

2019

CSR REPORT





LE GROUPE LA POSTE

CSR REPORT 2019

The CSR report can be viewed and downloaded on the website www.groupelaposte.com.

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Should there be any difference between the French and the English version, only the text in French language shall be deemed authentic and considered as expressing the exact information published by Le Groupe La Poste.

At the time of going to press, COVID-19 was severely affecting our populations and economies. In France, the crisis has highlighted our reliance on La Poste and human contact. It confirms the relevance of La Poste's values and public service missions.

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“We are writing a new page in our history by being part of the creation of a large public financial group, whilst remaining true to our mission of serving the public interest.”

**Philippe Wahl,
Le Groupe La Poste’s Chairman and Chief Executive Officer**

2019, a founding year for the future of Le Groupe La Poste.

Le Groupe La Poste demonstrated the strength of its multi-business model. Its transformation continued with the goal of becoming the leading proximity services company. This performance enables us to continue our investments. These reached €2.4 billion in 2019 and have made it possible to accelerate the modernisation of our industrial facilities, the diversification of business activities, international deployment and the training of our employees.

2019 was also a founding year for the future of the Group because we have taken decisive steps in the Implementation of historic projects. The strategic equity alliance between La Poste and Caisse des Dépôts and that of La Banque Postale with CNP Assurances, which took place on 4 March 2020, will allow us to continue to diversify our strategic model, and La Banque Postale to complete its own by adopting an integrated banking and insurance model. We are thus writing a new page in our history by taking part in the creation of a large public financial group. And we remain faithful to our mission: to serve the public interest.

“Confronted with great societal challenges, Le Groupe La Poste wishes more than ever to be a force for bringing people together.”

There are significant environmental and social challenges facing humanity: climate change, atmospheric pollution, an ageing population, territorial and digital divides, social inequality, public health crises, etc.

These societal challenges entail risks and reveal opportunities for development and transformation for Le Groupe La Poste. They drive us to rethink our organisation, products and services and to innovate in order to meet new needs.

Le Groupe La Poste focuses its energy on three major societal challenges where it has the capacity to act both concretely and effectively:

- preserving social and regional cohesion;
- accelerating environmental transitions;
- introducing ethical and responsible digital services.

To meet the needs of our customers and the societal challenge of an ageing population, our local services are developing and in 2019 represented €495 million in full-year revenue. La Poste has become the leading supplier of Digital Identity certified by ANSSI (French Cybersecurity Agency), consolidating our positioning as a trusted third party, and player in the development of ethical digital services.

In terms of environmental transitions, our Group acts as a responsible player across all of its activities, with a sustainable approach to its products and services. In 2019, La Poste, and Le Groupe La Poste as a whole, were carbon neutral and is working today with 19 cities to decarbonise the delivery service of tomorrow in city centres. The acquisition of the company Économie d'Énergie also strengthens our action to support the energy renovation of private homes. Finally, in terms of finance, La Banque Postale is committed to managing 100% SRI assets by the end of 2020, thereby decarbonising the portfolios of all its customers.

All our projects and transformations are made possible by the day-to-day professionalism and commitment of La Poste's employees. If human proximity is our primary asset, it is the women and men of La Poste who embody it every day throughout the country, in contact with our customers and our partners and at the service of society as a whole. Thanks to them, Le Groupe La Poste is committed to and acts for a more sustainable world.

For more than 500 years, La Poste has demonstrated its ability to support major transitions in society in order to bring the benefits of social progress and technical innovation to everyone, everywhere and every day. For

each transition, this not only involves limiting or even neutralising the company's impacts, but also going further in order to produce a positive impact for society as a whole:

- acting as a **responsible and exemplary company**, mobilising all its employees to ensure that our own transitions are successful (energy efficiency, green transportation, reasonable consumption of resources, digital responsibility, etc.);
- **helping our customers with their transitions** by offering services, solutions and financing which are tailored to their projects;
- supporting initiatives and working with teams and territories to **drive change in our society**.

Moreover, the Group's **support for Women's Empowerment Principles**, signed in 2010, is anchored on its firm convictions, and the Group works every day to promote diversity and to achieve a world where we can all live together. Further, I am personally very proud to underline our commitment, which I renew, to the **principles of the United Nations Global Compact** and the **2030 global sustainable development goals**.

"2020 will be an exceptional year"

2020 will continue to be characterised by the worldwide pandemic, which has affected us all and caused great uncertainty. I would first like to pay tribute to the La Poste employees whose commitment and hard work on the ground has supported our national efforts. This crisis demonstrates La Poste's crucial role more than ever. It is crucial to our customers throughout France, particularly the most financially vulnerable and the most isolated, it is crucial to companies and professionals, and it is crucial to us as a nation. Postal services are needed because they bring people together. There is a very strong demand for our services, which we must be able to meet. This strong demand will be one of the main points of discussion when La Poste builds its new strategic plan. Indeed, 2020 is the final year of our "La Poste 2020: Conquering the Future" plan, and the year in which we draft our new 2030 plan. This will be built with all of our stakeholders, including La Poste employees, our customers, elected officials, our suppliers, etc. Because La Poste is at the heart of French life, it is essential for us to know what everyone expects of us and to understand changes in society, in order for us to be able to build the future of our Group.



PROFILE AND STRATEGY OF LE GROUPE LA POSTE

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1.1 Identity card of a group which is undergoing transformation

Le Groupe La Poste, a large provider of local services, demonstrated the strength of its multi-business model in 2019. Its transformation continued with the goal of becoming the leading proximity services company.

26 BILLION IN REVENUE

Le Groupe La Poste is a major French services group, with revenue of €26 billion in 2019, of which 30.3% was generated abroad, and an operating profit of €889 million.

The Group's revenue was up 5.2%, in 2019, with all Group business activities increasing. These results are all the more satisfactory, occurring as they do in a challenging economic environment, marked by an acceleration in the decline in mail volumes, persistently low interest rates, the decrease in post office traffic

and pressure on parcel margins throughout Europe. Despite these headwinds, 2019 was a year of positive growth. This performance demonstrates the power of Le Groupe La Poste multi-business model and allows the Group to continue with its investments. These reached €2.4 billion in 2019 and have made it possible to accelerate the modernisation of the Group's industrial facilities, the diversification of business activities, international deployment and the training of its employees.

INTERNATIONAL DEVELOPMENT

Le Groupe La Poste is an international group which is present in 44 countries and on five continents. Most of the Group's operations are located in countries with democratic institutions and which have the resources necessary to enforce compliance with human rights and with the International Labour Organisation's (ILO) basic principles. 97.7% of Le Groupe La Poste employees work in Western Europe (Unesco classification⁽³⁾). Le Groupe La Poste is also present in countries that are more exposed to human rights risks. When this is the case, it operates through small sized companies or partners.

As at 31 December 2019, La Poste, the parent company of Le Groupe La Poste, is a *société anonyme* (public limited company) which is jointly controlled by the French State (73.68%) and the Caisse des

Dépôts (26.32%), with it wholly-owned by public capital according to Article 1 of Act No. 2010-123 of 9 February 2010, and had its registered office at 9, rue du Colonel Pierre-Avia, 75015 Paris.

66%-owned by Caisse des Dépôts and 34%-owned by the French State following the completion of the transactions relating to the creation of a large public financial group on 4 March 2020, Le Groupe La Poste has 249,304⁽²⁾ employees, of whom almost 15% are employed outside France. For more information, see page 484 of the 2019 Universal registration document

5 BUSINESS UNITS AND 4 PUBLIC SERVICE MISSIONS

Consolidated revenue

€26 billion in 2019

5 business units

Services-Mail-Parcels 46.5%⁽¹⁾
GeoPost/DPDgroup 29.6%
La Banque Postale 21.6%
Digital Services 2.1%
Network

Number of employees

249,304 employees⁽²⁾
2nd largest employer in France after the French State
France 85.2%
Western Europe 8%
Eastern Europe and Russia 4.4%
Rest of the world 2.4%

4 public service missions

Universal postal service
Press transport and delivery
Contribution to regional planning and development
Access to banking services

(1) % of Le Groupe La Poste's consolidated revenue.

(2) Headcount in full-time equivalents on average

(3) Unesco classification for Western Europe: Andorra, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, the United Kingdom and Vatican.

Further information on La Poste SA's organisation, company name, place of registration, registration number, date of incorporation, term and legal and regulatory framework may be found on page 494 of the 2019 Universal registration document.

At 31 December 2019 debt stood at €6.5 billion, representing a net debt to equity ratio of 51.2%. For more financial information, see page 244 of the 2019 Universal registration document.

ORGANISATION BY BUSINESS UNITS AND SUBSIDIARIES

Le Groupe La Poste draws on the skills of La Poste SA and on the expertise of its subsidiaries in its seven business activities (logistics, banking and insurance, telecommunications, information management, multi-channel distribution, real estate and services to individuals).

It is divided into five business units, supplemented by Poste Immo, a real estate asset management company and Véhiposte, a fleet management subsidiary.

FIVE BUSINESS UNITS

SERVICES MAIL-PARCELS

Logistics, delivery and local services

The business unit is driving e-commerce with Colissimo solutions, reinventing mail as a medium and developing a range of local services. It relies on nearly 72,000 postmen and parcel delivery staff, and on its subsidiaries (Axeo Services for services to individuals, and Astén Santé for home healthcare services).

GEOPOST DPDGROUP

Express international parcel delivery

GeoPost specialises in the fast/express international delivery of parcels under 30 kg. It is the second largest provider in Europe, with its subsidiaries grouped together under the DPDgroup international umbrella brand (DPD, Chronopost, Seur and BRT). GeoPost/DPDgroup operates in 230 countries.

DIGITAL SERVICES

Digital transformation of the Group and the Company

The business unit has two main activities.

Firstly, its commercial activity as an operator of online and digital services for companies, the local public sector and private individuals.

It operates through its specialist subsidiaries Docaposte, Mediapost Communication and the laposte.fr e-commerce portal.

Secondly, it leads the Group's modernisation and digital transformation activities, and develops new services on behalf of other business units.

LA BANQUE POSTALE

A bank that works in the best interest of the community at large

Services for private individuals, businesses, professionals, social economy and local public segment players: La Banque Postale is continuing its digitisation process, and offers a comprehensive range of simple, useful and transparent banking and insurance services, at an affordable price.

LA POSTE NETWORK

A multi-business network with a priority on banking

With more than 17,000 service points, the La Poste Network is the number 1 human service provider in France. By providing Group products and services and particularly those of La Banque Postale, La Poste Network is committed to facilitating the plans and daily lives of all of its customers, and to regional economic development.

TWO SUBSIDIARIES TO MANAGE THE GROUP'S ASSETS

POSTE IMMO

Group property company

The real estate division manages the majority of the Group's real estate activity (79% of the surface areas occupied by the Group's entities in France).

VEHIPOSTE

Manager of the Group's French vehicle fleet

Le Groupe La Poste's vehicle fleet management expert supports the economic performance of the vehicles belonging to La Poste's business units, departments and subsidiaries.

As La Poste's fleet comprises more than 60,000 light commercial and passenger vehicles used for various demanding and non-standard purposes, management, optimisation and cost control of the fleet require a unique level of expertise.

For more information on the Group's organisation, see pages 10-80 in Chapter 1 of the 2019 Universal Registration Document. The entities included in the Group's consolidated financial statements are detailed in the 2019 Universal Registration Document (pages 408-419).

1.2 Strategy

Societal changes drive several movements today: urbanisation, digitalisation, demographic ageing, environmental and climatic transition.

Faced with these societal challenges, Le Groupe La Poste provides its expertise as a provider of local and trusted services that are accessible to all, ethical, neutral and sustainable, thanks to the strength of its local relations and its ability to articulate innovation and social utility.

1.2.1 FOUR MAJOR TRANSITIONS

La Poste has identified four major transitions, which are both challenges and opportunities:

FOUR MAJOR TRANSITIONS IN WHICH LA POSTE IS CURRENTLY ACTIVE



REGIONAL TRANSITION

Working to bring regions closer together and to improve the quality of relations between users, the French State and local communities.



ENVIRONMENTAL AND ENERGY TRANSITION

Supporting environmental transitions by transforming mobility, rethinking energy practices and conserving resources.



DEMOGRAPHIC AND SOCIAL TRANSITION

Supporting the demographic transition by becoming a leader in the Silver Economy, based on trust and proximity.



DIGITAL TRANSITION

Ensuring trust in the digital world as a player respectful of the privacy and security of individuals.

In this context, Le Groupe La Poste has rolled out its "La Poste 2020: Conquering the future" strategic plan, which aims to make the Group the pre-eminent provider of local services in France and to ensure its economic health – the surest guarantee of its future and that of its employees.

1.2.2 LA POSTE 2020 STRATEGIC PLAN: "CONQUERING THE FUTURE"

The main guidelines of the "La Poste 2020: Conquering the future" strategic plan are expressed in five strategic priorities, which are then translated into the strategy of each of the Group's business units:

Development

The Group's multi-business dimension enhances its strength due to the complementarity of the economic cycles of its business lines. Each business unit implements its action plans with a strong focus on environmentally friendly development and energy transition.

Performance through cost control

Each year, the Group adapts its operating costs to take into account the evolution of its activities and efficiently restructures its support functions, both at the local and the national level.

Labour-management agreement

The labour-management agreement ("Le pacte social") aims to make each La Poste employee a stakeholder and beneficiary of this transformation. La Poste has opted for a strong social model based on quality jobs, equal opportunities, diversity and support for career paths.

Four public service missions

These missions are essential components of the Group's identity and express its contribution to the development of policies in the interest of the public and society at large (see Section 1.5.1)

The strategic equity alliance between La Poste and Caisse des Dépôts

New opportunities for joint actions in the public service

A new stage in the Group's transformation has just been completed: on 4 March 2020, the strategic equity alliance between La Poste and Caisse des Dépôts (CDC) was finalised. The strategic equity alliance between La Poste and the Caisse des Dépôts around a common industrial project to serve France and its people is facilitating the creation of a large banking and insurance group.

A new stage in the Group's transformation is beginning. The joint actions deployed in France in six areas are strengthening the Group's CSR policy.

6 COMBINATION AVENUES LA POSTE AND CAISSE DES DÉPÔTS ET CONSIGNATIONS

REGIONAL DIVIDE

Expanding the network of
Maisons de Services au Public
(public service areas)

PUBLIC FINANCIAL GROUP

Representing the general interest
and meeting the needs of local
authorities and companies

ENVIRONMENTAL AND ENERGY TRANSITION

Being an exemplary player and
a provider of offers at the
service of environmental
and energy transition

URBAN LOGISTICS

Accelerating the implementation
of last-mile delivery solutions
using green modes of transport

DIGITAL TRANSFORMATION OF REGIONS

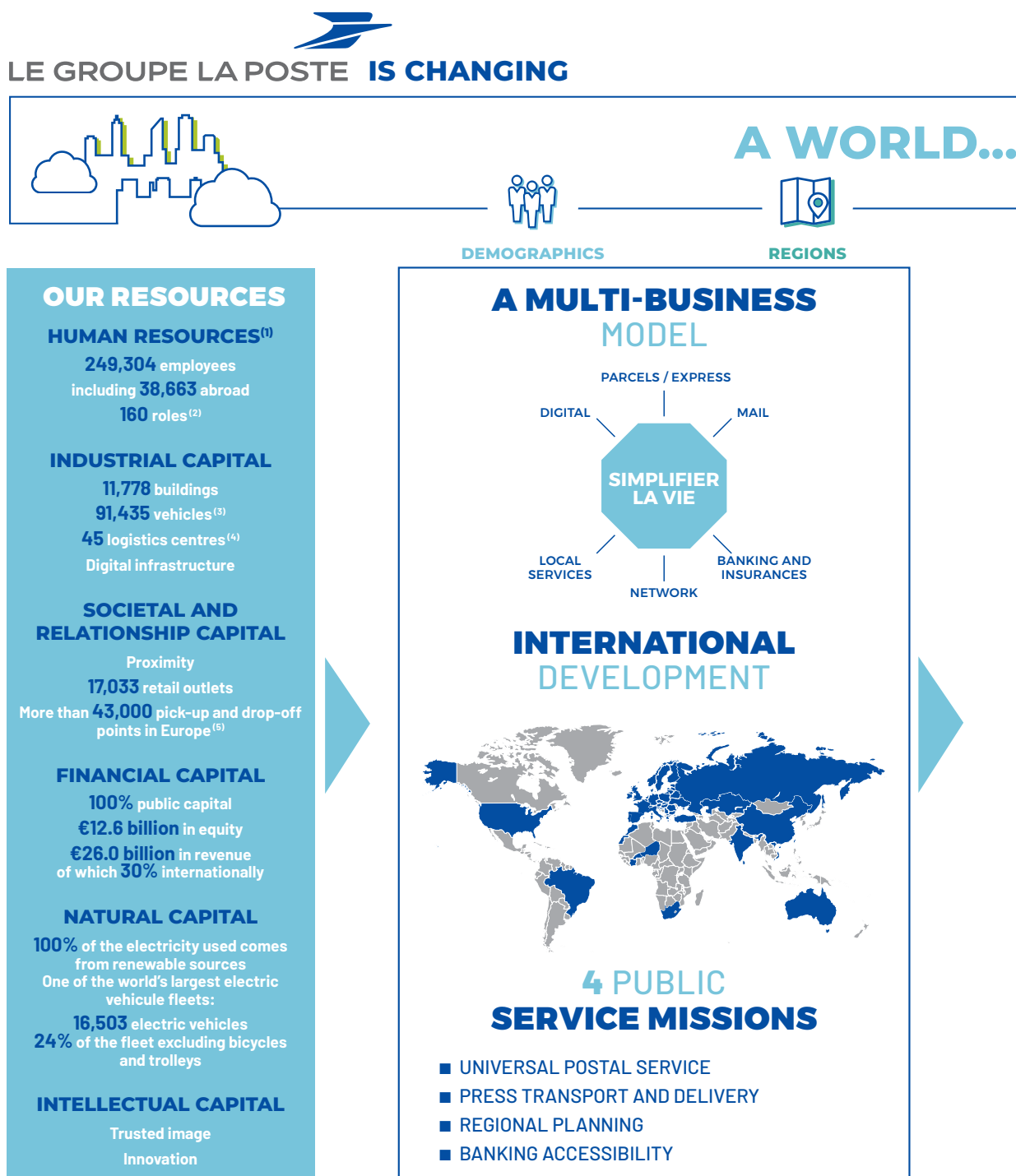
Improving the efficiency of
public services and fighting
against digital exclusion

SILVER ECONOMY

Meeting the challenges of
demographic change and ageing

1.3 Business model

As a major national player and owing to its social, societal and environmental commitments, Le Groupe La Poste pays close attention to its impact on and contribution to all of its stakeholders.



The data presented in the above business model are, unless specified otherwise, within Le Groupe La Poste's scope.

(1) Average Group headcount in full-time equivalents.

(2) La Poste advertising campaign (September 2018): "160 roles to make life easier!".

(3) Fleet owned or managed directly by the Group (i.e. two-wheeled vehicles [incl. bicycles and electric bicycles], three-wheeled vehicles [Staby], quads and fourwheeled vehicles [cars, vans and trucks]).

(4) Industrial mail platforms and Colissimo platforms.

(5) Relais Pickup in Europe (over 46,000 in the world).

The Group's commitments in terms of protecting the environment, people, customers, employees and economic, social and regional partners are key to its value creation. In 2020, these commitments will provide the foundation for Le Groupe La Poste's new strategic plan, thus becoming even more central to the Group's business activities and value creation.

IN TRANSITION



ENVIRONMENT



DIGITAL

GROWTH WAVES

- E-commerce
- Urban logistics
- Modernisation of public service activities
- Trusted digital partner
- Silver economy & Health
- Energy transition

"LA POSTE 2020 CONQUERING THE FUTURE"

Successfully diversify the portfolio of activities in a context of mail attrition and low rates

- Accelerating business development and conquering new markets
- Improving competitiveness
- Preserving the labour management agreement
- Strengthening the synergies between the business units

THE GROUP'S SOCIETAL COMMITMENT

- Social and regional cohesion
- Environmental transitions
- Ethical and responsible digital services

OUR IMPACTS

FOR THE PLANET

21.8%⁽⁶⁾ reduction in GHG emissions
100% of the emissions are offset
116,182 metric tonnes
 of waste recycled or reused⁽⁷⁾

FOR THE TERRITORIES

Over 12.3 million
 visits per day
95.6% of the population within 5 km
 or 20 minutes of a retail outlet

FOR OUR CUSTOMERS

Loyal and satisfied (NPS)
1.7 billion parcels delivered
 Outstanding amount less than 150€
 for **51% of the Booklets A**

FOR OUR EMPLOYEES

92% on permanent contracts
51% of executives are women
80% of employees trained in 2019
11 national agreements in 2019

FOR OUR SUPPLIERS⁽⁸⁾

81% of suppliers are SMEs
Over 100,000 indirect jobs
 supported by the Group's purchases⁽⁹⁾

FOR THE INVESTORS

A/A-1 positive outlook (S&P)
A+/F1+ stable outlook
 (Fitch Ratings)

(6) Ahead of the 20% GHG reduction target set for La Poste's activities relative to 2013. See the methodological note in Appendix 3 which specifies the scope of this commitment.

(7) Data from the "Solutions for the circular economy" business unit - (Recygo + Nouvelle attitude).

(8) La Poste parent company scope [permanent contracts: proportion of employees on permanent contracts; % of women in management; proportion of employees who have taken at least one training course during the year].

(9) Study carried out by La Poste in 2018 to objectively and independently quantify, using the Local Footprint® tool, the annual impact in terms of employment of La Poste's purchases in the French economy.

1.4 2019 highlights

HIGH-LEVEL AND SECTOR-SPECIFIC COMMITMENTS

August

As a partner of the first environmentally responsible G7, Le Groupe La Poste helped to ensure that all of the Biarritz G7 summit emissions were offset.

September

Launch of the IPC (International Post Corporation) Green Postal Day, supported by La Poste alongside 25 international postal operators. The IPC ranked La Poste second in the global postal sector for sustainable development commitments.

La Banque Postale committed to the global "Principles for Responsible Banking" initiative, supported by the UN. In parallel it announced that it had signed up to the Collective Commitment to Climate Action.

October

With the objective of a 30% reduction of its CO₂ emissions by 2025, La Poste followed in the footsteps of 273 other global companies with the approval of its carbon trajectory by the Science Based Targets Initiative, led by four major NGOs.

La Banque Postale also adopted the Equator Principles for the financing of any project over \$10 million.

March 2020

The strategic equity alliance between La Poste and Caisse des Dépôts and that of La Banque Postale with CNP Assurances will allow Le Groupe La Poste to continue to diversify its strategic model, and La Banque Postale to complete its own by adopting an integrated banking and insurance model.

ECOLOGICAL TRANSITIONS

January

7,000 old smartphones were collected from individuals over an eight-week period, and then sorted by Ateliers du Bocage.

February

La Poste launched Urby, a low-emissions shared urban logistics network. The first renewable energy self-consumption trial was launched at the Magny-les-Hameaux site in France.

March

The Actions Habitat Travaux service was launched. It provides energy renovation works for private individuals.

April

La Banque Postale successfully issued its first green bond for €750 million.

La Banque Postale signed a framework agreement with the European Investment Bank, to promote the development of re-newable energy. La Banque Postale also announced that its renewable energy assets under management had doubled to €3 billion.

May

As part of its partnership with SFIL, La Banque Postale launched green loans of €500,000 upwards for local authorities.

July

RECYGO renewed its commitment to the French paper industry as a committed and responsible partner.

September

La Banque Postale launched "Eco PTZ Habitez Mieux", to finance energy-efficiency improvement works for the lowest-income customers.

La Poste and its partners launched Veligo Location on behalf of Ile-de-France Mobilités.

October

Chronopost has been delivering to the entire city of Paris using clean, electric or natural gas (NGV) vehicles, setting a new delivery standard for the sector as a whole.

La Poste reaffirmed its ambitious strategy for the energy transition and thermal renovation in homes by acquiring a controlling interest in the Économie d'Énergie (EDE) Group. First "Label Bas Carbone" (Low Carbon Label): a forestry project designed and financed by La Poste in the Lyon region.

November

La Poste signed a partnership agreement with CDC Biodiversité to take part in the Nature 2050 programme.

A sixth Nouvelle Attitude professional integration platform was inaugurated in Toulouse for sorting office paper for the South-West region.

November

DPDgroup set up the BREATHE programme to measure air quality in major cities.

January 2020

DPD UK invested in a network of 100% electric micro-depots in London. The CDP awarded Le Groupe La Poste and La Banque Postale an A- rating.

February 2020

La Banque Postale launched a range of green loans for corporate customers.

SOCIAL AND REGIONAL COHESION

May

La Poste and the Association des maires ruraux de France (AMRF – French Association of Rural Mayors) renewed their partnership and set out shared working focus areas.

June

The Dynamic Alliance and SSE stakeholders started building on approximately 50 societal innovation projects.

February 2020

Local postal coverage agreement, signed by La Poste, the French State and the French Mayors' Association. The fifth agreement pertains to the 2020-2022 period.

ETHICAL AND RESPONSIBLE DIGITAL SERVICES

June

The Group signed the Responsible Digital Charter at a Greentech verte event.

October

La Banque Postale and La Poste's rollout of the social and digital inclusion plan at 300 post offices identified 25,000 people who are lacking digital skills, and offered them a support and training programme delivered together with mediation partners.

January 2020

La Poste's digital identity service has been awarded an ANSSI certification (French Cybersecurity Agency).

CUSTOMER SERVICE COMMITMENT

May

La Banque Postale increased its range of green loans for local authorities, to finance projects which support their environmental transition.

April

"Short-loop" claims processing was extended to nearly 1,300 post offices and over 500 mail and parcel sites.

July

DPD UK again won two fiercely contested awards: the "Home Delivery Operator of the Year" and the "Customer Care Award".

December

For the third year running, La Poste Network received the *Enseigne Responsable* (Responsible Brand) certification from *Club Génération Responsable*.

SOCIAL AND EMPLOYMENT POLICY

February

Potentialpark ranked La Poste seventh in the 100 best online recruiters.

May

La Poste and the trade unions signed the seventh national agreement to promote the employment of disabled people, focusing on high-quality career paths. La Poste Network launched a national plan for "Hosting disabled customers".

July

The fourth agreement on workplace equality was signed, which sets out the objective of increasing the proportion of female executives.

October

The Group launched its gender parity network.

November

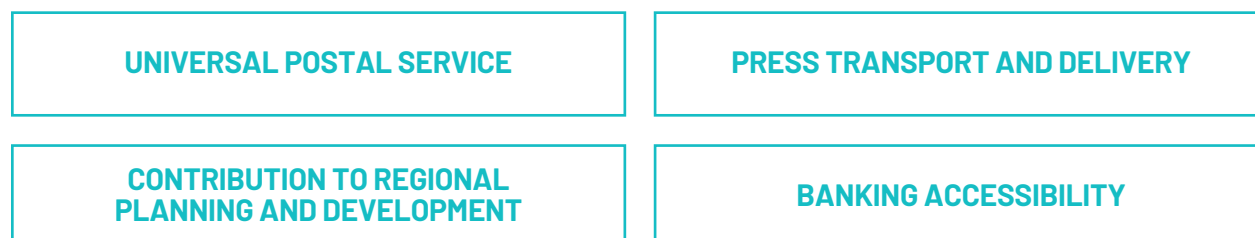
Alongside around 100 French companies, La Poste signed a Manifesto for the Inclusion of Disabled People in Economic Life. During the European disability employment week, 200 disabled La Poste employees displayed giant portraits of themselves on 11 flagship postal buildings.

December

The scheme to improve the work-life balance of caregivers received the R Award from *Club Génération Responsable*.

1.5 A civic minded approach

1.5.1 FOUR PUBLIC SERVICE MISSIONS



The French State has entrusted four public service missions to the Group. These missions are central to the Group's identity and illustrate its key role as a public sector company and its contribution to the public interest. These four missions – the universal postal service, press transport and delivery, contributing to regional planning and development, and banking accessibility – are fully integrated into the Group's business and strategy. The terms and conditions for carrying out these missions are defined in Public Service Agreements signed between La Poste and the French State; the current agreement covers the 2018-2022 period. It is supplemented, for each of the missions, by additional agreements covering the special characteristics of the mission in question.

These help to maintain and strengthen social ties within French society. They are also a factor in social and regional cohesion.

Lastly, they are the foundation of Le Groupe La Poste's organisation and operation.

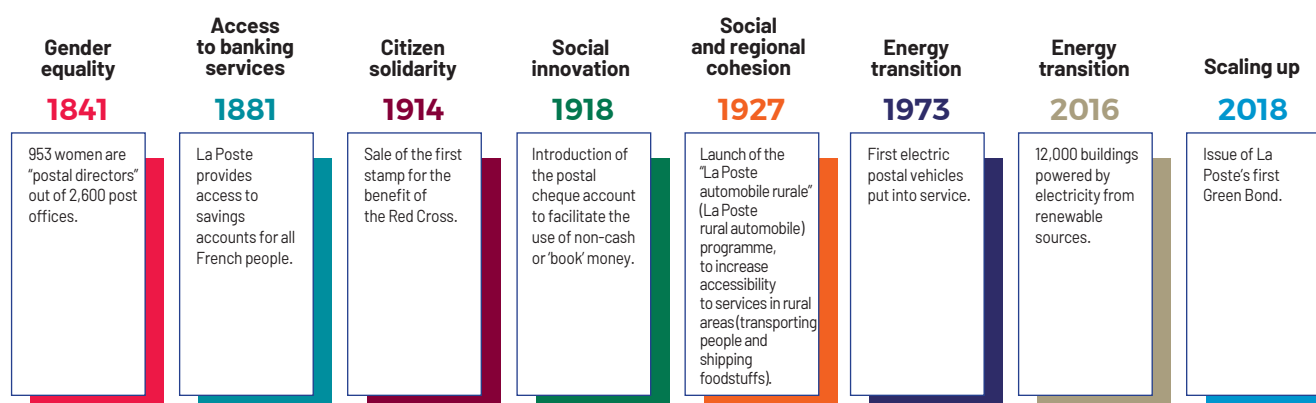
During the implementation of the "Conquering the future" strategic plan, Le Groupe La Poste carried out these public service missions and modernised them at the same time. In addition, in the 2018-2022 Public Service Agreement, citizen commitments were defined in order to:

- support the development of the digital society;
- develop local services;
- act in favour of sustainable and responsible development (social, societal and environmental).

1.5.2 500 YEARS OF SOCIETAL COMMITMENTS

La Poste has accompanied the development of French society for over five centuries and societal commitment is at the heart of its missions. The Group's strategy is largely inspired by this commitment which is both a vector for the Company's reinvention and for setting itself apart. Le Groupe La Poste has been supporting the evolution of society in order to bring the benefits of social progress and technical innovation to everyone, everywhere and every day. It has always been at the service of all stakeholders in French society: private individuals, businesses, non-profit organisations, local authorities.

As a pioneer in many domains, La Poste has a long history of integrating its societal commitments into its core activities. La Poste offered access to banking services in 1881, created a collaborative financing programme to benefit the Red Cross in 1914 in a context of a world war, and developed its first electric vehicle fleet in 1973, during the first major oil shock.



1.5.3 SERVING THE PUBLIC INTEREST

The Group has always had a service-oriented corporate culture across its business activities.

La Fondation La Poste

La Poste's Corporate Foundation seeks to communicate the values of culture, solidarity and innovation through writing.

The Foundation encourages letter writing, creative writing and writing for everyone through its events, awards and workshops. It ensures that the initiatives it supports are geographically diverse so that all employees can get involved.

In 2019, events and competitions multiplied outside the Company for young people to support the educational role of their teachers, educators or carers.

Numerous events aimed at a culture-deprived public were also supported. For instance, writing workshops in hospitals, regional writing competitions, the publication of a magazine inside prisons, the Le Havre literary festival and the organisation of educational projects usually with local associations or organisations are all examples of this.

The La Poste Museum

Since its creation in 1946, the La Poste Museum has been mandated to:

- curate, enhance and showcase France's postal and stamp collections;
- preserve the history and heritage of La Poste;
- educate the public on the Group's history.

The museum also organises regional events around the Greater Paris Region (Île-de-France). Since 2018, this has enabled it to reach different audiences, including pupils, the elderly, children in hospital and disabled people.

Reopened in November 2019 after a major renovation, the museum was awarded HQE (High Environmental Quality) certification in sustainable building, level excellent and the Accessibility label by Certivéa.

The Comité pour l'Histoire

La Poste's Comité pour l'Histoire sponsors humanities research and promotes the Company's heritage. Therefore in 2019, La Poste was a participant in the International Corporate History conference in France.

Support of charitable causes

La Poste has been an active participant in the **Téléthon** to raise funds for research into genetic diseases since 1987. It mobilises employees to sort and send pledges of donations in record time. The action is also supported by fundraising on www.laposte.fr, the mobilisation of the customers of La Banque Postale and its subsidiaries KissKissBankBank and Goodeed. The Company raised over €502,000 in 2019 for the Téléthon, including €16,600 through the publication of a Téléthon stamp.

La Poste has been a partner of the **Pièces Jaunes** fundraiser for children in hospital, for 30 years. €2 million were raised in 2019, 94% of which was through post offices.

La Poste has been a partner of the **Red Cross** for over a hundred years and issues premium-rate charity stamps in favour of the organisation. The funds which are raised support actions for vulnerable and disadvantaged people, patients or the elderly. La Poste therefore raised €1,139,600 in 2019.

La Poste has organised the **"Tous arbitres" programme** for the last 13 years. This programme is aimed at making sports refereeing more attractive and inspire young people to embrace this as a career.

1.6 Governance of the Group

This section gives an overview of how Le Groupe La Poste is governed⁽¹⁾. It outlines the processes that place environmental and social issues front and centre. The identification assessment of the risks associated with these challenges as well as the management plans deployed are described in the Statement on non-financial performance, Section 3.2 of the Group's 2019 Universal registration document.

1.6.1 COMPOSITION, ROLES AND RESPONSIBILITIES OF GOVERNANCE BODIES

The Board of Directors of Le Groupe La Poste is chaired by Philippe Wahl, the Group's Chairman and Chief Executive Officer.

KEY FIGURES FOR THE BOARD OF DIRECTORS IN 2019

21
DIRECTORS

58 years and 2 months
AVERAGE AGE

10
MEETINGS

50%
WOMEN⁽²⁾

2 years and 4 months
AVERAGE SERVICE ON THE BOARD

3
STRATEGIC SEMINARS

5
BOARD COMMITTEES

WIDE REPRESENTATION OF STAKEHOLDERS

1

**REPRESENTATIVE OF THE
FRENCH GOVERNMENT**

1

**DIRECTOR REPRESENTING
THE MUNICIPALITIES AND
GROUPS OF MUNICIPALITIES**

Public official and member of the
European Parliament.

7

**STAFF-ELECTED DIRECTORS,
EMPLOYEES WITH
DIFFERENT PROFILES**

Immediately after their election,
the staff-elected directors
attended a three-day induction
course held by the IFA (French
director training institute).

They also received training
provided by the Group's financial
management in January 2016.

This gave directors a better
understanding of the specificities
of the La Poste and the Group's
strategy, as well as an insight into
postal models around the world.

11

**DIRECTORS APPOINTED BY
THE GENERAL SHAREHOLDERS'
MEETING UPON A PROPOSAL BY
THE FRENCH STATE AND/OR
CAISSE DES DÉPÔTS (CDC)**

Top civil servants and qualified people with
experience from the private sector (banking,
distribution, start-ups, digital, etc.)

1

**DIRECTOR REPRESENTING
THE USERS**

Bolstered by a long-standing
voluntary commitment in
rural areas.

(1) They are described in detail in Section 4 of the Group's 2019 Universal Registration Document.

(2) Percentage not including directors representing employees (seven directors, of which two are women) in accordance with the AFEP-MEDEF Code.

STAKEHOLDERS COMMITTEE

The binding protocol signed by the French State, Caisse des Dépôts, La Poste and La Banque Postale on 31 July 2019 provides for the introduction of a Stakeholders Committee. This Committee, which is not a specialised committee of the Board of Directors, will mainly consist of people from outside La Poste and will enable La Poste to become involved in mission-based companies as provided by

the Pacte law. It will be set up during the first half of 2020 and its mission will be to:

- propose a definition of the *raison d'être* of Le Groupe La Poste to the management so that it can be put to the Board of Directors as part of the strategic plan;
- monitor the mission using the appropriate indicators.

THE PRINCIPLE OF DIVERSITY

Nine members of La Poste's Board of Directors are women. Accordingly, they hold 50% of the seats after excluding union representatives as specified by the Copé-Zimmermann Act, a proportion which has been stable for several years and continues inside the Board of Directors which was established on 4 March

following the strategic equity alliance with the Caisse des Dépôts. The Executive Committee currently has 10 members. Three of its members are women, *i.e.* 33%.

Percentage of women in governance bodies

Board of Directors	50%
Quality and Sustainable Development Committee	71%
Compensation and Governance Committee	0%
Audit Committee	50%
Strategy and Investment Committee	25%
Executive Committee	33%
Note: percentage of women in the Group	51%

QUALITY AND SUSTAINABLE DEVELOPMENT COMMITTEE

Chaired by Ms Marie-Pierre de Bailliencourt

Seven members, three meetings in 2019 with an attendance rate of 66.67%

The Quality and Sustainable Development Committee is one of **five specialist committees** responsible for making recommendations to the Board of Directors in order to prepare its work.

The Quality and Sustainable Development Committee, which ensures that social and environmental challenges are treated consistently in the Group's strategy, assists the Board of Directors in analysing:

- the quality of services to customers;
- customer satisfaction;
- best practice in the services provided to customers;
- best practice in terms of sustainable development and corporate social responsibility;
- the well-being of those working at La Poste as well as best practices in this regard.

The Quality and Sustainable Development Committee intervened three times in Board meetings in 2019. The Board members discussed:

- the results of the trialling of "short loop" claims processing, which was rolled out across all regions;
- the Group's societal commitment policy, its positive results and points for vigilance;
- the anti-corruption programme;
- the role of the ombudsman;
- the strategic approaches to customer satisfaction.

Compliance with the labour-management agreement ("Le pacte social") is specifically monitored as part of the Group's in-depth transformation. With this in mind, the Board of Directors has considered issues of gender equality, the employment of disabled people, accidents at work, and absenteeism.

CSR PERFORMANCE TRACKING BY THE EXECUTIVE COMMITTEE

In pursuit of its commitments, the Group has set sustainable development objectives to be reached by 2020. Environmental objectives to achieve by 2025 have also been set. The 2018 results were presented to the Quality and Sustainable Development Committee in July 2019. The Group's non-financial ratings are tracked by the Executive Committee.

The Chairman and CEO's monthly performance indicators include a CSR component. The business units also monitor their CSR performance. Economic, social and environmental impacts are analysed as part of the assessment of all projects considered as significant in terms of the amounts or the issues involved.

Non-financial rating included in the Chairman's roadmap

The Group started to calculate a composite CSR index in 2017. The metric reflects the Group's performance on social and environmental issues and accounts for 5% of the targets set for the Chairman and Chief Executive Officer.

Calculating the composite index

The composite index is the Group's non-financial rating and is based on several agency ratings:

- two non-financial rating agencies – ISS OEKOM and Vigeo Eiris;
- International Post Corporation, an industry body;
- the CDP, specialising in rating and helping companies to improve their carbon performance;
- Ecovadis, which rates suppliers.

The composite index is calculated out of 100 points and corresponds to the arithmetic average of the five most recent ratings.

It is therefore computed based on of the ratings known on 31 December of each year. It enables the Group's non-financial performance rated by rating organisations to be tracked, and compared with the competition.

The Group's composite index was 77 points out of 100 in January 2020.

1.6.2 COMPENSATION OF THE CORPORATE OFFICER AND EXECUTIVE COMMITTEE MEMBERS

La Poste currently has just one executive corporate officer – its Chairman and Chief Executive Officer, Philippe Wahl. He has held this position since 26 September 2013.

His compensation, which is entirely fixed, complies with the ceiling applicable to public sector companies (€450,000 per annum). The compensation of the members of La Banque Postale's Management Board also complies with this ceiling. For further information, please refer to Section 4.3 (Compensation and benefits) of the 2019 Universal registration document (page 225).

The ratio of the Chairman and Chief Executive Officer's gross annual compensation to the average gross annual salary of La Poste employees was 14.3.

Non-financial criteria make up at least 62.5% of the variable compensation of the Executive Vice Presidents.

The compensation paid to all other members of the Group's Executive Committee, with the exception of Executive Vice President Chairman of the La Banque Postale's Management Board, has a variable component.

In 2019 at least 62.5% was based on non-financial criteria, including:

- 25% on the cooperation and impact of each one on the Group's governing bodies;

- 12.5% on non-financial indicators at the Group level:

- 1.25% on non-financial rating;
- 4.75% on social aspects,
- 4% on the Group's transformation,
- 2.5% on customer satisfaction;

- a minimum of 25% of the non-financial objectives specific to the business unit or departments they are responsible for (and up to 50% for those who head a Group support function, with the exception of the Financial Director).

All Group managers, including team leaders, have a range of economic, social and customer satisfaction objectives on their roadmap. Setting goals to improve quality of life at work is mandatory since 2014.

Other aspects frequently covered by objectives for relevant Group managers include encouraging the development of La Poste's range of responsible products and services, reductions in greenhouse gas emissions, purchases from solidarity economy organisations, gender equality in employment and pay, health and safety in the workplace (occupational accident frequency and severity rates), and training solutions.

As a general rule, 50% or more of the variable compensation of managers is based on non-financial criteria. CSR objectives are also set for managers where their duties permit.

1.7 Business ethics and compliance

In a context of the increased demand from society for more transparency and responsibility, Le Groupe La Poste operates on competitive markets everywhere in Europe and worldwide. Taking a broader view than just a moral issue and in view of the responsibilities that come with its size, La Poste places ethics and professional conduct at the heart of everything it does.

Our ethics are embodied in our values and inform how we conduct our business day to day. In parallel, compliance is based on the respect of the obligations, rules and duties which are incumbent on employees in performing their role. These rules are constantly evolving.

1.7.1 ETHICS AND PROFESSIONAL CONDUCT FRAMEWORK

The initiative is backed by a set of guidelines

International reference standards	Group internal guidelines	Entity internal guidelines
<ul style="list-style-type: none"> • Signatory of the United Nations Global Compact since 2003 • Sustainable development goals of the United Nations • Paris Agreement • Universal Declaration of Human Rights • OECD Guidelines • Conventions of the International Labour Organisation (ILO) 	<ul style="list-style-type: none"> • Ethics and Anti-Corruption Code • The Group Finance Department's Code of Conduct • Representation of Interests Charter • Ethics guide for employees elected to perform a representative role • Gifts and Hospitality policy • Responsible Purchasing Charter • Responsible Communication Code • Data Charter • Oath taken by all Group employees 	<ul style="list-style-type: none"> • Responsible Financing Charter of La Banque Postale • Competition guidelines and Code of Conduct • La Poste's fair competition guidelines • La Banque Postale's Code of Conduct • Poste Immo's Ethics Charter

The Group has consolidated its mechanism since 2011 by creating an Ethics Department which reports to the Group's General Secretary, who is a member of the Executive Committee.

The Ethics Department is represented within the business units and subsidiaries by **ethics and anti-corruption officers**, who, since December 2018, have reported to the Group ethics officer. Further, a nationwide **network of 73 ethics ambassadors** support local awareness and local operational communication.

The initiative is steered by:

- the **Quality and Sustainable Development Committee of the Board of Directors** which examines the work of the Ethics Department twice a year;
- the **Group's Executive Committee** for the Group's risk management strategy. It monitors major and operational risks and assesses the progress of the risk management plans including the anti-corruption programme;
- several operational bodies: the **Ethics Committee** chaired by the Group's General Secretary, the **Ethics and Professional Conduct Steering Committee** which brings together every two months the ethics and anti-corruption officers of the business units and subsidiaries. Ad hoc work groups are also organised to consider themes or more operational subjects.

THE 2019 ETHICS BAROMETER

72%

OF THE EMPLOYEES
QUESTIONED WERE AWARE
OF ETHICS IN 2019

91%

REAFFIRM THE
IMPORTANCE OF THE
EXISTENCE OF AN ETHICS
OFFICER

63%

KNOW THE WHISTLEBLOWING PROCEDURE AND 40%
KNOW WHERE TO FIND THE INFORMATION IF NEEDED.

Le Groupe La Poste is one of very few companies in France to measure employees' awareness levels of ethics and professional conduct matters. The eighth annual Ethics Barometer conducted by Kantar-TNS confirmed a stable perception of ethics within the Group in 2019. 88% of employees say that they know (very well or fairly well) the rules on ethics and professional conduct.

Furthermore 80% of employees consider that La Poste's ethics and professional conduct actions are relevant for them. 91% of Group employees indicate they would be prepared to blow the whistle – a testament to their confidence in the procedure.

Promoting the ethics culture to employees

The information and views on all the themes of the ethics culture are disseminated via dedicated communication tools (Intranet, online bimonthly newsletter). 2019 was also a particularly rich year for communication with the circulation of a new version of the Group's Ethics and Anti-Corruption Code (extract appended to the new internal rules of procedure dated 15 February).

The following major communication actions also took place:

- an extract from the Ethics and Anti-Corruption Code was displayed besides the new internal rules of procedure on 12,000 postal sites in February 2019;
- a communication kit for the new Ethics and Anti-Corruption Code was circulated to all Group managers in February 2019, for them to present to their employees;
- an "Anti-Corruption Code of Conduct Memo" was sent to the homes of 210,000 employees in May 2019, via the Forum magazine, summarising the main items of the Code;
- an "HR info. Main measures for preventing corruption" flyer was sent to all 210,000 employees as an attachment to the 2019 November payslip. It reiterates the existence of an Anti-Corruption plan, the Group's three main professional conduct principles (Zero tolerance, All involved, All watchful) and the tools supplied to employees (including the Code and whistleblowing procedure).

A new version of the smartphone app for employees dedicated to ethics and professional conduct was launched in July 2019, with over 6,000 users between July and December 2019. The app gives access to news, reference documents, information on La Poste's ethics mechanisms and many awareness raising modules (case studies and quizzes).

Finally, in 2019, the Group ethics officer also spoke to participants in the "Tour de France" by the Group General Secretary across eight regions. A specific workshop on conflicts of interest, high-risk situations and corruption prevention were also added to the programme. Some of the sensitive issues fed back became the subject of case studies incorporated into a card game designed to raise awareness amongst operational staff.

A drive to recruit ambassadors was launched in March 2019 with a first meeting of the 73 ambassadors in June. Their task is to develop the ethics culture and behaviour regarding corruption and influence-peddling prevention by raising awareness locally.

Finally an Ethics Day is organised every year. 224 employees attended the fifth Ethics Day in November 2019, where there were lectures on the economic impact of corruption and fraud for businesses in France, the penalties inside the Group, as well as keynote addresses, including one from Frédéric Pierucci, guest of honour, and author of the book "The American Trap".

1.7.2 CORRUPTION AND INFLUENCE-PEDDLING PREVENTION PROGRAMME

The anti-corruption policy at Le Groupe La Poste, which is jointly managed by the Ethics Department and La Poste Solutions Juridiques has historically been part of the continuity of its business ethics policy. Some significant anti-corruption actions were set up in 2015 such as the Gifts and Hospitality policy or the Representation of Interests Charter.

The Group set up a reinforced corruption prevention plan in 2016 within the scope of the National Assembly's works on the Sapin 2 Act, and appointed anti-corruption officers in its branches and subsidiaries, and adopted an Anti-Corruption Code.

The senior management's commitment is set out in a clear policy with three main principles:

- zero tolerance for corruption;
- all involved;
- all watchful.

The Group's General Secretary sent a commitment letter to the Group's Chairman and Chief Executive Officer in July 2016 in order to implement this policy. The Group's General Secretary also wrote a letter appointing the Group's ethics officer as the "Corruption Prevention Referent" for the head office and the Group, detailing the tasks involved. The ethics officer formalised his unreserved acceptance and commitment to deploying the corruption prevention plan in July 2016.

Other important measures were deployed under this first corruption prevention plan: a risk mapping was performed and an awareness raising campaign was carried out with the Group's employees, training tools (especially e-learning tools) were provided, third-party assessment measures were consolidated, the whistleblowing mechanism was further rolled out and control mechanisms were set up.

Testing the system

Large-scale tests of the corruption and influence peddling prevention system were carried out in 2018 two years after this first corruption prevention plan was deployed. It gave an accurate assessment of the level of compliance of the Group's corruption prevention plan. Its scope covered the activities of the head office and the Services-Mail-Parcels business units and the Network business unit, as well as those of the GeoPost and La Banque Postale subsidiaries.

Consolidation of the system in 2019

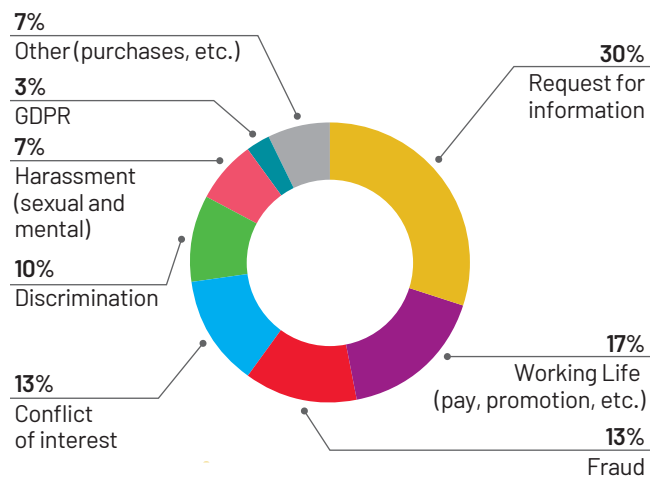
The plan was consolidated in 2019 after testing in 2018. The works focussed on the following areas:

- renewal of the senior management body's commitment: The Chairman and Chief Executive Officer reiterated his unwavering commitment by asking the whole of the Executive Committee to formally undertake to do everything possible to effectively deploy the Anti-corruption compliance programme in their respective entities. Each Executive Vice President is responsible for circulating this letter to all employees reporting directly to them;
- the Ethics and Anti-Corruption Code: the ethics and professional conduct framework and the Anti-Corruption Code have been rewritten and now form a single document called the Ethics and Anti-Corruption Code for more clarity. It was appended to the internal rules of procedure. This Code presents the three great principles of corruption prevention, the penalties incurred, the at-risk situations, the principles and behaviour to be adopted, the ethics officers to be contacted, the whistleblowing procedure, etc.;
- the corruption risk mapping including the last consolidated update in 2018. The methodology for identifying and rating risks was revised by formalising a common methodology for all postal entities in August 2019 with the Group Risk Department. A new risk mapping campaign was deployed in September 2019 for effective consolidation in April 2020;
- the whistleblowing procedure: La Poste set up an ethics whistleblowing service in 2012 in order for all employees to be able to notify any behaviour which infringes the Ethics Code. The professional whistleblowing system managed by the ethics officers and expert officers evolved in 2019 with the addition of a simplified and more secure unique external online platform accessible to all employees, offering the highest standards of confidentiality. The subsidiaries of the Services-Mail-Parcels business units, the Digital Services business unit, La Banque Postale and the GeoPost head office have been gradually joining the Group's whistleblowing system since December 2019;
- assessment of third party integrity and work to define the policy:
 - by the Purchasing Department, using self-assessment questionnaires, document and on-site audits, and the formalisation of contractual clauses,
 - by the Finance Department, in relation to the amended corruption section of the M&A policy (mergers and acquisitions) which was validated by the Finance Department's Management Committee in November 2019;
- training: a specific new corruption prevention e-learning module was deployed to all employees on the Group's Self-service platform in June 2019. The La Banque Postale subsidiary also developed an e-learning module for its employees and the employees of La Poste Network. To ensure that all legal experts become anti-corruption compliance players, a classroom training module was designed with the Legal Department and deployed;
- accounting procedures: a compendium of our anti-corruption accounting controls was compiled which identifies the accounts which are dedicated to sensitive transactions recommended by the French Anti-corruption Agency. This was completed by a review of the existing controls for detecting corruption. The risks identified by the mapping will be added to this compendium;
- a monitoring system including the deployment of an annual self-evaluation campaign in September with a specific questionnaire on combating corruption. Third level controls or internal audits are performed by the Group's Audit Department including an evaluation mission in 2019 for the Poste Immo subsidiary.

Annual report on the results of the Ethics and Anti-Corruption whistleblowing system, and training

	2017	2018	2019
Number of alerts received by La Poste headquarters	33	39	29
Rate of confidence in the Company to provide protection if the system is used	74%	74%	70%
Number of people trained in anti-corruption	283	2,400	38,401

Breakdown of alerts by theme



1.7.3 RESPECTING FAIR COMPETITION RULES

Le Groupe La Poste has a competition compliance programme that covers virtually all of the Group's activities in France: the Group's headquarters and the Services-Mail-Parcels, Digital Services, Network, GeoPost, La Banque Postale, Poste Immo and Véhiposte business units, as well as their main subsidiaries.

The competition compliance programme was reinforced from 2015 onwards and includes all the measures detailed below:

- Le Groupe La Poste, through its Chairman and Chief Executive Officer, General Secretary, and Executive Vice Presidents, has formally reaffirmed its commitment to comply with the competition rules to the French Competition Authority (*Autorité de la concurrence*). This commitment was formalised again in 2019 and extended to all the employees reporting directly to them;
- the governance of the programme is ensured by La Poste Solutions Juridiques and the Competition Compliance Officers who sit on the Competition Compliance Committee;
- Le Groupe La Poste has formalised its policy by drafting several framework documents: competition law guidelines, a Competition Code (appended to the internal rules of procedure) and a guide to participating in workplace associations. These documents formed the foundations of a major awareness-raising campaign and were sent to all Group employees who may encounter problems relating to competition law and they are available at all times on the traditional communication methods;

- a large-scale training campaign with many face-to-face training sessions and the design and provision of e-learning modules. To date almost 4,150 employees have received training on competition law;
- the introduction of pricing control procedures;
- the introduction of competition law a whistleblowing procedure to report issues relating to competition law, embarked on a new externalised solution;
- the inclusion of the competition compliance programme within the internal control system via specific self-evaluation campaigns;
- an internal audit in early 2018 to assess the maturity of the programme's deployment;
- an annual report listing the actions taken by Le Groupe La Poste under its competition compliance programme, sent to the French Competition Authority.

At the end of 2019, this programme was fully deployed. The Group will ensure that the programme is maintained over the coming years and adapt it in response to new industry requirements, to effectively protect itself and its employees from competition law risks.

1.7.4 DUTY OF DUE VIGILANCE

In accordance with its diligence plan Le Groupe La Poste ramped up and conducted controls on its actions to prevent violation of fundamental rights and human rights, to protect health and safety and to safeguard the environment.

The Group strives to guarantee that the duty of due diligence requirements are met in its contractual relationships with tier 1 suppliers and subcontractors. It ensures that its whistleblowing systems are accessible to its employees, as well as to the employees of its tier 1 suppliers.

The governance of the system, risk mapping, all the internal and external risk management systems and the results of these mechanisms are described in detail in **Annex 1 of the Group's Universal registration document**.

The measures taken were presented to the representative trade unions within the framework of a La Poste Social Dialogue Committee.

1.7.5 TACKLING TAX EVASION

As a responsible corporate citizen, the Group considers that taxes are a fundamental and essential part of its commitment to sustainable and responsible growth. As an international group, the Group is aware of its responsibility and is committed to paying its fair share of income tax in the countries in which it operates, in line with the laws and agreements in force.

The Group considers that fiscal transparency is a key element of its commitment to ethics and therefore publishes the risks, and policies implemented to fight tax evasion in its Universal registration document (page 168). However, it decided to step up its fiscal transparency even further by describing its fiscal policy in force.

The Group's approach is based on several fundamentals:

- **compliance with the OECD's principles** notably for transfer pricing;
- **civic duty in respect of tax.** The Group can use the options provided under local regulations to reduce its tax burden but it undertakes not to have aggressive tax policies, and it prohibits transactions which are mainly tax-motivated;

- **a strict policy on tax havens.**

As a key player in the French economy, La Banque Postale **combats tax evasion** by complying rigorously with the rules and preventative measures in force. A French retail bank, it operates solely in its domestic market and does not have any activities in countries on the French list of non-cooperative states and territories or on the European list of tax havens. At most, La Banque Postale conducts very modest activities in countries where La Poste was already active when La Banque Postale was initially established. Income from these foreign operations is taxed fully at the standard tax rate in force.

La Banque Postale monitors its customers' activities to ensure compliance with regulations as part of its duty **to combat money laundering, terrorist financing and fraud**. Control procedures for international transactions between France and countries considered to be at risk have been put in. The alerts are then processed in a dedicated tool. Over 100 people are involved in this activity. La Banque Postale does not offer complex tax-optimisation products.

