



A SUSTAINABLE SERVICE PROVIDER

www.geopostgroup.com

SUMMARY

▶ EDITORIAL	03
▶ GEOPOST'S SUSTAINABLE DEVELOPMENT CHARTER	04
▶ GEOPOST - OUR OPERATING ENVIRONMENT	05
▶ GEOPOST - WHAT WE ARE DOING	07



1987

The concept of "sustainable development" appears for the first time in the Brundtland Report produced at the UN World Commission on Environment and Development (WCED).

1999

The European Parliament adopts new emission standards with the implementation of "root cause" measures for roadfreight vehicles to improve environmental performance.

2001

The official White Paper on European transport policy is adopted.

2005

The EU launches its second programme on climate change (PECC 2) in response to the target of reducing greenhouse gases set by the Kyoto Protocol.

2007

The 23rd world congress of the road, organised by the PIARC (the World Road Association) gives top priority to sustainable development.

GEOPOST, A SUBSIDIARY OF LA POSTE, IS N°2 IN EUROPE WITH:

- More than €3 billion turnover
- 530 million parcels carried/year
- DPD: the international brand of GeoPost
- 600 operational sites (hubs and depots)
- 300,000 clients around the world
- 230 countries and territories served
- 20,000 employees of 40 nationalities



EDITORIAL

Parcels and Express specialist GeoPost and its subsidiaries have been concerned about sustainable development for several years and our clients are more and more aware of this issue.

Our operations are, in fact, right at the heart of the sustainable development challenge: transport, waste, energy consumption and road safety are the many impacts that we must take into account.

In October 2006, GeoPost committed itself, in a growing market, to making progress in three key areas at the heart of our business:

- optimising constantly our network in order to reduce greenhouse gas emissions and in particular CO₂ emissions per parcel
- improving urban transport
- and increasing road safety.

In Europe, thanks to the outstanding DPD road network, GeoPost mainly transports parcels by road, which is less damaging to the environment than air freight.

Spurred by our 2006 initiative, in 2008 GeoPost completed a "Bilan Carbone™" (Carbon Assessment) across all its European subsidiaries, with support from ADEME (The French Environment and Energy Management Agency). Between 2008 and 2012, our operations will grow within the framework of a tangible and exemplary sustainable development policy.

It is my goal that GeoPost, a global player in the CEP market, be recognised as a Group that moves forward with respect for people and the environment. I am convinced that this objective will create value for our customers.

This project will only bear fruit if everyone plays their part, through exchanging best practices between business units, through a close cooperation with our customers who constantly push us to improve and through our employees' commitment.

Paul-Marie CHAVANNE
CEO GeoPost.



NGOs are more and more demanding in terms of companies taking sustainable development into account. They represent a growing counter-force in decision-making circles and in the development of public opinion. It is essential that a Group such as GeoPost takes a position on sustainable development and takes into account the stakes and challenges linked to its activities. Transport is an inescapable problem in the struggle against climate change and in planning for our future energy.

Jean-Stéphane DEVISSE
Manager of Sustainable Life Department, WWF.



GEOPOST'S SUSTAINABLE DEVELOPMENT CHARTER

SUSTAINABLE DEVELOPMENT IS PART AND PARCEL OF OUR CULTURE AND PROCESSES

OUR INITIATIVES ARE BASED AROUND THREE PILLARS :

1. MAKE A DAILY COMMITMENT TO PROTECT THE ENVIRONMENT

- REDUCE CO₂ emissions produced by transport and from energy consumed by buildings
- INCREASE the proportion of sustainable purchases in our supply chain
- IMPLEMENT responsible management and innovative recycling of waste products

2. BE THE BEST ASSET FOR OUR CLIENTS AND PARTNERS IN THEIR VALUE CHAINS

- SUPPORT our customers' commitment to sustainable development
- SHARE our sustainable development initiatives with our partners and subcontractors

3. MAKE OURSELVES MORE ATTRACTIVE AS A RESPONSIBLE EMPLOYER

- STRIVE for health and safety at work
- PROMOTE the diversity and internationalisation of our teams worldwide
- TAKE PART locally in community initiatives

The strategy plan "Performance and Confidence" (2008-2012) updates and strengthens La Poste's commitments to responsible development.

