

The new strategic priorities for responsible development are the backbone of La Poste Group's Performance and Confidence 2008-2012 strategic plan. They have been used to set the objectives and action plans at every level.

2008 sustainable development overview



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“Responsible development sets the tone for a great future, as long as it is done ethically, with respect for our planet’s limited resources, guaranteeing the earth’s and next generations’ future, and fostering true equal opportunity.”

Excerpt from the Performance and Confidence 2008-2012 strategic plan

La Poste has made responsible development the key point in its 2008-2012 strategy. What does that mean for the Group?

Above all, responsible development means respect for all stakeholders. It means showing consideration for all our clients: advising them, putting their interest at the heart of our priorities and upholding our commitments. It means adopting the attitude of a responsible employer (our "employer committed to developing its employees" concept), while encouraging job quality, skills development and equal opportunity. It means taking bold measures to respect the environment, while mitigating the impact of our transport, limiting energy consumption in our buildings and striving to use paper responsibly. It also means making a contribution to local and regional development and supporting projects on this level. This is the only way to build the company's confidence and performance. In addition, during a crisis period such as this one, responsible development is essential to moving in step with society.



Concretely, what types of structures and levers has the Group set up to support its responsible development policy?

In order to meet our objectives, we need to roll out the process as closely as possible, on a corporate, regional and local level. We are working to make our reports more reliable, and we are monitoring several qualitative and quantitative responsible development indicators at the top levels of the company. In early 2008, to develop our projects in close coordination with the field and with our stakeholders, we set up a network of 21 regional sustainable development officers and local correspondents in our four Business Sectors. I also know I can count on all of our postal workers' commitment and motivation. These postal workers uphold our Group's values of local, customised service, equity and solidarity on a daily basis. They are the driving force of our ambitions and the trusted link with our partners. In order to maintain their levels of commitment, we are furthering the training and awareness-raising campaign we launched in 2003. To pass a new milestone, we are gradually adding non-financial criteria to objective-based appraisals of managers, to bring short-term targets into line with long-term aims.

How does this approach impact your relations with your partners?

At the crossroads of interactions, we are driven by our public service mission and by the need for a close local and regional presence, so we must strive to act responsibly.

To do this, we work in close contact with all of our partners: our clients, our suppliers, members of the public and non-profit sectors, etc. In this same vein, we have taken their ideas into account when defining our commitments for 2008-2012. We are currently continuing our dialogue with a view to building something together and sharing our expertise and experience. In order to move forward better and faster, we are working with recognised experts. With the French Ministry for Ecology, Energy, Sustainable Development and Regional Development and Ademe (the French Government's Environment and Energy Management Agency), we signed a framework agreement during Sustainable Development Week that sets out areas of cooperation and mutual commitments. We are reasserting our commitment to more responsible paper management by working hand-in-hand with the WWF, which is sharing with us its knowledge of the wood sector. In addition, we are continuing our research in cooperation with universities, in particular through the Euromed Marseille sustainable development chair and through the Responsible Manager Network. >>>

Jean-Paul Bailly,
La Poste Group Chairman

Our actions over the past five years have made La Poste a group that is recognised for its commitment to sustainable development. Our cross-cutting expertise enables us to give feedback to our partners. We work as part of several French and international bodies to further responsible development. A prime example is the mission I have been given by the government to bring fleet managers together to develop the use of electric vehicles.

What are your main points of progress, and what are your priority objectives for the medium term?

Through our actions carried out since 2003, we have made major breakthroughs, for the environment, for our clients, for our employees and for the regions. Over the past five years, through a bold, pro-active policy including eco-driving training, cleaner modes of transport, etc., we have cut our transport-related CO₂ emissions. We still need to make progress in improving our buildings' energy performance. We are gradually including environmental criteria in our construction and renovation plans to reduce our footprint. We have also made tangible progress through our commitment to more responsible paper use. Recycled paper and paper from sustainably-managed forests has never made up such a large percentage of our paper use. We need to keep working towards this goal and encourage our clients to use paper responsibly. Combating exclusion and promoting equal opportunity can be seen in the post offices' daily actions in favour of the most underprivileged and our efforts to hire

increasing numbers of disabled people and disadvantaged youth. In addition to these recruiting efforts, we need to continue fostering these employees' professional integration and their career development. Through stronger and closer relations with the regions, we have tackled the issue of mobility successfully. By incorporating responsible development into the Group's regional projects, we can extend our work with local stakeholders. Lastly, we are increasingly aware of our clients' growing interest in these issues. To reinforce their trust in us, our Group needs to make its sourcing processes and lines of products and services even more responsible. This is the key to new business performance and truly responsible development.

As a service producer, integrator and distributor, La Poste Group is Europe's most diversified postal operator and boasts a solid foothold in all its Business Sectors. La Poste Group is France's 23rd leading industrial and service group in terms of turnover (€20.8 billion) and the 4th largest group in terms of workforce (296,000 staff).

Already, 71% of its operations take place in competitive markets and 15.6% of its turnover comes from international activities.

MAIL

Universal service, customer relations, mail solutions integration, stamp collecting and press logistics.

LA BANQUE POSTALE

Banking and insurance products and services for individual and business customers. Ensuring banking accessibility, primarily through the Livret A passbook savings account.

PARCELS-EXPRESS

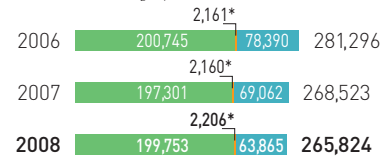
GeoPost: deferred and express parcel delivery as part of B-to-B and B-to-C relations within France and across the globe.
ColiPoste: deferred parcel delivery to individual customers in France.

THE RETAIL BRAND

The Group's multi-sector, multi-channel distribution network. Contribution to local and regional planning and development.

TRANSPORT-RELATED CO₂ EMISSIONS*

Scope: La Poste parent company and La Banque Postale
(in metric tons CO₂ equivalent)



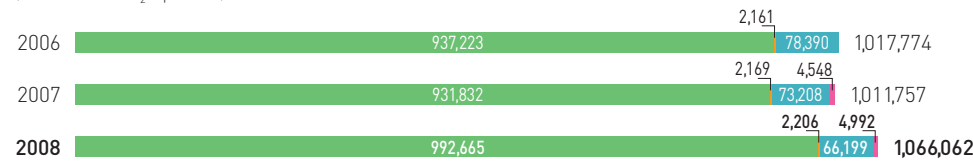
* CO₂ emissions related to rail transport (postal TGV high-speed trains) exclude travel between home and the workplace and were not included in previous indicator calculations. They were added to make the indicator more exhaustive.

