

Guy has a  
**tram project**  
for his town



Marie  
likes to check her  
account at midnight



Jean dreams  
of a warehouse  
**twice** the size

It is our  
**customers' lives**  
that motivates us

LA BANQUE



POSTALE

BANQUE ET CITOYENNE

**2013** BUSINESS  
AND RESPONSIBLE  
DEVELOPMENT REPORT





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## BANQUE ET CITOYENNE

A subsidiary of the La Poste Group, La Banque Postale is a unique and singular bank driven by the post office values of local presence and the highest level of service.

### **Serving one and all**

La Banque Postale welcomes one and all with respect and consideration, regardless of their situation. We have 10.7 million active private customers.

We are partner to 435,000 customers: businesses, professionals, mutual insurance companies, non-profit associations and local public-sector players, regardless of their size.

### **The useful bank**

La Banque Postale offers all its customers a full range of banking and insurance products and services that are easy to use, transparent, responsible and tailored to our customers' basic needs, all competitively priced.

### **The regional development bank**

La Banque Postale supports the projects of local stakeholders through its financing offers, thus contributing to local economic life.

### **The bank built on trust**

Originating from La Poste's Financial services, La Banque Postale prioritises its customers' interests above all. We have built a relationship of trust with our customers, based on appropriate advice delivered on a daily basis by our employees who are fully committed to meeting customer needs.

### **The local omni-channel Bank**

La Banque Postale allows customers to choose the channel that suits them best, anytime and anywhere: in any of the 10,000 post offices in France, by telephone, internet and mobile internet; and La Banque Postale Chez Soi, the all-remote banking service.





**Philippe Wahl**, Chairman and CEO of the La Poste Group and Chairman of the Supervisory Board of La Banque Postale (left), **Rémy Weber**, Chairman of the Executive Board of La Banque Postale (right).

## **LA BANQUE POSTALE FOCUSES ON FUNDING THE REAL ECONOMY, EVERYWHERE AND FOR EVERYONE**

**L**a Banque Postale is a public service bank. Its purpose is to serve customers and the real economy. **It is a unique bank, which places customer interest first.**

**In 2013, in a difficult economic climate, La Banque Postale demonstrated its vitality and stepped up our involvement in financing the economy.** 10.7 million active individual customers (650,000 accounts opened) and 435,000 corporate customers and local public stakeholders chose our banking and insurance products and services.

### **We are meeting our commitments**

Almost **78,000 property projects were financed by La Banque Postale**. The amount of loans granted rose 33 % totalling €9.2 billion. **In increasing access to social home ownership**, the Bank funded 8,900 projects totalling €1 billion.

**Inflows from the Livrets A and LDD deposit accounts** was particularly dynamic (€2 billion). Performance in insurance was also strong, with portfolios totalling almost 5 million **life insurance policies**, 863,000 **general insurance policies (IARD)**

**“La Banque Postale is a bank with a difference, which places customer interest first.”**

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and 55,000 **health insurance policies**. Following the acquisition of BPE, the Bank is now able to offer a full range of **asset management products and services to meet customers' most specific needs**.

**In 2013, La Banque Postale strongly focused on regional banking.** In our first full year on this market, we provided **€6 billion** in financing to the local public sector, of which €3 billion in medium- and long-term loans. We continued to **expand our offering** to hospitals and local public companies. In order to improve **accessibility**, we dropped the lending threshold to €50,000 so that small municipalities could obtain financing.

This positive performance and commercial dynamism is down to all the teams of La Banque Postale, who are committed to customers on a daily basis, supporting them in their life projects, whether daily money matters, savings, financing or protection.

## Rolling out citizenship innovations

**La Banque Postale goes beyond its public service mission**, which relates to banking accessibility through the Livret A\* savings deposit account. As part of the **“Initiative against banking exclusion”**, a think-tank organised around La Banque Postale which aims at developing new practices to combat banking and financial exclusion, La Banque Postale set up “L'Appui” in 2013. A platform providing advice and guidance on banking and budgeting issues and **a major social innovation** in preventing people from undergoing financial difficulties and supporting them if they do.

Fully engaged with society, the Bank continues its unique equality programme: **“L'Envol, the La Banque Postale campus”** which has 120 students. In time, 500 young people will benefit from this supportive and innovative project dedicated to young talent. And, because practices change and digital is becoming a key part of our customers' lives, **technological innovation** is a priority for La Banque Postale, with one aim: making **their lives easier**. We already have one of the best-performing **omni-channel offerings** in the sector. In 2013, we strengthened our all-remote banking service, **La Banque Postale Chez Soi**, with the opening of five new branches. In terms of payment solutions, the Bank launched **Paylib**, and we have also **experimented with contactless payments and voice authentication**.

## A unique development model

We are a public company with a general interest remit. Progressive and controlled, we are focused **on funding the real economy, everywhere and for everyone**.

In line with our strategy to develop lending activities, La Banque Postale **increased equity** with a contribution of €1 billion from our shareholder, the La Poste Group. This operation is **fundamental to preparing the Bank's future development**.

Net profit in 2013 once again proved **that we are on the right track**. Revenue reached **€5.539 billion**, up **5.7 %** on 2012. Gross operating income rose **13.1%** to **€854 million**.

This **solid, profitable** growth makes La Banque Postale **a major contributor to the La Poste Group profits**. The Bank is **continuing its strategic plan: “Putting the customer's interest first: let's make a difference”** which is an integral part of the Group's strategy, **“La Poste 2020: conquering the future”**.

In 2014, the Bank will continue to **step up commercial development to better serve our customers**, particularly young people and professionals, **prioritising quality of service, anticipating change by developing new solutions and new business lines**.

In 2014, we will continue to **foster trust and encourage difference, our key assets**. The men and women in La Banque Postale and the La Poste Group are key to this strategy **clear-sighted and committed to serving their customers**. This trust and this difference need to be proven on a daily basis and will continue to expand further thanks to the commitment our teams at La Banque Postale, the socially responsible bank.

*\*2008 Law to modernise the economy.*

**“Our 2013 results prove once again that La Banque Postale is on the right track.”**

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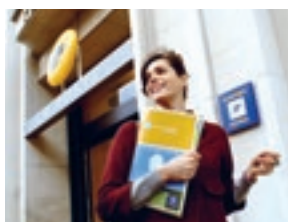
# SEVEN YEARS OF A SUSTAINED DEVELOPMENT

SINCE ITS FOUNDATION, LA BANQUE POSTALE HAS DRIVEN SUSTAINED DEVELOPMENT, FULLY FOCUSED ON CUSTOMER SATISFACTION. WE ARE NOW A RETAIL BANK OFFERING A FULL RANGE OF BANKING PRODUCTS AND SERVICES THAT MEET OUR CUSTOMER'S NEEDS.

