



PRINCIPES	Exemples d'actions possibles		La Banque Postale
Principe 1. <i>We will embed in our decision-making environmental, social and governance issues relevant to our insurance business</i>	Company strategy	* Establish a company strategy at the Board and executive management levels to identify, assess, manage and monitor ESG issues in business operations	See chapter « Governance of Responsible Development » p 222 of La Banque Postale's 2013 registration document . As of January 2014, ESG issues are treated directly at the Executive Committee level, as per the President's request. The head of the Insurance dept attends the committee.
		* Dialogue with company owners on the relevance of ESG issues to company strategy	Triennial performance reviews – which are part of La Poste Group's key governance mechanisms – systematically include a focus on CSR since 2011. This new body enables La Banque Postale to bring attention to topical issues and keep track of CSR developments and indicators.
		* Integrate ESG issues into recruitment, training and employee engagement programmes	See chapter « Raising awareness » p 222 of La Banque Postale's 2013 registration document .
	Risk management and underwriting	* Establish processes to identify and assess ESG issues inherent in the portfolio and be aware of potential ESG-related consequences of the company's transactions	Since the beginning of 2009, the body governing La Banque Postale's Corporate Social Responsibility (CSR) has been the Responsible development committee , one of the Executive Board's eight committees. Its goal is to identify needs, put forward and implement appropriate projects and achieve results which will make responsible development a factor of differentiation, performance and profitability for La Banque Postale. The Insurance Department attends this committee. To this effect, the integration of the ESG Checklist in the Compliance Department's updated memo surrounding the organization of the New Product Review Committee (released early 2013), is a major step forward in the consideration of ESG issues in the set-up of new products. The replies to this questionnaire thus helps project managers in their product risk analysis, on the basis of which the Operational Risks Department will either issue a favorable opinion (with or without reservations) or an unfavorable one. The various results will allow the subsequent analysis of the ESG issues highlighted, which may then be the subject of awareness raising actions. The process has been verified by external auditors.
		* Integrate ESG issues into risk management, underwriting and capital adequacy decision-making processes, including research, models, analytics, tools and metrics	La Banque Postale takes ESG criteria into account in the selection process of its insurance partners. La Banque Postale's CSR policies and strategy apply to any of its branches/subsidiaries, including insurance companies

Product and service development	* Develop products and services which reduce risk, have a positive impact on ESG issues and encourage better risk management	<p>Since June 2009, La Banque Postale has made sure that ESG (Environmental, Social and Governance) criteria are systematically taken into account in the design of its range of products and services. It has therefore set up an ESG checklist – a tool which sets out the Bank’s five founding values (accessibility, performance, difference, responsibility, cohesion) through 19 ESG criteria which are fundamental for La Banque Postale (e.g. ethical advice, transparency, simplicity, clarity, combating climate change and tax evasion).</p> <p>Following the set-up of the tool, the product managers were trained to its use. They are thus aware of the main requirements of responsible development.</p> <p>In 2013, the Responsible Development Committee formally reaffirmed that the checklist was monitored by the Compliance Department.</p> <p>All of La Banque Postale’s new products must therefore meet extra-financial criteria covering their design, their distribution and customer support.</p>
	* Develop or support literacy programmes on risk, insurance and ESG issues	<p>Upon subscribing to an insurance product, La Banque Postale’s clients are systematically provided with a pedagogical booklet that draws out the fundamental characteristics of that specific product.</p> <p>In parallel, a major training program has been rolled out. Close to 2000 employees were trained when the insurance business was launched in 2010 and 18000 more were trained in 2011, which represents 50000 days of training. This program enables advisors to provide high-quality advice, and a real answer to customers’ expectations in terms of casualty insurance. Training revolved around ethics, active listening, client counseling, etc.</p> <p>In 2013, our insurance project managers were enrolled into a 2-day risk analysis management training programme covering all aspects of project risk management, including ESG risks.</p>
Claims management	* Respond to clients quickly, fairly, sensitively and transparently at all times and make sure claims processes are clearly explained and understood	<p>La Banque Postale Assurances IARD has chosen to manage claims as part of a responsible relationship, which is based on trust. When a claim is issued the customer is immediately taken care of and reminded of every service he is entitled to. He is guided through the various steps to be accomplished, depending on their actual requirements, while respecting their choice of management method.</p>
	* Integrate ESG issues into repairs, replacements and other claims services	<p>To enable the customer to be reimbursed as quickly as possible, only the essential supporting documents are requested. Other compensation methods, such as the remuneration in kind or the direct method, also make the customer’s life easier. In 2011, 80% of non-complex car and home insurance claims were settled without involving an expert.</p> <p>In addition, a solidarity fund has been set up, which is intended to top up compensation if required, and could specifically be used to help customers experiencing difficulties following an accident.</p> <p>In 2013, LBP has begun a major discussion with its partner CNP Assurances (3rd</p>

