disabled commitment is reflected by the fact that the Financial Centres exceed the obligation to employ 6% disabled people as well as the objective to recruit one disabled employee per year per financial centre.

Controlling environmental impacts

Since 2006, all 332 million annual account statements issued by La Banque Postale are printed on paper from sustainably managed forests. This responsible paper management policy also includes envelopes certified NF Environment.

Since controlling energy consumption constitutes the first lever for reducing CO₂ emissions, in 2007 La Banque Postale initiated an energy diagnosis of its buildings, which represent more than 211,000 square metres. Concerning waste management and more particularly WEEE (Waste Electrical and Electronic Equipment), tools are in the process of being finalised to assist site managers.

Finally, all Financial Centres in towns of more than 100,000 inhabitants have formally implemented Business Travel Plans for daily home-work commutes.



27
disabled people
recruited in Financial Centres
and La Banque Postale in 2007

13
energy performance
diagnoses performed
on buildings in 2007

6
socially aware employees
supported by La Banque Postale
in a test operation in 2007

From 2007, **70%**
of paper purchases are for
responsible paper



La Banque Postale puts its commitment to recruiting disabled people into action. It is in this spirit that La Banque Postale is a founding member of Handiformabanques, which aims to train disabled people in banking professions.

In 2006, La Banque Postale started measuring its CO₂ emissions (namely 8,500 tonnes). Since then, it has pursued a proactive strategy to reduce this volume, both in terms of transportation and buildings: in 2007, all Financial Centres committed to formally implementing Business Travel Plans (BTP).

La Banque Postale supported six employees on a two- to three-week international solidarity mission, carried out during their personal holidays, by covering their travel expenses. These employees conducted an educational support mission in Benin and Mali.

In order to combine good forest management and customer satisfaction, La Banque Postale set an objective in 2008 to use only responsible paper (i.e. recycled paper or paper from sustainably managed forests).



STRATEGY
ENVIRONMENT
EMPLOYEE RELATIONS

MAIL
PARCELS-EXPRESS
LA BANQUE POSTALE
LA POSTE RETAIL BRAND

4 DIVISIONS IN SYNERGY

La Banque Postale

Significant events in 2007

In 2007, La Banque Postale confirmed its major role in the fight against banking exclusion and was authorised to distribute social microcredit to people who would not have access to credit. It also completed its line of responsible products by launching an “eco-loan” and developed its line of responsible and socially supportive investments. Finally, La Banque Postale confirmed its willingness to promote banking accessibility for everyone through the numerous employee relations agreements signed in 2007. More than ever, La Banque Postale is convinced that its values of simplicity, proximity and straight talking along with the services it provides will make the difference in the future.

Controlling energy consumption in buildings

To control energy consumption in its buildings, La Banque Postale diagnosed 13 Financial Centres in 2007. La Banque Postale will use the results of these diagnoses to formulate precise recommendations to control its consumptions, thereby reducing the buildings' environmental impact.

Promoting Participatory Innovation

Participatory Innovation is at the centre of La Banque Postale's daily life and its development. In 2007, nearly 7,000 ideas were proposed and 82% of them were implemented, thereby saving nearly €1.4 million. The number of ideas submitted increased 25% over four years while, at the same time, the required quality level increased. This shows the active and daily participation of the Bank's players in helping the company grow.

Offering responsible financial products

In 2007, the total assets under management in La Banque Postale's ethical “*Investir Autrement*” investment accounts increased. These are financial products that give meaning to customer savings by combining performance with respect for the environment, solidarity and a sense of social responsibility. In April 2007 La Banque Postale enhanced its offer of responsible financial products by marketing *Pactys Environnement* to finance energy savings projects. This product provides attractive rates based on savings accumulated in the sustainable development savings account. At the end of 2007, 1,741 *Pactys Environnement* loans had been issued for a total of €12.6 million.





€456

million under management in the **LBPAM Investir Autrement** line of accounts (Socially Responsible Investment funds and sharing funds) in 2007

1

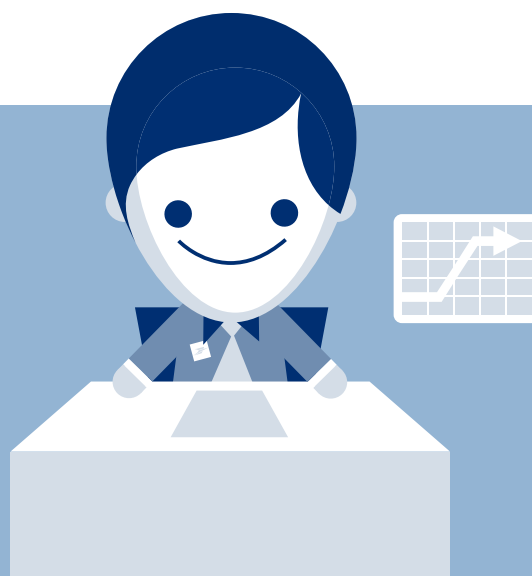
million Adispo Essentiel account agreements in 2007

49

disabled people will be recruited in the Financial Centres, the Socially Responsible Investment department and La Banque Postale between 2008 and 2010

Preparing the Future of Banking Professions in Financial Centres

For La Banque Postale, promoting equal opportunities and managing professional career paths are inseparable from creating value. That is why an agreement concerning the Future of Banking Professions in Financial Centres was signed in 2007. This agreement, at the heart of the "Centre Development and Competitiveness" project, establishes the terms of supporting organisational changes and ensuring the activity is maintained in all Centres. It includes commitments in favour of seniors and improving the quality of careers ending. In 2007 it promoted 3,000 employees through constant concern for availability and professionalisation.



Receiving the disabled

In 2007 La Banque Postale joined forces with seven other banks and the CFPB training centre for the banking profession to create Handiformabanes. This body is devoted to using training to integrate people with a disability. It helps banks train and hire disabled people. This initiative is part of a programme to recruit disabled employees in Financial Centres, IT departments and La Banque Postale departments; the Financial Centres are exemplary with a record participation in Accessibility Trophies, recognised by three selections and a winner in 2007, the Financial Centre in Nancy. The CFDT, FO and CGT trade unions signed a company agreement for Diversity at La Banque Postale in favour of employing disabled people in January 2008. It marks the creation of a Diversity, Disability and Equal Opportunities mission at La Banque Postale.





4 DIVISIONS IN SYNERGY

La Poste Retail Brand Assessment 2003-2007

The creation of a Sustainable Development department at La Poste Retail Brand in 2005 and the signature of a sustainable development charter marked the beginning of implementing all aspects of a voluntary sustainable development policy. The approach has been structured since then through local variations of La Poste Retail Brand's national commitments to take into account expectations that are specific to different regions.

Employee Relations

With the signing of the employee relations agreement in December 2005, the Retail Brand decided to promote the counter clerk profession, improve counter working conditions and create "customer managers in charge of reception" positions. The new promotion system, a genuine lever for employees and their career, enabled one postal worker out of five to be promoted in 2007. The training is designed to develop skills throughout one's career and meet major challenges for the divisions in terms of quality of reception, preventing rudeness and managing stress. In 2007, more than 51,000 employees were trained in the new information system and 28,000 establishment directors and advisors took an ethics training course.

Environment

With its 11,864 post offices, La Poste Retail Brand occupies nearly 2.5 million square metres. Reducing energy consumption in its properties is a priority for reducing CO₂ emissions and operating expenses. In 2006 La Poste Retail Brand implemented an energy saving programme and a campaign to increase awareness of eco-gestures; it also carried out fifteen energy diagnoses in partnership with EDF. Lighting, which represents 50% of a post office energy bill, has been identified as the main lever to reduce consumption and new installations have been financed. Concerning paper consumption, a process has been put in place to reduce it by dematerialising documents. All professional documentation intended for operational personnel can now be accessed on the Intranet, which has reduced paper consumption by 75%.

Corporate Responsibility

Since 2003, La Poste Retail Brand network in the territories has been modernised to adapt its forms of postal presence to its customers' changing needs. As part of this reorganisation, the Retail Brand has kept the comprehensive line of services and territorial proximity by developing a partnership policy through the Poste Relay Outlets and Community Postal Agencies. These changes were carried out in close cooperation with the local authorities and in the context defined by the local postal presence agreement signed in November 2007 with the government and the Association of French Mayors. In addition, the Retail Brand, which receives more than 2.1 million customers every day, has decided to increase its marketing of responsible products. This policy concerns Mail's most environmentally friendly products like the eco-book of stamps or NF Environment pre-paid envelopes, La Banque Postale's range of ethical and socially supportive financial products and third party products like Unicef cards and fair-trade products. Customers and postal workers were introduced to fair-trade issues through a two-year partnership signed in 2006 with Artisans du Monde. Volunteers from the association hosted events in a hundred post offices during fair trade fortnight and the International Solidarity Week.





13,760
counter clerks promoted

The counter clerk profession has changed substantially with increased responsibilities in terms of receiving clientele, sales and advice. This new aspect of the profession was recognised by the promotion of 13,760 counter clerks who now have increased duties.