1.7.6 PRECAUTIONARY PRINCIPLE

In banking activities

Within Le Groupe La Poste, La Banque Postale is the principal entity for which the precautionary principle plays a role.

In January 2016, La Banque Postale's Executive Committee approved the launch of a **Responsible Financing Charter** that governs lending to corporate entities. The Charter stipulates that requests for loans should be denied to applicants from a certain number of sectors considered to carry excessively high non-financial risks (gaming, pornography, tobacco, nightclubs and coal mining). They should also be denied to organisations and businesses that have seriously or persistently broken the law, codes of conduct or industry-wide agreements (breaches of environmental legislation, of international codes of conduct or agreements and of fundamental labour conventions). The **coal sector policy** is involved in financing the environmental transition.

La Banque Postale also drafted a **defence sector policy**. It is careful to ensure that none of the portfolios managed by its asset management and wealth management professionals include businesses involved in the manufacture and trade of controversial weapons (such as anti-personnel mines and cluster bombs) and unconventional weapons (including biological, chemical, nuclear, or depleted uranium weapons, blinding weapons or incendiary devices). La Banque Postale shares an exclusion list which applies to all its activities.

In addition, La Banque Postale strives to curb any financial, legal and reputational risks arising from investments in low-regulation, non-transparent jurisdictions that are not cooperative in cases of tax fraud, money-laundering and terrorism financing. It has drawn up a **list of high-risk countries** where it will not go ahead with or participate in any new commercial ventures.

In transport and logistics activities

In France, it is strictly forbidden to send hazardous goods by mail or parcel post.

Article 19-001 of the UPU's Parcel Post Manual states the dangerous goods admitted exceptionally:

- radioactive materials contained in letters sent by mail or postal parcels subject to restrictions;
- infectious substances contained in letters sent by mail or postal parcels subject to restrictions;
- lithium cells and lithium batteries sent for import or transit in letter-post items or postal parcels subject to number-, power- and packaging-related restrictions.

Instruction sheets outlining the action to be taken should an individual come into contact with these substances or in the event of emergency situations are distributed to the target populations.

Employees are given training under the auspices of the relevant government authorities, *i.e.* the Directorate-general for enterprise

(DGE) and the Directorate-general for civil aviation (DGAC). Since 2013, all production personnel in La Poste's handling, sorting and forwarding departments at Roissy HUB, Colissimo Chilly-Mazarin, Roissy PIAC, and the ultramarine units in French overseas departments receive induction training in dangerous goods, lithium cells and batteries every two years. All public-facing staff of the La Poste Retail Network and the international defence sector postal service take an e-learning module on the conditions for accepting customer items. Procedures for reporting to Le Groupe La Poste's safety and security unit are in place. Trainers are trained in compliance with the IATA and ADR regulations. The level of training, the reporting of incidents and the identification of new sites to train are managed by La Poste and the DGE-DGAC.

La Poste ensures the IATA regulations are fully observed for air freight and the ADR regulations for road haulage. GeoPost ensures it complies with the applicable regulations and has put procedures in place covering an incident involving dangerous products. Minimum standards are currently being drafted to harmonise the level of safety right across GeoPost.

1.8 Risk identification and management plan

For the whole Group, corporate governance, internal control procedures, the risk management system, arrangements for identifying and handling risk factors, and the risks and policy for covering certain risks with insurance are presented in Section 2 "Risk management and internal control framework" of the 2019 Universal registration document.

1.8.1 IDENTIFICATION OF NON-FINANCIAL RISKS

Identification and assessment work has resulted in a list of major non-financial risks generated by the activities of Le Groupe La Poste. The main SNFP (Statement on Non-Financial Performance) risks identified are, partly, an average and long-term extrapolation of the problems identified in the overall mapping of the Group's major risks (see the section on Risks, in pages 102-108 of the Universal registration document).

The Group Risk Department, the Financial Department and the Societal Commitment Department launched a specific identification work in 2019 using methodology recommended by the Task Force on Climate-Related Financial Disclosures (TCFD).

In accordance with Article 225-102-1 of the French Commercial Code, the description of the risk, the policies and measures implemented to prevent the risk and the results obtained are summarised in the table below.

Risks arising from the Group's mapping of major risks	CSR issues
Risks linked to health and safety at work	Acting as a responsible employer
Risks linked to the need to adapt jobs and skills to the Group's transformation priorities	Building the Group's future with employees
Physical risks linked to climate change and natural disasters	Responding to crisis situations, being useful to citizens
Risks relating to environmental transition	Adapting the physical resources used by the Group to protect the environment and provide products and services to facilitate the energy transition and services to facilitate the energy transition
Risks linked to the legal compliance of the Group's practices as regards personal data protection	Being a trustworthy digital operator
Risks linked to the legal compliance of the Group's practices as regards prevention of corruption	Exemplarity in ethics, the fight against corruption and respect for competition law
Risk of customer dissatisfaction	Improve the way that customers are listened to and how their satisfaction is monitored to better consider their changing expectations
Risks linked to the transformation of the Group's networks that do not sufficiently meet stakeholder expectations	Support social and regional cohesion.

As an extension, the following risks, although they have not been identified as major risks for the Group, have been detailed in the 2019 Universal registration document (risks linked to the duty of due vigilance, risk of a potential human rights infringement not being detected or reported, risks linked to infringing human rights and risks linked to tax evasion).

The following issues, expected by law, are considered as immaterial for Le Groupe La Poste in view of its business model and activities:

- fight against food insecurity;
- food waste;
- animal well-being;
- responsible, fair and sustainable nutrition.

1.8.2 GOVERNANCE OF NON-FINANCIAL RISK MANAGEMENT

The subject of non-financial risks is increasingly embedded in the governance in place to monitor strategic and operational risks. The **Group Risk Committee**, which brings together representatives of the risk and control divisions of all business units and cross-entity activities, sets aside at least once a year a time to discuss CSR problems (notably the duty of due vigilance and the fight against corruption).

Note that the Group's mapping of major risks includes a major risk of failure by the Group to adapt to environmental and societal issues. This means that any decisive component which would hinder attainment of the commitments in this area would fall within the Group's Risk Committee alerts system.

CORPORATE SOCIAL RESPONSIBILITY POLICY

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2.1 Contribution to the UN's sustainable development goals

Le Groupe La Poste is working to make its contribution to 14 of the 17 United Nations sustainable development goals set out in the 2030 Agenda.

In order to achieve this, from 2018 the Group implemented a detailed self-assessment of its strategy and initiatives against the guidelines of the 167 SDG targets, to report on to what extent its activities and societal commitment are aligned with some of the Goals. The Group used a two-prong methodology for this self-assessment:

- an audit of existing actions;
- an audit of the impacts on the Company.

This self-assessment identified the Group's contribution to two new SDGs in 2019 (1 & 2). This analysis also showed a greater alignment of the actions of the Group's entities with three "core business activity" SDGs, supported by major initiatives within the Group and with material consequences for all its stakeholders: 8, 11 and 13.

The table below gives examples of the Group's contributions to 14 SDGs identified as material for its activities.

SDG	Examples of Group contributions
 1 NO POVERTY	End extreme poverty and hunger Le Groupe La Poste's contribution to SDG 1, especially by helping vulnerable customers, builds on the engagement of its employees or partner organisations. Access to banking services is a key focus for La Banque Postale. Digital mediation services in post offices help to reduce various forms of exclusion (see Sections 3 and 4).
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages To help rise to the challenges posed by an ageing population, the Group's expansion in the health and e-health market makes a contribution to meeting the aims of SDG 3 (health data host, medicines delivery services and Watch Over My Parents initiative). Measures in place for La Poste employees also fall within the scope of the Group's contribution towards achieving this goal. They include the agreement for carers, initiatives aimed at preventing and battling addiction, vehicle fleet safety, etc. (see Sections 4 and 6).
 4 QUALITY EDUCATION	Ensure access to quality education for all Le Groupe La Poste is very active in its efforts to achieve SDG 4, with partnerships under the French PAQTE initiative, homework help, financial and digital education, support for work-study trainees, students and young people in difficulty. Lifelong learning is also given pride of place through the outsize role given to training in the Group (see Sections 3 and 6).
 5 GENDER EQUALITY	Achieve gender equality and empower all women and girls Promoting diversity is a core element of the Group's social policy. Le Groupe La Poste draws your attention in particular to the women in senior positions of responsibility up to the Management Committee, its non-discrimination policies when it comes to hiring, compensation, promotion and professional development and training (see Section 6).
 7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy Progress in using energy from renewable sources (such as solar power), the funding of renewable energy and the introduction of the Group's energy management system are part of how Le Groupe La Poste helps to achieve SDG 7 targets (see Section 5).
 8 DECENT WORK AND ECONOMIC GROWTH	Promote inclusive and sustainable economic growth, employment and decent work for all As one of the biggest employers in France, Le Groupe La Poste takes great care to offer sustainable jobs, to be very mindful of the employment created by its purchases and to monitor health and safety measures in the workplace, thereby helping to achieve SDG 8. La Banque Postale offers a range of services which can be accessed by everyone, focused around the Livret A savings account, and is also developing microcredit products (see Sections 3 and 6).
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote sustainable industrialisation and foster innovation Le Groupe La Poste actively supports the aims of SDG 9. Its initiatives in this area include promoting ethical and responsible digital services, a low-carbon logistics infrastructure and support for start-up and innovation with Les Éclaireurs and other assistance measures (see Sections 3, 4 and 5).

SDG	Examples of Group contributions
 <p>10 REDUCED INEQUALITIES</p>	<p>Reduce inequality within and among countries</p> <p>Inclusion, equality and diversity policy, support and jobs for disabled people and providing access to banking services for migrants are just some of what Le Groupe La Poste does to help achieve the aims of SDG 10. La Banque Postale's L'Appui and L'Envol services are dedicated to reducing inequality (see Sections 3, 6 and 7).</p>
 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Make cities inclusive, safe, resilient and sustainable</p> <p>Le Groupe La Poste fulfils public service missions, and also works to attain the targets of SDG 11: the Group has policies framing how it manages its vehicle fleets, on urban logistics, waste, buildings, and more (see Sections 1 and 5).</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns</p> <p>Vigilance is top of the Group's agenda when it comes to how it consumes and how it defines its line-up of products and services, in accordance with SDG 12. Environmentally and socially sound design of products and services and solutions to promote recycling are stand-out examples of significant company shifts (see Sections 5 and 7).</p>
 <p>13 CLIMATE ACTION</p>	<p>Take urgent action to combat climate change and its impacts</p> <p>Switching its focus to renewable energy a few years ago, wagering on the energy management solutions market, new urban logistics solutions, carbon funds, green loans, financing renewable energy and developing SRI management, together with its many campaigns to raise employee and customer awareness, are all part of the Group's battery of responses in support of SDG 13 (see Sections 5 and 7).</p>
 <p>15 LIFE ON LAND</p>	<p>Protect and restore land ecosystems, manage forests in a sustainable manner, combat desertification, halt and reverse land degradation, halt biodiversity loss</p> <p>Le Groupe La Poste first analyses the biodiversity impacts before it gives the go-ahead for any real-estate development project by La Poste's subsidiary Post Immo. The contribution to SDG 15 is detailed in Section 5, and primarily comprises the Nature 2050 initiatives.</p>
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Promote just, peaceful and inclusive societies so that all benefit from sustainable development, have access to justice and establish efficient, responsible and inclusive institutions at all levels</p> <p>Due diligence, responsible purchasing, countering uncivil behaviour and social dialogue programmes all represent progress towards an inclusive society (SDG 16) (see Sections 3 and 6).</p>
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Partnerships for the goals</p> <p>La Poste is a stakeholder in many European and global organisations that promote postal services and responsible parcel shipping. Bilateral agreements with some foreign postal operators also help to achieve the aims of SDG 17 (see Section 2).</p>

2.2 Stakeholder engagement

The stakeholders of Le Groupe La Poste make up a rich, complex eco-system.

The Group identifies the stakeholders with which it engages according to the scale and frequency of the interactions with the Group. It extends its responsibility to its entire value chain. Shareholders, customers, suppliers and employees of Le Groupe La Poste are among the main stakeholders, as they are essential to operational performance and value creation.

For example, consumers have been able to refer to the La Poste ombudsman since 1989, meetings are held several times a year with the main consumer associations, and a consumer representative sits on the Board of Directors.

Over time, the Group has built partnerships with some NGOs, maintaining close relations with them. These partnerships make it possible to find shared solutions, and work together to drive societal progress in the public interest. Thanks to the expertise of the NGOs, the Group can also improve the way it works.

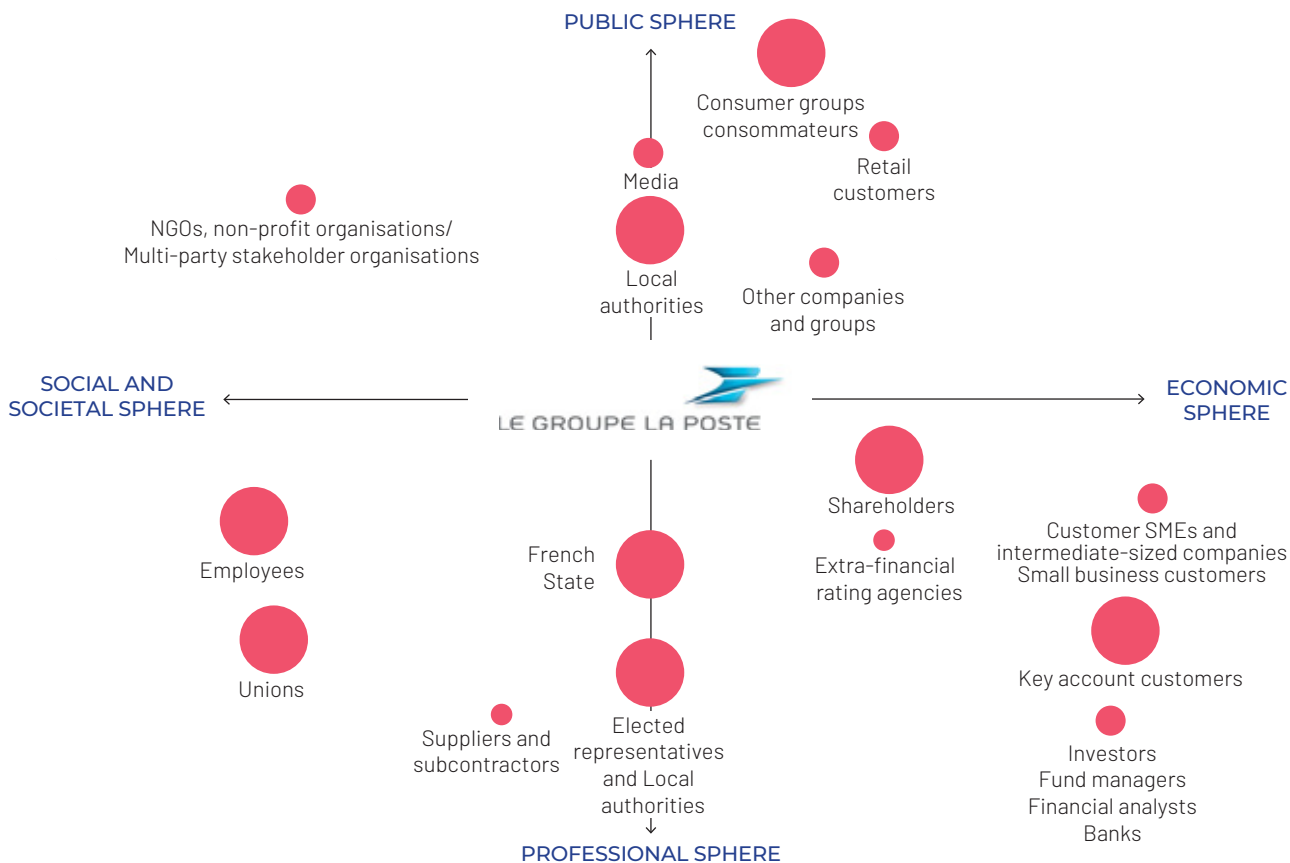
La Poste employees help to develop the Group's strategy in their own business lines, through highly successful innovation programmes.

To identify the categories of stakeholders involved in its activities, the Group uses:

- the NF X30-29 standard on the methodology for identifying stakeholders and the hierarchisation of the fields of action for an organisation given the impact on society and the environment;
- ISO 26000;
- Global Reporting Initiative (GRI) Standards;
- the UN's sustainable development policy;
- the French Committee for the Environment and Sustainable Development (*Comité 21*).

The chart below maps the stakeholders according to the categories to which they belong (the size of the dots reflects the intensity of the relationship).

Stakeholder mapping



A RENEWED DIALOGUE

In 2018, Le Groupe La Poste French led a study with the purpose of redefining the dialogue to be instilled with stakeholders in the medium term, and in compliance with the seven principles set out by the Committee for the Environment and Sustainable Development (*Comité 21*)⁽¹⁾, relying as far as possible on existing tools and on a benchmark of best practice in this area.

This study made it possible to assess the current levels of dialogue with stakeholders and redefine the forms of dialogue necessary to update the materiality matrix for the Group's CSR priority areas scheduled for 2019.

In 2019, Le Groupe La Poste prioritised five macro-categories of key stakeholders for its activities and

asked them about their expectations and priorities as regards Le Groupe La Poste societal commitment policy. Over 1,500 people gave their opinions and expectations, including:

- customers;
- employees;
- suppliers;
- consumer associations;
- elected officials and local authority representatives.

These results are reflected in the updated materiality matrix for the Group's CSR priority areas. Their expectations are presented in the summary table below.

Type of direct stakeholder	Main expectations identified
French State	<ul style="list-style-type: none"> • Respect of commitments with the French State (regulatory compliance and public service obligation) • Customer satisfaction and adaptation to consumer expectations
Shareholders	<ul style="list-style-type: none"> • Financial performance and sustainability of the business model (long-term value creation) • Managing risks that may affect the Company's reputation
Customers and consumer associations	<ul style="list-style-type: none"> • Being listened to, taken into account, receiving a personalised response on the first request and real-time tracking of communications • Innovative offer adapted to different needs • Data protection and confidentiality • Easy, quick and intuitive access to services
Employees and their representatives	<ul style="list-style-type: none"> • Quality jobs and working conditions (health, safety, quality of life at work) • Involvement in changes within the Company and in CSR initiatives • Boosting employability and supporting career paths
Local elected representatives, local authorities	<ul style="list-style-type: none"> • Strong presence in their region, including in underprivileged areas. Involvement in local projects that promote sustainable development (climate plan, regional climate-air-energy plans, city policy, and rural development) • Providing input on policies for employing marginalised individuals • Support in modernising public service activities
Suppliers and subcontractors	<ul style="list-style-type: none"> • Long-term economic partnership <i>with ad hoc</i> solutions to propose innovation • Compliance with contractual commitments and payment deadlines • Conditions of access to fair markets, choice criteria on the part of Le Groupe La Poste, not only in terms of prices but also of the CSR criteria
Other companies and groups	<ul style="list-style-type: none"> • Discussions on shared practices, tools, positions or commitments • Respecting fair competition rules
Non-profit sector partners (NGOs or other non-profit organisations)	<ul style="list-style-type: none"> • Transparency of practices and communications • Contribution by the Group to progress on sustainable development and national and local solidarity initiatives
Multi-stakeholder organisations	<ul style="list-style-type: none"> • Request for dialogue with the Group, information and feedback pertaining to the commitments made • Request for participation in public interest work, making commitments relating to the sustainable development topics

(1) The French Committee for the Environment and Sustainable Development (*Comité 21*) principles are: obtaining the resources for change; taking into account diverse, even conflicting interests; committing to selecting relevant stakeholders and issues and involving them all; including all stakeholders by appointing a facilitator; upholding the values of dialogue; making the approach a long term one; and reporting back on results to all those involved.

2.3 Implementation of the societal commitment policy

2.3.1 APPROACH INFORMED BY THE GLOBAL COMPACT AND GLOBAL GUIDELINES

Since 2003, Le Groupe La Poste has been a signatory to the United Nations Global Compact and publishes an annual communication on its progress at the advanced level⁽¹⁾. Since 2016, the Group's contribution to the sustainable development goals (SDGs) developed in 2016 by the UN has been integrated into this publication.

Every year in the second quarter, the Group publishes a corporate social responsibility (CSR) report in which it outlines its main commitments. This report follows the latest version of the guidelines of the Global Reporting Initiative (GRI standard).

It reports on the social and environmental consequences of its operations, in line with the obligations of the Grenelle 2 Act and the statement on non-financial performance required by

Decree No. 2017-1265 of 9 August 2017 implementing Order No. 2017-1180 of 19 July 2017 on the publication of non-financial information.

Since 2019, the Group has specifically opted to assess risks linked to climate change based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Since 2009, the Group has had its non-financial indicators verified by an independent third party. It is gradually extending the scope of the indicators published, and is aiming to provide data for all indicators at Group level.

2.3.2 IDENTIFYING PRIORITY ISSUES

In 2019, Le Groupe La Poste repeated its materiality analysis, which was first done in 2014, and updated for the first time in 2016. The purpose of the analysis is to guide its transformation process by identifying the most relevant issues for its CSR approach.

Le Groupe La Poste has thus identified 20 priority areas for action, in view of its responsibility throughout the entire value chain. It relied on ISO 26000, the SDGs and the Global Reporting Initiative (GRI) Standards, together with a stakeholder consultation held in the summer of 2019.

These areas for action have seen a slight change since last year. They now incorporate four new themes related to current societal issues:

- responsible finance;
- dialogue with stakeholders;
- accessibility of products and services;
- responsible supplier relationship.

20 priority areas for action

Communities/ social and regional cohesion	Environment/ environmental transitions	Responsible and ethical Digital Services	Customers/ customer satisfaction	Employees/HR	Governance
Regional planning (SDG 11)	Energy and climate (SDGs 7, 9 and 13)	Responsible data use/Ethical digital services (SDG 12)	Responsible products and services (SDG 12)	Professional development (SDG 8)	Business ethics (SDG 16)
Social inclusion/ solidarity (SDGs 1, 4 and 10)			Responsible customer relationship (SDG 12)	Working conditions, occupational health and safety (SDGs 3 and 8)	Responsible finance
Local economic development (SDG 8)	Air quality and living condition (SDG 15)		Accessibility of products and services	Quality of life at work (SDG 8)	Security of people and property (SDGs 3 and 12)
Responsible purchasing (SDG 8)	Circular economy and resource management (SDGs 12 and 15)			Human rights and diversity management (SDGs 5 and 8)	Stakeholder dialogue (SDG 17)
Responsible supplier relationship					

(1) The annual GC Advanced Communication on Progress in implementing the ten principles of the Global Compact consists of detailed disclosures on 21 criteria.

2.3.3 MATERIALITY MATRIX

The objective of the materiality matrix (which was updated in 2019) is to identify and rank the CSR aspects of Le Groupe La Poste to feed into and continuously update its societal commitment policy.

The policy is based on the rating of 20 action areas identified in advance across three dimensions, with the support of a specialist firm:

- importance of the issues **for the stakeholders** surveyed in June/ July 2019 based on a questionnaire with 20 questions each relating to a priority area or issue and gauging their expectations. **1,523 people** responded to the survey, including customers, companies, employees, suppliers and elected representatives. Their answers were weighted based on their impact on the Group's ability to achieve its objectives;
- impact of these various issues on the **financial and non-financial performance** of the Company and the Group's **transformation priorities**;
- the Group's maturity level regarding these 20 aspects (as determined by non-financial rating agencies).

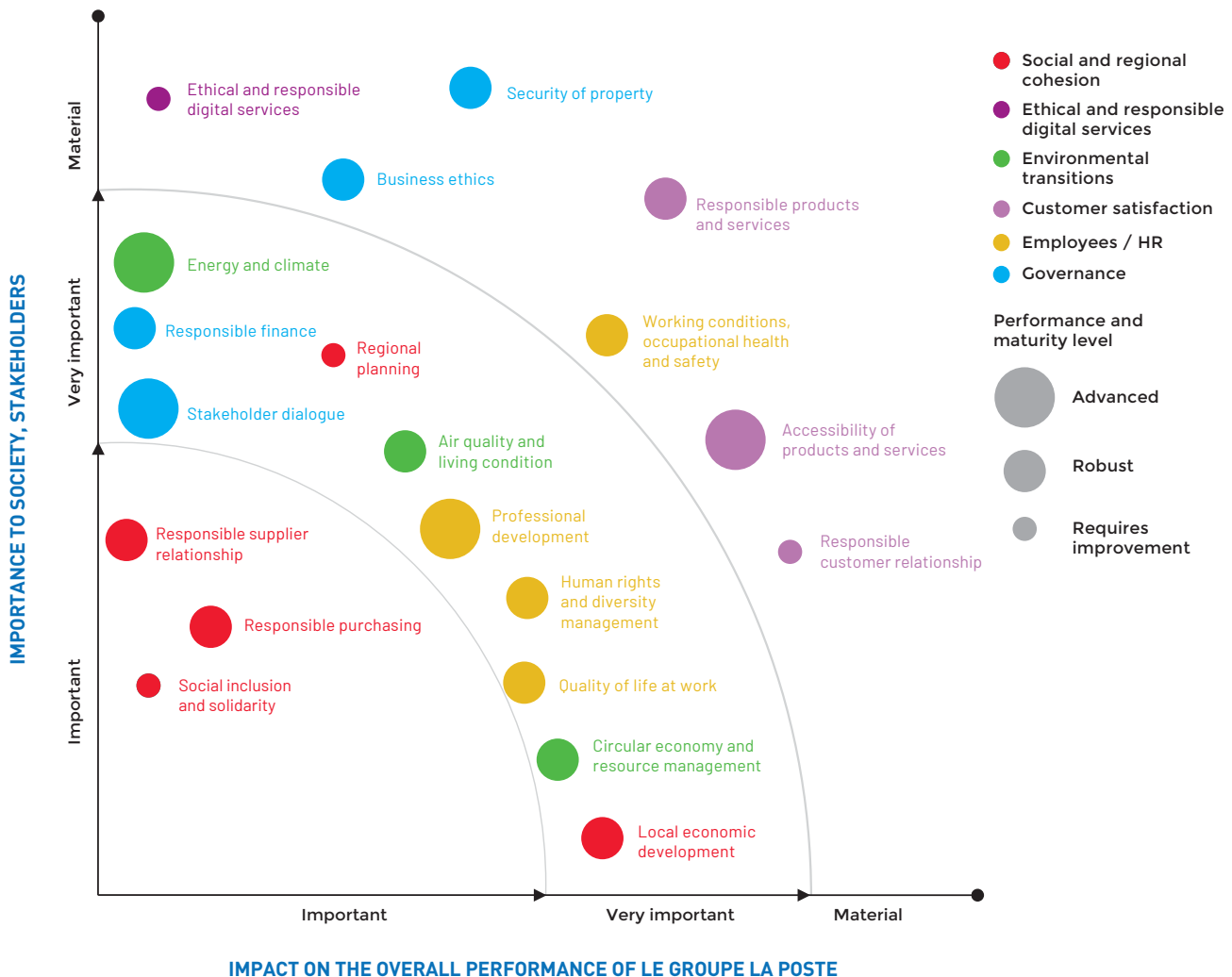
In sum, **the growing importance of environmental and societal issues has been confirmed**: all of the aspects/issues were deemed important by the stakeholders questioned, and scores were higher than in the previous questionnaire which took place in 2017.

In line with the risk analysis, **social issues** are valued highly by stakeholders and have an impact on the Company's performance and its ability to transform. Stakeholders placed a firm emphasis on issues relating to **business ethics and corporate governance**, particularly in areas such as the **security of property** and **responsible data use**, in particular, which is becoming increasingly important.

As regards the environment, **the climate** is a major priority both from the point of view of the stakeholders and as regards the impact on the Company.

The update of this new materiality matrix, particularly the areas for improvement identified, are taken into account when defining the Group's priority areas and action plans under its societal commitment policy.

Materiality matrix

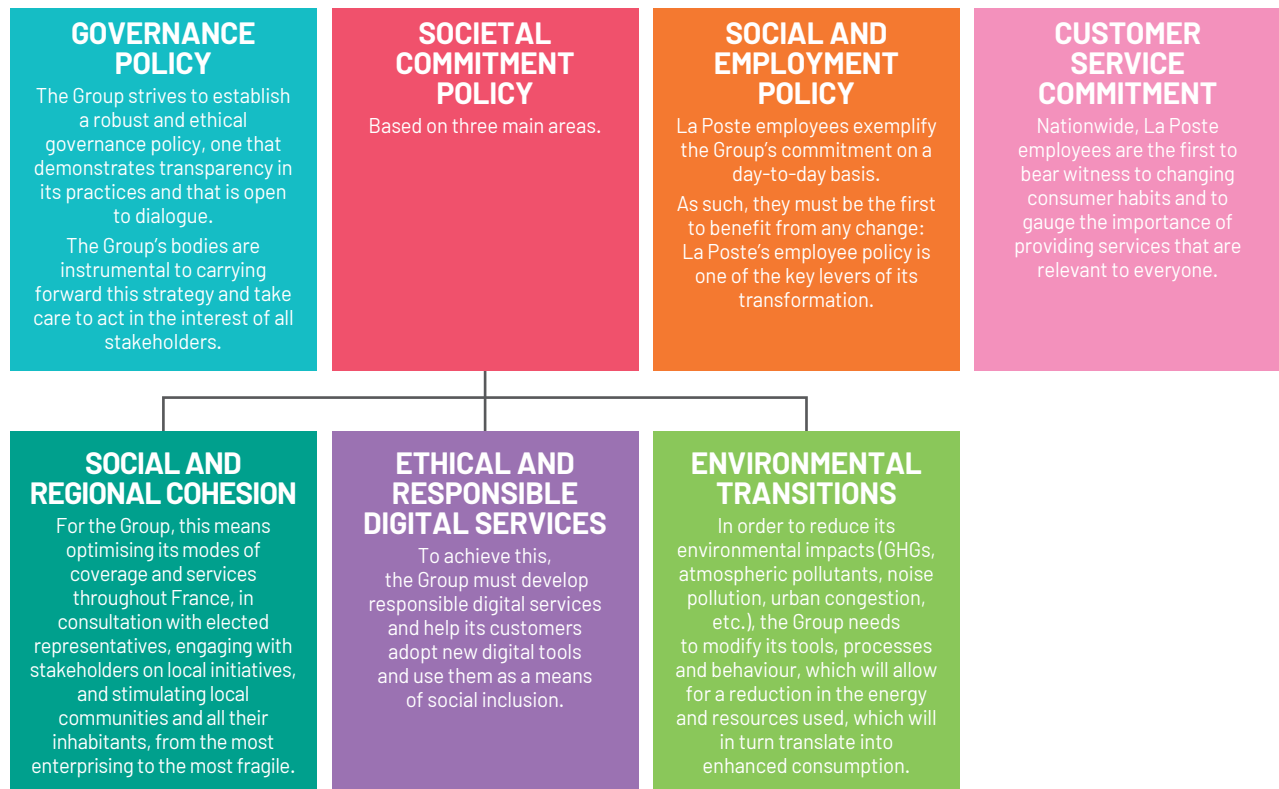


2.3.4 PILLARS OF SOCIETAL COMMITMENT

The **policies** through which the Group is able to achieve its societal commitments are defined based on stakeholder concerns and by ranking priority issues, as described above.

The Group's corporate social responsibility policy is therefore based on four priority issues and their related policies:

CORPORATE SOCIAL RESPONSIBILITY POLICY



The implementation of the societal commitment policy forms part of a participatory vision of Le Groupe La Poste, through which it plans to:

- acting as a **responsible and exemplary company**, mobilising all its employees to ensure that our own transitions are successful (energy efficiency, green transportation, reasonable consumption of resources, digital responsibility, etc.);
- **helping our customers with their transitions** by offering services, solutions and financing which are tailored to their projects;
- supporting initiatives and working with teams and territories to **drive change in our society**.

This approach forms part of the Group's societal commitment policy which is both crucial and central to its strategy. This involves:

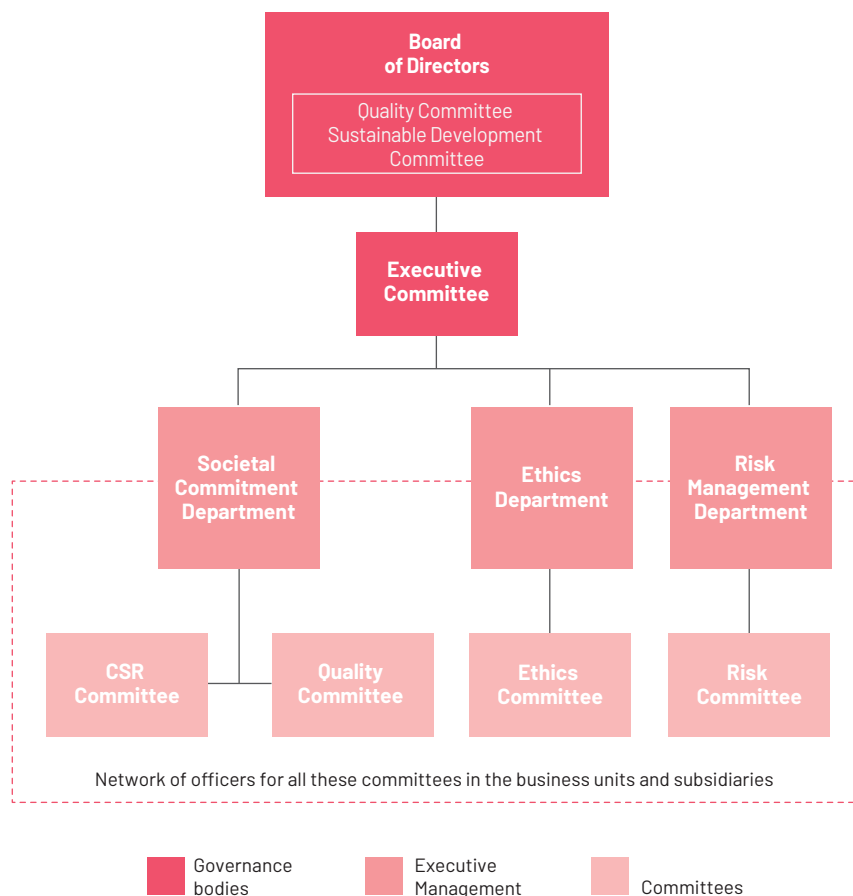
- anticipating impacts and managing environmental and societal transition challenges as part of the operational business model, helping to transform the Company and improve its resilience;
- developing new financing services and solutions to help the Group's customers manage their own environmental and societal challenges, use their transitions to drive transformation and create a sustainable long-term business;
- develop partnerships and an ecosystem-based approach, creating the right conditions to upscale to new models, and monitor their positive impact.

2.3.5 ORGANISATION AND COORDINATION OF THE GROUP'S POLICY FOR SOCIETAL RESPONSIBILITY

The Group's CSR policy is based on robust governance, enabling an employee environmental and societal mobilisation initiative to be rolled out throughout the organisation. The management of the policy by Group's bodies enables each business unit and subsidiary to contribute to the Group's commitments based on shared values, in line with procedures applicable to their own activities.

2.3.5.1 Governance of the CSR approach

The CSR governance structure, which has been in place for more than 14 years, is a factor of the successful inclusion of corporate social responsibility in the Group's strategy, initiatives and management.



The Group's governance bodies are responsible for defining its CSR policy. Policies are implemented with the support of around 40 CSR contacts and specialists in the business units and first-level subsidiaries.

The CSR approach is also deployed by regional delegations and institutions, which take ownership of the approach and implement the action plans and commitments. Post offices in particular are an effective means of communicating corporate social responsibility to local stakeholders.

The binding protocol signed by the French State, Caisse des Dépôts, La Poste and La Banque Postale on 31 July 2019 provides for the

introduction of a Stakeholders Committee. This Committee, which is not a specialised committee of the Board of Directors, will mainly consist of people from outside La Poste and enable La Poste to qualify as a mission-based company as required by the PACTE Act. It will be set up during the first half of 2020 and its mission will be to:

- propose a definition of the *raison d'être* of Le Groupe La Poste to the management so that it can be put to the Board of Directors as part of the strategic plan;
- monitor the mission using the appropriate indicators.

The roles and responsibilities of each CSR representative body are presented below:

Roles and responsibilities of the CSR approach steering bodies

Quality and Sustainable Development Committee

Board of Directors' Committee (three presentations in 2019)

Reviews strategic orientations
Monitors CSR policy achievements
Prepares Board of Directors debates and give recommendations on quality and sustainable development

Group General Secretariat

CSR contact for the Executive Committee

Communicates the progress report on the Group's CSR policy to the Executive Committee

Societal Commitment Department (SCD)

Reporting to the Executive Committee

Ensures that the Group's business grows in line with La Poste's sustainable development principles
Maintains the quality of non-financial reporting
Keeps CSR officers informed about strategic priorities, national events and communication strategies
Provides useful expertise and communication tools
Coordinates actions with CSR actors, inside and outside the Company

Tasks related to CSR	Tasks related to quality	SSE and societal innovation tasks
Define the Group's CSR policy, <ul style="list-style-type: none"> steer policy; and report to stakeholders. Monitor changes to legislation and regulations pertaining to CSR Put forward the CSR policy to the Executive Committee for approval Build the Group's reputation as a good corporate citizen Promote CSR culture Advise and share expertise with Group entities regarding their own corporate social responsibility	Make quality and customer experience management a differentiating factor Implement quality policies Assess how effective they are Provide expertise to Group entities Lead cross-sector projects (multi-channel customer services) Put forward innovative projects (service design, customer experience, etc.) Reach outside the Group to promote its programmes	Contribute to the Group's growth through knowledge of SSE Share knowledge of the SSE ecosystem, identify partners' expectations and needs Connect SSE players with postal entities Promote social innovation with SSE by developing innovative Group projects

CSR Committee

Representatives from the Societal Commitment, HR, Communications, Risk, and Finance Departments, General Secretariat, business units and subsidiaries, regional delegations

Submit the societal commitment policy to the Executive Committee
Ensure that the commitments made between the business units and subsidiaries are consistent
Evaluate the Group's performance
Take necessary improvement measures
Ensure that the Group's CSR skills match its commitments
Validate the communication

Climate Risk Steering Committee - TCFD

Committee composed of Societal Commitment representatives, the Risk Department and the Finance Department, responsible for incorporating climate risk into the Group's risk management procedures.

CSR officer networks in business units and subsidiaries

CSR Departments, local CSR representatives, regional Group delegations

The CSR Departments of business units and certain subsidiaries:

- define their CSR challenges;
- monitor operational action plans;
- integrate sustainable development into the processes and management;
- appoint CSR representatives if necessary.

The Group's regional delegations:

- support these representatives;
- connect sites and local stakeholders.

Stakeholders Committee (created start of 2020)

The purpose of this Committee is to provide an outside opinion on the Group's strategic CSR directions

Rollout of management systems

Le Groupe La Poste bolsters its CSR policy by introducing management systems such as ISO 14001, AFAQ 26000 and ISO 50001.

ISO 14001 – The environmental management system contributes to operational control of energy and water consumption, waste reduction and the mitigation of pollution risks. At the end of 2019, the scope covered by certified management systems was as follows:

- all 17 parcel platforms were ISO 14001-certified (some 2,000 people). The certification covers all Services-Mail-Parcels parcel flows;
- the postage stamp printer responsible for printing stamps and the Group's other philatelic products, is ISO 14001 certified (479 people covered);
- 12 Docaposte sites are ISO 14001 certified. This represents a coverage rate of 23% for the subsidiary's employees and 35% of revenue;
- 343 GeoPost sites are ISO 14001 certified i.e. 74% of the subsidiary's sites and 85% of its employees.

EFQM/ISO 26000 (Afnor/EFQM) – Since the start of the process, 36 entities have been assessed. Some 100,000 employees are therefore covered by the sustainable management system. In 2018, a follow-up assessment was carried out at one of the business unit's entities.

ISO 50001 – the first Energy Management System (EMS) certification plan was rolled out to 310 sites in 2019. At the end of 2019 it covered 196 sites, representing 14% of the energy consumption of buildings wholly-owned by the Group. A similar plan will be put in place for Group vehicles by 2020.

2.3.5.2 Employee mobilisation

Employee mobilisation, around many of the Group's transformation priorities and environmental changes, is based on a range of factors:

- **in the performance evaluation criteria and compensation, with in particular:**
 - integration of a CSR criterion in employee incentive-based pay at La Poste and at La Banque Postale,
 - action by members of the Executive Committee and senior executives in particular on a composite indicator covering a range of non-financial ratings,
 - integrating objectives relating to quality of life at work in the individual performance management process. Achievement of these indicators carries a one-third weighting in the individual variable component of employees' compensation.

Furthermore, CSR objectives other than quality of life at work are set for managers as soon as their roles lend themselves;

- **in training, including:**

- the introduction of specific CSR training in the business units,
- the Institute of Management (the Group's in-house manager training body) provides an e-learning module on the Group's CSR policy, as well as training on value creation,
- all newly-appointed senior managers attend a day of training on CSR and diversity. The content of these training sessions is updated every year;

- **in the professional practice of every employee, including:**

- advocating for involvement by highlighting internal or external best practice and celebrating awards, seals or certifications obtained,
- collaborative innovation, practised in the Group for 20 years at all levels of the organisation;

- **regular information** circulated via diverse internal communication channels and via tools to make their daily implementation easier ("Responsible Together" system). Specifically, the *Climat 2°* campaign rolled out in 2019 by Services-Mail-Parcels enabled La Poste to share its 2025 climate objectives with all of its institutions, and as how these objectives would be applied locally.

European CSR Weeks

Employee awareness-building events are also held during the five European weeks devoted to sustainable development, mobility, socially responsible investing, disability employment, and waste reduction. The Group produces dedicated materials and tools which are distributed either directly to all employees or to the network of CSR contacts. They then organise events depending on the specific challenges facing their entity.

Each business unit organises awareness-raising campaigns to reflect its own priorities and achievements.

Calls for projects from internal carbon funds

The Services-Mail-Parcels business unit, the Network, GeoPost and La Banque Postale monetise their CO₂ emissions in the form of internal carbon funds. These funds are ring-fenced to finance works or equipment on the Group's sites in order to reduce its carbon footprint. The projects financed are chosen from proposals that employees submit to the panel. Each year, **hundreds of employees are closely involved in preparing projects at dozens of postal sites.**

Participatory innovation and intrapreneurship

Participatory innovation and intrapreneurship strengthen employee ties to the Group, and help to improve quality of life at work by giving value to personal initiatives.

Employees are closely involved in **participatory innovation**, a long-standing initiative at La Poste. It is a powerful driver of operational action. In 2019, it gave rise to 2,030 ideas and best practices. In particular, the efforts are focused on setting up local and national challenges and events to value the Group's innovators.

In 2014, Le Groupe La Poste launched its **intrapreneurship programme** "20 projects for 2020" to encourage employees to play an active role in the Group's transformation. The programme invites them to submit an innovative new business idea for the Group, based on one of eight themes. The winners are assigned to work full-time on their new project for 3 to 12 months. The programme's aim is to act as an effective accelerator of in-house start-up.

In 2019, most of the 30 submitted projects were CSR-related. Selected topics were the energy transition and the circular

economy. Since the programme's launch, three projects are now in development:

- KIDSCARE, an application to strengthen ties between schools and families;
- TRIPPERTY, a solution to retrieve prohibited cabin items or lost property found in airports;
- AFRIK 'EASY, a secure service to send parcels between France and Africa.

Nouvel'R programme

La Poste encourages initiative and innovation by inviting 240,000 employees to take up the *Nouvel'R* challenge each year. Staff are asked to come up with ideas for new customer services in areas relating to the environmental transition: recycling, home energy renovations, eco-mobility, energy and financing of the transition. Each year, the winner in each category receives help with trialling his or her idea. If it is economically viable, the service is introduced in other regions.

2.3.6 COMMITMENTS OF BUSINESS UNITS AND MAIN SUBSIDIARIES

The Group's business units and subsidiaries deploy the Group's corporate social responsibility policy with the same stringency, while adapting the practical measures for its application.

2.3.6.1 Poste Immo, the real estate company of Le Groupe La Poste

Because half of its real estate portfolio is more than 50 years old and it has an annual energy bill of €90 million, Poste Immo bears considerable environmental, social and financial responsibility. However, its commitments also provide an opportunity to create

value, by treating the environment as a catalyst for growth and competitiveness. Poste Immo's CSR policy (Sustainable Real Estate) has set new objectives for 2025. They are based on the following four pillars:

Poste Immo commitments

Commitments	Tasks
Energy	Secure purchase prices and increase green sources in the energy mix Produce solar energy (resale, own use) Reduce and manage consumption
Climate	Reduce the GHG emissions of IT equipment Ensure that buildings are more resilient to climate uncertainty Carbon capture (carbon sink)
Circular economy	Manage construction waste and create resources Extend the multiple lives of buildings and building components
Biodiversity	Help to protect wildlife and vegetation Optimise water management

2.3.6.2 Véhiposte, the Group's vehicle fleet manager

Véhiposte furthers the Group's objectives by providing technological intelligence on biofuels and renewable energy. The subsidiary relies on numerous partnerships to make its service more environmentally friendly. Véhiposte incorporates new technologies across the entire fleet management value chain. It expresses its commitment through concrete and measurable actions:

- inclusion of environmental criteria in vehicle purchasing specifications, e.g. CO₂ emissions, percentage of vehicle re-use, etc.;
- reducing the carbon footprint by developing local maintenance and repair networks;

- technological intelligence on biofuels and alternative energy;
- development of expertise in industry innovations (green fuel, low rolling resistance tyres, water-free washing);
- training in eco-driving and responsible driving, while improving driver safety by means of connected vehicles;
- a significant increase in the percentage of clean vehicles in the Group's fleet: three- and four-wheeled electric vehicles, long-wheelbase electric vans, gas-powered vans, prototypes of multi-fuel vehicles with modular volume;
- upholding minimum working conditions in the Company, as well as at its partners and subcontractors.

2.3.6.3 Services-Mail-Parcels business unit

The Services-Mail-Parcels business unit faces significant challenges related to its transportation activity, its large share of the Group's workforce and the profound changes taking place in

society. In 2019, this business unit defined its CSR policy for the period to 2025, built around the four commitments described below.

Commitments of the Services-Mail-Parcels business unit

Commitments	Tasks
Act to protect resources and the climate, and contribute to the energy transition	Increase the share of low greenhouse gas and particulate emissions vehicles in the fleet. Train La Poste employees on eco-driving techniques and contribute to the circular economy
Offer responsible solutions to customers	The "Lettre Verte" (green mail), the Recygo office waste collection service, eco-mobility solutions, energy renovation solutions with Action Habitat, and energy management solutions with SOBRE (the Group's energy management solution for service-sector buildings). Since 2012, the business unit also ensures the complete carbon neutrality of all its products and services
Contribute with stakeholders to regional environmental and societal performance	Establish partnerships with the SSE, get regions involved in carbon offsetting and develop local services and solutions for the elderly
Develop employee skills and keep them healthy to make the transformation a success	Implement policies to keep disabled people employed and roll out innovative programmes to protect employee health and prevent unfitness for work, while integrating diversity at all levels and in all the business unit's projects

"2019 represented a new milestone in the incorporation of CSR into our activities. Renewing our industrial facilities and working methods has enhanced our economic, environmental and societal efficiency.

Indeed, CSR drives innovation in all areas and boosts employee commitment."



Philippe Dorge

Executive Vice President
Chief Operating Officer
of the business unit
Services-Mail-Parcels

2.3.6.4 La Poste Network

The Network conveys its historic values of openness, consideration, fairness, accessibility, proximity and sense of service through its CSR action.

This is reflected on a daily basis by:

- accessibility to offers and services for all in urban and rural areas throughout France;
- accessibility which is facilitated by digital services supported by a human backup;
- specific mechanisms to improve how customers are welcomed and employees' working conditions in post offices in areas of societal priority;
- energy transition solutions and banking services incorporating socially responsible investment criteria (SRI);
- employees who volunteer their time and skills with associations in contact with vulnerable populations.

Furthermore, new formats of postal presence are being tested and rolled out to make life simpler for customers.

The Network plays a role in regional cohesion, promotes energy transition, and is highly involved in purchasing from local suppliers and/or the disabled and sheltered sector.

Professional gender equality and diversity are also objectives of the Network's CSR policy. L'Ecole de la Banque et du Réseau promotes career paths and skills enhancement.

For the third year running, in 2019 the network was awarded the CSR *Enseigne Responsable* Label, which is recognition of the Network's continuous improvement approach.

"La Poste Network is moving forward with its transformation and preparing for the future. Through the variety of its formats, the strength of its commercial organisations and the modernisation of its facilities, La Poste Network provides a comprehensive response to these expectations. This is illustrated for our employees by an exceptional digital training programme. The Network is also involved in the social and digital inclusion actions of La Banque Postale and the public service areas (*Maisons de service au public*).

Regarding climate change, the Network also embarked on a voluntary carbon neutrality programme. It was awarded CSR *Enseigne Responsable* Label for the third year in a row."



Anne Laure Bourn

Executive Vice-President
Chief Operating Officer of
the La Poste Network

2.3.6.5 GeoPost/DPDgroup: the DrivingChange programme

GeoPost underlined its CSR commitment by launching the DrivingChange™ programme in 2016. This programme covers the areas closest to its core business line in a pragmatic and efficiency seeking approach.

The DrivingChange programme is underpinned by four main areas of action:

Commitments	Tasks
Committing to carbon neutrality	Make each delivery carbon neutral with no additional cost for customers
Responsible urban deliveries	Improve urban life by offering more environmentally-friendly delivery solutions
Innovative entrepreneurship	Support local company development by sharing GeoPost's expertise and entrepreneurial spirit
Enterprise and civil society	Support and assist civil society through local action. Enable employees to get involved in a number of initiatives in two main areas: Community transport and non-transport skills-based volunteering

"In a highly competitive market, we have continued to develop our responsible urban logistics, aiming to provide the highest-quality delivery service for our customers while enhancing urban life with optimal operational efficiency.

In 2019, DPDgroup rolled out over 100 smart urban delivery solutions across Europe (including in London, Dublin and Hamburg) which combine urban depots, low-emissions delivery services and customer-controlled delivery services.

We are actively investing in future solutions to mirror Chronopost, which since October 2019 has been using low-emission vehicles for all of its Paris deliveries, a first for the sector as a whole in Europe. "



Boris Winkelmann
Executive Vice President
Chairman of GeoPost

2.3.6.6 La Banque Postale

The CSR policy consists of 13 priority tasks, each divided into dedicated projects and supported by follow-up indicators and qualitative or quantitative objectives, as shown in the table below:

Commitments of La Banque Postale

Commitments	Tasks
Commitments to customers	Ensure that everyone has physical and digital access to financial products and services
	Build a customer relationship based on ethics and quality
	Design and deliver a sustainable product and service offering
	Introduce systematic, robust management of non-financial risks
Commitments to employees	Offer support for staff mobility and training
	Ensure quality of life at work and employee well-being
	Provide equal opportunities for recruitment, career progression and promotion
Commitments to society and local communities	Enable growth of the local economy and communities
	Maintain a responsible purchasing policy with suppliers
	Support the civic engagement of employees
Commitments to the planet	Reduce the Bank's direct environmental footprint, for example via the carbon fund
	Minimise the environmental footprint of its products and services
	Foster the emergence of a circular economy

In 2019, La Banque Postale signed up to the **Equator Principles** to support the activity of its Finance and Investment Bank, and signed the **Principles for Responsible Banking (PRB)**, and the **Collective Commitment to Climate Action**. It was already a signatory of the **Principles for Responsible Investment (PRI)** which govern its asset

management business (2009) and the **Principles for Sustainable Insurance (PSI)** which govern the Insurance business line (2012). All business lines have made structural commitments to developing ESG objectives in their operating activities.

"The strategic equity alliance with CNP Assurances at the beginning of 2020 gives La Banque Postale a new dimension as a large European banking and insurance services group which serves the citizens and regions, and which satisfies everyone's needs and contributes to everyone's future.

La Banque Postale is more than ever committed to meeting the United Nations' Sustainable Development Goals, in response to pressing social and environmental issues. As a signatory of the Principles for Responsible Banking, it promotes a resolutely sustainable finance, whilst its subsidiary LBPAM is preparing to switch to 100% Socially Responsible Investment management by the end of 2020. Our commitment, which is at the heart of our strategy, has placed La Banque Postale amongst the world's leading banks for its non-financial performance."



Rémy Weber

Executive Vice President
Chairman of the Management Board
of La Banque Postale

2.3.6.7 Digital Services business unit

The Digital Services business unit's CSR commitment is part of the Group's commitment to promoting ethical and responsible digital services.

Its main CSR challenges are connected to its core business line:

- data security;

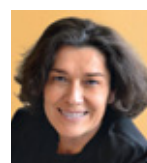
- the responsible design of its digital services;
- energy savings;
- the fight against the depletion of natural resources.

The business line's Digital Services Responsible Development Charter embodies the following commitments:

Commitments	Tasks
Support for business ethics	Ensure the security and protection of data provided, combat the digital divide and promote accessibility, develop responsible purchasing
Develop increasingly more responsible offers	Improve the CSR performance of its offers notably with regard their environmental impact and accessibility
Preserving natural resources and fighting against climate change	Reduce GHG emissions, develop Green IT, transform waste into a resource
Enhancing job quality and employability	Promote diversity and equal opportunity, enhance quality of life at work
Share and enhance its CSR actions internally and externally	The CSR action plan is part of the business unit's communication plan
Monitor performance indicators	In order to adjust action plans to maintain progress momentum

"Building on the strength of its historical positioning as a trusted third party, which it has externally to its digital services, La Poste guarantees the security and protection of the data which is entrusted to it. This commitment is underlined by the oath taking which commits all La Poste's employees to respecting the secrecy of correspondence, and which now applies to data.

In 2019 the Digital Services business unit generalised its Data Charter and consolidated its green IT initiative. We have also contributed to promoting the position of women, who are still too sparse in digital services by increasing their share of the awards in our French Internet of Things programme, in order to obtain parity in 2020, and by launching the Coups de Cœur La Poste #FemmesduNumérique awards."



Nathalie Collin

Executive Vice-President in charge of Digital Services and Communication

2.4 Interest representation and participation in industry debate

2019 was a year of intense activity for institutions (PACTE Act with the notion of a company mission, mobility guidance bill, Act on Combating Waste and the Circular Economy, Energy Act and European Green Deal Act).

2019 marked a structural legislative turning point which will shape the future of CSR. Le Groupe La Poste's institutions have actively contributed to these changes.

2.4.1 COMMITMENTS OF LA POSTE

Worldwide

The interests of Le Groupe La Poste are, for the most part, defended by **the Universal Postal Union (UPU)** and its restricted union, **PostEurop**. La Poste also belongs to the **International Post Corporation (IPC)**, an industry body giving a collective voice to the world's major postal organisations. The IPC provides leadership in the areas of service quality, interoperability, climate commitments and research.

After the Paris Agreement on climate change was signed in 2015, IPC joined the Science Based Targets movement and committed to reducing greenhouse gas emissions by 20% per letter and parcel delivery by 2025, from the base year of 2013 (scopes 1, 2 and 3). Le Groupe La Poste has also signed up to the Science Based Targets initiative. La Poste SA's carbon trajectory was approved in 2019.

Through the IPC, Le Groupe La Poste's Chairman Philippe Wahl launched Green Postal Day in September 2019. This annual postal sector event showcases the environmental commitments made by international postal companies. The event could be repeated over the coming years to ensure that postal operators' environmental commitments are monitored.

In Europe

Since 1993, La Poste has maintained a representative office in Brussels responsible for monitoring issues that concern the European Union, representing the Company and defending its interests with the EU institutions. La Poste is registered on the European Union's Transparency Register. It is also assisted by a specialised consulting firm.

In 2019, lobbying focused on the regulatory framework for postal services, the digitalisation of the economy and new rules for global e-commerce.

- La Poste closely monitors changes in the postal legislative framework. It participated in preparatory work for the assessment of the Postal directive and of the regulation on cross-border parcel delivery services.
- La Poste issued a policy on the delivery of registered mail as part of the revision of Council Regulation (EC) 1393/2007 on

the service in the member states of judicial and extrajudicial documents in civil or commercial matters.

- As its business has evolved, La Poste has become more engaged with issues surrounding the digitalisation of the economy. These include, for example, the revision of the Privacy and Electronic Communications directive, the re-use of public sector data and the assessment of the General Data Protection Regulation. It also monitors areas such as blockchain, cybersecurity, artificial Intelligence and online administration.