GEOPOST OUR OPERATING ENVIRONMENT

An evaluation of our carbon footprint

THREE SOURCES OF GREENHOUSE GAS EMISSIONS:



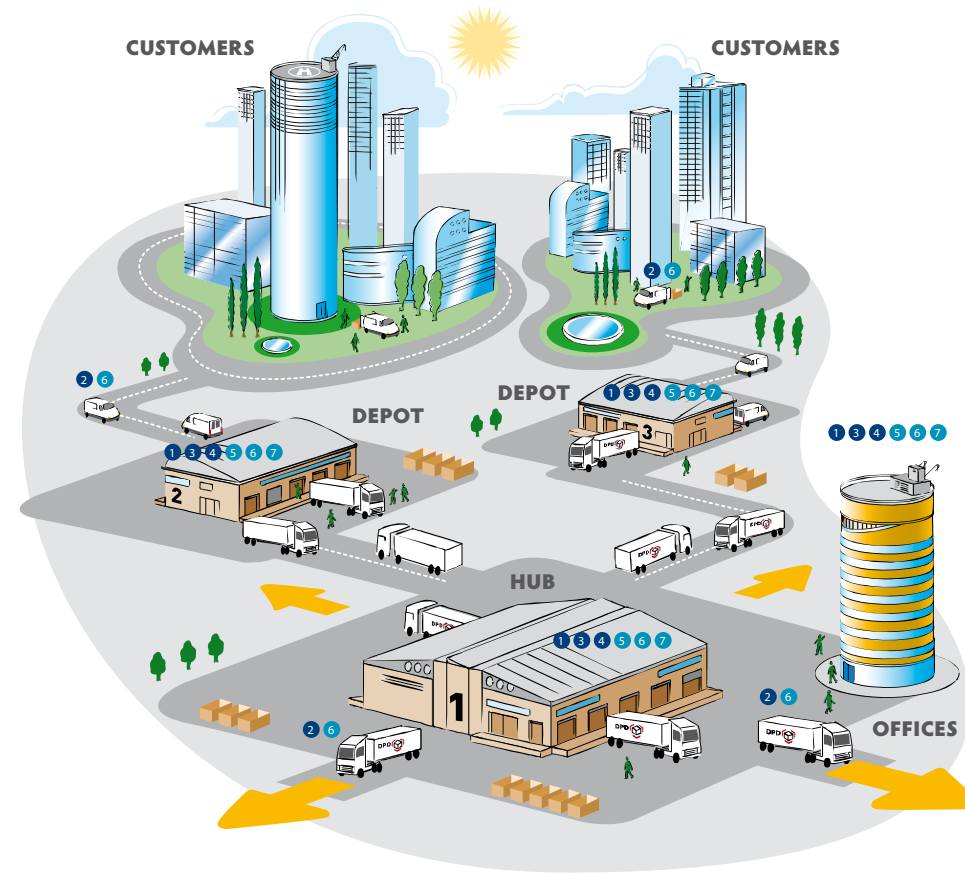
Movement of employees and parcels



Buildings



Purchasing/Waste



Use of natural resources

Waste and emissions linked to activities

THE BILAN CARBONE™

In 2008 GeoPost completed a "Bilan Carbone™" (Carbon Assessment) across all its European subsidiaries, with support from ADEME (The French Environment and Energy Management Agency). This overall snapshot of the Group's CO₂ emissions is one of the elements that will enable us to launch tangible recommendations specifically suited to GeoPost's business to limit greenhouse gas emissions per parcel transported in the future. Less than 1% of GeoPost's intra-European volume is carried by air.

Sustainable development indicators are focused on the heart of our activity

“GeoPost's "Bilan Carbone™" completely mobilised all our teams within our European business units. Its conclusions complement our measurement of environmental indicators based on our transport activity. This project also enabled us to formalise GeoPost's Sustainable Development Charter which will assist us throughout.

Marion EGAL
Sustainable Development Director, GeoPost.