January 2006

- **Founding of La Banque Postale**

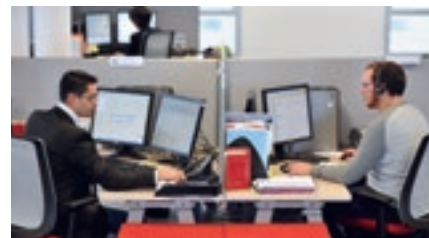
- Launch of property loan offers without prior savings
- Conclusion of the first eight labour relations agreements, a sign of strong social dialogue, founded on respect and trust



2009

- **Creation of La Banque Postale Assurances IARD – in partnership with Groupama – and La Banque Postale Financement – in partnership with Société Générale**

- Acquisition of Tocqueville Finance
- Partnership signed with La Mutuelle Générale to launch a health insurance offering



2008

- **La Banque Postale is the only bank to be entrusted with a mission to increase access to banking for everyone by the Law to modernise the economy**

- Creation of a network of asset management advisers
- Acquisition of easyBourse, an online brokerage platform



2007

- **Founding of La Banque Postale Prévoyance**

- Launch of personal micro-loans
- Creation of the sustainable development and diversity unit





2010

• **National launch of consumer credit offering via all Bank channels**

- La Poste Retail Brand rolls out a new layout for post offices - the Customer Service Area, which improves the quality of the service offered to customers



2011

• **First business loans granted**

- Roll-out of general insurance offering via all channels of La Banque Postale
- Opening of first all-remote banking service, La Banque Postale Chez Soi, 100% remote branch



2012

• **First Social Home Ownership loans granted**

- First loans granted to local authorities
- Launch of health insurance
- Creation of the Initiative against banking exclusion, a think-tank focused on supporting customers in financial difficulties
- Launch of a unique equal opportunity programme: "L'Envol, the La Banque Postale campus"



2013

**Full expansion**



For further information:  
see the full history of  
La Banque Postale on  
[www.labanquepostale.com](http://www.labanquepostale.com)



# ...STILL FOCUSING ON SERVING CUSTOMERS

IN 2013, LA BANQUE POSTALE CONTINUED DEVELOPING SERVICES FOR ALL INDIVIDUAL, CORPORATE AND LOCAL PUBLIC SECTOR CUSTOMERS.

## DEVELOPING THE LOCAL ECONOMY

### La Banque Postale extends financing provision

**March** - With the creation of La Banque Postale Collectivités Locales in March, La Banque Postale completes its financing system for the local public sector. In July, the Bank extended its financing range aimed at local public companies and public healthcare institutions, offering debt management solutions and services. We now offer a full range of banking products and services to all local public stakeholders.



#### Using analysis to improve our advisory services

In February 2013, the Research Department dedicated to the local public sector published its first sectoral report, outlining and analysing financial trends in French local authorities.

## NEW BANKING PRACTICES

### La Banque Postale Chez Soi continues to expand

La Banque Postale continues to expand its omni-channel offering to support changes in banking practices. After opening the first all-remote banking service, La Banque Postale Chez Soi, in 2012, La Banque Postale continued to roll out this new service in 2013, opening new branches in Rennes, Montpellier, Toulouse and Châlons-en-Champagne.



#### Success

In late 2013, over 70,000 customers had chosen to use this new service.

## ASSET SOLUTIONS

### A full range now on offer

**April** - With the expansion of our asset management system and the acquisition of asset management bank BPE, on April 2<sup>nd</sup> 2013, La Banque Postale rolled out a new range of financial products and services, combining credit offerings and savings management tailored to all the needs of high-net-worth customers. With its experienced asset management team, BPE has 33 branches spread throughout France and three wealth management centres, providing expertise platforms for personal wealth advisers and La Banque Postale customers.



#### Available from €75,000

Discretionary asset management, available from €75,000, is offered by La Banque Postale Gestion Privée, which is now wholly owned by La Banque Postale.



## **BANKING INCLUSIVENESS**

### **Three new associations have joined the “Initiative against banking exclusion” ...**

In 2013, Habitat et Humanisme, the French Salvation Army and Emmaüs France joined the “Initiative against banking exclusion”. This think-tank was set up in October 2012 by La Banque Postale, stakeholders in the public sphere and associations focused on combating exclusion. Up until then the think-tank’s members included Adie, Crésus, the French Red Cross, La Banque Postale, and charities Les Restos du Cœur, Secours Catholique, Secours Populaire and the National Union of Community Centres for Social Action (UNCCAS).



### **The Bank sets up “L’Appui”, an original scheme providing financial and budgeting support**

**November** • La Banque Postale sets up for its clientele a banking and budgeting platform for people in financial difficulties - “L’Appui” aimed at preventing or helping remedy difficult financial situations. This platform provides budgeting and banking support to these customers, puts them in contact with social services or organisations to enable them to assert their rights or obtain special rates and directs them towards suitable banking offerings.

## **HOME LOANS**

### **Initial bond issue a resounding success**

La Banque Postale Home Loan SFH, a refinancing structure set up in 2013, launched an initial bond issue worth €1 billion and a seven-year term. The operation was overwhelmingly oversubscribed, bringing in an order book of almost €3 billion in a matter of minutes from over 120 investors (asset managers, insurers, banks, central banks and pension funds), from many European countries and Asia. The success of this issue underlines La Banque Postale’s credit quality and will allow the Group to further strengthen its key role in financing residential property in France.

## **ACCESS TO SOCIAL HOME OWNERSHIP**

### **La Banque Postale is increasing access to social home ownership**

**April** • In line with the commitments made in 2012, La Banque Postale is increasing access to social home ownership for low-income households through Social Home Ownership Loans. La Banque has forged partnerships with stakeholders in social housing to provide funding to home purchasers under secured lending schemes proposed by low-income housing cooperatives. This scheme is backed by a Steering committee for access to social home ownership. In operation since April 2013, this Committee provides advisory, prospecting and observation services. It thus plays an active part in setting up an innovative model for home loans aimed at low-income households, one of La Banque Postale key strategic aims. In 2013, La Banque Postale granted a total of €1 billion in social home ownership Loans.



#### **Own your own home**

In 2013, La Banque Postale started distributing loans to fund lease-ownership schemes (PSLA14) backed by stakeholders in social housing.



LE GROUPE LA POSTE

### QUALITY OF SERVICE

## La Banque Postale and La Poste Retail Brand optimise customer pathways

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**2013** · La Banque Postale starts to roll out Service for all in its Financial Centres, in close collaboration with the La Poste Retail Brand, which manages the post office network. Based on listening to customers and designed in tandem with our employees, its aim is to constantly improve the quality of customer relations with the Bank, from initial requests via all channels to handling this request (quality of reception, expertise of advice, quick turnaround times and optimised and tailored customer relations monitoring). In parallel, La Banque Postale is stepping up its steering system for monitoring quality as perceived by customers and works closely with the La Poste Retail Brand to simplify customer pathways. For its part, the Retail Brand, through its strategic project for 2013-2018, intends to become the reference network for service excellence.



### FINANCIAL MANAGEMENT

## New increase in equity

---

**November** · The Board of Directors of La Poste Group, in a meeting in November 2013 chaired by Philippe Wahl, authorised a capital increase for La Banque Postale of €1 billion. This operation represents a major step in consolidating the Bank's financial structure and solvency, in accordance with the strategy aimed at developing its lending businesses. This increase was in the form of contributions in kind totalling €0.2 billion in the form of hybrid securities wholly held by La Poste SA for a total of €0.8 billion.

### LA POSTE GROUP

## Postal workers work on developing the strategic plan

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**March to May** · The difficult economic environment, the digital revolution and changing consumer practices have consequences on the activities of the La Poste Group. This is why La Poste has defined a new strategic plan with one priority: development to serve customers and regions. To build it, the La Poste Group decided in early 2013 to bring together all of its stakeholders. Through its size, this original approach brings together postal workers, trade unions, shareholders and members of the Board of Directors, and also local elected representatives and consumer associations. 150,000 postal workers have taken part in one of the 23,000 workshops organised. They stated their expectations and contributed to developing the strategic plan, coming up with nearly 45,000 ideas. La Banque Postale, which intends to be a part of the development of the La Poste Group, stood out with its high attendance levels (80%).

### TELEXES

**/ Influence /** La Banque Postale is the most influential financial brand in France according to the magazine *Stratégies* (March 22<sup>nd</sup> 2013).

