



Global Compact: Annual Communication on Progress

La Poste Group

December 2008



GROUPE LA POSTE



Le Président

Paris, 11 FEV. 2009

I wish, in the name of the 260 000 postmen and women, to renew La Poste Group's commitment to the 10 principles of the Global Compact.

Since its initiation in February 2003 the sustainable development policy has been adopted within each of the different entities of the Group. The year 2007 has been a period of transition during which we have been able to finalize **our new strategic plan "Performance and Confidence" which primarily deals with sustainable development.**

Four years ago **we began by examining the appropriation of the stakes and today our staffs have now adopted a professional approach** to sustainable development which is integrated in the different occupations and core functions of the firm.

We have also strengthened the organization by establishing a department of sustainable development at Poste Immo (the Group's property business) as well as 21 regional delegates specifically in charge of the sustainable development in their region. Today, nearly 150 persons work, part-time or full-time, on sustainable development at La Poste.

"Performance and Confidence" has allowed us to renew our commitment to the three pillars of the sustainable development. The wealth of the Group are its people who have allowed to implement the responsible development strategy. This is why the Group has developed a social program based on its values and aims to develop an organizational culture to accompany the development of employees including "diversity", skills, health and safety at work, mobility and job quality for all, favoring steady jobs and trying to meet the aspirations of people in their working lives. **"Performance and Confidence"** also renews our commitment to address climatic changes with the aim to decrease by 12% (15% transport, 9% offices) our CO₂ emissions (compared to emissions of 2006 and within the surrounding area of the company head quarters).

Finally since we are strongly present throughout France we consider our duty to take part in the implementation of sustainable development dynamics at the local level. This is one of the tasks of our new regional delegates in charge of sustainable development. This territorial presence as well as our commitment to maintaining social ties within local communities not only enables us to share our good practices with the general public but encourages them in their own sustainable development initiatives.

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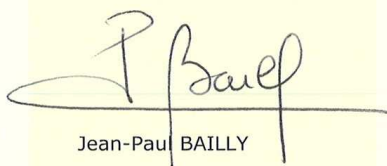
GROUPE LA POSTE



The "**Performance and Confidence**" plan will thus be deployed on the basis of a responsible development. My staffs are entirely at your service.

With my commitment,

All my best,


Jean-Paul BAILLY



Profile

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Date of joining	February, 2003
Sector	Transport, bank, services

PROFILE AND DESCRIPTION OF THE ACTIVITIES

- **Turnover** → **20,8 billion Euros** and income 943 million Euros
- **Workforce** → **260 000 people**, including 100 000 postmen
- **Organization**
 - Corporate : head office
 - **4 branches** : Parcels (ColiPoste/GeoPost) ; Mail ; L'Enseigne (Post offices network) ; La Banque Postale (Postal Bank)
- **Territorial presence**
 - In France : First proximity network
About **17 000 points** of contact
 - More than 12 500 post offices
 - 5 000 points of contact managed through partnership
 - **250 subsidiaries** in **40 countries** on 4 continents
- **The Group in the Market**
 - 16,1% of the turnover is made out of France
 - 71% of the Group operations are in the competitive sector

PRINCIPLE 1

Support and respect the protection of internationally proclaimed human rights, within their sphere of influence

PRINCIPLE 2

Make sure that they are not complicit in human rights abuses, through their own activities or buying policy, and that their selected suppliers/subcontractors/firms are neither

PRINCIPLE 4

Support the elimination of all forms of forced and compulsory labor

PRINCIPLE 5

Support the effective abolition of child labor

Our commitment or policy

We make sure that each of our branches and subsidiaries act and buy in accordance with these principles and objectives (see below).

Description of the processes or existing plans of action

The Purchasing Department of the Group has developed a responsible purchasing policy with the help of the experts of the Sustainable Development Department. This policy is a toolkit to assist the different branches of the Group to implement responsible purchasing (risk mapping, guide-book, training...).

Actions implemented in 2007 or planned for 2008

La Poste has developed a responsible purchasing charter for its suppliers for more than 40 000 Euros. This document includes the Global Compact principles and the 8 fundamental conventions of the International Labor Organization (ILO). The objectives of the responsible purchasing charter are to raise La Poste's partners' awareness of sustainable development and to advocate for their adoption of a sustainable development policy.

