

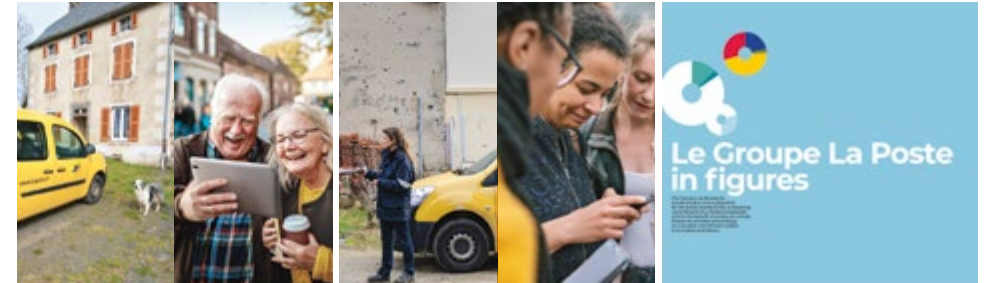
# Rediscover Le Groupe La Poste

2019 BUSINESS REPORT





In 2019, the transformation of Le Groupe La Poste was stepped up, in its operations, in its offers, in its businesses, in its presence, to always better serve millions of people, every day and everywhere. With the goal of becoming the leader in local, people-focused services. Continue reading to rediscover Le Groupe La Poste.



## 4 Interview with the Chairman

P. 8  
Devoted postal workers

P. 10  
The Executive Committee

P. 12  
The Group in a nutshell

P. 14  
Le Groupe La Poste's business model

## 16 Advances in transformation

P. 18  
**Successfully diversifying** our operations to keep pace with changes in society

P. 20  
Four major projects are driving the transformation

P. 22  
**The major public finance hub** to support regional projects

P. 24  
A major European banking and insurance group

P. 26  
**International development** A lever for the Group's diversification

P. 28  
**Innovation and trusted third party** Digital at the core of La Poste's diversification strategy

P. 30  
**Ma French Bank** Le Groupe La Poste's digital bank

## 32 The robustness of the multi-business model

P. 34  
**A model in motion** New offers, new services, new skills

## 45 Postal workers at the core of the transformation

P. 46  
**Responsible and inclusive** Employment as viewed by Le Groupe La Poste

P. 48  
**Creator of opportunities** Internal mobility and training, drivers of employment for postal workers

P. 50  
**Quality of life at work** A priority for the Group

## 52 An innovative group working alongside local areas

P. 54  
**Exploring** new local solutions

P. 56  
**Supporting** the economic dynamics of local areas

P. 58  
**Supporting** public policies and programmes

## 60 A committed group working for the benefit of society

P. 62  
**Carbon neutrality** A long-term commitment and concrete actions

P. 64  
**Inclusion** Combating all forms of exclusion

P. 65  
**Women and digital** Fostering gender diversity

P. 66  
**Commitments and solidarity**

P. 68  
**The Musée de La Poste** gets a new look!

Rediscover  
Le Groupe La Poste

70  
Le Groupe La Poste  
in figures

# Interview

# Philippe Wahl

Chairman and Chief Executive Officer of Le Groupe La Poste

## **The year 2019 ended with good results for Le Groupe La Poste. How do you analyse them?**

The Group's revenues grew by 5.2% and revenues from all businesses increased. These results are satisfactory as they come at a time marked by a difficult economic environment, with an increasing decline in mail volumes, persistently low interest rates, a decline in post office footfall and pressure on parcel margins throughout Europe. This performance demonstrates the solidity of our multi-business model and allows us to pursue our investments. They totalled €2.4 billion in 2019 and enabled the Group to step up the upgrading of its industrial facilities, the diversification of its operations, its international deployment and employee training. The Group's transformation has continued to progress with the ambition of becoming the leading company in local, in-person services.

## **If you had to sum up the year 2019 in one word, which one would you choose?**

"Founding", because 2019 was a founding year for the future of Le Groupe La Poste. We have taken decisive steps in the implementation of long-term projects. Firstly, the strategic equity alliance of La Poste with Caisse des dépôts (CDC) and that of La Banque Postale with CNP Assurances. Coming into effect on 4 March 2020, it will enable us to continue diversifying our strategic model and enable La Banque Postale to complete its universal banking and insurance model.

We are thus writing a new page in our history by taking part in the creation of a major public finance hub. And we remain committed to the CDC and the government in our mission to serve the public interest. Then, at the beginning of 2020, the acquisition of BRT, the leader in parcels in Italy, also represents a decisive step forward for the Group. This acquisition by GeoPost, the Group's express parcel subsidiary, marks the maturity of our European delivery network. Beyond Europe, our service expansion has been stepped up in Asia. In twenty years of existence, GeoPost has grown from €1 billion to €7.8 billion in revenue. A great company adventure. International operations now account for more than 30% of the Group's consolidated revenue.