- Road (vehicles owned excl. sub-contracting)
- Rail (vehicles owned)
- Air (EuropAirPost)

This indicator corresponds to the traditional scope used since 2003, which now includes rail transport. Air transport includes the services operated by EuropAirPost, which was initially a Group subsidiary and, since the end of 2007, has been a Group sub-contractor. In 2008, CO₂ emissions continued to fall, primarily thanks to efforts to streamline air transport. EuropAirPost replaced a wide-bodied aircraft with a medium-capacity aircraft, which saves around 5,000 tonnes of CO₂. This effort offsets the slight increase in road transport emissions, in particular due to reorganisation related to the Mail Quality Project and to La Banque Postale's extended reporting scope.

TRANSPORT-RELATED CO₂ EMISSIONS

Scope: La Poste Group
(in metric tons CO₂ equivalent)

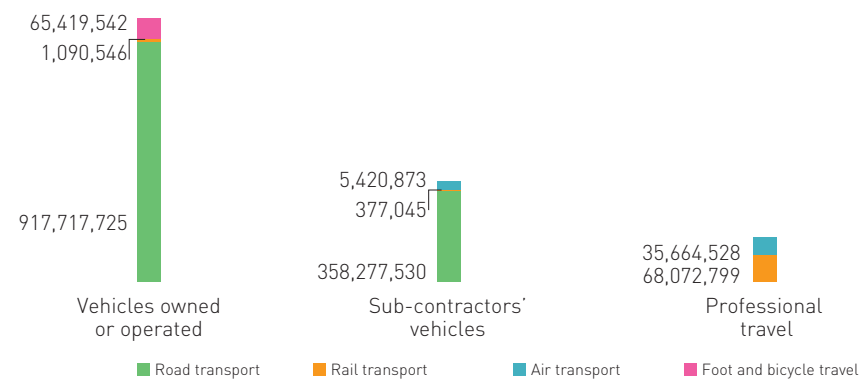


- Road (vehicles owned La Poste and sub-contractors')
- Rail (vehicles owned and operated by La Poste and sub-contractors)
- Air (EuropAirPost and other sub-contractors)
- Professional travel (rail and air)

Between 2007 and 2008, the total CO₂ emissions for the overall scope (including all Group entities and transport sub-contractors) increased by 5.37%. This rise is primarily due to better collection scope and data reliability, in particular for GeoPost's international subsidiaries. The scope and methods used to calculate the subsidiaries' CO₂ emissions are currently being standardised. In addition, there was an increase in the French subsidiaries' CO₂ emissions, partially due to better coverage of the indicator scope.

NUMBER OF KILOMETRES TRAVELLED

Scope: La Poste Group excl. GeoPost
Total: 1,452,040,588 travelled in 2008



Contributing to combating climate change/Transport

With one million metric tons of transport-related CO₂ emissions and over 1.4 billion kilometres travelled each year, La Poste Group is assessing and well aware of its responsibility for climate change and has committed to cutting its emissions by 15% between now and the end of 2012.

Investing in a cleaner fleet

La Poste Group is focusing its efforts on road transport, which makes up the vast majority of its CO₂ emissions, by developing a fleet of clean vehicles. Two manufacturers, Micro-Vett/Newteon – PSA and Venturi Automotives – Fiat, were selected following the European call to tender launched by the Mail business sector for the delivery of 500 new-generation electric cars. In 2009, mail carriers are testing ten prototypes under working conditions. At the same time, the Mail business sector has launched a call to tender for 300 electric quad bikes, and has ordered 2,200 electric-assisted bicycles, 1,350 of which are to be delivered in 2009. To quickly usher in its use of green transport, the Mail business sector is conducting closed-circuit experiments on an innovative three-wheel drive vehicle that can transport up to 100 kg of mail, designed exclusively for La Poste. ColiPoste is continuing testing on electric vehicles that can be used to transport and deliver up to a hundred parcels per day in city and town centres.

Lastly, since 2008, La Poste has encouraged employees' use of lower-pollution vehicles for work-related travel by adjusting its mileage allowance scale.

Promoting eco-driving for all

All four Business Sectors are continuing their introduction of eco-driving to reduce CO₂ emissions and limit fuel consumption and the risk of accidents. A total of 24,373 people were trained in 2008. In the Mail business sector, 30,054 mail carriers have received training since 2007. This number will increase to 60,000 by the end of 2009, which should help cut Mail emissions by 10,000 metric tons of CO₂ annually. At ColiPoste, 559 delivery operators have been trained in eco-driving, and training has been planned for 2,400 operators. Lastly, in 2008, La Banque Postale provided training for 65 individuals. In 2009, 1,000 employees are set to receive training, with an additional 400 each year planned over the following three years. This programme will help La Poste Group cut its fuel consumption and its CO₂ emissions by 7%. Building on this successful experience, La Poste founded Mobigreen in 2008. This subsidiary is in charge of promoting eco-driving to external clients, in particular local and regional authorities and corporate fleet managers.

A KEY PLAYER IN THE LOW-CARBON VEHICLE PLAN

This national plan presented on 17 February, 2008 by Luc Chatel, the Minister of State in charge of Industry and Consumer Affairs, provides for the introduction of 100,000 electric vehicles over a five-year period. Given La Poste Chairman's experience and involvement in this area, he was asked to help push forward an electric vehicle industry in France and in Europe. La Poste Group is leading a broad approach ranging from defining the project's technical specifications through to centralising orders from major vehicle fleet users.

A mail carrier in eco-driving training.

Eco-driving training



30,875 individuals trained in eco-driving since 2007, including 30,054 in the Mail business sector.

Greener logistics

In 2008, La Poste's 68,200 motor vehicles travelled over 917 million kilometres. Reducing the number of kilometres travelled is a key lever to cutting CO₂ emissions.

La Poste is working to streamline its routes. The industrial modernisation programme, Targeting Mail Quality, which is currently being rolled out, sets to optimise the geographic location of mail sorting hubs and reduce the number of links.