1,000
tonnes of paper
saved

Launched in 2006, the dematerialisation of all professional documents intended for post offices and the Retail Brand's services has reduced paper consumption by 75%, which represents approximately 1,000 tonnes of paper saved per year.

€1,609,855
of solidarity
and fair-trade
product sales

As part of its responsible products policy, La Poste Retail Brand generated revenues of €1,609,855 from the sale of solidarity and humanitarian products in its post office network in 2007.

5,099
retail outlets managed
in partnership

The signature in 2007 of 606 new partnerships with local public authorities and shopkeepers brings the number of outlets managed in partnership to 5,099 over the entire country.



4 DIVISIONS IN SYNERGY

La Poste Retail Brand

Significant events in 2007

2007 was marked by increased field initiatives, carried out with the support of La Poste Retail Brand's Sustainable Development Department. More and more line managers are now convinced that sustainable development projects represent cohesion and performance levers. The creation of a network of sustainable development correspondents at the end of 2007 will further anchor La Poste Retail Brand's approach on the local level.



Responsible products: Finistère plays the local card

Since 2006, in addition to the "Pour la Planète" green line of postal products, post offices in Finistère have offered customers local products like the magazine on 50 steps to protect Brittany, eco-designed pre-paid envelopes in the colours of Finistère and sustainable development DVD postcards produced by the disabled. In 2007 the sale of these products in the Finistère *département* generated revenues of €120,000, including €34,000 for fair-trade products.

Promoting internal mobility

In 2007, La Poste Retail Brand wanted to facilitate internal mobility with two objectives: to give postal workers real prospects for career advancement and to give La Poste the resources and skills it needs, where it needs them. A mobility assistance system, specifically financial, was put in place along with a heavy restriction on outside recruitment and fixed-term contracts to give priority to internal resources. As a result, outside requirements decreased by 31% and the use of fixed-term contracts by 60%.

Reducing energy consumption

The results of the energy audits carried out in 2006 in collaboration with EDF showed that lighting represented on average 50% of post office energy consumption. In view of this report, in 2007 La Poste Retail Brand and Poste Immo contacted a consulting firm specialised in lighting to make recommendations about new installations as part of the property programme to modernise post offices.



65%

of post offices are accessible to mobility-impaired persons

7,064

energy diagnoses were performed in 2007 as part of the CAP 30 property programme

25

socially aware employees were supported by La Poste Retail Brand on a solidarity mission in Africa



Reception for disabled customers

Given that everyone regardless of their disability should be able to access La Poste's services and post offices, in 2007 the Retail Brand decided to select in each département a post office located near to the *Maison Départementale des Personnes Handicapées* (Départemental Home for the Disabled). These "disability reference post offices" will receive people with all kinds of disability in accordance with the French law of February 2005. The lessons learned from these "test" post offices which, for example, will test the use of magnetic loops or ground guidance strips, will serve as the basis for improving accessibility.



Solidarity economy

Fragile customers comprise a major part of La Poste's clientele. These customers may encounter difficulties using La Poste's services due to this fragility. Consequently, in 2007 La Poste Retail Brand initiated a cooperation approach with associations and organisations (*France Terre d'Asile*, *ATD Quart Monde*, *la Caisse Nationale des Allocations Familiales*, *l'Union des Points d'Information Médiation MultiServices*, etc.) that aims to improve these customers' access to La Poste's services. Through this collaboration the Retail Brand can adapt its services to make them more accessible and to provide fundamental support for customers in difficulty. In this way, better use of banking and postal services helps the inclusion of customers in difficulty whilst helping improve La Poste's performance.



2012

2008



New strategy for 2008-2012 “Performance and Confidence”

**From sustainable development
to responsible development**

4 areas of commitment

Action levers

Network of participants

Divisions' commitment

From sustainable development to responsible development

Since the first actions undertaken in 2003, La Poste Group has progressed substantially down the sustainable development path, as much in terms of understanding the issues and integrating them in its activities as actions to implement the policies and projects in its Divisions. The new "Performance and Confidence" strategic plan updates and reinforces the commitments made in 2003. La Poste has chosen sustainable development, which respects the environment, customers, employees, territories and rules of good governance. The backbone of the new corporate strategy, it ensures long-term economic performance through increased responsibility, differentiation and cohesion.

A gradual approach and a bet on the future

In 2003, the decision to establish a dedicated department and develop a sustainable development strategy enabled the company to organise major qualitative analysis work and identify the issues and impacts for the Group's different activities. The first regulatory compliance actions were launched. The plan of action for the entire Group was set out in 12 commitments adopted for the 2004-2007 period and accompanied by the publication of a specific annual report. These objectives constituted the levers to encourage increased awareness, promote the approach and translate it into tests or action programmes.

Several contextual elements explain why the approach's implementation is still quite mixed. In the companies, just a few "activist" players transformed their increased awareness into a global strategy. For La Poste, the development risks or opportunities for the company's activities are still underestimated or perceived as not a priority with regards to other issues.

Without strong incentives from public authorities or customers, it remains difficult to implement sustainable development projects on a widespread basis, as they have limited resources. Internal reorganisations hinder the long-term approach necessary to take these new issues into account.

Today, what was originally a "bet on the future" is proving to be the approach that is most coherent with the stances, objectives and requests of politicians, customers, employees and all players in society vis-à-vis companies and La Poste. It is also the most relevant answer (consistent with its values) the Group can provide in the face of the environmental and social risks hanging over its activities.

Visible successes as the foundation for strategy

Pragmatic and anchored in La Poste's realities, the sustainable development approach has been built on implementing operational projects in the French regions with the active support of committed postal workers. Its results are concrete, visible and of national scope: eco-designed products with the eco-book of stamps, alternative transportation with electric vehicles and responsible purchasing with professional garments made from fair-trade cotton. These achievements have proven their feasibility, encountered interest from postal workers and customers and enhanced the Group's image, thereby enabling the sustainable development commitments to take hold and penetrate the company's strategy.

The means used to implement the approach at Head Office and in the Divisions have gradually been organised and strengthened: action plans and road maps according to activity and Division, dedicated employees and tools to guide projects, decision-making bodies to approve choice and communication and information aids to pool expertise and share experience.

This organisational change has accompanied directors' and managers' gradual understanding and appropriation of the strategic issues represented by sustainable development which currently confront all of La Poste's activities. Beyond this, all personnel are convinced of the necessity and importance of the Group's respect for the environment and people: the guarantees of continuity.

As demonstrated by the annual barometers established since 2006 to measure postal workers' perception of sustainable development, they increasingly understand the issues of this approach. They appreciate the actions carried out by La Poste nationally and locally. They say they are ready to participate in projects implemented in their workplace.

**FROM SUSTAINABLE DEVELOPMENT
TO RESPONSIBLE DEVELOPMENT**
4 AREAS OF COMMITMENT

ACTION LEVERS
NETWORK OF PARTICIPANTS
DIVISIONS' COMMITMENT



Whilst awareness and regulatory pressures are increasing in terms of environmental and social questions, La Poste is making its projects consistent with its values through a management method based on confidence and responsibility. Choosing sustainable development has mobilised employees around a shared vision of the company and strengthened the Group's social cohesion, while providing answers to society's concerns.

Sustainable development is at the centre of the "Performance and Confidence" strategy

In 2007, when its 12 sustainable development commitments were coming to an end, the Group revised its corporate strategy and conducted two combined actions. The Group and Division's Sustainable Development departments analysed the risks and opportunities related to taking sustainable development issues into account in strategy.

The experience and maturity acquired over five years, combined with precise analyses of stakeholders' expectations and performance opportunities, were used to identify the most effective levers and establish relevant improvement objectives based on the synergy of each entity's contributions.

The system was designed to clarify and prioritise the issues based on each Division's specific characteristics, define the commitments along with objectives and propose general orientations to guide managers' actions.

Based on a diagnosis of the approach followed since 2003, the scope of the new sustainable development policy, the conditions of its implementation and the methods of guiding performance were defined.

In a willingness to consult and cooperate with stakeholders, this work was based on:

- a consultation with the main stakeholders outside the Group in the form of workshops to exchange experiences and face-to-face interviews. Customers, suppliers and partner NGOs were able to comment on the actual results, express their vision of the issues for La Poste Group and their expectations vis-à-vis the Group;

- a consultation with the Divisions and cross-divisional departments concerned;
- an analysis of the positioning and good practices of the sector's operators via competitive benchmarking and comparable groups.

The missions conducted by the Group's internal audit of sustainable development indicators and the results of the social audit on corporate governance carried out by Vigeo in 2007 completed this system.

The new strategic orientations for sustainable development that resulted from this approach constitute the backbone of the new "Performance and Confidence" strategy for 2008-2012. The Divisions and all cross-functional entities translate them into objectives and operational plans.

Four fields of activity for six priorities

La Poste Group's commitments apply to all of its stakeholders and cover four fields of activity:

- respect for the environment, by decreasing building- and transport-related greenhouse gas emissions and the responsible use of paper;
- respect for society, by strengthening consideration for regions and diversity in human resources, and in the line of products and services;
- respect for employees, based on the "employer-developer" employee relations model;
- respect for customers, by decreasing the waiting time and claim processing time.