**/ Responsible investment /** All subsidiaries of the La Banque Postale asset management division have now signed up to the Principles for responsible investment (PRI).

**/ Sustainable development /** The Observatory for Sustainable Development (*Observatoire du Développement Durable*) has indicated that for the sixth year running, La Banque Postale is perceived by French people as the leading bank in terms of commitment to sustainable development.

**/ Local presence /** Since June 1<sup>st</sup> 2013, La Banque Postale has two new offerings in post offices for local associations: Adispo Asso Classic and Adispo Asso Integral.

**/ Image /** [www.labanquepostale.fr](http://www.labanquepostale.fr) ranks third in the Top 10 of French people's favourite websites in the finance category.

(Source Netobserver.)



# Time for the second year group of “L’Envol, the La Banque Postale campus”

SINCE 2012, LA BANQUE POSTALE HAS DEVOTED OUR SPONSORSHIP INVESTMENTS TO THE PROGRAMME WE SET UP TO PROMOTE EQUAL OPPORTUNITY: “L’ENVOL, THE LA BANQUE POSTALE CAMPUS”, DEDICATED TO FOSTERING YOUNG TALENT.

The aim of “L’Envol, the La Banque Postale campus” is to identify promising young students in middle school from low-income rural and urban households and accompany them for six to eight years from their first year in secondary school and help them access higher education.

This programme runs alongside the national education curriculum, under an agreement involving all French educational districts and is backed by Frateli, a benchmark partner in matters of equal opportunity.

### A comprehensive support programme

The ambition is to encourage deserving students to achieve excellence in all its forms. L’Envol follows each one individually, developing a sense of belonging and mutual assistance among the young people. The programme is based on five areas: coaching, material support, individual monitoring and guidance, developing community spirit and economic, cultural and sporting openness.

The first year group (2012) has 60 students, each individually mentored by La Banque Postale employees. Backed by the Bank, the mentoring programme is voluntary and is hugely popular among employees who

are committed to advising, helping and encouraging them on a daily basis.

### First assessment

Within the framework of L’Envol online: the virtual campus, 600 mentoring hours and 120 hours of English classes by video-conference were provided, 16 computers, nine webcams and 60 travel passes were given to the young people involved in L’Envol. The programme also involved: individualised monitoring (guidance, coaching, induction training, etc.), an educational trip to Paris, a language study holiday and a holiday camp in England, an integration campus and 35 local events, etc.

For those in their last year of secondary school the school year ended with their final exams, where they performed very well (16 with average A grades, four with average B grades, and two with average C grades). 60 new students joined L’Envol in September 2013, while the mentoring community, extended to La Poste Retail Brand, now counts 240 employees. L’Envol is gathering momentum. L’Envol will eventually comprise almost 500 students.

### The Board of Directors is made up of La Poste Group employees and six external members:

(as at 31/12/2013)

- **Thierry Dusautoir**, Chairman of the Board of Directors of L’Envol, former French rugby team captain and named International Player of the Year by the International Rugby Board in 2011;
- **Marina Cavazzana-Calvo**, Professor of Medicine in Paris Descartes University, Director of research and Head of department of the Clinical investigation centre in biotherapy at Necker Hospital;
- **Manuelle Gautrand**, Architect. Ms Gautrand’s achievements include the Citroën showroom on the Champs-Élysées and the Ava Tower at La Défense business district near Paris;
- **Georgia Scalliet**, Member of the Comédie-Française since 2009 and winner of the Molière theatre award for best young actress in 2011.
- **Alain Ducasse**, World-renowned chef, three-time winner of three Michelin stars and Chairman of the Châteaux & Hôtels Collection chain;
- **Cédric Villani**, Director of the Institut Henri-Poincaré and Professor at University Claude-Bernard Lyon 1, winner of the Fields Medal for mathematics in 2010;
- **Jean-Paul Bailly**, Honorary Chairman of the La Poste Group;
- **Philippe Wahl**, Chairman and CEO of the La Poste Group;
- **Remy Weber**, Chairman of the Executive Board of La Banque Postale, Vice-Chairman of L’Envol;
- **Philippe Bajou**, CEO of La Poste Retail Brand;
- **Mathieu Cheula**, Director of Management Control at the Bank, Treasurer of L’Envol.

### L’Envol in figures





# SOCIALLY RESPONSIBLE INNOVATION

AT LA BANQUE POSTALE, INNOVATION IS BASED ON TECHNOLOGY, OF COURSE, TO PROVIDE USER-FRIENDLINESS AND SECURITY, BUT THAT'S NOT THE ONLY THING... IT IS ALSO THE ORIGIN OF SOLIDARITY AND SOCIAL PROGRESS BECAUSE IT EMBODIES THE VALUES OF A USEFUL BANK SERVING ONE AND ALL, A BANK YOU CAN TRUST.

## **Paylib, the easy-to-use mobile payment solution**

The Bank's customers now have a mobile payment solution that is easy to use and secure to settle their online purchases on partner sites without having to enter their banking details (see Page 37).

## **A bank card for protected adults**

La Banque Postale now offers protected adults a prepaid card that can be recharged and used to make withdrawals and payments under their guardian's supervision (see Page 34).

## **Voice authentication trials**

La Banque Postale customers and employees have been experimenting with Talk to pay, an online payment solution using voice authentication.

## **Mobile contactless trials**

Customers in Bordeaux and Caen are collaborating with La Banque Postale in trials involving a mobile payment service that can be used in retailers. The aim is to capitalise on feedback before launching the offer in 2014, in partnership with La Poste Mobile and telecoms operators.

## **« L'Envol, the La Banque Postale campus » wins an award**

Organised by IMS-Entreprendre pour la Cité, the Mecenova France award was presented to "L'Envol, the La Banque Postale campus", which supports, every year, around 60 talented young people from low-income households (see Page 9).

## **Le Lab Client: a community of innovators**

La Banque Postale has set up a community of customers, employees and experts to innovate and improve the Bank's offerings and services. This ideas laboratory has 25,000 users and has received 3,000 comments.

## **The 1<sup>st</sup> SCPI under the Duflot Act on the market**

Ciloger, a subsidiary dedicated to property savings, was the first company to launch an SCPI under the Duflot Act: Ciloger Habitat 4, which allows individuals to benefit from this scheme to encourage investment in new rental property.

## **La Banque Postale supports collaborative economics**

In 2013, La Banque Postale entered into a partnership with hellomerci, and renewed its commitment with KissKissBankBank, two crowd-funding platforms, forerunners of the shared economy.

## **An iPad app to place stock market orders**

Following the success of its mobile applications for iPhone and Android, easyBourse, the online brokerage platform of La Banque Postale, launched an application adapted to digital iPad tablets on November 1<sup>st</sup> 2013.

## 2<sup>nd</sup> Innovation Day: a success on Twitter

On September 25<sup>th</sup> 2013, La Banque Postale brought together 180 players from the consulting and banking sector for its second Innovation Day. The event was followed by 1,900 internet users on Dailymotion and #LBPLIVE was the most followed and discussed topic of the day on Twitter.

## Digishoot, the mobile solution for filing a claim

After winning top prize in the insurance industry's awards ceremony last April, La Banque Postale Assurances IARD won another three prizes\* in October 2013 for the Digishoot application, a secure mobile solution for filing claims, developed in partnership with Digiposte (see Page 41).

*\*The Innovation Award in the "Customer Experience" category at the Customer Relations Awards, the top prize at the Insurance Awards and the Silver Top Com in the Digital section, "Mobile Application" category, in the Top Com Consumer Awards.*

## A fund to finance growing SMEs

Xange Private Equity, the Bank's portfolio management company, created the first closing of XPansion 2, its new capital development and transfer fund for €32 million. The purpose of this fund is to invest in growing French SMEs.