La Poste is working to streamline loading. In 2008, 92% of ColiPoste's national linehails were done "in bulk", compared with 85% in 2007 and 70% in 2006. Most of GeoPost's subsidiaries have also adopted this mass loading system throughout Europe. Thanks to these efforts, ColiPoste reduced its CO₂ emissions from 0.63 kg per parcel transported in 2007 to 0.61 kg in 2008, while GeoPost cut its emissions from 1.127 kg to 1.010 kg over the same period. The Mail business sector began rolling out double-decker lorries in June 2008. By 2012, dozens of lorries of this type will be used for mail transport, which will reduce CO₂ emissions from related deliveries by 35%. At Mediapost, piggybacking allowed 11.5 metric tons of CO₂ to be saved in 2008. Flow pooling has helped further reduce CO₂ emissions.



Double-decker lorry

Several dozen double-decker lorries will be introduced for mail transport by 2012.

92%
of ColiPoste's national linehails were loaded in bulk, compared with 85% in 2007 and 70% in 2006.

RAISING CLIENT AWARENESS

DPD, GeoPost's international network, has developed an online eco-calculator (www.whyflypharcels.com) that can be used to compare CO₂ emissions for air or ground shipping to over 90 European destinations. This calculator is available in four languages and informs shipping customers about the impact of their delivery choices and encourages them to choose ground shipping, which generates an average of eight times less CO₂ than air shipping over the same distance, with costs of up to five times less.

Working with sub-contractors

In 2008, sub-contracting road transporters travelled over 358 million kilometres for La Poste. With this in mind, La Poste has launched awareness-raising and support programmes.

Its calls to tender for regional ColiPoste sub-contractors now include sustainable development criteria, which count for 10% of transport providers' scores. In 2008, following on from the work started in 2007 for Mail and ColiPoste, Mediapost sent an environmental questionnaire to its transport providers. This questionnaire aimed to take stock of their progress as regards incorporating environmental issues into their processes and to help them improve in this area by sharing best practices.

In late 2006, the Group created the *Lettre éco-transport* (eco-transport newsletter) to raise its sub-contractors' awareness and foster interaction. This half-yearly newsletter provides information on industry-specific environmental challenges, shares the Group's directions and helps them take environmental issues into consideration, through thematic reports, interviews and feedback on innovative initiatives.

Acting as a driving force in the postal industry

La Poste plays an active role in three international organisations that are working on the topic of sustainable development.

In 2008, it was reappointed chair of the UPU's (Universal Postal Union) sustainable development project group. After defining a sustainable development charter shared by postal services worldwide, the project group performed a greenhouse gas inventory. Later, to put the charter's commitments into practice, seminars were planned on a regional level.

La Poste is one of the founding members of the European postal services' "GHG Reduction Programme" launched by PostEurop in June 2007. Under this programme, aimed at cutting signing postal operators' emissions by 10% between now and 2012, La Poste helped draft a joint CO₂ report protocol for participants, by undertaking to standardise postal operators' business scope and their methods for calculating and escalating information. The programme's first CO₂ report campaign, which was launched in April 2008, provided a snapshot of 16 European postal operators' CO₂ emissions at the end of 2008.

Lastly, La Poste is taking part in the IPC's (International Post Corporation) Carbon Management Programme, aimed at identifying the best strategies for reducing the world's 25 largest postal operators' CO₂ emissions.

The fleet includes **68,244** vehicles equipped with IC engines. La Poste aims to purchase 5,000 to 10,000 electric vehicles over the next five years.



Raising clients' awareness of the impact of transport.

whyflyparcels, a comparative eco-calculator

BUILDING-RELATED CO₂ EMISSIONS

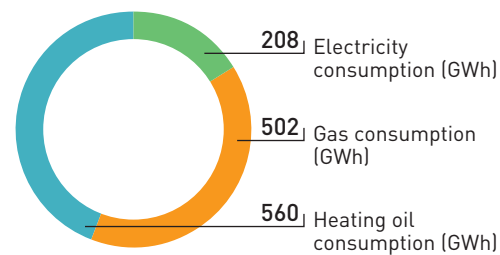
Scope: La Poste parent company and La Banque Postale
(in metric tons CO₂ equivalent)



CO₂ emissions due to energy consumption in La Poste buildings increased by 4.39% between 2007 and 2008. Natural gas and heating oil consumption increased due to greater demand for heating in 2008, but electricity consumption fell as a result of more responsible practices. Moreover, the Group has given a priority focus to making building energy consumption data more reliable over the past few years.

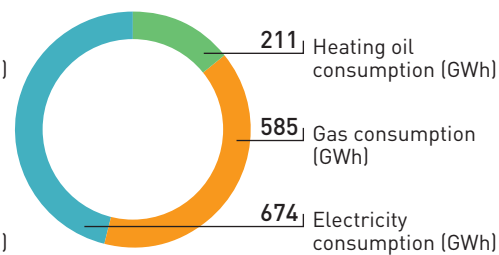
ENERGY CONSUMPTION IN 2008

Scope: La Poste parent company and La Banque Postale

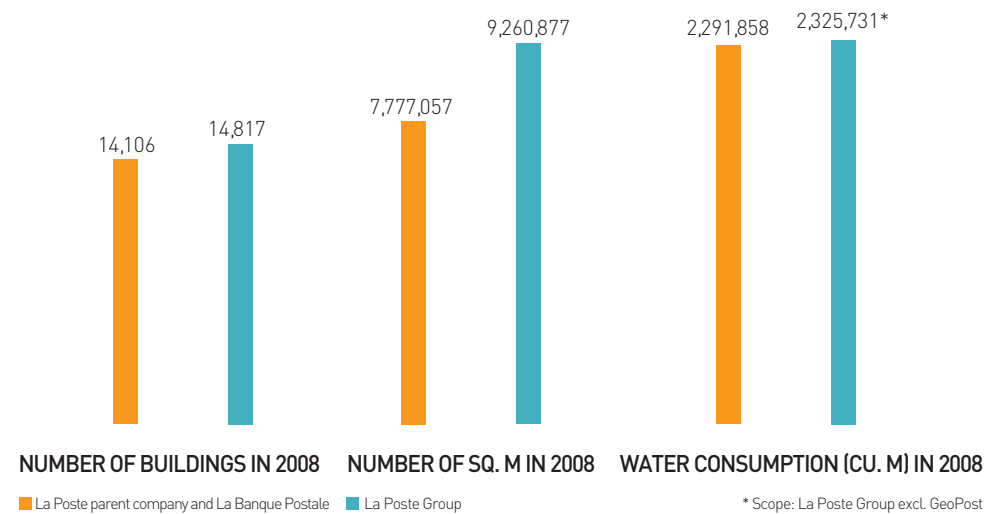


Total : 1,270 GWh
205,676 metric tons CO₂ equivalent

Scope: La Poste Group



Total : 1,470 GWh
259,223 metric tons CO₂ equivalent



Contributing to combating climate change/Buildings

With over 14,800 sites and around 1.5 MWh of energy consumption, La Poste Group has committed to cutting emissions in its buildings by 9% between now and the end of 2012.