2019 also saw a range of complex international challenges:

- international postal news was dominated by major changes to the international inter-postal service payment system for international mail and small parcels (terminal dues). The Commission took a keen interest in negotiations held within the Universal Postal Union, and conducted a number of studies with a view to establishing a common European stance;
- in the context of global trade development, La Poste actively continued its work of the previous year with the relevant heads to put in place the implementing provisions of the VAT directive for e-commerce items, and customs rules to boost security for postal items;
- the representative office has also followed the negotiations for the United Kingdom's withdrawal from the European Union, in a bid to predict the (primarily customs-related) impacts on the Group's activities.

Finally, 2019 was characterised by an overhaul of the European institutions. Institutional updates have been closely monitored by the Group. When the new European Parliament was appointed, La Poste sent its congratulations to new French MEPs together with a welcome pack setting out the Group's main European challenges.

- La Poste occupies a major CSR role within PostEurop. It chairs the PostEurop CSR Circle, which brings together European postal operator CSR specialists and leads a number of working groups on environmental issues, training, occupational health and safety and social dialogue. The main objectives of the Circle are to give PostEurop Members a forum for exchanging best practice and be a CSR developments knowledge centre, in particular through projects on specific fields of interest funded by the European Commission. Within this framework, in 2019 La Poste coordinated a European project on intergenerational management, and initiated PostEurop's membership of the European Alliance for Apprenticeships.

La Poste also fulfils a number of duties for the European Social Dialogue Committee for the postal sector (SDC), comprising representatives of postal sector operators and unions from the 28 Member States of the European Union. The SDC is jointly run by the European social partners, under the auspices of PostEurop which represents postal operators, and the trade union UNI Europa Post & Logistics, alongside the unions. Its main missions are to advise the European Commission on social policy initiatives and developments in European policy which could have a social impact on the postal sector, to encourage and promote social dialogue within the postal sector to help develop employment and improve working conditions for employees, and to discuss structures to allow negotiations between the partners in the sector. In 2019 it signed the European Joint Declaration on Training in the digital era.

In France

In France, the Group has set up a Parliamentary monitoring process. This allows the Company's entities to jointly assess the impact of the bills presented to Parliament. Regular discussions are held with French MPs to report on postal strategy.

MPS will be involved in a participatory approach to defining a new La Poste 2030 strategic plan. Discussions will take place over breakfasts held at Musée de La Poste (La Poste Museum), at the invitation of the Group's Chairman and Chief Executive Officer.

La Poste also partners with the main national associations that act for elected officials and represent local authorities at all levels. In 2020 these associations and their local, departmental and regional members will also be consulted as part of a participatory approach to preparing a future strategic plan, in order to determine to what extent La Poste can help them to deploy regional public policy for their citizens.

La Poste also partners with national associations that act for elected officials and local authorities.

In response to the provisions of France's "Sapin 2" Act regarding the representation of interests, La Poste has bolstered its corruption prevention plan.

As such, La Poste has introduced initiatives to promote responsible institutional relations, in line with the values set out in its reference guide to ethics and professional conduct and in its Representation of Interests Charter:

- mapping of the various influencing actions within the Group;
- awareness-raising and education of the relevant roles;
- coordination of national and local initiatives;
- development of a guide for elected representatives, also rolled out at the regional level.

Moreover, as part of its ethical approach, in order to establish a dialogue with the bodies that oversee lobbying, Le Groupe

La Poste has appointed a contact person in accordance with the recommendations of France's High Authority for Transparency in Public Life (HATVP).

Similarly, Le Groupe La Poste has been identified as one of the first 200 companies, associations and consulting firms in France to have declared its lobbyists. As such, the following individuals were declared to comply with the regulations: Yannick Imbert (Group Director of regional and public affairs), Smara Lungu (Regional and parliamentary affairs delegate), Vincent Moule (Director of institutional relations and regulatory affairs), Philippe Regnard (Group Director of institutional relations - Digital Services), Camille Perez (Parliamentary monitoring and research officer).

Finally, with a view to declaring lobbyists at the local level (1 July 2021), the Group intends to enhance its cooperation with and investment in Transparency International.

In 2019, **La Banque Postale** joined the Fédération des banques françaises (French Banking Federation - FBF) Climate Committee. It also pursued its contributions to ACPR working groups on governance, measuring the climate risk and preparing future stress tests.

La Banque Postale endeavours to communicate its values through its involvement with organisations known for their CSR promotion. It also occupies an active role in various working groups led by the Club Finance de l'Observatoire sur la responsabilité sociétale des entreprises (Study Centre for Corporate Social Responsibility - ORSE), the Public Committee of the Forum pour l'investissement responsable (Responsible Investment Forum - FIR), and Medef's CSR and non-financial committees. La Banque Postale joined the Paris Europlace Finance for Tomorrow initiative in 2018, to promote climate measures implemented by the Parisian financial markets.

At the local level

La Poste's Chairman and Chief Executive Officer has appointed Group representatives responsible for relations with local stakeholders (elected officials, institutions, non-profit organisations, socio-economic actors, etc.). These representatives are:

- the Group's regional representative, for each region;
- the local relations officer, for each administrative department.

Their role is to ensure that the Group upholds its commitments to these stakeholders. The Group's representatives must also support its transformation, especially with the roll-out of new postal services designed to serve the public interest and meet new societal needs.

For its part, La Banque Postale is now the leading bank lender to local authorities. It maintains ties with local public-sector stakeholders via a local Finance Steering Committee made up of elected officials, former MPs and subject experts. The Committee performs planning, monitoring and advisory activities

(risk assessment, monitoring new developments, proposing new services, etc.). It also draws on the expertise of its Research division to monitor local finances and their development.

Under French law, companies are prohibited from participating in political activities.

La Poste does not fund any political party in any way whatsoever. It also makes sure that its policy positions take the interests of all stakeholders into account and that the elected officials of all democratic parties are dealt with respectfully.

2.4.2 POLICY DECISIONS

Participation in government consultations

In 2019, La Poste participated in the drafting of the Act on the Circular Economy.

La Poste made ten recommendations to the *Institut national de l'économie circulaire* (Institute of Circular Economy) for the future Act. The Company also advised Chairman of the Institute and MP François-Michel Lambert on the key issue of sustainable logistics in the transition to the circular economy.

2.4.3 COOPERATION AGREEMENTS WITH FOREIGN POSTAL OPERATORS

Le Groupe La Poste works closely with foreign postal partners through bilateral talks and cooperation agreements, to share CSR best practice and promote its environmental and societal commitments.

For example, in 2019 La Poste participated in the "Sustainability" study organised by USPS/OIG to share its experiences on developing "green" initiatives such as the Recygo range, the "Lettre Verte" (green mail), carbon offsetting, and Chronopost 100% green delivery in Paris.

In 2019, Le Groupe La Poste continued to carry out international cooperation initiatives through bilateral agreements with **Japan Post, Vietnam Post, Poste Maroc (Morocco), La Poste Tunisienne (Tunisia) and La Poste de Côte d'Ivoire (Ivory Coast)**. The most recent cooperation agreement signed with La Poste Côte d'Ivoire in September 2019 covers support for modernising Ivory Coast's logistics network as part of the growth of e-commerce flows, as well as training.

CSR is one of the priority areas promoted by the Group in its agreements. By way of example, it implemented the following actions in the context of its agreements with Japan Post and Poste Maroc:

Cooperation agreement between Le Groupe La Poste and Groupe Barid Al Maghrib (Moroccan postal services)

CSR was one of the key areas covered by the cooperation agreement signed by La Poste and Barid Al-Maghrib (BAM) in 2012, and renewed in July 2017.

Under the new agreement, the two groups spent 2019 working on the following topics: benchmark for a second-hand ecosystem for electric cars, feedback from Le Groupe La Poste on its digital transformation project with a focus on human capital, discussions

on Corporate Foundation topics and on the monitoring and management approach for strategic projects. The two groups redesigned the CSR roadmap for 2020, prioritising the following areas: the circular economy, carbon neutrality and renewable energy, disability policy, contribution to the international stamp-collecting conference and sustainable development.

Cooperation agreement between Le Groupe La Poste and Japan Post

Since 2008, Le Groupe La Poste and Japan Post have been working together on topics of mutual interest, including those related to CSR. Each year, the Group organises exchanges which alternate between France and Japan, where the two groups share information and best practice and take part in site visits.

Topics covered include:

- Electric vehicles (cars, 2- or 3-wheeled vehicles and push bikes) or other types of vehicles (hydrogen, hybrid), battery production, recharging infrastructure and even eco-driving;
- Systems which promote diversity and gender equality; this is a particularly sensitive issue in Japan;
- HR policy and particularly training requirements due to changes to postal operations;
- Sustainable development initiatives such as Recygo or wooden pallet recycling.

2.4.4 ASSOCIATIONS AND THINK TANKS OF WHICH LE GROUPE LA POSTE IS A MEMBER

Le Groupe La Poste also exercises its corporate social responsibility through its involvement with a number of associations and think tanks. It contributes to debates on topics in which it takes a particular interest, and shares best practice.

Associations and think tanks of which Le Groupe La Poste is a member

Organisation name	Main areas of focus and work by Le Groupe La Poste, its business units and subsidiaries in 2019
<i>Fondation nationale entreprises et performances</i> (FNEP)	Contribution to FNEP's creation of the concept and the "#sobériser" association, innovating to create a sustainable world and adding value to the Group's simplification
<i>Fabrique écologique</i>	Participation in thought on the jobs of the future brought by the energy transition and on La Poste's role as an employer
<i>Laboratoire de la mobilité Inclusive</i> (LMI)	Secondment of one person from Le Groupe La Poste's SCD as a skills-based volunteer for the LMI Proposals to facilitate inclusive mobility as part of the French government's <i>Assises de la mobilité</i> consultation
<i>Institut national de l'économie circulaire</i> (Institute of Circular Economy - INEC)	Le Groupe La Poste is a member of the Board of Directors and of the committee of the association Jointly developed the position of the INEC on the government's Circular Economy bill Partner of regional <i>Rendez-vous de l'économie circulaire</i> (circular economy meet - five meetings in 2019) Headed up a delegation of French businesses to Belgium at the annual international gathering on the circular economy LBPAM participated in a working group on circular economy indicators for the finance sector Poste Immo participated in a working group on the circular economy in the construction sector Occasional participation in the "Purchasing and the circular economy" action programme
<i>Entreprises pour l'environnement</i> (EpE)	Co-coordination of a prospective analysis of scenarios for full carbon neutrality in France by 2050 (called "Vision ZEN 2050", with "ZEN" standing for zero net emissions) Le Groupe La Poste partnered with <i>Prix Jeunes pour l'Environnement</i> EpE-Metronews in 2019
<i>Association française des managers de la diversité</i> (AFMD)	Contribution to the interministerial dialogue about efforts to combat employment discrimination initiated by the national rights mediator Seeing that laws and regulations afford equal opportunities
AVERE-France	Groupe La Poste is represented in the Board, the Institutional Relations Committee and within thematic groups Lobbying for the electric vehicle sector in the context of the transport framework bill Secured the international symposium EVS 32 in Lyon 2019
<i>Club développement durable des établissements et entreprises publics</i> (CDDEEP)	Participation in plenary sessions and working groups on the UN's SDGs Participation in the CDDEEP's proposal for the French government's <i>Assises de la mobilité</i> consultation
<i>Club des voitures écologiques and Club du dernier kilomètre de livraison</i> (led by Compublish)	Monitoring of the mobility guidance bill Participation in national and European-level parliamentary breakfasts Contribution to the CVE and CDKL strategies Representing Le Groupe La Poste and PostEurop at the Ever Forum in Monaco
<i>Institut français pour la performance du bâtiment</i> (IFPEB)	Poste Immo competes in the CUBE 2020 contest and contributes to workshops on energy flexibility, on lifecycle analyses and the E+C- label for high energy, low carbon buildings
"Large users" group, <i>Observatoire de l'immobilier durable</i> (OID)	Poste Immo is a participating member and a Board member Practice-sharing and promoting sustainable development in real estate Contribution to the annual publication of indicators tracking the environmental performance of service-sector buildings
World Wide Fund for Nature France (WWF France)	Partner and first company to use the WAG (We Act for Good) app as a main theme to encourage its employees (themed weeks).
<i>Le Rameau</i>	Dynamic Alliance research and support

Organisation name	Main areas of focus and work by Le Groupe La Poste, its business units and subsidiaries in 2019
Zero Waste France	<p>Several contributions to the Parisian "Rue Zéro Déchet" (Zero Waste Street) project led by Zero Waste Paris:</p> <ul style="list-style-type: none"> • Involvement of its subsidiary KissKissBankBank, whose head office and communal workspace La Maison de Crowdfunding is located on the street in question (<i>Rue de Paradis</i> in Paris); • Le Groupe La Poste supported the first zero waste call for projects to entrepreneurs organised by KissKissBankBank; • Funded a "Digital and Zero Waste" conference open to the public and held at the Maison de Crowdfunding.
<i>Institut du numérique responsable</i> (Responsible Digital Institute) (Value creator)	<p>La Poste is one of the founder members of the Green IT Club created in 2011. In January 2019 the Club became the <i>Institut du numérique responsable</i> (Responsible Digital Institute – INR) to incorporate the "3P" vision.</p> <p>(Published the white paper "From Green IT to sustainable digital services")</p> <p>It also participates in two panels: the "major companies" panel and the "eco-design of digital services" panel.</p> <p>As a member of the INR, La Poste also fulfils numerous requests from companies, think tanks, workshops, user clubs and others to provide information on responsible digital use.</p>
<i>Fédération des parcs naturels régionaux de France</i> (France Federation of Regional Natural Parks – FPNRF)	<p>Promoting and working on developing local activity and appeal, creating new forms of presence, new types of mobility and reducing energy consumption</p>
<i>Les entreprises pour la cité</i>	<p>Participation in discussions on employee commitment and diversity in the workplace</p> <p>One full-time skills-based volunteer in the association</p>
<i>Alliance pour le mécénat de compétences</i> (Alliance for skills-based volunteering)	<p>Discussion on employee commitment to skills-based volunteering</p> <p>One member of the Board of Directors</p>

2.5 Recognition by rating agencies

2

Le Groupe La Poste has been committed to a voluntary non-financial rating process for a number of years, and receives regular ratings from six bodies. This enables the Group to optimise the quality of its corporate social responsibility process as a whole.

In 2019, the rating agencies again praised the Group's ongoing improvement:

- the Group **ranks first, all sectors combined**, among the 4,903 global companies evaluated by Vigeo Eiris, with an overall score of 75/100. Under the environmental pillar, the Group scored 86/100;
- in the postal sector, La Poste has **climbed 10 places** and is now No. 2 among the members of the International Postal Corporation. The evaluation focused on greenhouse gas emissions and subcontracting;
- Ecovadis awarded the Group the **new Platinum medal**, launched in 2020. This award is granted to only the highest-performing companies from a panel of 60,000 operators assessed worldwide as suppliers. The Group is one of the very top transport operators in all areas evaluated, and has a particularly high environmental score of 90/100;
- the Carbon Disclosure Project (CDP) gave the Group an A- rating. The CDP has tightened up its requirements on **risk management and assessing the financial impacts of climate change**. In 2019 the Group made progress in this area, primarily by becoming a TCFD supporter in July 2019.



Many of the Group's subsidiaries have also obtained very high individual scores:

La Banque Postale ranks first in the Vigeo Eiris "Retail and Specialised Banks" category. It was up 7 points in the Sustainalytics ranking, ranked first in France and sixth globally. La Banque Postale responded to the CDP's Climate Change questionnaire for the first time in 2019, and was scored A-.

GeoPost/DPDgroup are up 4 points in the Ecovadis ranking, with an overall score of 67 and a Gold medal.

Docaposte and Chronopost also retained their Ecovadis Gold medals.

SOCIAL AND REGIONAL COHESION

3.1	Renewing postal coverage across all regions	55
3.1.1	Relevance of the forms of postal coverage	55
3.1.2	Innovation in the types of postal coverage	56
3.2	Being an effective and responsible business partner	57
3.2.1	Responsible purchasing and corporate social responsibility performance	57
3.2.2	Offer a range of services to meet the needs of the regions	60
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LE GROUPE LA POSTE

ACTS FOR SOCIAL AND

Its history and its public service missions have made La Poste a privileged partner of the French regions. La Poste acts to help all citizens well living in all areas of the country.

CONTRIBUTING TO REGIONAL APPEAL

With its exceptionally dense local coverage, La Poste has always made a big contribution to regional activity and to the country's history. Whether as an employer, buyer, lender or investor, Le Groupe La Poste is a major player in local economic life.

By helping to boost new economic sectors, such as the Silver economy, green housing renovation and eco-mobility, La Poste contributes to regional employment.

La Poste is a major player in financing SME and local authority projects, empowering local government and enabling retailers and businesses to grow.

IMPROVING SOCIAL INTERACTION

Profound changes in our societies, including longer life expectancy, new family structures and new forms of working, encourage to rebuild social interaction. The disappearance of local services calls for innovative solutions.

La Poste is committed to making everyday life simpler for everyone. It supports its most vulnerable, elderly and isolated customers and develops value-added services for them. La Poste helps young people into employment and thus creates equal opportunities. It supports projects aimed at maintaining or improving social interaction, notably by inventing new forms of postal coverage.

INNOVATING FOR THE BENEFIT OF REGIONAL ECOSYSTEMS

To offer solutions that cater for the specific needs of each region, Le Groupe La Poste forms alliances with local economic, public and third-sector actors. It supports innovators and entrepreneurs in each country where it operates.

Together with its various partners, La Poste tests and proposes new concepts. It fosters the emergence of social innovation and economic cooperation within the Dynamic Alliance. This programme brings together actors from the social and solidarity-based economy who work with Le Groupe La Poste.

REGIONAL COHESION



3

BEING A RESPONSIBLE AND EXEMPLARY COMPANY

95.6% of the population in France

lives less than 5 km from one of the 17,000 La Poste retail outlets: this is the strength of our dense local network.

1.2 million French people visit a La Poste retail outlet each day.

Since 2016, almost **2.8 million people** have taken the theory part of their driving test at one of La Poste 638 approved centres. The driving licence is an important vehicle for autonomy and access to employment, especially for young people in rural areas.

15% of La Poste's 8,600 work-study students and interns come from urban priority neighbourhoods, almost twice the national average.

GUIDING OUR CUSTOMERS THROUGH THE TRANSITION

The leading funding partner for local authorities

La Banque Postale granted €15.7 billion in financing to more than 3,000 regional authorities in 2019. It thus helps to finance their modernisation and their environmental transition.

60,000 Ardoiz tablets distributed. An initiative to support the digital inclusion of seniors.

200,000 services provided by Watch Over My Parents and 250,000 meals delivered

so that the elderly can live at home for longer, safely and securely.

€380 million in revenue generated by New Services and the Silver economy in response to three major social challenges: the ageing population, the environmental transition and the regional transition.

DRIVING CHANGE IN SOCIETY

501 public service areas provide access to local public services (jobs, family benefits and more).

20 "La Poste Relais" outlets set up in association with actors from the social and solidarity-based economy. Multi-service outlets or mediation centres, they maintain social interaction in isolated communities and urban priority neighbourhoods.

462,000 jobs are supported directly and indirectly by La Poste and La Banque Postale, as employers and buyers firmly anchored in each region.

€4.1 billion is injected into the economy by La Poste each year through its purchases. **81%** of La Poste's suppliers are SMEs.

5 "low-carbon certified" projects

serving the regions. La Poste is behind a collective dynamic that brings together experts, for example from the Centre national de la propriété forestière (the organisation responsible for sustainable forestry management in France), to develop low-carbon certification. This new certification, launched by the French Ministry of the Environmental and Inclusive Transition, sets out an innovative framework to offset GHG emissions by financing local projects in France.

Start-up and the Internet of Things

are supported each year by La Poste within programmes to stimulate French IoT innovation and anticipate future trends.

400 talented students mentored by La Poste employees at the Envol campus or at the *Écoles de la deuxième chance* (Second chance schools).

Around 50 social and solidarity-based economy networks partner La Poste in the **Dynamic Alliance**.

Ashoka and Beeleev, two networks of next-generation entrepreneurs, whose initiatives are supported by DPDgroup around the world.

€100 million and more than 21,000 projects funded by members of the public via the **KissKissBankBank**, **Lendopolis** and **Goodeed** crowdfunding platforms.



Ambitions

The positioning of La Poste in the regions is embodied in its ability to adapt to changes in society, bringing both opportunities and risks for social and regional cohesion. Le Groupe La Poste is particularly focused on four major societal transitions: digital transition and the place of human interactions, social transition and an ageing population, environmental transition, and regional transition towards balanced modes of living in step with new lifestyles.

Its history and its public service missions have made La Poste a privileged partner of the French regions.

Accordingly, while the form of its presence can be expected to evolve over time, the principle underlying it remains inviolable. This involves contributing both to the social cohesion and the balanced development of the region. To that end, the 70,000 postmen who deliver to French homes six days a week provide an ever-increasing range of services. The array of postal coverage methods reflects the changes brought about by e-commerce, such as the increased use of Pickup lockers where parcels can be collected seven days a week.

The local economy is another key factor for the regions' good health. The Group plays a leading role in the local economic landscape. For every euro spent on purchases and salaries paid to La Poste employees, 70 cents are injected into the local economy. La Poste also seeks to act as a responsible buyer. Furthermore, its portfolio of innovative services helps to boost local business and improve social interaction, thereby enhancing the appeal of each region. The Silver economy, home services and e-health are all effective responses harnessing the commitment of La Poste employees, technology and partnerships to keep pace with changing needs and habits.

The Group's future is also built on cooperation to meet societal challenges. Alongside public-sector organisations in public service areas, major French groups in the FrenchIoT programme, and actors from the social and solidarity-based economy within the Dynamic Alliance, La Poste is testimony to the power of joining forces to come up with high-impact solutions. The Group also engages in ongoing dialogue with public officials. Within the framework of the Departmental Commissions on Local Postal Presence (CDPPT), the Group is one of the driving forces behind working in conjunction with the French State and the French Mayors' Association.

In order to achieve all these goals, La Poste has set itself the following targets for 2020:

Material aspect	Goals for 2020	Progress as at 31/12/2019
Regional planning	<ul style="list-style-type: none"> For 90% of the population to be less than 5 km or less than 20 minutes by car from a La Poste retail outlet Increase postal coverage methods Roll out 500 public service areas (<i>maisons de services au public</i>) 	<ul style="list-style-type: none"> 95.6% of the population 17,033 La Poste retail outlets⁽¹⁾ 501 public service areas (504 in 2018)
Responsible purchasing	Increase purchasing from the social and solidarity-based economy (SSE) Target: €20 million per year by 2020 (workforce reintegration + disabled and sheltered sector)	<ul style="list-style-type: none"> €12.1 million of purchases from the disabled and sheltered sector €14.1 million from the workforce reintegration sector
Adapt products and services to new consumption methods and uses	Respond to major societal challenges (ageing population, isolation and regional inequalities) by offering new services	<ul style="list-style-type: none"> Revenue from New Services: €209 million (€115 million in 2018) 968,101 written driving licence tests taken at La Poste (835,324 in 2018)

(1) Excluding the 26 special status La Poste retail outlets.

3.1 Renewing postal coverage across all regions

Anchored throughout France, La Poste is adapting to changing habits in working, consuming and living. It is adapting its forms of urban and rural coverage to the typology of requirements. New technology and societal innovations enable La Poste to respond appropriately to its customers, partners and local authorities,

partnering with them with a view to continuous improvement. Through the variety of its formats, the strength of its commercial organisations and the modernisation of its commercial spaces, La Poste Network provides a comprehensive response to its customers' expectations.

3

3.1.1 RELEVANCE OF THE FORMS OF POSTAL COVERAGE

With a national coverage of 17,033 La Poste retail outlets, 95.6% of French people have access to its postal services within a travelling distance of less than 5 km, in line with its public service mission. Besides this commitment, La Poste's local network helps to foster vibrant communities and galvanise local life.

The basis of this policy is the diversity of the forms of postal coverage. It is supporting the digitisation of exchanges by a physical

presence when this is necessary. More than half of retail outlets are operated through partnerships. These 9,266 partnerships take on various forms: "La Poste Relais" outlets (urban outlets, rural outlets, social and solidarity-based economy outlets) and "La Poste Local Postal Agencies" (local and inter-communal local postal agencies). This strategy reflects the Group's ability to bring together local stakeholders in the public interest.

7,767 post offices

Post offices in France propose La Poste's offer to private individuals and business customers. They are offered letter and parcel services, banking services and mobile telephone services. An increasingly diverse range of services are offered in the majority of post offices, including touchscreen terminals, digital facilities, Pickup parcel lockers, free Wi-Fi, driving licence theory testing, etc. The aim is to address the challenges in each region. Facilities have been redesigned and organised to provide a simple and straight forward service with personalised advice.

6,459 La Poste local and inter-communal agencies

Agencies are an alternative to post offices. For low-traffic post offices, a public service entity (town hall, public library, etc.) can host most of the services that La Poste offers for the population, such as stamp and ready-to-post sales, collection of postal items, and cash deposits/withdrawals.

2,807 La Poste Relais retail outlets

Service points are operated by local shops, national retail chains and other partners. Stamps can be purchased, a recorded delivery letter can be sent or withdrawn, mail can be forwarded to a new address, or cash withdrawals made. They have extended working hours. The format has a very high satisfaction rate of 93%, suggesting that the needs of customers and retail partners are being adequately catered for.

985 postmen-counter clerks

Postmen/women-counter clerks are the contact point with La Poste in sparsely populated areas. This dual role is performed by a post office employee. The postmen/women do their rounds in the morning. Then work as counter clerks in the post office in the afternoon, or vice versa. This new format helps to align postal coverage closely with the population, while providing fresh development opportunities for employees.

1,927 social priority offices⁽¹⁾

Customer reception and working conditions for employees have improved in underprivileged areas. The service is adapted to customers' needs through specific organisational measures and working conditions, the specific challenges faced by the profession are given more recognition, and the policy of tackling uncivil behaviour is reinforced.

501 maisons de services au public (public service areas)

The public service area is a multi-partner service point located within post offices. The customer accesses a digital services area shared with different operators including Pôle emploi (the job centre), CNAF, CNAMTS, MSA, CNAV and GRDF. There is no charge for using the digital facilities (Internet, PC, printer and scanner). Customers can also receive support with completing administrative formalities online from trained employees.

20 SSE-operated La Poste Relais outlets

In some municipalities, La Poste's outlet is hosted on a site run by an association or a social and solidarity-based economy (SSE) agency, such as a disability employment organisation. The organisation's employees, trained by La Poste, offer most postal services.

Specialised post offices

La Poste segments its offer to correspond to its customer's expectations and needs. The post office format has therefore been adapted:

- in certain train stations and airports (Travel model);
- seaside resorts and ski resorts (Tourist model);
- universities and student residences (Youth model);
- for professionals (leasing of furnished workspaces).

(1) Offices located in urban priority neighbourhoods and those with a significant banking inclusion service.

LA POSTE NETWORK AWARDED *ENSEIGNE RESPONSABLE* CERTIFICATION FOR THE THIRD YEAR IN A ROW

La Poste Network won an award for its entire CSR approach from the *Club Génération Responsable* at the 10th New Retail Forum. The *Enseigne Responsable* certification is the reward for 10 years of CSR action inside the Network, involving all its teams. In 2019, the focus was on new themes such as **energy and biodiversity**. This testifies to the Network's commitment to a CSR approach based on ISO 26000 and the UN sustainable development goals.

Modernised retail outlets

The renovation of the post offices, which come in three different formats (Expert, Advice or Service), continued at a rapid pace in 2019.

For example, 36 Expert post offices were renovated in 2019. Customers greatly appreciate this type of post office. 362 Advice and Service post offices were also modernised during the same period, i.e. a total of 398 post offices.

3.1.2 INNOVATION IN THE TYPES OF POSTAL COVERAGE

La Poste Network is the Group's multi-business distribution network with focus on banking for "Retail" and "Professional" customers. Its founding mission is to welcome, serve and advise individual and professional customers of La Poste, La Poste Mobile and La Banque Postale.

Anticipating the changes that lie ahead, especially those linked to the digital revolution, La Poste is committed to reinventing itself. It firmly believes that this reinvention will take place at a regional level, particularly through innovative alliances, to develop responses to society's changing needs.

42 MSAP⁽¹⁾ "France Services" certified as of 1 January 2020

To strengthen the commitment to maintaining and developing useful services in every region, the first 40 public service areas housed in post offices were rebranded as "Maisons France Services" areas in six pilot departments.

The main difference compared with the public service area format is the requirement for a high level of service, which will be measured. The service offering must cover nine public service organisations, including La Poste, and two members of staff must be present simultaneously during opening hours. The aim is to reduce the risk of a digital divide.

For customer service managers, this requires a significant investment to become familiar with the services provided by each organisation. This development will primarily benefit customers who are unfamiliar with digital technology, who can access information quickly without having to travel too far.

The nationwide target is to open one "Maison France Services" area in each district by 2022, some of which will be run by La Poste.

36 Expert pilot post offices

In this new post office concept, customers have access to a fully personalised service through the systematic use of digital tools. Customers are escorted to special areas where they can receive one-to-one advice. The facilities include a Pickup locker for parcel collection, a tablet bar for online transactions and product vending machines, and are designed to improve efficiency in a user-friendly space. Customers greatly appreciate this type of post office.

20 "La Poste Relais" outlets opened in conjunction with SSE actors

Rural multi-service outlets

These are multi-service outlets such as community grocery stores, community cafés and non-profit concierge services. They help to maintain social interaction among people living in isolated communities by providing them with essential goods and services. By prioritising short supply chains through sourcing local products, these businesses are also contributing to the environmental transition.

SSE-operated outlets in urban priority neighbourhoods

The establishment of SSE-operated La Poste Relais outlets in urban priority neighbourhoods boosts social interaction in these areas and supports vulnerable people through social mediation services.

(1) MSAP: public service areas.

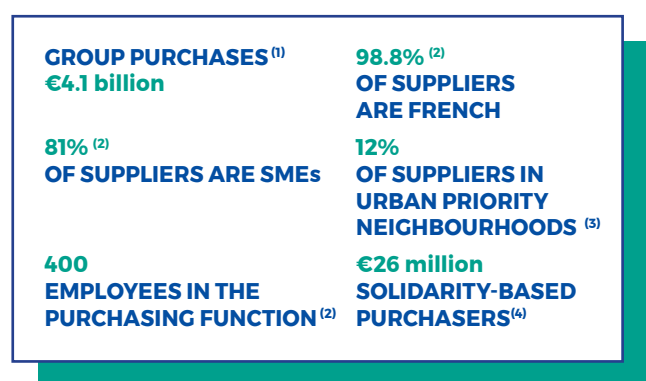
3.2 Being an effective and responsible business partner

A key player in the local economic landscape, La Poste seeks to maintain social and regional cohesion. It contributes to regional appeal through its socioeconomic footprint, linked to its status as employer, buyer and local investor.

3

3.2.1 RESPONSIBLE PURCHASING AND CORPORATE SOCIAL RESPONSIBILITY PERFORMANCE

Le Groupe La Poste's responsible purchasing process contributes to the three pillars of the Group's societal commitment policy: social cohesion, responsible and ethical digital services, and the environmental transition.



The Group's Purchasing Department orchestrates the purchases of La Poste parent company and coordinates those of Poste Immo and La Banque Postale.

100% of consultations include at least one non-financial criterion.

Le Groupe La Poste is well aware of its impact throughout France because of its purchasing power. It therefore invests heavily in securing its supply chain. It has therefore developed a strict framework and organisation incorporating a high level of environmental and social requirements for its suppliers. A signatory to the United Nations Global Compact since 2003, and to the Intercompany Relations Charter since 2010, La Poste is committed to upholding and promoting a set of fundamental principles. In its operations and sphere of influence, it stands up for human rights, fundamental freedoms, health, safety, the environment, the fight against corruption and the objectives of the Paris Climate Agreement.

3.2.1.1 Code of Conduct and basic rules governing purchasing practices

The purchasing policy is part of a specific regulatory compliance framework (GDPR, antitrust, due diligence, duty of vigilance under the French Labour Code, payment terms, anti-corruption, French Public Procurement Code). It draws on various tools:

- the Reference Guide to Professional Ethics;
- the Ethics and Anti-Corruption Code;
- the Ethical and Responsible Purchasing Charter;
- the Buyers Charter;
- the vigilance plan on respect for human rights, fundamental freedoms, health, safety and the environment;
- a three-part supplier assessment policy;
- a whistleblowing procedure for tier 1 suppliers.

As well as adhering to compliance rules, La Poste seeks to take into account the specific issues faced by VSE and SME suppliers. The process is simplified by the introduction of a single portal. The Pacte PME website automatically informs users of all the opportunities published by the Group. Lastly, La Poste ensures that its calls for tenders are divided into smaller lots and that its tendering procedures are simplified to make it easier for VSEs/ SMEs to tender.

3.2.1.2 Sector risk mapping

To prevent and mitigate the environmental and social impacts of its purchases, the Group's Purchasing Department has maintained a sector risk map since 2015. Risks can be viewed by geographic area. The map covers six themes (financial risks, corruption and competition, IT and data, regulatory compliance, quality, and CSR

(1) Group purchases excluding internal purchases.

(2) La Poste SA scope.

(3) "Quartiers prioritaires de la ville".

(4) Purchases from the disabled and sheltered sector and from the workforce reintegration sector.

maturity in terms of employment and the environment). This tool enables buyers to control and manage CSR risks on a day-to-day basis in liaison with their suppliers. It defines the priorities, strategy and action plan, requirements and relevant selection criteria.

3.2.1.3 Improved governance and professionalism of the Purchasing function

Since 2018, the Purchasing function has undergone a dramatic transformation. It is now organised into operational purchasing departments by area, rather than being tied to the Group's organisational structure. This ensures a more holistic, cross-cutting and uniform vision. It also entails local operational application, ensuring access to all consultations in the regions.

Category managers define the purchasing strategy of their portfolios for La Poste. Each month, their Heads of purchasing meet to approve the purchasing strategy for the current projects. They are supported by the Performance Support and Management Department, particularly the Purchasing Compliance division.

A La Poste Purchasing Committee (CALP) ensures that the La Poste purchasing rules are adhered to, particularly as regards equal treatment. It submits an annual report to the Group's Board of Directors, taking sustainable development criteria into account. The diverse composition of the Committee reflects the focus on transparency and the independence of the members.

The purchasing and CSR compliance management system was completed in 2019 to improve appropriation by all buyers, suppliers and operational entities.

For example, workshops with delivery companies on supporting them in their CSR efforts have jointly identified areas for potential collaboration, such as the use of less polluting vehicles.

Buyers can use a self-assessment framework as a guide for responsible purchasing, including the CSR criteria and issues for each purchase family.

The training component has also been improved: by 2020, **100% of the purchasing team** will have completed compliance training, including modules on responsible purchasing. The aim is to roll out training upstream (e.g. to specifiers) to encourage joined-up thinking on the life cycle of purchases.

The purchasing policy is based on the **reference guide to ethical purchasing**, distributed to all La Poste buyers and built around the Group's values and sound business practices.

3.2.1.4 Responsible purchasing policy

Since 2018, La Poste has worked on refining its responsible purchasing policy to ensure that it feeds in to the three pillars of its societal commitment policy. The responsible purchasing approach has three main objectives:

- ensure Purchasing Compliance, notably **the duty of due vigilance**;
- refine its selection criteria in the standard operating procedures, notably as regards **the environmental impact of purchases** (better management of resources, target of a 14% reduction in scope 3 GHG emissions between 2013 and 2025);
- support the social and solidarity-based economy (target of €20 million in purchases per year), VSEs/SMEs and intermediate-sized enterprises.

To support this commitment and meet expectations, 2019 saw:

- a supplier portal, a single entry point, which simplifies the purchase file process and ensures real-time traceability of actions;
- the roll-out of a supplier assessment platform and a free supplier self-assessment system to ensure strong take-up;
- Responsible Purchasing policies posted on the Intranet;
- continuity of the partnership signed with Handeco and involvement in the first online solidarity purchasing fair;
- setting up events to meet suppliers in the regions.

Ethical and Responsible Purchasing Charter

Le Groupe La Poste is keen to involve its service providers in a shared approach to progress, in order to identify any weaknesses and changes that would benefit the environment, human rights and working conditions. Therefore, since January 2008, the Group has urged its suppliers to commit and to take a stand alongside it by adopting the Ethical and Responsible Purchasing Charter.

The Charter takes into account:

- the requirements of the law 2017-399 "The law on the duty of vigilance";
- law 2016-1691 on transparency, the fight against corruption and the modernisation of public life (the "Sapin 2 Act").

It was established in accordance with ISO 20400 on responsible purchasing.

By signing the Charter, the service provider undertakes:

- to uphold the principles of the Global Compact and the International Labour Organization (ILO) as regards employment practices (combating forced labour, child labour, discrimination, dignified working conditions, etc.);

- to adhere to environmental protection principles and to minimise its environmental impact;
- to comply with business ethics;
- to tackle corruption;
- to respect data confidentiality and protection;
- to offer products and services that do not endanger health and safety and that are disability-friendly;
- to disclose all its subcontractors and enable the pledges made to Le Groupe La Poste to be upheld.

Appended to the contracts signed since its update in 2017, the Charter is **sent to all La Poste suppliers under contract with the Group**. They are encouraged to distribute it to their own suppliers. In addition, service providers agree to receive external auditors responsible for checking compliance with these principles, and to take corrective action where necessary.

100% of the suppliers who signed the Charter were also subject to the self-assessment request described below. This has truly raised awareness among suppliers of their CSR maturity and a demand for shared, sustainable value creation.

Supplier CSR assessment framework

In 2018, La Poste introduced a CSR assessment framework for its tier 1 suppliers, paid for by La Poste. The move was welcomed by suppliers, since it allows them to qualify for **AFNOR CSR certification**. This logo can then be used in other calls for tender and with other customers.

The process comprises three stages:

- self-assessment;
- paper-based audit;
- on-site audit.

The 3,350 suppliers with active contracts with La Poste were invited to assess themselves on the platform set up for this purpose. Using examples and explanatory notes, the supplier can assess its CSR maturity and attach supporting documents.

As a result, at the end of 2019, 592 suppliers had completed or were in the process of completing the self-assessment. La Poste's partner AFNOR also performed a paper-based audit of the documents submitted in 100 cases.

In addition, a programme of on-site audits was agreed in 2018. Underpinned by the Group's purchasing risk analysis, it identifies the suppliers to be audited as a priority. Based on the risk criteria, self-assessments and monitoring of the issues covered by the duty of vigilance, 38 on-site audits were carried out in 2019.

Aware that CSR reporting is difficult and costly for **SMEs**, the self-assessment framework has been streamlined to reflect their capabilities.

Supplier portal

Launched in 2019, the portal represents a single access point for suppliers. It simplifies and allows real-time tracking of purchases, as well as the traceability of actions.

Listening to suppliers' needs

The Group is committed to building trust with all its suppliers.

Surveys are conducted to assess the quality of La Poste's day-to-day relations with its suppliers. Knowledge of supplier expectations is an asset that can support the Group's growth, particularly through innovation.

When asked the question, "In your opinion, based on your own needs and expectations, how much importance should La Poste attach to social issues?", La Poste's suppliers expressed a wish that La Poste should:

- guarantee the safety of the goods, products and services it supplies and the protection of personal and confidential data entrusted to it;
- foster constructive and ongoing dialogue with its customers, suppliers, partners, employees and their representatives, etc.;
- act as an exemplary and transparent partner regarding the ethics, integrity and management of its organisation.

Requirements related to environmental and social issues

To participate in the collective effort for the environmental and social transition, standard operating procedures, consultation files and selection criteria include CSR requirements. For example:

- invitations to tender for delivery services include items on eco-driving, the traceability of fuel consumption, vehicles powered by diesel alternatives (electric, natural gas, hydrogen), knowledge of regulatory changes (particularly restrictions on access to urban centres, for diesel/petrol vehicles) and specific initiatives planned by service providers to adapt to these changes. The Services-Mail-Parcels business unit is also implementing an improvement programme with delivery service providers;
- 100% of contracts relating to the data centres contain environmental requirements.

Tools to help suppliers

La Poste's inclusive approach has been bolstered by the reorganisation of the Purchasing function, allowing a better understanding of the issues specific to each sector. For example, workshops with delivery firms have identified potential areas of cooperation:

- buying vehicles with lower emissions;
- purchasing the Group's second-hand vehicles at special rates;
- accessing special rates for natural gas for vehicles.

3.2.1.5 More than 100,000 jobs in France supported by purchases

La Poste plays a major part in the vitality of local ecosystems owing to the sheer amount of purchases it makes. Since 2017, the Group has been working on a study to quantify the jobs supported and its contribution to GDP through its spending, using the Local Footprint® tool.

In France, **117,525** jobs are supported through spending by La Poste, La Banque Postale, Poste Immo and Viapost, generating **almost €6.2 billion** in GDP. Of these, 76% are permanent jobs.

This study is also the key to understanding the Group's local presence. Thus, on average, 70% of spending by La Poste's regional departments is with **suppliers in the local region**.

In 2019, La Poste expanded the scope of the study to quantify its direct payroll-related impacts using the same analysis model: calculation of the direct impact of wages on the economy and their induced impact (consumption of households and local government agencies) in terms of jobs supported and contribution to GDP.

Overall, spending and wages paid by La Poste supported the equivalent of almost **429,500 jobs** and represented some €11.5 billion in value creation in 2019. This means that:

- for every La Poste employee, the equivalent of 1.16 jobs are supported in the local region;
- for every euro spent by the Group, 70 cents are injected into the French economy;
- therefore, the jobs supported by La Poste are equivalent to 1.6% of employment in France. The GDP generated by purchases represents 0.48% of national GDP.

3.2.2 OFFER A RANGE OF SERVICES TO MEET THE NEEDS OF THE REGIONS

La Poste, a major national operator, is developing close contact with local dynamics. Attentive to local needs, it is able to apply its know-how for the benefit of local authorities and citizens. Its offering is tailored to the local situation; it can be rolled out across the entire region and thus have a meaningful impact once proven to be of benefit. Behind these adjustments, which help the regions maintain their appeal, the Group also strives to maintain social interaction and support the emergence of new, jointly developed initiatives.

3.2.2.1 Supporting the modernisation of public service activities

As part of its 2020 development strategy and in accordance with its citizen commitments formalised in the Public Service Agreement, La Poste proposes to contribute to the "2022 Public Service Activities" programme. The aim is to simplify access to services for all citizens in the regions, involve them in the development of public service activities and facilitate their digital inclusion.

In this respect, it has:

- expanded its network of access points to driving licence theory tests by opening 47 new test sites nationwide. More than 968,000 young people took their tests in 2019, a 15% increase on 2018;
- launched a Citizen Relationship Management solution for politicians in rural areas as a result of its partnership with the French Association of Rural Mayors: more than 840 municipalities

have adopted this service, which allows residents to access various services at any time via the digital channel;

- supported the digital transition of society through training and certification, in partnership with the adult vocational training association AFPA and education platform Digischool, developing a solution to enable any French person to take the "CléA numérique" test if they want to, leading to a certificate in basic workplace digital skills;
- developed and tested, on the basis of an audit conducted with more than 9,300 municipalities, a solution for assessing the digital maturity of local authorities.

In addition, it is committed to the "Action Cœur de Ville" programme to revitalise French towns, proposing to the 222 towns concerned to support their strategy by marshalling physical and digital services attuned to new urban trends and delivering economic, social and societal value for residents and stakeholders. To that end, it has decided to focus on four of the main issues observed in the towns concerned:

- real estate and hybridisation of services, La Poste proposing to play a part in developing sites delivering new services (such as retirement apartments, for example);
- the revitalisation of local businesses through the take-up of digital tools by high street retailers and the use of new delivery solutions;

- the involvement of residents and stakeholders in public life by organising participatory tools, from planning consultation through to the financing of projects;
- supporting the transition towards sustainable cities, by managing and reducing energy consumption and promoting new forms of mobility and access to digital services.

or in partnership, these public services are a strategic development focus for the Group, particularly in the Silver economy. A large number of services make life easier for older people and enable them to live independently in their own homes.

Local services provided by postmen

Over the past few years, La Poste has started to provide local services delivered by postal workers. These services were rolled out by equipping mail carriers with a Facticeo-enabled smartphone between 2012 and 2015. The revenue generated from new services or from services aimed at older people almost doubled in 2019 to reach €379 million. These activities are instrumental therefore in the success of the Group's strategy, while meeting the needs of the population.

3.2.2.2 Developing local services

The ageing population and the movement towards the suburbs and the countryside is causing isolation and even exclusion. In this context, Le Groupe La Poste is committed to developing useful, innovative and inclusive local services. Run by La Poste employees

Proxi contact

Delivery service with explanation provided by the postman, if necessary

For example, this service helps to pass on information about public policy, inform citizens by explaining documents delivered to them, relay information, collect or exchange documents

Customers:

Local authorities, home marketing companies, banks

Proxi data

Home information gathering service by postmen

This service helps to support the authorities with regional planning, identify vulnerable individuals on behalf of the local authorities, gather information from people who have recently moved into the area and conduct polling of the public and satisfaction surveys

Customers:

Local authorities, energy or telecommunication companies

Proxi vie

Visiting and social interaction service by postmen (Proxi Vie Cohésio) or alert service to flag problems or anomalies they spot in the area (Proxi Vie Urbaine)

This service helps to maintain social interaction by visiting isolated individuals and those in vulnerable situations, picking up where carers have to leave off, and reporting damage to public infrastructure

Customers:

Local authorities, municipal social action centres, insurance and mutual insurance companies

Proxi equip

Service where the postman installs and sets up basic home devices (e.g. scales, blood pressure monitor, etc.), or delivers advertising materials to retail outlets or reception areas (at the town hall, for example)

This service helps to overcome the digital divide, set up more in-home services, ensure that POS⁽¹⁾ materials are installed and that information is relayed in city halls

Customers:

For home devices: helpline operators, phone companies, suppliers of basic e-health equipment, etc.

For advertising materials: consumer goods advertisers, local authorities, prevention campaigns.

Proxi course

Home delivery service for groceries (free of charge), medicines or library items. This service helps to increase access for the most isolated homes, and especially for people with reduced mobility

Customers:

Pharmacies, retail (excluding fresh products), media libraries

8,000 services performed by the postman in 2019

Meals on wheels

Meals on wheels allows elderly and vulnerable people to have refrigerated meals delivered to their home by the postman. In addition to providing healthy nutrition, this service maintains social interaction and allows the elderly to remain independent.

Customers:

Subscribers to the service: municipal associations, municipal social action centres, hospitals, care homes, caterers, associations providing services to individuals, etc.

Recipients: elderly or vulnerable people (recently discharged from hospital, etc.)

250,000 meals were delivered to **1,500** recipients in 2019.

Watch Over My Parents

Postman home visit service for vulnerable older people.

This service allows the elderly to continue living at home and to remain independent, which 80% of French people support.

Customers:

French citizens
By the end of 2019, there were more than 6,000 active contracts and 226,200 services had been provided.

Ardoiz

This user-friendly tablet is designed to help older people access the Internet.

Postmen have been trained to provide support to Ardoiz users. A toll-free number has also been set up.

Customers:

older people
Since October 2016, **60,000** tablets have been sold.

(1) POS: point of sale.

Services to individuals

In 2019, La Poste increased its stake in Axeo Services, one of the leading providers of services to individuals in France with more than 220 branches. the Company offers a diversified range of services, including home repairs and support for dependent people. It has grown steadily, responding to the needs of elderly and vulnerable people throughout the country.

3.2.2.3 Medium-term objective: to become the market leader in home healthcare services

By 2050, the elderly are expected to make up more than a quarter of the French population. Four million people could lose their independence. Ageing well, continuing to live at home and having access to services are key issues for the country. With La Poste's e-santé app, Digiposte+ Ma Santé and the acquisitions of home healthcare providers Asten Santé and Diadom, La Poste has become a key player in this fast-growing sector. It facilitates everyday life for sick people at home as well as the professionals looking after them.

Home healthcare

Home healthcare services consist of supporting chronically ill patients in the use of the medical equipment or consumables they need to look after themselves. This unique role dovetails with the expertise developed by the Group in logistics, inventory management and delivery-round management.

With the acquisition of Asten (respiratory failure) and Diadom (urology and enterostomal therapy), the Group allows thousands of patients to live at home as independently as possible.

Managing healthcare data in confidence

Docaposte, a Group subsidiary, is the leading healthcare data host in France. In 2018, it launched La Poste's eSanté app, enabling patients in the Elsan group, the leading group of private clinics in France, to manage their own medical data.

Docaposte is also contributing to the digital transformation of the care pathway: for healthcare facilities, the professionals looking after patients when they return home, and the patients themselves, outpatient services are delivered more seamlessly and securely. For example, Docaposte's "Espace Numérique de Santé" (Health Services Digital Space) allows healthcare professionals to treat their patients remotely

3.2.3 REGIONAL FINANCING

€16.4 billion
IN FINANCING FOR THE LOCAL PUBLIC SECTOR
HALF THE LOANS GRANTED TO MUNICIPALITIES
WITH LESS THAN
5,000 inhabitants
ARE GRANTED BY LA BANQUE POSTALE
500 Very Small Enterprise experts
DEPLOYED IN POST OFFICES

3.2.3.1 La Banque Postale, the bank of choice for the local public sector

In keeping with its slogan “Working with economic operators to envision growth we can all profit from”, in 2019 La Banque Postale remained, for the fourth consecutive year, the leading funding partner of the local public sector. Notably, it arranged **€15.7 billion in finance** for more than **3,000** regional bodies, local authorities, social housing associations, public sector companies and healthcare facilities. In mid-2019, La Banque Postale launched the “green” loan to provide further support to the environmental transition of local authorities; the minimum loan is €500,000, a sign that the bank really does have an accessibility policy, even for this type of finance.

As a local authority partner, La Banque Postale also helps to educate the public about the current reforms, conducting 12 studies in 2019 and attending 90 conferences.

In 2019, La Banque Postale, the leading lender to **public hospitals and funding partner of the social sector**, granted €500 million in financing to public hospitals and €260 million to health and social care organisations, including subsidised funding for targeted modernisation projects.

In addition, La Banque Postale is still the partner of seven out of ten social housing operators. It can also collect rents paid in cash by people experiencing financial difficulties and arrange finance for social home ownership.

3.2.3.2 Financing SMEs and the voluntary sector

To cater for the needs of VSEs and business customers, La Banque Postale has established a network of 500 business managers based in post offices. To uphold its commitment to support purchasing power, a special online account for the self-employed costing €9.80 per month was launched in early 2019. Furthermore, to obtain a detailed insight into consumer trends, La Banque Postale has launched a retail survey entitled “How French people see their high street: opinions and expectations of French people in medium-sized towns”. The survey will remain available in 2020.

In addition, La Banque Postale maintains close ties with leading charities (Secours Populaire, Emmaüs, Restaus du Cœur, etc.). Its specialist advisors assist 5,000 non-profit organisations. One in four non-profit organisations from the social and solidarity-based economy is a La Banque Postale customer.

Crowdfunding

La Banque Postale is committed to crowdfunding. In 2017, it signalled its willingness to support creative, innovative and solidarity-based projects and business development by acquiring KissKissBankBank & Co, one of Europe’s leading crowdfunding platforms. It encompasses the brands KissKissBankBank, Goodeed and Lendopolis.

Since its launch, KissKissBankBank has raised over €100 million for more than 21,000 projects.

Many of the projects funded contribute to social interaction and deliver useful benefits for society. Of these projects, 130 were La Banque Postale “favourites” of the month, which are 50% funded.

Goodeed, a donation platform that allows private individuals to contribute to the charitable projects of NGOs and non-profit organisations free of charge by watching adverts, has supported more than 220 crowdfunding projects since its creation and raised nearly €1.5 million for community and environmental projects. Lendopolis saw strong growth in 2019 (+148%), driven by its renewable energy business. This platform, which offers interest-bearing loans, raised more than €25 million in 2019, mainly to finance energy transition projects in France. Lendopolis has thus become the market leader in crowdlending for renewables. The scheme was extended to BPE customers in May 2018, and to La Banque Postale’s high net-worth customers in early 2019, with some success.

3.3 Engaging with regional ecosystems

In January 2020, Le Groupe La Poste, the French Government and the French Association of Rural Mayors signed the new local postal coverage agreement for 2020-2022. This sets out the potential areas for collaboration, in relation to the regional planning public service mission. Many of these actions are implemented through

partnerships with actors from the social and solidarity-based economy (SSE) and support for local social innovation ecosystems. The Group's size and its ability to bring together multidisciplinary actors thus allow large-scale projects to be developed.

3.3.1 FONDATION LA FRANCE S'ENGAGE

Le Groupe La Poste is one of the institutional partners of Fondation La France s'engage. The Foundation certifies social innovations and finances and supports social cohesion and solidarity projects through various competitions and awards. The Group's employees are involved in the various stages of the competitions and work with some of the winners through skills-based volunteering.

One employee also works full-time for the Foundation on this basis.

In 2019, 12 new winners were picked and received support for their projects.

3.3.2 THE DYNAMIC ALLIANCE, 50 PARTNERSHIPS WITH THE SOCIAL AND SOLIDARITY-BASED ECONOMY

**50 partnerships
NATIONWIDE**
**8 areas
FOR COOPERATION**

Since 2014, Le Groupe La Poste and SSE actors have framed their joint action within the Dynamic Alliance. This enables them to forge close links with SSE actors and to replicate successful initiatives nationwide. There are three complementary objectives:

- to increase the Group's revenue;
- to develop joint solutions to meet the needs of the regions together;
- to make these alliances a lever for societal innovation.

The following examples illustrate this approach:

20 SSE-operated La Poste outlets were set up in the regions, partly in association with Dynamic Alliance members. For example, SSE-operated La Poste outlets are managed in conjunction with the non-profit organisation Pimms in Grenoble and Brest, and with the non-profit organisation Face in La Roche-sur-Yon and La Seine-sur-Mer.

The partnership with "Comptoir de Campagne", a rural multi-service hub, has enabled four SSE-operated outlets to be set up in the Auvergne-Rhône-Alpes region. Developments are planned in four more regions by 2021.

3.3.3 LES ÉLANCEURS

The “Les É lanceurs” programme promotes projects that are useful for the regions. The annual award recognises and supports projects in line with one of the three pillars of La Poste’s societal

commitment. The ten finalists receive one-to-one support and publicity for their project. In this way, the Group encourages them to scale up their activities.

THE TWO 2019 WINNERS

CAPILLUM

Winner of the “Business Partner” award, this start-up plans to collect and recycle cut hair from hairdressers as a source of Keratin for medical and cosmetic use. The raw material is therefore used as a water de-pollutant or for treating patients with third-degree burns.

TOOLIB

Winner of the “Innovation” and “Super Winner” award, Toolib offers an application which is halfway between AirBnB and Blablacar for hiring accommodation, equipment, vehicles or services tailored for disabilities.

3.3.4 THE FRENCH IOT PROGRAMME

The French IoT programme was launched by La Poste in 2015. The aim is to bring together start-up, innovative SMEs and large French groups to foster innovation for the Internet of Things.

In 2019, women made up 33% of the competition finalists, backed by the “Femmes du numérique” (“Women in Digital”) scheme. The 2019 fast-track programme also brought more female mentors on board.

Each year, a competition is held in which the partners choose 15 start-up from the fields of health, mobility, local services, deep tech and citizenship. The winners receive development support.

3.3.5 AT VIVA TECH, A START-UP INCUBATOR

La Poste attended the Viva Tech trade fair in May 2019 accompanied by almost 40 start-up partners. These start-up come from all regions, illustrating how well La Poste is anchored in local communities. Visitors were able to learn about the new banking and insurance solutions supported by La Banque Postale’s platform⁵⁸

incubator. For example, Goodeed is offering to donate to eco-solidarity projects in exchange for watching adverts on its platform.

3.3.6 ASHOKA, AN INTERNATIONAL NETWORK OF SOCIAL ENTREPRENEURS SUPPORTED BY DPDGROUP

Ashoka, a network which was created 35 years ago identifies and supports 3,300 social entrepreneurs in 85 countries. DPDgroup renewed its partnership with the association for the period 2017-2020. This partnership involves financial and/or logistical support for social entrepreneurs especially in the areas of mobility and employment. DPDgroup is committed to supporting at least three Ashoka members.

In parallel the association is organising discovery sessions for employees to find out about social innovation. Opportunities for employees can also be identified with social entrepreneurs. Social innovation is seen as a real opportunity for growth and a way to foster employee commitment.

3.4 Improving social interaction

Working alongside non-profit organisations, the Group has long been committed to helping young people into work. With the *Écoles de la deuxième chance* ("Second chance schools"), *Nos Quartiers ont du talent* ("Our neighbourhoods have talent") and *Le Foyer de Cachan*

(a careers guidance centre for young people from disadvantaged backgrounds), La Poste employee volunteers provide support to and share knowledge with young people. In 2019, the Group decided to join a new partnership, the PAQTE initiative.