## One million views for the La Banque Postale web series

The first three episodes of the new La Banque Postale web series "What people say" notched up one million views. Its original concept consists of staging those little everyday phrases to discuss, with humour and realism, banking topics through what people say.

## An original initiative against banking exclusion

La Banque Postale is the only bank that is part of the "Initiative against banking exclusion" think tank, which now has eleven large charity organisations and social players.

## "L'Appui" a scheme to provide financial and budgeting support

When setting up "L'Appui", a platform providing advice and guidance on banking and budgeting issues, La Banque Postale has accomplished a major innovation in supporting customers in financial difficulties (see Page 38).



# KEY FINANCIAL FIGURES

## Net Banking Income

€5.539 billion,  
up 5.7% on 2012

## Long-term rating

Standard & Poor's  
(November 12<sup>th</sup> 2013) **A** (stable outlook)

Fitch  
(July 24<sup>th</sup> 2013) **A+** (stable outlook)

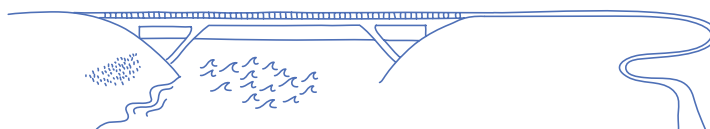
## Activity (in millions of euros)

	2012	2013
Consolidated net banking income	5,241	5,539
Gross operating income	755	854
Net income Group share	574	579
Ratio Core Tier 1*	12.1%	11.4%

\*Core Tier 1 equity capital is calculated on the basis of Basel 2.5. It is defined as Basel 2.5 Tier 1 equity capital less hybrid capital eligible in Tier 1 and after the deductions from Tier 1 provided for in the CRD III Directive.

**For further information:** see the 2013 Registration Document on [www.labanquepostale.com](http://www.labanquepostale.com)

La Banque Postale finances  
all projects,  
big and small ones



## EMPLOYEE'S EMAIL



Being a banker means earning a living by helping improve the lives of fellow citizens. Every day, with my employees, we take more than 4,000 decisions on customer transactions so that they can manage their expenses while protecting their interests as well as ours.

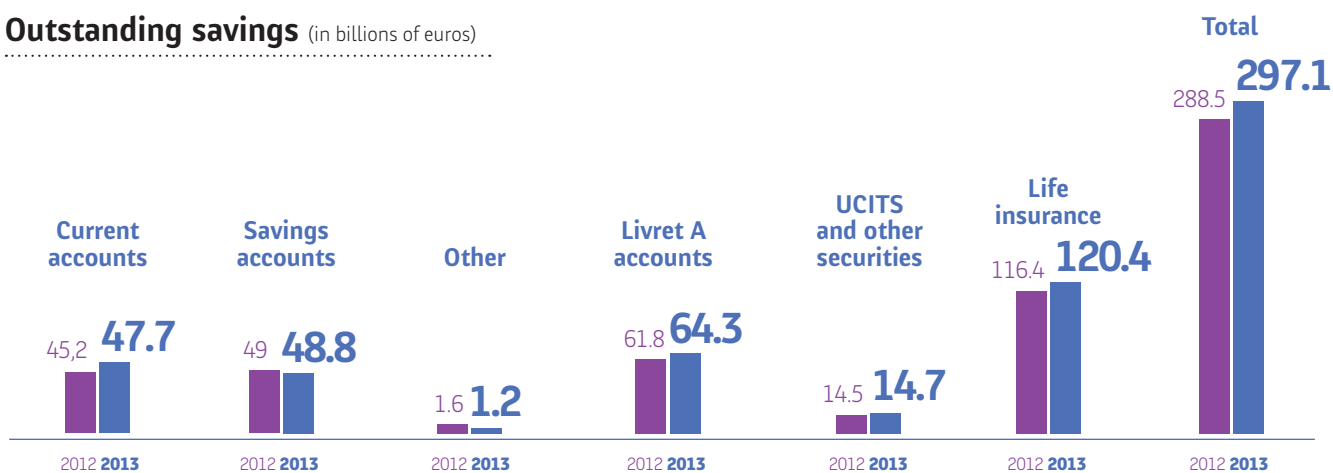
Xavier IAROVAY, Risk Manager - Marseille Financial Centre



## Outstanding loans (in billions of euros)



## Outstanding savings (in billions of euros)



# SUSTAINABLE DEVELOPMENT

## Home loans

8,900 social  
home ownership loans  
totalling €1 billion

## A responsible employer

La Banque Postale employs  
1,105 young  
people under work-study  
and apprenticeship contracts

## Responsible asset management

€91 billion in assets  
under management incorporated  
under ESG principles, i.e. 65%  
of total assets under management

## Gender mix

In 2013,  
55.4%  
of managers and 33.3%  
of Executive Committee  
members were women

## Consumer loans

330  
customers in financial  
difficulty were taken in  
charge by the Support Unit

## Environmental protection

Carbon footprint:  
32,445  
tons of CO<sub>2</sub> equivalent  
(i.e. 5% less than in 2012)

## Micro-loans

26  
new agreements signed.  
The number of micro-loans  
granted rose 65.5% compared  
to 2012.

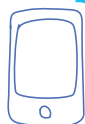
➡ La Banque Postale is founded  
on an effective,  
responsible development model

# OMNI-CHANNEL

5.6 million  
meetings with Advisers



592  
million contacts  
with remote banking  
(telephone, internet  
and mobile internet)



70,000  
customers have signed up  
to La Banque Postale Chez Soi



Omni-channel,  
means you can switch from one  
channel to another without losing service



168  
million transactions  
conducted at Post  
office counters



520  
transactions (withdrawals,  
account enquiries, etc.)  
conducted via ATMs



La Banque  
Postale  
on social  
media

65,502   
fans on the Bank's  
Facebook and

108,676 on the page  
dedicated to the under 25

3,100   
followers on Twitter

And also:  
YouTube  
Daily Motion  
Google +





# GOVERNANCE OF LA BANQUE POSTALE

FROM ITS INCEPTION, LA BANQUE POSTALE HAS ADOPTED GOVERNANCE PRINCIPLES IN LINE WITH BEST PRACTICE AND WITH ITS STATUS AS A PUBLIC COMPANY.

## Administration and control of the Company

**The Executive Board** defines the strategy and operational policy of the La Banque Postale Group. It ensures that activities are coherent and convergent and ensures compliance with the legal and regulatory provisions. It reports regularly to the Supervisory Board on the Banks' results, development projects and strategy.

**The Supervisory Board** exercises ongoing control over the management of the Bank through the Executive Board. It discusses the Bank's major strategic objectives and ensures that they are implemented.

## Composition of administrative and oversight bodies

**The Supervisory Board** is chaired by Philippe Wahl, the Chairman and CEO of La Poste. It has 15 members. Seven members have executive positions within the La Poste Group, three are independent and five others are elected by the employees, representing one third of the Board, in accordance with the provisions of the Law on public sector democratisation. Members of the Supervisory Board are elected for a term of five years. The State has also appointed a Government commissioner to La Banque Postale under the general interest remit entrusted to it. The Secretary of the Works council also attends Board meetings.

The Supervisory Board has set up three special-purpose committees to help it in its work:

- the Audit Committee;
- the Strategy Committee;
- the Appointments & Remuneration Committee.