## **These developments are pillars of the Group's policy aimed at diversifying and desensitising traditional mail.**

### **What are the other markers?**

One clarification seems important to me: it is not a matter of diversifying for the sake of diversifying. Le Groupe La Poste aims to be useful to society as a whole, to provide answers to the daily needs of our customers. One of the markers, for example, in the face of the societal challenge of an aging population, is the development of our local services. In 2019, they accounted for €495 million in full-year sales. Another key activity at the core of exchanges and uses is digital technology. La Poste has become the first digital



**"We are thus writing a new page in our history by taking part in the creation of a major public finance hub."**

identity provider to be certified by ANSSI (French National Cybersecurity Agency), thus confirming its position as a trusted third party. With the acquisition of Softeam Group, La Poste now offers a complete range of digital transformation support services to its customers, private companies and the public sector. As a result of these developments, the proportion of traditional mail is declining, it still accounted for more than half of our revenue ten years ago. It is expected to fall below 20% in 2020.

**Today, in the face of environmental challenges, it is crucial to adopt a sustainable and long-term vision. How does La Poste incorporate this aspect into its operations?**

In all its operations, La Poste is a responsible player. La Poste was a pioneer with electric cars. La Poste has been carbon neutral since 2012. We want to further accelerate the reduction of our emissions. We are working, for example, in urban logistics, with 19 French cities to reduce the carbon footprint of tomorrow's deliveries to city centres. In 2019, the acquisition of the company Économie d'énergie consolidated our action to support energy efficiency housing improvements for private homes. And, as far as finance is concerned, La Banque Postale is committed to manage 100% of its SRI assets by the end of 2020.

**Would you say that this exemplary attitude is the basis of the trust that binds La Poste to all its customers?**

Of course, in order to create trust, we must always demonstrate our commitment. Above all, trust begins with the postal workers. The men and women of the Group embody it, they bring it to life on a daily basis across the entire country.

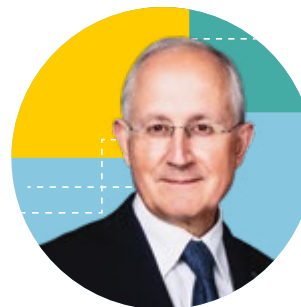
When a customer walks through the door of a post office, when a company calls on our digital experts, when a local authority turns to us for project financing, or when CDC becomes our major shareholder, they all do so because they believe in the commitment and professionalism of postal workers. And I would like to thank each and every one of them, because postal workers are the primary driving force behind the Group's transformation.

**How do you view the year 2020?**

How can we view the year 2020 without mentioning the pandemic that has hit the world and is challenging our certainties. First of all, I would like to praise the postal workers who, through their commitment and dedication on the ground, have contributed to the nation's efforts. This crisis shows, more than ever, that La Poste is useful. Useful to our customers, especially the most fragile or remote in the country; useful to businesses and all professionals. This need for a postal service, which has been strongly expressed during this crisis, is the need for human proximity. This is a strong demand, and we have a duty to deliver. It will be central to the considerations that will guide La Poste in the development of its new strategic plan. This is indeed the last year of the "La Poste 2020: Conquering the future" plan and the development of our new plan for the period leading up to 2030. It will be developed with all of our stakeholders, including postal workers, customers, elected representatives and suppliers. Because La Poste is at the heart of French people's lives, we want to know what everyone expects of us and understand the changes in society in order to build the future of Le Groupe La Poste.

“In 2019, the Group's transformation continued to progress with the ambition of becoming the leading company in local, in-person services.”

● Philippe Wahl





**Thank you**  
 to the 100,000 postal workers who stepped up during the health crisis to carry out their essential missions with the population. They continued to transport, to deliver, to inform, to greet in post offices, to visit the elderly and isolated people, and to maintain the link throughout the country. Through their commitment and courage, they have contributed to the nation's effort. They embody, every day on the ground, human proximity.



# The Executive Committee



**Philippe Wahl**  
Chairman and Chief Executive Officer of Le Groupe La Poste



**Nathalie Collin**  
Executive Vice President in charge of Digital Services and Communications



**Valérie Decaux**  
Executive Vice President in charge of Human Resources and Employee Relations



**Philippe Bajou**  
Executive Vice President, Secretary General, Chairman of Poste Immo



**Anne-Laure Bourn**  
Executive Vice President in charge of La Poste Network



**Philippe Dorge**  
Executive Vice President in charge of the Services-Mail-Parcels Business Unit



**Nicolas Routier**  
Executive Vice President in charge of Institutional Strategy and Regulatory Affairs



**Yves Brassart**  
Executive Vice President in charge of Finance and Development



**Paul-Marie Chavanne<sup>(1)</sup>**  
Executive Vice President, Chairman of GeoPost/DPDgroup



**Rémy Weber**  
Executive Vice President, Chairman of the Management Board of La Banque Postale

(1) Following Paul-Marie Chavanne's retirement, Boris Winkelmann replaces him as Executive Vice President of Le Groupe La Poste and Chairman/CEO of GeoPost/DPDgroup as of 26 June 2020.