The Board of Directors' Quality and Sustainable Development Committee monitors these commitments within the context of the company's rules of governance.

4 FIELDS OF COMMITMENT



Commitments for the environment

Occupying a sizable stock of property throughout the country, using several tens of thousands of vehicles, transporting sizable volumes of mail and parcels on behalf of its customers, consuming significant quantities of paper for its own needs and to produce its products, La Poste Group takes responsibility for its environmental impact. La Poste Group is thus committed to decreasing its transport and building-related CO₂ emissions and promoting the responsible use of paper.

Fighting climate change

With nearly 60,000 vehicles and more than 16,000 sites, La Poste Group's activities generate substantial quantities of CO₂, one of the greenhouse gases (GHG) responsible for climate change.

The Group will contribute to national and European objectives to reduce GHG emissions. It is orienting its property, industrial and commercial choices, adapting its organisations and developing its operating methods to this challenge.

Taking this environmental impact into account contributes to the Group's economic performance by reducing the operating costs of its buildings and vehicle fleet and by improving its image with customers who are sensitive to these issues.

In addition, the Group makes its transport subcontractors aware of its commitment and involves them in its approach by stating its improvement requirements in its specifications.

Promoting responsible paper use

Mail, the Group's main activity (56% of turnover), is based on producing and using paper products by and for customers. La Poste believes that this activity should be compatible with a sustainable development approach. That is why, over and above its commitment to promote environmentally friendly means of transportation, the Group wants to contribute to the responsible use of paper and control its own consumption.

LA POSTE GROUP'S COMMITMENT

Specifically, compared to the level reached in 2007, La Poste has decided to decrease the total volume of its CO₂ emissions by 12% by the end of 2012, representing:

- a 15% decrease for transportation (excluding subcontractors); and
- a 9% decrease for properties (owned and rented).

LA POSTE GROUP'S COMMITMENT

At the end of 2012, 100% of the paper used for the Group's internal needs will be recycled paper or paper from sustainably managed forests. This type of paper will also be used in a targeted manner to produce its products.

The Group promotes paper and its responsible use with customers and participants in the value chain by strengthening its communications and actions to increase awareness of the values of written documents and the issues of mail media.

FROM SUSTAINABLE DEVELOPMENT
TO RESPONSIBLE DEVELOPMENT
4 AREAS OF COMMITMENT

ACTION LEVERS
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As a supplier, it is quite precious, because it is extremely rare, to be involved in an initiative to develop a customer's sustainable development strategy. It is an opportunity to bring up responsible purchasing based on eco-designed products, selected raw materials and optimised transport (e.g.: by eliminating packaging). Experience is shared with La Poste Group through production site visits involving several teams. Consultative round tables are an opportunity for understanding our role as a stakeholder in this strategic approach. For example, at the end of a joint reflection on carbon assessment we launched a rail-road transport project. La Poste Group has firmly integrated sustainable development in its strategy. In terms of purchasing, we are



JEAN-CHARLES LAMBRON,
Managing Director of Kinnarps
(furniture company)

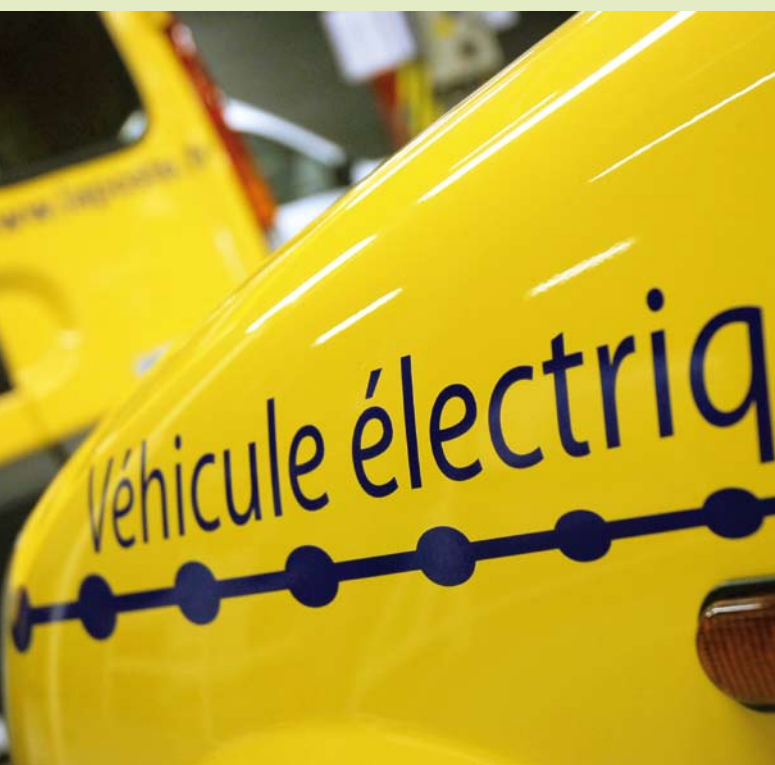
in favour of including strong environmental rules in major groups' invitations to tender. Every resource must be put in place to accelerate the certification of products and the traceability of their components. The supplier's effort must be accompanied by a request for transparency on behalf of the customer. In our eyes, responsibility in purchasing is a key component in La Poste's strategy.



By consulting its stakeholders, La Poste has demonstrated the attention and recognition it gives its partners. This approach has allowed for an open discussion and for UNEP it created an opportunity to exchange with other French organisations present. We would like to perpetuate our partnership with an exemplary company to promote strong educational messages in favour of sustainable development to the general public. As it currently does, especially with its eco-responsible purchasing policy, La Poste must continue to ensure that its actions with postal workers are consistent with the messages it communicates outside.



ISABELLA MARRAS,
United Nations Environment
Programme (UNEP),
Programme Administrator





4 FIELDS OF COMMITMENT

Social responsibility commitments

Deeply anchored in all regions and territories where it operates, La Poste Group takes into account their development and adapts its projects, organisation and offers accordingly. It does so in the context of an increasingly productive dialogue with local players, getting heavily involved in the local economic and community life. The diversity that characterises the territories and their populations also underpins the Group's social responsibility commitment.

Taking the regions into account

As numerous and different as they are, the regions where La Poste is present today are undergoing profound transformations and are confronted with new economic, environmental and social issues. In this context, regional players are increasingly incorporating sustainable development in their policies, projects and local regulations. These developments naturally influence the Group's projects and lead it to adapt its organisation, offer and operations.

Generally speaking, since its activities are directly related to the regions' economic vitality, La Poste participates in a number of actions helping to protect their future and their development.

As such, over and above its participation in the local economic life through its presence with appropriate services, La Poste Group takes into account local economic and social projects, especially the Agenda 21* plans, local urban development plans, urban travel plans and business travel plans as well as local access schemes.

In this context, La Poste Group's dialogue with local players takes on a new dimension and helps to reciprocally enrich both parties.

The Group also encourages and promotes postal workers' involvement in local, socially aware solidarity actions and also access to the French language in France and in developing countries. La Poste Foundation and its sponsorship actions support this particular direction.

* Agenda 21 is a comprehensive plan of action to be taken globally, nationally and locally by organizations of the United Nations System, Governments, and Major Groups in every area in which human impacts on the environment.

LA POSTE GROUP'S COMMITMENT

Specifically, when local projects are essential to a region's momentum or present a strong synergy with the Group's own long-term development objectives, La Poste participates in them and does so in the spirit of collaboration.

Respecting diversity

Diversity is a major area in the sustainable development approach that irrigates both its employment policy and its line of products and services.

LA POSTE GROUP'S COMMITMENT

Diversify its recruitment.

Make sure that postal workers have equal opportunities in their career development.

Make sure suppliers and subcontractors respect diversity.

Make its products and services accessible to all of its customers.

FROM SUSTAINABLE DEVELOPMENT
TO RESPONSIBLE DEVELOPMENT
4 AREAS OF COMMITMENT

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Today I manage a post office in Lyon and I am partially sighted. Since I joined La Poste in 1982, the company has let me grow and make a career in the sales area where I have been able to apply my skills and obtain excellent results. In 1997, I learned that I had a very serious disease and that I risked losing my sight. In the beginning, I refused to accept this and then I decided to fight, without telling my colleagues or managers anything. I continued my work by hiding my disease because I was afraid I would jeopardise my career. But in 2000 I could no longer lead meetings or see the slides in them. I compensated for my disability through enormous personal investment and no one was aware of my suffering or difficulties. I had to refuse new responsibilities at Head Office and it was then that I decided to announce my disease. I underwent cornea transplants, a three-year medical process. During that time, I benefited from incredible patience and availability from La Poste and my superiors who had confidence in me and decided to help me. Since I wanted to continue to work and fight the disease, a fellow redeployed manager came to support me. She helped me and I gave her the opportunity to rebound in new duties. I also have specific material for my



JOËL MONTET,
Lyon Montchat
Post Office

work like voice recognition software. My employees are terrific. They have adapted their method of operating. For my part, I have developed my management style. I delegate more and I give subordinates additional responsibilities. All of this creates performance and solidarity. The proof is that we have excellent results! I think people still need more information to increase awareness and communicate more, both for postal workers who have a disability and also for their colleagues and managers. Tools like training have to be adapted with educational methods and specific aids. I know that I can't do everything, but I can do otherwise and develop other skills like dialogue with my teams, which is richer and more in-depth than before. Irrespective of difficulties, you have to fight to overcome them, move past them and help others. Today I would like to use my experience to help others and to participate within La Poste in this fight to integrate people with disabilities.