Until October 15<sup>th</sup> 2013, **the Executive Board** comprised Philippe Wahl, Chairman, Marc Batave, General Secretary, and Yves Brassart, Director of Finance and Strategy. Following the resignation of Philippe Wahl (after his appointment as Chairman and Chief Executive Officer of the La Poste Group), it now comprises Rémy Weber, Chairman, Marc Batave and Yves Brassart.



## Committees

The internal governance of La Banque Postale is regulated by meetings of the Board, of the Operations Committee (COMOP), of the Executive Committee (COMEX), of the Board of Directors (CODIR) and the six committees chaired by Board members:

- the Strategic marketing committee;
- the Asset and liabilities management committee (ALM);
- the Group risk committee;
- the Information systems strategy and major projects committee;
- the Internal control coordination and ethics committee;
- the Group capital management committee;

*\* The Viénot and Bouton reports and the Afep/Medef code.*



## Supervisory Board members

### Members with executive positions within the La Poste Group:

- **Philippe Wahl**, Chairman of the Supervisory Board of La Banque Postale, Chairman and Chief Executive Officer
- **Marc-André Feffer**, Vice-Chairman of the Supervisory Board of La Banque Postale; Deputy Chief Executive Officer of the La Poste Group in charge of development strategy, international and legal affairs, and regulation; Chairman of the Board of Directors of Poste Immo;
- La Poste, represented by **Georges Lefebvre**, Managing Director of the La Poste Group responsible for Group Cohesion and Unity;
- **Nathalie Andrieux**, Deputy Chief Executive Officer, Head of Digital Technology of the La Poste Group and Chairwoman of MediaPost Communication;
- **Didier Brune**, Director of Regulation for the La Poste Group;
- **Xavier Girre**, Deputy Chief Executive Officer of the La Poste Group; Chief Financial Officer of the La Poste Group;
- **Bernard Haurie**, Director of Strategy, Forecasting and Innovation for the La Poste Group.

### Independent members:

- **Christiane Marcellier**, Executive Director of a consultancy firm specialising in mergers and acquisitions;
- **Sylvain de Forges**, Deputy Chief Executive Officer of AG2R LA MONDIALE;
- **Didier Ribadeau-Dumas**, Company manager.

### Members representing employees:

- **Jean-Robert Larangé**, Head of Banking Services of Multi-Channel Distribution, nominated by CFDT;
- **Steeve Maigne**, Head of Quality RBR greater Paris region, nominated by SNB/CFE-CGC;
- **Maryvonne Michelet**, Legal affairs, nominated by CFDT;
- **Françoise Paget-Bitch**, Mediterranean Banking Operations Controller, nominated by FO;
- **Hélène Wolff**, Head of Quality Assurance, nominated by CFDT.

*All data correct as at 3 February 2014.*

## OPERATIONAL COMMITTEE

THE OPERATIONAL COMMITTEE IS THE STEERING BODY FOR LA BANQUE POSTALE.  
IT SUPPORTS THE EXECUTIVE BOARD, PARTICULARLY IN TERMS OF MARKETING INITIATIVES.



**Rémy Weber**

Chairman of the Executive Board of La Banque Postale



**Philippe Bajou**

Managing Director of the Retail Brand La Poste



**Marc Batave**

Executive Board member,  
General secretary



**Anne-Laure Bourn**

Head of operations



**Yves Brassart**

Executive Board member,  
Head of finance and strategy



**Catherine Charrier-Leflaive**

Head of human resources



**Didier Moaté**

Head of Retail banking



**Patrick Renouvin**

Head of information systems



**Daniel Roy**

Head of the Asset management  
and Wealth Management Units



As at February 1<sup>st</sup> 2014

## Executive Committee

The Executive Committee is a forum for communication on the company's key messages and marketing and distribution news. It monitors the progress of major structural projects and handles sustainable development policy. Chaired by Rémy Weber, it is made up of members of the Operational Committee, plus:

**Serge Bayard**

Head of Business and Regional Development

**François Géronde**

Group Chief Risk Officer

**Chantal Lory**

Chairperson of the Executive Board of La Banque Postale Asset Management

**Florence Lustman**

General inspector

**Stéphane Magnan**

Head of financial operations

**Marie-Frédérique Naud**

Deputy Director of Retail Banking

**Dominique**

**Rouquayrol de Boisse**

Head of Legal affairs

**Pierre-Manuel Sroczynski**

Head of Compliance and permanent control Department

**Danielle Wajsbrot**

Head of the insurance unit

## The Board of Directors

The Board of Directors is a forum for exchanging information and views, namely on the Bank's major policies, on the state of progress of projects, the budget and results. The Board currently consists of all the members of the Executive Committee, plus the Regional Bank's Representatives (RBR):

**Jean-Paul Barré**

RBR - West, overseas departments

**Gilbert Doré**

RBR - North-East

**Danièle Faivre**

RBR - South and South-West

**Catherine Garnier-Amouroux**

RBR - Centre-East

**André Taboni**

RBR - Mediterranean, Corsica

**Bernard de Marnhac**, Secretary, is the Secretary to the Committees and manages the social life of La Banque Postale and its subsidiaries.

# LA BANQUE POSTALE AND ITS SUBSIDIARIES

SINCE ITS INCEPTION IN 2006, LA BANQUE POSTALE HAS BROUGHT TOGETHER EXPERTS IN MANY DIFFERENT FIELDS, INCLUDING RETAIL BANKING, INSURANCE AND ASSET MANAGEMENT. WE ARE NOW A FULLY FLEDGED RETAIL BANK. A SOCIALLY RESPONSIBLE BANK, WE DESIGN USEFUL SOLUTIONS TO SERVE ONE AND ALL AND WHICH MEET THE MAJOR ECONOMIC AND SOCIETAL CHALLENGES.



LE GROUPE LA POSTE

Shareholder of La Banque Postale

## ASSET MANAGEMENT

La Banque Postale Asset Management
La Banque Postale Structured Asset Management
La Banque Postale Gestion Privée
Ciloger
Tocqueville Finance
XAnge Private Equity

## RETAIL BANKING



BPE	La Banque Postale Financement
La Banque Postale Collectivités Locales	La Banque Postale Crédit Entreprises
La Banque Postale Immobilier Conseil	EasyBourse
Transactis	Titres cadeaux

## INSURANCE

La Banque Postale Prévoyance
La Banque Postale Assurances IARD
La Banque Postale Assurance Santé
La Banque Postale Conseil en Assurances



# EVERYONE IS INVOLVED IN CUSTOMER SATISFACTION

WHETHER WORKING ON THE FRONT-LINE, IN ADVISORY SERVICES, IN SALES, ETC. LA BANQUE POSTALE HAS THREE TYPES OF PLAYERS THAT ARE ESSENTIAL ON A DAILY BASIS IN TERMS OF CONTACT WITH CUSTOMERS. EMPLOYEES, WORKERS IN LA POSTE FINANCIAL SERVICES, AND THE TEAMS WORKING FOR THE LA POSTE RETAIL BRAND.

## FACE TO FACE RELATIONS

Advisers  
working  
in post offices

Post office  
managers

Multi-skilled  
counter staff

Advisors  
in business centres



## AND REMOTE COMMUNICATION

Customer Service Managers  
in the Bank's financial centres  
and subsidiaries

Distance advisors working  
within La Banque Postale  
Chez Soi

Advisors of the remote  
banking service

SUPPORT, MIDDLE AND  
BACK-OFFICE FUNCTIONS

## EMPLOYEE'S EMAIL



At the centre of all our business  
lines: YOU, the customer.

Sylvain MANCUSO,  
Calas Financial Adviser

Supporting individual customers  
Serving corporate customers

Hello,  
my name is Alban.

