



Sustainable Procurement Policy

La Poste Groupe

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INTRODUCTION

Drawing on its 600-year history and the unifying public service missions it was founded upon, La Poste Groupe has made accountability and service of general interest key strands of its DNA.

Writing the next chapter of its history, in 2021 La Poste became an “entreprise à mission” (a mission-driven company), incorporating its purpose and four social and environmental objectives into its Articles of Association that form the bedrock of its commitment to being a responsible business.

To confirm its ambitions, La Poste Groupe published its 2030 Strategic Plan for supporting major societal transitions (environmental, digital, demographic, and regional), with the aim of producing a positive impact on society as a whole.

The Purchasing Department is an integral stakeholder in this Strategic Plan. Managing purchases of over 15 billion euros in France and overseas from over 50,000 suppliers of every size and in every business segment, the Purchasing Department has a critical role to play in supporting these transitions.

As such, the Responsible Purchasing Policy is designed to promote the values of setting an example, acting responsibly, and meeting commitments to all its stakeholders. It encourages continuous investment in innovation and performance in the interests of our social and environmental responsibility to reduce the negative impacts of the department's business ecosystem and increase the development of positive actions.

The aim of this policy is to set out the objectives that underpin its daily activity.

Lastly, the Purchasing Department has made a commitment that, by 2025, it will include in all its consultations a scoring criterion to measure social, societal and environmental actions implemented by the supplier to meet the need described, which will account for at least 10% of the overall evaluation.

Purchasing Department of La Poste Groupe

LA POSTE GROUPE: COMMITTED TO SUPPORTING SOCIETY'S MAJOR TRANSITIONS

“Serving all, useful to everyone, La Poste, a proximity company with local anchorage, develops exchanges and forges essential links by contributing to the common goods of society as a whole.”

Implementing the Purpose in the Group

Guided by its purpose and ambitions to produce a sustainable positive impact on society, La Poste Groupe has set out a societal commitment policy that goes above and beyond its regulatory obligations and CSR best practice:

- Contributing to regional development and cohesion;
- Improving social inclusion;
- Promoting ethical, inclusive, and frugal digital services;
- Working to accelerate environmental transitions for all.

These commitments serve as a compass for each Group activity with the respect of basic human rights underpinning everything we do. In its continued pursuit of its CSR policy, the Group is strengthening its responsible purchasing processes.

Purchasing: A Critical Area to Support our Commitments

La Poste Groupe sources products and services from hundreds of suppliers which contribute to the quality of the activities and services it provides to its customers. Every year, La Poste spends over 15 billion euros on procuring transport and delivery, industrial equipment manufacturing and logistics services, construction, renovation and cleaning services for post office premises, IT services, and temporary recruitment and other services.

Through its suppliers, the Group has a direct impact on the environment and the working conditions of the men and women working alongside it. Similarly, climate change, social and geopolitical crises, poor working conditions, resource scarcity, and gaps in the supply chain affect the Group's activity and prompt the Group to adapt its purchasing strategies.

The Responsible Purchasing Policy provides a stronger framework for the Purchasing Department's activity so it can go about its business in a way that is respectful of its staff, the environment and society on a whole, reaffirming the strategic commitment it has set for 2030.

In pursuit of this commitment, the Responsible Purchasing Policy addresses each priority of the strategic plan:



La Poste Groupe shares and promotes the definition of a responsible purchase as set out by the international ISO 20400 standard¹, a standard in the area, as: “**procurement that has the most positive environmental, social, and economic impacts on a whole life basis.**” The Group strives to work with suppliers offering products and services that meet this definition, fostering partnerships with each and every stakeholder.

Its Responsible Purchasing Policy is underpinned by **four fundamental and complementary pillars**:

Pillar 1: Ensuring fundamental rights are respected and promoted at every link in the supply chain;

Pillar 2: Reducing the negative impact of our purchases and our suppliers on the environment and encouraging positive impacts;

Pillar 3: Fostering social inclusion and contributing to the development of the economic and social fabric through our purchases;

Pillar 4: Fostering more responsible and ethical relations with suppliers.

Buyers, prescribers, users, and suppliers are there to ensure these pillars are respected, applied, and promoted at every link of the value chain. Their commitment is formalized here and additionally through the various Group charters and commitments².