Present across the country for generations, La Poste gives life to its network through the distribution of mail and parcels, its counters and its mail carrier rounds. It is an aspect of social connection and our local communities work to maintain this connection. Therefore our collaboration is natural. For several years now, the dialogue between La Poste and elected officials has been strengthened, especially via Departmental Commissions on Local Postal Presence and consultation tools like the "shared diagnosis" of the post office activity established between the mayor and the company's local representative. This representative has consulted elected officials for years about the network's changing conditions and we have signed a memorandum of understanding to



JACQUES PÉLIARD,
Chairman of the French
Mayors Association

harmonise this collaboration. The mayors and the citizens of their towns want a postal presence that is adapted to their fellow citizens' expectations and changes in technologies. For example, community or inter-community postal agencies can provide a better service whilst pooling resources locally between La Poste and the towns. The towns expect that La Poste will pursue a forward-looking approach.





4 FIELDS OF COMMITMENT

Commitments for employees

In a company with a strong presence throughout the regions and close to every public, postal workers constitute a unique capital both in terms of their diversity and their value. In this context, commitment, continuous development, internal flexibility and mobility are the four pillars of an employee relations strategy that develops customers' confidence whilst encouraging the company's constant adaptation to changes in its environment. These cornerstones make La Poste Group an employer-developer working for economic success.

Postal workers' commitment, the customers' first source of confidence, constitutes a decisive advantage for the group operating in an increasingly competitive context.

At a time when the Group's employees see their environment changing dramatically (job professionalisation, expansion overseas, product innovation and personalised customer relations), their commitment can only grow and endure in a favourable setting. A strengthened sense of belonging and real prospects for mobility and advancement for everyone

are more important than ever. Consequently, La Poste Group has committed to encourage gender equality, guarantee equal opportunities and fight discrimination throughout career paths.

It is by enhancing the esteem for postal workers' profiles, their creativity and their differences that the Group can better reflect the diversity of the regions it operates in and the people that comprise the clientele of its different Divisions.

LA POSTE GROUP'S COMMITMENT

- An open recruitment that develops a diverse and demanding internal culture (access for as many as possible to employment and recruitment based exclusively on skills).
- Continuous development of skills favouring employees' commitment and flexibility:
 - discrimination-free development of all employees who have the skills and desire, at all stages of their professional career path;
 - individual tracking of groups at risk of discrimination;
 - specific reviews as part of the annual salary negotiation.
- Workplace health and safety protection as part of a national plan.
- Increased mobility at all levels, especially intra- and inter-professions and between subsidiaries and the parent company.
- The quality of employment, favouring stable employment and adaptation to personal lifestyles and aspirations.
- Recognition of the individual in an open and diversified community with decentralised management, better recognition and increased responsibility for managers (local managers in charge of employee development).
- Mobilisation encouraged by shared success:
 - incentive for individual and group performance;
 - let employees share in economic results (employee savings plan and optional profit sharing agreement).

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Evidently, commitments that are part of a sustainable development approach are a great idea. But the Group's strategy is first of all a response to growth concerns that sometimes contradict the objectives of sustainable development. There is a real lack of transparency about what takes place outside the La Poste parent company! If sustainable development is a "laudable concern," I have a very clear sense that it serves first and foremost the Group's image and results. The same is true for the concept of social responsibility. The reduction in the number of fixed-term contracts for the La Poste parent company is a reality, but at the same time we see growth in part-time expenses. Likewise, the acquisition strategy raises fundamental questions about employee rights and guarantees. The training effort has been increased to support changes in procedures and products, but the use of "e-learning" makes training very utilitarian, much less attractive and educational. Likewise, career promotions have few significant effects (sometimes none at all) on payslips while more is



PASCAL BAROIS,
elected employee representative on
the Board of Directors and member
of the Quality and Sustainable
Development Committee

demand of employees. Regarding customer commitments which have existed in particular since the 35-hour workweek schedules were implemented, they do not make sufficient allowance for the workload reality, regulatory constraints and the size of the workforce. On subjects as fundamental as the daily life of a department, La Poste "Employer-Developer" should genuinely listen to and take into account postal workers' expectations. This is an essential step in a real employee relations dialogue.



We know La Poste Group quite well since we do joint research in our sustainable development Chair and postal workers regularly work with students and share, through concrete projects, the expertise of a very committed company.

It is always very enriching to interview stakeholders. The exchanges on this occasion help expand one's vision and better understand all of the issues. I am confident, because the new strategic plan incorporates the



JEAN-CHRISTOPHE CARTERON,
Euromed Marseille School
of Management – "Responsible
Manager" Strategy Coordinator

suggestions we proposed, be it the responsible paper theme or even the reduction of CO₂ emissions.





4 FIELDS OF COMMITMENT

Customer commitments

For La Poste Group, a multi-division services company operating in a competitive market, the quality of the customer relationship is a major strategic issue and guarantor of economic performance and continuity. The commitments translating La Poste's ability to guarantee the quality of services provided and respect for the customer, especially with the general public, constitute a key component of confidence.

Today La Poste Group is one of the French companies that most inspires confidence (84% of French people according to the SOFRES confidence survey in April 2007, equal with EDF).

In a competitive context, this confidence capital is essential to build customer loyalty and consolidate the Group's activity. And yet, in spite of a culture of quality established a long time ago in each Division, this good image is sometimes weakened.

Taking account of customers' expectations and the work carried out with consumer associations, La Poste has mobilised all Divisions to create a customer service culture based on a simpler, more transparent and more accessible line of products and services, a more attractive and fluid network with innovative and more reliable procedures. The first objective is to increase customer satisfaction by decreasing waiting time in post offices and improving claims handling along with the process of preparing and distributing mail and parcels.

This also involves meeting the need for information about the line of products and services and the expectations in terms of multi-channel accessibility.

Provided at the initiative of each post office according to the specific services it has developed and the expectations of its local customers, these commitments are set out in the Division's strategy and action plans, and translated in the corporate management system in the form of service standards and monitored in terms of actual and perceived quality.

They will be updated regularly taking into account customer satisfaction and changes in customer expectations.

This national approach represents visible, justifiable, measurable and opposable commitments.

LA POSTE GROUP'S COMMITMENT

- **Systematically send our customers information about La Poste's services (by mail once a year).**
- **Inform our customers if there is a problem with distribution (by telephone the same day).**
- **Make a second attempt to deliver registered letters (the day after the customer calls).**
- **Improve claims handling (inform the customer within 48 hours of how the claim is being handled).**
- **Reduce waiting time in the 1,000 largest post offices:**
 - by the end of 2010, the possibility to perform all operations in less than 5 minutes; all channels included,
 - by the end of 2010, an average waiting time of less than 8 minutes.

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JEAN-MICHEL HUBERT,
Chairman of the Quality and
Sustainable Development Committee

At the Chairman's initiative, the Board of Directors' Customer Quality Committee, a recently created innovative body, was expanded in 2007 to include sustainable development. It would seem natural to group "quality" and "sustainable development" in the Board of Directors as they are two themes that are quite close conceptually. Indeed, customer contacts must be based on long-term service quality, especially training and increasing postal workers' awareness, while sustainable development cannot be conceived independently from the notion of quality. The Customer Quality and Sustainable Development Committee comprises four directors with complementary profiles: two qualified individuals, a personnel representative and a government representative. This Committee acts as a forum for analysis and exchange.

On the one hand, directors use it to make sure the Board's sustainable development directions are taken into account in projects carried out by the Divisions and result in concrete actions and, on the other hand, they use it to understand and explain to the Board department and management proposals, their challenges and their potential difficulties. The purpose of the sustainable development approach is to support the objectives and major projects developed by the company, while inspiring each agent's daily life.

It is quite clear that La Poste wanted to involve consumer associations in its quality improvement initiative and that it made commitments to its general public customers. This attitude is perfectly in line with consumers' expectations. During our meetings with La Poste we formulated the requirements that correspond to the main reasons for inconveniences expressed by customers: waiting time and methods of handling claims. The benefits from such a consultation and exchange approach benefit everyone. A more efficient and welcoming service lets the consumer save time and energy while



ELSA COHEN,
Representative of
the Confédération Syndicale des
Familles (Families Confederation)

clearly improving La Poste's brand image. In addition, this example can indirectly benefit other companies that, in view of this experience, may say "why not us?" as they are encouraged to launch similar initiatives.



Five levers for the new strategy

Beyond the thematic objectives and specific action plans it will use to achieve its commitments, La Poste has identified five guiding principles that constitute the key success factors in implementing the "Performance and Confidence" plan. Some of them that have already been tested will be strengthened or applied on a wider basis and other more innovative ones will result in more profound changes.