I WORK IN LA BANQUE  
POSTALE'S DEPARTMENT



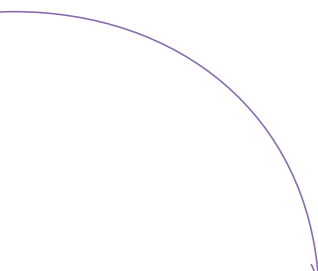
## **OF HUMAN RESOURCES**

FOR THE BUSINESS,  
SOCIAL ECONOMY  
AND LOCAL PUBLIC  
SECTOR ACTIVITIES.




**Alban Couprie**, HR Manager  
in the Department of Businesses  
and Regional Development





My priority is  
enabling each employee  
to develop through  
qualifying and motivating  
career paths.

That is also the priority of  
La Banque Postale, that wants  
to become a reference bank  
for these activities.



# THE EMPLOYEES

LA BANQUE POSTALE'S DEVELOPMENT AND ITS COMMITMENT TO BEING  
"A CIVIC-MINDED BANK REST ON ITS EMPLOYEES". CONCERNED ABOUT EVERYONE,  
LA BANQUE POSTALE IS KEEN TO GIVE THEM THE RESOURCES TO SUCCEED,  
THROUGHOUT THEIR CAREER, WITH ONE OBJECTIVE: THE QUALITY OF SERVICE  
DELIVERED TO CUSTOMERS.

P. 24 **GIVING EVERYONE ALL THE RESOURCES TO SUCCEED •**

P. 30 **EMPLOYEE EMAILS**

# EMPLOYEES: GIVING EVERYONE ALL THE RESOURCES TO SUCCEED

THE MEN AND WOMEN OF LA BANQUE POSTALE ARE AT THE HEART OF ITS STRATEGY. THE BANK BASES ITS HUMAN RESOURCES POLICY ON THE JOINT CONSTRUCTION OF COMBINED CAREER PATHS, MANAGERIAL DEVELOPMENT AND THE RECRUITMENT OF NEW TALENT. A RESPONSIBLE EMPLOYER, LA BANQUE POSTALE CARES ABOUT ALL ITS EMPLOYEES AND GIVES THEM THE RESOURCES TO DEVELOP WITHIN A MULTI-BUSINESS GROUP.

## Putting into practice the commitments of the Great Dialogue

2013 was the year of implementing the commitments made at the end of the Great Dialogue, which was conducted in 2012. The Department of Human Resources was very active in work organisation, career development, health and well-being at work. Many actions conducted in 2013 originated in the work-site meet-ings conducted by La Poste Group, based on the Quality of Life at Work agreement signed on January 22<sup>nd</sup> 2013.

### The time for implementation

In a period of changes required for its development, the Bank implemented a change support method that gives a major place to communication about the projects, analysis of the change and its impact on teams, listening to employees and a social dialogue relying on two essential values: transparency and discussion. Alongside the 46 Career Development Advisers already in place, 133 local HR staff have been appointed and

trained. Their role is to listen, advise and provide daily support for all employees and managers. The challenge is to strengthen and personalise the relationship with each employee in order to contribute to the well-being of all.

One specific position is dedicated to treating complex individual situations in the Financial Services of La Poste and at the Bank. Supporting the managers and the local HR teams is a matter

## INNOVATION STORIES

From March to May 2013

### The Group's strategic plan, a novel participatory process

To develop its strategic plan, La Poste Group deployed a joint construction approach that was novel in its scope, combining all post office workers, union organisations, shareholders and members of the Board of Directors, as well as local elected representatives and consumer associations. La Banque Postale distinguished itself by its high rate of participation in this consultation, which brought together more than 150,000 employees from Group business lines and subsidiaries. 15,800 employees of La Banque Postale group participated in particular in more than 3,000 workshops, which gave rise to 6,000 ideas.

80%

of La Banque Postale Group employees were involved in this process.



#### Quality of life at work

For La Banque Postale, supporting employees' career plans is a way of increasing employment security and guaranteeing quality of life at work.



of finding solutions case by case for each person concerned - career or geographic mobility, individualised support - and monitoring their implementation. An effort to support line management, particularly important, was also undertaken with 200 managers, who received a two-day training course (i.e. in total 32,200 hours), focused on postures for listening, communication, sharing meaning and cooperation.

## Developing skills and employability

### The same training for everyone

To meet the challenge of the same training for everyone, La Banque Postale selected a qualitative approach by offering a one-day training course to each employee, accessible to everyone. The objective of this training course is to develop a core of key skills aimed at increasing everyone's employability. All stakeholders mobilised in 2013 to offer over 10,000 training places in a dedicated catalogue, in addition to training-related actions, including more than 2,000 on strengthening the banking culture.

**89%**

FINANCIAL CENTRE  
EMPLOYEES RECEIVED  
AT LEAST ONE DAY'S  
TRAINING IN 2013.



## INNOVATION STORIES

## The Bank trains its Advisers in remote communication



To support the deployment of the 100% remote branches of La Banque Postale Chez Soi, the Bank set up a specific training system for the job of Remote Adviser. The sessions, adapted to each person's career path, concerned advice techniques, the supply of products and services, work experiences in the various departments in customer relationships, and mastering new technologies: chat, videoconferencing, email. In all, 3,920 hours of training were dispensed, i.e. 28 days per employee.

**+330**

employees were trained to provide better quality service to customers.

## What motivated us

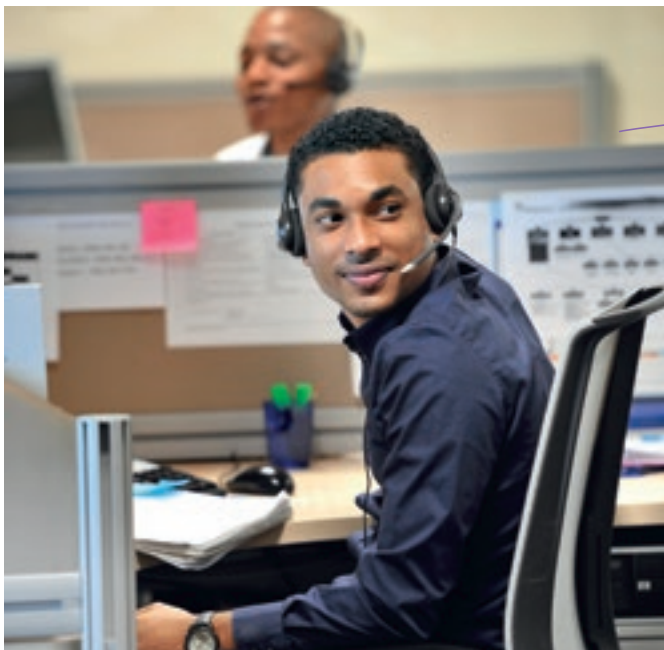
“It's exciting to participate in the deployment of a project like La Banque Postale Chez Soi.”

**Kérina Boukechiche**, Centre Manager in La Banque Postale Chez Soi in Toulouse



It's always very exciting to participate in the development of a project such as La Banque Postale Chez Soi which meets customers' new expectations. The training programme for Banking Advisers who come from post offices is mainly focused

on phone management of the customer. As for the Development Managers, they are trained on modules concerning supply, such as complex savings, the Stock Exchange, life insurance, etc. Working as a team is also essential: success can only be collective.



### New positions

La Banque, which already had a great variety of business lines, is creating new positions such as those of Remote Banking Adviser or Account Manager on the local authorities market. These positions support the company's development and strategy.