			largest European Life insurer) aiming at dematerializing all Savings and Personal Risks servicing processes.
	Sales and marketing	* Educate sales and marketing staff on ESG issues relevant to products and services and integrate key messages responsibly into strategies and campaigns	Following the set-up of the ESG checklist (see above), the product managers were trained in its use. They are thus aware of the main requirements of responsible development. The platform of the counselling method is firstly comprised of La Banque Postale's business ethics handbook (see p231 of La Banque Postale's 2013 registration document) which clearly emphasises the importance of responsible sales practices. Secondly, La Banque Postale's semantic guide reflects its fundamentals and its values, and enforces clear, simple, and transparent marketing pitches.
		* Make sure product and service coverage, benefits and costs are relevant and clearly explained and understood	La Banque Postale always strives to ensure that its products are suited to its customers' situations and needs. Since 2005, the Seven winners method , approved by Vigeo since 2006, underpins the customer-Advisor relationship. It is based on exhaustive knowledge of the customers, via a comprehensive financial review. This results in appropriate advice suited to the customers' requirements and projects. Since 2012, advisors, who are responsible for the quality of the advice, rely, ever more, on a comprehensive, pedagogical diagnostic tool, to build the most appropriate financial solutions with customers. From the beginning, La Banque Postale has been paying close attention to the way in which it promotes its products to its customers, using clear, informative communication materials: instruction leaflets, videos, key points, guides, etc. The various communication campaigns based on transparency, simplicity and clarity contribute to building a long-term, quality relationship right from the start.
	Investment management	* Integrate ESG issues into investment decision-making and ownership practices (e.g. by implementing the Principles for Responsible Investment)	See chapter « Responsible Asset Management » p 229 of La Banque Postale's 2013 registration document .
Principle 2. <i>We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop</i>	Clients and suppliers	* Dialogue with clients and suppliers on the benefits of managing ESG issues and the company's expectations and requirements on ESG issues	See chapter « A responsible purchasing process » p 225-236 of La Banque Postale's 2013 registration document .
		* Provide clients and suppliers with information and tools that may help them manage ESG issues	See chapter « A responsible purchasing process » p 225-236 of La Banque Postale's 2013 registration document .
		* Integrate ESG issues into tender and selection processes for suppliers	See chapter « A responsible purchasing process » p 225-236 of La Banque Postale's 2013 registration document .

solutions		* Encourage clients and suppliers to disclose ESG issues and to use relevant disclosure or reporting frameworks	See chapter « A responsible purchasing process » p 225-236 of La Banque Postale's 2013 registration document .
	Insurers, reinsurers and intermediaries	* Promote the adoption of the Principles * Support the inclusion of ESG issues in professional education and ethical standards in the insurance industry	In July 2013, La Banque Postale has provided the UNEPFI with the French translation of the PSI.
Principle 3. We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues	Governments, regulators and other policy makers	* Support prudential policy, regulatory and legal frameworks that enable risk reduction, innovation and better management of ESG issues	
		* Dialogue with governments and regulators to develop integrated risk management approaches and risk transfer solutions	
	Other key stakeholders	* Dialogue with intergovernmental and non-governmental organisations to support sustainable development by providing risk management and risk transfer expertise	La Banque Postale strives to convey its values by participating in the major committees tasked with promoting CSR. It thus plays an active role in the various working groups set up by the ORSE (French corporate social responsibility observatory), as well as the CSR/SRI steering committees of Paris Europlace, the Sustainable development commission of the FBF (French banking federation) and the MEDEF's CSR committee, to step up progress on the major CSR issues (the integration of extrafinancial criteria in risk management, the promotion of SRI with private customers, the measurement of extra-financial performance, etc.).
		* Dialogue with business and industry associations to better understand and manage ESG issues across industries and geographies	As part of ORSE's working group on integrating ESG criteria within operational risk management in the insurance industry, La Banque Postale participates in the discussions between the working group, the French insurance business associations (AFA, CTIP) and the French business association of risk managers (AMRAE).
		* Dialogue with academia and the scientific community to foster research and educational programmes on ESG issues in the context of the insurance business	
		* Dialogue with media to promote public awareness of ESG issues and good risk management	
Principle 4. We will demonstrate		* Assess, measure and monitor the company's progress in managing ESG issues and proactively and regularly disclose	In compliance with regulatory reporting obligation under section 225 of The Grenelle law II and with banking sector's best practices, La Banque Postale publishes every year a report presenting its actions in terms of CSR and ESG integration. It can be



<i>accountability and transparency in regularly disclosing publicly our progress in implementing the Principles</i>	this information publicly	found on La Banque Postale's website or using the following link
	* Participate in relevant disclosure or reporting frameworks	
	* Dialogue with clients, regulators, rating agencies and other stakeholders to gain mutual understanding on the value of disclosure through the Principles	As part of its exchanges with extra financial rating agencies, and other key stakeholders, La Banque Postale regularly discusses extra financial reporting issues.