1 Strengthen postal workers' empowerment

At all levels of the company, postal workers are already very much aware of the sustainable development issues and projects. To accelerate this approach, La Poste intends to strengthen its information and internal communication actions and implement ambitious training programmes for all sustainable development players and strategic managers.

4 Develop practical methods of recognising managers

With the support, in particular, of the "Responsible Managers Network" led by Euromed Marseille that La Poste is a member of, a reflection will be undertaken with the Group and Division's Human Resources Departments and Executive and Strategic Management to propose and test changes in assessment methods that incorporate sustainable development performance criteria.

2 Develop purchases and the line of responsible products and services

Taking environmental, social and corporate responsibility criteria into account when choosing the products and services purchased, designed or marketed substantially helps meet commitments, facilitates project implementation, meets new consumer expectations and improves overall performance. La Poste will continue to mobilise marketing and purchasing teams and encourage eco-design, access for products and services and responsible purchasing approaches



3 Incorporate sustainable development in project impact studies

Whether it involves analysing the Group's or Division's strategy or assessing their projects, taking decisions or developing risk profiles, it will be essential henceforth to incorporate environmental, social and corporate responsibility criteria as far in advance as possible. This is what will ensure, in particular, a project's feasibility, success and continuity.

5 Increase the reliability of extra-financial reporting

An objective evaluation of sustainable development performance is becoming unavoidable both to manage the approach efficiently and to report on it inside the company and to the various stakeholders.

In 2008, La Poste will continue to refine the identification of relevant indicators, implement a structured network of contributors and improve the reliability of reporting processes.

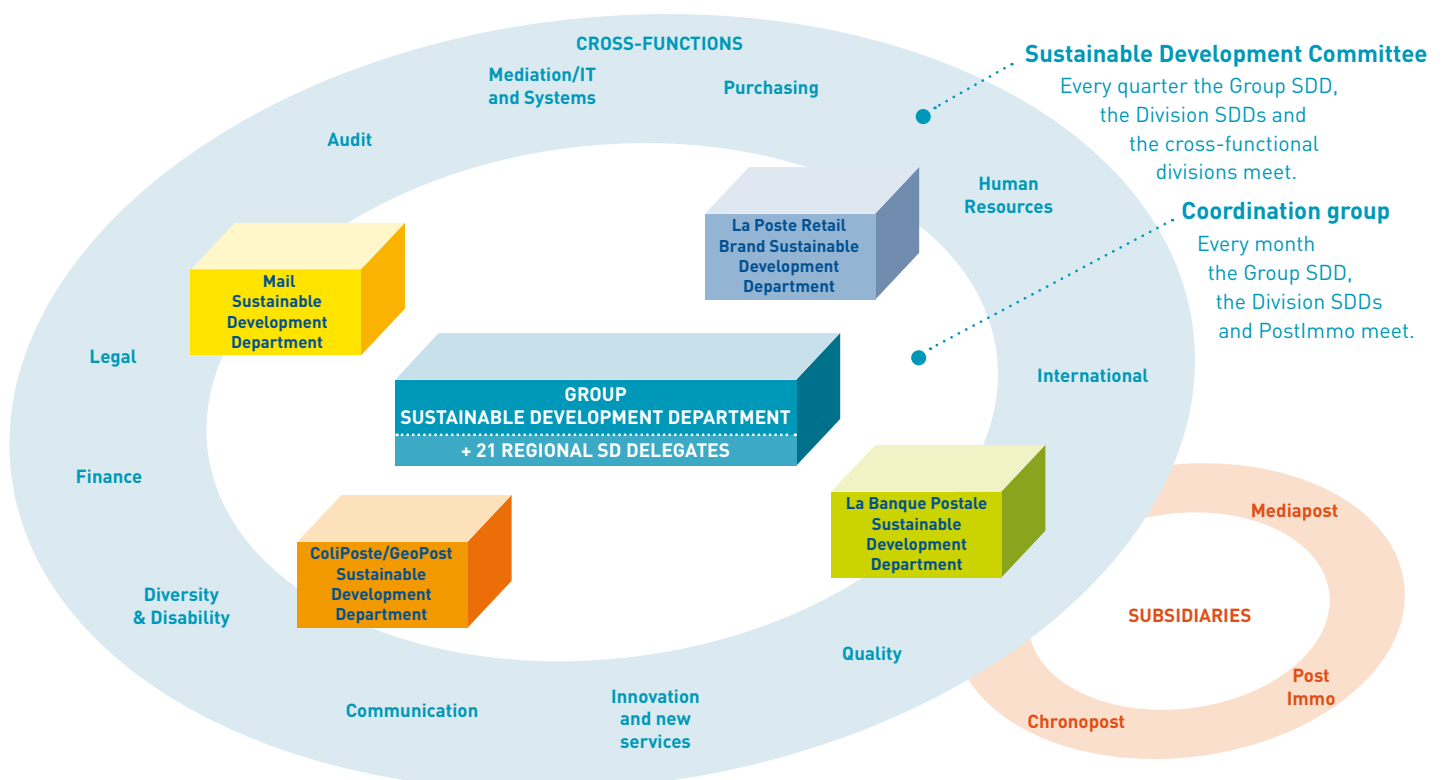
The network of participants to succeed 2008-2012

The existence of a dedicated and structured network of professional sustainable development participants constitutes an essential success lever for projects and the new strategy. This network, which was formed from a nucleus of the Group and Division's sustainable development departments, now includes cross-divisional departments and the Division's regional and operational entities.

Since 2007, each Division has been organised into a central entity dedicated to sustainable development, represented by correspondents in the functional departments organised in a regional network or in subsidiaries, adapted to their respective organisations. The cross-functions have created dedicated positions to make it easier to translate sustainable development issues into specific policy in their scope of responsibility. Some of them (like Audit) provide their expertise to the sustainable development departments' projects.

The Group's Sustainable Development department strengthens its strategic expertise through coordination, monitoring and benchmarking actions, managing commitments and reporting, building internal awareness and promoting actions externally. To strengthen the approach's regional roots, 21 sustainable development Delegates were appointed at the beginning of 2008 within the Group's regional delegations that represent the company in the regions. They are responsible for boosting and coordinating the Group's sustainable development policy in the regions and helping local authorities successfully implement their Agenda 21 and Climate Plans.

In 2007, the Board of Directors' Customer Quality Committee expanded its scope to include sustainable development issues and became the Quality – Sustainable Development Committee. In all, there are nearly 150 full-time or shared-time employees that participate in implementing strategic sustainable development projects in all Group activities.



Division commitment



RAYMOND REDDING, Executive Vice-President Director of Mail, Chairman of Sofipost

To become the leading Mail operator in all its forms in Europe by 2012 also means being a trailblazer in terms of sustainable development.

In terms of employment diversity and quality, everyday Mail and its subsidiaries are becoming increasingly key players in developing social ties.

In terms of the environment, we have a double responsibility to reduce polluting emissions and to promote Responsible Mail.

18,000 tonnes of CO₂ were saved compared to 2006, a 3.9% decrease in terms of transport. These are the first results from our new industrial organisation and its impact. This policy will be strengthened with the massive order for clean vehicles. Moreover, we will continue our efforts to incorporate environmental quality criteria in new buildings and renovations.

"Responsible Mail" translates our intent to develop our activities consistent with respect for the environment. Beyond the important work on eco-designing our product lines, the partnership I signed with WWF France to jointly promote responsible uses of paper illustrates our determination in favour of protecting forests.



PAUL-MARIE CHAVANNE, Executive Vice-President, Director of Parcels and Express, Chairman of GeoPost

ColiPoste and GeoPost have shown long-standing concern for their customers' sustainable development expectations. They have committed to specific action areas that are monitored with performance indicators: clean delivery in city centres, reduced transport-related CO₂ emissions and road safety.

GeoPost's Bilan Carbone™ (Carbon Assessment) carried out in 2008 in all European subsidiaries, with financial support from ADEME (French Environmental and Energy Management Agency), identified other ways to reduce business-related CO₂ emissions by 2012.

In a fast-growing market, GeoPost and ColiPoste make sure that the different links in the logistics chain and their personnel are made aware of sustainable development issues, from the parcel's sender customer to the recipient customer.

All teams pursue the same objective: to grow in a way that respects the environment, people and regions.



CHRISTIAN CLÉRET, Managing Director of Property

Whether it involves developing Division plant and equipment, improving customer reception, favouring the postal presence in the regions or providing employees with the best working conditions, property is at the centre of La Poste Group's sustainable development stakes.

Sustainable development constitutes an essential action area in our property policy. Major commitments in this area include reducing CO₂ emissions, and preserving resources and accessibility more generally.

As part of the "Property Performance Project" for 2008-2012, the property area is now equipped with a sustainable development department and increased financial resources that favour accelerating several pilot experiments undertaken in 2008. These could be used as the basis for a profitable economic model in the Property area and in the Group's Divisions that occupy the sites.