Evaluating our impact

To focus its actions efficiently, Poste Immo, La Poste's real estate operator, launched an overall audit (energy, accessibility, etc.) on around one hundred of the Group's most strategic sites with a view to modernising existing property and introducing energy-efficient measures into renovations. This practice is being rolled out gradually to the Business Sectors. In 2008, GeoPost performed a Bilan Carbone® carbon emissions assessment, with support from Ademe (French Government's Environment and Energy Management Agency), on all of its European subsidiaries and site types, including hubs, depots and delivery agencies. This assessment showed that the impact from buildings accounts for 15.7% of GeoPost's total CO₂ emissions. In early 2009, GeoPost defined its action plan and set concrete objectives for reducing carbon intensity per parcel transported. The Retail Brand and La Banque Postale performed energy diagnostics in around fifteen offices and 13 financial centres respectively.

Saving energy

In 2008, as part of its post office modernisation programme, the Retail Brand added environmental criteria for all of its lighting purchases. Lighting makes up 50% of a post office's electricity consumption. The diagnostics revealed the impact of everyday habits and confirmed the importance of the awareness-raising campaigns rolled out throughout all of the Business Sectors. ColiPoste displayed a poster on "Good everyday practices for sustainable development" in all of its sites. The Mail business sector and the Retail Brand created an information and exchange module on simple eco-friendly practices that managers sent out to their teams. In addition, to streamline La Poste's property occupation, Poste Immo and the Business Sectors started surface area optimisation programmes.

Making sustainable development a part of buildings

In 2008, Poste Immo, which manages 8 million sq. m of property in France, 5 million sq. m as assets and 3 million sq. m as rental property, set out its strategy for 2008-2012, with a key focus on sustainable development. As part of this strategy, the mail preparation and delivery hub in Montélimar, which opened for service in February 2009, helped prepare the new HEQ (High Environmental Quality) standard "NF Service Buildings" for its logistical buildings. Poste Immo also drafted technical specifications for La Poste's industrial building construction, which earned it the BBC certification for low-consumption buildings. In Montpellier, Poste Immo invested in solar-energy facilities covering over 14,000 sq. m on the Mail sorting hub, as part of a joint-venture with qualified partners. Lastly, it is working to build and renovate some twenty pilot buildings with the aim of receiving BBC certification by 2012.

BETTER RECYCLING AND WASTE PROCESSING

In 2006, ColiPoste launched a waste management process that has now been extended to all Parcel hubs. In 2008, this selective sorting process enabled 80% of all waste to be recycled. At Mediapost, 100% of waste is sorted, at the head office and on the hubs, which successfully results in 100% of paper waste being recycled. In 2008, the Retail Brand launched an in-depth waste diagnostic on around one hundred sites that aims to gain a better understanding of the type and volume of waste and the opportunities for reprocessing and recycling.

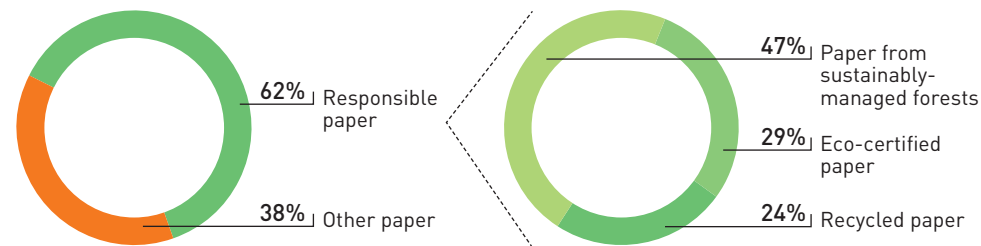
Selective sorting of waste is being gradually introduced in the Group's entities.

Selective sorting of waste



PAPER CONSUMPTION IN 2008

Scope: La Poste parent company and La Banque Postale



Total: 21,449 metric tons

Responsible paper includes recycled paper, paper from sustainably-managed forests (FSC and PEFC) and eco-certified paper. Developments in reports have made it possible to extend the scope of consolidation each year, for both paper product families (packs of paper, administrative print-outs, envelopes, business cards, communication documents, etc.) and suppliers (DAPO purchasing centre and, since 2008, three main external suppliers). For the interest of comparison, paper consumption totalled 18,538 metric tons in 2007, 49% of which was responsible paper.

TOTAL PURCHASES FROM SECTORS THAT WORK WITH THE DISABLED

Scope: La Poste parent company
(in €million)



SOCIALLY-RESPONSIBLE INVESTING ASSETS

Scope: La Banque Postale

Total socially-responsible investing (SRI) assets, in €million



The drop in socially-responsible investing assets between 2007 and 2008 is chiefly due to falling financial markets. LBPAM's net SRI returns were positive over the year, totalling €40 million at end December 2008. LBPAM's Sustainable Development Sicav mutual fund posted total net returns of €45 million over the same period.

Developing responsible products and practices

45 million individual customers and 3.5 million business customers trusting us, and 88% of our employees endorsing sustainable development are key levers to fostering responsible consumption.

Towards 100% responsible paper

While it promotes using paper via the mail media and consumes this natural resource, La Poste Group is committed to controlling its consumption, to exclusively using recycled paper or paper from sustainably-managed forests by the end of 2012, and to raising its suppliers', customers' and employees' awareness of responsible use of paper.

In 2008, La Poste observed paper consumption of 21,449 metric tons, compared with 18,538 metric tons in 2007. This increase is primarily due to better understanding of consumption and an overall scope for its reports. Postal workers are taking daily actions to cut internal consumption. At the Retail Brand, professional documentation and now post office print-outs have gone paperless, and POS* advertising and information volume is being gradually adjusted to actual demand. La Banque Postale uses 100% responsible paper to print account statements, cheque books and communication and administrative documents. These efforts have led to tangible results, as the Group's share of responsible paper rose from 49% in 2007 to 62% in 2008. Internally, it has gone up in all Business Sectors, in particular thanks to the DAPO purchasing centre's efforts to list responsible paper products, such as PEFC-certified virgin-fibre paper packs.