3.4.1 PAQTE, RALLYING THE COUNTRY BEHIND UNDERPRIVILEGED NEIGHBOURHOODS

The PAQTE (a multi-company neighbourhood agreement) is an initiative of the French Ministry of Regional Cohesion and Local Authority Relations. It seeks to muster business support for the 1,514 urban priority neighbourhoods with a view to improving the economic inclusion of these regions and their inhabitants.

La Poste is involved in the following four areas of the scheme:

Educate

PAQTE seeks to encourage businesses to open up to **young people from underprivileged neighbourhoods** by fostering dialogue between young people and company employees. For La Poste, this commitment translates as:

- **3,700** interns (all levels combined) hosted during 2018-2019;
- 15% of interns came from urban priority neighbourhoods in 2018-2019;
- 750 year 11 students given work placements in 2018-2019. This will be scaled up next year;
- 1,100 La Poste sites have offered to host year 11 students on work placements.

Train

Work-study contracts are an attractive career option for young people from low-income families.

La Poste, as a responsible and civic-minded company, remains committed to training young people at all academic levels (from vocational certificates to masters degrees) and in a wide range of fields (customer relations, distribution, logistics, banking, management, etc.). It is intent on offering first-class training opportunities to all young people, especially those from **urban priority neighbourhoods (13% of work-study students in 2019).**

For that reason, La Poste has decided to extend the scope of its Corporate Learning Training Centres ("Formaposte") to new cities such as Lyon, Lille, Nantes and Grenoble.

Recruit

La Poste is keen to **provide employment** for people from a wide range of backgrounds.

Its recruitment is governed by a Charter which lays down the commitments and Code of Conduct for all stakeholders, whether they are recruitment professionals or managers. The Charter is accompanied by a recruitment guide which outlines the best practices for each stage of the recruitment process, the aim being to be as open as possible to all potential applicants. As a result:

- **483** people living in an urban priority neighbourhood were hired on permanent contracts by La Poste in 2018;
- **209** people living in one of the Emplois Francs pilot regions were hired on permanent contracts by La Poste in 2018.

Buy

The PAQTE puts buyers from partner companies in contact with VSEs and SMEs in deprived areas (urban priority neighbourhoods, rural areas, overseas), as well as firms that recruit there, such as organisations that help the long-term unemployed back into work, the disabled and sheltered sector, and disability employment organisations. In 2019, the Purchasing Department of Le Groupe La Poste developed a website for companies which simplifies the registration process and allows consultation of calls for tender. Given the network of disadvantaged regions in which La Poste operates, it endeavours to buy as locally as possible. To that end, it works with **more than 5,300 suppliers covering the entire scope of the PAQTE programme**, equating to €390 million in purchases and **12% of its suppliers**.

3.4.2 L'ENVOL, THE LA BANQUE POSTALE CAMPUS

446 students
RECEIVED SUPPORT FOR THEIR A LEVELS IN 2019

La Banque Postale is committed to social sponsorship for education and equal opportunity. It therefore created "L'Envol, le campus de La Banque Postale" in 2012. It has been supported by the Ministry of Education since its launch. Its mission is to assist talented pupils from disadvantaged backgrounds throughout France.

The pupils receive personal support from high school up until they enter one of general, technological or professional streams of excellence in higher education. The support can continue until they find their first job. High school students who wish to prepare

for medical studies, Sciences Po and other prestigious educational institutions, benefit from 28 intensive training courses to prepare them for the tough entrance exams. The programme is innovative due to the length of the support received, between six to eight years, creating an essential bridge between high school and higher education.

The employees of La Banque Postale and Le Groupe La Poste can get involved by sponsoring a young person or become a trainer sponsor. Since 2017 the employees have been offered training before they commit to helping a young person. In 2019, 150 of them received this training. More than **900** employee volunteers have joined the community since the programme was launched. They have assisted more than **700** students. From the 2021 academic year, the programme is expected to benefit around 600 pupils each year.

3

3.5 Support the civic engagement of employees

3.5.1 SUPPORT FOR POSTAL ASSOCIATIONS

La Poste's National Department of Social Activities (DNAS) has set up a support plan. It aims to prevent risks through training. It also encourages employees to volunteer during a dedicated day.

A specific HR "postal voluntary management" function

A specific HR function was created in 2017, in response to objective of encouraging commitment from employees. Its role is to support individuals who decide to play a key role in non-profit organisations with the management of their career and highlight the value of their volunteering roles.

Hundreds of DPDgroup employees across Europe are also supported in their fund-raising efforts. All local subsidiaries are involved, supporting 679 organisations. Altogether more than 28,000 employees have signed up, with three local foundations taking part in Spain, Germany and Poland. The sponsored projects often have a link to the expertise of DPDgroup, particularly in the field of community transport.

3.5.2 FINANCIAL SPONSORSHIP

Le Groupe La Poste actively supports its staff associations working in the area of solidarity. It encourages its employees' commitments through sponsorship or skills-based volunteering. Active and retired employees are involved in these structures thus embodying their company's commitment.

Philanthropy through financial support – Key figures highlighting community action initiatives in 2019

Entity	Type of engagement	Budget in €
La Poste	Tax-deductible charitable donations by La Poste	7,809,332
	including: La Poste's Corporate Foundation	960,000
La Banque Postale	Tax-deductible charitable donations by La Banque Postale	6,984,075
DPDgroup	Charitable donations to Institut Pasteur, Ashoka, etc.	747,628

3.5.3 SKILLS-BASED VOLUNTEERING

Le Groupe La Poste supports registered charities by offering its employees a wide range of secondments. The scheme is divided into different areas, which were redefined in 2018: Solidarity, Environment, Education, Health, Inclusion through Sport and Inclusion through Culture.

Charities and their projects are identified and categorised to reflect the Group's challenges, its overall strategy and its ethical values. **In 2019, a dedicated online platform was set up** to put employees keen to get involved in touch with organisations looking to become partners.

Nearly 100 partner NGOs are present on the platform, including FACE, World Cleanup Day, *Institut de l'engagement*, the French Red Cross, *Force Femmes* and *Énergie Jeunes* (non-profit associations

helping women to return to work or set up a business and tackling academic underachievement, respectively).

In September 2019, a nationwide pilot was launched. 20 skills-based volunteering secondments were approved and 36 employees volunteered during their working day.

To coordinate efforts in this area, in 2019 the **Alliance pour le mécénat de compétences** ("Alliance for skills-based volunteering") brought together 17 large companies keen to promote skills-based volunteering and share best practices. La Poste is one of the project sponsors and sits on the Board of Directors. In 2019, the newly formed alliance appointed its first working groups and prepared an action plan.

A new proposal for **short-term** skills-based volunteering was trialled in Lille. Employees provide partner organisations with ad hoc support or brief training sessions. A dozen employees spent a day doing a community hackathon to raise money for charity. In view of the success of these pilots, the scheme is set to be rolled out nationwide.

Lastly, late-career volunteering is always popular among employees keen to put their skills to good use. In 2019, 227 employees supported 80 non-profit organisations in this way.

3.6 Economic and social appendix

GEOGRAPHICAL PRESENCE

GRI	Indicator	Scope	Unit	2017	2018	2019
102-7	Sorting centres, distribution hubs and depots	LGLP	Number	2,890	2,898	2,765
102-7	Customers per day	La Poste	Millions	1.5	1.5	1.2
102-7	Homes served	La Poste	Millions	41	39	39
102-7	Livret A passbook accounts	LBP	Millions	15.5	15.3	15.0
102-7	La Poste retail outlets, France	La Poste Network	Number	17,100	17,238	17,033
102-7	Post offices	La Poste	Number	8,655	8,145	7,741
102-7	Community and inter-community branches	La Poste	Number	6,075	6,339	6,459
102-7	La Poste Relais service points	La Poste	Number	2,513	2,754	2,807
102-7	Postmen-counter clerks	La Poste	Number	755	922	985
102-7	Public service areas	La Poste	Number	504	503	501
102-7	Driving license theory test centres	La Poste	Number	549	549	638
102-7	"La Poste Relais" outlets-SSE service points	La Poste	Number	14	17	20
102-9	Purchases	La Poste	€m (excl.VAT)	3,616.6	3,783.0	4,186
201-1	La Poste Mobile phone customers	La Poste Mobile	Number in millions	1.4	1.5	1.7
203-1	French population living less than 5 km from a La Poste retail outlet	LGLP	%	97.1	95.7	95.6

ECONOMY

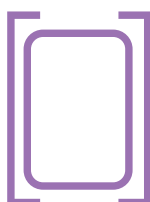
GRI	Indicator	Scope	Unit	2017	2018	2019
201-1	Revenue from commercial activities	LGLP	€bn	18.5	19.2	20.4
201-1	Share in profits/(losses) of jointly controlled companies	LGLP	€m	8	-14	-25
201-1	Share in profits/(losses) of other equity associates	LGLP	€m	297	291	305
201-1	Operating profit/(loss)	LGLP	€m	1,012	892	889
201-1	Employee wages and benefits	LGLP	€m	13	13	13
201-1	Wages, salaries, bonuses and allowances	LGLP	€bn	9.1	9.4	9.4
201-1	Pension contributions, social security contributions and employee benefit costs	LGLP	€bn	3.1	3.1	2.8
201-1	Taxes and payroll contributions	LGLP	€m	779	767	734
201-1	Local taxes	LGLP	€m	143	135	133
201-1	Miscellaneous taxes	LGLP	€m	115	122	214
201-1	Income tax expense	LGLP	€m	248	161	134
201-1	Amount received in respect of the CICE tax credit	LGLP	€m	391	320	0
201-1	Dividends paid to La Poste shareholders	LGLP	€m	173	171	221
201-1	Access to banking services	La Poste	€m	340	320	300
201-1	Regional planning	La Poste	€m	174	174	174
201-1	Philanthropy and sponsorship	LGLP	€m	15	11	12
201-1	Funding granted to the Foundation	LGLP	€m	0.96	0.96	0.96
201-1	La Banque Postale SRI amounts outstanding	LBP	€bn	109.1	115.06	137.2
203-2	Weighting of SRI outstandings in relation to total assets under management	LBP	%	50.0	50.0	60
201-1	La Banque Postale net banking income	LBP	€bn	5.7	5.6	5.6

SOCIETY

GRI	Indicator	Scope	Unit	2017	2018	2019
413-1	Expenditure on temporary staff	La Poste	€m	310	312	385
413-2	Purchases from the protected sector and from integration sector organisations	La Poste	€m	24.4	21.95	26.2
102-9	Purchases from the disabled and sheltered sector	La Poste	€m	16.8	14.34	12.1
102-9	Purchases from the integration sector organisations helping people back into work	La Poste	€m	7.5	7.61	14.1
413-1	Financing for the local public sector	LBP	€bn	10	13.0	16.4
413-1	Financing provided to small- and medium- sized businesses	LBP	€bn	2.4	5.9	5.9
413-1	Personal microloans	LBP	Number	2,114	1,943	2,720
413-1	Livret A passbook accounts holding assets of less than €150	LBP	%	51	51	51
413-1	Silver economy and Healthcare revenue	La Poste	€m	71	137	170
413-1	Services to individuals: Proxi revenue	LGLP	€m	34	58	210
413-1	Co-working sites developed together with Start-Way	LGLP	Number	15	20	28

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LE GROUPE LA POSTE ACTS FOR ETHICAL AND



The rapid and continual development of digital technology creates a wealth of opportunities to make life simpler. Yet it also raises new social (ethical) questions and accentuates the effects of the digital divide. La Poste is actively working to ensure that everyone can have access to inclusive, responsible and ethical digital services.

PROMOTING DIGITAL INCLUSION

Le Groupe La Poste actively works to give everyone access to digital services. It provides special equipment and devices to support the most vulnerable.

By equipping postmen with mobile handsets and installing digital tablets in post offices, La Poste connects people and ensures they get the advice and support they need. It also wants to set the standard when it comes to access to its websites and mobile apps.

A committed player in digital inclusion within an ecosystem of actors, La Poste works closely with its institutional and third-sector partners to roll out detection and support devices and equipment and thus help bridge the digital divide across regions.

DEPLOYING RELEVANT DIGITAL TECHNOLOGY AVAILABLE TO ALL

As a digital services provider and trusted third party, La Poste invents simple, effective and universally accessible solutions.

Digital has the power to promote inclusion and access to services – especially banking – provided you know how to use it. Keen to build trust in its digital services, Le Groupe La Poste is developing robust tools to ensure the responsible use of data. This is especially important point when it comes to health data!

ENSURING ETHICAL DIGITAL SERVICES

As it is a bank and business with a human focus through its distribution network, French people trust La Poste with their personal data. To manage this data, La Poste has introduced strict internal governance which provides an ethical framework for data use.

The European General Data Protection Regulation (GDPR) strengthens the framework for data processing. A trusted company, La Poste has launched a Data Charter, which formally sets out its commitment to confidentiality. All employees take an oath to comply with the charter, which sets them apart from all other data operators.

PROMOTING DIVERSITY IN THE DIGITAL SECTOR

La Poste is helping to encourage more women into digital professions.

The digital sector is booming, yet women only occupy a marginal place in it. La Poste, which has long been engaged in the fight for gender equality, calls on women (and men) to put an end to a recognised phenomenon in the job market: the over-representation of men in high-potential sectors.



RESPONSIBLE DIGITAL SERVICES

4

BEING A RESPONSIBLE AND EXEMPLARY COMPANY

By offering all its services online, such as Digital Identity, Digiposte+, laposte.fr and "quechoisir.com", La Poste, a trusted third party, upholds the **values of universality, sustainability and neutrality** in both the physical and digital world.

100% of postmen have been equipped with smartphones. These simplify their daily routine and are an opportunity to offer new services.

100% of data are hosted in Europe. La Poste's servers are all located in Europe,

either at wholly-owned or third-party data centres. All centres are state-of-the-art, both in terms of data security and their environmental footprint.

Data Charter and oath. As a pioneer in data confidentiality with its Data Charter, included in the oath taken by La Poste employees, the Group is resolutely committed to artificial intelligence. To that end, it has set itself eight golden rules.

Docaposte certified for excellence in its customer relations. Docaposte, the Group's digital subsidiary, has been awarded ISO 18295-1 certification in recognition of the quality of its customer experience, particularly at its customer call centres. This is in addition to eight other certifications already obtained.

100% of managers have been trained, 100% of La Poste employees have been informed and 100% of data actors have been equipped for digital data protection.

GUIDING OUR CUSTOMERS THROUGH THE TRANSITION

An average of 20 million visits per month to the website and the mobile app laposte.fr, making life simpler for customers. With its e-commerce approach to customer service (mailing assistant, marketplace, customer service chatbot, etc.), laposte.fr offers services that make daily life simpler for customers.

No. 1 for digital archiving, electronic voting and the electronic signature. As a trusted digital third party, Docaposte offers solutions to enhance the security of data sharing and storage in France.

10,000 digital tablets are available for customers to use at La Poste retail outlets.

Leading host of medical data in France. Hosting 45 million medical documents, Docaposte supports all healthcare actors in digitising the relationship with patients.

Tech & Trust by Docaposte. The "Tech & Trust" label attests to the values of trusted third parties backed by Le Groupe La Poste, for companies and the public sector hosting their data on the Group's servers.

Leading digital identity provider. With a digital identity, more than 255,000 users can log in to all online public services using a single login, verified at home by the postman. This is the first service to obtain substantial security level certification from the French national cybersecurity agency (ANSSI).

4 million digital safes. French people have free access to a smart, secure digital safe. They can use it to store payslips, certificates or any other official document. The service is available for individuals and SMEs to securely store and exchange documents.

DRIVING CHANGE IN SOCIETY

80,000 people identified. People struggling to use digital technology can get help with online administrative procedures at one of the 501 public service areas housed in post offices.

317 post offices identify people with digital illiteracy and offer them training in partnership with Face, PIMMS and Emmaüs Connect as part of the Social and Digital Inclusion Plan.

The first smart city projects. In Angers and La Rochelle, La Poste is involved in local collectives, transforming citizens' lives by hosting the data generated by new technologies, providing the human link and contributing its expertise in urban logistics.

Commitment to gender equality. La Poste has increased the number of women qualifying for its programme to support start-up dedicated to the Internet of Things (French IoT) to reach parity in 2020. It has also launched the Coups de Cœur La Poste #FemmesduNumérique awards.

Responsible Digital Charter. A founding member of the *Institut du numérique responsable* (a think-tank on the sustainable application of digital technology) La Poste is committed to transparent and reassuring digital technology for all. Its Responsible Digital Charter was signed in June 2019.



Ambitions

The rapid growth of equipment and networks has made it possible for the use of digital services to take off. As a result, 88% of the French population is connected to the Internet, and 78% of Internet users connect daily. However, for the vast majority of citizens, completing administrative procedures online remains complex, and only one adult in three has not experienced any obstacles to their widespread use⁽¹⁾. Moreover, the digital divide still exists. Thirteen million French people are still at a disadvantage, with half of them having no Internet access at all. For these audiences, who are often elderly and/or rural, the digitalisation of public services, the dematerialisation of communication and banking services, and access to information and commerce are becoming a source of exclusion and fragility.

Even though digital technology offers many opportunities, its intrusion into all spheres of society and the development of artificial intelligence raise ethical questions about the use and confidentiality of data.

Building on the strength of its historical positioning as a trusted third party, La Poste acts as a responsible, exemplary company in

the deployment and use of digital technology. It also guarantees the accessibility of its sites and services, especially banking services.

Its desire to guide and support its customers through the digital transition has led La Poste to mobilise to develop and offer new digital services and solutions (including trusted services) for an accessible, useful and responsible digital world. The digital tools it develops guarantee private individuals and companies the security and confidentiality of their e-health and other data.

Finally, La Poste is working with the ecosystem to ensure that digital technology has a positive societal impact. As an embodiment of the values of proximity and universality, La Poste's objective is to help everyone to act autonomously and with confidence in the digital world. To that end, thanks to its network, its numerous partnerships and the skills of its employees, it acts to detect, support and equip people living in digital insecurity. It is also the driver behind work that is contributing to the development of an ethical and responsible digital environment.

In order to achieve all these goals, La Poste has set itself the following targets for 2020:

Material aspect	Goals for 2020	Progress as at 31/12/2019
Employee training	<ul style="list-style-type: none"> • Training in the protection of personal data (implementation of an e-learning module in 2018) • Implementation of the Data Charter: distribution to all employees (monitoring by the Digital Services business unit and communication divisions) 	<ul style="list-style-type: none"> • 13,600 people trained in 2019, compared to 4,900 in 2018 and 360 in 2017 • 100% of managers trained in 2018
Equipment	<ul style="list-style-type: none"> • Number of mail carriers in Factéo 	<ul style="list-style-type: none"> • 90,000 Factéo • 100% of the 501 <i>maisons de services au public</i> (public service areas) equipped
Digital inclusion	<ul style="list-style-type: none"> • 300 post offices on the digital inclusion agenda in 2019 	<ul style="list-style-type: none"> • 327 active post offices • 6,500 people detected/assisted
Winning customers digital vault service	<ul style="list-style-type: none"> • Promoting Digiposte+ (a smart and secure digital mailbox) • Integrated Single Customer Account objective in the Chairman's roadmap 	<ul style="list-style-type: none"> • 4.4 million Digiposte+ mailboxes opened • 15 million Single Customer Accounts

* Public service area (multi-partner service point).

(1) Source: 2019 digital survey - Credoc.

4.1 Being a responsible and exemplary company in data security and use

For Le Groupe La Poste, the confidentiality of employee, supplier, service provider and customer data is a prerequisite for the performance of its business activities. A pioneer in the responsible use and security of data, the Group updates its systems and tools every year to overcome this major challenge through robust governance and the Data Charter.

In 2019, the Group Green IT Committee, which unites the various business units IT services departments, was reorganised to form the **Group Digital Responsibility Committee**. It now brings together the various IS, CSR and Purchasing Departments around an action plan that work together on ten Responsible Digital themes.

4

4.1.1 DATA GOVERNANCE

The deployment of the data protection framework is supported by strong governance in which several functions are involved. Some of these roles are more recent, such as the Data Protection Officer (DPO) and the Chief Data Officer (CDO). Others, such as the Information Systems Department, the Heads of Information System

Security, Audit and Control, and the CIL (French Data Protection Authority) officer, predate the GDPR and Data Charter. The data roles and responsibilities are presented below.

Function	Role
Data Protection Officer (DPO)	The Data Protection Officer monitors compliance with the regulations concerning the protection of personal data within the Group and does so completely independently. The DPO provides information to employees, raises their awareness about key issues and advises on how personal data should be processed. Verifying compliance with the Data Protection Regulations is another aspect of this role.
Chief Data Officer (CDO)	The CDO and supporting team are tasked with harnessing the full value of La Poste's data capital and helping to lead the Group's data transformation.
Artificial Intelligence (AI) Division	The CDO is also responsible for communicating about and delivering the cultural change necessary for the Group's transformation. The CDO leads the CDO Committee – which consists of the CDOs, the DPOs, the information system security managers, the ethics officer and the Communication Department – which meets three times a year.
Information Systems Department	Its roles include: <ul style="list-style-type: none"> • supporting the digital transformation; • overseeing the consistency and optimisation of the Group's information systems. The ISD prepares the strategies and coordination for the Group's information systems. Decisions are taken by the Group's IS Committee, which is chaired by the secretary general.
Head of Information Systems Security (HISS)	Each Le Groupe La Poste entity (business units, parent company, services to business units and subsidiaries) has a Head of Information Systems Security (HISS). The HISS defines, implements and is responsible for smooth operation of the security management system for information systems at entity level. Thanks to their knowledge of the Group's information systems, the HISS and cybersecurity teams contribute to the choice of technologies and infrastructures.
Group Audit and Risk Department	Through regular audits at the business units, the Group Audit and Risk Department analyses and monitors risk management and internal control issues related to GDPR compliance and introduction of the Data Charter.
Deputy DPO or French Data Protection Authority advisor	The point of contact for the DPO, he or she discloses any personal data processing carried out within the entity and ensures that it is compliant. The deputy DPO also helps to raise awareness of and apply the personal data protection policy drawn up by the Group.

4.1.2 INTRODUCTION OF THE GENERAL DATA PROTECTION REGULATION (GDPR)

Work relating to the General Data Protection Regulation (GDPR) started in 2016. To continue to ensure the robustness of the system, it continued in 2019. The Group has improved the compliance of the personal data processing that it performs according to the risk-based approach recommended by the GDPR and the French Data Protection Authority. The compliance programme includes:

- a technical component, including privacy by design and compliance of existing applications;
- an organisational component, with the setting up of a "data protection" organisation within the Group, including a shared Data Protection Officer (DPO) and Deputy DPOs;
- a legal component, including the updating of the information statements and contracts of the subcontractors in compliance with the GDPR;

- an employee training component on compliance with the Data Protection Regulations.

In this context, the **oath sworn by postal workers** to respect the digital data entrusted to them is a strong and distinctive feature of the system. Since 2014, this solemn individual commitment has supplemented the traditional oath of respect for the correspondence and sums with which they are entrusted. It requires that La Poste be uniquely positioned as a **trusted third party** in the digital landscape.

In particular, Intertek, EID, AS, Afnor and the ministries all agree on the quality and reliability of Docaposte's offers. La Poste's digital subsidiary has already received **eight different certifications**: for its management system (quality, security, environment, information security, customer relations), and for its offerings (electronic archiving, production of standardised cheque forms, collection system).

4.1.3 GROUP DATA CHARTER

Even before GDPR, the Data Charter adopted in May 2016 brought the development of the Group's digital services into line with its values of transparency and ethics. As a trusted third party, Le Groupe La Poste strives to offer its customers a simple, secure and comprehensive digital solution.

The Data Charter establishes the framework for using consumer data. It is intended to cover all stakeholders:

- **external:** consumers, individual customers, professionals, non-profit organisations and client businesses, suppliers, public authorities and the Group's shareholders;
- **internal:** data controllers and, more generally, all employees of the La Poste parent company and of its main subsidiaries.

6 AMBITIONS OF THE DATA CHARTER

PROVIDE CUSTOMERS WITH
A CONSTANTLY-GROWING
RANGE OF SERVICES

GIVE PEOPLE
CONTROL OF THEIR
PERSONAL DATA

PROTECT DATA AND
REPORT ON HOW IT
IS PROCESSED

SAFEGUARD
TRUST-BASED
RELATIONSHIPS
BETWEEN PARTNERS
(customers, suppliers, etc.)

PROMOTE OPEN DATA
AND OPEN INNOVATION
for the common good

DO WHAT IS NECESSARY TO
ACHIEVE ITS OBJECTIVES
(leadership, governance,
change management and
continuous improvement)

Since 2016, three major types of asset have been harnessed:

- **people:** with the employee oath extended to digital aspects. Training courses, “educational cafés”, a guide and practical information sheets make employees aware of the concepts and challenges of data governance. At the end of 2019, 100% of postal workers received information, 100% of managers were trained and 100% of data processors equipped;
- **technical assets:** a pooled infrastructure – the data lake. The very concept of the data lake (security measures, traceability,

consent, storage periods, etc.) means that projects comply by design with the Data Charter and GDPR;

- **expertise:** a centre of artificial intelligence expertise, ProbaYes. With more than 50 data scientists, this expertise strengthens the Group’s skills and enables it to acquire know-how in artificial intelligence to support the branches in their performance (traffic predictability for DPDgroup, fraud detection, “My Stamp Online” chatbot).

4.1.4 MONITORING AND FORECASTING OF ONLINE CUSTOMER RELATIONSHIP ETHICS

To guarantee a trustworthy digital environment, the Group is working on the issue of ethical use of Artificial Intelligence (AI) in customer relations. Within Hub France IA, La Poste contributes to the discussion of manipulative strategy in customer relations and addiction issues.

Internally, the identification of risks of this type by the developers of the Group’s sites and in the specifications is in progress, as is the drafting of an AI Charter.

4.1.5 ACCESSIBILITY OF INTERNET AND EXTRANET SITES

Le Groupe La Poste has a responsibility to make all its digital platforms accessible. Its teams work to make them user-friendly, intuitive and responsible. The website www.laposte.fr can be accessed by the visually impaired and meets current standards of accessibility. Deaf users and those with hearing impairments can access online customer service provided by employees using French sign language and a webcam.

accessible, which are equally applicable for purchasing, IT, communication and indeed any other functions.

Moreover, accessibility criteria are included in the specifications of service providers.

In 2018, IT services were centralised within the IT shared service centre. This supported the business lines in their day-to-day operations while pooling resources to reduce costs.

Accessibility by design

Websites for internal and external audiences have to be accessible by design.

The “Digital & Accessible” Intranet site for the Group’s employees answers any site accessibility questions they may have. For example, “What accessibility guidelines should be included in a supplier consultation or call for tenders?”, “What are the best accessibility practices when creating a website or an accessible mobile app?”, “How can accessibility be built into a project from the outset?”.

This website provides a central repository for all the methodological resources and best practices for making digital platforms

Employee training and awareness

In addition to the Intranet site, the Group has developed a series of training courses. These range from awareness-raising to digital accessibility and accessible website development. As for the responsible design of digital services, several short information videos (produced with the support of an external expert) for IS teams were produced in 2019 and will be deployed in the first half of 2020. In addition to these videos, several lifecycle analyses (LCA) of digital offers were carried out to determine their real-life impacts and identify optimisation levers.

4.2 Developing useful, accessible and inclusive digital services

La Poste acts on behalf of all customers (private individuals and businesses) by using digital services to simplify their daily lives and offering La Poste's and La Banque Postale's essential services online in a secure, accessible manner 24/7.

Beyond this, the fight against the digital divide is an important societal issue and a fundamental tool in the fight against insecurity

and exclusion. Building on its territorial presence and its status as a trusted third party, La Poste conducts innovative initiatives to promote the accessibility and use of digital services by everyone nationwide. In this way, it contributes to the emergence of an inclusive digital society, the modernisation of public service activities and the simplification of the use of public services by citizens.

4.2.1 OFFERING USEFUL, DEMOCRATIC SERVICES

Digital inclusion is also about enabling everyone to preserve and securely access their digital assets, including their personal documents in digital format. Concern for the security of personal data is the main obstacle to Internet use for 43% of Internet users⁽¹⁾. All of La Poste's servers are located in France, thus ensuring a commitment of sovereignty for the hosted data.

Making administrative documents secure with the Digiposte+ digital mailbox

In 2010, La Poste developed an intelligent and secure digital letterbox called Digiposte+, which was supplemented by a mobile app in 2016. These free tools allow users to store administrative documents and assist them in their daily lives by providing them with a list of necessary documents for renewing an identity document or other procedures. The acquisition of electronic document management specialist Eukles in 2018 increased the functionality of the tool. By the end of 2019, 4 million users, including nearly 2 million employees, were able to archive and transmit their invoices, account statements or pay slips in secure areas hosted in France.

The app is particularly useful for disadvantaged social groups. Partnerships with Assistance Publique – Hôpitaux de Paris and the Directorate-General for Social Cohesion (DGCS) enable the public in precarious situations to keep their certificates, documents and information in Digiposte+ and thus have access to them with the help of social workers who provide them with consultation points.

La Poste has also signed a partnership with the French national education system, making it possible to digitise and secure French school children's certificates of qualification for life.

Simplify and secure online processes with Digital Identity

As more and more services move online, managing usernames and passwords is increasingly tricky, while preventing identity theft is becoming a daily effort. Since 2015 La Poste has been offering a solution. Digital identity provides the user with a unique and secure key, which they can use to easily and safely connect to over 700 public and private services. The identification and authentication solution requires a face-to-face identity check by a La Poste employee to set it up, and the user must confirm each login on their mobile. These checks provide greater identity security.

4.2.2 FOSTERING THE EMERGENCE OF E-HEALTH

In 2019, through its subsidiary Docaposte, France's leading health data host of 45 million pharmaceutical and other records, the Group acquired Icanopée, the leading provider of DMP connectors for software publishers, and purchased a stake in the Canadian company Tactio, which publishes software that helps doctors monitor their patients remotely.

Docaposte, which relies on its territorial network to promote the deployment of e-health locally, has pursued its e-health strategy by signing agreements with the Cerba Healthcare group

of medical biology laboratories, the University Hospital Institute (IHU) in Strasbourg, the Raphaël Institute and the Central Hospital IT Purchasing Office (CAIH). These partnerships supplement the set of solutions developed to bring hospitals and homes closer together for the good of the patient. To promote the acculturation of health professionals to digital technology, Docaposte was also the force behind the "Les Trois Sphères" e-health think tank.

(1) 2018 digital survey – Credoc.

4.3 Working with the ecosystem to ensure that digital technology has a positive societal impact

In addition to acting as a responsible and exemplary company in its use of digital technology and proposing useful and innovative digital services, Le Groupe La Poste is making a concrete commitment to the ecosystem to promote the development of an ethical and

inclusive digital environment. The complexity and scope of the issues raised require us to join forces with other players from all sectors of society to act together, bring about change and create tomorrow's models and solutions.

4

4.3.1 LA POSTE SIGNS THE INR'S RESPONSIBLE DIGITAL CHARTER

As a founding member of the Institut du numérique responsable (INR), Le Groupe La Poste contributed to the development of its Charter. It was one of the first signatories on 4 June 2019.

This Charter has several aspects relating to the environmental impact of digital services, responsible design of digital services,

sustainable value creation, digital innovation, digital auditability and digital ethics. Regarding this last point, the Charter's commitments include digital usage that is transparent and reassuring for all, data collection via Artificial Intelligence and recruitment and working conditions for digital employees.

4.3.2 PARTICIPATION IN INDUSTRY EFFORTS

During 2019, the Group was involved in various projects in connection with ethical and responsible digital services:

- as a member of the working groups of the Secretariat of State for Digital Affairs and as a co-rapporteur for one of them. The creation of an "Inclusive Digital" label was the focus of the work in 2019;
- involvement in the work of CIGREF (association of Information Systems Directors of large French companies) on digital ethics and responsibility;
- participation in the work of Syntec Numérique (a professional organisation of digital service companies, software publishers and technology consulting firms) on responsible digital use;

- participation of the different branches (La Banque Postale, Digital Services business unit and Societal Commitment Department) in the "Ethics" working group of the France AI Hub. The aim was to prepare a joint response to the European Commission High-Level Expert Group's request for a text and operational assessment grid for "trustworthy AI";
- work completed on strategies for capturing attention in partnership with FING (Foundation for a New Generation Internet);
- participation in the work of the RESET programme of FING. This programme is responsible for defining a new vision of digital technology and its contribution to society. This work began in early 2019 with the publication of an opinion column in the press of which the Group was one of the signatories.

4.3.3 DETECTING AND SUPPORTING PEOPLE LIVING IN DIGITAL INSECURITY

At postal outlets

Digital equipment is being rolled out to the Group's 17,000 retail outlets. This is supported by funding provided for in the local postal coverage agreement as adapted to local conditions.

In particular, in the 501 public service areas (MSAPs) hosted by La Poste, **80,000** people living in digital insecurity were detected in 2019 and supported by La Poste customer service managers. The objective is to help people that use the services of public service areas to navigate the websites of partner organisations (Pôle Emploi, CAF, etc.). For this purpose, La Poste provides digital facilities, which are also available in some post offices, that allow

free and secure Internet use. Users can also have access to short training courses on Internet use provided by La Poste's partners.

In post offices

A survey in the form of a questionnaire on digital know-how was performed in the first half of 2019 in 300 post offices throughout France. La Poste ombudsmen and customer service managers have been trained for this mission. These questionnaires are essential to provide effective guidance to the groups concerned and make customers aware of the digital tools provided by La Poste.

BANKING INCLUSION PLAN USING DIGITAL TECHNOLOGY

Digital exclusion is a mass phenomenon for over five million citizens who experience both social and digital insecurity. In particular, 50% of La Banque Postale customers in priority zones say that they are not able to carry out online procedures by themselves.

To help overcome this difficulty, La Banque Postale set itself the goal of gradually deploying a network of digital assistants in 300 post offices in 2019. This digital banking inclusion plan is designed to enable customers to be more independent in accessing essential banking services available online. 40,000 detections were made in 2019 and 1,300 people supported and trained.

The plan proposed by the Bank is based on a comprehensive framework:

- inform customers of transactions that can be performed on automated postal machine and online applications;
- support customers and give demonstrations using the ombudsman's tablet;
- offer training in the use of digital technology in non-profit networks.

To implement these proposals, La Banque Postale is supported by La Poste Network's teams and a network of volunteer organisations: We Tech Care, the Fondation Agir Contre l'Exclusion (FACE) and the Union Nationale des PIMMS (Points Information Médiation Multiservices).

In the home

On the request of public operators, postmen visit people's homes and use a questionnaire to assess their level of digital independence. Using their Smartphone or tablet (Facteo)

equipment, postal carriers can also provide initial digital support directly by video module.

For seniors, La Poste has developed the Ardoiz digital tablet, which is specifically adapted to their use. To make it easier to get started, group workshops are offered. These are run by postal employees or by non-profit partners.

4.3.4 OFFERING NEW CAREER OPPORTUNITIES FOR LA POSTE EMPLOYEES

Simplon is a start-up for the social and solidarity-based economy which offers free training courses in coding. In 2015, Le Groupe La Poste partnered with Simplon to train non-IT employees (mail carriers, counter clerks, employees in support services, etc.) in web development and computer coding. The digital transition is becoming a radical career development opportunity for La Poste employees with an affinity for IT. They can earn a designer-developer diploma and join the La Poste IT Departments.

The success of this initiative speaks for itself: for the fourth cohort in 2019, 17 employees were once again selected from over 300 candidates. A total of 41 La Poste employees were trained.

Buoyed by this success, La Poste launched a new cybersecurity analyst pathway: nine La Poste employees are receiving training with Simplon with a view to obtaining their certification by summer 2020.

4.4 Digital appendix

DIGITAL SERVICES

GRI	Indicator	Scope	Unit	2017	2018	2019
203-2	Revenue	Digital Services business unit	Million euros	672	656	697
203-2	Digiposte+ electronic safe users	Digital Services business unit	Number in millions	2.2	3.0	4
	Number of digital IDs	Digital Services business unit	Number	210,000		255,000
	Number of La Poste online unique visitors	Digital Services business unit	Number in millions		14	20.6
	Number of "My account" customers	Digital Services business unit	Number in millions		13	16.8
203-2	Digital Smartéo tablets installed at post offices (digital inclusion)	Digital Services business unit	Number	5,300	7,800	10,000
	Number of postmen with Factéo		Number of units		90,000	90,000
203-2	Qualification-earning course for employees (coding, and Web and mobile development)	La Poste	Number	19	18	17
203-2	IT equipment base: servers	Le Groupe La Poste	Number	17,000	11,000	11,000
	IT equipment base: workstations	Le Groupe La Poste	Number	157,000	162,000	162,000
203-2	IT equipment base: printers	Le Groupe La Poste	Number	76,000	115,000	115,000
203-2	IT equipment base: (business) mobile phone lines	Le Groupe La Poste	Number	140,000	191,000	191,000
203-2	Energy consumption of IT equipment base	Le Groupe La Poste	GWh	166	192	192

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Global warming, pollution, urban congestion, resource depletion, etc. These are all environmental issues for which solutions are already being implemented by Le Groupe La Poste, both for itself and its customers.

TAKING ACTION TO IMPROVE ENERGY EFFICIENCY IN BUILDINGS

Global energy consumption has doubled in 40 years.

In France, buildings account for roughly 17% of greenhouse gas emissions. With a portfolio of over 10,000 sites and buildings, La Poste is a leading player in real estate, a sector that has a considerable impact on climate change. As a result, the Group has a large-scale programme for measuring, reducing and offsetting energy consumption and greenhouse gas emissions. The know-how available in-house is also offered to companies and local authorities to help them manage their energy consumption and climate impact: the SOBRE system facilitates responsible building use, Action Habitat helps local authorities to identify the most energy-intensive housing, and La Banque Postale offers specific financing for home energy upgrades.

TAKING ACTION FOR THE CLIMATE AND AIR QUALITY WITH NEW FORMS OF MOBILITY

The transport sector alone accounts for 29% of greenhouse gas emissions.

As consumption patterns shift and e-commerce grows, La Poste is constantly innovating, pioneering the use of alternative-fuel vehicles and reinventing urban logistics. Committed to clean deliveries, especially in city-centres, the Group has one of the first electric vehicle fleets in the world. Its deliveries use low-emission vehicles through shared urban platforms (logistics hotels) and micro-depots.

STAKEHOLDER AND NATURAL PARTNER OF THE CIRCULAR ECONOMY

300 million metric tonnes of waste are generated every year in France.

It is important to produce and consume differently to move away from a linear economy and embrace the circular model. The circular economy develops products and services in a closed-loop system where the supply, re-use, repair and recycling of waste are seen as sources of opportunity. La Poste operates within a circular economy and draws on its industrial heft to capture diffuse resources and recycle them with actors in the sector. Across all areas, the Group is committed to increasing the percentage of recycled materials used, extending the service life of equipment and recycling or recovering end-of-life equipment. This expertise is applied with a range of partners to foster the emergence of a vibrant circular economy in France. Reverse logistics solutions, like Recygo for office waste, are being scaled up.

THE ENVIRONMENTAL TRANSITION



BEING A RESPONSIBLE AND EXEMPLARY COMPANY

A 100% carbon-neutral Group. Mail, express, parcel and digital services have been carbon-neutral since 2012. 100% of the Group's emissions have been offset since 2019.

30% reduction in GHGs. La Poste is defining a new trajectory to 2025 to reduce its emissions in line with the targets set in the Paris Agreement.

196 La Poste sites ISO 50001 certified, setting a rigorous and transparent energy management framework. Eventually, site certification will be undertaken at all sites.

100% of Chronopost deliveries in Paris are low-carbon since October 2019.

16,503 electric vehicles (excluding bikes and trolleys), or 24% of the fleet.

100% renewable energy to supply electricity for buildings managed by Poste Immo, the Group's real-estate subsidiary.

50 photovoltaic power plants and 10 self-consumption energy projects installed at Group sites and generating 6 GWh per year, the equivalent consumption of a town with 12,000 inhabitants.

The vehicles of the Services-Mail-Parcels business unit with a load capacity of less than 1 m³ are **84% electric**.

Smart urban logistics solutions which combine low-emissions delivery services, urban depots and customer-controlled delivery services have been rolled out to **43 European cities**.

7,500 tablets and smartphones repaired and put back into service with employees, while **20,000** pieces of equipment that were still functional were reused externally.

94% of WEEE (waste electrical and electronic equipment) recovered in 2019.

91% of the paper used by Le Groupe La Poste came from sustainably managed forests or from recycling.

GUIDING OUR CUSTOMERS THROUGH THE TRANSITION

126,000 households have been made aware of home energy upgrades since 2016 through the Action Habitat range offered to local authorities.

A comprehensive range of green loans offered by La Banque Postale to enable private individuals to finance energy upgrades for homes and purchase an electric vehicle, and to enable local authorities to finance green mobility, water and sanitation projects, waste management, renewable energy and energy upgrades for buildings.

1.3 gigawatts of renewable energy financed by La Banque Postale since 2015, for a total of €3 billion.

No. 1 in Europe for energy saving certificate programmes following the acquisition of Économie d'énergie (EDE). With its digital platforms, La Poste facilitates energy-efficient building renovations.

117,780 metric tonnes of material were collected in 2019 for recycling and reuse thanks to the services of Recygo and Nouvelle Attitude.

La Banque Postale's green loans to local authorities finance **80% of projects related to the circular economy:** water, sanitation and waste processing.

DRIVING CHANGE IN OUR SOCIETY

Partnering 19 cities committed to introducing optimised, low-carbon urban logistics as part of an open approach to all transport and delivery stakeholders.

Urby, a Le Groupe La Poste subsidiary specialising in **shared urban logistics**, integrates **reverse** logistics activities into its offerings. Cardboard, plastic and organic waste are collected and sent to a recycling provider.

DPDgroup measures air quality in three cities: Paris, Lisbon and Madrid. The solution will be rolled out **to 20 European cities by the end of 2021**. The data produced are made available to city councils and the public.

15,000 electrically assisted bikes are gradually being made available for residents in the Paris region, via the "Veligo location" rental scheme launched by Île-de-France Mobilité and run in conjunction with La Poste.

€60 million raised by Lendopolis since November 2014 for owners of alternative energy generation schemes.

7,000 used smartphones posted by private individuals in the Auvergne-Rhône-Alpes region and given **a second life**. A simple action extended across France free of charge thanks to www.jedonnemontelephone.fr.



Ambitions

Faced with the urgency of global warming and the increasing scarcity of resources and biodiversity, society's expectations with regard to companies are becoming more pressing. Pollution and air quality are also becoming growing concerns. At the same time, regulations are becoming more stringent. When it signed the Paris Agreement in 2015, France committed to achieving carbon neutrality by 2050. To do this, it has chosen two priority levers: reducing energy consumption in buildings and decarbonising transport, the main contributors to greenhouse gas emissions. Regulation to promote the circular economy also contributes to this objective.

The risks are numerous and require that operational models be adapted. Le Groupe La Poste is particularly affected as a logistics expert and user of one of the largest real estate portfolios in France.

Building on its network and know-how, the Group's ambition is to set an example by reducing the environmental impact of its activities and acting to use all of the operational levers at its disposal.

It is also committed to designing offers for its customers that enable them to switch to more responsible and ethical modes of consumption.

Finally, in many cases, ecological transitions require close cooperation between actors from very different backgrounds. In essential areas such as the circular economy and urban logistics, La Poste has established itself as a repository for everyone's know-how, assets and economic interests to invent new solutions.

The Group's **environmental policy** is based on two levers: an **energy policy** and a **circular economy policy**. They include **commitments to reduce greenhouse gases and air pollution and protect biodiversity**.

The Group has been a carbon neutrality pioneer since 2012 and has invested in the circular economy for years and set itself ambitious new trajectories. A number of the environmental objectives set in the 2015-2020 strategic plan were achieved by 2019. This performance requires the Group to make a greater commitment to climate change and air quality. For this reason, it has set itself new objectives for 2025.

The progress made in 2019 on the key objectives for 2020 is set out in the following table along with the new stages for 2025:

GOALS FOR 2020	PROGRESS AS AT 31/12/2019	NEW AMBITIONS
Reduce La Poste's greenhouse gas (GHG) emissions from its operations by 20% compared to 2013	Cut by 21.8% since 2013 (Commitment 100% met)	New trajectories La Poste: 30% reduction by 2025 DPDgroup: 30% reduction per parcel by 2025
Own one of the very first global fleets of electric vehicles, including 10,000 electric light utility vehicles	16,503 electric light utility vehicles owned	
100% SRI banking in 2020	60% of total assets under management at LBPAM are ESG-integrated	
Supply 100% renewable energy by 2020 to the buildings managed by Poste Immo	All electricity consumption at Poste Immo is covered as of 1 May 2016 (Commitment 100% met)	Extension to the entire Group scope by 2025 [*] .
New services for a low-carbon economy	€62 million in revenue pertaining to the energy transition	
Reduction of nitrogen oxide (NOx) emissions by 30% and particulates by 50% between 2015 and 2020 on the light vehicles managed by Véhiposte (Group's internal fleet)	44% reduction of nitrogen oxide (NOx) emissions 46% reduction in particulate emissions	Extension of the scope to DPDgroup and subcontracted vehicles Measurement of air quality in 20 European cities by DPDgroup
Signing of agreements for the roll-out of the urban logistics programme in 22 French cities	Agreements signed with 16 cities	For the 2024 Olympics, all Group operators have implemented low-carbon solutions in Paris
Operate using 100% low-carbon transport solutions in Paris	In Paris, DPDgroup's Chronopost deliveries are 100% low carbon	Urby brand rolled out to 22 French cities

^{*} 80% of the DPDgroup scope.

5.1 Ambitious commitments that meet global challenges

5.1.1 STRONGER ENERGY GOVERNANCE

Since 2018, the Energy Strategy Committee overseen by the Group's Innovation and Strategy Department has been managing energy transition throughout the Group. Twice a year, meetings of the Committee bring together the business lines as well as the Group's General Secretariat, the Chief Financial Officer and the Executive Vice President Chief Operating Officer of the Services-Mail-Parcels business unit, who are members of the Executive Committee.

In 2019, the Committee focused its priorities on controlling energy consumption through ISO 50001 certification of the Energy Management System, photovoltaic electricity self-consumption experiments and the financing of renewable energies.

5

5.1.2 CARBON REDUCTION TARGETS IN LINE WITH THE PARIS AGREEMENT

La Poste SA has decided to set itself carbon emission reduction objectives for 2025 by signing **a commitment letter with the SBTi** (Science Based Targets initiative) in 2017 to formalise and validate a trajectory in line with the Paris Agreement.

La Poste SA's trajectory was SBTi-certified in 2019. It aims to achieve an overall objective of a 30% reduction in Scope 1, 2 and 3 emissions by 2025⁽¹⁾ compatible with the 2°C scenario of the Paris Agreement. This can be broken down into two sub-objectives:

- -51% for Scopes 1 and 2 (internal vehicle fleet and building portfolio), objective compatible with the 1.5°C scenario;
- -14% for Scope 3 (mainly subcontracted transport), objective compatible with the 2°C scenario;

La Banque Postale is participating in the development of a market methodology for the banking and financial sector to position itself to model its carbon trajectory within the SBTi reference framework by 2020.

For its carbon trajectory, **DPDgroup** has defined a 30% reduction in emissions per parcel by 2025 compared to 2013.

The next Group-level carbon commitment is currently being formalised. It aims to place the activities on a longer-term trajectory (2025/2030), perpetuating the efforts already made since 2013.

(1) Compared to 2013.

5.1.3 ANALYSIS OF CLIMATE-RELATED RISKS IN THE LIGHT OF THE TCFD'S RECOMMENDATIONS

In the wake of the Paris Agreement, the G20 Financial Stability Board put together a Task Force for Climate-related Disclosure (TCFD) composed of 32 climate and finance experts. TCFD aims to promote transparency on climate issues.

The Group has been a **TCFD Supporter since the summer of 2019**. It assesses climate change-related risks and opportunities according to TCFD recommendations. Climate risk analysis has two phases, the mitigation phase and the adaptation phase, with the associated risks and opportunities. The risks linked to the energy transition call into question the sustainability of the Group's business model and could result in:

- during the emissions reduction phase, an increase in costs, a negative impact on image and the loss of financing opportunities;

- during the climate change adaptation phase, service interruptions or complete cut-offs, revenue losses and asset impairments.

This analysis is not a forecast, but a means for designing a resilience strategy. It is a prism through which the Group's risks and opportunities can be examined.

It should be noted that Le Groupe La Poste has not received any complaints for environmental non-compliance.

The table below presents the two scenarios related to the climate risk mitigation and adaptation phases, a description of the impacts for the Group's business lines and the management plans developed within the Group to remedy them.

Risks - transition phase

Types of risk	Description	La Poste risk management plan
Laws and regulations	Restricted access to towns and cities (LOM) for polluting vehicles Improved energy performance for buildings (ELAN Act)	<ul style="list-style-type: none"> • La Poste has a large fleet of electric vehicles (16,503) • La Poste is developing its "URBY" urban logistics brand in 22 French cities and GeoPost is setting up "Low Emissions micro-depots" in European cities • Improved governance via the creation of the Energy Strategy Committee, meeting twice a year and chaired jointly by three members of the Executive Committee (the Group's General Secretariat, the Chief Financial Officer and the Chief Operating Officer of the Services-Mail-Parcels business unit) to steer the Group's energy transition efforts. In 2018, it approved the introduction of an Energy Management System (196 sites in 2019)
Technology	Major technological breakthroughs in transport will only be available in the short- or medium-term Major technological breakthroughs in energy production	<ul style="list-style-type: none"> • La Poste has already anticipated the technological transition of electric vehicles • Being a leading 'clean logistics' operator, La Poste has piloted alternative vehicles and introduced natural gas vehicles • 100% renewable electricity supply (RE 100) since 2016; 50 photovoltaic power plants on the Group's industrial sites and launch of 10 renewable energy self-consumption experiments
Markets	Difficulties in securing financing on the financial market without being a SRI asset Sensitivity of asset portfolios to climate risk	<ul style="list-style-type: none"> • Launch of a Green Bond in 2018 by La Poste to finance €500 million over five years and launch of a Green Bond in 2019 by La Banque Postale to finance €750 million • Regular measurements of the carbon intensity of the portfolios of the BFI (Finance and Investment Bank) activity and the asset management activity at La Banque Postale

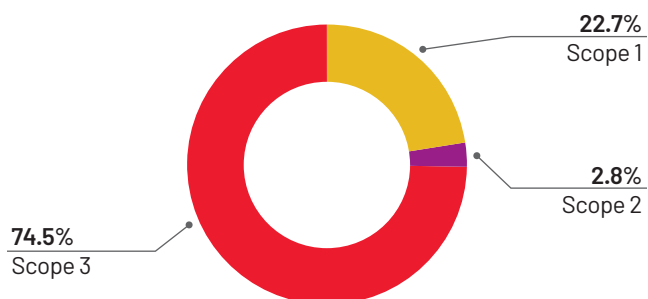
Types of risk	Description	La Poste risk management plan
Reputation	Customers: Selection criterion in the consultations of corporate customers and in the decisions of individual customers Suppliers/subcontractors	<ul style="list-style-type: none"> Le Groupe La Poste and La Banque Postale scored on the A- list by CDP Climate Change Commitment entered into by Le Groupe La Poste (the Services-Mail-Parcels business unit, the GeoPost business unit, and La Banque Postale) to define a carbon trajectory through 2025 Carbon neutrality in Mail/Parcels/Express/Digital Services/Banking and for 100% of the Group in 2019. Invitations to tender for delivery services include information relating to environmentally-friendly behaviour (the traceability of fuel consumption, fleet of alternative vehicles, knowledge of regulatory changes) and specific initiatives planned by service providers to adapt to these changes.

Risks - physical adaptation phase

Types of risk	Description	La Poste risk management plan
Acute	Coastal submersion, inland flooding, etc.	<ul style="list-style-type: none"> Implementation by La Poste of BCP and BRP systems in response to force majeure events, which it is already activating and which it updates after each major acute climate event Measurement of the level of exposure to the physical risks of outstanding home loans at La Banque Postale planned in 2020
Chronic	Regular climate events such as storms, snowy episodes, heatwaves, etc.	<ul style="list-style-type: none"> The mail shipping and delivery network is able to organise itself in real time depending on constraints to ensure that a temporary inability to provide the service is resolved by a system of mutual assistance and diversion of goods flows

5.2 Scope of the carbon footprint

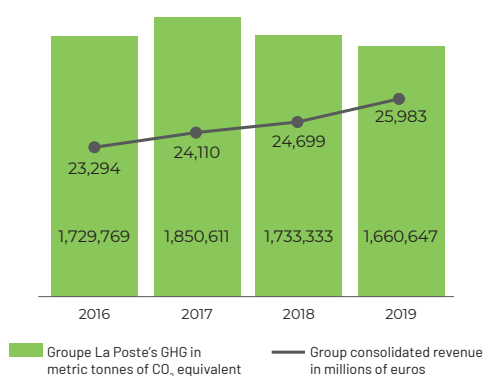
Breakdown of Le Groupe La Poste GHG emissions by business unit



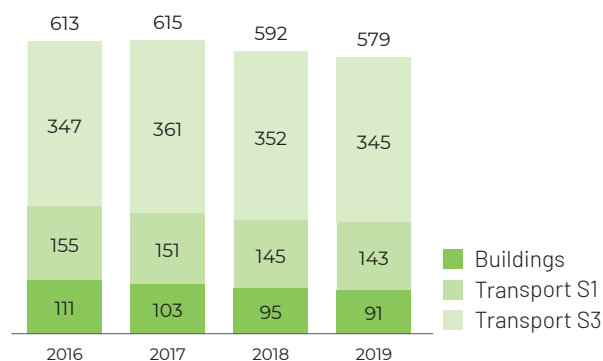
The extrapolated emissions are included in Scope 3

Le Groupe La Poste's greenhouse gas emissions are estimated at 1.660 million tCO₂Eq in 2019.

Comparison of the changes in the Group's GHG emissions and consolidated revenue



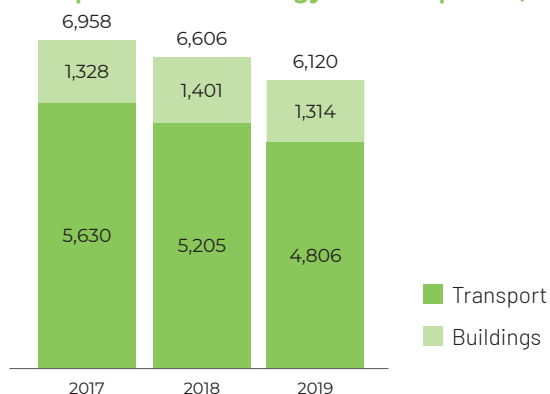
La Poste SA GHG emissions



The ratio of metric tonnes of GHG per million in revenue has seen a marked improvement since 2017, falling to under 64 tonnes of CO₂ eq. per million in revenue in 2019. The Group's greenhouse gas emissions decreased by 4% in 2019.

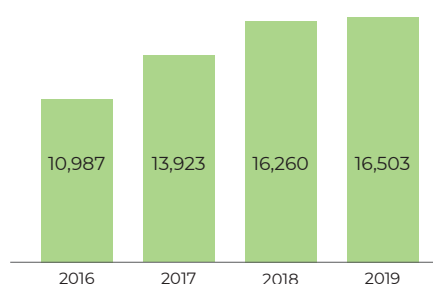
La Poste SA's greenhouse gas emissions were down 21.8% compared to 2013, exceeding its commitment of a 20% reduction by 2020.

Le Groupe La Poste energy consumption (GWh)



Energy consumption decreased by 7.4% in 2019, driven by a drop in consumption in buildings (-6.2%) and transport (-7.7%).

Le Groupe La Poste's electric vehicle fleet



The Group's fleet of electric vehicles is one of the largest corporate fleets in the world. 16,503 electric vehicles, or 24% of the fleet excluding bicycles and trolleys

Atmospheric pollutants generated by the Group's vehicles have fallen by more than 40% since 2015. The Air Quality ambitions set for the scope of the vehicles managed by Véhiposte are either achieved (NO_x) or on the way to be achieved (PM).