The buyers are trained to use this charter and to identify the challenges of sustainable development specific to their own trade.

Measurables results

Number of buyers trained : 20 % of the buying department will be trained by the end of 2008

PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Our commitment or policy

The social dialogue at La Poste provides group dynamics for information exchange and mutual commitments. Social dialogue has been one of the engines that allowed to maintain the plan “*Performance and Convergence*” (the strategic plan for the 2003-2007 period), and to forcefully carry on our social project “*Succeed together*”.

Description of the processes or existing plans of action

The social dialogue is a part of a mode of management based on trust and mutual respect. It accompanies the group’s evolution at the national as well as at the territorial level. Union/professional elections enable the employees to appoint their representatives within the joint committees. These committees have an advisory capacity on the individual management of the employees (discipline, career paths, professional mobility, rating...). The results of the elections also enables to allocate among the different unions a number of seats in authorities such as the technical joint committee or the Advisory Committee for Safety, Hygiene and Health Protection at Work.

Actions implemented in 2007 or planned for 2008

2007 was marked with the signing of ten social agreements at the national level on the following subjects : career development of postmen, future of the banking jobs of the financial centers, salary agreements for 2007, night-working employees. The Group has also implemented several arrangements in order to better recognize and share the economic prosperity of La Poste. Other results were brought through social dialogue and benefited the whole staff, such as the health and provident agreement set on January 1st, the launching of the Plan d’Épargne Groupe (PEG, savings plan) in February and, in May, of the personal supplementary pension scheme Plan d’Épargne Retraite Complémentaire (PERCO, a legal plan to save up for retirement time, the fund is provisioned by voluntary payments of employees and increased by the Group itself).

Measurables results

- 10 agreements signed in 2007
- 34 833 postmen joined the PEG and 11 202 joined the PERCO
- 26,4 million Euros have been paid the employees as their participation in the 2007 Group’s profits

PRINCIPLE 6

Elimination of discrimination in respect of employment and occupation



Our commitment or policy

To comply with this principle, La Poste's Comex (Executive Committee) has ratified the Diversity Policy in 2007, March 12. The Group wants to promote equality and provide equal opportunities for everybody, accommodate to the needs of impaired workers and customers in order to remove barriers which deny people (employee or customer) access to true choice. La Poste aims to develop and promote an equal opportunity policy that applies qualification, skill and experience as the grounds for recruitment, and provides everybody an easy access to all products and services through multilingual as well as other personalized facilities.

Description of the processes or existing plans of action

The plan of action for this new policy is :

- To ensure that everybody at La Poste promotes equal opportunities in his/her professional occupation (inspire confidence through our code of ethics)
- Make the employees aware of their responsibilities (trust)
- Be attentive to people and willing to resolve problems (inspire confidence through professionalism)
- Let know what we do and provide accessible information (lost of confidence – to be avoided)

The top priorities for 2008-2012 are :

- Staff : to develop employability
- Customers : develop better access
- Unemployed workers : diversify recruitment in order to develop a workforce which reflects the diversity at all levels
- Make sure that La Poste's suppliers and subcontractors work in line with this policy

Actions implemented in 2007 or planned for 2008

Handicap : La Poste has further strengthened its actions to raise awareness of handicapped workers and of professional consequences of handicap through the organization of days of action dedicated to prevention and medico social channels. La Poste has also organized for the first time the Professional Premises Accessibility Trophy. 25 teams of postmen took part in this Trophy and all their suggestions have been published in a guide book which is widely distributed.

Equality Label

On March 8th, last year (International Women's Day), La Poste was the first French group to receive the Label Equality which recognizes the Group commitment to promoting gender equality in all activities. La Poste also organized the fourth "*Forum de la Mixité*" which strengthens communication on and awareness of professional gender equality to the managers.