Mail, the Group's primary business, is taking a stand to foster responsible mail use. A partnership signed in 2008 with the WWF aims to promote responsible mail and encourage its use by companies and the general public. Several awareness-raising actions were conducted in 2008 as part of this partnership. La Poste and the WWF set up a general-public exhibition on recycled paper, showed in conjunction with various events.

* POS = point-of-sale.

To provide support to its customers, Mediapost has issued a guide for ecologically-designed samples.

Eco-design guide



MEDIAPOST, SETTING AN EXAMPLE IN AWARENESS-RAISING

The Mail subsidiary specialised in letterbox-targeted communication is working to increase the use of responsible paper. It is encouraging its customers to target mail-shots with a view to streamlining the number of paper documents distributed, limiting its environmental footprint and increasing advertisers' marketing benefits. More broadly, it is encouraging advertisers to design their samples and advertising campaigns with the environment in mind, through practical guides for effective, responsible communication. In-house, it is using 100% recycled paper for its own consumption and 100% paper from sustainably-managed forests (PEFC) in its products and services.

RAISING CLIENTS' AWARENESS OF RESPONSIBLE CONSUMPTION

As part of 2009 Sustainable Development Week, La Poste's Retail Brand launched a promotional campaign in post offices on the Group's most responsible products available to the general public. Over one million copies of the informational brochure "More responsible consumption with La Poste" were distributed. This brochure listed the Group Business Sectors' most responsible lines of products and services. This campaign helped build customers' and counter clerks' awareness of the most responsible postal products.

Towards responsible marketing

Adding environmental and societal value to the Group's lines of products and services is key to the success of its new Performance and Confidence strategy. It will help drive business performance, strengthen the Group's traditional values and set it apart from its competitors. For this approach to work, the marketing teams have to get on board with responsible development. To make this a reality, in 2008, these teams took part in creativity workshops, to get a better idea of major consumer trends, to look at other sectors' best practices for responsible offers and to identify areas of improvement for the Group. Based on this work, decision-making processes were drawn up to help the marketing teams and product managers with different design phases. The teams can assess their offer's performance against risk and opportunity based on various aspects of sustainable development. This tool is currently being tested on Business Sectors' various lines of products and services.

Towards more responsible lines of products and services

La Poste is currently working on incorporating sustainable development criteria into the early stages of product and service design and update. For example, at the end of 2008, the Mail business sector initiated an eco-design approach for its Lettre Max and its "Change of Address" and "Holiday" packs to reduce their environmental footprint. They now use recycled paper and cardboard or material from sustainably-managed forests, have reduced their raw material consumption, and have started using plant-based inks and water-based adhesives. To tackle the issue of paper consumption in direct marketing campaigns, the Destinee International line includes recycling for undistributed letters, and Mediapost's Compl   line takes a number of environmental considerations into account (using paper from sustainably-managed forests and plant-based inks and printing from "Imprim'Vert" certified printers).

To meet its customers' new demands, La Banque Postale has expanded its line of socially-responsible investing assets. In September, it introduced life insurance policies that invest in companies that apply best practices in the field of sustainable development. In 2009, LBPAM launched an SRI fund for the environment through which investors can take a stand for the future by financing the development of clean energy and technologies used to restore the environment. LBPAM's Sustainable Development Sicav mutual fund posted net returns of €45 million in 2008. In addition, the new Elanc   guaranteed fund is made up of two baskets, one of which being invested primarily in new energies and water management.

Lastly, the Group has focused carefully on making its lines accessible. It is working to improve access to information (opening hours, website in compliance with the French "silver" accessibility standard requirements, etc.) and to its sites (two third of post offices have disabled access), and it is developing lines especially for its underprivileged customers (more flexible conditions for opening a Livret A passbook savings account, etc.).

Towards more responsible purchasing

To promote the principles of the United Nations Global Compact and to implement more responsible practices with its suppliers, La Poste has introduced a responsible purchasing charter. In 2008, 98% of suppliers accepted the challenge when asked by La Poste to sign the charter for contracts over €40,000. To help buyers stay on track, La Poste has drafted a set of operational tools and methods, available on a specific intranet site, for more responsible purchasing, and it launched a two-day training programme on this theme. In 2008, 124 buyers, 40% of the target audience, participated in training, a good start towards the Group's ultimate goal of 300 buyers.

In 2008, this plan was applied to the calls to tender for the Group's corporate communication, transport services and collective catering on 80 La Poste sites. At the Group's request, selected catering operators agreed to include at least 5% organic products each day, to give preference to local and regional produce, to comply with the guidelines of France's national health and nutrition plan, to use cornstarch-based containers rather than metal tins and to use eco-certified detergents. These operators also committed to using fair-trade cotton in staff uniforms and to improving jobs for people with disabilities.



Canteen with organic produce

La Poste Group includes, in its catering purchases, sustainable development criteria, in particular organic quotas, thereby supporting the organic industry.

STEP BY STEP WITH PAS@PAS

La Poste lists companies that work with the disabled in its supplier accounting base to give buyers better visibility, and it has decided to further its work in the field by founding and participating in the Pas@Pas project. Pas@Pas, or Step by Step, stands for "Fair Purchasing Practices with Fair-Trade and Purchasing Professionals" ("Pour des Achats Solidaires avec des Professionnels des Achats et de la Solidarit  "). This project groups together large corporations to set up an Internet site. This website is used as a platform for interaction between buyers from these corporations and companies that work with the disabled and for integration of the most underprivileged.



Responsible consumption

La Poste circulated this guide to raise its customers' and counter clerks' awareness of responsible consumption.

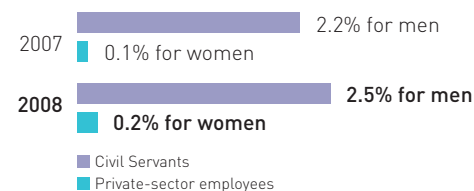
PROMOTING WOMEN IN TOP MANAGEMENT

Percentage of women on the Management Committee
Scope: La Poste parent company



Women are equally represented at the company, and more and more top managers and executives are women, as shows this 4.66 point increase in 2008 in the percentage of women in Top Management, which includes a total of 319 individuals. La Poste has set the objective of increasing the percentage of women in executive bodies while taking account for the balance between professional and personal lives. Its objective is 30% women in Top Management.

LIMITING THE PAY GAP BETWEEN THE GENDERS



Overall, the pay gap between men and women is low and remains stable. Gender equality is fully respected among employees, and the gap remains unchanged among civil servants, where La Poste has very little room for manoeuvre. This gap is mainly linked to the fact that men collectively have more seniority than women.