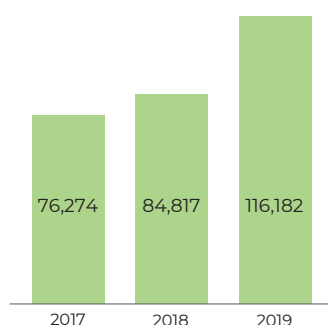
NO_x and Particle emissions

Annual volumes (in metric tonnes)	2015	2016	2017	2018	2019	Achievements/ objective	Objectives set for 2020
Nitrogen Oxide (NO _x)	173.99	153.32	134.33	114.78	97.16	-44%	-30%
annual change (%)	0%	-12%	-12%	-15%	-15%	-	-
Particles (PM)	6.81	4.69	3.97	3.73	3.66	-46%	-50%
annual change (%)	0%	-31%	-15%	-6%	-2%	-	-

5

Weight of materials collected for recycling or reuse (in metric tonnes)

117,780 metric tonnes of material collected by Recygo and Nouvelle Attitude, 99% of which was sent for recycling and reuse. 629,000 Recygo offer users at the end of 2019.



Financing of the low-carbon economy continues

€3 billion
INVESTED OVER THREE YEARS
TO FUND PROJECTS THAT PROMOTE
GREEN ENERGY PRODUCTION

TWO GREEN BONDS ISSUED

La Poste, 2019 overview

The **€500 million bond issued by La Poste** in November 2018 financed eleven green projects, thus preventing the emission of 11,663 metric tonnes of CO₂. These include seven building construction or renovation projects, the equipping of new electric vehicles and the installation of two photovoltaic power plants on site.

La Banque Postale issues a €750 million Green Bond

In April 2019, **La Banque Postale successfully issued its first green bond** for €750 million. This operation is dedicated to the refinancing of wind and photovoltaic projects. La Banque Postale is committed to issuing a social bond in the coming year and intends to become a regular issuer on the green, social and sustainable bond market.

5.3 Managing and reducing energy consumption and emissions

5.3.1 REGULATORY ENVIRONMENT

As it operates within fast-changing legislative frameworks (both French and European), Le Groupe La Poste endeavours to anticipate as much as possible the impacts of regulatory changes on its activities and their compliance:

- Mobility Guidance Act (LOM) stipulating the end of internal combustion vehicles by 2040, the option for local authorities to implement low-emission zones and the introduction of an ambitious bicycle plan. The Act confirms and speeds up the impact on La Poste's regional logistics activities. It also opens up new fields of activity for the Group;
- the ELAN Act (Decree on the energy performance of service-sector buildings) set final energy consumption reduction targets in 2019 for service-sector buildings of over 1,000 m² (-40% by 2030, -50% by 2040 and -60% by 2050). This obligation is part

of the continuity of the Service-Sector Charter, which La Poste signed in 2012. This affects approximately 900 La Poste sites;

- the Multi-Year Energy Programming Plan aims to produce 38% of electricity from renewable energy sources by 2028, support participatory investment in low-carbon projects, make it compulsory to cover large roofs with solar panels and increase the number of self-consumption photovoltaic sites to 65,000 to 100,000 by 2023. La Poste is offering solutions and adapting its equipment to address all these issues;
- the Dadu Act (transposition of a 2013 European directive) has made energy audits of the Group's transport and real estate assets mandatory since 2015. The resulting compliance measures have affected 80% of the energy bills of the entities in question.

5.3.2 CARBON POLICY

To meet its commitments and anticipate regulatory changes, La Poste has formalised a carbon policy based on four components:

- design of products and services with a reduced carbon footprint, to avoid greenhouse gas emissions;
- measuring all greenhouse gas emissions linked to these activities through effective monitoring and management at all relevant levels;
- reducing the carbon footprint of the Group's activities (transport, buildings, industrial plan, IT equipment);
- the voluntary offsetting of 100% of residual emissions as part of its group-wide carbon-neutral commitment.

5.3.3 REDUCING THE FOOTPRINT OF THE ACTIVITIES

The Group's main means of mitigating its ecological footprint is to optimise energy use and improve the energy efficiency of its activities, in an effort to set an example. The Group focuses its action plans on its industrial and logistical structure, the nature and rational use of its means of transport and its real estate assets and on its technological footprint.

5.3.3.1 Industrial and logistics plan

In 2019, the Group made considerable progress in logistics organisation, an important component of its carbon policy. It seeks to improve the efficiency of the mileage covered, for both collection and delivery in urban areas and long-distance transport. Moreover, although commuting is not directly linked to the industrial and logistics model, it is a factor in eco-mobility and employee awareness.

Urban logistics, last-mile logistics

With e-commerce growing by 14% per year, the number of parcels delivered has doubled since 2012. Increasing flows create congestion and pollution in cities. As an actor in the environmental transition and a leader in home parcel delivery, Le Groupe La Poste has a duty to seek responsible solutions to make cities more breathable and attractive. La Poste has signed agreements with 22 French cities, and DPDgroup is deploying alternative and tailored solutions throughout the world.

Promoting sustainable urban logistics in France

The efforts made with local authorities, businesses and merchants is an attempt to make logistics more environmentally friendly. They participate in the development of new uses for the transport of goods to and from city centres. For example, Urby, La Poste's urban logistics subsidiary created in 2017, is setting up goods pooling centres and making last-mile deliveries using low-emissions vehicles.

Urby offers a new business model based on three services:

- urban deliveries and collections;
- storage, order preparation and restocking;
- reverse logistics, i.e. the return flow of products, the shipment of products manufactured in urban areas out of cities and the collection of products to be recycled.

Pooling centres positioned at the entrance to cities have the advantage of avoiding the entry of partially filled trucks into cities and reducing the number of delivery vehicles by optimising their loading. It concentrates and distributes goods to companies and merchants. It manages the collection of recyclables and other return flows. It also offers city-centre retailers storage and home delivery services for their own customers (bicycles, kitchens, etc.). It makes it possible for hauliers, couriers and express carriers not to worry about the first and last mile. Deliveries by shippers are made entirely by low-emission vehicles (powered by electricity or natural gas) or bicycles.

Urby also deploys ELUs (urban or local logistics establishments) in city centres. These sites have an area of 200 to 400 square metres and are service centres for merchants, local authorities and corporate customers. This logistics solution offers merchants a number of facilities for such uses as storage of items, delivery to individual customers directly from the warehouse, recovery of recyclables and restocking between stores. It was designed to free up commercial space for merchants and enable them to offer services identical to those offered by e-merchants.

At the end of 2019, 11 Urby branches were operational and the network will be deployed in **22 French cities by the end of 2020**.

Urban logistics solutions for Europe

**THE DPD GROUP'S URBAN LOGISTIC SOLUTIONS
ARE DEPLOYED IN
43 cities**

The Responsible Urban Deliveries action plan is one of the four components of the DrivingChange programme. Indeed, the efficiency of the logistics structure is identified as the main factor in reducing DPDgroup's climate impact.

Throughout Europe, DPDgroup is trialling new solutions based on urban logistics projects in France. The aim is to deploy at least one pilot project in each subsidiary in Europe. The solutions developed involve more flexible vehicle fleets (bicycle-cargo) and site optimisation for the final mile in the form of micro-agencies or "urban agencies" close to city centres. The solution is currently deployed in 43 cities.

In France, the United Kingdom, Poland, Spain and elsewhere, solutions are adapted to local geographies and issues. For example, in 2019, the city of Constance in Germany experimented with a shipping container installed in a city centre car park as a micro-depot.

Chrono City, a new hyper-urban site concept

These microsites of less than 500 m² are designed to be as close as possible to the recipient customer, concentrate a maximum number of parcels in the same place and optimise rounds. An operational area allows processing and delivery on foot or by bicycle electric vehicle in the neighbourhood. A retail customers area is used to collect and send parcels, try on clothes and try out electronic devices.

The Pickup retail network

The 11,455 Pickup points have been part of French daily life for 20 years. The network has grown by 30% in the last 18 months, reflecting the relevance of the service to the growing demands of the general public. The points are located in 27 countries around the world with 43,000 retail outlets.

The Predict service

DPDgroup's flagship offer informs customers in real time about the status of their parcel deliveries. Numerous solutions redirect the package if the customer is not available. This service reduces greenhouse gas emissions and air pollutants by 4%.

Load optimisation for the Services-Mail-Parcels business unit's domestic routes

At the end of 2019, bulk loading was used for 75% of the Services-Mail-Parcels business unit's domestic parcel deliveries. This makes it possible to reduce the km travelled/number of parcels transported ratio, thus reducing the number of trailers required. The year 2019 marked the start of even further optimisation of the number of parcels loaded into transport units with the "orderly bulk" method. This method increases loads by approximately 25% compared to a standard bulk load. The objective is to standardise this solution for domestic transport deliveries by the end of 2020 and continue its deployment on regional deliveries. The deployment of swapbodies and orderly bulk loading will save **70,000 metric tonnes of CO₂ yearly**.

5.3.3.2 Means of transport

Reducing transport-related emissions is a key objective for the Group, involving its entire value chain. It requires complex action plans, involving both technological decisions and behavioural change. The Services-Mail-Parcels business unit and DPDgroup are the main players in these action plans.

Changes in the vehicle fleet

A growing number of cities are announcing traffic restrictions for diesel and even internal combustion vehicles. Low-emission zones are multiplying in city-centres. At the same time, the general public's expectations with regard to home delivery must be taken into account as the number of parcels delivered has doubled in seven years.

Against this backdrop, **La Poste's vehicle policy** involves a number of measures designed to sustain and develop the Group's business.

Electric vehicles

**THE CHRONOPOST FLEET IN PARIS
is 100% low emissions**

The replacement of internal combustion vehicles with electric vehicles makes a substantial contribution towards reducing GHG, air pollutants and noise pollution. Charging electric vehicles from **a guaranteed renewable energy source** further increases their environmental benefits.

Owing to the size of its fleet, La Poste was involved in the roll-out of a French EV ecosystem and remains one of the driving forces behind its development. The range of vehicles reflects the wide variety of employee requirements.

By 2023, the electric-assist bicycles used by postmen will gradually be replaced by small Staby or Quadéo electric vehicles, which are more suitable for parcel delivery. The current electric Kangoo ZE could also be replaced by higher-capacity vehicles, which could result in the development of a new electric vehicle industry.

DPDgroup, a major contributor to the Group's carbon footprint in transport, has committed to putting 5,000 low-emission vehicles on the road by 2025. These light vehicles, such as cargo bikes, are perfectly suited for last-mile parcel delivery. At the end of 2019, 950 vehicles were already on the road, including 450 electric vehicles.

In Paris, a fleet of clean vehicles has already been delivering 100% of parcels for Chronopost and its subcontractors since October 2019. Eleven major French cities will in turn be supplied with decarbonated delivery solutions. In Paris, this initiative led to an 87% reduction in GHG emissions and a 99% reduction in fine-particle emissions.

DPD UK also aims to deploy a fleet of 550 electric vehicles by 2021, representing 10% of its fleet. DPD Ireland is investing €3.2 million in this area.

Natural gas vehicles

Natural gas vehicles (NGVs) reduce GHG emissions by 15%, NO_x by 50% and particulate emissions by up to 95% compared with a standard diesel engine. NGVs also make less noise than diesel engine vehicles.

In 2017, Le Groupe La Poste introduced NGVs for vans in the 10 and 11 m³ categories. It is continuing their roll-out. At the end of 2019, 367 vans were electric-powered.

Optimisation of Euro standards

DPDgroup operates Europe's largest road network, allowing almost all parcels to be transported by truck rather than by air, with a lower environmental impact. To benefit from more efficient motorisation technologies, DPDgroup is committed to ensuring that its vehicle fleet is less than five years old on average by 2025. At the end of 2019, the average age of the fleet was 5.02 years.

Véhiposte also relies on demanding motorisation criteria to renew its fleet. At the end of 2019, the average age of the fleet was 3.1 years and 54% of the combustion-engine vehicle fleet was Euro 6 standard.

Choice of transport providers

La Poste SA

For several years now, purchasing specifications for transport and delivery services have included CSR criteria. CSR criteria were standardised and revised upwards in 2018 in calls for tenders.

Among other things, for long-distance routes, since 2019, service providers must use lorries that meet the minimum Euro 5 standards. Checks are carried out on a regular basis.

The questionnaire sent to delivery service providers includes four topics related to climate and air pollutants:

- eco-driving training of drivers;
- the existence of a consumption traceability system;
- the transformation of the fleet towards vehicles that provide energy alternatives to diesel (electric, NGV, hydrogen, etc.);
- knowledge of regulatory changes (traffic restrictions, etc.).

The responsible purchasing procedures include a comprehensive support component for suppliers to assist them in their environmental transition.

DPDgroup

In 2018, GeoPost DPDgroup a Responsible Purchasing Charter for all its subsidiaries. The Charter is inspired by the ILO⁽¹⁾ and the United Nations Global Compact. It reflects the concerns and responsibilities of an express delivery group. With regard to environmental issues, subcontractors and their supply chains are asked to:

- ensure that environmental risks are identified, assessed and monitored;
- take action to promote greater environmental responsibility;
- do their utmost to follow industry best practice. The aim is to take appropriate measures to reduce emissions of greenhouse gases and pollutants.

DPDgroup endeavours to disseminate best practice among its subsidiaries. For example, alternative vehicles experiments are shared on a common interface.

Employee mobility

Business trips

The travel policy favours rail over air travel and remote meetings to face-to-face mode.

For France, mileage, fuel consumption, GHG emissions and costs are monitored and optimised. Véhiposte has a smartphone app that allows employees to monitor their company car use. The catalogue of service and company car promotes low-emission vehicles.

Commuting

Promote teleworking

At the end of 2019, 4,349 employees benefited from the remote working agreement signed for the period 2018-2022. The use of remote working in this way has more than doubled since 2017, proportionally reducing the related ecological impact.

Deploying company mobility plans

Since 1 January 2019, any company site located within the scope of an urban transport plan that employs more than 50 people must optimise the daily commutes of its employees and promote soft modes of transport. The Group is bringing all its relevant sites into compliance.

5.3.3.3 Real estate portfolio

Real estate portfolio overview

The Group's real estate portfolio is one of the largest in France. It covers the entire country and reflects La Poste's public service mission in terms of regional planning.

The Group's diverse real estate portfolio covers a wide variety of properties that differ in size, type and usage, from post offices to business parks and vast industrial and logistics facilities.

The real estate portfolio also includes heritage buildings, a legacy of more than five centuries of postal history. Some of the buildings are extremely old. The real estate portfolio has undergone numerous asset disposals and major renovations to make it fit for purpose in the 21st century.

The 43 most valuable real estate sites were mapped using the *Observatoire de Place Immobilier Durable* (Sustainable Real Estate Observatory) reference system.

Sustainable Real Estate policy

The real estate policy pursued by Poste Immo was redefined in 2019 for the period 2020-2025. It is based on four levers, which are described in Section 2 of this report. In terms of the environment, Poste Immo, as the Group's property company, service provider and promoter and developer, is pursuing a full panoply of carbon efficiency measures. The challenge is both financial and environmental: its annual energy bill stands at €90 million against a backdrop of high inflation in gas and electricity prices. However, the search for carbon efficiency in buildings is broader than energy performance alone. It encompasses the choice of materials, biodiversity conservation and building-related transport.

Management of the approach

Energy Management System (EMS)

The Group's ambitions for reducing energy consumption require increased management and control of consumption, for both buildings and vehicles.

In this context, in 2018, the Group agreed to deploy an Energy Management System (EMS) for the 10,094 buildings and 88,150 vehicles managed by the Group (Poste Immo and Véhiposte subsidiaries).

The EMS consists of overseeing all actions to reduce energy consumption to continuously improve energy performance.

The first wave of deployment covers 310 buildings monitored by the SOBRE solution. This makes it possible to record consumption, understand usage and develop optimisation solutions.

(1) International Labour Organization.

EMS ISO 50001 certification

So that it can base its approach on rigorous and transparent processes, the Group launched an ISO 50001 certification process in 2018, which led to the certification in early 2020 of an initial scope of 196 buildings representing 14% of the Group's energy consumption.

Buildings certified to prove their environmental performance

During their construction and renovation or during their use, the Sustainable Real Estate approach deployed by Poste Immo for its whole portfolio makes it possible for buildings to obtain environmental certifications and labels. These labels or certificates are proof of the achievement of ambitious sustainable development objectives and a guarantee that they will be maintained until the delivery of the operations targeted.

For several years now, Poste Immo has opted for an ambitious certification policy for its various assets: operations currently undergoing a certification/labelling process accounted for **almost 10% of the directly-owned properties** at the end of 2019.

During construction (new projects)

In 2019, Poste Immo aimed to obtain or even exceed the **NF-HQE™ Excellent and/or BREEAM Excellent certification levels for 100% of current service-sector construction operations**. In addition, the systematic search for building certification enhances the heritage value of buildings. For industrial projects (logistics platforms), the stated objective in 2019 for all portfolio operations is to obtain NF HQE™ Good level certification.

In particular, the industrial plan includes a programme for **six new parcel platforms** for the Services-Mail-Parcels business unit. Two of them will be operational at the end of 2019 and have very high-standard environmental performance, exceeding quantified objectives with NF HQE™ Very Good and BREEAM Excellent environmental certifications.

CSR criteria are strengthened for all of the business unit's new building developments, particularly with regard to energy efficiency and renewable energy generation. The new platforms include solar power generation systems on rooftops or on car parks.

During overall renovation (heavy restructuring)

For service-sector projects (> 5,000 m²) undergoing overall renovation, the stated objectives are to obtain NF HQE Excellent level renovation certification or BREEAM RFO Very-Good level certification (in compliance with the commitments linked to the Green Bond). If the overall renovation is less than 5,000 m², only a BBC renovation label is expected to be obtained.

During partial renovation (portfolio maintenance)

Major repairs and heavy renovation

In order to achieve a "2050 compatible" level of energy efficiency, since 2015 major repairs and maintenance (MRM) work are subject to specific procedural and technical requirements. These requirements are set out in MRM Energy Efficiency Specifications, which are required for all the Poste Immo's MRM operations. The objective of these specifications is to obtain phased renovation with a thermal performance at the same level as the BBC Rénovation label.

Since 2017, half of the works budget for repairs has been spent on external and roof insulation, the replacement of oil-fired boilers, etc. The "avoided" consumption is measured in the form of energy saving certificates.

In 2020, the specifications for energy performance will be updated to incorporate performances that will make it possible to combat global warming even more effectively (choice of energies, increased thermal performance of the envelope, equipment efficiency, etc.).

During operation

Starting in 2012, Poste Immo chose to test the NF HQE Exploitation certification for one of its assets. The choice affected the building in Rennes-Colombiers, which is emblematic of the directly-owned properties as regards year of construction, multiplicity of occupants and activities, etc. As a result, this building was the first existing building not to have undergone a major renovation to obtain this certification. This means that even today, it is still presented as a benchmark by the certification body (Certivéa, a CSTB subsidiary).

In 2014, two other buildings in the directly-owned properties (Montpellier-Rondelet and Bordeaux Hôtel des Postes) have also obtained NF HQE certification in operation.

Poste Immo has chosen to also target the performance requirements relating to operations (Sustainable Management Axis). This certification means that all technical management providers must apply the principles of sustainable development. Annual audits certify the technical and organisational performance of the building and its operation, as part of a process of continuous improvement.

In 2019, the three aforementioned sites had their certificates renewed in the areas of "sustainable building" and "sustainable management". The main actions implemented for this certification were fine control of technical installations to reduce water and energy consumption, exemplary management of waste by occupants and maintainers, the choice of eco-certified cleaning products, and systematic compliance with a Low Environmental Impact Site Charter during construction.

In 2020, the inclusion of new buildings in the portfolio in an environmental certification process in operation will be under consideration.

The environmental appendices and the green lease process

Poste Immo implemented the Green Lease Programme, its green lease initiative promoting sustainable property management. This programme aims to improve the environmental quality of buildings through responsible use and management.

The following actions were performed:

- advanced fluid monitoring (with the SOBRE tool if installed);
- enhanced oversight of maintenance;
- the installation of high-performance equipment and management systems;
- the adaptation of the premises and occupant behaviour, which results in a high level of awareness of the importance of their role in savings in energy, water and waste management. This involves a series of simple, everyday actions.

The programme therefore entails closer proximity between the manager, lessor and occupants (the Group's business units).

- This programme was deployed in 126 postal buildings in 2019. It takes the form of "Green Lease Programme Committees", annual opportunities for discussion and dialogue. In particular, it has been deployed on the 189 buildings affected by the environmental appendices in 2019.

Poste Immo was one of the first operators to introduce environmental lease riders – which are a regulatory requirement – for its operations. The process was certified to identify sites and make building occupants aware of the importance of their day-to-day energy-saving actions.

100% renewable electricity

In 2015, La Poste has undertaken to supply 100% of the buildings managed by Poste Immo with electricity from renewable sources through guarantees of origin. The objective was achieved by 2016. Electricity from renewable energy sources is also used to power the electric fleet and to reduce GHG emissions from IT equipment.

This result motivates the Group to set a broader objective: 100% consumption of electricity from renewable sources on all Group sites, parent company and subsidiaries, by 2025. The objective is currently set at 80% of DPDgroup's scope, as some subsidiaries do not yet have a renewable electricity supply. The situation may have changed by the deadline.

Solar energy production

Since 2011, La Poste has been expanding the installation of solar PV panels on the rooftops of its industrial facilities. At the end of 2019, the 50 facilities managed by Poste Immo generated 6.5 GWh over the year, equivalent to the annual consumption of 15,000 inhabitants. All electricity generated is sold to EDF.

Since 2017, the specifications for the construction of platforms have consistently included a "PV-ready" option.

In 2019, Poste Immo carried out a solar land survey to have an exhaustive view of the photovoltaic production capacity of the buildings managed.

Self-consumption of photovoltaic electricity

Since 2017, Poste Immo has taken a very concrete interest in the option of self-consumption of the energy produced by photovoltaic power stations. Ten pilot projects were tested in 2019 to anchor the action plan on carpark shades or rooftop installations. The initial results are conclusive and will enable the Group's expertise in all areas (legal, technical, financial) to be further developed before deployment on a larger scale. At least three projects will be commissioned in 2020.

Collective self-consumption is also being addressed in a rapidly changing regulatory framework. Poste Immo is working on concrete cases to recover possible production surpluses that are not self-consumed by consumers in the vicinity, for energy decentralisation in local communities.

LA POSTE, WINNER OF THE CUBE 2020 COMPETITION

The Cube 2020 competition is organised by IFPEB, the French Institute for Building Efficiency. Over the course of a year, service-sector building users compete to see who can save the most energy. They must adopt best practice and correctly calibrate the building's systems and equipment. 35 postal buildings competed in the 2018/2019 competition.

On average, energy savings of 12.8% were achieved across all participating buildings. The postal buildings were present at 12 podiums at the awards ceremony and were awarded 18 medals (>10% energy savings). Two buildings achieved impressive results, with 35% energy savings in Clamart and 70% GHG emissions avoided in Limoges.

5.3.3.4 IT equipment base

Digital technology is having a growing impact on the planet. Yet at the same time, it is an essential tool for the environmental transition. In the light of this, Le Groupe La Poste has adopted a structured approach to reduce the environmental footprint associated with its information and communication systems. As a founding member of the *Institut du numérique responsable*, it is committed to the highest standards.

Assessing the IT equipment base's environmental footprint

Every two years, the environmental footprint of the IT equipment base is measured using a dedicated internal tool (Green Argile).

This affects users' IT equipment (computers, monitors, printers, etc.), IT network infrastructure and data centres.

At the same time, La Poste also contributes annually to an external benchmark to measure the footprint of the equipment base and its maturity in Responsible Digital.

Therefore in 2018:

- the amount of GHG emissions from IT (excluding Scope 3) was estimated at 14,384 t CO₂eq, or 9% **of the emissions related to the energy consumption of the Group's buildings;**
- the energy consumption of the IT equipment base represented 191,000 MWh, or 14% **of the energy consumption of the Group's buildings;**

- work is ongoing to supplement this "internal" footprint measurement with emissions and consumption linked to outsourced data centre services (hosting, facilities management, cloud, etc.) that have a significant impact on the Group's operations (Scope 3 study);
- in 2019, La Poste took part in the GreenIT.fr benchmark, a joint effort of several major French companies (Airbus, Pôle Emploi, Décathlon, etc.).

Comparison of La Poste's results with the previous benchmark conducted in 2018 shows a clear reduction in water and energy consumption and GHG emissions per user. This decrease is explained by the Group's greater maturity in Responsible Digital and the implementation of best practices.

Establishing responsible purchasing criteria

A **reference state-of-the-art CSR criteria framework** is gradually being put in place over the course of the consultations and is ultimately aimed at all IT purchases beyond equipment (software, intellectual services, hosting, etc.).

The use of this standard by decision-makers and purchasers began in 2019.

As part of the renewal of the WEEE agreement⁽¹⁾, an inventory was carried out and important contributions were made concerning the upstream reuse process both internally and externally. More specifically, it includes the integration of social and solidarity-based economy (SSE) structures. Experiments have made it possible to identify the risks to be taken and guarantees to be made for this type of operation.

(1) Waste electrical and electronic equipment.

5.4 Designing offers to reduce customers' environmental footprints

5.4.1 FINANCING THE ENERGY TRANSITION

Through its fund management and asset and project financing activities, and as part of its positioning as a socially responsible bank, La Banque Postale finances numerous operations related to the energy transition. The range of its offer is aimed at individuals as well as local authorities and companies.

Accelerated financing solutions

La Banque Postale acts as a finance company for various renewable energy project companies (photovoltaics, wind, etc.). On the occasion of the Citizens' Banking Meeting in April 2019, a framework agreement was signed with the European Investment Bank to allow preferential rates to be offered.

A team dedicated to the financing of renewable energy within the Financing and Investment activity structures the Bank's progress. In the space of three years, more than €3 billion has been disbursed to finance these projects, thereby encouraging clean energy generation. In particular, the team financed a wind power project in the Cher and a photovoltaic plant in French Guiana.

However, in line with its desire to play an active role in the energy transition, La Banque Postale has chosen **not to finance the development of fossil fuels**. As a result, the only energy projects financed by the Asset and Project Finance division within corporate and investment banking are renewable energy projects. Agricultural commodity funds are also excluded from the scope of authorised financial instruments.

Financing of public policies linked to the energy transition

For the past five years, La Banque Postale has remained the top lender to local authorities and public hospitals in terms of annual loan production. Many of the public-sector projects financed relate to the energy transition, such as new builds, renovation of public buildings, refurbishment of social housing, clean transport, etc.

In 2019, La Banque Postale launched a range of earmarked green loans that enable local authorities to finance projects related to water and sanitation, clean transport, waste sorting or energy optimisation of public buildings, starting at €500,000.

Financing for companies involved in the energy transition

La Banque Postale offers lease finance solutions for clean vehicle fleets.

A green product range for consumers

To support individuals in their commitment to the energy transition, La Banque Postale has offered a green product range with discounted rates since 2015. This consists of:

- a new interest-free eco-loan, "Habitez mieux", aimed at the most modest households to finance the energy renovation of their homes;
- a loan to finance home energy renovations;
- "green" loans for the purchase of electric or hybrid vehicles;
- a thematic SRI fund.

For its savings and investment customers, La Banque Postale Asset Management offers the environment-themed SRI fund "LBPAM Responsable ISR Actions Environnement". It invests specifically in European environmental companies that contribute to sustainable development and the energy transition. The fund obtained the French government's Energy and Ecological Transition for the Climate (EET4C) certification in January 2017, followed by the SRI certification backed by the French public authorities in September 2017. Both certifications were renewed for 2019.

Support for crowdfunding

Through its subsidiaries KissKissBankBank, Lendopolis and Goodeed, La Banque Postale enables everyone to access crowdfunding. A large number of the projects supported promote the sharing economy to benefit the planet, including solar projects, wind power projects in which local residents are involved, or bridging loans before the arrival of bank financing. More than €25 million have been collected in this way.

5.4.2 DEVELOPING CUSTOMER SOLUTIONS BASED ON THE GROUP'S EXPERTISE

Le Groupe La Poste has established itself as a player in the transformation of society. Using the expertise developed in-house in energy-efficient building renovation, energy performance, recycling and eco-mobility, it offers solutions to enable everyone to take action for the planet.

Acting for housing renovation

La Poste is stepping up its development in energy-efficient renovation, one of the cornerstones of its diversification and development strategy. Since 2017, with the **Action Habitat** programme, it has been supporting local authorities in their efforts to detect and raise awareness among those affected by the energy renovation of their homes. Local authorities face major difficulties in reaching out to citizens who are unaware of existing schemes. Postmen emerge as natural facilitators of these messages to individuals. 126,000 households have already been included in the awareness programme.

In addition, through the Action Habitat **DEPAR** programme, La Poste is helping to accelerate the momentum of the Habiter Mieux programme initiated by the Agence Nationale de l'Habitat (ANAH), which aims to eradicate thermal sieves. La Poste is helping over 50 local authorities (and 100,000 households) to achieve their objective of reducing fuel poverty. Launched in 2019, the new "Action Habitat Travaux" offer is aimed directly at private individuals to advise them on the priority construction to be carried out to improve the energy performance of their homes and give them access to construction offers at negotiated prices. La Poste's offer includes taking care of the administrative procedures for obtaining financial aid and advancing the amount of aid obtained.

A new step was taken in 2019 with the acquisition of a majority stake in the energy consulting company Economie d'Énergie EDE, the leader in energy saving certificate programmes in Europe. EDE offers digital platforms that simplify the customer's journey to energy-efficient home renovation. Its solutions facilitate the administrative and financial engineering of projects, in particular by mobilising the energy saving certificates system. They put private individuals in touch with building professionals (200,000 construction jobs supported in 2019).

The development by La Banque Postale of energy transition financing products and services and a complete platform for customers completes this system to support energy renovations to homes.

Acting for energy intelligence in service-sector buildings

The *Sobre Energie* offer, developed as a joint venture with the Caisse des Dépôts and EGIS, was launched on the market in 2018⁽¹⁾.

It offers real estate portfolio support at three levels: consulting, energy management, and change management and communication. A MARC (Management, Alerts, Reports, Communication) data platform allows the management, control and proposal of corrective measures for optimised energy management.

Installed at 310 Le Groupe La Poste sites, *Sobre Energie* is used to deploy the Energy Management System. It is intended to be deployed as widely as possible over La Poste's property portfolio.

Acting for the development of eco-mobility

Since 2016, La Poste has been operating services dedicated to sustainable mobility for businesses and public authorities.

Since 2018, it has been one of the operators for Île-de-France Mobilités of a long-term rental offer for electrically assisted bicycles called *Véligo Location*. The service, launched in September 2019, has been a resounding success, with 4,500 electrically assisted bicycles already made available to Greater Paris Region municipalities by the end of 2019. The target of 15,000 electrically assisted bicycles deployed should be reached by 2020.

Through its subsidiary *Startway*, La Poste also offers alternatives for employees of companies and local authorities, with coworking solutions to facilitate teleworking. By the end of 2019, 30 living and working spaces on a human scale were used by 5,000 people.

Commitment to air quality

Geoptis uses on-board measurement systems fitted to La Poste vehicles to film the road network and carry out an accurate and comprehensive audit of the roads. An online portal provides the data recorded and a rating for each stretch of road, which can be used as a basis for dynamic mapping. *Geoptis* uses this information to issue recommendations on works that need to be completed.

It also measures mobile network coverage, provides geo-referencing, categorises the real estate portfolio, and measures air quality.

(1) EGIS is a construction design and engineering firm and a subsidiary of the Caisse des Dépôts group.

For air quality measurements, postal vehicles are fitted with mobile sensors. To date, sensors have been deployed in Nantes, Lyon and Grenoble.

Geoptis launched a service offer at the Salon des Maires (French mayoral and local authority trade fair) in November 2019.

It is also working with its partner Pollutrack on the DIAMS (European ERDF) air quality project in Aix and Marseille. Nearly 300 mobile sensors should be rolled out to Services-Mail-Parcels vehicles at the beginning of 2020.

Geoptis currently operates in France only.

5.5 Ensuring the Group's carbon neutrality

**100% of the Group's emissions
ARE OFFSET (SCOPES 1, 2 AND 3).**

**PRODUCTS AND SERVICES
HAVE BEEN CARBON-NEUTRAL
since 2012**

Le Groupe La Poste wants to set an example in the field of offsetting. The Group's priority is to reduce the carbon footprint of its activities. In addition, residual emissions are offset by injecting their equivalent into projects that will result in emission reductions and carbon sequestration. The Group was a pioneer in this approach. **It has offset 100% of the emissions related to its activities since 2019.**

The programme comprises three parts:

- the financing of internal projects by the carbon funds of the main business units;
- the innovative "Climat+Territoire Programme" in France, the origin of the Low Carbon Label;
- projects carried out in third countries, mainly developing countries.

Internal carbon funds to finance internal projects

The Services-Mail-Parcels business unit, La Banque Postale, DPDgroup and the Network set an internal carbon price or allocate budget envelopes to projects by employees or local subsidiaries aimed at reducing their entity's environmental footprint. This monetisation of the carbon footprint uses concrete actions to foster a culture of employee engagement.

The Selection Committees of each business unit or subsidiary choose the winning projects from hundreds of entries, according to their financial and environmental return on investment. The projects concern the installation of boiler regulators, solar filters, bicycle shelters, eco-grazing, the purchase of natural gas vehicles or the replacement of lighting with LEDs.

Partner of the "Label bas carbone" in France

In 2015, La Poste and La Banque Postale launched an innovative scheme to develop projects to support the eco-responsible wood and agricultural sectors. The Climat+Territoire programme, for example, allows the reconstitution of hedges in the Grand Ouest bocage.

The first six emblematic projects of the "Climat+Territoires" programme, financed by La Poste, have made it possible to develop the standards and methods that make up the French **"Label Bas Carbone"**. Since April 2019, this local offsetting approach has been recognised by the French State. The first "Label Bas Carbone" projects have been implemented. By way of illustration, the G7's entire carbon-neutral programme in Biarritz was financed by La Poste. The event was offset by a project to reforest a valley in the Basque Country. An innovative agroforestry project was also supported in the Rhône Valley.

La Poste is financing five of the 13 projects approved by the French State.

Carbon offsetting in developing countries

The Services-Mail-Parcels business unit, the Digital Services business unit, the Network, Corporate division, La Banque Postale and DPDgroup purchase on the market, carbon credits recognised by the highest standards (Gold Standards, Voluntary Carbon Standards and United Nations Framework Convention on Climate Change).

In 2019, these credits offset 1,660,647 tCO₂E_q emitted by their scopes 1, 2 and 3 activities outsourced transport.

GHG emissions are offset in two ways:

- firstly in partnership with EcoAct or CO₂logic, which use Group-approved procedures to select projects capable of generating carbon credits in the voluntary carbon market;
- and secondly through a contribution to the Livelihoods climate solidarity fund.

The projects supported by the Group's business units benefit underprivileged populations and the environment on four continents. Examples include preserving Amazonian biodiversity in Peru through sustainable forest management or distributing improved stoves in Cambodia to reduce wood use.

5.6 Reducing emissions of atmospheric pollutants

In recent years, the Group has broadened its expertise in and commitment to local air pollution issues. Urban logistics is the core of the subject, to meet the requirements of the LOM law, the establishment of Low Emission Zones in cities, and above all the environmental and health issues of a more sustainable city. Inspired by the management of carbon emissions, an air quality policy has been implemented throughout the Group.

Prevention. To reduce pollutant emissions, Le Groupe La Poste is continuously improving the quality and performance of its vehicle fleet. Its vehicle upgrade policy means that it has a relatively young, as well as one of the most environment friendly fleets.

Measurement. La Poste began monitoring the emissions of four air pollutants that are regulated under Euro standards in 2015, in association with the Ademe and France Environnement. The vehicles monitored are those managed by its subsidiary Véhiposte. For its part, DPDgroup measures emissions from its own fleet and the fleets of its subcontractors.

Reduction. Le Groupe La Poste is taking active steps to reduce air pollutants through its vehicle selection policy and urban logistics model.

La Poste has ambitious atmospheric pollution targets and is committed to reducing its NOx emissions by 30% between 2015 and 2020 and its particulate emissions by 50%. **It is one of the first companies to have set medium-term targets of this type.**

While these reductions are partly due to a relative decrease in the distances travelled, they also stem from several types of actions, including:

- training in eco-driving techniques;
- choosing vehicles that are cleaner and more fuel efficient;
- increasing the number of electric vehicles.

Measuring air quality in 20 European cities

In 2019, after a successful pilot project in Lisbon, Madrid and Paris, DPDgroup will deploy an air quality measurement tool in 20 European cities. Measurements are carried out using sensors on the DPDgroup delivery fleet and facilities network. The data produced are made available to local administrations and citizens of the equipped cities through a web interface.

Impact on noise pollution

In urban areas, noise pollution is mainly caused by variations in vehicle speed, engine noise and friction between tyres and the road surface. Noise emitted during deliveries, for example from power tailgates or reversing alarms, represents point noise pollution.

Industrial Mail/Parcel hubs are located on the outskirts of cities. The truck noise at these hubs has little impact on the sound volume in town centres. Therefore, La Poste's main noise pollution emissions are located in the last mile, during collection and delivery in urban areas.

The main actions taken by La Poste to reduce its noise footprint are:

- rolling out the fleet of EVs and NGVs, which are quieter than internal combustion engine vehicles;
- upgrading to internal combustion engine vehicles compliant with the latest Euro standards;
- active delivery rounds, which do not generate noise pollution (53% of delivery rounds are on foot or by bike);
- development of pick-up solutions;
- a maximum rolling noise limit (class 1 for vehicles with a capacity of 3 to 4 cubic metres) for tyres fitted to Véhiposte vehicles.

Lastly, to reduce noise pollution in city centres, Viapost requires that its subcontractor vehicles in the Greater Paris region be PIEK certified. This certification ensures compliance with a maximum noise limit.

Le Groupe La Poste pledges publicly to reduce its noise pollution and noise footprint. La Poste is a member of and has been certified by the Certibruit association. This recognises the efforts of operators of urban logistics systems and delivery companies. Its objectives include reducing the noise of deliveries at night and limiting freight traffic during the day.

5.7 Protecting biodiversity

5.7.1 THE NATURE 2050 PROGRAM

In November 2019, the Services-Mail-Parcels and Network business units signed a partnership with CDC Biodiversité, a Caisse des Dépôts subsidiary dedicated to actions that promote biodiversity, to take part in the Nature 2050 program. This program aims to promote and fund the implementation of nature-based solutions that will help to achieve the following objectives:

- preserving and restoring biodiversity;
- mitigating the impacts of climate change by reducing greenhouse gas emissions and boosting CO₂ storage and capture capacities;
- adapting regions to these changes, by limiting their effects (examples: heat island in towns) and natural risks (erosion, flooding, drought, fires, etc.).

CDC Biodiversité is committed to adapting to climate change, to restoring, then preserving an area of 1 m² for each €5 donation received until 2050. Today, Nature 2050 has 23 projects spread across mainland France.

Le Groupe La Poste's commitment as a new contributor will enable the program to strengthen its capacity to finance new projects.

For La Poste, this commitment is a strong signal of its long-term territorial positioning for the challenges of preserving biodiversity. The Group's commitment to Nature 2050 is part of its "Climat+Territoires" carbon neutrality strategy by supporting forestry and agroforestry projects. The "low-carbon label" issued in this context has the dual ambition of quantifying the CO₂ stored and preserving biodiversity.

5.7.2 PROTECTING BIODIVERSITY ON THE GROUP'S PROPERTY

Biodiversity protection is a major challenge for organisations. In particular, the aim is to limit the consumption of natural spaces by buildings and the waterproofing linked to their footprint to develop nature in cities and protect endangered species. In this context, Poste Immo routinely examines biodiversity conservation during construction and renovation projects.

In 2015, the subsidiary **mapped all of its buildings** in relation to areas of ecological interest and carried out the first biodiversity audits for some of the identified buildings. At the same time, a leaflet on biodiversity conservation entitled "Buildings and Biodiversity" was made available to all Group employees and local authorities

Since then, the emblematic operations carried out by Poste Immo were all given an **initial diagnostic to determine the biodiversity** present on site before work began. These diagnostics were performed by ecologists, and they make it possible to identify the sensitivity of the site and propose actions to limit impacts and, if possible, promote the development of biodiversity for the operation.

Some of these operations go even further because they wish to **obtain EFFINATURE or Biodiversity labels**.

In addition, La Poste promotes **urban gardening** initiatives run by postal workers, particularly on the rooftops of its sites. Trials are currently being carried out with a view to increasing these initiatives so as to step up the development of urban agriculture.

Beehives installed at postal facilities

At around 25 postal sites, employee associations are involved in installing and looking after beehives. These are financed by staff subscriptions in exchange for pots of honey. Poste Immo has prepared an installation kit and is supporting the connected beehives scheme, currently being piloted in Rennes.

5.7.3 THE PARTNERSHIP WITH THE BIRD PROTECTION LEAGUE (LPO)

On 26 March 2019 Poste Immo signed a sponsorship agreement and a partnership agreement with the LPO⁽¹⁾. These partnerships are entered into for a period of five years and involve support for the program to protect declining species in built-up areas such as swallows, swifts and sparrows, and for the integration of biodiversity into buildings and urban planning.

This collaboration also aims to mobilize the LPO's expertise to improve the consideration of biodiversity in corporate policy and field practices. An identification of sites that could become "LPO refuges" was launched in 2019 for deployment in 2020.

Each of the sites will be the subject of:

- an initial fauna/flora diagnostic;
- a site-wide biodiversity action plan;
- recommendations for operation.

As the actions are implemented, **biodiversity gains will be quantified** and LPO refuge approval obtained where appropriate.

In 2016, after three years of effort, the Rennes-Colombier building was the very first site in the real estate portfolio to obtain "LPO refuge" approval. Thanks to the actions deployed (nesting boxes, bat shelters, development of green spaces, elimination of wildlife traps, etc.), **the inventory conducted in 2019 showed a 40% increase in the species counted** (herbaceous plants, shrubs, birds and insects).

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(1) The Bird Protection League (Ligue pour la Protection des Oiseaux, LPO) is a non-profit dedicated to nature conservation and species protection.

5.8 Natural partner of the circular economy

The circular economy is an economic system of exchange and production that, at all stages of the life cycle of products (goods and services), aims to increase the efficiency of resource use and reduce environmental impact while allowing for the well-being of

individuals. Aware of the consequences of dwindling resources on all its points of operation and all its business activities, Le Groupe La Poste is committed to a circular economy policy.

5.8.1 REGULATORY DEVELOPMENTS

The French law on the fight against waste and the circular economy is a driving force for a profound transformation of production and consumption. Through its proactive commitments, Le Groupe La Poste has already anticipated many of these new obligations and opportunities.

Impacts on the Group's activities

Regulatory obligations may involve the eco-design of products, treatment of unsold goods, purchases, waste sorting, the reuse of building site materials, the prohibition of receipts and catering.

Opportunities for the Group

The changes brought about by the law require complex know-how in logistics, financing or digital services. In these areas, the Group has long been committed to a distinctive approach: sustainable logistics, strict adherence to non-publicity, materials recovery, development of professional integration, etc.

5.8.2 THE GROUP'S CIRCULAR ECONOMY POLICY

Le Groupe La Poste is committed to a circular economy policy, which is considered to be a crucial issue for its activities and for the development of society as a whole. Given its size, the Group makes a significant contribution to better resource management and a more circular economy. It is involved in developing recycling, reuse and repair channels.

Anchoring the circular economy in activities

All Group companies strive to operate in an exemplary manner,

- by reducing waste;
- by finding alternatives to disposable products;
- by optimizing consumption;
- by extending the life of equipment through repair and reuse;
- by composting and recycling.

Contributing to the circular economy in society

La Poste has developed expertise in resource management and reverse logistics. This enables it to develop a range of solutions to support its customers (companies, local authorities, individuals) in the following areas:

- recycling;
- reuse;
- asset pooling;
- short loops;
- repairs.

The aim is for La Poste to use its production facilities as an effective extraction tool. La Poste can capture diffuse resources, consolidate them, add value and send them to companies for recycling and reuse. La Poste is bringing a wider range of partners on board, including start-up and social economy organisations.

5.8.3 ANCHORING THE CIRCULAR ECONOMY IN ITS ACTIVITIES

At each stage of the life cycle of the objects used for its operations, the Group aims to deploy the principles of the circular economy. This means that it acts through its supplies and the consumption of its resources and strives to give a second life to its equipment and recover its waste. The equipment to which it has given the most attention are electrical and electronic equipment, vehicles, postal envelopes and parcels and paper. However, it is also developing ad hoc procedures for construction materials, water, furniture, disposable plastics and work clothes, as well as for a broader set of resources.

5.8.3.1 Electric and electronic equipment

The Group uses hundreds of thousands of computers, telephones, printers, etc. in its operations. La Poste repairs its electrical and electronic equipment and puts it back into service within the Company. This, together with software maintenance, security measures and the ecofriendly behaviour of device users, has extended the average service life of electrical and electronic equipment throughout the Group.

For example, mobile phones are used for an average of almost six years, fixed-line telephones for more than seven years, and monitors for ten years. Laser printers are used for more than seven years on average.

In 2019, one-time donations of equipment such as computers and tablets were made to non-profits and schools. In all, over 1,100 pieces of equipment, or more than 3.7 metric tonnes, were donated by La Poste.

La Poste is experimenting with a larger-scale operation (around 250 pieces of equipment) with a partner from the social and solidarity-based economy. Restrictions such as the special protections that prevent proper reconditioning of computers are being lifted. Feedback will be provided in the near future and proposals made as to whether or not to deploy this operation, which requires a new organisational structure.

Repair, reuse and recycling of smartphones

The Group is gradually deploying a new management system for its mobile phones, smartphones and tablets: repair, then reuse and recycling. After postmen' smartphones (Facteo), this now also applies to business mobile equipment in the Network business unit, smartphones used in post offices and La Poste Relais and La Poste Agences Communales outlets (Smarteo), and tablets used for the French Highway Code (ETG), for a total equipment base of around 125,000 devices.

The vast majority of these phones (over nine out of 10) are kept for three years; this is twice as long as the average life span of a personal smartphone⁽¹⁾.

In 2019, nearly 7,500 pieces of equipment were repaired and put back into service with La Poste employees. Repairing a phone costs three times less than buying a new phone. It also avoids having to reinstall apps and customise the device. Thus, internal reuse has both environmental and economic benefits for post offices.

Wear and tear on the battery, memory issues or technological developments means that phones are obsolete within three years for postmen but can be used by individuals. Nearly 20,000 pieces of equipment that were still functional but no longer met La Poste's needs were reused externally.

Repair and reuse, and thus avoiding the purchase of new telephones, avoided the consumption of 1,200 metric tonnes of raw materials and the emission of 850 metric tonnes of greenhouse gases⁽²⁾.

Approximately 26,000 pieces of end-of-life equipment could not be reused because they were too obsolete or irreparable. These were recycled and allowed 200 kg of precious metals (copper, gold and silver) to be recovered.

Treatment of waste electrical and electronic equipment

More generally, the Group has developed a processing stream for its waste electrical and electronic equipment (WEEE). Used equipment is collected by specialised service providers, mainly for reuse and material recycling. **In 2019, the recovery rate remained at 94%.** All WEEE collected in Paris and the surrounding region is sent to a company that primarily employs people with disabilities.

The same approach is applied to consumables. At the La Poste Network and La Banque Postale, used printer cartridges are reused or recycled in a partnership with Lexmark. There has been a significant expansion of the collection with some 79,000 used cartridges returned by post offices and management sites. A total of 113 metric tonnes of materials were recycled, and some 376 metric tonnes of greenhouse gas emissions avoided. The Digital Services business unit has a similar approach for cartridges used mainly for desktop publishing offers to its customers, with 36 metric tonnes of cartridges recycled at Docaposte.

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(1) Kantar TNS study of 1,505 smartphone owners aged 16 and older who were surveyed online from 4 to 9 August 2017.

(2) Materials and emissions related to the manufacture and supply of new equipment "ecological backpack" concept, estimated through a method used by ADEME.

5.8.3.2 Vehicles

La Poste carries out or has service providers carry out maintenance on its vehicles to extend the service life of vehicles and parts. When it no longer has use of them, it gives them a second life through sales as used vehicles. Two noteworthy points should be mentioned:

Maintenance of electric bikes

Maintenance and repairs are performed thanks to ecosystems of local actors, including SSE structures. For example, for sites in the Services-Mail-Parcels business unit, the maintenance of electric bikes, cleaning of vehicles, repair of trolleys, maintenance of postal street resources (Cidex), etc. are primarily entrusted to companies that primarily employ people with disabilities.

Second life of postal vehicles

Véhiposte sells vehicles that are no longer needed by La Poste to car dealers and employees. Véhiposte sells from 8,000 to 10,000 used vehicles each year. In the Grand-Est region, used bikes have been entrusted to a solidarity garage to serve as a training workshop for apprentices.

5.8.3.3 Postal envelopes and parcels

Eco-design of Colissimo product ranges

La Poste is a pioneer when it comes to the eco-design of packaging, prompting its suppliers to make continual improvements and take an innovative approach.

In 2017, a life cycle analysis (LCA) of the Colissimo product ranges (cardboard boxes and flexible pouches, ready-to-send and ready-to-post) made it possible to examine the rate of integrated recycled material, confirm the steady decrease in the total quantity of raw materials used, and define an action plan for continued improvement of material reduction, incorporation of recycled materials, work on reuse, etc.

The examples below illustrate some of the progress that has been made:

- the entire Colissimo range is made of recyclable materials. The vast majority of products incorporate FSC Mix certified paper (from sustainably managed forests and containing recycled fibres), corn starch or water-based glues and water-based inks;
- from 2012 to 2017, the material used for the "L" size carton decreased by approximately 5%;
- the rate of recycled material reached 20% for some references;
- the range of soft pouches has improved since 2018. By reducing the thickness of the plastic, 5% less raw material can be used.

The proportion of integrated recycled material increased from 25% to 50% on the inner surface of the plastic. The amount of glue was reduced by 20%.

Supporting customers for their own containers

La Poste also advises its e-commerce customers on how to avoid empty spaces inside packaging, reduce materials consumption, and incorporate recycled materials without compromising the strength of the packaging, given that it will be subjected to mechanical processes.

Tests are carried out with e-merchant customers to verify the robustness and usage processes of new reusable packaging.

5.8.3.4 Paper

Sustainable paper supplies

Paper is a critical resource that Le Groupe La Poste purchases. The maturity of its sustainable paper policy is widely recognised: in 2017, La Poste scored 75/100 in the last PAP50 ranking of the paper management policies of the 50 largest French private and public sector companies. La Poste was ranked number one in the Post & Telecoms category.

One of the key issues of this paper policy is quality of supply. La Poste sources paper that does not contribute to deforestation. All entities are mobilised to prioritise the use of responsible paper. In 2019, 91% of the paper used by Le Groupe La Poste came from sustainably managed forests or from recycling.

In addition to the origin of the paper itself, procurement requirements also include ancillary resources, such as inks, glues and coatings. This is why Imprim'Vert certification or the signing of the "Print Environnement" Charter is systematically required for the printing of advertising, promotional or institutional material.

Sustainable paper consumption

Many different methods are used to adapt paper consumption to each specific use:

- documents that require a lot of paper (like reports and studies) are increasingly electronic;
- the number of individual printers has been streamlined;
- all printers are set to duplex printing by default;
- low-weight paper and standard formats are preferred when ordering from printers.

In 2019, total paper consumption within the Group's scope was 13,000 metric tonnes.

Paper recycling

Recycling of office waste, of which paper generally accounts for 75%, is being deployed at all Le Groupe La Poste establishments. In 2019, more than 7,000 metric tonnes of paper and cardboard collected from the Group's sites were recycled through Recygo and Nouvelle Attitude, two of the Group's waste management service providers.

5.8.3.5 Building materials

Choice of materials

The subject is being worked on by the real estate company Poste Immo. It aims to enable the use of materials with a low environmental and health impact to be prioritised in specifications and tenders. Studies are based on the LCA testing of various projects (La Boétie and La Poste du Louvre).

Making better use of space

Le Groupe La Poste is rolling out a number of coworking space concepts to optimise working and collaborative spaces, reduce commuting time and optimise cooperation between businesses. As such, post offices may be made available when not in use, or the spaces in buildings that La Poste wishes to redevelop, transformed into off-site co-working spaces. For this, Poste Immo is supported by partners and innovative start-up.

When certain postal sites are sold, in whole or in part, the buyer does not always convert them immediately. Where possible, Poste Immo uses temporary regeneration projects to make use of available space. For example, La Poste temporarily housed a storage site for Secours Populaire in the centre of Roubaix.

Construction waste prevention and management

Since 2016, the Group's real estate company has been a forerunner with its construction waste prevention and management policy. The law requires a waste audit to be carried out when demolishing buildings of more than 1,000 square metres in size. Poste Immo has extended this obligation to all its construction sites (demolition, construction, refurbishment, renovation, redevelopment, etc.), regardless of size.

To achieve this target, a construction waste management kit has been issued to employees. The Purchasing Department has drafted an amendment to project management and construction contracts that specifies requirements for worksite waste management. Pilot construction sites were monitored before finalising the policy.

Poste Immo's construction waste prevention and management policy is currently being deployed. Two remarkable projects completed in 2019 are worthy of mention:

In 2019, La Poste had to deconstruct the Courrier de Nice industrial platform, which has been in operation for 46 years, and return the bare land before the end of 2019. La Poste and Poste Immo decided to demolish the platform (10,000 m²) in an exemplary manner. Very precise inventories of facilities and equipment were prepared to propose them to the Group's business lines, then to project owners and non-profits in the PACA region.

As a result, three Mail-Parcel platforms recovered air-conditioning and ventilation equipment, for a financial gain of 50% compared to a refurbishment. Poste Immo's voluntary approach has aroused the interest of the Yes We Camp association in equipping an experimental social home, temporary buildings for the homeless and other social and cultural venues in Marseille.

Overall, more than 10,000 metric tonnes of materials were reused, more than 3,700 metric tonnes of waste were recycled, and less than 1% of the waste was not recoverable.

A similar process was carried out at the former Mulhouse post sorting centre, with nearly 18,000 metric tonnes of materials, 98% of which were recycled or reused.

5.8.3.6 Other equipment

A second life for furniture

When La Poste moves or transforms a postal site, it increasingly seeks to redeploy furniture. Equipment is then mainly redeployed within the Company or donated to a social economy organisation.

In 2019, Group subsidiaries such as the very young company Fluow, associations such as the Carillon in Strasbourg or the *Épicerie Solidaire* in Nanterre and start-up such as K-Ryole were able to recover materials to fit out their premises.

Avoiding plastics and disposable objects

Plastics are used in a wide variety of equipment and objects within the Group, from everyday consumables to equipment with a very long useful life. Thought is being given to plastics in work clothes and packages (consideration of design to reduce plastic consumption and/or increase recyclability at the end of life). Various plastic objects linked to production activities enter into systematic recycling circuits (palletising films, strapping, etc.). Others are recycled as part of local solidarity operations (e.g. in Dijon, donation of truck seals and bottle caps to non-profits for families of disabled children, which resell these recyclable materials to finance their activities).

The subject of disposable objects is looked at closely for objects used in connection with food. A large number of the Group's establishments have taken steps in recent years to reduce the use of disposable cups. At the Le Groupe La Poste headquarters, for example, the number of discarded cups has been divided by three in one year. New actions are being considered to go further. At the same time, the Purchasing Department is working to reference alternatives to disposable cups and bottles in office supplies.

More generally, a study was launched in 2019 with the support of the School of Environmental Studies (Unilasalle Rennes) to take stock of use plastics within a company like La Poste (results to be published mid-2020).

Reuse of work clothes

For some equipment, there is currently no satisfactory solution, for either reuse or recycling. La Poste is engaged in collective research initiatives. This is the case with the project for the industrial reuse and recycling of work clothes (FRIVEP).

Working in partnership with SNCF, Paris City Hall, the French Ministries of Defence and the Interior, GRDF, ESF, ONF and Orée, Le Groupe La Poste is trialling the introduction of a new industrial process for recycling and repurposing workwear. Higher ups must be able to process used garments while ensuring end-to-end traceability and security. Manufacturers in the sector must have quality opportunities for secondary raw materials. La Poste contributed 3,660 kg of clothing in 2018.

Building on the encouraging results of the first FRIVEP experiment, a second phase (FIREX) aims to industrialise the processes: choice of materials to be recycled and development of marketable products, non-woven or recycled thread.

La Poste also organised a solidarity collection of safety shoes in 2019 (see page 112).

On a related subject, at the beginning of 2020, La Poste relaunched studies on the reuse and recycling of pockets and bags used to transport mail.

5.8.3.7 Preventing food waste

The catering options for the Group's employees consist of a staff canteen and restaurant vouchers. On average, 105,000 people use this service each day. Cafeteria service standard operating procedures include CSR requirements, particularly with regard to preventing food waste and sorting refuse. Processes and methods have been implemented to prevent daily food loss, and raise awareness among kitchen teams.