Measurables results

Sustainable Development Report, p. 52 – 53

http://www.laposte.fr/IMG/pdf/Rapport_Developpement_Durable_2007.pdf?espace=groupe

PRINCIPLE 7

Support a precautionary approach to environmental challenges

PRINCIPLE 9

Encourage the development and diffusion of environmentally friendly technologies



Our commitment or policy

In accordance with its Plan "Performance et Confiance", La Poste is committed to decrease by 12% its CO₂ emissions from now to 2012 (on the basis of its emissions of 2006, within the Group's geographical area on which operates its own fleet and stands 5 million square meters of property). The aim comprises a 15% decrease on transport and a 9% decrease on buildings. La Poste is also committed to use paper which is produced from managed forests (forests which have joined the Forest Stewardship Council (FSC) which guarantees that the wood used is from a sustainable source) or recycled paper with no use of chlorine in the bleaching process, and to promote responsible mail.

Description of the processes or existing plans of action

Every six months a report on CO₂ emissions within the Group's geographical area and on its paper consumption is published, which enables to keep a close eye on the consumptions.

Actions implemented in 2007 or planned for 2008

We improve our transport :

- By choosing to use electric vehicles
 - After the invitation to tender for electric vehicles in 2007, two partners have been selected for experimentation with two prototypes. If this experimentation shows to be successful, La Poste is bound to order 500 vehicles from now to the end of 2009 and 10 000 from now to 2012.
 - Beyond light vehicles, La Poste develops its electric vehicles policy to others types of vehicles : the Quads, with an invitation to tender to supply 300 e-quads and an order to supply 1 600 electrically-assisted bicycles. The aim is to adopt no-polluting transport for mail-delivery in center-town as well as to improve working conditions of postmen (ergonomic, less stress, and less accidents).
- By training our drivers to a more responsible way of driving (see page 10)
- By developing postal fret transport by TGV (high speed postal train)
- By optimizing the distances through the development of loose loading of parcels
- By accompanying and working collaboratively with our transport subcontractors to adopt our policy and reduce the impact of their operations : four letters *Eco-Transport* as well as the book *Comment se déplacer sans polluer* (How to move without polluting) written by the Directeur du Développement Durable (Head of Sustainable Development) have been sent to the 800 subcontractors in order to share information and best practices.

We develop a **policy of responsible management of paper** by controlling consumption, progressively using recycled paper or paper which is produced from managed forests, and by encouraging our stakeholders to adopt a similar approach (creation of a responsible mail club with all the actors of the value chain, partnership with WWF...).

Measurable results

Sustainable Development Report, p. 50 – 51

http://www.laposte.fr/IMG/pdf/Rapport_Developpement_Durable_2007.pdf?espace=groupe



Focus on eco-driving

- **The stakes**

To collect and deliver mail, La Poste uses a fleet of 42 000 vehicles which contributes to greenhouse gases emissions. Transport also causes work-related accidents. And, for an enterprise, to decrease carburant consumption also means to decrease the costs.

To change the driving behavior represents an innovative way to address these challenges. This change is based on an individual training and an awareness campaign to the issues mentioned above. It concretizes on a day basis the sustainable development policy of the Group.

In 2007, La Poste decided to generalize the training of all of its 60 000 drivers to eco-driving, a more environmentally friendly way to drive.

- **The principle**

Eco-driving consists in smart, smooth and safe driving at lower engine revolutions and enables to save fuel (and to decrease accordingly CO₂ emissions) by 5 % to 15 % on average. This means from 10 to 30 000 tons of CO₂ emissions less each year as soon as all La Poste's drivers will have been trained. After a first successful experimentation in 2005-2006 resulting in a decrease by 7 % in fuel consumption and accordingly in CO₂ emissions in both of the two experimentation areas, the training was launched in the spring of 2007.

In October 2008, in order to benefit from this acquired know-how, La Poste decided to establish Mobigreen, a subsidiary dedicated to promoting eco-driving to those people who are concerned by this kind of training : firm's fleet managers, big firms, local communities, driving-schools... This initiative demonstrates La Poste commitment to a responsible transport policy, with the aim to decrease by 15 % its CO₂ emissions listed in its Strategic Plan for 2008 – 2012.

- **The teachers**

La Poste has launched an invitation to tender to temping agencies for hiring ten driving instructors qualified to train postmen to eco-driving. These driving instructors attended a four days eco-drive training course (theory and practice) by Eco-Drive in Switzerland. To implement the training of its 60 000 postmen to eco-driving, La Poste has fitted ten Renault Kangoo vehicles with an electronic device (see above) showing real time carburant consumption, whole consumption, average speed, speed profile, etc.)