DEVELOPING RECRUITING IN DISADVANTAGED URBAN AREAS

Disadvantaged urban and area recruitment rate



More and more residents of disadvantaged areas are being hired on open-ended contracts; this percentage is higher than the percentage of working-age French residents of these areas. La Poste has exceeded the commitment to employ youth from disadvantaged areas that it signed at national level and in several regions. It has introduced actions to ensure the stability of this kind of recruitment, as overall recruiting rates are falling.

FOSTERING JOB OPPORTUNITIES FOR THE DISABLED

Job obligation beneficiary rate



The job obligation beneficiary rate increased in 2008, proving La Poste group's drive to further its professional integration policy for disabled workers by offering them secure, high-quality jobs at a time when overall recruiting rates are falling.

Scope: La Poste parent company and La Banque Postale

Promoting diversity

La Poste Group has committed to being a standard-setter regarding diversity, to better serve all types of customers and meet society's requirements.

Taking action for the disabled

France's 2008 national agreement on the employment of the disabled and those unfit for work sets out La Poste's objective for 2010: hiring a minimum of 600 employees with disabilities over a three-year period. To firm up its commitment, the Group once again teamed up with the 12th Employees with Disabilities Week, organised in November 2008 by ADAPT, which works to promote social and professional integration for the disabled. All across France, postal workers are taking part in "job dating" (quick job interviews), forums and in "handicafés" to raise awareness of issues related to disabilities. As a result, in 2008, La Poste hired 184 employees with disabilities for all job profiles. At the end of 2008, it had 14,322 employees with disabilities benefiting from this employment obligation.

184 employees with disabilities hired during the year.

JOB AND EQUAL OPPORTUNITY ACTION PLAN

In 2008, La Poste and Mediapost reached out to job seekers in 10 French cities, with the first Job and Equal Opportunity Action Plan. Over 5,300 applicants of all ages, all profiles and all backgrounds visited La Poste's stand about the 2,800 job openings, which included 1,800 sandwich course contracts and 1,000 open-ended contracts.

Taking action for gender equality

In 2008, all four Business Sectors implemented the 2005 framework agreement on equality in the workplace, which gives male and female postal workers equal access to all positions for equal pay. The Group has a growing number of women in management positions, with 20.06% female executives at the end of 2008. La Poste's target is 30% women in top management. Thanks to these initiatives, La Poste Group was granted renewal of its "Equality" certification in 2008. The Retail Brand was the first Business Sector to obtain this certification in 2008.

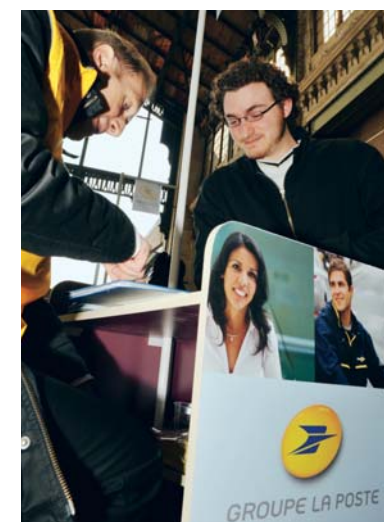
Fostering professional integration

In 2008, La Poste upheld its pro-active policy to open up the Group by hiring 1,410 individuals from disadvantaged areas. By signing the national "Espoir Banlieues" plan, La Poste made a commitment to foster professional integration for disadvantaged youth. This commitment has been put into practice in three regions (Languedoc-Roussillon, Champagne-Ardenne and Basse-Normandie) in cooperation with the local authorities. By 2010, La Poste aims to hire 1,650 young people on open-ended employment contracts and offer sandwich course contracts to 1,050 of them.

61 postal workers took volunteer leave to benefit African communities with the NGOs AFVP and Planète Urgence.

La Poste reaches out to job seekers.

Job and Equal Opportunity Action Plan.



HEADCOUNT

(in officer/clerk-year equivalent)



PERCENTAGE OF FULL-TIME STAFF OUT OF ALL PERMANENT STAFF



The percentage of full-time employees out of all permanent staff has sharply increased in recent years under La Poste's job quality policy and is now practically stable at an excellent level, nearly the same for private-sector employees and civil servants.

PERCENTAGE OF NON-PERMANENT EMPLOYEES OUT OF TOTAL STAFF



The percentage of non-permanent staff is very low, after a sharp decrease in past years, following on from La Poste's policy in this area.

OCCUPATIONAL ACCIDENT FREQUENCY RATE

(number of accidents/million hours worked)



There was a slight drop in occupational accident frequency, in particular for two types of accidents: falls and traffic accidents. It is worth noting that La Poste upholds a bold policy for preventing road risks and for raising staff awareness of civic driving.

In 2008:

- Number of staff taking skills development training during the year: 24,354
- Promotion rate: 10.5%
- Number of transfers to public service positions: 415
- Number of transfers to start up companies: 133

Scope: La Poste parent company

Committed to developing its employees

As France's leading employer after the State, La Poste has chosen to adopt a socially-aware model for its 296,000 employees based on job quality, career development and focus on working conditions.

Job quality

Ensuring organisational flexibility is a key issue for La Poste, which offers postal workers secure jobs that suit their personal aspirations. At the end of 2008, employees on fixed-term contracts only made up 3.3% of staff. With 87.7% permanent full-time employees, La Poste demonstrates that it is now possible for workers to choose their own work rhythms. New promotion systems are opening up opportunities for career development. In 2008, around 27,000 postal workers were promoted, 10% of the company's staff.

Training

Continuing skills development allows postal workers to adapt to changes in the company and in the markets. The Mail business sector has created the "École des Managers" (Management School) to develop managers' skills. La Banque Postale works with the "École de la Banque" (Banking School), an e-learning programme, to give everyone a chance to receive training leading to qualification in the banking sector, from vocational banking certificates through to MBAs. The Retail Brand has developed a twenty-day initial counter clerk training programme and provides its managers with professional training programmes ranging from two to fifty-eight days in length. Mediapost is also encouraging its employees' skills development through general training certificates. Lastly, through a partnership with France's national education system, the possibilities for in-house training have been expanded. This partnership allows postal workers to take certificate-track courses in foreign languages, office skills and basic knowledge.