¹ ISO 20400:2017 provides guidance to organizations, independent of their activity or size, on integrating sustainability within procurement, as described in ISO 26000. (Source: iso.org)

² See useful documents at the end of this document.

THE FOUR PILLARS OF THE RESPONSIBLE PURCHASING POLICY

Pillar 1: Ensuring fundamental rights are respected and promoted at every link in the supply chain

A Challenge for Society:

Recent scandals (the Rana Plaza accident in 2013, the Uyghur situation in 2020-2021) have underscored the need to make basic human rights a key priority of enterprises, primarily through legislative means (e.g., France's law on Duty of Care in France passed on March 27, 2017).



UN Sustainable Development Goals (SDGs)

Alignment with the 2030 Strategy and the Group's CSR Policy



La Poste Groupe is a signatory of the United Nations Global Compact and a raft of other agreements and charters related to basic rights of humans including fundamental rights, health and safety at the workplace, workplace equality, freedom of association, and diversity. The Group is also committed to combating forced and unreported labor.

Binding Targets and Performance Indicators:

By **2023**, at least 95% of priority purchasing categories will pursue a coordinated responsible purchasing strategy, evaluated annually.

By **2025**, at least 95% of suppliers in priority categories related to the risks of breaching basic human rights will be coordinated *via* a contractual social development plan.

By **2030**, at least 95% of suppliers from priority categories related to the risks of breaching basic human rights will receive social support from La Poste through a partnership program.

La Poste Groupe is committed to promoting basic human rights and best labor practice in everything it does.

The Group strives to work with suppliers that:

- ✓ Respect basic rights, putting in place management, working conditions, and compensation that show respect for human dignity;
- ✓ Implement actions to prevent and mitigate any risk of breaching these rights;
- ✓ Are involved in sector-specific initiatives designed to improve transparency and the fundamental rights of every stakeholder in their supply chain.

La Poste Groupe is committed to working hand in hand with its suppliers to observe the following principles:

- Respect, promote, and realize the fundamental principles of the Universal Declaration of Human Rights, the United Nations Global Compact and its key principles, the OECD guidelines, and the core conventions of the International Labour Organization (ILO);
- Comply with laws on working time, compensation, training, the right to organize, freedom of association, and combating illegal and unreported labor;
- Not to practice any form of discrimination, and to promote equal treatment in the workplace;
- Ensure that the service or product is provided or manufactured in conditions that respect the basic rights of individuals and communities and are safe for end users;
- Support its suppliers so they can improve in all these areas;
- Factor in the above principles in all purchasing decisions.

By signing the Responsible Purchasing and Ethics Charter, all suppliers agree to:

- Commit to the above principles;
- Ensure that these principles are respected across their own supply chain;
- Pursue a social development approach that has the potential to impact their whole business segment.

These principles are stated and expanded on in the Group's corpus of documents and contracts shared with each stakeholder (suppliers, buyers, prescribers).

Pillar 2: Reducing the negative impact of our purchases and our suppliers on the environment and encouraging positive impacts

A Challenge for Society:

In 2015, the Paris Agreement was adopted by 195 nations to combat climate change and implement measures for a resilient, sustainable, and low-carbon future. The Agreement aims to limit the global temperature increase to 1.5 °C above pre-industrial levels.



UN Sustainable Development Goals (SDGs)

Alignment with the 2030 Strategy and the Group's CSR Policy:



The Group relies on the efforts of all suppliers to reduce their carbon footprint in order to set its ambitious targets and actions to reduce its greenhouse gas (GHG) emissions and limit global warming to 1.5 °C above pre-industrial levels, reduce pollutants, decrease its consumption of natural resources, and limit the pressure of the Group's activities on biodiversity.

Binding Objectives and Performance Indicators:

By **2023**, 100% of consultations will include an environmental criterion.

By **2025**, at least 95% of our suppliers prioritized in relation to their contribution to La Poste's carbon emissions will pursue a target to reduce their GHG emissions and will be required to submit their transition plan.

By **2030**, at least 95% of prioritized suppliers will receive environmental support through a partnership approach.