- **Results for 2008**

By the end of 2008, **La Poste will have trained 27 000 drivers and saved 10 000 tons of CO₂ emissions**, which represents the emissions of a town of 10 000 inhabitants.

PRINCIPLE 8

Undertake initiatives to promote greater environmental responsibility

Our commitment or policy

La Poste publishes each week a newsletter for the staff and demonstrates its commitment to sustainable development through its good practices. La Poste also takes an active part in the postal sector's think tanks (PostEurop, IPC, UPU) on sustainable development, and especially on climate change.

Description of the processes or existing plans of action

La Poste shares its good practice with other firms within different working groups : Comité 21, ePe...

It also implements an in-house *Plan de communication* aiming to raise the staff's awareness of the stakes of the Group's commitment and to rally the staff's interest in sustainable development in its daily tasks as well as in new issues (biodiversity...).

Actions implemented in 2007 or planned for 2008

A newsletter on sustainable development is sent by electronic mail to 2 000 postmen and women each week and can be read by all postmen and women on the Intranet.

La Poste takes part in exhibitions (corporate or general public), gatherings, events...: such as *Planète Durable* (Sustainable Planet), European Mobility Week, *Salon des Maires de France* (Mayors of France' Salon), Sustainable Development National Week...

La Poste raises the general public awareness by broadcasting five spots on sustainable development (diversity, electric vehicles, rail transport, electrically assisted bicycles, responsible products) in 1 500 post offices (using plasma screens), and a program entitled "*One day, one deed*", specifically conceived to share good practice with La Poste's customers.

La Poste has taken part in the Greenhouse Gas Program of PostEurop and in the Environmental Measurement and Monitoring System (EMMS).

La Poste has also implemented a barometer in order to measure how sustainable development is perceived by the staff (questionnaires were sent to 1 000 postmen and women from April 14th to 26th).

Measurables results

- 2 000 readers of the weekly newsletter are aware of the stakes and good practices related to sustainable development.
- 79% of the people questioned (8 points more than in 2007) think that implementing sustainable development actions will contribute to greater profits at La Poste.
- 86% of the people questioned declared to be ready to take initiative for actions related to sustainable development in their job (they were 88% in 2007 and 81% in 2006).

PRINCIPLE 10

Work against corruption in all its forms, including extortion and bribery

Our commitment or policy

Through La Banque Postale's operations, the Group is exposed to the risks of money laundering and of financing terrorist activities. This is why the Banque Postale is subjected to "The Anti-Money Laundering and Counter-Terrorism Financing Provisions" of the Code monétaire et financier (Monetary and Financial Code, article L561-1 et s) which includes fighting corruption. In order that their employees abide by these policies La Banque Postale has adopted effective tools and launched an ambitious training plan which will oblige people who work for or on behalf of the Banque Postale to adhere to these policies in their regular code of conduct at work.

Description of the processes or existing plans of action

Two experts in professional ethics work at La Poste, at the Banque Postale and at L'Enseigne (the post offices network). Another one has been appointed in the second semester of 2008 to formalize the Code of Professional Ethics and to ensure it is deployed in every branch (except for the Banque Postale which already has its own code in accordance with the regulations). In order to fight money laundering and the financing of terrorist activities, the Banque Postale uses the most effective existing tools, thus ensuring that its commitments are effectively carried out in all its banking operations. Beyond the use of specific tools, the Banque Postale also accompanies its staff (see below).

Actions implemented in 2007 or planned for 2008

The 80 000 employees working at the Banque Postale or on behalf of the Banque Postale have been or are being trained : this counterterrorist financing and anti-money laundering training will be achieved by the end of 2009.

The method selected uses e-learning which allows a quick deployment. The program was developed by the Banque Postale and designed to describe the risks of money laundering and the risks of corruption which may occur in the course of banking operations, and to show the tools and levers one can use to manage these risks.

At the end of this program, the trainee makes a self-assessment and can see the points on which he or she can improve or must stay alert.

Specific Codes of ethics are in use at the Enseigne. They are guide books intended for each of the different occupations as teaching aids and pragmatic tools. A training accompanies these guide books.

Measurables results

- 80 000 people trained to anti-money laundering and combating the finance of terrorism.