In 2018 and 2019, emphasis was placed on preventing food waste in the canteen outlets offered to Le Groupe La Poste employees following a conclusive experiment conducted in 2017. As part of the European Week for Waste Reduction, the service provider Elior led an awareness-raising campaign for all canteen users and teams, in the form of a competition and a 100% anti-food-waste meal. Weighing campaigns are carried out when meals are placed onto trays.

5.8.4 PROMOTING THE CIRCULAR ECONOMY IN SOCIETY

The logistics of the objects to be reused or recycled is one of the major difficulties of the circular economy. This involves collecting everyday objects or professional equipment to extend their life cycle from private individuals or companies. La Poste therefore offers solutions that use its reverse logistics expertise and assets to drive change. Together with its partners, it is committed to bringing industrialised solutions up to scale. La Banque Postale also promotes the financing of the circular economy through a range of solutions.

La Poste has **two subsidiaries dedicated to the circular economy, Recygo and Nouvelle Attitude**, that provide strong added value beyond reverse logistics through sorting, material recovery, traceability, etc.

In 2019, thanks to the services of Recygo and Nouvelle Attitude, 117,780 metric tonnes of materials were collected for recycling and reuse.

Recygo

Since 2012, La Poste has been collecting and recycling paper and cardboard from offices. In 2018, it joined forces with the Suez group, which is renowned for its expertise in the collection and recycling of all types of waste and in downstream waste recovery processes. This led to a joint venture, Recygo, which significantly boosts the collection and recycling of office waste in mainland France.

This company offers a unique, digital solution accessible to all types of customers, regardless of their size or industry, which

5.8.4.1 Reverse logistics for reuse and recycling

This involves collecting materials for reuse or recycling (paper, cardboard, office waste, cartridges, coffee capsules, etc.). These services are intended for diffuse materials, notably within SMEs, VSEs and networked companies.

enables them to meet the "big 5" decree requirements (collection for recycling of paper, metal, plastic, glass and wood). It includes any office waste: plastic bottles, tin cans, disposable cups, cartridges, etc. On small sites, office waste is collected by postmen. They are sorted by Nouvelle Attitude, an integration enterprise subsidiary of La Poste, or by partners from the social and solidarity-based economy. The waste is then recovered in the best French practices, promoting local employment. In addition to recycling services, the Recygo website provides customers with tools to monitor and enhance their sorting process.

In 2019, the service was a great success, with 629,000 users already working in 10,000 sites. Recygo renewed its commitment to the French paper industry as a partner. The agreement entails, inter alia, fostering long-term partnerships with local recycling papermakers and ensuring sufficient supply volumes, to boost the paper recycling and recovery industry in France.

Nouvelle Attitude

Nouvelle Attitude is a subsidiary of Le Groupe La Poste that helps people back into work. It has been in existence for eleven years and has six sites. It has two missions – one environmental and the other social – which together contribute to local economic development:

- it sorts office paper for recycling and organises sorting activities for other items and materials for recycling or reuse;
- it helps people who are out of work return to steady employment. **In 2019, assistance was given to 124 people, and 8 out of 10 people found a permanent job, or else went on to do a vocational training course.**

For example, Nouvelle Attitude organises the sorting for recycling of paper and cardboard from the French National Assembly. It also recycles used cardboard from cardboard recyclers that has been recovered from retailers in Le Groupe La Poste's urban logistics services.

At the end of 2019, a sixth Nouvelle Attitude professional integration platform was inaugurated in Toulouse for sorting office paper for the South-West region.

Other reverse logistics activities for the circular economy

The postal network's facilities tool and reach enable it to capture a wide range of resource deposits.

As a result, **7,000 used smartphones** were collected from individuals in the Auvergne-Rhône-Alpes region for reconditioning or recycling on behalf of the eco-organisation ecosystem, which finances those operations. A leaflet and reply envelope were sent to households and, in some cases, explained by the postman. After this first conclusive test, in the autumn of 2019, ecosystem launched a website to extend this simple and free service to all of France: www.jedonnemontelephone.fr. Individuals can now simply download a prepaid label from this site to stick on their own envelope or order a pre-stamped envelope, insert their used phone into it and post

it at a La Poste letterbox. The phones are sent to the integration company Les Ateliers du Bocage in the Emmaüs network, repaired and resold at solidarity prices or recycled by ecosystem partners. Devices received are traced, and all personal data is deleted.

As another example, for several years, Nespresso has chosen Le Groupe La Poste to offer its corporate customers collection services for their **used capsules**. Companies are given a kit that explains the recycling process, together with recycling bags and containers that are kept in mail rooms. Postmen pick them up on dates that are scheduled with customers, depending on the amount of coffee they consume. **Fifty metric tonnes per month** were collected on average over 2019.

Urby, a new subsidiary of Le Groupe La Poste, integrates reverse logistics activities into its urban logistics offerings. In Lyon, for example, Urby recovers used cardboard and plastic from Décathlon stores on cargo bikes (600 kg per month) and sends them to Nouvelle Attitude, which sorts them before handing them over to a recycling service provider. For the Eram group's cardboard, plastic and shop pallets, 1,600 kg per month are collected.

Other logistics, collection and delivery services are being trialled or rolled out to promote the reuse and recycling of recoverable items or materials, as well as food consumption in short supply chains.

5.8.4.2 Advising customers on how to optimise their paper use

The Mediapost subsidiary, a major player in local communication, supports its customers at every stage of their campaigns. With solutions such as print advertising, street marketing and SMS campaigns, Mediapost offers ways to combine responsibility, efficiency and profitability for advertising investments.

For campaigns requiring paper (print campaigns), Mediapost relies on its ethical data management (ISO 27001:2013 certification) and presents more than 3,000 socio-demographic, behavioural and household equipment-related criteria. These criteria make it possible to **limit waste** by distributing messages only to households directly affected by an offering. In concrete terms, this prevents an advertiser from promoting lawnmowers to private individuals living in apartments. Mediapost also has a regularly updated address database. This base of distributable letterboxes gives advertisers the opportunity to **calculate the number of advertising prints required as accurately as possible**.

Mediapost also invites its customers to eco-design their print campaigns, which are delivered using dedicated guides. The various pieces of advice given (optimisation of graphic creation of media, choice of paper, selection of a committed printer, etc.) encourage rational use of paper in the service of responsible development.

As for Docaposte, a pioneer in continuous colour printing, its industrial printing facilities include printers that are capable of colour printing on white web. This technology reduces waste and the environmental impact of the upstream and downstream logistics of printed materials.

5.8.4.3 Financing the circular economy

Green loans for local authorities

With around fifty green loans granted to local authorities in 2019 for an amount of more than €300 million, La Banque Postale reaffirms its role in regional environmental transition. These loans are earmarked to fund projects in communities that promote environmental transition. Green loans focus on five areas, two of which (**sustainable management and sanitation of water and waste management and recovery**) are related to the circular economy. These two categories account for more than 80% of the green loans granted to local authorities in 2019, and 55% of the amounts lent.

In 2019, La Banque Postale financially supported SITCOM Côte Sud des Landes in its waste recovery policy with a green loan of €2.5 million.

Water supply and sanitation projects account for two thirds of the number of green loans granted by La Banque Postale, given the needs of local authorities (ageing pipes, losses of nearly one billion m³ of water each year due to leaks, emerging pollution, etc.). In 2019, for example, La Banque Postale supported the Val Eyrieux (Ardèche) community of municipalities in an ambitious investment programme that addressed three issues: improving water quality, connecting networks to each other and reducing waste and leaks in the network. A green loan of approximately €500,000 was granted.

Crowdfunding

The circular economy is a source of creativity. This often implies that new projects need innovative funding solutions if they are to complete the various stages of their development. Within this framework, crowdfunding addresses the needs of entrepreneurs, associations and even local authorities. On the platform of KissKissBankBank, a subsidiary of La Banque Postale, the projects funded include those enabling the transition to the circular economy:

- 2,085 successful projects on KKBB in "Ecology": €3.7 million collected since 2012;
- in this area, projects related to the circular economy are clearly on the rise;
- 27 projects labelled "zero waste" on KKBB since the beginning of 2019: €300,000 collected.

To give one good local example, the "MEL Makers" call for projects launched in 2018 by the European Metropolis of Lille aims to promote crowdfunding campaigns by urban entrepreneurs that work to expand the circular economy and create local development loops. The ten campaigns completed in 2019 were 100% successful and raised more than €100,000 through over 1,200 contributors in just 40 days.

Impact investing

Within La Banque Postale's responsible investment policy, the circular economy appears to be a growing issue. It is one of the themes chosen for the LBPAM ISR Actions Environnement fund launched in 2016. The fund also complies with the requirements of the SRI and Greenfin labels, and its aim is to mobilise a portion of the savings for environmental transition.

5.8.4.4 Innovating in the circular economy

Support for start-up

To help the ecosystem emerge and to support it, La Poste and its subsidiaries support start-up and structures of the social and solidarity-based economy via several innovation schemes started by them (Concours des Éclaireurs, French IoT, etc.) or in which they are partners (Paris&Co incubator, Fondation La France s'Engage, the KissKissBankBank call for zero-waste projects, etc.).

Support can take several forms, such as organisation of experiments, development consulting, partnerships, solidarity collections mobilising postal workers and skills patronage missions. For example, the following projects are supported:

- the Rejoué association, which is initiating a second-hand toy sector;
- the start-up Capillum, winner of the Le Groupe La Poste Trophée des Éclaireurs. Capillum collects hair from hairdressers to extract keratin, which has multiple uses. One of them is to create nets that filter out pollution in port waters;
- Tricyclerie, which collects organic waste by bike;
- support for the development of the cigarette butt recycling industry: MéGO! is a service for sorting and recycling cigarette butts. Specific containers have been created with the support of the La Poste logistics network management for the transport of this special waste in the form of watertight buckets that can be transported by eco-return parcels.

In its digital communications and at the Maison de Crowdfunding in Paris (its third location), the subsidiary KissKissBankBank regularly highlights the "zero waste" projects currently financed by KissKissBankBank or for which financing is under consideration.

The WWF's WAG (We Act for Good) application

Launched in 2018, the We Act for Good (WAG) app helps consumers change their everyday behaviour. It sets challenges or "missions", and offers advice and tips on food, transport, waste and energy. An interactive map can be used to locate eco-responsible places and services. La Poste has been involved since the project's launch in designing the new app, which will be an effective tool for engaging citizens in the environmental transition. It was relayed to La Poste employees on several occasions.

Nearly half a million people (480,000) have downloaded We Act for Good. Users have completed over 1.7 million challenges to change their daily behaviour, with two major themes: "Eating Well" and "Towards Zero Waste".

Raising employee awareness

Employees themselves are ambassadors for the responsible use of resources. They are made aware of it through long-term (purchasing rules, guides, etc.) and occasional operations (European Sustainable Development Week, European Waste Reduction Week).

During these specific times, La Poste provides logistical support for solidarity initiatives. A large solidarity collection of books, CDs and DVDs was offered to Le Groupe La Poste employees as an extension of the partnership established several years ago with *Bibliothèques Sans Frontières* (BSF). A total of 19,000 employees were offered the opportunity to collect from nearly 200 establishments. Their mobilisation resulted in the collection of more than 29,000 books and nearly 2,800 CDs and DVDs. More than 12 metric tonnes of objects were carefully sorted by Nouvelle Attitude, a subsidiary of La Poste, according to BSF criteria.

A total of 13 second-hand toy sales were also offered to more than 8,000 Group employees. 830 toys were sold for an average of €4 each to benefit Rejoué. Forty La Poste employees were mobilised to contribute to the smooth running of these sales. A toy collection was also offered in three establishments during European Waste Reduction Week 2019, and 270 kg of toys were collected for reconditioning.

La Poste also organised a solidarity collection of safety shoes in 2019 with employees who need them on the job. The goal is to supply reusable shoes to SSE structures, primarily for internal use (professional integration for handling, etc.) as well as for solidarity resale in France (at second-hand solidarity shops or elsewhere). More than 600 pairs were gathered.

Mobilising clients

At the national level, Le Groupe La Poste was a sponsor of World Clean-up Day for the second year through broadcasting its promotional film in post offices equipped with TV screens in September 2019, social networks communications and financial sponsorship.

At the local level, information campaigns can be organised with local partners. For example, for *Clermont en Rose*, La Poste set up a bra collection through its subsidiary Recygo in partnership with *Le Relais* to raise women's awareness of breast cancer screening. The symbolic gesture was simple: women put their bras in pink collection boxes created especially for the occasion. The operation began in 2017 and was designed to raise awareness among postal workers. In 2019, this collection was extended to the entire Auvergne-Rhône-Alpes region with 380 collection points and over 600 pink collection boxes. In total, 248 kg of bras (about 4,000) were collected. They were transported to *Le Relais*, a company with a socio-economic purpose. Once sorted, those in good condition were made available at secondhand clothes shops or recycled with thermal insulation.

5.9 Environmental appendix

BUILDINGS

Scope: real estate portfolio owned or directly managed by the Group

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
102-7	Number of buildings	LGLP	number	12,219	11,983	11,778	-2%
102-7	Building surface area	LGLP	millions of sq.m	10.2	10.5	10.447	-1%
	Certified buildings (HQE, BREEAM, LEED, BDM, BBC, BEPOS) (excl. promotion and co-promotion)	LGLP	number	9	15	24	
	Surface area of the certified buildings (HQE, BREEAM, LEAD, BDM, BBC, BEPOS) (excl. promotion and co-promotion)	LGLP	square metre	155,632	214,594	305,664	
302-1	Energy consumed by buildings	LGLP	GWh	1,328	1,401	1,314	-6%
302-1	<i>of which electricity</i>	LGLP	GWh	719	801	721	-10%
302-1	Proportion of renewable electricity in total electricity consumption	LGLP	share in%	80	82	87	
305-1	Direct greenhouse gas emissions resulting from energy consumed in buildings (scope 1)	LGLP	t of CO ₂ eq.	122,227	111,091	109,318	-2%
305-2	Indirect greenhouse gas emissions resulting from energy consumed in buildings (scope 2)	LGLP	t of CO ₂ eq.	57,767	49,535	46,929	-5%

TRANSPORT

Scope: fleet owned or managed directly by the Group, excluding company cars

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
102-7	Total number of vehicles	LGLP	number	87,534	92,755	89,598	-3%
102-7	<i>of which electric vehicles</i>	LGLP	number	37,954	39,696	37,442	-6%
102-7	<i>of which light commercial vehicles (LCV)</i>	LGLP	number	50,700	50,093	56,193	12%
102-7	<i>including Euro 5 standard</i>	LGLP	%	69	55	39	
102-7	<i>including Euro 6 standard</i>	LGLP	%	16	29	47	
102-7	Number of electric LCV	LGLP	number	13,923	16,260	16,503	1%
102-7	Proportion of electric LCV	LGLP	%	16	18	18	0%
102-7	Proportion of vehicles with alternative motorisation (hybrid, natural gas, excl. electric)	LGLP	%	0.2	0.3	0.7	
102-7	Electric bikes	LGLP	number	22,962	22,536	20,069	-11%
102-7	Total kilometres travelled by the vehicle fleet	LGLP	km	1,002,794,794	1,049,650,793	1,067,467,819	2%

Energy consumption by transport and greenhouse gas emissions

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
302-1	Energy consumption by transport	LGLP	GWh	1,023	1,079	1,103	2%
302-1	of which gasoline/petrol	LGLP	GWh	15	14	57	323%
302-1	of which diesel fuel	LGLP	GWh	1,008	1,064	1,038	-2%
302-1	of which natural gas	LGLP	GWh	0.86	1.41	0.57	-59%
302-1	of which LGP	LGLP	GWh	0.17	0.20	0.26	29%
302-1	Of which LNG	LGLP	GWh	1.12	2.79	6.70	140%
305-1	Greenhouse gas emissions resulting from the use of the vehicle fleet (scope 1)	Fleet managed by Véhiposte	metric t of CO ₂ eq.	266,573	262,354	267,210	2%

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Emissions of air pollutants (scope: fleet managed by Véhiposte)

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
305-7	Nitrogen oxide (NO _x) emissions	Véhiposte	metric tonnes	134	115	98	-15%
305-7	Particulate (PM) emissions	Véhiposte	metric tonnes	4	4	4	0%
305-7	Carbon monoxide (CO) emissions	Véhiposte	metric tonnes	412	389	391	1%
305-7	Emissions (NO _x + HC)	Véhiposte	metric tonnes	64	74	52	-29%
	Proportion of kilometres travelled by the fleet managed by Véhiposte	Véhiposte	%	71	81	80	

SUBCONTRACTORS

Scope: subcontractors' buildings

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
302-2	Energy consumption: buildings	LGLP subcontractors	GWh	5.57	5.61	4.99	-11%
305-3	Indirect greenhouse gas emissions resulting from the energy consumption of contractors' buildings (scope 3)	LGLP subcontractors	t of CO ₂ eq.	1,723	1,861	1,555	-16%

Scope: subcontracted transport

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
	Total kilometres travelled: road	LGLP subcontractors	km	1,903,854,639	1,730,328,102	1,805,745,440	4%
	Total kilometres travelled: train and ship	LGLP subcontractors	km	828,800	770,507	675,778	-12%
	Total metric tonnes.kilometres transported: airplane	LGLP subcontractors	metric tonnes.km	310,458,588	313,291,827	299,598,468	-4%
302-2	Energy consumption by subcontracted transport	LGLP subcontractors	GWh	3,957	3,961.80	3,560.70	-10%
305-3	Indirect greenhouse gas emissions resulting from subcontracted transport (scope 3)	LGLP subcontractors	t of CO ₂ eq.	1,198,742	1,205,661	1,087,790	-10%

CERTIFICATIONS

ISO 14001

GRI	Indicator	Scope	Unit	2017	2018	2019
	Percentage of employees	LGLP	%	12	12	13
	Percentage of annual revenue	LGLP	%	30	29	29

ISO 50001 (scope: direct energy invoicing and consumption, excl. contractors)

GRI	Indicator	Scope	Unit	2017	2018	2019
	Percentage of energy consumption	LGLP	%	13	13	13

GREENHOUSE GAS (GHG) EMISSIONS

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
	Total GHG emissions	LGLP	tonnes of CO ₂ eq.	1,850,611	1,733,333	1,660,647	-4%
305-1	of which direct emissions (scope 1)	LGLP	tonnes of CO ₂ eq.	388,800	373,445	376,529	1%
305-2	of which energy indirect GHG emissions (scope 2)	LGLP	tonnes of CO ₂ eq.	56,376	49,535	46,929	-5%
305-3	of which indirect emissions (scope 3)	LGLP	tonnes of CO ₂ eq.	1,200,465	1,207,522	1,089,344	-10%
305-3	of which extrapolated emissions	LGLP	tonnes of CO ₂ eq.	204,970	102,831	147,845	44%
305-1 305-2 305-3	Total offset GHG emissions	LGLP	millions of tonnes of CO ₂ eq.	1.460	1.570	1.661	6%

ENVIRONMENT

Circular economy

GRI	Indicator	Scope	Unit	2017	2018	2019
301-1	Recygo offer users	LGLP	number			629,261
301-1	Materials collected for recycling and reuse	LGLP	metric tonnes		85,000	117,780
301-1	Materials collected and recovered for recycling or reuse	LGLP	metric tonnes	76,274	84,817	116,182
413-1	Persons assisted in workplace integration by Nouvelle Attitude	LGLP	number		104	124
301-1	Recovery rate of waste electrical and electronic equipment	LGLP	%	96	94	94
301-1	Total consumption of paper	LGLP	metric tonnes	20,896	ND	12,961
301-1	Sustainable paper	LGLP	metric tonnes	18,192	ND	11,850
301-1	% sustainable paper	LGLP	% of total	87.0	ND	91.4
303-5	Water consumption	LGLP	in w.dam	1,792	1,888	1,646

Consumption

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
302-1 302-2	Energy consumption: total	La Poste	GWh	2,567	2,500	2,443	-2%
302-1 302-2	Energy consumption: total	La Poste	% of Group consumption	34	38	40	
302-1 302-2	Energy consumption: buildings	La Poste	GWh	954	1,004	942	-6%
302-1 302-2	Energy consumption: transport	La Poste	GWh	1,613	1,496	1,501	0.4%
302-1 302-2	Energy consumption: total	LGLP	GWh	7,529	6,606	6,119	-7%
302-1	Energy consumption: scope 1	La Poste	GWh	1,160	1,039	1,022	-2%
302-2	Energy consumption: scope 2	La Poste	GWh	503	563	511	-9%
302-1	% buildings supplied with renewable electricity	Poste Immo	% 31/12	100	100	100	
302-2	Energy consumption: scope 3	La Poste	GWh	904	898	911	1%
102-7	Pick-up and drop-off points	Europe	number	32,000	40,000	43,000	8%
		of which France	number	7,900	9,500	11,455	21%

Environment

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
102-7	Owned real estate portfolio	LGLP	% (of m ² area)	38	37	37	
102-7	Real Estate portfolio	LGLP	number of buildings	12,219	11,983	11,778	-2%
102-7		LGLP	surface areas in millions of sq. m	10.2	10.5	10.4	-1%
102-7		Managed by Poste Immo	number of buildings	10,629	10,362	10,094	-3%
102-7		Managed by Poste Immo	surface areas in millions of sq. m	6.2	6.2	6.2	0%
102-7	Buildings monitored as part of the Green Lease process	Poste Immo owned sites	number	100	95	126	33%
102-7	Green leases	Poste Immo owned sites	number	195	198	189	-5%
	GHG emissions: total	La Poste	t of CO ₂ eq.	614,586	591,758	579,114	-2%
	GHG emissions: total	LGLP	t of CO ₂ eq.	1,850,611	1,733,333	1,660,647	-4%
305-1	GHG emissions: scope 1	LGLP	t of CO ₂ eq.	388,800	373,445	376,529	1%
305-2	GHG emissions: scope 2	La Poste	t of CO ₂ eq.	6,767	7,716	6,814	-12%
305-2	GHG emissions: scope 2	LGLP	t of CO ₂ eq.	56,376	49,535	46,929	-5%
305-3	GHG emissions: scope 3	La Poste	t of CO ₂ eq.	361,110	353,373	344,786	-2%
305-3	GHG emissions: scope 3	LGLP	t of CO ₂ eq.	1,405,435	1,207,522	1,089,344	-10%
305-1 305-2 305-3	GHG emissions: buildings	LGLP	t of CO ₂ eq.	180,326	162,488	157,802	-3%
			% of total	10	9	10	

GRI	Indicator	Scope	Unit	2017	2018	2019	Change 2019/2018
305-3	GHG emissions: not allocated	LGLP	t of CO ₂ eq.	204,970	102,831	147,845	44%
			% of total	11	6	9	
305-1, 305-3	GHG emissions: transport	LGLP	t of CO ₂ eq.	1,465,315	1,468,147	1,355,000	-8%
			% of total	79	85	82	
305-1, 305-3	GHG emissions: road	LGLP	% of total	67	70.7	68.1	
305-3	GHG emissions: air	LGLP	% of total	13	13.7	12.8	
305-1, 305-3	GHG emissions: natural gas		% of total	5.6	5.5	5.7	
305-2, 305-3	GHG emissions: electricity	LGLP	% of total	2.8	2.7	2.7	
305-2	GHG emissions: urban heating	LGLP	% of total	0.3	0.3	0.3	
305-1, 305-3	GHG emissions: fuel	LGLP	% of total	0.9	0.8	0.8	
305-3	GHG emissions: railroad and maritime	LGLP	% of total	0.1	0.4	0	
102-7	Internal combustion motorcycles	LGLP	Number	1,716	807	405	-50%
102-7	LCV with IC engines (own fleet for service)	LGLP	Number	50,700	50,093	51,929	4%
102-7	Trucks	LGLP	Number	517	250	313	
102-7	Electric bikes	LGLP	Number	22,962	22,536	20,069	-11%
102-7	Electric three-wheel vehicles (Staby)	LGLP	Number	5,225	6,311	7,320	16%
102-7	Electrical quadricycles	LGLP	Number	1,200	1,294	1,329	3%
102-7	Light electric vehicles	LGLP	Number	7,197	7,387	7,180	-3%
102-7	Electric trolleys	LGLP	Number	950	900	891	-1%

GRI	Indicator	Scope	Unit	2017	2018	2019
302-2	Photovoltaic facilities	LGLP	number (Poste Immo real estate portfolio)	47	47	50
302-2	Photovoltaic panels	LGLP	m ² (Poste Immo real estate portfolio)	31,000	31,000	38,000
302-2	Annual output generated by photovoltaic facilities	LGLP	GWh	5.5	5.5	6.5

HUMAN RESOURCES POLICY

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LE GROUPE LA POSTE

SUPPORTS SOCIAL



Le Groupe La Poste opted for a strong social model based on quality jobs, equal opportunity and support for career paths. Our commitment starts with our most valuable resource, our people.

AN HR POLICY PROMOTING EQUALITY IN THE WORKPLACE

La Poste's activities, size and presence throughout France reflect society's diversity.

As a driver for social cohesion, La Poste monitors that individual skills are recognised and valued without discrimination. The Group is consistently committed to encouraging equality and acceptance of differences. La Poste is firmly convinced that equal opportunity and gender equality in the workplace help to drive success. These values have long been embedded in its culture and policies and are reflected in tangible actions and collective agreements.

LA POSTE EMPLOYEES ARE THE FIRST TO BENEFIT FROM CHANGE

In its drive to make its employees agents in and beneficiaries of the transformation of the Company, La Poste is introducing a new model for professional skills development and paths to promotion for all postal employees.

Since 2015, La Poste has made skills development and career progression opportunities for all its employees a major focus of the HR component of its strategic plan, and is well on its way to achieving this thanks to its ambitious training commitments. As a company that values learning, La Poste has a laser focus on career development and mobility so that the Group and its employees can all grow together. La Poste is a dynamic and rapidly changing company. It offers a diverse range of job opportunities to its staff and is one of France's leading employers. The Group wants all La Poste employees to be fulfilled in their job, since work satisfaction is not only important for cohesion and engagement, but also for day-to-day efficiency and collective performance.

HIGH-QUALITY SOCIAL DIALOGUE

The La Poste working method is based on intense social dialogue, including negotiation, information and consultation, to ensure that everyone is involved in projects.

The many agreements signed, at all levels, are the result of fruitful social dialogue with all representative trade unions. They demonstrate a shared wish to support the Company's transformation for the benefit of all employees. Social dialogue in La Poste is based on respect between the parties, exchanging information, discussing points of view in an atmosphere of loyalty, and finding a solution through consultation or negotiation. These values, which form an intrinsic part of La Poste's history, were further strengthened in 2010 when La Poste became a public limited company, primarily through the social agreement of 2013 which strengthens negotiating rules in the territories.

TRANSFORMATION



BEING A RESPONSIBLE AND EXEMPLARY COMPANY

249,304 employees, **84.5%** of them in France.

88.4% full-time employment rate.

92.5% on permanent contracts, confirming that La Poste prioritises job stability.

50.9% of executives are women.

80.3% of employees trained in 2019.

94% equality index. This excellent score confirms La Poste's long-standing commitment to equal pay and gender equality.

180 jobs in **30** occupational pathways, resulting in a wealth of professional development opportunities for employees.

15,000 new hires on permanent contracts in 2019.

Nearly 30,000 La Poste employees are promoted internally each year.

More than 50,000 La Poste employees have been trained online in digital technology, data and the corporate culture.

5.3% low employee turnover rate, illustrating La Poste's responsible employment policy.

7 staff representatives on the Board of Directors, making up a third of its members.

57% participation rate in the survey launched by the Group to measure the engagement of La Poste employees.

SUPPORTING CHANGE

Leading part-time education placement employer in France with more than **4,900 students** on work-study contracts. Since 2016, **17,600 part-time education students** have been trained under the Formapost scheme.

A collaborative approach involving La Poste employees in developing the new La Poste 2030 strategic plan.

11 new national agreements in 2019, including the seventh agreement on employing disabled people and the fourth agreement on gender equality in the workplace, strengthening La Poste's commitment to these issues.

More than **1,000 agreements signed locally.**

44,000 qualifying training paths to further the career plans of La Poste employees since 2015.

DRIVING CHANGE IN OUR SOCIETY

Double the number of employees working from home in response to the expectations of society and La Poste employees.

7% employment rate of disabled people, i.e. 1 point above the statutory requirement.

Leading employer in France of disabled people, with more than **14,000** employees registered as disabled.

Diversity label awarded to the Services-Mail-Parcels business unit in recognition of its proactive equal opportunities and anti-discrimination policy.

Opportunity to retrain for a career in the digital sector with training provider Simplon.

2,710 employees have taken advantage of the Carers Agreement to assist family members with administrative and medical formalities. **Solidarity among La Poste employees: 613 days of annual leave donated** by La Poste employees to other employees who are family carers.



Ambitions

Le Groupe La Poste is continuing to grow responsibly in a rapidly changing world. Our working environment is rapidly changing in all business units, due to the fall in mail volumes, an increase in parcel deliveries, the digitalisation of jobs, lower footfall in post offices, pressure from competitors and the deployment of new services. With this in mind, the Group is ensuring that all of its employees play a role in, and benefit from the Company's transformation. It aims to use constructive social dialogue to build a shared plan, which values each individual's talent and guarantees the success of the strategic plan.

The Group's social model, supported at the Company's highest level by its Chairman, is based on quality jobs, equal opportunity, diversity and support for career paths. These ambitions form an integral part of the Chairman's roadmap.

For this purpose, La Poste created the Social Pact, which is the employee-related component of the "La Poste 2020: Conquering the future" strategic plan unveiled in 2014.

The Social Pact covers four major focus areas:

- training;
- professional development;
- health and quality of life at work; and
- managerial development and transformation of the HR division.

The 2019 agenda on health and quality of life at work was busy. The Group's international reach also requires additional vigilance to ensure the respect of human and fundamental rights to the highest standards. The Group is therefore focussing on its subcontractors through its responsible purchasing policy.

It was also a particularly dynamic year for social dialogue, with the signing of 11 new national agreements and amendments and the implementation of the agreement with the UNI Global Union signed in 2017.

As soon as that agreement was signed, biannual meetings were held covering various topics including the working environment of DPDgroup employees, conditions for the use of subcontracting and provisions in place to comply with human rights and the due diligence principles set out by Le Groupe La Poste (which DPDgroup is fully signed up to).

Moreover, the Group's commitments on the training of work-study students and on societal impact are continually fed into its actions, in order to support its full ecosystem of partners with the societal changes taking place.

During 2019, the following progress was made on the key targets of the plan for 2020:

Material aspect	Goals for 2020	Progress as at 31/12/2019
Workplace relationships and quality of life	Steadily reduce the number and severity of work-related accidents	Frequency rate: 24.93 Severity rate: 1.51
Human capital development	80% of La Poste employees receive training every year, and 100% over two years	80.3% of employees received training in 2019, and more than 90.8% in 2018-2019
	Support 10,000 career paths per year	43,600 employees have followed a qualifying training path since 2015
Gender equality	45% of upper management are women*	44.3% of upper management are women
	40% of strategic and senior executives are women*	38.2% of strategic and senior executives are women

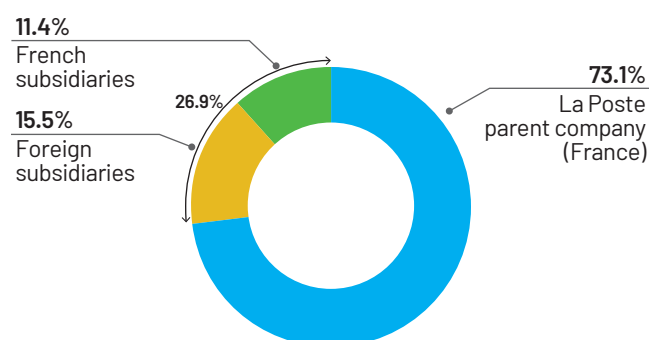
* By 2022.

6.1 Overview of Group employees

249,304 employees
LE GROUPE LA POSTE

Breakdown of Group headcount

Breakdown of Group headcount by company



The employee indicators cover 84.47% of the headcount, i.e. the La Poste parent company and the French subsidiaries, unless the indicator states otherwise. Following recent acquisitions, international entities account for 15.53% of unconsolidated headcount (see 2019 registration document). Le Groupe La Poste initiated a process to broaden the scope of social indicators to Group subsidiaries abroad at the beginning of 2020.

Breakdown of Group headcount by continent^(a)

Africa	America	Asia	Europe	Oceania	Total
1.2%	1.2%	0.2%	97.4%	0.1%	100%

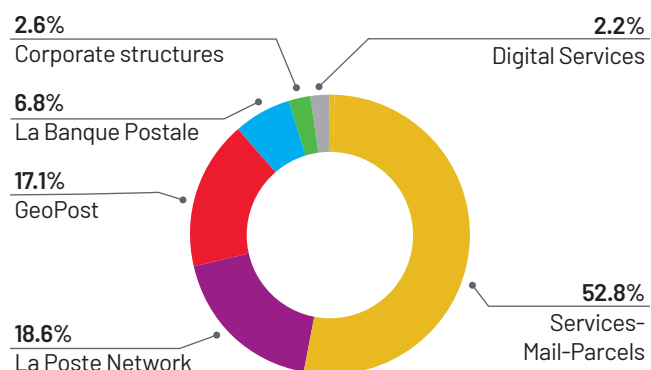
France	Other Western European countries ^(b)	Eastern European countries and Russia	Total workforce in Europe
84.5%	8.6%	4.3%	97.4%
93.07% of the Group's workforce is located in Western Europe			

(a) Source: consolidated financial statements for La Poste, its subsidiaries and the companies it controls (fully consolidated). The workforce is expressed as full-time equivalents.

(b) Unesco classification: Andorra, Austria, Belgium, Denmark, Finland, Germany, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, United Kingdom, Vatican City, as well as France, which is shown separately in the table.

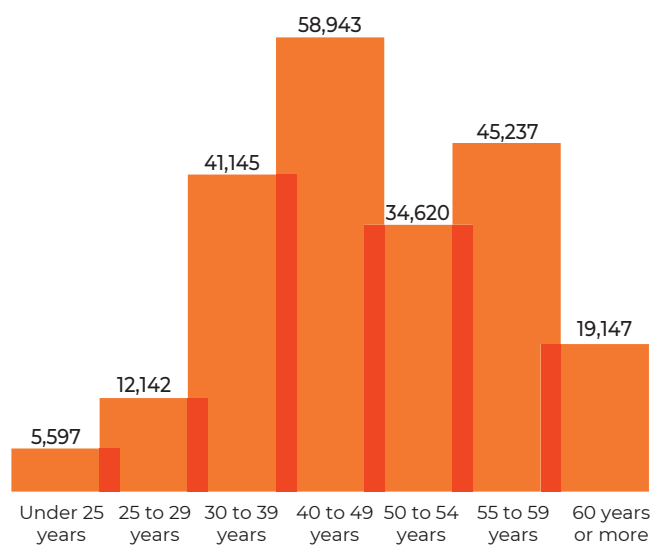
Breakdown of Group headcount by business unit

Full-time equivalents on average



Age pyramid for Group headcount in France

Number of individual headcount as at 31 December – civil servant employees and private-law employees under permanent contracts



6.2 A responsible employment policy

As the second largest employer in France after the French State, La Poste is one of the largest employers in the French job market. Two objectives are key in its employment and hiring policy:

- implement a recruitment policy that promotes diversity and equal opportunity, and reflects the Group's commitment in these areas;
- promote quality employment, by increasing the number of permanent jobs at La Poste. Applications from those who have worked for La Poste are prioritised when hiring under permanent contracts for the same position. In 2019, 3,268 employees who

had previously been employed on temporary contracts were transferred to permanent contracts, versus 3,061 in 2018. Within the Group, the total number of employees recruited on permanent contracts in 2019 was 15,073 (16,323 in 2018).

In 2019, 92.4% of headcount was on a permanent contract, and the turnover rate was low, at 5.3% (vs 5.2% in 2018).

6.2.1 FAVOURING FULL-TIME WORK OR VOLUNTARY PART-TIME WORK

Le Groupe La Poste supports full-time employment whenever possible. The full-time employment rate was 88.4% in 2019 and has remained above 86% over the past few years.

However, La Poste is committed to a more flexible work organisation for a better work-life balance, and therefore has various arrangements in place to facilitate **voluntary part-time work**. For instance any employee can ask their supervisor to reduce their work hours for personal reasons.

La Poste has also implemented several initiatives: **alternative part-time work measures specifically for older employees**, to address age-related difficulties.

The work organisation in Le Groupe La Poste companies in France (which accounts for 84.49% of Group headcount and 70% of consolidated revenue) operate based on an average of 35 working hours per week for day shifts, and 32 hours per week for night shifts. Night shifts concern Alturing, Docaposte, GeoPost, Mediapost and Viapost.

Indicators	Le Groupe La Poste*	
	2019	2018
Percentage of part-time employees in the headcount as at 31/12 (individuals, excluding temporary contract employees)	11.61%	11.96%
Percentage of employees working night shift in the headcount as at 31/12 (individuals, excluding temporary contract employees)	2.7%	2.47%
Days of absence due to illness (number of calendar days)	5,402,904	5,371,912
Number of paid overtime hours	3,660,667	3,642,525

* Includes the La Poste parent company and the Group's subsidiaries in France, but not subsidiaries located abroad.

6.2.2 THE HR FUNCTION - SUPPORTING TRANSFORMATION

Local HR managers have been recruited and trained in every region and in each of La Poste's business units. They provide initial advice in all work-related areas, thereby benefiting all managers and employees. Specifically:

- supporting managers in ensuring the management and professional development of team members;
- providing information and giving advice about professional development;
- being a trusted advisor for employees experiencing a difficult situation, regardless of whether it is professional or personal;
- providing information on and dealing with day-to-day administrative issues.

In 2017, La Poste launched an ambitious training path for Heads of Human Resources (HHRs) and HR managers (HRMs).

In 2019, 222 HHRs undertook the "HHR 2020" programme. The programme aims to:

- help the HR function to provide high-quality and personalised employee support;
- build on the skills of HR generalists (HHRs and HRMs) in their role as partners for the managers, in contributing to transformation projects and providing premium HR services;
- achieve progress and innovation in operational HR methods, while controlling the fundamentals of their business line.

The training path includes three transformation-related training modules: the HHR as a "Strategic transformation partner", "Guarantor of service quality" and "Integrator of HR ambitions & policies".

An "HHR 2020" qualifying training path has also been set up for the Group's 740 HR managers. 222 HRMs undertook the programme in 2019.

6.2.3 RECOGNISED AND SUSTAINED MANAGEMENT

Within six months of taking up their position, new managers at all levels undergo an obligatory integration process with a skills development component. This includes specific training on the manager's HR role, in place since 2013, enabling managers to:

- support their teams in driving change;
- know how to perform their role in supporting employees, and in particular in supporting their professional development;
- know how to create individual and collective quality of life at work conditions within their team.

This two-day training course is mandatory and must be attended before or as soon as the person assumes the managerial position. In 2019, 177 new La Poste managers were trained in their HR roles. Additionally, La Poste now appoints an experienced manager to mentor each new manager to support them during their first months in their new position. Finally, in 2017, the Institute of Management was set up to provide specific training for Group managers.

Measurement of commitment rolled out in 2019

In October and November 2019 a survey was sent to all employees of the Services-Mail-Parcels business unit, Corporate, Poste Immo and the Digital Services business unit, managers in the Network, Financial and Banking Services and the top management of GeoPost, to measure the commitment and expectation of employees and their managers. The response rate was 57% across all employees and 85% for managers (respective targets 60% and 80%), i.e. 73,636 employees.

6.3 Commitments to compliance with human rights and fundamental freedoms

Most of the Group's operations take place in countries with democratic institutions and which have the resources necessary to enforce compliance with human rights and with the **International Labour Organisation's (ILO)** basic principles. La Poste and its French subsidiaries are governed by French labour law, which protects human rights in accordance with the ILO's Fundamental Conventions.

In keeping with its participation in the **United Nations Global Compact**, Le Groupe La Poste introduced policies to promote human rights, fundamental freedoms and the health and safety of its employees a number of years ago. It is committed to strengthening these policies. Since 2003, the Group has renewed its signature of the United Nations Global Compact every year, in which it commits to respect freedom of association and recognise the right to collective bargaining, help to eliminate all forms of forced and compulsory labour, work towards the effective abolition of child labour, and work to eliminate discrimination in respect of employment and occupation.

La Poste places major importance on **the negotiations between its social partners** on the implementation of these policies. It signed

new agreements in 2019 on contingency, gender equality in the workplace and disability, providing its employees with additional guarantees and rights.

Alongside around 100 French companies, the Group deepened its commitment by signing the Manifesto for the Inclusion of Disabled People in Economic Life in November 2019.

Further, the **duty of due diligence** has resulted in measures to prevent, within the Group and in its contractual relations with suppliers and tier 1 subcontractors, any risk of serious human rights and fundamental freedoms violations and to improve accident prevention and health and safety at work.

Finally, the Group's international activities included the signature in 2017 by GeoPost of an agreement with **UNI Global Union** confirming its commitment to upholding human rights and the rights of employee representatives, in accordance with the ILO conventions.

6

6.3.1 DIVERSITY AND EQUAL OPPORTUNITY

La Poste conducts an active policy to promote diversity and equal opportunities. This policy is established at the highest company level. It is rolled out in the regional structures via a network of diversity officers. 2019 was characterised by the signing of **three new agreements** on intergenerational issues, gender equality and disability, enabling La Poste to continue and ramp up its measures in these areas.

As a signatory of the **Charter for Diversity since 2006**, the Group has a Code of Ethics and internal company rules of procedure which detail the commitments towards preventing discrimination. In December 2018, it signed the Autre Cercle Charter, which aims to tackle all discrimination linked to sexual orientation and gender identity issues. On 19 December 2019, the French Certification Authority (AFNOR) awarded the Services-Mail-Parcels business unit the **Diversity label**, for a four-year period, in recognition of its proactive equal opportunities and anti-discrimination policies.

In 2010, La Poste introduced a **Recruitment Charter**, in which it makes a commitment to equal opportunities, considering all applications and showing objectivity and respect in the recruitment process. It uses several methods to promote diversity in its recruitment processes (recruiting in urban priority neighbourhoods, vocational training contracts, apprenticeship contracts and simulation-based recruitment).

6.3.1.1 Employment and integration of people who are disabled or unfit for work

La Poste strives to employ disabled or unfit for work workers and ensure their professional development, providing support via a national network of disability officers. On 10 May 2019, the **seventh agreement** was signed **to promote the employment of disabled people**, for the years 2019-2022. Under this new agreement, La Poste has earmarked €23 million for the disability policy and committed to recruiting 650 people (260 of them on permanent contracts) over a four year period. Under this agreement:

- over 60% of the agreement budget will be set aside for measures to keep all disabled employees in employment, reflecting the high priority of this target at La Poste;
- a tailored welcome plan for each new position taken up and obligatory training for managers who have a disabled person on their team to improve inclusion;
- improved professional development and career paths for disabled people.

In 2019, 7% of La Poste's headcount consisted of beneficiaries of the obligation to employ disabled workers, which means that the Group exceeded the statutory minimum of 6%. It has over 14,000 employees with a recognised disability.

La Poste organises a range of disability and anti-discrimination events to raise employee awareness. A 2019 art project in partnership with non-profit organisation Makanak & Vous on the

facades of postal buildings shone a spotlight on 200 employees with both visible and invisible disability across France.

Adapting workstations and working conditions

Adapting workstations enables disabled people to be kept in work. Specific committees and schemes help to find solutions to each individual situation.

6.3.1.2 Gender equality

La Poste signed a **fourth agreement on workplace equality** on 25 July 2019, which sets out new commitments for the 2019-2022 period. It aims to ensure the same career development opportunities for women and men, thanks to a higher proportion of female senior executives, Executive Directors and Strategic Directors, improved gender balance in all business lines, tackling sexism and violence and equal rights irrespective of sexual orientation and gender identity.

Launch of a gender parity network

In October 2019, La Poste introduced a network to promote gender equality within the Group. The network covers the whole of France and comprises both female and male volunteers. Its purpose is to act as a driver for the Company on all parity-related issues, at all levels. A collaborative creation workshop was held to determine the network's initial focus areas.

The Services-Mail-Parcels business unit is awarded a Diversity certification

Following a detailed audit of 44 entities, AFNOR recognised the business unit's commitment to diversity.

Parental leave

La Poste grants parental leave in line with the French employment law in this area. If requested by the staff member, it also provides personalised support and follow-up before, during and after parental leave, in order to maintain links with the Company. When the staff member returns, they start back in their previous role or a similar role with an equivalent or greater salary, and if possible in a geographical area which is close to home. When the staff member returns from parental leave of six months or more, the local HR team will offer a one-to-one meeting to coordinate their return to work and identify any training needs. La Poste also goes beyond French employment law by offering the same parental leave and parental benefits to homosexual couples.

Promoting women in digital careers

The Group is a founding partner of the Femmes@Numérique Foundation, which brings together non-profit organisations, businesses and the French State to promote digital careers for women (a field in which women are still under-represented). It aims to increase the proportion of women in these roles, primarily through female role models.

Additionally, La Poste is also a signatory of:

- the United Nations Global Compact and the CEO commitment for gender equality across the world;
- the Parenthood Charter;
- a framework agreement to increase female participation in governance bodies, which was signed in April 2013 with 16 other large groups and the Minister of Women's Rights.

The active gender equality policy meant that, in 2019, **52.4% of La Poste employees were women, 50.9% of management positions were filled by women and 32.3% of senior executives were women.**

Indicator	2019	2018	2017
Proportion of women on the Management Committee*	31.4%	30.4%	30.1%

* The members of the Management Committee hold strategic positions within La Poste and its French subsidiaries, as defined by the Group's Executive Committee.

Indicator	Le Groupe La Poste *		
	2019	2018	2017
Gender pay gap	-4.3%	-5.2%	-5.1%

* Includes the La Poste parent company and the Group's subsidiaries in France, but not subsidiaries located abroad.

La Poste is working to ensure equal compensation for men and women doing the same job or work of equal value. The wage gap was very narrow in 2019 at La Poste, thanks to the Group's gender equality measures. Female civil servant employees earned 2.8% less than their male counterparts, and female private-law employees earned 0.2% less than their male counterparts.

Thanks to these measures, La Poste achieved a result of **94/100 on the gender equality index**, placing it considerably higher than 82% average for French companies.

In addition, all female postal workers returning from maternity leave received a pay increase.

6.3.1.3 Promoting diversity

Age and intergenerational management

La Poste has implemented an action plan for age management in order to encourage the integration, employability and development of both younger and older employees' skills. In 2019, 9.51% of all new hires on permanent contracts were aged 45 and over, in line with the new agreement on the integration of young people and the employment of elderly signed on 29 May 2019 which renewed the measures of the previous agreement for 2019. This agreement involves paying special attention to intergenerational communication and aims to constantly improve the incorporation of young people into the Company, recruit older employees and keep them in work and transfer knowledge and skills.

Commitment to disadvantaged areas

As it operates throughout France, in 2008 La Poste signed the national commitment to youth employment in disadvantaged

areas. It has made a commitment to include young people from disadvantaged areas in the workplace, via a dynamic recruitment policy and a range of partnerships:

- with the *Nos quartiers ont du talent* ("Our neighbourhoods have talent") non-profit organisation for workplace inclusion of young graduates from urban priority locals and underprivileged social backgrounds. This cooperation involves company volunteers mentoring young people to help them into employment and meetings between young graduates and company managers;
- with *Écoles de la deuxième chance* – E2C (Second chance schools) to integrate young people between the ages of 18 and 25 who left school without a diploma. Employees have the opportunity to be a mentor and support these young people in mastering basic knowledge and then preparing them for work through short-term internships within the Company;
- a pilot scheme which started up in 2016 with young people from voluntary military service, the Ministry of Defence, to offer vocational training in delivery and training leading to certification for young people with few or no qualifications, in the Paris region.

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6.3.2 HIGH-QUALITY SOCIAL DIALOGUE

Le Groupe La Poste is convinced that high-quality dialogue with its social partners is essential to its ability to transform in order to meet society's expectations. In order to support changes to its organisations and business lines, it has been maintaining a particularly close dialogue with trade unions and union representatives.

Status of staff

Having both civil servant employees and private-law employees, La Poste tries to apply the same or at least comparable HR rules to both groups. This policy is essential as each part of the Company has civil servant employees and private-law employees at the same workstations.

The Group has hired its new employees under private sector status since 2002. The number of employees governed by public sector legislation has been in steady decline and represented 27.1% of the Group's entire headcount at the end of 2019 (29% in 2018).

Social dialogue and staff representation

Institutions representing staff at La Poste

La Poste's *Institutions représentatives du personnel* (staff representation institutions – IRP) are mostly governed by public sector legislation, with the exception of the Health, Safety and Working Conditions Committees (*Comités d'hygiène, de sécurité et des conditions de travail* – CHSCT) which were established on

15 November 2011 and which are largely subject to the rules set forth in the French Labour Code.

The nature of the Company's staff representation institutions have not changed, despite La Poste's transformation from a public industrial and commercial establishment to a public limited company in 2010, and the orders of 22 September 2017 on the merger of bodies and on union representatives. Because several personnel categories (civil servants, public contract staff and employees) coexist alongside one another (the rules governing this arrangement are set forth in the 1990 Act), consistent representation and social dialogue rules need to be ensured across the Company.

The Act of 6 August 2019 on the transformation of the civil service confirmed that the specific IRP arrangements in place at La Poste would continue until the following renewal of the current terms of office, stipulating that, until January 2023:

- the provisions relating to the Social and Economic Committee (CSE) do not apply to La Poste;
- all IRPs, including the CHSCTs, shall remain in place.

In the meantime, La Poste will start working to define its new post-2023 IRPs, in partnership with the trade unions.

Individual representation

The individual representation bodies include Joint Administration Committees (*Commissions administratives paritaires* – CAP) for civil servant employees and Joint Advisory Committees (*Commissions consultatives paritaires* – CCP) for private-law employees. These CAP and CCP exist at the national and local levels.

Within these Joint Committees, elected officials are called upon to advise on employees' individual circumstances relating in particular to mobility, assessment, disciplinary matters, promotion, etc.

Collective representation

The collective representation bodies for employees include:

- **the Technical Committees (TC):**

The staff representatives within the Technical Committees (TC) review issues such as the organisation and functioning of services, statutory regulations, workforce and skills management, training, skills development and professional qualifications, professional equality, gender equality and combating discrimination.

There is a National Technical Committee (*Comité technique national* – CTN) which reviews national issues and projects. This Committee has dedicated expertise, such as information on the social report, but there are also Local Technical Committees (*Comités techniques locaux* – CTL) at each operational Deconcentration Level (*niveau opérationnel de déconcentration* – NOD) responsible for topics pertaining specifically to that NOD. The direct election of staff representatives to TCs since 2011 confirms the legitimacy and the role of the elected representatives within a context of ongoing and increasingly intense social dialogue and improving labour relations at La Poste.

In accordance with the Decree of 25 February 2016, the Technical Committees currently exercise social control over the occupational health services at La Poste (initially entrusted to NOD CHSCTs);

- **the CHSCTs:**

The CHSCTs were introduced at La Poste in November 2011 in facilities with 100 employees or more, in accordance with Article 31-3 of Act No. 90-568 of 2 July 1990 and Decree No. 2011-619 of 31 May 2011 regarding health and safety at work at La Poste

(this legislation applies to all La Poste employees, regardless of whether they are civil servant employees or private-law employees).

The appointment of staff representatives to the CHSCT is based on the representative nature of the last Local Technical Committees' elections.

Social dialogue bodies

In addition to the bodies described above, La Poste has several forums for information, consultation and negotiation:

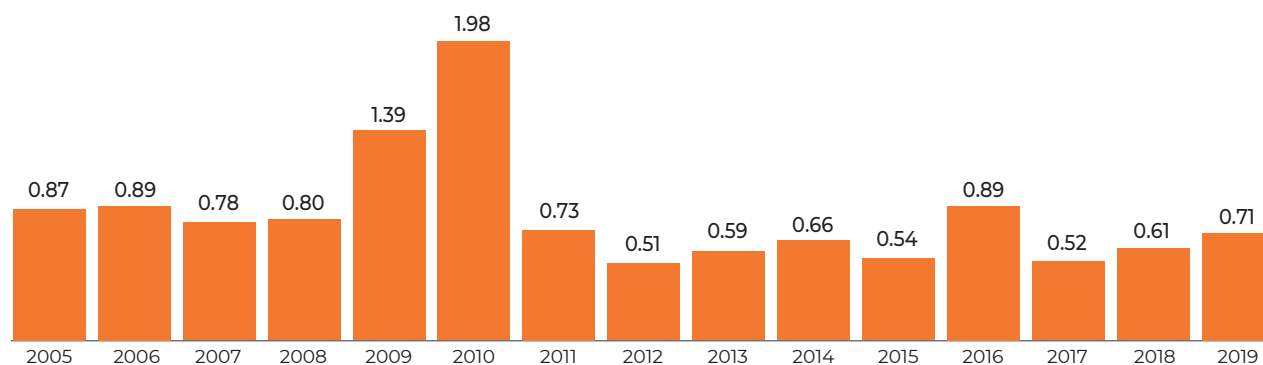
- **the La Poste Social Dialogue Committees** (*Commissions de dialogue social de La Poste* – CDSF), which are composed of representatives of trade unions at the national or local level (decentralised business unit and operational level). These are bodies in which Management shares information and/or initiates consultation on various projects and matters and where collective agreements are negotiated and signed;
- **the Group Strategic Social Dialogue Committee** (*Comité de dialogue social stratégique Groupe* – CDSG), created by the agreement of 21 June 2017, which covers La Poste and all of the Group's subsidiaries having their registered office in France. This new body aims to provide trade unions with better information on the Group's economic, social and financial situation and strategy.

Workplace elections

The most recent workplace elections were held in December 2018 to elect members of the Technical Committees (TCs), Joint Administration Committees (CAPs) and Joint Advisory Committees (CCPs), at national and local level. The new terms of office began on 1 February 2019 for a four-year period. **The participation rate at these elections was 73.04%.** This remarkably high rate, which places La Poste at the top of all French public organisations, shows the employees' attachment to democratic workplace representation.

Exercise of the right to strike

Number of days lost due to strikes per staff member at La Poste (national and local strikes)



Agreements and amendments signed in 2019

La Poste's working method is based on intense social dialogue, including negotiation, information and consultation, to ensure that everyone is involved in projects. The 70 national agreements signed since 2012 are the result of constructive consultation with each representative trade union and are proof that there is a shared will to drive the Company's transformation for the benefit of all employees. This commitment to support through social dialogue exists at all levels of the organisation, and is reflected by the signature of 11 agreements in 2019 (vs 13 in 2018):

- the amendments to the agreements of 8 December 2006 which created the group savings plan (PEG) and the collective retirement savings plan (PERCO) within the Group (signed on 9 January by CFDT, FO and *Liste Unis pour Agir* (CFTC-CGC-UNSA));
- the payroll agreement for 2019 (signed on 18 March by CFDT, FO, *Osons l'avenir* (CFTC-CGC) and UNSA);
- the amendment to the agreement on Parcel premiums (signed on 1 October by CFDT, FO and *Osons l'avenir* (CFTC-CGC));
- the seventh agreement to promote the employment of disabled people (signed on 10 May by CGT, CFDT, FO, *Osons l'avenir* (CFTC-CGC) and UNSA);

- the agreement on the integration of young people and the employment of older people (signed on 29 May by CFDT, FO and *Osons l'avenir* (CFTC-CGC) and UNSA);
- the fourth agreement on gender equality in the workplace (signed on 25 July by CGT, CFDT, FO and *Osons l'avenir* (CFTC-CGC) and UNSA);
- the amendment to the agreement bringing in two collective obligatory cover plans, "Disability-Infirmity-Death" and "Reimbursement of healthcare costs", for La Poste employees (signed on 20 November by SUD, FO, *Osons l'avenir* (CFTC-CGC) and UNSA);
- the amendment to the agreement of 7 July 2011 bringing in a collective cover plan, "Reimbursement of healthcare costs", for civil servants and public contract staff of La Poste (signed on 20 November by SUD, FO, *Osons l'avenir* (CFTC-CGC) and UNSA);
- the amendment to the agreement on the integration of young people and the employment of older people of 2019 (signed on 20 December by CFDT, FO, *Osons l'avenir* (CFTC-CGC) and UNSA);
- the amendment to the "A future for every employee" agreement of 2015 (signed on 20 December by CFDT, FO, *Osons l'avenir* (CFTC-CGC) and UNSA).

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Summary table of the agreements signed in 2019

2019 indicator	La Poste	La Banque Postale	Docaposte	GeoPost	Mediapost	La Poste Silver	Poste Immo	Viapost	La Poste Nouveaux Services	Divers
Total number of employee agreements signed (incl. amendments)	11	35	30	6	4	16	4	40	9	3

Almost 100% of the Group's employees are covered by an employee agreement.