### Commercial performance and risk management

In order to support its commercial drive, La Banque Postale invests each year in the skills development of the banking advice staff. Very specific attention is paid to positions in Customer Services and Development. The induction system for new Customer Services employees in the Financial Centres\* has been overhauled, benefiting 275 persons. In parallel, the 200 Customer Skills Development Leaders did a training programme throughout 2013, in order to help the Customer Service Managers become more professional in the work situation.

In addition, 1,000 people were trained in service quality attitudes under the Spirit of Service project. Finally, a new educational procedure was implemented to train banking staff in business ethics (see box p.28), as was a programme for positions in compliance and risk management.

*\*Entities responsible for the front, middle and back-office, which cover 13,500 employees.*

### Enriching career paths

Career development holds a central place in La Banque Postale's human resource policy. To enable everyone to prepare for the changes, to develop and benefit from enriching career paths, the company is developing inter-entity bridges and appropriate support systems (training, horizontal skills core, etc.).

The Career Development Advisers and Career Managers are local staff on whom employees and managers can rely. In indi-

**3,600**  
EMPLOYEES HAVE  
CHANGED JOBS,  
INCLUDING 450 IN  
COMBINED CAREER  
PATHS BETWEEN  
THE RETAIL BRAND,  
LA BANQUE AND  
FINANCIAL SERVICES.

vidual interviews and group actions, they support career development plans, looking at individual profiles and desires, and the development of the company's requirements, business lines and organisation. Over 8,800 support interviews were carried out by the 46 Career Development Advisers in 2013, with a 25% increase in advanced career development interviews.

### Enlarging the range of opportunities

The development of La Banque Postale is accompanied by the creation of new occupations that enable new career prospects and thus enrich career paths with additional possibilities: Remote Banking Advisers, Advisers specialising in the financing of the social home ownership scheme, Property Advisers and managers, Account Managers for the local authorities and businesses market, or else positions dedicated to banking and budget support for Bank customers in financial difficulty.







## Expertise

La Banque Postale is approached by foreign post offices and postal banks or international donors to share its experience in conducting projects, and its expertise and know-how in training and technical assistance. It has a pool of experts who intervene with financial operators around the world. In 2013, 13 of them led missions, from New Caledonia to Gabon and Argentina.

The variety of positions within the Bank, Financial Services, the Retail Brand and the La Poste Group is a source of opportunities for everyone: 45 intra- and inter-business line career paths have been identified and mapped in order to increase the visibility of career development possibilities.

## Increasing managerial expertise

To achieve its strategic ambitions and adapt to a changing market environment, La Banque Postale must be able to count on effective and coherent managerial action, able to mobilise all employees. From 2012 to June 2013, the company initiated a vast programme with 2,300 managers from the Bank, its subsidiaries and Financial Services. It was based on the sharing of managerial values and on the acquisition of a core of common skills in communicating, cooperating, mobilising and managing change. Capitalising on the programme's impetus, the Department of Human Resources has begun to motivate the managerial community with two ambitions: innovation and horizontality. Since the end of 2013, actions around strategic communication, cooperation and leadership have been proposed to 550 managers of managers.

## EMPLOYEE'S EMAIL



**La Courneuve, Biarritz, Pointe-à-Pitre: the same reception, same care, same services, same prices.**

Gonzague PERCIE DU SERT, lawyer specialising in banking law

## ➡ A responsible bank

# Active participation in **Career Development Week**

From October 7<sup>th</sup> to 11<sup>th</sup> 2013, La Banque Postale participated in Career Development Week, organised for the first time by the La Poste Group throughout France, for all employees of the Group and its subsidiaries. In all, nearly 850 events, such as talks and stories, forums, site visits, practical workshops on writing CVs or cover letters, gave everyone the opportunity to reflect on and discuss the theme of job mobility. 3,000 employees took part in the career guidance workshops.

471

workshops,  
158 site visits,  
157 forums and  
45 talks filled  
this first Career  
Development Week.



### Integrating new talent

In 2013, the Department of Responsible Development and Youth Employment was created within the Department of Human Resources. Among other things, it recruits, manages and monitors interns and trainees, "emplois d'avenir" (employment opportunities supported by the French Government) for the Bank, as well as relationships with partner schools. Both managers and young people now have a dedicated contact person who assists them in defining their needs and in the recruiting process, ensuring that students are integrated into their teams and that the mission goes smoothly.

**1,105**  
INTERNS  
WELCOMED.

On December 31<sup>st</sup> 2013, 1,105 interns were present in La Banque Postale group and its bank marketing line in post offices. They are on apprenticeship or occupational contracts, at levels ranging from Bac+1 to Bac+5 (first to fifth year of tertiary education), for a duration of one to two years. In 2013, 241 employees were hired permanently following a block release training contract.

### Promoting ethical behaviour

True to its values of providing local services to the largest number of people, La Banque Postale is committed to promoting ethical and responsible behaviour by its employees. As such, all employees are trained in business ethics as soon as they take up their duties and throughout their professional career.

A 50-minute film designed for newcomers to the Bank, both in the Financial Centres and the Retail Brand post offices, covers the basic rules of business ethics relating to knowledge of customers, duty to advise, conflicts of interest, confidentiality, banking secrecy (read also the Responsible Bank box), etc. It was

shown to 350 senior executives of the La Poste Group at the strategic conference in September 2013 and to 180 La Banque Postale employees in October and November.

### A responsible employer pact

Since it was established, La Banque Postale has built a pact as a socially responsible employer. The rich social dialogue, initiated since the establishment of the Bank, continued in 2013 with all the employee representative bodies. It is reflected in the three agreements signed within the Economic and Social Unit of La Banque Postale: the agreement on salary adjustments and the employer contribution to employee savings plans in January, the amendment to the profit-sharing agreement of the La Banque Postale group in June, and the Gender Equality agreement and Generation Contract in September. The La Banque Postale subsidiaries (La Banque Postale Financement, La Banque Postale Assurances IARD and La Banque Postale Asset Management) also concluded their agreement on the Generation Contract. Finally, the Quality of Life at Work agreement of the La Poste Group, including teleworking, was declined within the Financial Services.

### Disability: integration and recruitment

In 2013, La Banque Postale and Financial Services recruited 11 employees with a disability and carried out nearly 500 job retention actions. One of the innovative approaches is to establish in the Financial Centres two referral agents and experts on updating workstations for all their blind and partially sighted colleagues.

### ➡ A responsible bank

## The Bank is developing an ethical culture

In 2013, La Banque Postale trained its teams in business ethics: 225 employees by the Bank ethicist; 273 employees from the IT Department of Financial Services and the Retail Brand (DISFE) via an e-learning module; 548 staff members in Financial Centres. Additional work on prevention and management of conflicts of interest were finalised.

**1,046**

La Banque Postale staff trained in business ethics in 2013.

## Confirming the commitment to diversity

On September 30<sup>th</sup> 2013, La Banque Postale signed a renewal of the Gender Equality and Generation Contract agreement for three years. This agreement gives all company players, both employees and managers, the means to promote the values of La Banque Postale and its civic commitment with regard to diversity and gender equality. It guarantees respect for the principle of equal opportunity at every stage of employees' working lives, promotes youth and senior employment and encourages intergenerational skill transfer. In addition, AFNOR has renewed the Diversity Label awarded to La Poste Group for four years.

## An Employment of Disabled Persons Week full of initiatives

During Employment of Disabled Persons Week, La Banque Postale took part in the internet HandiChat and Recruitment Forum run by ADAPT. It also invited four customer non-profit associations working in disability to present their activities to the employees, organised a round table on the theme "Disability also goes with Success", and put on a small play to raise awareness among employees of the integration into the company of persons with a disability. The Financial Centres conducted numerous actions such as the forums "Support for Differences" in Lille or "Invisible Disabilities" in Limoges, and recreational workshops to raise awareness of visual disabilities in Paris.