An opportunity to continue making progress

GeoPost considers that sustainable development is a real **opportunity to innovate and create value** for its clients, partners and employees. This requirement for sustainable development relies on bringing together three main issues: economic profitability, environmental protection and social progress. European clients committed to sustainable development are taking into account their suppliers' environmental

impact by including environmental criteria in their contract terms. As a responsible partner, GeoPost is sensitive to this requirement and has been making efforts for several years at an international level to satisfy this demand. Our *whyflyparcels* initiative, which compares CO₂ emissions produced by road and air, is one example of these efforts.

GEOPOST'S SIX INDICATORS

PERFORMANCE BETWEEN 2006 AND 2007:

- **CO₂ emissions per parcel transported:** 1.127 kg per international parcel, a reduction of 5.6%
- **Waste management:** 4.1 cents per parcel, a reduction of 14.2%
- **Paper consumption:** 9.2g per parcel, a reduction of 6.3%
- **Proportion of recycled paper used:** this proportion has increased up from 4% to 15%
- **Energy consumption:** 0.389kW per parcel
- **Percentage of lost time injuries due to accidents at work:** 0.61% in 2007

WHY FLY PARCELS ? IT'S TIME TO MODESHIFT™ FROM AIR TO GROUND!

The CO₂ emissions for each parcel transported by air are up to eight times greater than that of a parcel shipped by road. The cost is five times greater. The gain in delivery time is, as a rule, no more than one or two days.

WHAT COMPANY CAN STILL AFFORD THIS IMBALANCE?



Airfreight is...
Only 2 days faster
5 times the price
8 times the CO₂

Both CO₂ emissions and transport costs can be significantly reduced with the modeshift™ from air to ground: this decision makes sense from both an economic and ecological perspective.



GEOPOST

WHAT WE ARE DOING

GeoPost subsidiaries have undertaken a number of different environmental initiatives that are helping the Group to make progress. Sharing best practices across the Group is an essential step that illustrates GeoPost's commitment to sustainable development.

“ In September 2006 the latest standard Euro 4*, was issued, with Euro 5 due in September 2009. The tests we conducted showed that fuel consumption on a Euro 5 engine was as good if not better than Euro 4. Emissions are reduced, and the UK government was offering a tax incentive of £500 per vehicle per year to take the Euro 5 engine earlier than required. We decided as part of our *Going Green* programme to make this decision. As a result, our Environmental focus is being well received by both customers and employees.

Charlie SHIELS
Director of Hubs, Linehaul, Risk & Transport, DPD UK.

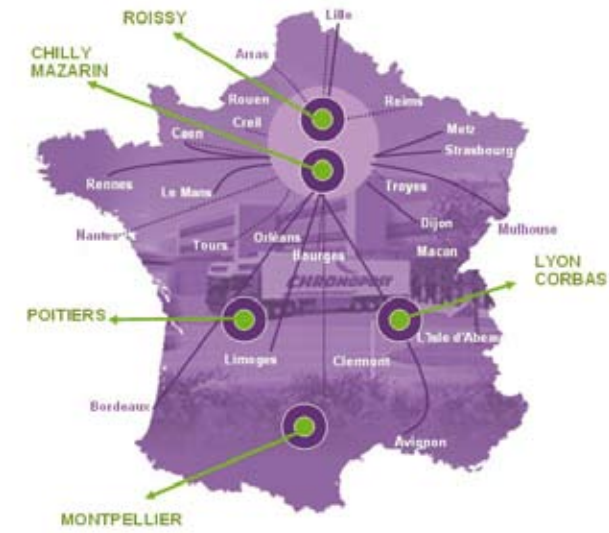
MODERN AND SUSTAINABLE TRANSPORT
Growing city centre congestion is a recurrent problem. **GeoPost's** approach is to have rapid access to distribution points, to optimise delivery routes and to use the cleanest vehicles possible.

In 2005 **Chronopost** introduced its first Urban Delivery Stations, in Paris and then in Toulouse. These facilities allow the company to reconfigure the way that collection and distribution (C&D) are organised in the city centre and to use electric vehicles and "Chrono City" carts operated by couriers on foot. In this way, Chronopost has been able to reduce its greenhouse gas emissions by around 57% after one year's activity in Paris and in the second half-year to reduce journeys by 46,000 km – equivalent to 30 tonnes less of CO₂. On the back of this success, Chronopost continues to pay special attention to developing new modes of transport and delivery that respect the environment and by making itself an integral part of the flow of commercial activities in city centres.