# The Group in a nutshell

## A group undergoing a transformation

La Poste is a wholly state-owned public limited company (*société anonyme*), structured around five core Business Units.

### Services-Mail-Parcels

The Business Unit relies on nearly 70,000 postmen to ensure the delivery of 19 billion letters and 363 million Colissimo parcels a year in France and abroad. It supports the growth of e-commerce and develops new local services for businesses, local authorities and individual customers, particularly as regards the silver economy, home healthcare and energy transition.

### La Banque Postale

Individual customers, businesses, professionals, local public sector players and the social economy: with more than 10.5 million active customers, La Banque Postale is continuing to diversify and digitalise. La Banque Postale offers a comprehensive range of simple, useful

and transparent banking and insurance products and services at affordable prices.

### GeoPost/DPDgroup

GeoPost, the specialist in rapid and express worldwide deliveries of parcels weighing less than 30 kg, no. 2 in Europe, gathers its subsidiaries under the international umbrella brand, DPDgroup (DPD, Chronopost, SEUR and BRT). GeoPost/DPDgroup operates in 47 countries worldwide and delivered 1.3 billion parcels around the world in 2019.

### La Poste Network

La Poste Network's 17,000 retail outlets make it the leading network of local, in-person services in France. As the local outlet for the Group's products and services, and in particular

for La Banque Postale's banking services, it is firmly rooted in the daily life and projects of all of its customers and in the economic development of France's regions.

### The Digital Services Business Unit

This Business Unit has two activities. The first as a commercial operator of online services and digital offerings for businesses, the local public sector and individual customers. It operates through its subsidiaries Docaposte and Mediapost Communication as well as its e-commerce site laposte.fr. In addition, it conducts the Group's digital modernisation and transformation activity, and develops new services on behalf of the other Business Units.



# Le Groupe La Poste's business model

To make life easier for everyone and offer its services to as many people as possible, Le Groupe La Poste grounds its operations on a multi-business model. As a benchmark player in France, the Group is particularly vigilant about its impact and contribution to all its stakeholders.

## Our resources

- **Human capital**
  - 249,304 employees, including 38,663 working outside France
- **Industrial capital**
  - 11,778 buildings
  - 91,435 vehicles
  - Around 700,000 IT devices
  - 45 logistics platforms
  - Digital infrastructure
- **Social and relational capital**
  - 17,033 postal outlets
  - 43,000 pick-up and drop-off points in Europe
- **Financial capital**
  - 100% public capital
  - €12,6 billion equity
  - €26 billion in revenue, of which 30% is generated outside France
- **Natural capital**
  - 100% renewable electricity
  - One of the world's biggest fleets of electric vehicles (16,503 electric vehicles, 24% of the fleet, not counting bikes or trolleys)
- **Intellectual capital**
  - Image of trust and confidence
  - Innovation

## A multi-business model



## 4 public service missions

- Universal postal service
- Transport and deliver newspapers and magazines
- Regional planning
- Banking accessibility

## International development

- 15.5% of employees work outside France
- 30% of revenue is generated outside France

## Growth drivers

- E-commerce
- Urban logistics
- Modernisation of public action
- Trusted digital partner
- Silver economy and healthcare
- Energy transition

## Strategy: "La Poste 2020: Conquering the future"

- Speed up business development and win new markets
- Boost competitiveness while maintaining the labour-management agreement "Le pacte social"
- 5 common top-priority programmes strengthening synergies between the Business Units

## The Group's three-pronged social commitments

- Social and regional cohesion
- Ecological transitions
- Ethical, responsible digital services

## Our impacts

- **For the planet**
  - GHG emissions down 21.8%
  - Product and service offering with 100% of CO<sub>2</sub> emissions offset
  - Waste recycling and reuse: 116,182 metric tonnes
- **For the regions**
  - Over 12.3 million homes visited per day
  - 95.6% of the population within 5 km or a 20-minute drive of a retail outlet
- **For our customers**
  - Loyal and satisfied<sup>(1)</sup>
  - 1.7 billion parcels delivered
  - 51% of Livret A savings accounts have less than €150 of outstandings
- **For our employees**
  - 92% work under permanent contracts
  - 51% of senior executives are women
  - 80% of employees received training in 2019
  - 12 national social agreements and amendments in 2019
- **For our suppliers**
  - 81% of the suppliers are SMEs
- **For our shareholders and investors**
  - A/A-1 positive outlook (S&P)
  - A+/F1+ stable outlook (Fitch Ratings)

(1) Net Promoter Score.