Each product or service procured has an impact on the environment, either directly (from the manufacturing stage of a product made from natural resources to its end of life) or indirectly (e.g., the purchase of software hosted on a remote server running on a continuous power source).

To meet the Paris Agreement target and in line with the United Nations Global Compact and its environmental policy, La Poste Groupe:

- ✓ Strives to work with suppliers that respect environmental protection guidelines across their entire supply chain;
- ✓ Prioritizes the purchase of sustainable and environmentally friendly products and services from responsible suppliers;
- ✓ Works with suppliers involved in sector-specific initiatives aiming to transform the entire life cycle of the products and services offered in order to meet the environmental challenges linked to climate change and the adaptation required.

In this respect, La Poste Groupe is committed to:

- Evaluating and challenging its prescribers and users on their actual needs by encouraging energy and resource sobriety and recommending **innovative solutions** (e.g., rental, reuse, recycled and recyclable products);
- Analyzing and limiting the environmental impact generated by the purchase of products and services on **the whole life cycle** (design, production, transport, use, end of life). And therefore promoting eco-design, repairability, and the **circular economy**, applying the 3Rs rule (Reduce, Reuse, Recycle), and anticipating waste treatment;
- Factoring in the following objectives in all purchasing decisions: reducing **pollutants** (water, air, soil, sound), **greenhouse gas (GHG) emissions**, limiting consumption of **resources** and energy, protecting **biodiversity** and ecosystems impacted by the activities of the Group's suppliers;
- Through its suppliers and purchases, implementing measures designed to make a **positive impact** on the environment (carbon sequestration, development of diversity in ecosystems, etc.) and on its ecosystem;
- **Supporting** suppliers with sourcing innovative solutions to help with their own environmental transition across the whole life cycle of their products and services.

In addition, suppliers agree to apply the same considerations in their own value chain. To this end, they are required to:

- **Reduce their carbon footprint**, resource consumption, and pressure on biodiversity;
- **Improve the energy performance** of their products and services through their whole life cycle, and provide sustainable and innovative solutions;
- Undertake **efforts to transform** their business ecosystem.

Pillar 3: Fostering social inclusion and contributing to the development of the economic and social fabric through our purchases

A Challenge for Society:

In recent decades, social, digital, and regional divides have emerged between regions. These are effects that can be seen in France but also around the world.



UN Sustainable Development Goals (SDGs)

Alignment with the 2030 Strategy and the Group's CSR Policy



As part of its support to the social and solidarity-based economy (SSE) via the Alliance Dynamique program which included signing an agreement on disabilities and signing up to the PAQTE (inclusion program for young people from working-class neighborhoods), La Poste Groupe is committed to promoting diversity, combating exclusion, and contributing to regional development and cohesion.

Binding Objectives and Performance Indicators:

By **2023**, at least 95% of purchasing categories will be assessed against the inclusive purchasing criterion.

By **2025**, at least 95% of purchasing categories defined as priority in term of inclusive purchasing will have an inclusive purchasing strategy in place and oversight carried out.

By **2030**, at least 95% of suppliers in the traditional sector prioritized in terms of inclusive purchasing will be offered social inclusion support.

La Poste Groupe is committed to promoting diversity, combating all forms of exclusion, and improving social and regional cohesion across its entire supply chain in every region where it operates:

- ✓ It strives to work with suppliers committed to employing long-term unemployed and contributing to developing the regions where they operate, including in fragile regions;
- ✓ It facilitates wherever possible access to its contracts for enterprises undertaking social initiatives;
- ✓ It encourages suppliers to have a positive impact on inclusion in their region.

These actions are deployed across France with the following types of organization:

Social enterprises:

- The **adapted and protected work sector (Secteur du travail protégé et adapté, STPA)** which promotes independence through work and employment of disabled people who are unable to work in mainstream jobs – disability-specific enterprises (*Entreprises adaptées, EA*) and disability employment organizations (*Établissements et services d'aide par le travail - ESAT*);
- The **integration through work sector (Secteur de l'insertion par l'activité économique, SIAE)**, which aims to promote employment for people facing barriers to work; these structures include intermediary associations (*Associations intermédiaires, AI*), integration enterprises (*Entreprises d'insertion, EI*), temporary work integration enterprises (*Entreprises de travail temporaire d'insertion, ETTI*), and integration workshops and projects (*ateliers et chantiers d'insertion, ACI*);
- More broadly, the **social and solidarity-based economy sector (SSE)** (NGOs, cooperatives, social enterprises, mutual societies and foundations, etc.);
- And enterprises in the traditional sector promoting and hiring the long-term unemployed.