Follow-up on commitments made in agreements in force

All of the agreements indicated above are reviewed at least annually by a Monitoring Commission. This Commission discusses, in particular, the implementation of the contractual provisions with the signatory trade unions.

The whistleblowing procedure

To guarantee that these principles are followed, La Poste has set up an employee alert system (operational since 2013) so that

trade unions can notify the local director, then the Group's HR Department if necessary, of any failure that they believe occurred in the implementation:

- of commitments relating to La Poste's social dialogue, in respect of the change management method applicable to changes to the organisation at national or local level; and
- compliance with signed agreements.

In 2019, the Group's HR Department received 10 national reports (vs 11 in 2018).

6.4 Boosting skills and employability

The labour-management agreement "Le pacte social", which is part of the Group's "La Poste 2020: Conquering the future" strategic plan, places professional development and training at the very heart of human resources management policies. Access to training is one of

the main commitments of this agreement, which states that at least 80% of employees must be trained each year. The agreement also provides for the introduction of qualifying training paths, aiming for 50,000 new paths by 2020.

6.4.1 TRAINING AT THE HEART OF THE GROUP'S TRANSFORMATION

**THE GROUP DEDICATED
3.8% of its payroll
FOR TRAINING EXPENSES**

Access to training has improved considerably since 2013, confirming that La Poste is a "learning company". The Group supports each employee in their career development, ensuring that they play an active role. Training meets two challenges:

- anticipating and responding to the needs for skills expected by the Company and by employees;
- increasing the visibility and accessibility of a cross-entity and unified training offer for all employees.

In 2019, the main training programmes continued:

- **a programme of 50,000 qualifying training paths with in-house certification** between 2015 and 2020, to boost key skills and further employees' career aspirations. At the end of 2019, nearly 43,600 qualifying training paths were initiated (vs 37,000 at the end of 2018), the objective of reaching 50,000 qualifying training paths by the end of 2020 is therefore 87% achieved;
- **an individual training programme with a self-service training offer** (OLS) accessible to all employees via a dedicated portal since April 2017, now based on two themes: Corporate Culture, and Digital Services and Data. More than 86,000 employees have taken at least one OLS training module (including more than 50,000 in 2019);
- the Institute of Development (ID), created in 2018, provided **training for 19,000 employees of support divisions**. Via the ID portal, the employees of these divisions can access shared training on topics such as project management, risk management, accounting documents and customer care. The training is provided in the form of short online programmes, face-to-face training and conferences. In 2019, the ID delivered training sessions to 30,505 employees (compared to 13,506 in 2018);
- **the business units also have their own training body** the *École de la banque et du réseau* (EBR) and the Services-Mail-

Parcels University (USCC). The EBR helps employees of La Banque Postale, Financial Services and the Network improve their specialist skills. In 2019, it delivered 14,262 days of training to 61,581 employees. The USCC supports the development of Services-Mail-Parcels business unit employees towards the roles of the future and fosters service excellence as part of "Ambition 2020, towards a world of services", via a network of six specialist schools (School of Sales, Marketing School, Supply Chain School, Postman School, quality and Customer Satisfaction School, and Customer Relations and Sales Administration School).

Training access rates were high for the seventh year in a row in 2019, with more than eight employees out of ten having attended at least one training course, and nine out of ten having received training in the past two years.

6.4.2 TALENT MANAGEMENT

Advocating professional development

La Poste advocates professional development which is respectful of individuals and promotes diversity in career paths. To encourage this culture it holds Professional Development Seasons (Saisons de l'évolution professionnelle) events in each entity.

An annual interview for each employee

Each employee has an annual interview with his or her direct manager as part of their career development. This is a chance for them to discuss the development of their skills and career path. La Poste is therefore **going beyond its legal obligations** which require a professional interview every two years.

This managerial action provides a crucial opportunity for discussion, which serves the Company's strategy and contributes to the professional development of employees. It enables the Company to channel its efforts towards priority objectives, in line with the assignments entrusted to each employee.

Annual interviews with managers now include a **skills assessment** based on the skills requirements of the various business lines.

Developing strategic positions

A talent management policy has been introduced to support Le Groupe La Poste's transformation goals. The policy aims to:

- help departments identify the organisation's key positions;
- anticipate future needs by identifying and preparing employees to take up key positions;

- prepare existing and new occupants of key positions for future challenges through development initiatives and by providing professional development opportunities.

With this in mind, in 2018 La Poste launched two "talent" development programmes for senior executives (ReThink & Lead) and strategic executives (*Impacte!*). Based on the positive outcomes of both programmes, in 2019 the *Impacte!* programme was relaunched. The ReThink & Lead programme was also renewed.

6.4.3 PROMOTING PART-TIME EDUCATION

For many years, La Poste has been committed to a robust policy of training and employing young people through apprenticeships and vocational training contracts. These contracts enable them to obtain diplomas and professional qualifications from the Professional Ability Certificate qualification (*Certificat d'Aptitude Professionnelle*) up to Masters' degrees. Training is provided by the three "Formaposte" part-time education centres (*Centre de formation en alternance* - CFA) set up by La Poste to meet its specific need to train young people in its business lines, particularly in the regions. They currently provide support to 40% of La Poste employees who are in part-time education (50% are on apprenticeships and 35% are on vocational training contracts).

La Poste has committed to hiring 4,000 young people on part-time education contracts in 2019, as part of the agreement signed on 29 May 2019 on the integration of young people and the employment of older people. This agreement renews the measures in the 2016 agreement, which resulted in over 17,600 work-study students being recruited between 2016 and 2019. During 2019, 4,739 new apprenticeship or vocational training contracts were signed.

Since 2016, La Poste has been a partner of the Innovation Foundation for Apprenticeships (*Fondation Innovation pour les apprentissages* - FIPA) to provide even more opportunities. The objective is to work with other companies to develop all forms of work-study apprenticeships (apprenticeship, vocational training contracts, apprenticeships for the long-term unemployed, career orientation apprenticeships and continuing professional development apprenticeships), in particular as regards the new business lines.

6.4.4 SUPPORTING MOBILITY

6.4.4.1 Supporting internal mobility

Professional development opportunities are created within the Group by way of the following initiatives:

- since it was set up in 2015, **the Jobs, Skills and Qualifications Observatory** has produced a set of guidelines common to all of the Group's 180 business lines and 30 professional divisions, so that employees can learn about potential career paths;
- La Poste provides employees with improved opportunities to play an active role in defining their career paths: a **job board** accessible to all employees on the Intranet and Internet, internal mobility rules, a network of advisers operating across the different business units and a dedicated professional development website. The number of jobs advertised on the job exchange, which dramatically increased between 2014 (5,700 jobs) and 2018 (18,808 jobs), decreased by 7.9% in 2019. The 12 Group Mobility and Recruitment Spaces (*Espaces mobilité et recrutement Groupe* - EMRG), in Paris and other cities, help

employees across France with their professional development. They head up a network of professional development advisers in place across all La Poste departments since 2015. La Poste encourages cross-entity career paths between business units and between professional fields. The introduction of the regional GPEC⁽¹⁾ in October 2019, coordinated and led by the EMRGs, should increase career mobility and fluidity between the business units and divisions of the Group at local level;

- building the postal service of tomorrow with today's employees also involves entering into **partnerships, such as the one agreed with Simplon**, a company in the social and solidarity-based economy which operates a centre offering free training in computer coding to support companies in their digital transformation. This partnership enables any La Poste employee (in particular postmen or customer service managers), after a selection and training process, to obtain a designer-developer diploma and to join the La Poste IT departments. The success of this initiative, with 51 employees included since its creation, was confirmed with the selection of the fourth cohort for 2019/2020:

(1) Forward-looking management of employment and skills.

17 La Poste employees were selected out of over 300 candidates. In total, 41 La Poste employees have already moved into designer-developer roles thanks to this initiative. Buoyed by this success, La Poste launched a new cybersecurity analyst pathway: nine La Poste employees are receiving training with Simphon with a view to obtaining their certification by summer 2020.

In total, almost 11% of the employees in France were able to advance their careers within the Group in 2019⁽¹⁾.

civil servants and assistance for private-law employees. In 2019, La Poste helped 202 employees transfer out to the public sector.

Business creation

La Poste has an active policy to support its employees' entrepreneurship projects (creation or takeover of a business). The policy includes a toll-free number where employees can receive support from specialist advisers, access to training, adjusted working hours, financial assistance, post-set-up monitoring, and the right to a smooth return to work, if needed. In 2019, 143 employees set up or took over a business.

6.4.4.2 Facilitating external mobility

Public sector mobility

In response to employees' requests for mobility towards one of the three public functions (French State, local government and hospitals), La Poste has introduced a legal process of secondment, then transfer, of employees into these functions: on the one hand, a special process common to the three public functions, introduced by Act No. 2007-148 of 2 February 2007 (regularly extended, until 31 December 2020), and on the other, secondments of common-law

Mobility towards the social and solidarity-based economy

La Poste also helps employees transfer out into the growing social and solidarity-based economy (SSE), which offers a wide range of roles. Several types of projects have been made possible by the "Dynamic Alliance" partnership: transfer to SSE, setting up a structure or end of career involvement in a charitable cause. In 2019, 167 employees successfully completed such external development projects.

6.4.5 PROMOTION POLICY

Given the key role of skills development in La Poste's human resources policy and management, there are three means by which employees may be promoted – recognition of knowledge and skills, recognition of career potential, and recognition of work experience.

In 2019, 17,595 employees were promoted via one of these three channels, i.e. a promotion rate of 9.5%.

Summary of skills development indicators

	Le Groupe La Poste ^(a)	
	2019	2018
Number of employees who have changed jobs (internally)	20,191	22,825
Total number of training hours ^(b)	4,881,436	4,904,426
Proportion of employees who took at least one training course during the year ^(c)	80.3%	80.4%
Training expenditures as a percentage of payroll ^(d)	3.8%	4.2%
Number of qualifying training paths rolled out (total since 2015) ^(e)	43,600	38,000

(a) Includes La Poste parent company and the Group's subsidiaries in France, but not subsidiaries located abroad.

(b) Total number of internal or external training hours attended by all staff (total headcount present during the year, including work-study students). This number does not include training provided within the framework of an individual employee training account, training sabbatical leave, the accreditation of work experience or skills audits. Courses are taken into account for the year in which they are completed.

(c) Scope: La Poste parent company. Employees having completed one or more training sessions with a cumulative duration of at least 3h30.

(d) Scope: La Poste parent company. Sustained investment in training but expenses calculation affected by taxation changes in relation to the apprenticeship tax (so-called "lost year").

(e) Scope: La Poste parent company.

(1) Functional and/or geographic transfers, either from one business unit to another or within a business unit, or from the parent company to a subsidiary. Does not include transfers from subsidiaries to the parent company.

6.5 Offering varied compensation and benefit packages

6.5.1 GENERAL COMPENSATION POLICY

The Group's compensation policy is governed by:

- special measures for civil servant employees in the public sector (points accumulation system);
- the collective bargaining agreement and annual pay negotiations for private-law employees.

2019 was characterised by **the signing of a new employee agreement** that illustrates the continuation of a positive and balanced development dynamic for compensation, while supporting changes within the Company. This agreement provides for the introduction of an indemnity to partially cover **employees' daily commuting costs**.

The wage policy also includes a diverse range of measures that are described on Section 3 of the 2019 Universal registration document.

The amounts paid in are invested heavily in socially responsible investment (SRI) assets. The La Poste Responsable Monétaire employee mutual fund, which accounts for almost 38% of employee investments, is 92% invested in SRI assets. Minimum thresholds in terms of SRI assets are also applied for the bond and equity funds. It is envisaged that by the end of 2020, all funds will be 100% SRI.

As at 31 December 2019, Le Groupe La Poste had 152,994 unit holders in the Group employee savings plans, a 7% increase between 2018 and 2019.

There were 141,814 unit holders from the La Poste parent company, representing €868 million in assets under management as at 31 December 2019.

There were 11,180 unit holders from the subsidiaries, representing €35.5 million in assets under management as at 31 December 2019.

6

Employee incentive-based pay

A new incentive agreement was signed in 2015 and renewed in 2018. Employee incentive-based pay is proportional to the Group's operating profit and thus more in line with each employee's achievements. In order to make employees more aware of increasing profits, a performance bonus is also distributed if profits are higher than the budget approved by the Board of Directors for the year.

The incentive accentuates efforts accomplished and increases awareness that employees have a direct impact on the Company's operational performance and profits. These incentives amounted to €103.26 million for the 2019 fiscal year.

Most French subsidiaries also have employee incentive agreements.

Employee profit-sharing

Currently, there is no employee profit-sharing programme in place at La Poste, as this would be subject to a decree. The subsidiaries are required to operate profit-sharing programmes.

Pension plan

Each member of staff at La Poste is under the common-law plan corresponding to their legal status: civil service pension plan for civil servants, general plan for employees. La Poste does not have its own special plan.

Group savings plan (PEG) and collective retirement savings plan (PERCO)

La Poste contributes to the collective savings plans that it has set up. In 2019, the total contribution paid by La Poste was €23.5 million, compared to €23 million in 2018. The subsidiaries which have signed up to the plans are free to set their own contributions: in 2019, the total contribution paid by the subsidiaries was €1 million, compared to €1.1 million in 2018.

Supplementary social security cover

A collective mandatory supplementary group health and personal risk insurance plan was set up for private-law employees and civil servants. Staff from the subsidiaries are covered by plans specific to each company.

Summary table on compensation

Indicators	Le Groupe La Poste ^(c)		
	2019	2018	2017
Gross average annual compensation ^(a)	€31,839	€31,464	€30,877 €
Change y/y-1	+1.2%	+1.9%	+1.6%
Annual employee incentive pay based on annual earnings	€125.47 M	€96.2 M	€119.8 M
Number of employees with a group savings plan (PEG) and/or a collective retirement savings plan (PERCO) ^(b)	160,405	150,349	135,737
Net contribution paid by the Company	€29.4 M	€28.5 M	€29.7 M
Percentage of socially responsible investments in the PEG and PERCO assets	67.67%	46.21%	44.68%

(a) The indicator is calculated based on the gross compensation paid. The average compensation includes compensation items paid monthly, but does not include variable bonuses. The number of employees taken into account is the average number of employees in FTE for the year.

(b) La Poste and some subsidiaries, such as Mediapost, are members of the group savings plan (PEG) and collective retirement savings plan (PERCO). La Banque Postale has its own employee savings schemes (PEG and PERCO).

(c) Includes La Poste parent company and the Group's subsidiaries in France, but not subsidiaries located abroad.

6.5.2 BENEFITS IN KIND

Benefits in kind

The budget for benefits in kind, which are offered to all La Poste SA ⁽¹⁾ employees was €203.8 million in 2019. It covers five main areas:

- the catering offering, which includes cafeterias and cafeteria vouchers (average of 104,556 recipients per day and 46.2% of the total budget in 2019);
- economic activities and daily life (3.7% of the total budget in 2019);
- cultural and leisure activities (17.3% of the total budget in 2019);

- child and youth assistance (19.2% of the total budget in 2019). It takes the form of assistance for day care costs, for stays at summer camps and for academic support;
- mutual aid and social solidarity programmes (6.9% of the total 2019 budget) made up of support for families with disabled children, the severely ill, staff suffering from addiction, blood donors, first-aiders and disabled people.

La Poste has also developed individual welfare initiatives under its company policy, including holiday vouchers (37,408 requests in 2019), study grants, and pre-paid service cheques (CESUs). La Poste has a support package for employees who are family caregivers. It publishes a guide for caregivers and provides a dedicated telephone booth to give them more personalised support and advice.

Breakdown of spending on benefits in kind

(in € million)	2019	As a%	2018
Catering and economic segment	94.3	46.2	95.9
Of which cafeteria vouchers	43.0	21.1	42.6
Economic activities and daily life	7.5	3.7	4.9
Cultural and leisure activities	35.3	17.3	37.3
Child and youth assistance	40.5	19.9	41.1
Mutual aid and social solidarity	14.1	6.9	12.7
Management and structural costs	12.1	6.0	12.2
TOTAL	203.8		204.1

(1) In 2013, a process began making all the social assistance that was primarily reserved for permanent staff available also to temporary contract employees with more than three months' service.

The benefits in kind are managed by the Advisory and Social Activities Management Council (*Conseil d'orientation et de gestion des activités sociales* – COGAS), which has 24 members comprising company representatives (eight), unions (eight) and national non-profit organisations (eight, with two representatives for each of the four sectors covered). It is chaired by Le Groupe La Poste's Head of Human Resources. COGAS relies on the National Department of Social Activities (DNAS) to prepare its decisions. This Department has its headquarters in Gentilly and has nine facilities throughout the country.

Housing for employees

The policy on housing for employees is an important element in Le Groupe La Poste's social policy. La Poste is the largest contributor towards employers' participation in construction efforts (*Action Logement* – Formerly *1% logement*). It implements an active policy under successive agreements negotiated since 2006 and signed with all trade unions. This policy relies on service offerings proposed by *Action Logement* but also on additional resources and on a long-standing social housing portfolio. The contents of this portfolio are mainly reserved with Poste Habitat Group social housing (*habitation à loyer modéré* – HLM) structures, a structure that combines four HLM companies and accounts for more than 16,500 social housing accommodations that are over 40% occupied by active or retired employees. **Over 11,500 employees benefited from these services** in 2019.

Negotiations are underway to conclude a fifth agreement on housing at La Poste for the 2020-2022 period.

6.6 Improving health, safety and quality of life at work

La Poste and its management are committed to actively addressing employee concerns about health, safety and quality of life at work. Two agreements have been signed to bolster these commitments: the QLW (quality of life at work) agreement in 2013; then the "A future for every employee" agreement in 2015. The latter applies to all La Poste employees for a period of six years.

QLW is an ongoing requirement in each project and in each method of organisation, in order to ensure a quality work environment (organisation, content, purpose and working conditions), the quality of working relations within work groups and management, and the quality of individual support and health and safety at work.

6.6.1 QUALITY OF LIFE AT WORK INITIATIVES

A range of decisive measures have been taken over the years:

- the deployment of over 1,000 local HR managers;
- improved prevention;
- the development of telework (at the end of 2019, 4,349 employees worked remotely);
- an adapted part-time working option for older employees;
- additional rest days being granted to older employees working in physically-demanding positions.

Further, in 2019, work-discussion encounters continued to be introduced in the operational entities and support functions. 2,000 managers have already received training. These encounters are intended as an opportunity for teams and their managers to discuss difficulties in their day-to-day work and to seek solutions.

La Poste has implemented the **right to disconnect** since 2015. While taking into consideration the structure of the Company, which operates 24 hours a day, this right is organised on the basis of a reference disconnection time determined for each employee and new ways of using communications in the workplace, with a blanket disconnection window across all employee work stations. In 2018, this initiative was extended to include domestic connections (webmail).

An agreement was signed in 2018 which brought in measures to improve the **work/life balance of caregiver employees**, such as the donation of days of leave via a "caregiver solidarity fund" to which La Poste contributes 1,000 days per year, along with any employees who wish to do so. Employee caregivers are also allocated three days of special leave to accompany those requiring assistance to administrative and medical appointments. They are also offered flexible working arrangements and support with their professional development if they are in need of geographic mobility.

6.6.2 CHANGE MANAGEMENT METHOD

Introduced in early 2013 in the QLW agreement, the La Poste change management method supports major projects that result in a change to the way work is organised.

6.6.3 INITIATIVES TO PREVENT OCCUPATIONAL RISK AND ACCIDENTS AT WORK

6.6.3.1 Preventing accidents at work and musculoskeletal disorders

With regards to preventing accidents at work and musculoskeletal disorders, La Poste has taken action at several levels:

- introduction of **work equipment** to reduce risks: for example, gradual replacement of two-wheeled motorcycles with new three-wheeled Stabys to reduce driving risks, obligatory helmet use while riding a bicycle, roll-out of warehouse assistance tools in industrial platforms and other equipment adapted for post offices, etc.;
- **training modules**: training managers and staff in reducing handling risks and bad posture at work, and preventing discourteous behaviour and external aggression; training programmes on prevention for the prevention division, site managers and chairmen of Health, Safety and Working Conditions Committees (CHSCT);
- continued efforts **to certify** all employees who drive as part of their job;
- prevention **equipment** and initiatives for service-sector workstations.

The "Prev'ilot", a new item of office furniture, has been designed with the assistance of ergonomics experts and occupational physicians. It enables the user to alternate between seated and standing positions. Given its positive impact in terms of improving customer relationships, the Prev'ilot will be deployed in social priority offices first.

6.6.3.2 Prevention of psychosocial risks and incivility management

La Poste has implemented several psychosocial and stress risk prevention programmes:

- a strengthened psychosocial risk **prevention** approach was introduced in all entities in 2019;
- training sessions on management fundamentals and the assessment and prevention of high-risk situations within facilities; in 2019, 794 managers (50% of all managers) received training from the Institute of Management on quality of life in the workplace and listening to and supporting people who are experiencing problems;
- a system to prevent and handle situations involving **psychological and sexual harassment**;
- a **telephone-based listening and psychological support system** accessible to all employees 24 hours a day and another phone number specifically intended for managers and HR employees.

Furthermore, **as regards customer reception and incivility management**, the POLI plan involves a set of initiatives to reduce

the amount of rude and aggressive behaviour to which employees are subjected in the course of their work at the most severely affected post offices:

- group training and prevention actions to manage **uncivil behaviour**;
- **customer reception initiatives** – creation of customer service manager reception positions;
- **support for employees** who have encountered uncivil behaviour, with incidents being reported to the police by the Company.

6.6.3.3 Medical monitoring

La Poste has its own healthcare services to monitor the occupational health of employees and a support service for employees who are experiencing difficulties in their professional and/or personal life. At the end of 2019, it had 119 occupational health doctors, 149 occupational nurses, 107 occupational healthcare assistants and a network of 283 social assistants.

6.6.3.4 Accident frequency and severity rate

A track and trace system for accidents has been set up. It comprises indicators and trend charts. The results are audited and studied in order to take the necessary corrective action as part of a continual improvement policy.

Within the La Poste scope, after decreasing 10% in two years, the number of accidents rose again slightly in 2019.

The measures with the greatest impact on accidents were:

- road safety: authorisation schemes for employees who drive, the deployment of new work equipment to reduce risks: three wheeled vehicles and the compulsory wearing of bike helmets;
- the deployment of over 1,000 local HR managers;
- the upgrading of work premises;
- general rules for dealing with organisational change, favouring social dialogue;
- training in basic management skills and in the assessment and prevention of psychosocial risks in the workplace;
- a system to prevent and handle situations involving psychological and sexual harassment;
- a personal assistance and psychological support hotline.

Indicators	Le Groupe La Poste ^(d)	
	2019	2018
Number of days of absence due to accidents at work or commuting accidents or occupational illness ^(a)	800,632	783,949
Accidents at work with time off:		
• Frequency rate ^(b)	24.93	25.05
• Severity rate ^(c)	1.51	1.47

(a) This indicator is calculated based on the number of individuals employed (excluding temporary contracts). The days of absence are counted in calendar days.

(b) For the La Poste parent company: civil servants, permanent contracts, temporary contracts. Number of accidents at work with time off (excluding commuting) per million hours worked. The hours worked are calculated on the basis of the average workforce multiplied by the number of hours worked per annum. Starting in 2017, a new method has been used to calculate the frequency rate, with calculation at 31 December, one month of consolidation and the inclusion of all contracts (excluding interns).

(c) For the La Poste parent company: civil servants, permanent contracts, temporary contracts. Number of days off due to accidents at work (excluding commuting) per thousand hours worked. The days lost for accidents at work are counted in calendar days. "The number of accidents at work with time off as well as the number of days off due to accidents were taken from the HR management systems on 31 December."

(d) Includes the La Poste parent company and the Group's subsidiaries in France, but not subsidiaries located abroad.

6.6.3.5 Preventing health and safety risks faced by subcontractors

La Poste is also focusing on reinforcing its vigilance by involving its suppliers and subcontractors in covering the health/safety risks for their staff. The tools used for this are:

- the management of the contractual relationship;
- the implementation of the Responsible Purchasing Charter;
- the subcontractors' audit programme;
- increased health/safety monitoring for subcontractors working in the Company's premises.

Due diligence on suppliers and subcontractors was improved in 2018 with the introduction of a platform which suppliers can use to assess their own compliance with regulations and standards. The self-assessment benchmark created for Le Groupe La Poste's supply chain includes sustainable development (ISO 26000), the environment (ISO 14001), health at work (ISO 45001), anticorruption (ISO 37001), responsible purchasing (ISO 20400).

The Group also intends to roll out an audit programme for suppliers in the delivery sector. Le Groupe La Poste has scheduled a series of annual audits from 2019 which will be performed by AFNOR.

6.7 Social appendix

PROFILE

GRI	Indicator	Scope	Unit	2017	2018	2019
102-8	Proportion of workforce in France	LGLP	% of workforce (average full time equivalent)	86.4	85.24	84.5
102-8	Relative weighting of international workforce	LGLP	% of workforce (average full time equivalent)	13.6	14.8	15.5
102-8	<i>in other Western European countries</i>	LGLP	% of workforce (average full time equivalent)	7.2	8.02	8.6
102-8	<i>in Eastern European countries and Russia</i>	LGLP	% of workforce (average full time equivalent)	4.1	4.41	4.3
102-8	<i>in other countries</i>	LGLP	% of workforce (average full time equivalent)	2.3	2.33	2.7
102-8	Number of employees	La Poste	Average in full-time equivalents	191,898	186,184	182,183
		LGLP	Average in full-time equivalents	253,219	251,219	249,304
			Total individual staff members as at 31 December	245,774	243,279	234,554
102-8	Workforce outside of France	LGLP	In full-time equivalents	34,484	37,094	38,663
102-8	Group workforce in France	LGLP	Individuals	245,774	243,379	234,554
		La Poste	Individuals	214,697	211,603	202,736
		LBP	Individuals	4,650	5,039	5,355
		Mediapost	Individuals	11,736	11,091	10,439
		Docaposte	Individuals	4,425	4,660	4,577
		Viapost	Individuals	2,481	2,580	2,520
		La Poste Silver	Individuals	1,041	1,104	1,073
		GeoPost	Individuals	6,111	6,392	6,901
		Poste Immo	Individuals	602	579	538
		La Poste Nouveaux Services	Individuals	0	176	214
		Other	Individuals	31	155	201
102-8	Employees on fixed-term contracts	LGLP	Individuals (France)	19,102	20,607	17,723
102-8	Women	LGLP	% of total workforce (France)	51.1	51	51
102-8	Men	LGLP	% of total workforce (France)	48.9	49	49
102-8	Change in workforce	La Poste	%	-2.8	-3.0	-2.1
		LGLP	%	0.8	-0.8	-0.8

GRI	Indicator	Scope	Unit	2017	2018	2019
102-8	Breakdown of the Group's workforce by divisions	Services-Mail-Parcels	% of workforce (average full time equivalent)	54.1	52.7	52.8
		La Poste Network	% of workforce (average full time equivalent)	19.9	19	18.6
		GeoPost	% of workforce (average full time equivalent)	15.4	16.5	17.1
		La Banque Postale	% of workforce (average full time equivalent)	7.0	6.9	6.8
		Group	% of workforce (average full time equivalent)	1.0	2.2	2.6
		Poste Immo	% of workforce (average full time equivalent)	0.4	0.4	0.4
		Digital Services	% of workforce (average full time equivalent)	2.2	2.2	2.2
102-8	Breakdown of employees on permanent contracts by age (Group in France)	Under 25 years of age	Number	4,766	5,445	5,597
		25-29 years of age	Number	11,712	12,294	12,142
		30-39 years	Number	42,796	42,393	41,145
		40-49 years	Number	62,329	60,626	58,943
		50-54 years	Number	40,830	37,082	34,620
		55-59 years	Number	46,068	46,192	45,237
		60 years of age or more	Number	18,171	18,707	19,147
102-8	New hires LGLP	LGLP	Number	14,658	16,323	15,073
102-8	Employees hired on permanent contracts	LGLP (France)	Number	14,658	16,323	15,073
102-8	Employees hired on permanent contracts who were previously been on a temporary contract	La Poste	Number	3,086	3,061	3,268
102-8	Women hired on permanent contracts	La Poste	%	44.4	46.2	49.78
102-8	Employees aged 45 or over hired on permanent contracts	La Poste	%	9.5	9.6	9.5
102-8	Young people hired under an apprenticeship or work-and-training contract	La Poste	Number	7,033	4,902	4,739
	Young people hired under an apprenticeship or work-and-training contract	LGLP (France)	Number	7,238	5,831	5,553
	Percentage of employees on permanent contracts.				92.8	92.4
102-8	Percentage of part-time employees	LGLP (France)	In the workforce at 31 Dec. (excl. individuals on fixed-term contracts)	12.4	11.96	11.61
102-8	% of workforce working night shifts	LGLP (France)	In the workforce at 31 Dec. (excl. individuals on fixed-term contracts)	2.7	2.47	2.67
102-8	Postmen-counter clerks	La Poste	Number	1,000	922	985

COMPENSATION AND BENEFITS

GRI	Indicator	Scope	Unit	2017	2018	2019
102-35	Average gross annual salary	LGLP (France)	Euros	30,877	31,464	31,839
	Average gross annual salary - Women	LGLP (France)	Euros	30,070	30,640	31,144
	Average gross annual salary - Men	LGLP (France)	Euros	31,701	32,307	32,553
102-35	Employee incentive-based pay	LGLP (France)	Millions euros	119.8	101.1	103.26
102-38	Ratio of the average salary to the Chairman's salary	La Poste	Ratio calculated on gross annual compensation	14.6	14.3	14.1

WORKING CONDITIONS

GRI	Indicator	Scope	Unit	2017	2018	2019
401-1	Employee turnover rate	La Poste	%	4.90	5.2	5.3
401-2	Employees with an employee savings plan (PEG or PERCO)	LGLP (France)	Number	135,737	150,349	160,405
401-2	Employees with an employee savings plan (PEG or PERCO)	LGLP (France)	Number	129,096	142,620	152,994
401-2	Total amount of Group PEG and PERCO plans	La Poste	Millions euros	736	763	763
401-2	Total amount of Group PEG and PERCO plans	Subsidiaries	Millions euros	31	32	31.5
401-2	Employees with a Group employee savings plan (PEG or PERCO)	La Poste	Number	120,899	130,519	141,814
401-2	Employees with a Group employee savings plan (PEG or PERCO)	Subsidiaries	Number	8,197	12,101	11,180
401-2	Net contribution paid by the Company	LGLP (France)	Millions euros	30	23	23.5
401-2	Proportion of employee savings invested in socially responsible investments	LGLP (France)	%	45	46.21	67.67
401-2	Breakdown of spending on benefits in kind	LGLP	Millions euros	205.6	204.1	203.8
401-2	Catering and economic segment	LGLP	Millions euros	101.9	95.8	94.3
401-2			%	50	49.4	46.2
401-2	Sporting and cultural activities	LGLP	Millions euros	37.8	37.3	35.3
401-2			%	18	18.3	17.3
401-2	Child and youth assistance	LGLP	Millions euros	41.3	41.1	40.5
401-2			%	20	20.1	19.9
401-2	Mutual aid and social solidarity	LGLP	Millions euros	12.3	12.7	14.1
401-2			%	6	6.2	6.9
403-4	Employees represented in joint management worker CHSCT	LGLP	%	100	100	100
403-9; 403-10	Days of absence due to workplace or commuting accidents or occupational illness	LGLP (France)	Number of calendar days	795,800	783,949	800,632
403-9	Work accident frequency rate	LGLP (France)	Number accidents with lost time per million hours worked	27.55	25.05	24.93

GRI	Indicator	Scope	Unit	2017	2018	2019
403-9	Accident severity rate	LGLP (France)	Number of days off due to a work accident per thousands of hours worked	1.50	1.47	1.51
403-10	Sickness absenteeism rate	LGLP (France)	%	6.59	6.59	6.76
403-10	Days of absence for health reasons	LGLP (France)	Number of calendar days	5,485,496	5,371,912	5,402,904
403-3	Occupational physicians	La Poste	Number	139	128	119
403-3	Occupational health nurses	La Poste	Number	148	149	149
403-3	Social assistants	La Poste	Number	283	285	283
403-3	Employees assigned to the medical secretariat	La Poste	Number	109	109	107
	Teleworking employees	La Poste	Number (figures are rounded off)	1,900	2,236	4,349
405-1	People with disabilities hired	La Poste	Number	219	149	145
405-1	People with disabilities hired under permanent contracts	La Poste	Number	93	68	58
405-1	Beneficiaries of the disabled employment obligation	La Poste	Rate	6.4	6.75	7
405-1	Percentage of these beneficiaries	La Banque Postale	%	3.03	2.94	3
405-1	Employees with an officially recognised disability	La Poste	Number	10,900	14,000	14,000
	Overtime hours	LGLP (France)	Number	3,398,932	3,642,525	3,660,667

TRAINING AND PROFESSIONAL DEVELOPMENT

GRI	Indicator	Scope	Unit	2017	2018	2019
404-1	Training expenditure	La Poste	% of payroll	3.84	4.19	3.8
404-1	Employees who attended at least one training session	LGLP (France)	Number	176,793	156,845	160,458
404-1	Employees who attended at least one training session during the year	La Poste	%	84	80	80
404-1	Training hours	LGLP (France)	Number	4,808,464	4,904,426	4,881,436
404-1	Training hours per person trained	La Poste	Number	19	29	27
404-1	Days of training	LGLP (France)	Number	686,923	700,632	697,347
404-2	Managers trained in their HR role	La Poste	Number	1,709	591	177
404-2	Employees who transferred to work in civil service	La Poste	Number	191	225	202
404-2	Employees who set up or purchased their own business	La Poste	Number	131	182	143
404-2	Employees who found jobs in the SSE	La Poste	Number	117	119	167
404-2	Employees beginning a qualification earning pathway	La Poste	Number	10,000	9,000	5,600
404-3	Employees promoted	La Poste	Number	18,968	15,541	17,595
404-3		LGLP (France)	Number	20,987	17,791	19,934
404-3	Promotion rate	LGLP	%	9.7	8	9.5
404-2	Professional development advisers	La Poste	Number	260	270	270

GRI	Indicator	Scope	Unit	2017	2018	2019
405-1	Female senior executives	LGLP	%	32.5	32.1	32.3
405-1	Women Executive Committee members	LGLP	%	30	20	30
405-1	Rate of female promotions	La Poste	%	54	54	50
405-2	Ratio between the base salary and female and male compensation	LGLP (France)	%	-5.1	-5.2	-4.3

HUMAN RIGHTS

GRI	Indicator	Scope	Unit	2017	2018	2019
406-1	Referrals handled by workplace mediator	LGLP	Number	230	250	270

SOCIAL DIALOGUE

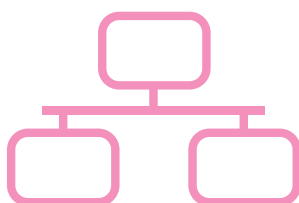
GRI	Indicator	Scope	Unit	2017	2018	2019
102-41	Participation rate in employee representative elections ⁽¹⁾	LGLP	%		73.04	
102-41	Number of national agreements signed	LGLP (France)	Number	134	122	159
	Number of days lost due to strikes ⁽²⁾	LGLP (France)	Number	115,003	132,090	149,880
	Number of days lost due to strikes per employee at La Poste (national and local strikes)	LGLP (France)	Number	0.52	0.61	0.71

(1) Workplace elections take place every four years. The latest ones were held in 2018.

(2) Number of days lost due to national or local strikes in response to the payroll system (indicator restricted to unpaid strike days).

COMMITMENTS TO CUSTOMERS

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LE GROUPE LA POSTE COMMITS FOR



The commitment to customer service is a major component of the strategy of Le Groupe La Poste and of each business unit and subsidiary. Regardless of which customer types are targeted (private individuals, professionals and companies, local authorities and local government), three major commitments underpin Le Groupe La Poste's shared approach to the customer relationship: commitment to service excellence, developing a range of sustainable products and services and a responsible customer relationship, and support for the most financially vulnerable customers.

ENSURING CUSTOMER SATISFACTION

With 60 million customers, the subject of complaints is a major issue for La Poste.

To offer a local, personal response to customer complaints, La Poste has launched its short loop complaints procedure: post office staff log the customer's query and forward it to the teams in charge of delivery (mail and parcels). A member of the delivery team will then call the customer back and endeavour to find a solution within 24 hours if the problem can be resolved locally.

DEVELOPING RESPONSIBLE PRODUCTS AND SERVICES

The products and services of Le Groupe La Poste are designed to factor in social and environmental issues.

La Poste's teams take on board social and environmental criteria at the various stages of the product and service life cycle. Le Groupe La Poste's range of responsible products and services includes carbon-neutral mail, parcels and express and digital services, environmentally certified processes, and financial products.

PAYING PARTICULAR ATTENTION TO THE MOST VULNERABLE

Le Groupe La Poste stands out for its focus on assisting all customers, especially the most vulnerable.

The aim of Le Groupe La Poste's digital inclusion plan is to provide widespread access to its digital services in all areas. In some places, La Poste is the only local banking service. In order to support the most vulnerable, the Group needs to do everything in its power to ensure that disabled people can easily access the Group's services.

CUSTOMER SERVICE



BEING A RESPONSIBLE AND EXEMPLARY COMPANY

Immediate handling of customer complaints. 1,000 post offices and 400 sorting offices are trialling the scheme, while three-quarters of customers who have tested it would like La Poste to roll it out nationwide.

“Enseigne Responsable” sustainability certification. For the third year running, La Poste Network received an award from the *Club Génération Responsable* in recognition of its CSR approach.

100% of the Parcel business is ISO 14001 certified, for its environmental approach, covering 17 parcel processing hubs.

100% of marketers from the Services-Mail-Parcels business unit have been trained in eco-socio-design. A self-diagnostic tool enables them to assess the environmental and social performance of products and services.

High customer service standards. The 3631 call centres, which are both ISO 18295 and Human For Client certified, are commended for the quality of their customer service and their societal commitment. DPD UK won two fiercely contested awards: Home Delivery Operator of the Year and the Customer Care Award.

La Poste Mobile, the leading ethical operator. Ranked by MoralScore.org as the most ethical mobile operator in 2019.

95% satisfaction rating of customers leaving post offices. At the highest management level, La Poste tracks customer satisfaction by polling customers leaving a post office and by using the NPS (net promoter score) and mail and parcel service recommendation rates. In 2019, tracking was extended to daily mail deliveries and the driving licence theory test.

GUIDING OUR CUSTOMERS THROUGH THE TRANSITION

“La Poste et Vous”, a community of more than 1,500 customers. To better understand the needs of our customers and so that the Group can work together to develop new products and services, it regularly calls on the “La Poste et vous” community of individual and business customers.

Sharing the zero carbon objective with its customers. Using the DPDgroup and Colissimo carbon footprint calculators, customers can choose the most environmentally friendly form of transport.

Ecologic labelling. Customers can use this labelling to advertise the fact that they use carbon-neutral postal services.

A comprehensive range of green loans, savings and finance. For private individuals, local authorities and businesses alike, La Banque Postale finances home renovations, eco-mobility and the circular economy.

51% of Livrets A savings accounts had a balance of less than €150; it is the only pre-banking offering for 2 million people.

170,000 vulnerable customers have received support from La Banque Postale’s Appui initiative since 2013.

Over 135,000 customers received support with social home ownership. A quarter of mortgage borrowers have a monthly income of less than twice the minimum wage.

DRIVING CHANGE IN OUR SOCIETY

100% carbon neutrality of Le Groupe La Poste. As the leading mail and parcel delivery operator for private individuals and businesses, this achievement by La Poste goes some way towards ensuring a virtuous national supply chain and to meeting France’s climate commitments by 2050.

Since 2012, the development of **a carbon offset programme** with experts has enabled projects to be supported, in France and abroad, that meet the highest standards (Gold Standard, VCS and UNFCCC).

2,700 micro-loans granted in 2019 as a result of La Banque Postale’s philanthropic approach, in partnership with Créa-Sol.

60% of outstandings managed based on socially responsible investment. La Banque Postale allows its customers to channel their savings into financing a sustainable economy.

54% of La Poste retail outlets are operated in conjunction with public-sector partners (local councils) **and private-sector partners** (major retailers, convenience stores and actors from the social and solidarity-based economy).

Supporting the emergence of tomorrow’s economy through the crowdfunding platform **KissKissBankBank**, which connects project owners with people willing to fund them.

Two **integrated digital platforms** offering a complete guide for private individuals interested in improving the energy performance of their home: Action Habitat Travaux : <https://actionhabitat-travaux.laposte.fr/> et Faire des travaux <https://www.labanquepostale.fr/particulier/projets/faire-travaux.html>.



Ambitions

The digital revolution, the climate emergency and ethical scandals involving big brands have a long-term impact on the meaning of the “customer relationship”. Le Groupe La Poste also aims to respond to or even exceed the expectations of the corporate customers and organisations it serves, as part of its duty to meet the needs of all, particularly the most vulnerable. The shift towards ensuring that value creation chains are increasingly focused on the end customer have led the Group to strengthen three key components of its customer policy:

- commitment to service excellence;
- supporting the most financially vulnerable customers;
- developing a responsible customer relationship, in response to strong expectations regarding environmental and social responsibility.

Each business unit and subsidiary sets out its own customer relationship policy, taking into account the specific nature of

its own activity. However, the Group also develops cross-sector projects and programmes in order to set an example in meeting service excellence requirements and incorporating multi-channel customer processes.

In its desire to guide and support its customers to make responsible consumption choices, the Group has rolled out ecosocial design of products and services for all customer segments. It aims to make all of the relevant information visible and accessible to promote virtuous consumer choices.

As in other areas, the Group aims to foster widespread awareness of corporate social responsibility issues. With this in mind, it has rolled out a range of responsible savings and finance products which promote a sustainable economy, in line with the UN's sustainable development goals.

These aspects form the basis for a truly Group-wide shared approach to the customer relationship.

7.1 Overview of Le Groupe La Poste customers

Le Groupe La Poste's services are aimed at private individuals as well as professionals, companies and local authorities.

Private individuals	Professional & corporate customers	Local authorities and local government
<ul style="list-style-type: none"> • 91% of French people say that they have bought La Poste services^(a) • Mail Parcels: 16 million Accounts in the Group customers knowledge base, including 15.5 million private individual customers and 500,000 professional customers • Banking: 10.5 million customers • LPM: 1.5 million customers 	<ul style="list-style-type: none"> • 2.4 million corporate customers (referenced) • 365,000 legal entity and local government authority customers^(b) 	<p>Different types of local authorities/targets:</p> <ul style="list-style-type: none"> • 35,000 local authorities, classified by number of inhabitants (from < 5,000 inhab to > 100,000 inhab) • Elected representatives, non-profit associations, MPs (577), public establishments for inter-municipality cooperation (EPCIs) (1,258), and social housing associations, public hospital sector, homes for the elderly (EHPAD) (7,800)

(a) U&A PPC study on customer knowledge – representative national sample.

(b) Full scope of products and services marketed by the Sales Department of the Services-Mail-Parcels business unit: mail/media, new services, inter, Parcels, Chronopost, Viapost, Docaposte, LBP.

Le Groupe La Poste's customer approach is coordinated by business unit. Each business unit therefore coordinates the customer relationship based on its specific business scope.

Yet the Group also fosters a shared customer vision through synergies and shared projects. Recent coordination by market area has in particular driven the alignment towards a shared customer culture.

The deployment by the Digital Services business unit of a shared infrastructure and the Group's customer knowledge base brings

together all customer data. This represents a major pre-requisite for developing a shared approach.

From now on, the development of the data community, study projects and results will be shared between business units.

Given the legislative and regulatory framework, there is a “Chinese wall” between the customer knowledge of La Banque Postale and that of the rest of the Group.

A CUSTOMER FRAMEWORK PARTIALLY REGULATED BY THE FRENCH AUTHORITY FOR REGULATION OF THE ELECTRONIC COMMUNICATIONS AND POSTAL SECTORS

La Poste interacts with its customers within a framework **partially defined** by the law which ensures equal treatment for all customers:

- **universal service** (daily delivery to any part of the country, with a certain level of quality 85% next-day delivery, 95% two-day delivery and identical pricing for mail sent by private individuals and SMEs);
- **regional planning mission** (17,000 La Poste retail outlets and 95% of the population less than 5 km or 20 minutes from a La Poste retail outlet);
- **banking accessibility** mission (a Livret A savings account provided to anybody who requests one).

VALUE CREATION MODELS FOR THE DIFFERENT CUSTOMER SEGMENTS

LARGE CORPORATE CUSTOMERS

Sustained by the traditional postal business.

COLISSIMO AND DPDGROUP

The BtoBtoC is sustained by parcels and express, bolstered by online sales (Amazon, Zalando, Yves Rocher, Nespresso, Cdiscount, etc.).

INDIVIDUAL CUSTOMERS

Growth of La Banque Postale and La Poste Mobile.
Highly competitive segments with high expectations in terms of quality of service, customer relationship and multichannel processes.

CREATION OF THE SERVICES MAIL-PARCELS RETAIL BUSINESS UNIT

Opportunities offered to private individuals by online marketplaces (Le Bon Coin, Vinted, etc.)

7.2 Commitment to service excellence

Irrespective of the value models, the **end customer** has become crucial across all markets. Growing competitive pressures, combined with public service obligations, means that the Group's practices must be continually reviewed. For five years, La Poste has been implementing strategic programmes to better serve end customers, which are all based on the following: customer knowledge, the customer relationship and measuring satisfaction based on customer experience. Progress has been made both in banking activities, which are historically dominated by a good knowledge of individual customers and their uses, and in logistics activities which are more familiar with corporate customer relationships.

The customer relationship is a major concern for the Board of Directors.

Since 2016, the Quality and Sustainable Development Committee has focused its work on two areas:

- societal trends shaping customer expectations;
- the Group's response to these quality requirements.

The Committee's work in 2019 is set out in detail in the section on Governance of the CSR report.

7.2.1 IMPROVING CUSTOMER KNOWLEDGE

Several programmes have been introduced to improve customer knowledge.

The **Digital Services business unit's Customer Knowledge Common Priority Programme** led to the creation of a **Single Customer Account**, i.e. a customer page shared between business units⁽¹⁾ and a **data lake** for data storage and consolidation. The Group's customer knowledge base therefore pools data for both Private Individuals and Professional customers (www.laposte.fr is the leading account creator in France for these categories).

The introduction and use of this database meets two major needs:

- enable each business unit to better understand customer behaviour, irrespective of channel used, within its scope of activity;

- gain a better understanding of overall customer behaviour in the relationship with Le Groupe La Poste. Promote synergies between stakeholders from different business units.

Customers are segmented based on knowledge of their usage, analysis of multi-channel customer paths, customer indicators and the annual study of customer uses, ensuring full compliance with the Group's fundamental rules contained in the:

- Data Charter;
- Ethics Charter.

7.2.2 MAJOR PROGRAMMES TO BUILD EXCELLENT CUSTOMER RELATIONS

Although each business unit is developing customer experience programmes specific to its activity, the increasingly multi-channel dimension of customer experiences has prompted them to create shared approaches. The **"Private individual and professional customer experience contract"** programme of the Services-Mail-Parcels business unit and the **"Customer Priority"** programme of La Banque Postale and the Network present strong synergies. They both use the same methodological processes for managing the customer experience (clear customer pledges, designing paths, equal levels of service, customer culture etc.), and incorporating mutual projects. They have therefore built a shared Group customer relationship culture.

"Short Loop" for efficient processing of customer claims

The "Short Loop" project is a major project being implemented for all business units. Following a restricted-scope pilot of the project

in 2018, the new Mail-Parcels claims processing system reached the POC pre-rollout stage⁽²⁾ for **1,500** post offices and **500** Services-Mail-Parcels establishments, with the help of 3,631 employees working in dedicated teams. This is the largest-scale POC project to date.

In this system, the post office teams process customer claims. When claims directly relate to a specific area, the local representatives call customers within 24 hours and commit to a 24-48 hour timescale for fully resolving the problem. The results are extremely encouraging.

Both customers and employees from the Mail-Services-Parcel and Network business units unanimously "voted" for the widespread introduction of the Short Loop system (72%, 84% and 95% respectively). As regards opinions within the Company, employees believe that the Short Loop has boosted mutual trust and efficiency between business units. Widespread implementation of this system is scheduled for 2020.

(1) Except for La Banque Postale for regulatory reasons.

(2) Proof-Of-Concept.

In addition to its impact on stakeholder satisfaction, the Short Loop system is a powerful way of quickly achieving transformation of the organisation. Based on a highly operational approach, it enables a cross-business unit approach and a Group customer relationship, highlights business units that have customer contact and drives a profound change towards a focus on the customer.

Recognition of progress

La Poste's customer service once again received ISO 18295-1 certification, primarily for the Mail-Services-Parcel and Network business units 3631 phone line (Contact Centre). This certification recognises compliance with high standards for accessibility and customer relationship quality.

The Network 3631 call centres were awarded the "Human for Client" label by the French Institute of Customer Relations (*Institut national de la relation client*)⁽¹⁾. This label acknowledges the quality of governance of the 3631 number, its human resources practices, social dialogue, societal commitment and environmental action.

In 2019, **DPD UK** again won two fiercely contested awards: **the Home Delivery Operator of the Year** and the **Customer Care Award**.

New tools

A **new www.laposte.fr** site has been launched. It is focused on customer use and is more user-friendly, straightforward and better suited to customer needs. It has an innovative postage service comparison tool that customers can use to find the most suitable postage solutions in just three clicks.

Artificial intelligence is also being used to improve the customer experience. A **voice bot** on the 3631 service enables customers to automatically follow the processing of their mail and parcels. A bot has also been set up at **www.laposte.fr** to help online store customers and provide a more independent digital customer experience. The **www.chronopost.fr** site has a bot called Léonard for the automated monitoring of items.

A number of local initiatives are also in place to improve the customer experience. For example, the "Impacte" programme was recently **tested** to reduce waiting times at post offices. This solution provides a QR code on the undelivered notice and an appointments app.

7

7.2.3 ADDRESSING CUSTOMER SATISFACTION

Le Groupe La Poste rolled out a series of customer satisfaction measurement mechanisms for each business unit and subsidiary.

Some strategic indicators have been on the Chairman and Chief Executive Officer's roadmap since 2017. These indicators are as follows:

- satisfaction measured when customers leave a post office;
- the net promoter score (NPS) for the Services-Mail-Parcels business unit.

Likewise, in the Group's transformation monitoring dashboard, customer satisfaction is included via the NPS of the business units and main subsidiaries.

In 2019, the Mail-Services-Parcels business unit extended the NPS measurement to all Mail and Parcels services for individual customers. It also implemented new NPS measurements for professional customers in coordination with the Network.

The Network and La Banque Postale have also completed their customer satisfaction measurement system, and have introduced satisfaction surveys:

- for all forms of La Poste retail outlets (local postal agencies, rural and urban retailers acting as "La Poste Relais" outlets, public service areas);
- on the processing of banking claims by financial centres;
- for customers who have taken out a home loan.

The satisfaction measurements, particularly the NPS, are applied up to the local team level, at post offices, Services-Mail-Parcels business unit sites and call centres.

In 2019, the Network ran a trial to address Google reviews left by customers regarding the service provided by 80 post offices.

Customer satisfaction levels are up thanks to the work undertaken by all business units.

(1) Created under the auspices of the Ministry of Employment, in partnership with the French Association of Customer Relations (Association Française de la Relation Client), the union of contact centre professionals and trade unions.

7.3 Supporting the most financially vulnerable customers

Le Groupe La Poste is improving its ability to help vulnerable customers to use its services. There is a particular focus on those struggling financially or with their energy bills, due to digital exclusion or specific administrative issues. The Group has tasked

its teams to focus on these issues, as well as partnering up with stakeholders in all areas in order to create a complete support structure for the most vulnerable.

7.3.1 BANKING AND FINANCIAL INCLUSION

La Banque Postale is the only bank to have been entrusted with the mission of ensuring banking accessibility under the 2008 Economic Modernisation Act. This commitment is confirmed by the new public service contract for 2018-2022. Accordingly, La Banque Postale undertakes to treat all people with consideration, regardless of their situation, and offer them appropriate banking services and solutions. It must also work to prevent over-indebtedness and promote microcredit.

La Banque Postale is working to inform and raise awareness of financially vulnerable customers. In this regard, it aims to offer them the most appropriate products and services. This particularly involves access to modern cheap means of payment as well as local services. It develops good citizenship banking products by facilitating social home ownership and by providing loans tailored for people of modest means.

Seven areas for action

Access to accounts and basic services

La Banque Postale has always promoted access to accounts and basic banking services for financially vulnerable people. La Banque Postale provides them with means of payment other than cheques. These customers can thus obtain a zero floor limit card and pay bills by direct debit or transfer. It also applies reasonable pricing which is below the market rate.

Facilitating access to credit

La Banque Postale enables customers of modest financial means to obtain credit more easily, while closely monitoring their solvency to prevent over-indebtedness. That is why it is a major player in social home ownership loans. In partnership with social housing players, it has financed over 135,000 households. 25.8% of home loan borrowers earned less than twice the monthly minimum wage in 2019.

The Livret A savings account, the only pre-banking offering for 2 million customers

La Banque Postale is the only bank to have been entrusted with a banking accessibility mission. It therefore goes beyond merely providing the Livret A savings account, which is also available across all French banking networks. Firstly, La Banque Postale is the only French bank to accept the payment of invoices in cash at post office counters.

Its other commitments consist of:

- opening a Livret A savings account "for anyone who requests one" with a minimum deposit of only €1.50 (compared to €10 in other banks) in post offices that are equipped for this;
- accepting the domiciliation of bank transfers and direct debits for certain transactions such as welfare payments or gas and power bills;
- issuing unlimited amounts of cheques free of charge;
- making free bank transfers into the current accounts of customers with a Livret A savings account;
- making available a withdrawal card that can be used in La Banque Postale's automated teller machines.

At end-2019, 51% of the Livret A savings accounts of La Banque Postale held by individuals had less than €150.

Promoting microcredit

La Banque Postale is the third largest player nationally in terms of microcredit paid out. This offering is intended to support customers suffering from banking exclusion due to their poor creditworthiness.

Since 2007, La Banque Postale has been offering personal microcredit, in partnership with associations.

In 2018, La Banque Postale looked to up its efforts by providing financial support to the Créa-Sol microcredit institute, which has the necessary tools to expand its microcredit solutions. In 2019, 2,700 credit agreements were sponsored by La Banque Postale.

La Banque Postale has also teamed up with ADIE to offer professional microcredit to help micro-entrepreneurs to launch and run their own businesses. In 2019, 1,000 entrepreneurs received finance from ADIE with the support of La Banque Postale.

Combating over-indebtedness

At La Banque Postale, being a responsible lender means helping customers avoid over-indebtedness. Risk is carefully managed and it closely monitors the position of its customers.

La Banque Postale has one of the lowest percentages of non-performing **home loans** in the market (1.02% at 30 November 2019, unchanged on 2018) despite having over €55 billion of loans outstanding.

Consumer loans are subject to strict approval criteria to ensure that customers do not become over-indebted. La Banque Postale has thus designed and put in place an over-indebtedness prevention mechanism for all loans.

Raising knowledge of finance and banking

La Banque Postale and the Network are implementing a number of banking education initiatives to support financially vulnerable customers, through skills-based volunteering with various non-profit organisations.

Banking inclusion plan using digital technology

In April 2017, La Banque Postale was the first bank to have made a firm commitment to banking inclusion using digital technology. Its action plan is described in the section on Ethical and responsible digital services.

Special tools

La Banque Postale's "L'Appui" mechanism

In November 2013, La Banque Postale established "L'Appui". This is a **platform to provide guidance and advice on banking and budgetary matters**, which customers can access using a telephone helpline that can be reached with a single number at the standard call rate.

This free service is designed to support all La Banque Postale customers who are in temporary or ongoing financial difficulties. It also aims to do more to prevent people from getting into financial difficulty.

The 32 customer service managers in this service review the customer's budget and assess his/her "breathing room". This stage allows them to pinpoint any social welfare benefits that aren't being claimed and to identify situations of excessive or over-indebtedness. They are thus in a position to, where necessary, propose a link-up with partners, associations or social services, or offer access to solidarity-based banking products and services.

At end-2019, the service had supported over 170,000 customers, with 50,000 of them enjoying total budgetary support.

Budget workshops for young people in difficulty

Since 2012, mostly in partnership with the *Missions Locales* network, La Banque Postale and the Network have offered budgeting workshops for young adults.

These workshops are run by volunteer Le Groupe La Poste employees in partnership with non-profit organisation Crésus. They cover good budgetary management, use of a bank account or the proper usage of credit and savings.

Volunteers also support mini-enterprise projects for school students in partnership with *Entreprendre pour Apprendre* (a

French government youth entrepreneurship initiative), or by joining regional or national selection panels for mini-enterprise contests.