From left to right: P.-M. Chavanne, R. Redding, J. Rapoport, P. Werner and G. Lefebvre



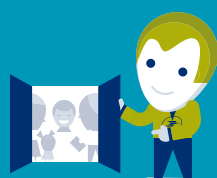
PATRICK WERNER,
Executive Vice-President,
Chairman of La Banque Postale's Executive Board

At La Banque Postale, responsible development is more than a commitment; it is a state of mind.

It develops a range of products that meet the expectations of its individual and investor customers who want to use their savings to support socially worthwhile and environmentally friendly projects through responsible financial products that give meaning to customers' savings.

La Banque Postale's commitment in terms of diversity also involves promoting accessibility to the Bank's professions for everyone. This commitment concerns all forms of diversity (age, gender, nationality, etc.). In 2007, the accent was placed in particular on the disability programme. At the beginning of 2008, La Banque Postale created a Diversity, Disability and Equal Opportunities mission.

At the same time, it supports its employees' commitments by financing and approving the time they dedicate to socially aware projects as part of the Socially Aware Employees Network created in 2008.



JACQUES RAPOPORT,
Executive Vice-President Managing Director
of La Poste Retail Brand

In the heart of the regions and in contact with millions of French people on a daily basis, La Poste Retail Brand is the Group's display window to the public and is the products and services distribution network for Mail, Parcels-Express and La Banque Postale. In this capacity, it fulfils a special role in the new "Performance and Confidence" strategic project.

Its own plan, "Customer Relations Project 2012" acts on three sustainable development pillars by adopting a participatory approach, conducting tests at pilot sites and encouraging local initiatives.

Custodian of La Poste brand with customers, opinion influencers and local elected officials, the Retail Brand is the place where the new strategy's customer commitments are materialised, especially the commitment to improve service quality. As such it must fulfil its mission: accessibility and proximity for everyone.

In order to maintain an appropriate postal presence in all areas, La Poste Retail Brand seeks out partnerships to transform outlets in rural areas and create urban post offices managed in partnership with other services providers.



GEORGES LEFEBVRE,
Chief Executive Officer
Director of Human Resources and Employee Relations

The new "Performance and Confidence" strategic plan is consistent with the "Performances and Convergences" plan. More than an additional action area, responsible development (which incorporates sustainable development, customer commitments and modernising employee relations), constitutes a common theme. It reflects the Group's commitments vis-à-vis the environment, its personnel, its customers and more generally its stakeholders with whom it intends to perpetuate a relationship of confidence in a context of good governance.

The Group's reflection on its new strategy has been nurtured in particular by numerous consultations with outside stakeholders as part of exchange workshops and face-to-face interviews. Moreover, each point has been discussed with management and labour in strategic exchange commissions.

Parallel with this new strategy, in a desire to get closer to the regions, 21 GRD (Group Regional Directors) were appointed at the end of 2007 to represent the Group in the regions. It is up to them, with their dedicated teams, to stimulate and coordinate the Group's sustainable development policy in the regions.

Evaluating our performance

An important project to improve extra-financial reporting

In 2007 La Poste reaffirmed the importance of extra-financial reporting to ensure its approach is transparent, to manage its commitments efficiently and to take its overall performance into account. It has to improve the reliability and traceability of its indicators, some of which are being incorporated in the Chairman's performance indicators as of 2008.

A dedicated workgroup focuses on disciplines concerned by the new sustainable development strategy: environment, quality, human resources, diversity, finances and information systems. Its mission is to update the Group's indicators related to the new strategy's four priority action areas and to develop a common reporting protocol at the Division and Group levels, including a common definition of indicators, responsibilities and methods of collecting and consolidating data.

This project will be fully operational by the end of 2008. In 2007, the protocol was tested in the environmental field. To validate the process' reliability, the internal audit will conduct a critical review of the protocol's application and identify areas for improvement and necessary adjustments for the next campaign.

As part of defining the protocol and optimising the reporting process, La Poste has started calculating the scope of environmental and social indicators in order to qualify and/or quantify the coverage rate for actual reporting. Measuring coverage is one of the areas for improvement La Poste Group has set for its next reporting campaign.

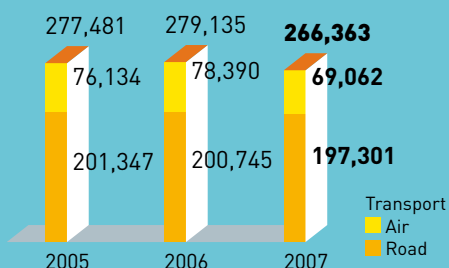
This work will serve as a reference for the subsequent extension of the reporting protocol to other areas of sustainable development.

An outside look at our performance

In 2006 the Vigeo rating agency audited La Poste Group's civil responsibility. La Poste's performance was assessed in six sustainable development areas on a rating scale of 0 to 4.

| | | |
|---|---|----------------|
| Governance | Governance bodies' operating methods and the audit system are very effective. | Note 4 |
| Environment | Issues and risks are well identified. There is no systematic approach to take environmental impact into account on all projects. | Note 2+ |
| Human rights (individual rights at work) | Collective bargaining and integration of people with disabilities. The national gender equality agreement and the explicit equal opportunities policy are not applied effectively. | Note 3 |
| Human Resources | Social and employment problems are taken into account for managing reorganisations and there is a job security, training and employee relations dialogue policy. Health-safety management system and management of seniors. | Note 3 |
| Relations with customers, suppliers and subcontractors | Dialogue with consumer organisations, customer advice and La Banque Postale's positioning. Consideration of employee relations and environmental factors in relations with suppliers. | Note 3 |
| Corporate responsibility commitment | Management of dialogue with local elected officials on the activity's regional impacts and reorganisations, La Poste is accessible for people with low income and with disabilities; contribution to general interest causes. Difficult for new partners to enter. | Note 3+ |

Reducing transport-related CO₂ emissions

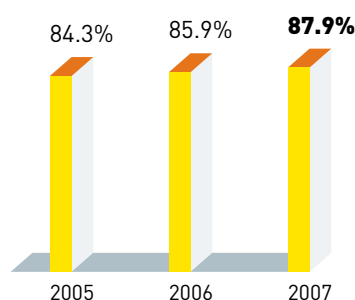


With an overall decrease of 6.14% between 2003 and 2007, La Poste has exceeded its commitment to reduce its transport-related CO₂ emissions (road and air transport operated by La Poste parent company) by 5%. Reaching this objective is due essentially to the drop in the use of planes (some of the air transport has been transferred to road subcontractors and the fleet has been reduced from 20 to 15 planes), as well as the renewal of the automobile fleet, the bulking of flows and the development of rail transport.

This indicator is presented based on the scope used to develop it in 2005. Nevertheless, the reporting of this indicator has changed and today includes subcontractors (see page 50).

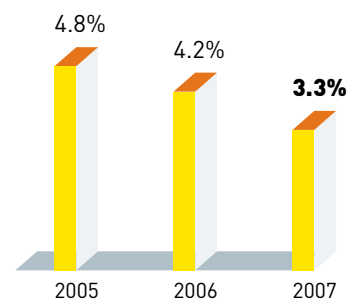
Actions to fight job insecurity

Rate of full-time agents among permanent agents



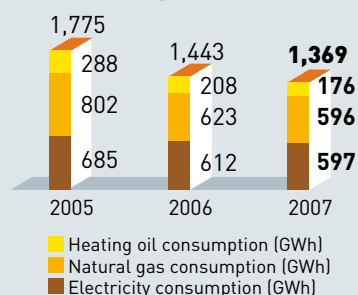
The change in the number of full-time agents among permanent agents testifies to the improvement in job quality since 2004. Today the share of full-time agents is at the same level for employees and civil servants. Therefore job quality is undifferentiated irrespective of the type of employment contract.

Share of non-permanent employees among equivalent EPY



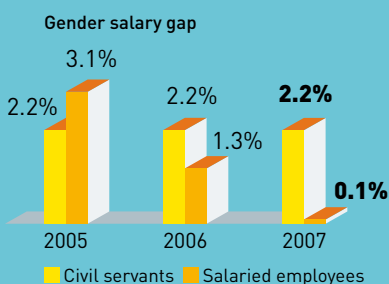
The decrease in the percentage of non-permanent employees (fixed-term contracts and interim workers) at La Poste (parent company) testifies to the success of efforts to fight job insecurity since 2004. However, 2007 marks the limit of progress: there is still a requirement for temporary replacements.

Decreasing energy consumption in our buildings



La Poste committed to reduce its energy consumption by 5% per year from 2003 to 2007 according to the La Poste parent company's scope, for an overall objective of 25%. This objective was not achieved (16.14%) due to the gradual expansion of the reporting scope and the need to improve the process of collecting and reporting data. This process was formalised at the end of 2007 and procedures defined with a view to continuously improving reporting. La Poste intends to make up its lag by committing to reduce building-related CO₂ emissions by 9% by 2012 compared to 2006.