Enterprises contributing to regional development:

- **Very small businesses (VSBs), and small and medium enterprises (SMEs and mid-cap companies)** which are stimulating the local economies of regions where they are based.

Particularly in fragile regions:

- **Enterprises operating in urban priority neighborhoods (Quartiers Prioritaires de la Ville, QPV)**, regions supported by an economic and social assistance policy from the city;
- Enterprises based in **rural revival areas (Zones de revitalisation rurale, ZRR)**.

In this area, La Poste Groupe is committed to:

- Promoting the development of partnerships with these various types of enterprise;
- Supporting the creation of networking and facilitation networks for implementing inclusion programs;
- Promoting the subject among enterprises in the traditional sector.

La Poste Groupe also encourages its suppliers to have a positive impact on inclusion in their region within their subcontracting chain:

- By helping the long-term unemployed;
- By contributing to the development of the regions where they operate;
- By supporting the creation of development of end-to-end virtuous entrepreneurial ecosystems.

Pillar 4: Fostering more responsible and ethical relations with suppliers

A Challenge for Society:

Ethics are central to the relationships fostered by ordering parties with the companies they approach to work with. Unstable economic and geopolitical climates, more frequent extreme weather conditions, and depleting resources increase the risk of gaps and shortages in supply chains and put ethical considerations under pressure. It is therefore important to reaffirm and sustain strong relationships based on trust and transparency with suppliers.



UN Sustainable Development Goals (SDGs)

Alignment with the 2030 Strategy:



Binding Objectives:

Training: By **2023**, at least 95% of buyers will receive basic responsible purchasing training.

By **2025**, at least 95% of buyers will be trained on responsible purchasing and specific challenges related to their portfolio.

By **2030**, at least 95% of stakeholders in the purchasing process (prescribers, users, etc.) will be trained on responsible purchasing.

Suppliers have their say:

By **2023**, put in place an SME coordinator and "supplier relations" ombudsman as points of contact for suppliers.

By **2025**, survey a selection of suppliers to listen to what they have to say and implement an action plan from their feedback.

By **2030**, at least 95% of strategic suppliers³ will be linked to a development plan (responsible purchasing training and tools).

La Poste Groupe is committed to fostering collaborative and well-balanced partnerships with its suppliers based on mutual trust.

These commitments must be respected by La Poste Groupe employees and by the suppliers who agree to apply the same commitments with their subcontractors.

To this end, La Poste Groupe and its suppliers are committed to doing the following in their respective value chains:

- Act with probity and respect:
 - Comply with the Group's anti-corruption, conflict of interest, and gifts and entertainment policies, based on the principles of "Zero tolerance, Everyone committed, Everyone vigilant" to maintain **independent decision-making and action**;
 - Respect **equal treatment** and fairness for all entities;
 - Facilitate access to the Group's markets** through transparent processes and suitable tools accessible to all;
 - Respect the confidentiality of any information received and intellectual property.
- Plan ahead:
 - Promote the development of a forward-looking management system for purchases and orders;
 - Anticipate** the end of business relationships with a supplier;
 - Meet **payment terms** in line with regulations.
- Achieve a fair balance between financial and non-financial considerations:
 - Apply and share the definition of responsible purchasing** factoring in environmental, social, and societal impacts with the same importance as technical and financial aspects across the entire life cycle of the product or service procured;
 - Never knowingly create or accept imbalanced financial or human counterparties or conditions that may be economically or socially unfeasible for the supplier, or harmful to the environment.
- Develop relationships to encourage the sharing of best practice and mutual development to support market transformation:
 - Keep regularly informed, trained up, and educated** on the environmental and social impacts of their purchases;
 - At different key stages of the purchasing process, provide **support to suppliers** with implementation of development plans in these areas;
 - Support positive social and environmental innovations** through joint development processes and networking, and **promote positive impacts** for the Group and its suppliers, for the Group's customers, and for society as a whole.