In the same way, **SEUR**, our partner in Spain, is already using several electric vehicles – SEUR City – for city centre C&D operations. Other alternative vehicle solutions are being tested and used within the Group, notably biofuels and natural gas vehicles. SEUR has instigated a partnership with the "Gas Natural" Group which specialises in energy solutions, in order to carry out pilot tests on natural gas vehicles. **Chronopost Portugal** is planning for 100% of its vehicle fleet to use recycled biodiesel (made from cooking oil) by the end of 2009. In **Germany**, **DPD** already has several vehicles using natural gas and is carrying out further tests on more vehicles. Gas fuels have advantages in urban areas in terms of their good performance on greenhouse gas emissions and particulates. Natural gas vehicles produce 10 to 25% less CO₂ than diesel engines and are half as noisy. There are also significant benefits in terms of smell and smoke.



* Euro 5, (Euro 4, Euro 3, etc), is a catalogue of legislation issued from the EU relating to vehicle exhaust emission levels.



ENERGY EFFICIENT BUILDINGS
GeoPost has 600 operational sites (hubs and depots) plus other administrative buildings. The environmental performance of Group buildings is therefore a focus for progress.

Through its *Living Future* programme launched in 2006, **DPD Germany** reduced energy consumption in its infrastructure by installing low energy light bulbs and automatic switching off of lights and computers. **Chronopost** has started a programme to gain ISO 14001 certification at its sites. In 2007 a first accreditation was completed at two of its sites in Reims and Marne la Vallée. From this successful springboard, Chronopost decided to pursue certification at ten other sites, each one piloted in a commercial zone, including the Urban Delivery Stations of Paris-Concorde and Toulouse Centre. In the end, the majority of sites will be certified.

RESPONSIBLE WASTE MANAGEMENT
With 530 million parcels transported every year, **GeoPost** offers some innovative packaging solutions.

DPD Germany's "Backbox" and **DPD UK's** "Swapit" products are ingenious services that place shared responsibility right at the heart of the delivery service. The principle is simple: the driver recovers the receptacle at the point of delivery, or at their next visit if the package needs to remain sealed. The boxes are then used again or recycled.

“ ISO 14001 certification constitutes a key element enabling Chronopost to formalise its commitment to preserving the planet whilst involving all stakeholders (customers, employees, suppliers...).

Arnaud de LAMOTTE
Director of Risk and Quality, Chronopost.

This process, incidentally, fits in fully with the environmental management demands of ISO 14001. Like any service business, GeoPost also generates other forms of waste in its depots and office buildings: paper, cardboard, electronic equipment, ink cartridges, tinfoil. **DPD's Hamburg** site is a prime example in this area as it has installed a complete collection and sortation device for waste products. Using an innovative hydraulic press, the machine can increase recycling rates by compressing waste, thereby also reducing the number of skips required and costs. The equipment has been especially designed to make it accessible to disabled people.

A POLICY OF SUPPORTING CHILDREN IN THE COMMUNITY
GeoPost supports several programmes aimed at disadvantaged children.

DPD Netherlands with the Dutch Foundation Tswaranang supported a Day Care centre in Johannesburg with school supplies, toys and donations to feed the children and to pay for the wages of three teachers. **DPD Russia** is working with a Foundation whose goal is to distribute books and games adapted specifically for visually-impaired children. The **SEUR Foundation** is taking part in the struggle against the exclusion of children in difficulty and is working with an organisation called OVSI to equip schools in The Honduras with donated equipment.



GeoPost UK has supported the Variety Club, the world's favourite children's charity, for the past 16 years. As a transport company it is proud to have donated 54 minibuses to enable disabled and disadvantaged children across the country to enjoy educational and recreational outings and enjoy life more. The company matches £ for £ fundraising by its 4,400 staff. Activities range from payroll giving to mountain climbing and sponsored headshaves. For the last four years **Exapaq** has been working with the Red Cross on end of year fundraising campaigns. Exapaq is responsible for free delivery of the Red Cross catalogue and also greetings cards for the "Give meaning to your wishes" association to more than 100,000 companies and 1,000 retail parks which then sell them to the public. The funds collected in this way are distributed by the Red Cross to the families that need them most.