Mobility

La Poste has launched a new mobility policy to meet postal workers' career development needs. This policy gives priority to internal mobility over external hiring and encourages transfers of all kinds: within a Business Sector, between Business Sectors, transfers to public service positions or transfers to start up companies. The job bank, the driving force behind this policy, gives all postal workers intranet or Internet access to job openings across France and in all Business Sectors, with the option of applying online. It has received 3,500 daily visits since it was launched.

Health and safety in the workplace

The cooperation charter drafted by different health and prevention players defines and clarifies everyone's role in encouraging multidisciplinary teamwork and improving support for postal workers with disabilities. The Workplace Health Observatory, which is made up of a Scientific Council, a technical committee and an occupational physicians' committee guides the company's work on this matter. Action plans on the topics of occupational accidents, muscle disorders, stress and absenteeism are set to be drafted.

POSTAL WORKERS, THERE FOR THEIR CHILDREN

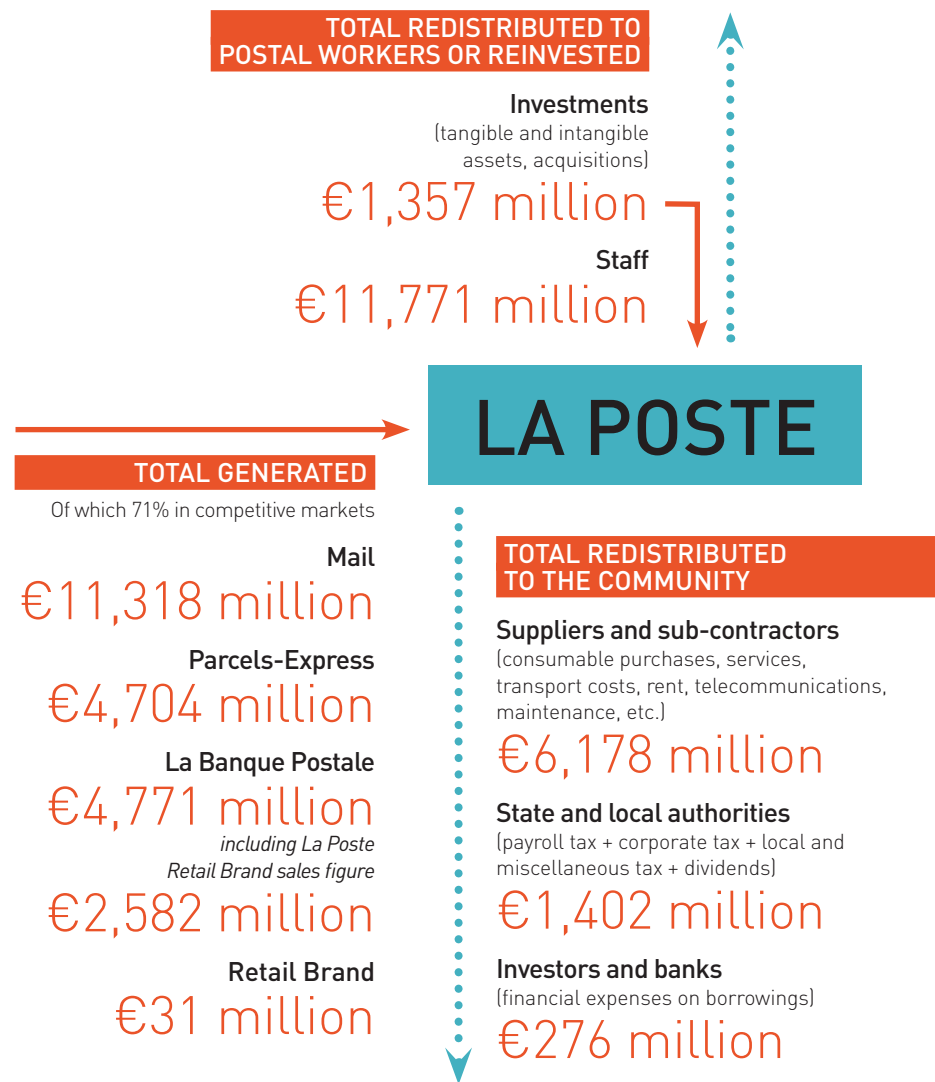
In November 2008, La Poste signed the Parents' Charter, which undertakes to incorporate employees' requirements regarding their children into organisations and working conditions, and guarantees equal career opportunities for these workers. At La Poste, 51% of employees are female, and 98% of male employees with children take their 11-day paternity leave.

In 2008, 24,354 postal workers received skills development training.

Training at La Poste



SHARING THE FRUIT OF OUR PERFORMANCE



Delivering sustainable development with postal workers and clients, and in the regions

Because its future goes hand in hand with the future of the regions where it develops its operations and its postal workers live and work, La Poste is strongly involved in backbone projects supporting local and regional development.

Training employees and raising their awareness

According to the 2008 in-house performance indicator, 86% of postal workers questioned are ready to get involved in sustainable development efforts conducted by their organisations. Gender equality in the workplace comes in on top of the list of priority actions, while three topics are gaining momentum: sustainable construction, fair trade and recruiting individuals from disadvantaged backgrounds.

As an active partner in national sustainable development events, La Poste strives to raise its 2 million daily customers' and its 296,000 postal workers' awareness of these issues. During the 2008 Fair Trade Fortnight, 100,000 mail carriers and 3,000 Retail Brand officers received Max Havelaar's guide on fair trade. In September 2008, the Group teamed up with European Mobility Week and distributed Ademe's (French Government's Environment and Energy Management Agency) eco-mobility calculator to all postal workers. During the 7th Sustainable Development Week in 2009, 350 sites publicised the French Ministry for Ecology, Energy, Sustainable Development and Regional Development's exhibition and organised events to raise postal workers' and clients' awareness of responsible consumption.

The Group also regularly holds in-house events of this type. In March 2009, La Poste held its first Responsible Development meeting at its head office in Paris, which brought postal workers together to discuss the major issues facing the Group. This five-day event featured lectures from experts, discussions with postal workers and outside stakeholders, workshops and exhibitions.

La Poste also counts on its employees' involvement. During France's People with Disabilities Week, the 2008 Accessibility Awards demonstrated La Poste workers' deep commitment to integration for the disabled. The postal workers submitted almost 40 projects on how to improve access in the workplace (10 of which received awards). These simple, easy-to-carry-out ideas were grouped together in a best practice guide that anyone can use. In recognition for these in-house awards, La Poste won the OCIRP's (French union of providence institutions) Awareness Award.