³ A supplier can be described as strategic when the product or service provided contributes to the company's core business activities and cannot be provided by another supplier (monopoly situation, service or geographic area not covered by others).

IMPLEMENTING THE PILLARS IN PURCHASING PROCESSES

La Poste Groupe's Responsible Purchasing Policy is implemented in the purchasing process through operational frameworks and action plans. It aims to include the four pillars in the various stages of the decision-making (selection and approval of suppliers) and contracting process, and during the commercial relationship (including evaluation, audit, and formulation and monitoring of the development plan).

In addition, this policy fits in with a collaborative, engaged, and responsible approach, and is designed to promote mutual progress and innovation by linking various stakeholders with each stage: the prescriber of the purchase, the buyer, the supplier, and the end user.

Within the Purchasing Department, the job of buyer is evolving, the role now encompassing the duty of promoting responsible purchasing and ensuring the policy is adhered to. These new skills will allow the buyer to work more closely with the supplier by seeking to strike the best balance between response to the need, financial performance, and social and environmental performance.

The Group Purchasing Department is there to support this evolution by ensuring buyers, prescribers, and suppliers receive regular information and training.

It monitors the roll-out of this policy by establishing decision-making and operational bodies, key performance indicators, and an internal evaluation and auditing procedure.

RELATIONS WITH EXTERNAL STAKEHOLDERS

Over the years, La Poste Groupe has fostered close relations with stakeholders on the matter. It is an active member of the Responsible Purchasing Observatory (*Observatoire des Achats Responsables, ObsAR*) and the PaQte (*Pacte avec les quartiers pour toutes les entreprises*) initiative, a regional support program.

La Poste Groupe is also invested, through its partnership with non-profits in the SSE sector, in organizing meetings with the key players in this sector.

WHISTLE-BLOWING PROCEDURES

For La Poste Groupe employees: a whistle-blowing procedure was introduced by La Poste in 2011. This mechanism is available to employees to report problems, but also to seek advice on their professional practices with regard to ethical or company rules. Access the system *via* this link: <https://www.alerte-ethique.laposte.fr>.

For suppliers' employees: as part of its vigilance plan, La Poste Groupe provides a whistle-blowing procedure to its suppliers to report any serious breaches of human rights and fundamental freedoms, personal health and safety, as well as the environment, observed during the execution of their contract. Access the system *via* this link: <https://www.alerte-vigilance.laposte.fr>

YOUR CONTACT

The Group Purchasing Department's Compliance and Responsible Purchasing Division whose duties and responsibilities include:

- Promoting and deploying the pillars across the Group;
- Supporting the Purchasing Department and ensuring CSR compliance and innovation through the purchasing process;
- Sharing best practice with the Group's stakeholders and suppliers in a spirit of collaboration and mutual development.



[Compliance and Responsible
Purchasing Mailbox](#)

USEFUL DOCUMENTS

La Poste Groupe's Responsible Purchasing and Ethics Charter
Purchasing Department's Responsible and Ethical Commitments
Prescriber's Responsible and Ethical Commitments
La Poste's Purchasing Compliance Policy



THE 8 CORE ILO CONVENTIONS

- Convention No. 29: Forced Labour Convention (1930, ratified in 1939)
- Convention No. 87: Freedom of Association and Protection of the Right to Organise Convention (1948 ratified in 1951)
- Convention No. 98: Right to Organise and Collective Bargaining (1949, ratified in 1951)
- Convention No. 100: Equal Remuneration (1951, ratified in 1953)
- Convention No. 105: Abolition of Forced Labour (1957, ratified in 1969)
- Convention No. 111: Discrimination (1958, ratified in 1981)
- Convention No. 138: Minimum Age for Admission to Employment or Work (1973, ratified in 1990)
- Convention No. 182: Prohibition of the Worst Forms of Child Labour (1999, ratified in 2001).



THE TEN GLOBAL COMPACT PRINCIPLES

Human Rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that they are not complicit in human rights abuses.

Labour

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. The elimination of all forms of forced and compulsory labour;
5. The effective abolition of child labour; and
6. The elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.