Limiting the gender salary gap



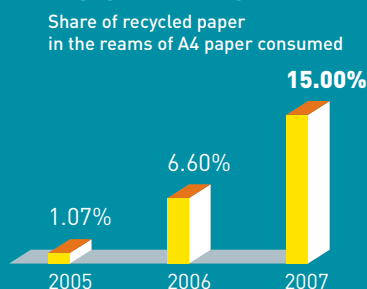
Today the remuneration gap between genders is quite low at La Poste, testifying to the gender equality promotion policy introduced by the Group. In addition, this situation can be analysed as the consequence of women's lower age and seniority than that of men and also to the fact that women occupy most part-time and low qualification jobs. To limit this impact, the agreements signed with the Division's management aiming to increase the proportions of part-time agents have benefited female personnel, thereby reducing the gap.

Developing recruitment in sensitive urban areas



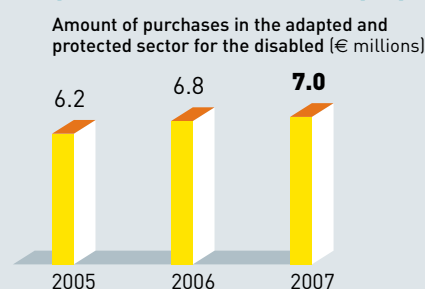
La Poste recruits in sensitive urban areas (SUA), offering genuine professional opportunities to an often young population with few diplomas. Diversifying the recruiting approach is one of the reasons for this increase in the number of new recruits in SUAs. This way La Poste strengthens social ties and contributes to the momentum of the areas concerned.

Controlling the impact of our paper consumption



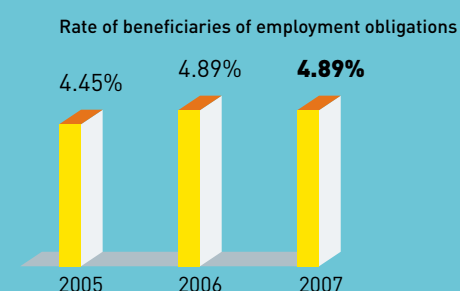
Since 2005, La Poste has implemented widespread use of recycled paper in its internal consumption, thereby consuming more than 600 tonnes of recycled paper in A4 reams. This development is presented based on the DAPO central purchasing group's scope, which covers the La Poste parent company's scope. However the reporting has changed since 2005 and today these consumptions are known for a broader scope.

Encouraging purchases in the adapted and protected sector for disabled people



By concluding purchasing and subcontracting contracts with establishments in the adapted and protected sector for the disabled, La Poste actively contributes to the occupational, economic and social integration of disabled people. La Poste's commitment also involves increasing managers' awareness, particularly by distributing a "Guide to purchasing from the adapted sector" to managers and purchasing departments.

Acting in favour of employment for the disabled



Like all companies, La Poste is obliged to employ disabled people. It has expressed its determination to help integrate the disabled quantitatively (253 recruitments in 2007) and qualitatively (attention paid to career advancement and social actions). La Poste is open to all skills and recruits people for stable and high quality jobs, helping the Group maintain its employment obligations at 4.89%.

Environment

| Indicator description | | Unit | 2005 | 2006 | 2007 | |
|---|--|--|------------------------|---------------|---------------|---------------|
| Fight against climate change – overall CO ₂ emissions (transportation and buildings) | Group's overall CO ₂ emissions (transportation and buildings) | eq. t CO ₂ | - | 1,262,907 | 1,299,836 | |
| Transport-related CO ₂ emissions (products and people) | Total | km | 974,793,982 | 997,981,492 | 1,010,952,699 | |
| | - road transport | % total | 91.6% | 92.7% | 92.8% | |
| | - air transport | % total | 0.6% | 0.6% | 0.5% | |
| | - rail transport | % total | 0.1% | 0.1% | 0.1% | |
| | - on foot and bicycle | % total | 7.7% | 6.6% | 6.5% | |
| | Group total | Transport-related CO ₂ emissions – Group (distribution by type of transport: see page 48) | eq. t CO ₂ | 277,481 | 1,015,613 | 1,011,756 |
| | Mail | Transport-related CO ₂ emissions excluding subcontractors | eq. t CO ₂ | - | 263,245 | 233,184 |
| | | Transport-related CO ₂ emissions with subcontractors | eq. t CO ₂ | - | 414,189 | 412,595 |
| | ColiPoste | Total CO ₂ emissions | eq. t CO ₂ | - | 6,959 | 7,438 |
| | | Transport excluding subcontractors | eq. t CO ₂ | - | 116,359 | 128,395 |
| | GeoPost | Total CO ₂ emissions | eq. t CO ₂ | - | 84,496 | 231,511 |
| | | Transport excluding subcontractors | eq. t CO ₂ | - | 468,316 | 450,026 |
| | La Poste Retail Brand | Transport-related CO ₂ emissions at the Retail Brand | eq. t CO ₂ | - | 10,609 | 10,085 |
| | La Banque Postale | Total CO ₂ emissions | eq. t CO ₂ | - | 1,177 | 1,429 |
| | Cross-functions | La Banque Postale Transport | eq. t CO ₂ | - | 4,963 | 4,679 |
| | Electric vehicle fleet (utility vehicles and quads) | Total CO ₂ emissions Cross-Divisional Transport | eq. t CO ₂ | - | - | 28 |
| | Employees' business travel | | Unit | - | - | 4,042 |
| | | CO ₂ emissions related to business air travel | eq. t CO ₂ | - | - | 505 |
| | | CO ₂ emissions related to business train travel | eq. t CO ₂ | - | - | |
| Building-related CO ₂ emissions | Total area | m ² | 7,949,862 | 7,839,686 | 9,433,798 | |
| | Group total | Total energy consumption in buildings | kWh | 1,775,000,000 | 1,503,248,721 | 1,588,412,983 |
| | | Kwh/sq.m. | kWh/sq.m. | 223 | 192 | 168 |
| | | Total building-related CO ₂ emissions | eq. t CO ₂ | - | 247,294 | 288,080 |
| | Mail | Total energy consumption in buildings | kWh | - | 700,384,471 | 683,302,584 |
| | ColiPoste | Total energy consumption in buildings | kWh | - | 70,719,018 | 84,838,809 |
| | GeoPost | Total energy consumption in buildings | kWh | - | - | 189,196,436 |
| | La Poste Retail Brand | Total energy consumption in buildings | kWh | - | 377,400,181 | 454,409,926 |
| | La Banque Postale | Total energy consumption in buildings | kWh | - | 59,532,532 | 63,269,805 |
| | Cross-functions | Total energy consumption in buildings | kWh | - | 87,212,520 | 113,395,424 |
| Water consumption | Group total | Total water consumption | m ³ | 2,227,000 | 2,076,000 | 2,753,628 |
| | | Water consumption per employee | m ³ /person | 7.4 | 7.2 | 9.0 |
| | Mail | Total water consumption | m ³ | - | 1,068,181 | 948,054 |
| | ColiPoste | Total water consumption | m ³ | - | - | 49,300 |
| | La Poste Retail Brand | Total water consumption | m ³ | - | - | 917,099 |
| | La Banque Postale | Total water consumption | m ³ | - | 128,302 | 149,703 |
| | Cross-functions | Total water consumption | m ³ | - | - | 689,472 |
| Responsible paper policy | Group total | Total paper consumption | tonnes | - | - | 18,538 |
| | | Share of responsible paper (recycled or paper from sustainably managed forests) | % | - | - | 49% |
| | Mail | Total paper consumption | tonnes | - | - | 3,972 |
| | ColiPoste | Total paper consumption | tonnes | - | - | 196 |
| | GeoPost | Total paper consumption | tonnes | - | - | 1,094 |
| | La Poste Retail Brand | Total paper consumption | tonnes | - | - | 6,000 |
| | La Banque Postale | Total paper consumption | tonnes | - | - | 7,807 |
| Cross-functions | Total paper consumption | tonnes | - | - | 563 | |