TOWARDS MORE RESPONSIBLE COMMUNICATION

ANCI, La Poste's internal communication and information agency, has decided to launch a practical responsible development initiative. With this in mind, in 2008, all employees took part in regional discussions on sustainable development issues. Through these meetings, the 21 regional agencies were able to launch diagnostics on the environmental footprint of their activities, with a view to preventing or mitigating it as part of a continuous improvement approach. Data was collected on waste production, paper, energy and water consumption and travel policies. This process also included discussions on future areas of improvement. Boosted by this participatory in-house programme, and with the aim of setting its line of services apart, ANCI decided to continue this work by training all of its employees in communication eco-design. In 2009, it provided them with a practical guide on eco-communication, which took into account various areas of sustainable development.

A COMMITMENT TO THE ALLIANCES NETWORK

La Poste Group is a member of the Alliances network, which promotes responsible development to companies. It shares best practices with members and participates in the World Forum Lille international network's events. As part of this network, the Group presented its eco-driving programme and organised a debate on responsible paper in cooperation with players from the entire paper industry, from production to recycling, and one NGO. Preparation work is currently being carried out for the 2009 events which will focus on responsible finance.

At the same time, in 2008, La Poste continued creating and rolling out themed sustainable development training modules for all those concerned by the Group's strategy in this matter (responsible purchasing for the Group's buyers, eco-communication for employees of internal communication and information agencies, and general training on sustainable development issues for the 21 regional officers).

Creating a specialised regional network

La Poste is reorganising its regional networks to give its work a stronger local foothold. Each Business Sector is in charge of a network of regional operational sustainable development correspondents. The Group also appointed 21 sustainable development officers in 2008, one in each region, to coordinate actions between the Business Sectors and the Group's cross-functional entities and local stakeholders.

The first project consisted in running a diagnostic of La Poste's local initiatives regarding the Group's strategic areas of responsible development and the regional and local authorities' backbone policies, such as Agendas 21, the Climate Plans or the PDU urban travel plans. Through a major effort to identify key players from the economic, non-profit and political world, the people involved could be mapped out, with the initial meetings showing how they could work together in the future.

Cooperating with local players

To increase its local role in sustainable development, the Group is active on the main local bodies in charge of this issue and participates in regional working groups set up by local economic players and authorities.

The Group's participation in the "Eco-responsible companies" working group, set up by the Montpellier development board, and in the "Énergie 34" club, a think-tank led by Montpellier's chamber of commerce, are prime examples. In Belfort, it is working with the "Vehicles of the future" competitiveness cluster and sponsors its international event, the Mobilis fair. In Dijon, La Poste, alongside several other companies, founded an organisation aimed at developing the use of greener modes of transport and electric vehicles. With Lille's "Commerce Industry" competitiveness cluster, the Group is working with mass retail leaders on eco-design issues.

La Poste also strives to help raise the general public's awareness of sustainable development. It has built a trusted partnership for holding local events, such as the Sustainable Development Days in Alsace and the National Sustainable Development meetings in Lyon.

To promote its responsible undertakings and develop interaction with higher education, the Group also works with French universities and *grandes écoles*, such as Euromed in Marseille, through the La Poste chair for sustainable development, or Sciencescom and Audencia Nantes in the Loire region, for example.

Developing new forms of mobility

Starting in 2008, successful achievements have been made on the issue of mobility, through stronger and closer relations with the regions. The Group is actively involved in major French cities' PDUs (urban travel plans) through its own PDEs, or corporate travel plans. Postal workers are encouraged to use greener forms of commuting, such as public transport, carpooling, cycling and walking, to reduce their carbon footprint. At the end of 2008, La Poste Group had introduced 23 PDEs, with 26 projects being rolled out. This approach could eventually impact more than 90,000 postal workers.

For example, La Poste and Mediapost have joined the town of Montrouge's inter-company travel plan, which includes around fifteen companies with a total of 15,000 employees. In the Provence-Alpes-Côte d'Azur region, 15,000 postal workers were involved and participated in questionnaires on their commuting and travel habits, and 10 agreements have been signed with the transport organisation authorities. In Lille, it is working on a carpooling scheme with around ten other partners. La Poste also strives to optimise logistics in city and town centres. In the Paris region, the Group is taking part in the Val-de-Marne logistics club, which aims to encourage local goods transporters to pollute less. It is also involved in the "Club Mobilité Capitale", a think-tank led by Ademe Île-de-France. The Club's work resulted in the signature of the City of Paris transport charter.

La Poste is using its knowledge and expertise in the area of mobility as a springboard for other local cooperative projects, for example, training employees of local authorities and fleet managers in eco-driving, with the help of Mobigreen. This special eco-driving subsidiary signed its first contract with the Languedoc-Roussillon region in 2008.

6,000 postal workers currently benefit from a PDE (corporate travel plan) for their daily commute. At present, La Poste Group has 23 PDEs in effect.



Nantes Corporate Travel Plan

6,000 postal workers currently benefit from a corporate travel plan for their daily commute.

Scope

The "La Poste parent company" scope corresponds to La Poste's traditional activities within France: the Mail business sector, ColiPoste, the Retail Brand and financial services (which make up the portion of banking activities connected to the parent company). Cross-functional activities (corporate and support divisions) are also included in this scope.

The Group scope includes the "La Poste parent company" scope, plus La Banque Postale (banking subsidiary since 1 January, 2006, not connected to the parent company), the Mail subsidiaries, the national and international Parcels-Express subsidiaries under GeoPost, and all other Group subsidiaries. Some subsidiaries, in particular La Banque Postale's, are currently not included in this report scope.

Some of the indicators in this report on transport, buildings and paper fall under the scope known as "parent company + La Banque Postale". The scope of these indicators, which were defined before La Banque Postale became a subsidiary, has been maintained for clarity and comparison purposes, to analyse changes over time and to ensure consistency with the Group's sustainable development commitments.

Data collection and consolidation

This report campaign was conducted based on a common La Poste Group protocol, which, for each indicator, sets out the data sources and definitions, the calculation methods and the data escalation process and scope. This protocol is applicable for contributing entities in charge of escalating information, representing the Group's Business Sectors, subsidiaries and cross-functional activities. The corporate sustainable development division is in charge of final data review and consolidation.


The methods for calculating CO₂ emissions are taken from national and international reference systems (EPE-Ademe protocol, Bilan Carbone[®], GHG Protocol).

In 2008, the Statutory Auditors reviewed the protocol and the contributing entities' application of the protocol.

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