The "L'Initiative contre l'exclusion bancaire" club

La Banque Postale believes that only active and structured cooperation will make it possible to meet the challenges of banking and financial exclusion. To this end, in October 2012 it established the "L'Initiative contre l'exclusion bancaire" think tank. This think tank aims to develop new practices to meet the needs of financially vulnerable customers.

It thus aims to:

- enable people in financial difficulty to become more familiar with the professionals they interact with, and vice versa;
- offer joint trainings to its members to develop and test products, services and practices that meet the needs of these customers;
- promote and defend the most relevant solutions that emerge from this collective discussions, in particular to public officials.

The think tank is open to all. It welcomes all stakeholders in the social, non-profit and banking ecosystems who share these goals and are ready to develop new ways of reducing banking and financial exclusion.

In 2019, the think tank identified initiatives, tools and partner stakeholders in order to provide a special range of products and services for financially vulnerable customers.

Action tank Entreprise et pauvreté

La Banque Postale also supports the work of Action tank Entreprise et pauvreté, a non-profit organisation. It aims to encourage the development of company projects designed to reduce poverty and exclusion in France. Its resulting programmes (*Malin*, *Mobiliz* and *Optique Solidaire*) are promoted by the customer advisers at La Banque Postale's L'Appui service.

7.3.2 ACCESSIBILITY OF PRODUCTS AND SERVICES TO ALL

In response to customer use, Le Groupe La Poste is working to increase and enhance the channels through which its services can be accessed. It seeks to facilitate interaction with everyone based on a multi-channel approach. Its objective across all its institutions is to ensure easy access to all its services, whether through automated machines, by telephone or over the Internet.

Multi-channel customer service that aims to become omni-channel

Le Groupe La Poste has a multi-channel customer service system that consists of:

- a telephone helpline that can be reached with a single short number (3631) at the standard call rate that receives around 900,000 calls a month;
- a customer service area that is found on the Group's website (www.laposte.fr) with close to 135,000 unique visitors per month at the beginning of 2019;
- a single postal address: Customer Service – 99999 La Poste, to which over 14,000 paper claim forms are sent on average each month.

Since July 2012, a customer service call contact team has been working on the Group's Facebook page and the @lisa laposte Twitter account to deal with requests and claims.

The digital strategy of Le Groupe La Poste is designed to be omni-channel: customers must be able to contact the Group through all available channels in a fluid and interactive manner.

Accessibility of public access buildings

Pursuant to the 2005 Act⁽¹⁾, public access buildings plus all functionality they house must be made accessible to disabled people. They must also accommodate the elderly. At end-2019, 60% of the public access buildings were accessible as defined under the 2014 regulations. Under these regulations, public records of post office accessibility were brought together under a single national platform.

Despite the large number of public access buildings Le Groupe La Poste has been exemplary in complying with these regulations. In 2019, 56% of customer-facing employees working in post offices undertook training on how to serve disabled people, and in the long term all customer-facing employees are expected to receive this training.

La Poste Network has also been testing a French sign language interpretation service since 2014, to better serve deaf customers in post offices. In 2019, this service was used twice a month across France.

At the end of 2019, 98.5% of automated teller machines (ATMs) located outside post offices or off-site were directly accessible to disabled people with a motor disability, or located within close proximity of an accessible ATM at the same post office.

Work to make La Banque Postale's ATMs and cash machines adapted for use by the blind and partially sighted is in progress. At the end of 2019, 83% of this equipment was accessible. All ATMs located inside post offices are accessible.

All franking machines are adapted for use by the visually impaired.

Accessibility of websites and information channels

Across the Group

As part of its responsible communication approach, the Group put together an accessible communication toolkit. This guide harmonises how internal communication designs compliant material for disabled people:

- Le Groupe La Poste websites are accessible to the visually impaired and comply with applicable standards, in particular the RGAA standard (general accessibility framework for webmasters, 2017 version);
- to connect with an online advisor, dedicated web access is provided to the deaf and hard-of-hearing. It is managed by deaf La Poste employees and works via a webcam, in French Sign Language.

All sites will be compliant with the Accessibility Decree from July 2019 to 2021.

La Banque Postale

La Banque Postale is the first French bank to be fully compliant with the Digital Accessibility Act.

For visually impaired customers:

- since 2016, La Banque Postale has offered a fully accessible banking application. Its website is regularly audited by accessibility and digital quality experts.

For the hard-of-hearing:

- since February 2017, La Banque Postale offers the ability to connect with a deaf video-advisor by video or instant messaging;
- since 2018, 100% of customer service is available through online banking. There are a number of available solutions: contact with a sworn French sign-language interpreter, a tele-transcription tool, or cued speech. 5,800 customers were helped in 2018.

(1) The 2005 Act to adapt the company for disabled persons, supplemented by various regulations in 2014 and 2015.

7.4 Developing responsible products and services

Consumption methods and expectations of companies are changing. 85% of customers believe it is important for the Company to behave responsibly, and 47% say this approach has a bearing on their decision to buy from that company⁽¹⁾. With this in mind, the Group is working on the rollout of ecosocial design for its products and services, to maximise their environmental and social benefits and reduce their negative impacts.

The positive outlook of employees also reflects on the Group's commitment to responsibility on a day-to-day basis. Advice provided to customers emphasises how crucial CSR is to products and services. This outlook increases customer loyalty to the Group's brands, and ensures that La Poste employees are proud to be involved in La Poste's societal commitment.

7.4.1 SOCIETAL COMMITMENT RECOGNISED BY CONSUMERS

La Poste's societal commitment is a powerful differentiator of its image in the eyes of the consumer, in an era in which responsible consumption options are increasingly sought-after.

La Banque Postale has therefore received excellent ratings in customer surveys. For example, the Save Life on Earth survey ranked it third in the general ratings from a wide pool of French companies, and first in the bank ratings. La Banque Postale also came second place in the banking sector on the www.moralscore.org website, which asks web users to score companies on their responsible commitment (using the Yuka application).

The Services-Mail-Parcels business unit was recognised for its many offerings and achievements in reducing greenhouse gases.

Le Groupe La Poste has not received any complaints about:

- consumer-related non-compliance of its products and services;
- non-compliance of labelling on its products and services;
- non-compliance of its marketing communication;
- non-compliance with legislation or social and economic regulations.

7.4.2 BUILDING ECOSOCIAL DESIGN INTO MAIL, PARCEL, EXPRESS AND DIGITAL SERVICES

In response to regulatory constraints and growing consumer demand for better corporate environmental and social performance, the Group is introducing new innovations each year to improve its products and services and how they are used. This process involves all functions, from specifiers (marketing experts) to institutions.

The marketing function's incorporation of ecosocial design

In 2018, Le Groupe La Poste ramped up the **training of marketing experts** on the social and environmental impact of products by rolling out a training course on "CSR Marketing, driving value creation". The purpose of the training course is to help the marketing function to adopt:

- the components of a sustainable and positive brand;
- inescapable trends in CSR;
- available CSR opportunities to be taken right from offers design and tools to achieve this.

Since 2018, over 80 people have been trained. Alongside training, the Group also rolled out a **self-testing tool** for products and services specifically designed for marketing teams. This tool enables teams to measure the CSR performance of a number of both physical and digital products and services.

Moreover, during the internal **Hackathon** held in November 2019 on "The registered mail of tomorrow", one of the five selection criteria was the environmental and social performance of the prototype products/services. Therefore, each team had to complete an initial CSR report and fully integrate the CSR component into their designs.

In addition to the self-testing tool, 2020 will see the release of a guide specifically dedicated to digital products and services, to enable the marketing function to reduce the environmental impact of the digital offers and improve their accessibility.

As for the responsible design of **digital services**, a video awareness-raising kit for IS teams was produced in 2019, and will be deployed in the first half of 2020. Several Life Cycle Analyses (LCA) of digital offers were carried out to determine their real-life impacts and identify optimisation levers.

(1) Kantar-BearingPoint, 2019.

7.4.3 ECOSOCIAL DESIGN OF BANKING PRODUCTS

Since 2009, La Banque Postale has ensured the **systematic inclusion** of environmental, social and governance (ESG) criteria **in the design of its products and services**. It uses an ESG checklist. This tool sets out La Banque Postale's five founding values (accessibility, performance, difference, responsibility, cohesion) through 19 ESG criteria: ethical advisory services, transparency, simplicity, clarity, fighting climate change, fighting tax evasion, etc. Product managers are trained in its use and are thus familiar with the Bank's main CSR challenges.

The ESG checklist is overseen by the Compliance Department, which ensures that it is included in every application submitted to the Product Examination Committee.

La Banque Postale held 32 Product Examination Committee meetings in 2019. This means that all new products or those having been substantially transformed were tested against non-financial criteria encompassing product design and delivery as well as customer support.

Beyond systematic incorporation of ESG criteria right from product and service design stage, La Banque Postale also offers various products that allow customers to make a true civic commitment.

Responsible asset management

In response to customer requests to make more meaningful investments, La Banque Postale has defined a responsible research and investment policy that it is rolling out gradually for all products. Thus, in 2019, **61% of the assets under management** managed by its subsidiary La Banque Postale Asset Management (LBPAM) include environmental, social and governance-related criteria. Total responsible assets under management increased by 19% over the year to €137.2 billion at end-2019.

The objective is to switch all funds and contracts managed by LBPAM to socially responsible investments by 2020.

The responsible investment approach is based on four criteria:

- responsible governance of corporate customers;
- sustainable management of natural and human resources;
- the environmental and energy transition;
- regional development.

La Banque Postale has chosen the SRI label to enhance the credibility of its offering and contribute to its recognition in a still nascent SRI market. This demanding framework sets out rigorous principles for the manager, and an on-site audit is carried out in order to determine compliance with the rules and ensure that the management process is of sufficient quality.

Therefore, at the end of 2019, **53 open funds were SRI-certified**. The category which has seen the most marked increase is that of SRI assets under management, which increased from €10.6 billion at the end of 2018 to **€29.9 billion at the end of 2019**, a 181% increase.

La Banque Postale provides responsible investment training for its advisors to promote responsible solutions to those outside the Company. In 2019, **133 SRI actions** were carried out by teams of the asset management subsidiary LBPAM.

2019 was also characterised by the implementation of the **Coal policy published at the end of 2018**, in the context of the Paris Agreement which sets out the objective of a low-carbon economy by 2030-2040.

7.5 Helping customers to consume more responsibly

At the heart of a complex trading ecosystem, Le Groupe La Poste aims to enable its customers to commit to the climate and/or reduce social inequality, and to value this commitment.

7.5.1 MAKING THE ENVIRONMENTAL IMPACT OF PRODUCTS AND SERVICES TRANSPARENT

The challenge for the Group lies in creating products and services which enable customers to make their own responsible commitments.

"Climate partners": a way to involve customers

Launched in 2018, the "Climate partners" programme offers professionals a series of tools to allow them to have their say alongside La Poste regarding their climate commitments to their own customers and partners. They are provided with a series of dedicated tools, including webinars, footprint calculators to guide their logistics decisions, thematic videos to share with their own customers and carbon neutrality certificates.

Sharing experiences with strategic customers

2019 saw an emphasis on sharing best practice and experiences with strategic customers (including e-commerce, banking and insurance and distribution) to collectively improve the performance of these practices, provide end customers with data to guide their decisions, and therefore to help to foster more ethical and responsible consumption methods.

In 2019, a life cycle analysis (LCA) of the comparative environmental impacts of Colissimo home and collection point deliveries was carried out and shared with customers.

EcoLogic branding

For deliveries made using La Poste services only, Colissimo packaging contains EcoLogic branding to certify that the delivery's CO₂ emissions have been fully offset.

Carbon neutrality certificate

Business customers can obtain a personalised carbon neutrality certificate from La Poste. They may thus assert the carbon neutrality of their service on their own account, at no additional cost. 260 customers received a carbon neutrality certificate in 2019.

The carbon calculator

In 2019, the GeoPost and Colissimo customer interfaces provided easier and enhanced access to their carbon calculators.

Products popular with individual customers

Two-thirds of mail items are now Lettres Vertes (green mail). Two-day delivery is sufficient for most customers and has a lesser environmental impact (25% reduction in carbon impact).

The service provided by La Poste Mobile to recycle old phones with Recommerce enables customers to be players in the circular economy when purchasing a new smartphone.

7.5.2 CHANNELLING SAVINGS TO MORE SOCIALLY RESPONSIBLE INVESTMENTS

La Banque Postale offers customer savings investment products built around responsible or solidarity-based finance. These products are accessible to all.

The “Solidarity Interest Option”

This option enables savings account holders to pay some or all of their interest to a non-profit association. An option that engages La Banque Postale customers since 75% of donors pay over 100% of their interest. Such generosity is encouraged by La Banque Postale, which thanks customers by gifting each association an additional sum representing 10% of the interest paid over.

In 2019, the Solidarity Interest Option offered by La Banque Postale was again awarded the Finansol Label.

A range of solidarity-based funds

La Banque Postale offers three other solidarity-based savings products. LBPAM ISR Actions Solidaire and FCPE Décisiel Responsable Actions 70 Solidaire invest 5-10% of their assets into social and solidarity-based economy companies. Meanwhile, the LBPAM ISR Human Rights has been set up to donate half of its distributable income to the FIDH⁽¹⁾.

Green lending, saving and financing

The section on Environmental transitions goes into detail on financing products and services for green technologies, and the “green range”, designed for private individuals offering home renovation and eco-mobility financing.

(1) International Federation for Human Rights.

7.6 Activity of La Poste's ombudsman in 2019

The consumer ombudsman intervenes at the request of customers to seek an outcome for unresolved disputes between a Le Groupe La Poste entity and its customers in the field of mail, parcels, express, banking services and post office network.

His area of competence includes all products and services of Le Groupe La Poste, including new services (except La Poste Mobile). After analysing the cases acceptable for mediation, the ombudsman sends proposed solutions to the parties which they are free to accept or not.

The consumer ombudsman is an independent third party seeking out-of-court settlement of disputes. Appointed on the proposal of the Group's Chairman by a joint collegiate body, the ombudsman is independent of the business units and subsidiaries. In June 2019, the Commission d'évaluation et de contrôle de la médiation de la consommation (French Commission for Evaluation and oversight of Consumer Mediation - CECM), an independent authority created by law, which references consumer ombudsmen and monitors their work, registered the new La Poste ombudsman on the list of ombudsmen provided for in Article L. 615-1 of the French Consumer Code. It notified this listing to the European Commission, in line with the directive in force.

For matters concerning banking products and services, he acts as an ombudsman for La Banque Postale.

His work is governed by the provisions of the French Consumer Code and the principles stated in the Le Groupe La Poste ombudsman's Charter.

Further, each year, the ombudsman looks at the experience gained from processing consumer complaints, to make recommendations for improving the services on offer or the claims processing procedures. He sends these recommendations to the relevant business units and subsidiaries of the Group.

In 2019, Le Groupe La Poste's ombudsman received 14,000 requests for mediation services (14,550 in 2018), following which 4,050 cases were opened for mediation. All of these cases must undergo an in-depth investigation by the mediation services. For cases that are not eligible, the consumer receives an acknowledgement of receipt including the grounds for inadmissibility. The proportion of cases that are eligible to the total number of open cases was from 29% in 2019 (25.2% in 2018).

7.7 Customer commitment appendix

ACCESSIBILITY

GRI	Indicator	Scope	Unit	2017	2018	2019
203-2	Automated teller machines (ATMs) accessible or located in a post office which has at least one ATM accessible from outside.	LBP	Number	7,720	7,765	7,650
203-2			%	99	98	98
203-2	Accessibility (L2014)	LGLP	%	52	53	60
203-2	Accessibility (L2014) Public access buildings	LGLP	Number	5,397	5,397	5,769
203-2	Franking machines adapted for use by the visually impaired	La Poste Network	Number	7,341	7,448	7,190
413-1	Number of personal microloans paid out (of which home microloans)	La Banque Postale	Number	2,114	1,943	2,720
413-1	Microloan partnerships supported	La Banque Postale	Number	146	146	146
413-1	Customers supported by L'Appui (budget support)	La Banque Postale	Number	15,425	12,321	9,329
	Deaf and hearing-impaired contacts supported by Deafi	La Banque Postale	Number	5,053	6,028	7,787
413-1	Silver economy revenue	La Poste	Million euros	71	137	170
413-1	Livret A savings accounts holding assets of less than €150	La Banque Postale	%	51	51	51
413-1	Livret A savings accounts	La Banque Postale	Number in millions	15.5	15.3	15.0

CUSTOMER SATISFACTION

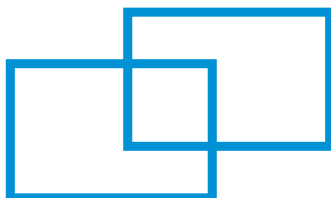
GRI	Indicator	Scope	Unit	2017	2018	2019
	Overall satisfaction rating of French people using the network	La Poste	%	95	95	95
	Opinions issued by the Group ombudsman	Le Groupe La Poste	Number	3,679	3,753	4,050

SOLIDARITY

GRI	Indicator	Scope	Unit	2017	2018	2019
203-1	Employees who have volunteered their time and skills to support an educational or socio-economic project	La Poste	Number		1,000	1,000
203-1	Financed initiatives	La Fondation La Poste	Number	94	103	130
203-2	SRI assets under management	La Banque Postale	Billion euros	109.1	115.1	137.2
203-2	of which high-impact SRI assets	La Banque Postale	Billion euros	3.09	11	29.9
305-1 305-2 305-3	Voluntary compensation of emissions	Le Groupe La Poste	Tonnes of CO ₂ equivalent	1,460,000	1,569,539	1,660,647

APPENDICES

8.1	GRI content index	166
8.2	Methodological note and ITP opinion	175
8.3	Glossary	181



8.1 GRI content index

Le Groupe LA POSTE follows the GRI Sustainability Reporting Standards and applies the GRI reporting principles. The reporting has been prepared in accordance with the GRI Standards: Core option. KPMG checked the information as an Independent Third Party. The report by one of the Statutory Auditors on the consolidated declaration of non-financial performance in the management report is available in Le Groupe La Poste's Universal registration document (URD)(pages 511 to 513), which can be downloaded from the Group's website <https://www.groupeposte.com/en/financial-publication/2019>, and presented in Note 8.2.

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
GRI 101 – FOUNDATION 2016						
GENERAL STANDARD DISCLOSURES						
GRI 102: 2016 General standard disclosures	Organisational profile	102-1	Name of the organisation	Cover page of the 2019 CSR report	6-7	
		102-2	Primary brands, products and services	1.1. Identity card of a group which is undergoing transformation	6	URD Chapter 1 (page 84)
		102-3	Location of headquarters	1.1. Identity card of a group which is undergoing transformation	6	
		102-4	Location of operations	1.1. Identity card of a group which is undergoing transformation	6	URD Section 5 – Note 43 (pages 408 to 419)
		102-5	Ownership and legal form	1.1. Identity card of a group which is undergoing transformation	6-7	URD Section 6 (pages 484 to 490)
		102-6	Markets served	1.1. Identity card of a group which is undergoing transformation	6-7	URD Section 1 (pages 9 to 85)
		102-7	Scale of the organisation	1.1. Identity card of a group which is undergoing transformation	6-7	
		102-8	Breakdown of the workforce	1.1. Identity card of a group which is undergoing transformation	6-7	
		102-9	Supply chain	2.2. Stakeholder engagement	30-31	
		102-10	Changes in the organisation and its supply chain	1.1. Identity card of a group which is undergoing transformation 1.2. Strategy 1.4. Highlights	6-7 8 12-13	
		102-11	Precautionary principle or approach	1.7. Business ethics and compliance	19-24	URD Section 3.3 – Note 3.3 (pages 166 to 168)
		102-12	External charters, principles or other initiatives	2.4. Interest representation and participation in industry debate	44-48	
		102-13	Membership of associations or advocacy organisations	2.4.4. Associations and think tanks of which Le Groupe La Poste is a member	47-48	
	Strategy	102-14	CEO's statement on the sustainable development and Group strategy	Chairman's statement	2-3	

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
	Ethics and integrity	102-16	Code of Conduct	1.7. Business ethics and compliance	19-21	URD Section 3.3 – Note 3.3 (pages 166 to 168)
	Governance	102-18	Governance structure	1.6. Governance of the Group	16-18	
	Stakeholder Commitment	102-40	List of stakeholder groups	2.2. Stakeholder engagement	30-31	
		102-41	Employees covered by collective bargaining agreements	6.3.2. High-quality social dialogue	129-131	
		102-42	Identifying and selecting stakeholders	2.2. Stakeholder engagement	30-31	
		102-43	Approach to stakeholder commitment	2.2. Stakeholder engagement	30-31	
		102-44	Key topics and concerns raised	2.3.2. Identifying priority issues	32	
	Reporting practice	102-45	Entities included in the consolidated financial statements	1.1. Identity card of a group which is undergoing transformation	6-7	URD Section 5 – Note 43 (pages 408 to 419)
		102-46	Process for defining the report's content	2.3.4. The pillars of societal commitment	34	
		102-47	Material aspects	2.3.2. Identifying priority issues	32	
		102-48	Confirming information	8.2. Methodological appendix	175-177	
		102-49	Changes in reporting	8.2. Methodological appendix	175-177	
		102-50	Reporting period	8.2. Methodological appendix	175	
		102-51	Date of most recent report	8.2. Methodological appendix	175	
		102-52	Reporting cycle	8.2. Methodological appendix	175	
		102-53	Contact point for questions regarding the report	8.2. Methodological appendix	177	
		102-54	"In accordance" option chosen by the organisation for the GRI index	8.1. GRI content index Appendix	166	
		102-55	GRI content index	8.1. GRI content index Appendix	166-174	
		102-56	External assurance	8.2 Methodological note and ITP opinion	178-180	URD Appendix 3 (pages 511 to 513)

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
SPECIFIC STANDARD DISCLOSURES						
GRI 200 – ECONOMIC STANDARDS						
GRI 103: Management approach – 2016	Economic performance	103-1	Identified material aspects and their boundaries	2.3.3. Materiality matrix	33	
		103-2	Description of the management approach	2.3.5. Organisation and coordination of the Group's policy for societal responsibility	35	
		103-3	Assessment of the management approach	2.3.5.2. Deployment of management systems	37	
GRI 201: Economic performance – 2016		201-1	Direct economic value generated and distributed	3.2. Being an effective and responsible business partner	57-60	URD Section 3.2.3 (pages 154 to 156)
		201-2	Financial implications and other risks and opportunities due to climate change	5.1.3. Analysis of climate-related risks in the light of the TCFD's recommendations	88-89	URD Section 3.2.5 (pages 160 to 162)
		201-3	Coverage of defined benefit plan obligations	6.5. Offering varied compensation and benefit packages	135-137	
		201-4	Financial assistance received from government	1.5. A civic minded approach	14	
GRI 202: Market presence – 2016	Market presence	202-1	Ratios between first standard first level salary impaired to minimum local salary	6.7. Social appendix	143	
		202-2	Percentage of senior executives recruited from the local community	Not disclosed		
GRI 203: Indirect economic impacts – 2016	Indirect economic impacts	203-1	Infrastructure investments and services supported	3.2. Being an effective and responsible business partner	57-60	
				3.3. Engaging with regional ecosystems	64-65	
				3.5. Support the civic engagement of employees	68	
		203-2	Significant indirect economic impacts	3.2. Being an effective and responsible business partner	60	
GRI 204: Procurement practices – 2016	Procurement practices	204-1	Proportion of spending on local suppliers	3.2.1. Responsible purchasing and corporate social responsibility performance	57	
GRI 205: Anti-corruption – 2016	Anti-corruption programme	205-1	Operations assessed for risks related to corruption	1.7.2. The corruption and influence-peddling prevention programme	20-22	URD Section 3.3 (page 167)
		205-2	Communication/training on anti corruption policies/procedures	1.7.2. The corruption and influence-peddling prevention programme	20-21	URD Section 3.3 (page 167)
		205-3	Confirmed incidents of corruption and actions taken	1.7.2. The corruption and influence-peddling prevention programme	20-21	URD Section 3.3 (page 167)

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
GRI 206: Anti-competitive behaviour – 2016	Anti-competitive behaviour	206-1	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	1.7.3. Respecting fair competition rules	22	
GRI 207: Tax – 2019	Tax policy	207-1	Tax approach	1.7.5 Tackling tax evasion	23	URD Section 3.3 (page 168)
		207-2	Tax governance and control of risk	3.6. Economic appendix	70	URD Section 3.3 (page 168)
		207-3	Stakeholder commitment and their concerns	Not disclosed		
		207-4	Reporting by country			URD Section 3.3 (page 168)
GRI 300 – ENVIRONMENTAL STANDARDS						
GRI 103: Management approach – 2016	Materials	103-1	Identified material aspects and their boundaries	2.3.3. Materiality matrix	33	
		103-2	Description of the management approach	2.3.5. Organisation and coordination of the Group's policy for societal responsibility	35	
		103-3	Assessment of the management approach	5.9. Environmental appendix	114-118	
GRI 301: Materials – 2016		301-1	Materials used by weight or volume	5.9. Environmental appendix	116	
		301-2	Percentage of recycled input materials used	5.8 Natural partner of the circular economy 5.9 Environmental appendix	106 116	
		301-3	Percentage of products sold and their packaging materials that are reclaimed	5.8.3 Anchoring the circular economy in society	107	
GRI 302: Energy – 2016	Energy	302-1	Energy consumption within the organisation	5.3. Managing and reducing energy consumption and emissions	92-98	
		302-2	Energy consumption outside the organisation	5.3. Managing and reducing energy consumption and emissions	92-98	
		302-3	Energy intensity	5.3. Managing and reducing energy consumption and emissions	92-98	
		302-4	Reduction of energy consumption	5.3. Managing and reducing energy consumption and emissions	92-98	
		302-5	Reduction in energy requirements of products and services	5.3. Managing and reducing energy consumption and emissions	92-98	
GRI 303: Water and effluents – 2018	Water and effluents	303-1	Interactions with water as a shared resource	5.9. Environmental appendix	115	
		303-5	Water consumption	5.9. Environmental appendix	116	

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
GRI 304: Biodiversity – 2016	Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	5.7. Protecting biodiversity	104-105	URD pages 75 and 241
		304-2	Significant impacts on biodiversity	5.7. Protecting biodiversity	104-105	
		304-3	Habitats protected or restored	5.5. Ensuring carbon neutrality	102	
GRI 305: Emissions – 2016	Emissions	305-1	Direct GHG emissions (scope 1)	5.2. Extent of the carbon footprint 5.9. Environmental appendix	90 114-115 114-118	
		305-2	Indirect GHG emissions (Scope 2)	5.2. Extent of the carbon footprint 5.9. Environmental appendix	90 113-117 114-118	
		305-3	Other indirect GHG emissions (scope 3)	5.2. Extent of the carbon footprint 5.9. Environmental appendix	90 113-117 114-118	
		305-4	Greenhouse gas emissions intensity	5.2. Extent of the carbon footprint 5.9. Environmental appendix	90 113-117 114-118	
		305-5	Reduction of greenhouse gas emissions	5.2. Extent of the carbon footprint 5.9. Environmental appendix	90 113-117 114-118	
		305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions	5.2. Extent of the carbon footprint 5.6. Reducing emissions of atmospheric pollutants	91 103	
GRI 306: Effluents and waste – 2016	Effluents and waste	306-2	Waste by type and treatment method	5.8.3. Anchoring the circular economy in its activities	107	
GRI 307: Environmental compliance – 2016	Environmental compliance	307-1	Significant fines and total number of non-monetary penalties	5.1.3. Analysis of climate-related risks in the light of the TCFD's recommendations	88-89	
GRI 308: Supplier environmental assessment – 2016	Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	1.7.4. The duty of due diligence 3.2. Being an effective and responsible business partner	23 57-63	Appendix 1 of the URD
		308-2	Negative environmental impacts in the supply chain	1.7.4. The duty of due diligence 3.2. Being an effective and responsible business partner 5.3.3.2. Means of transport	23 57-63 94	Appendix 1 of the URD

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
GRI 400 – Social standards						
GRI 103: Management approach – 2016	Employment	103-1	Identified material aspects and their boundaries	2.3.3. Materiality matrix	33	
		103-2	Description of the management approach	6.2. A responsible employment policy	125-126	
		103-3	Assessment of the management approach	6.7. Social appendix	141	
GRI 401: Employment – 2016		401-1	New employee hires and employee turnover	6.2. A responsible employment policy 6.7. Social appendix	125-126 141	
		401-2	Benefits provided to full-time employees	6.5. Offering varied compensation and benefit packages	135-137	
		401-3	Return to work and retention rates after parental leave	6.3. Commitments to compliance with human rights and fundamental freedoms	127-128	
GRI 402: Labour management relations – 2016	Labour/management relations	402-1	Minimum notice periods regarding operational changes	6.3.2. High-quality social dialogue	129-131	

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
GRI 403: Occupational health and safety – 2018	Occupational health and safety	403-1	Occupational health and safety management system	6.6. Improving health, safety and quality of life at work	138-140	
		403-2	Hazard identification, risk assessment and incident investigation	6.6.3. Initiatives to prevent occupational risk and accidents at work	139-140	
		403-3	Occupational health services	6.6.3. Initiatives to prevent occupational risk and accidents at work	139-140	
		403-4	Worker participation, consultation, and communication on occupational health and safety	6.6.2. Change management method	138	
		403-5	Worker training on occupational health and safety	6.6. Improving health, safety and quality of life at work	138-140	
		403-6	Promotion of worker health	6.6. Improving health, safety and quality of life at work	138-140	
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.6. Improving health, safety and quality of life at work	138-140	
		403-8	Workers covered by an occupational health and safety management system	6.6. Improving health, safety and quality of life at work	138-140	
		403-9	Accidents at work	6.6. Improving health, safety and quality of life at work	138-140	
		403-10	Illness connected to an accident at work	6.6. Improving health, safety and quality of life at work	138-140	
GRI 404: Training and education – 2016	Training and education	404-1	Average hours of training per year per employee	6.4.1. Training at the heart of the Group's transformation 6.4.5 Promotion policy	132 134	
		404-2	Programmes for upgrading employee skills and transition assistance programmes	6.4. Boosting employees' skills and employability	132-134	
		404-3	Percentage of employees receiving regular performance and career development reviews	6.4.1. Training at the heart of the Group's transformation 6.4.5 Promotion policy	132 134	

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
GRI 405: Diversity and equal opportunity – 2016	Diversity and equal opportunity	405-1	Composition of governance bodies and indicators of diversity	6.3.2. High-quality social dialogue	129	
		405-2	Ratio of basic salary and remuneration of women to men	6.7. Social appendix	145	
GRI 406: Non-discrimination – 2016	Non-discrimination	406-1	Total number of incidents of discrimination and corrective actions taken	6.7. Social appendix	145	
GRI 407: Freedom of association and collective bargaining – 2016	Freedom of association and collective bargaining	407-1	Operations/suppliers with the right to freedom of association	6.3.2. High-quality social dialogue	129	
GRI 408: Child labour – 2016	Child labour	408-1	Operations and suppliers identified as having significant risk for incidents of child labour, and actions taken	6.3. Commitments to compliance with human rights and fundamental freedoms	131	
GRI 409: Forced or compulsory labour – 2016	Forced or compulsory labour	409-1	Operations and suppliers identified as having significant risk for incidents of forced labour, and actions taken	6.3. Commitments to compliance with human rights and fundamental freedoms	127	
GRI 410: Security practices – 2016	Security practices	410-1	Security personnel trained in human rights policies or procedures	6.3. Commitments to compliance with human rights and fundamental freedoms	127	
GRI 411: Rights of indigenous peoples – 2016	Indigenous rights	411-1	Number of incidents of violations involving rights of indigenous peoples and actions taken	6.3. Commitments to compliance with human rights and fundamental freedoms	127 131	
GRI 412: Human rights assessment – 2016	Human rights assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	6.3. Commitments to compliance with human rights and fundamental freedoms	127	
		412-2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights	6.3. Commitments to compliance with human rights and fundamental freedoms	127	
		412-3	Number of significant investment agreements and contracts that include human rights clause s ND or that underwent human rights screening	6.3. Commitments to compliance with human rights and fundamental freedoms	127	

	Category	Standard	Subject	Published in this 2019 CSR report	Pages	Additional information / Omission
GRI 413: Local communities – 2016	Local communities	413-1	Activities involving local community (impact and programme)	3.1. Renewing postal coverage across all regions 3.3 Engaging with regional ecosystems	55-56 64-65	
		413-2	Operations with significant actual and potential negative impacts on local communities	3.1. Renewing postal coverage across all regions 3.3 Engaging with regional ecosystems	55-56 64-65	
GRI 414: Supplier social assessment – 2016	Supplier social assessment	414-1	New suppliers that were screened using social criteria	1.7.4. The duty of due vigilance 3.2. Being an effective and responsible business partner	23 57-59	URD Appendix 1
		414-2	Negative impacts on society in the supply chain and actions taken	1.7.4. The duty of due vigilance 3.2. Being an effective and responsible business partner	23 57-59	URD Appendix 1
GRI 415: Public policy – 2016	Public policy	415-1	Total value of political contributions	2.4. Interest representation and participation in industry debate	44-47	
GRI 416: Customer health and safety – 2016	Customer health and safety	416-1	Assessment of the health and safety impacts of product and service categories	7.4. Developing responsible products and services	158	
		416-2	Number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services	7.4. Developing responsible products and services	158	
GRI 417: Marketing and labelling – 2016	Marketing and labelling	417-1	Requirements for product and service information and labelling	7.4. Developing responsible products and services	158	
		417-2	Number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling	7.4. Developing responsible products and services	158	
		417-3	Number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications	7.4. Developing responsible products and services	158	
GRI 418: Customer privacy – 2016	Customer privacy	418-1	Number of substantiated complaints regarding breaches of customer privacy and losses of customer data	4.1. Being a responsible and exemplary company in data security and use	75-77	
GRI 419: Socioeconomic compliance – 2016	Socioeconomic compliance	419-1	Value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	7.4. Developing responsible products and services	158	

8.2 Methodological note and ITP opinion

METHODOLOGICAL NOTE ON INDICATORS NON-FINANCIAL INFORMATION

Reference

The Group's corporate social responsibility reporting process was carried out in accordance with the provisions set forth in Articles L. 225-102-1 and R. 225-104 to R. 225-105 of the French Commercial Code.

The employee indicators are developed in accordance with the methodology used for the employee report.

The environmental indicators are based on recognised guidelines:

- national guidelines:
 - Ademe carbon footprint methodology tool, to calculate emissions of most energy, excluding electricity abroad,
 - emission factors and other sources from the Base Carbone;
- international guidelines:
 - GHG Protocol, to define scopes 1, 2, 3,
 - Global Reporting Initiative (GRI), sustainable development reporting guidelines,
 - consumption or emissions factors provided by the International Energy Agency (2018 report) to calculate emissions related to electricity consumption abroad (average over the last three years);
- specific cases:
 - renewable electricity emission factors:
 - the emission factors in CO₂ equivalent relating to the consumption of renewable electricity are provided directly by electricity suppliers,
 - if not, the factor applied corresponds to the average emission factor of the country consuming the electricity's renewable energy mix.

Reference period

The 2019 employee reporting reference period was based on a calendar year (from 1 January to 31 December 2019) to ensure

consistency with French regulations and the employee report for French corporations.

The previous CSR report covered the reference period from 1 January to 31 December 2018, and was published in May 2019 on Le Groupe La Poste's website.

The environmental reporting reference period was created on a year-on-year basis from December 2018 to the end of November 2019, with the exception of paper consumption and number of vehicles (31 December 2019).

Scope of reporting

The Group has chosen to communicate at the La Poste level (which does not produce its own report) and at the Group level. The data concerning financial services are included in La Banque Postale's data in this report.

The scope of the employee indicators has been expanded to French express courier companies since 2015 (GeoPost business unit, DPD France and Chronopost). Since 2016, the scope of the employee indicators has encompassed all the Group's French subsidiaries.

Since 2014, the most significant environmental indicators apply to the express courier companies within GeoPost: energy consumption of buildings and greenhouse gas emissions from transport and buildings. Since the 2016 fiscal year, these indicators have been expanded to include all Group companies (including international subsidiaries).

The other Group subsidiaries are undertaking measures to harmonise non-financial reporting indicators and schedules, as well as computerisation projects, which will broaden the scope of consolidation over the coming years.

Extrapolating indicators

In order to assuage concerns regarding reporting consistency with the scope of consolidation of Group entities, the Group has extrapolated companies not yet included in the reporting starting with the 2016 fiscal year at the consolidated Group data level. The data is extrapolated by either using a ratio of greenhouse gas emissions per parcel for GeoPost, or, if that is not possible, by using a ratio of CO₂ kg.eq per €1,000 in revenue. Typically, the extrapolated

data is included in scope 3 in the Group emissions table. The change in the extrapolated emissions between 2018 and 2019 is attributable primarily to the acquisitions that were carried out.

Indicator coverage rates

The coverage rates of the indicators for the different scopes of publication are described below. The ratios are made for fully consolidated companies.

Scope of indicators	% of consolidated Group revenue	% of Group employees (in full-time equivalents)
Scope commitment to reduce La Poste's GHG emissions by 2020 (2013 base)	39	73
Social indicators for La Poste excluding subsidiaries abroad	70	84.5
GHG emissions related to transport and buildings for the Group	100	100

Protocol

The indicators are described in a detailed reporting memorandum drawn up by the Group's Societal Commitment Department, which is in charge of the reporting process. This memorandum specifies the definition of the indicators, the methods for gathering and calculating the information, the estimates or extrapolations made, if necessary, the checks performed, and the data collection and approval responsibilities.

The business travel by employees using their own vehicle is excluded from the scope of the indicator.

GeoPost's environmental data on buildings' energy consumption and GHG emissions related to transportation and buildings are calculated over a rolling (fourth quarter 2018 to third quarter 2019) period.

Environmental indicators

Group objectives concerning the decline in GHG emissions

The scope of commitment mostly corresponds to greenhouse gas emissions of transportation related to mail, parcels, the network, corporate, financial services (notwithstanding the principles set forth in the note on methodology), Digital Services activities and the buildings managed by the Poste Immo subsidiary. This relates to direct and indirect emissions from the consumption of electricity, steam, heating or cooling and emissions including transportation subcontractors and subcontracted employee business travel. The modes of transportation taken into account are road transport, air transport, rail transport and maritime transport.

Energy consumption of buildings

The types of energy taken into account are electricity, gas, domestic fuel, municipality heating, propane and GLP, and cover scopes 1, 2 and 3.

The reporting on the energy consumption of buildings was based on the amounts invoiced from 1 December 2018 to 30 November 2019. The average prices used to convert these amounts into kilowatt-hours were obtained from the statistics databases, i.e. calculated from representative samples of invoices. For some buildings, the consumption was extrapolated from the occupied surfaces.

The energy consumption of the buildings disposed of during the year was not included.

The electricity consumption and the related GHG emissions for electric vehicles are recognised at the building level.

Greenhouse gas emissions

- Scope 1 and 2 GHG emissions, as defined by the GHG Protocol: direct and indirect emissions linked to the consumption of electricity, steam, heating or cooling.
- Scope 3 GHG emissions: mainly include transport subcontractors and subcontracted employee business travel.

The modes of transportation taken into account are road transport, rail transport, air transport and maritime transport. The distances for leased air transport capacity for foreign destinations and French overseas departments take stop-overs into account.

Company vehicles are included as of the 2016 fiscal year.

Waste

The scope includes computer, safety, security and telecommunications equipment processed by companies specialised in recycling or reuse. Since 2014, the recovery rate has been extrapolated across the entire consolidation scope from results on materials that account for 93% of the total WEEE processed by specialised companies. GHG emissions related to transport and buildings for the Group.

Paper consumption

Products (stamps, Prêt-à-Poster, and other packaging offers), cardboard boxes, and mixed items like padded envelopes are not included in the scope of the indicator.

Water consumption

A portion of the water consumption is estimated based on the expenses invoiced during the year and an average price.

Societal indicators

Purchases

Purchases include all goods and services purchased externally (machinery and equipment, transport and logistics, IT, general costs, etc.) reported as non-current assets or expenses.

The amounts are calculated at cost for La Poste, and excluding tax for the other Group entities.

The scope of commitment concerns La Poste and its subsidiaries Poste Immo and La Banque Postale. The regional impact (Group data) presents data from La Poste and its subsidiaries Poste Immo, La Banque Postale, Docaposte and Mediapost.

Employee indicators

Occupational health and safety

Scope: Includes the La Poste parent company and the Group's subsidiaries in France, but not its subsidiaries abroad.

Indicators

Number of days of absence due to accidents at work, commuting accidents or occupational illness: This indicator is calculated based on the number of individuals employed (excluding temporary contracts). The days of absence are counted in calendar days.

Frequency of accidents at work with time off: Number of accidents at work with time off (excluding commuting) per million hours worked. The hours worked are calculated on the basis of the average workforce multiplied by the number of hours worked per annum. Starting in 2017, a new method has been used to calculate the frequency rate, with calculation at 31 December, one month of consolidation and the inclusion of all contracts (excluding interns). The numbers are provided according to the new calculation method for 2016 and later years.

Severity of accidents at work with time off: Number of days off due to accidents at work (excluding commuting) per thousand hours worked. The days lost for accidents at work are counted in calendar days. The number of accidents at work with time off as well as the number of days off due to accidents were taken from the HR management systems on 31 December.

Training

Scope: La Poste parent company and the French subsidiaries.

Total number of training hours: Total number of internal and external training hours taken by all employees (total headcount present during the year, including work-study students). This number does not include training provided within the framework of an individual employee training account, training sabbatical leave, the accreditation of work experience or skills audits.

Proportion of employees who took at least one training course during the year: The basis for this calculation is the average number of employees; it does not include employees who have been absent for over six months.

Gender equality

Scope: Le Groupe La Poste (includes the La Poste parent company and the Group's subsidiaries in France, but not subsidiaries abroad).

Indicators: Proportion of women on the Management Committee: The members of the Management Committee hold strategic positions within La Poste and its French subsidiaries, as defined by the Group's Executive Committee.

Contact us at: reporting.rse@laposte.fr

REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL STATEMENT REFERENCES

This is a free English translation of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended 31 December 2019

To the Annual General Meeting,

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (*Comité Français d'Accréditation or COFRAC*) under number 3-1049⁽¹⁾ and, as a member firm of the KPMG International network, one of your statutory auditors, we hereby report to you on the consolidated non-financial statement for the year ended the 31 December 2019 (hereinafter the "Statement"), included in the Company Management Report pursuant to the requirements of articles L.225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Responsibility of the entity

The Management Board's is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement and available upon request at the entity's head office.

Independence and quality control

Our independence is defined by the requirements of article L.822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the Statutory Auditor appointed as independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with article R.225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation, nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of Article A.225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes* or CNCC) applicable to such engagements and with ISAE 3000⁽²⁾:

- We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement includes each category of social and environmental information set out in article L.225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- We verified that the Statement provides the information required under article R.225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L.225-102-1 III, paragraph 2 of the French Commercial Code;

(1) Accreditation scope available at www.cofrac.fr

(2) ISAE 3000: international standard on assurance engagements other than audits or reviews of historical financial information.

- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important⁽¹⁾. Concerning certain risks⁽²⁾ our work was carried out on the consolidating entity. For the other risks, our work was carried out on the consolidating entity and on a selection of entities⁽³⁾.
- We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L.233-16 of the French Commercial Code.
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important⁽⁴⁾, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 51% and 98% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of seven people between September 2019 and March 2020 and took a total of approximately 18 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted approximately 20 interviews with the individuals responsible for preparing the Statement, particularly from Financial Management, Tax Management, Risk Management, Human Resources Management, and Corporate Social Responsibility Management.

(1) Collective agreements related to the organisation of the social dialogue; Policy related to employee health and well-being; Policy related to the continuous development of employee skills; Measures taken to promote gender equality and associated results; Commitments and actions to reduce the environmental impacts of activities; Policies implemented to guarantee the accessibility of products and services to all customers; Policies and systems implemented in terms of ethical and responsible digital management; Procedures implemented in terms of business management and fight against corruption; Policy for the satisfaction of people using the network.

(2) Risks linked to the legal compliance of the Group's practices as regards personal data protection; Risks linked to the legal compliance of the Group's practices as regards prevention of corruption; Risk of customer dissatisfaction.

(3) Véhipeste; Direction du Réseau Logistique du Courrier et du Colis; Direction Technique du Courrier/Colis international; Recy'go; Poste Immo; Direction des approvisionnements (DAPD); Geopost Head Office; La Poste Head Office.

(4) Total headcount at 31.12; Distribution by gender, by age and by type of contract; Number of new hires under permanent contracts; Number of redundancies; Percentage of part-time employees among total headcount at 31.12; Total number of training hours; Share of employees trained at least once during the year; Number of days of absence due to sickness; Number of days of absence due to accidents at work and commuting accidents or occupational illness; Frequency rate of accidents at work with time off; Severity rate of accidents at work with time off; Total number of employee agreements signed; Proportion of women on the Management Committee; Total greenhouse gas emissions related to transportation and buildings; Energy consumption of buildings; Share of environmentally-responsible paper consumed; Tons of paper collected for recycling (Recy'go and Nouvelle Attitude offers).

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Comment

Without modifying our conclusion and in accordance with article A.225-3 of the French Commercial Code, we have the following comment:

- The results presented in relation to the “risks linked to health and safety at work” and to the “risks linked to the need to adapt jobs and skills to the Group’s transformation priorities” are communicated on the scope of the Group’s activities in France, representing 85% of the Group’s consolidated workforce, with the exception of the “Total workforce at 31 December” indicator communicated on the Group’s scope of consolidation. However Le Groupe La Poste initiated a process to broaden the scope of social indicators to Group subsidiaries abroad.

Paris-La Défense, on 6 March 2020

KPMG S.A.

Anne Garans

Partner

Sustainability Services

Eric Amato

Partner

8.3 Glossary

Addressed mail: Type of targeted mail that includes a specific recipient and address (as opposed to unaddressed mail).

Advertising mail: Mail that promotes a brand, its products or its services (may be addressed or unaddressed).

AFEP-MEDEF: Two French employers' associations

AMF: An association of French Mayors.

AMRF: An association of French mayors from rural communities.

ANEM: An association of French elected officials from mountainous regions.

Arcep: French Authority for regulation of the electronic communications and postal sectors: an independent French administrative authority whose goal is to ensure that the postal market remains open and operational (issues authorisations to operate postal activities, issues opinions on rates and universal service quality objectives, and approves universal service rates).

AVERE: An NGO that promotes the use of electric vehicles.

BBC: A French building energy-efficiency standard.

BBC: A French building energy-efficiency standard.

BtoB: Business to Business: used to describe a business to business relationship.

BtoC: Business to Consumer: used to describe a business to consumer relationship.

CDDEEP: A sustainable development club for public sector companies and entities.

CFDT: A French labour union.

CGC: A French labour union for management personnel.

CGPME: An employers' association for small-and medium-sized companies.

CGT: A French labour union.

Circular economy: The purpose of the circular economy is to move from a model aimed at reducing impacts to a model aimed at creating value at a social, economic and environmental level (new design, production and consumption methods, prolonging duration of use, encouraging use over possession, reusing and recycling components).

CNAF: National family allowance fund.

CNAMTS: A national health insurance fund for salaried employees.

CNAV: State pension fund.

Cogas: Social Activities Guidance and Management Committee (*Conseil d'orientation et de gestion des activités sociales*): implements the employee policy defined by the Group, allocates the

budget and controls its use within the framework of management shared with the trade unions.

Comité 21: A French non-governmental organisation that promotes environmental awareness and sustainable development by bringing together four distinct groups: private-sector companies (from SMEs to multinationals); local authorities (from municipal to regional); NGOs (environmental, economic development, local solidarity, human rights, etc.); and institutions (universities and the media).

Consumer: An individual who purchases property, a product or a service for his or her own use (ISO 26000).

COP21: The 2015 Paris Climate Conference.

Crowdfunding: This term describes all financial transaction tools and methods used to raise funds from a large number of people to finance a project. This practice is primarily used on the Internet and has become popular thanks to social networks. This type of financing is a disintermediation process and contributions may come from private individuals or from companies, regardless of the type of business activity.

CSR: Corporate social responsibility. CSR has been defined by the Commission as "a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis".

CtoC: Consumer to Consumer – Used to describe a mail or parcel sent from one consumer to another consumer.

Customer: A private or public sector organisation or individual who/ which purchases goods, products or services for a commercial purpose (ISO 26000).

DEO: Disabled employment obligation

E2C: An NGO that gives school-leavers a second chance.

EA: Companies and organisations that primarily employ people with disabilities.

Eco-driving: Style of driving based on using a vehicle modestly to limit CO₂ emissions and fuel consumption.

EFQM: European Foundation for Quality Management.

Employee: An individual who is recognised as being in an "employment relationship" under national law or in actual practice (ISO 26000).

EMS: Energy management system

Environment: A natural functioning system that consists of air, water, soil, natural resources, flora, fauna, human beings, the space in which they live and their interactions (ISO 26000).

EpE: An employers' association that supports environmental causes.

ERP: A category of buildings that are accessible to the general public.

Esat: Companies and organisations that primarily employ people with disabilities.

ESG: Environmental, social and governance.

FNE: France Nature Environment, an NGO.

FNH: The Nicolas Hulot Foundation.

FO: Force ouvrière, a labour union.

GDPR: The General Data Protection

Green IT: Green IT is an ecoresponsible approach that seeks to reduce the ecological, economic and social impacts of information and communication technologies. It involves reducing the pollution and depletion of natural resources caused by the manufacturing and disposal of IT equipment, as well as the energy consumed during their useful life.

HQE: High environmental quality.

HSWCC: Health, safety and working conditions committee.

Hub: Concentration/dispatch platform for a national "region". The network, which includes the hubs, is arranged in the form of a "spider's web": all the express post collected during the day is consolidated in a hub, in general close to an airport, station or multimodal platform, before being redirected to depots or destination centres, or to another hub.

Incubator: Organisation that aids and supports business creation. Its primary function is to help those in charge of an innovative project in view of creating a company. Incubators mostly operate within the framework of projects associated with a technological innovation. They help those in charge of the project in the creation of a business plan, the filing of patents, etc. They provide them with premises, offices and help them to create a network.

IMS: A non-governmental organisation composed of companies that promote corporate social responsibility.

IPC: International Post Corporation. IPC is a cooperative association of post offices in Europe, North America and Asia-Pacific founded in 1989. Its main missions are to improve the quality of international service, conduct studies and research in the area of postal services and encourage discussion forums on postal issues.

Items on hold: Postal items awaiting pick-up at a retail outlet.

"La Poste Relais" outlets (rural/urban): A retail outlet managed by a retailer that offers most postal services during extended business hours. This type of outlet helps keep shops in rural areas open. In urban areas, located in high-traffic locations such as train stations and supermarkets, La Poste Relais outlets put the most used postal services in the daily path of a large number of citizens.

Last mile: Last link in the logistics chain for a delivery. This phase ensures the individual shipping to companies as well as home delivery to consumers.

Local and inter-communal postal agencies: Retail outlets managed in partnership with the city hall or with a group of municipalities. Postal services are carried out in exchange for compensation

NQT: An urban youth employment NGO.

OECD: The Organisation for Economic Cooperation and Development.

OHSC: Occupational health and safety committee.

Orée: A multi-actor association created in 1992, bringing together more than 150 businesses, territorial authorities, trade and environmental associations, academic and institutional bodies, to develop best environmental practices and deploy practical tools for integrated environmental management on the regional and local levels.

Organisation: An entity or group of people and facilities with clear objectives and defined responsibilities, levels of authority and relationships (ISO 26000).

Organisational governance: A system by which an organisation makes and enforces the decisions necessary to achieve its objectives (ISO 26000).

PCP: Priority Joint Programme.

PRM: Person with reduced mobility

Personal micro-credit: Loan for consumers who wish to complete a project (excluding start-up), but who do not have access to traditional bank credit.

Pickup Station: Service to make parcels available in automated lockers (lockers located outside are accessible 24/7). As soon as the parcel is available, a text message and/or email are automatically sent to the recipient including a collection code. Recipients have three business days to pick up their parcel.

Portage: Delivery of print media by a deliverer to a subscriber's home or workplace, unlike press delivery. Portage also refers to the home delivery service for meals, shopping, and medicines.

Postman-counter clerk

A postman/postwoman who carries out all services related to the job of a postman (mail delivery, local services) as well as post office counter services. Postmen-counter clerks handle all La Poste service offerings (Mail, Parcel, Chronopost, La Banque Postale and La Poste Mobile pre-paid mobile phone refill cards).

Products: Something an organisation sells directly or includes in a service (ISO 26000).

Public Service Agreement: The Public Service Agreement between La Poste and the French State fixes the framework and the methods used to perform the public service missions entrusted to La Poste (delivery of mail/parcels six days out of seven to all French homes, providing banking accessibility via La Banque Postale, contribution to regional planning through its postal coverage, transport and press delivery). The agreement currently in force covers the period between 2018 and 2022.

RBR 2020: A sustainable building regulation.

Responsible development: Le Groupe La Poste's approach to growth and business development, which addresses each aspect of corporate social responsibility.

Responsible management: An approach to management that engages managers beyond the "bottom line" and requires that they be accountable for working to achieve the best balance between the economic, social and environmental consequences of their

decisions. This involves complying with the Group's values and being cooperative, innovative, attentive to the needs of all employees and supportive of gender equality.

Responsible marketing: Incorporates environmental, human resources and social concerns into marketing strategies and processes in order to progressively improve the environmental and social performance of the Group's products and services and promote responsible consumption as widely as possible.

Responsible purchasing: "Responsible purchasing takes social, environmental and economic responsibility concerns into account throughout the procurement process, in accordance with the principles of sustainable development, fair trade and optimum transparency" (source: AFNOR).

Reverse logistics: Reverse logistics, or return logistics, concerns managing flows from the consumer to the manufacturer (after-sales service, waste recycling, unsold goods management, etc.).

Service: The action of an organisation to satisfy a request or requirement (ISO 26000).

Sharing economy: An economic model where use is seen as more important than ownership (sharing, trading, bartering, selling, or renting). This practice is strongly tied to the surge in online trade.

Silver economy: Economy that serves senior citizens. It is intended to support a population with a growing life expectancy, which is creating new needs – particularly in the leisure, transport, food, safety, healthcare, household, shared housing, insurance, telephone assistance, Internet and sports sectors.

Social responsibility of organisations (ISO 26000): The responsibility of an organisation for the impacts of its decisions and activities (which include its products, services and processes) on society and the environment, and which entails transparent and ethical behaviour that contributes to sustainable development, health and welfare of society, addresses the needs of stakeholders, complies with the law and is consistent with international norms of behaviour, is integrated throughout the organisation and observed in its relationships within the scope of the organisation's activities and sphere of influence.

Social micro-credit: Loan system that aims to promote the social and professional integration of disadvantaged consumers or those outside the banking system.

Solidarity commitment: For Le Groupe La Poste this means the joint engagement of La Poste and its employees in solidarity initiatives that are an extension of La Poste's activities and public service mission.

Sphere of influence: The scope or extent of political, contractual, economic or other relationships through which an organisation may affect the decisions or activities of other organisations or individuals (ISO 26000).

SRI: Socially responsible.

SSE: Social and solidarity economy.

Stakeholder: An individual or group that has an interest in an organisation's decisions or activities (ISO 26000).

SUD: A French labour union.

Sustainable development: "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (ISO 26000). It is an essential concept and objective for the entire planet.

Tracking: Service provided by express or rapid transportation carriers involving the computerised monitoring of an item's progress from collection to delivery. Transport companies try to offer as many tracking points as possible (usually at each reload). Electronic handsets, carried by drivers and delivery people, that enable customers to access information on final delivery.

Territory: A geographic area of any size, from a municipality to the entire planet.

UDAF: The department union of family associations.

UNSA: A French labour union.

Urban logistics: Method of shipping cargo flows entering, leaving and circulating in a city under the best conditions while taking many elements into consideration (habitat, economic activity, urban management, transportation, pollution and urban congestion, etc.)

UPU: The Universal Postal Union

Value chain: The sequence of activities or the participants in a process who/that either provide or receive value in the form of products or services (ISO 26000).

Vulnerable group: A group of individuals who have one or more characteristics in common on the basis of which they are discriminated against and suffer adverse social, economic, cultural, political or health-related consequences, and which prevent them from asserting their rights or from taking advantage of opportunities to which they are legally entitled (ISO 26000).

WEEE: Waste electrical and electronic equipment.

Worker: Anyone who performs a job or work of some type, either as an employee or as an independent contractor (ISO 26000).

VAE: Electric bike.

WWF: The World Wildlife Fund. A foundation that works to protect the environment.

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