| Change 2006-2007 | Comments |
|---------------------|--|
| 2.9% | Scope covered: Group |
| 4% | Scope covered: |
| - | → 2006: La Poste parent company (including La Banque Postale, not a subsidiary in 2006). Data updated in 2007 for Mail's road transport. |
| - | → 2007: 2006 scope with the integration of some Mail subsidiaries. Data collected by VéhiPoste, which ensures a 100% scope for La Poste parent company and La Banque Postale. For the Mail subsidiaries, 64% of the scope is covered (calculated based on subsidiaries that provided information). |
| - | Scope covered: |
| -0.4% | → 2005: Road transport-related CO ₂ emissions for La Poste parent company, including La Banque Postale (not a subsidiary in 2005). |
| - | → 2006: Road and air-related CO ₂ emissions for the 2005 scope with the integration of GeoPost and some Mail subsidiaries (recalculated to be consistent with ISO on a 2007 scope basis). |
| - | → 2007: Road, air and rail transport-related CO ₂ emissions (Group and subcontractors) plus those related to employee business travel (rail and air) for the Group's scope. |
| -11% | Scope covered: |
| - | → 2006: Road and air transport-related CO ₂ emissions. |
| 0% | → 2007: Road, air and rail transport-related CO ₂ emissions. The scope covered (97%) is calculated based on the total revenues of the entities that responded divided by Mail's total revenues (some subsidiaries included). Subcontractors' transport emissions are systematically included, but the coverage is not calculated. |
| 7% | Scope covered: VéhiPoste manages 100% of the vehicles, which guarantees 100% coverage. For subcontractors' emissions, all are taken into account but the coverage rate is not calculated. |
| 10% | |
| 174% | Scope covered: |
| - | → 2006: Road transport-related CO ₂ emissions (air transport-related CO ₂ emissions are attributed to Mail). |
| -4% | → 2007: A portion of air emissions was allocated to GeoPost. The percentage of the scope covered (91%) is calculated based on total number of parcels distributed by the entities that responded out of the total number of parcels distributed by GeoPost. |
| -5% | Scope covered: La Poste Retail Brand's entire service vehicle fleet in circulation (fleet managed by VéhiPoste, 100% coverage). |
| 21% | Scope covered: La Banque Postale's entire service vehicle fleet in circulation (fleet managed by VéhiPoste, 100% coverage). The 20% increase is due to the expanded scope covered by reporting in financial year 2007. |
| -6% | Scope covered: Entire service vehicle fleet used by La Poste parent company's staff and cross-divisional functions (excluding Divisions and banking). Fleet managed by VéhiPoste, 100% coverage. |
| - | Scope covered: → Indicator monitored by VéhiPoste (La Poste parent company coverage) and published for the first year. It will be maintained in subsequent reports to ensure commitments are monitored. |
| - | Scope covered: This indicator is published for the first time and will be subject to reflection about implementing actions to increase overall awareness of business travel. The indicator's coverage rate will be refined in 2008 (at present, the France scope is limited to entities using the Carlson central purchasing group). |
| 20.3% | Scope covered: |
| - | → 2005 and 2006 : Scope of La Poste parent company. |
| - | → 2007: Group scope (including GeoPost and Mail subsidiaries). The 20% increase is due to the expanded reporting coverage. |
| 6% | |
| -12% | Scope covered: In 2007, all Group entities provided information on this indicator. |
| 16% | |
| -2% | |
| 20% | Scope covered: |
| - | → 2005: Scope of La Poste parent company and La Banque Postale, excluding GeoPost subsidiaries. |
| - | → 2006: Scope of La Poste parent company, La Banque Postale and some Mail subsidiaries, excluding GeoPost. |
| - | → 2007: All Group entities provided information on this indicator. |
| 20% | Consumption was obtained via EDF's Panorama consumption monitoring software for electricity and Gaz de France's My Online Account natural gas, via invoices or meter readings. |
| 6% | The 20% growth observed for ColiPoste and the Retail Brand is related to the expanded reporting scope. |
| 30% | |
| 33% | |
| 26% | Scope covered: |
| -11% | → 2005 and 2006: La Poste parent company. |
| - | → 2007: 89% of some Mail subsidiaries and La Banque Postale integrated. Increased consumption (excluding Mail) primarily due to the expanded reporting scope and the increased reliability of collection. |
| 17% | |
| - | Scope covered in 2007: |
| - | For La Poste parent company and La Banque Postale, the procurement department covers more than 50% of the paper product consumption for the Group's Divisions and cross-divisional functions. This scope calculation will be refined next year. |
| - | The 2005 and 2006 histories of total paper consumption were not reported because only A4 reams and some types of envelopes were integrated. |
| - | GeoPost has reported on a different scope because this entity does not use the DAP0's services. Therefore, as for other indicators, the scope covered (91%) is calculated on the basis of the total number of parcels distributed by the entities that collected data divided by the total number of parcels distributed by GeoPost. |
| - | This is why GeoPost is not accounted for in the data regarding the Group's total consumption. |

Employee Relations

La Poste parent company's scope was retained for employee relations indicators. It groups more than 88% of the Group's total personnel (French subsidiaries account for 6.5% and foreign subsidiaries 5%). With this choice, changes in La Poste's employee relations performance can be assessed on a homogeneous scope covering a broad workforce (this scope will be expanded even more over the coming years).

| | Unit |
|--|---|
| Employment | |
| La Poste Group's total workforce | Equivalent EPY ⁽¹⁾ |
| La Poste parent company's total workforce | Equivalent EPY |
| Distribution of employees by type of employment contract | |
| Rate of fulltime agents among permanent employees (civil servants and salaried employees) | % |
| Permanent employees | Number of people Equivalent EPY % total workforce |
| Non-permanent employees | Number of people Equivalent EPY % total workforce % of total workforce as equivalent EPY |
| Number of interim workers | Equivalent EPY |
| Personnel turnover in number of salaried employees and percentage per gender | |
| Women | Unit % |
| Men | Unit % |
| Total La Poste | Unit |
| Health and safety at work | |
| Frequency rate for workplace accidents | Number of accidents / millions of hours worked |
| Seriousness rate for workplace accidents | Number of workdays lost / thousands of hours worked |
| Rate of absenteeism due to sickness | Number of days absent for sickness (workforce in equivalent APY x number of days in year) |
| Rate of occupational diseases as a % of the workforce's total work time | Number of recognised occupational diseases / millions of hours worked |
| Number of deaths due to workplace accidents or commutes | Unit |
| Training and education | |
| Average number of training hours per postal worker per year | hours/postal worker/year |
| Skills development and life-long training (apprenticeship, Employee Training Rights and internal redeployment) | Number of people that took a skills development training course in the year |
| Promotion rate | |
| Actions for Disability | |
| Number of beneficiaries of employment obligations ⁽²⁾ | Unit |
| Rate of beneficiaries of employment obligations ⁽³⁾ | % |
| Amount of purchases in the adapted and protected sector for disabled people | € millions |
| Professional gender equality | |
| Gender salary gap ⁽⁴⁾ | |
| Public-service employees | % |
| Salaried employees | % |
| Percentage of women in group C ⁽⁵⁾ | % |
| Recruitment – Equal opportunities | |
| Percentage of recruitment in sensitive urban areas | % |
| Number of beneficiaries of the employment obligation recruited | Unit |

Corporate Responsibility

| | Unit |
|---|------|
| Customer relations – Mediator actions | |
| Number of disputes handled | Unit |
| Percentage of customers recommending use of mediation | % |
| Number of recommendations issued | Unit |
| Total number of meetings organised with consumer associations | Unit |
| Number of sustainable development subjects discussed in meetings with consumer associations | Unit |
| Number of meetings with European and national bodies concerning consumption questions | Unit |

(1) Equivalent EPY: Equivalent Employee per Year.

(2) Declared staff beneficiaries of the employment obligation remunerated at 1st January of each year.

(3) Ratio of total declared staff beneficiaries of the employment obligation remunerated at 1st January of each year and the total declared staff remunerated at 1st January of each year.

(4) Variance between average net monthly remunerations of men and women (payroll or gross salary + living allowance or geographic supplement + position supplement + biennial supplement – related social security contributions).

(5) Class C: strategic managers and executives in charge of defining the Group's strategic vision and orientation. They share the decisions that directly influence the company's success in the medium-term.

| 2005 | 2006 | 2007 | Evolution 2006/2007 |
|---------|---------|---------|---------------------|
| 303,405 | 303,401 | 299,010 | -1.45% |
| 275,495 | 271,887 | 264,781 | -2.61% |
| 84.3% | 85.9% | 87.9% | |
| 278,404 | 273,853 | 267,192 | -2.43% |
| 262,149 | 260,557 | 256,029 | -1.74% |
| 91.8% | 94.5% | 95.5% | |
| 24,755 | 16,012 | 12,603 | -21.29% |
| 13,346 | 11,330 | 8,752 | -22.75% |
| 8.2% | 5.5% | 4.5% | |
| 4.80% | 4.20% | 3.30% | |
| 1,646 | 1,879 | 2,571 | 36.83% |
| 4,536 | 4,744 | 5,800 | 22.26% |
| 3.30% | 3.42% | 4.22% | |
| 7,342 | 6,683 | 7,929 | 18.64% |
| 5.16% | 4.79% | 5.82% | |
| 11,878 | 11,427 | 13,729 | 20.15% |
| 4.25% | 4.11% | 5.02% | |
| 23.4 | 23.73 | 24.68 | 4.00% |
| 0.56 | 0.61 | 0.66 | 8.20% |
| 5.27% | 5.04% | 5.30% | |
| 0.46 | 0.69 | 0.37 | -32.00% |
| 10 | 11 | 11 | 0.00% |
| 13.23 | 12.6 | 11.5 | -8.73% |
| 5.81% | 8.00% | 9.50% | |
| 13,662 | 14,514 | 13,570 | -6.50% |
| 4.45% | 4.89% | 4.89% | |
| 6.2 | 6.8 | 7.0 | 2.94% |
| -2.2% | -2.2% | -2.2% | |
| -3.1% | -1.3% | -0.1% | |
| 12.1% | 12.2% | 15.4% | |
| 11.1% | 12.3% | 12.5% | |
| 229 | 176 | 253 | 43.75% |

| 2005 | 2006 | 2007 | Evolution 2006/2007 |
|------|-------|-------|---------------------|
| - | 4,526 | 4,628 | 2% |
| - | 68 | 73 | 7% |
| - | 14 | 12 | -14% |
| - | 11 | 11 | 0% |
| - | 3 | 1 | -67% |
| - | 2 | 3 | 50% |



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