## ➡ A responsible bank

## Encouraging staff to **volunteer** their skills

La Banque Postale encourages civic commitment by its employees through volunteering their skills to persons in financial difficulty. In terms of banking education, for example, since 2012 it has arranged budget education workshops with the local Missions network for young people in financial difficulty. Facilitated in 2013 by employees of the La Poste Group, these workshops cover budget management, how to use a bank account, how to use credit and how to save.

+ 100

young people attended these workshops between September and December 2013.

“ I had a good discussion with the young people.”

**Maryse Rouch**, Retail Brand employee in Haute-Garonne

I am happy to conduct a budget workshop as the young people are very motivated, attentive and curious. For example, the first module, based on a

"cicada-ant" quiz, shows how to recognise essential expenses and those that can be reduced. I had a good discussion with the young people.

## EMPLOYEE'S EMAIL



**At the HR service centres, our customers are our colleagues: they are not files, but men and women who are all different, to whom we have a duty to show attention, a spirit of service, professionalism and fairness.**

**It is my daily commitment, true to the civic values of our Bank.**

Geneviève BRECHAT, HR Specialist Technician –  
Dijon Financial Centre

## Success with students

A survey, carried out with student trainees and interns in the Bank during the summer of 2013, showed that 91% of them consider that the job experience in the company enabled them to acquire new skills and 84% consider this experience as a real asset for their CV.



### Business ethics

The project I am proud of is document compliance, which responds to our ethical values and the intention to be a great bank.

Hakim REZZOUG, Customer Service Manager – Courbevoie



### Innovation

My job is to do things so that every day our customers give me back a positive image of a civic-minded bank! By proposing appropriate, innovative and serious solutions, I respond to their expectations in practical terms. That's what I am proud of!

Nadia DJOHLAL, Customer Development Officer – Grenoble Financial Centre



### Enthusiasm

What I like in my job as Career Development Adviser is putting my enthusiasm at the service of each person, to ensure their career plan succeeds. I am very proud when the result is positive: it's proof that the time we have spent together has enabled the employee to become

a real actor in his plan, strongly motivated and trusting in his talents to succeed. What I particularly appreciate is being able to contribute to supporting change in our organisations through an individualised approach made up of listening, understanding and advice in order to make progress in and enjoy work.

Laurence BIGUENET, Career Development Adviser – Dijon Financial Centre



### Passion for the job

The purpose of Customer Service that I communicate to my team is: "satisfying customers beyond their expectations". That requires passion for the job, being face to face and a positive attitude!

Thierry GUDEFIN, Customer Service Team Leader – Lyon Financial Centre

And you,  
**what**  
**motivates**  
**you**  
in daily life?





### Trust

**The strength of our action originates in the trust and satisfaction of our customers. All together, we can do more each day.**

Christophe GUILLY, *Customer Risk Manager – Dijon Financial Centre*



### Usefulness

**My job as IT Expert on the IT network of La Banque Postale is to replace “loss of direction”, due to the geographic distance between employees, with the immediacy of videoconferencing (vision), prompt delivery of emails and good quality telephone communication (words).**

**Like La Banque Postale for its customers, its IT network must remain useful for its employees.**

Christophe LACOSTE, *Information Technology Expert – Gradignan*



### Spirit of service

**The project that I am proud of is the shift away from paper documents, which responds to our ecological and sustainable development values. It is also the fact of being a social and civic-minded Bank, close to our customers’ daily lives.**

Sabine JOLY, *Financial Adviser – Courbevoie-Marceau Branch*

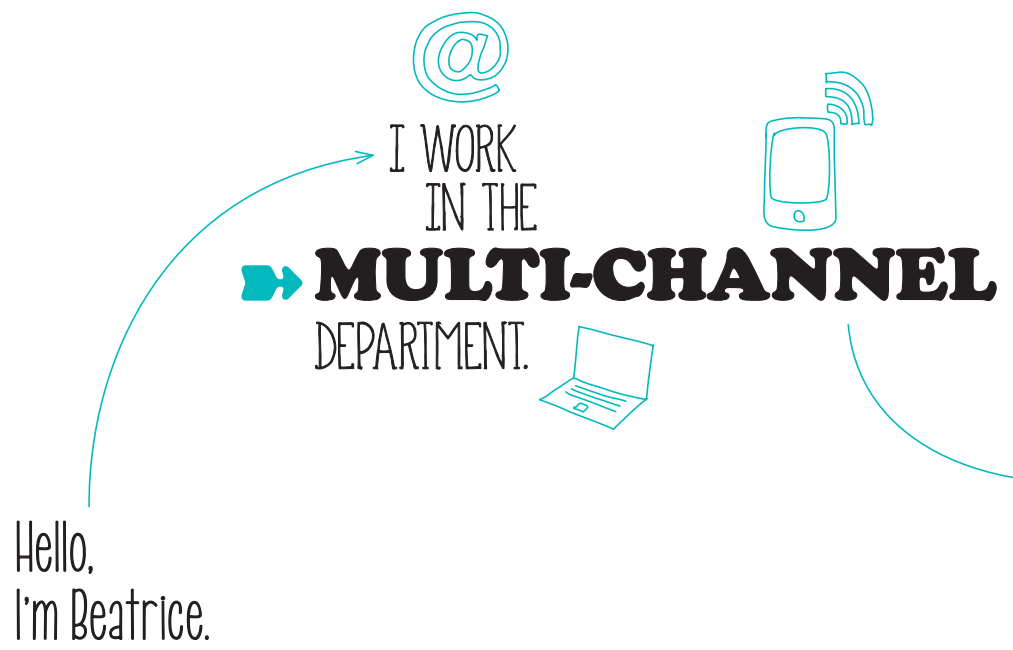


### Mutual assistance

**I became the godmother of Envol in 2012. This summer I had the good luck to accompany the students to Beaumont Camp, in the north-east of England, for a week. During the various discussions with these young teenagers, I get an idea of their ability to excel, to adapt, to help each other, and their kindness. I am very proud of the trust placed in me to accompany them, to help them become aware of their values, and to become adults. That’s what I was keen to share with everyone.**

Bernadette PREUD-HOMME, *OFSEP/Quality Manager – Ajaccio Financial Centre*

FROM 16 DECEMBER,  
LA BANQUE POSTALE  
EMPLOYEES HAVE  
CONTRIBUTED TO THE 2013  
ANNUAL REPORT, SHARING  
THE VISION OF THEIR POSITION  
THROUGH “POSTS” OF A FEW  
LINES. THE WINNING STORIES  
CAN BE READ IN THIS DOUBLE  
PAGE AND THROUGHOUT  
THE REPORT...



**Béatrice Carcel**, La Banque Postale  
Chez Soi Channel Manager, Department  
of Multi-channel Distribution within  
the Department of Retail Banking.

I often hear:

**"I want to be able  
to contact my Bank,  
where I want, when  
I want, without any fuss."**



La Banque Postale is deploying  
its remote branches  
so that each customer  
can experience the bank  
**as desired.**



# THE BUSINESS ACTIVITY

AS A USEFUL BANK, LA BANQUE POSTALE OFFERS ITS CUSTOMERS A RANGE OF BANKING AND INSURANCE PRODUCTS AND SERVICES BASED ON SIMPLICITY, ACCESSIBILITY AND TRANSPARENCY, AT THE RIGHT PRICE. IT MAINTAINS WITH EACH PERSON A SUSTAINABLE RELATIONSHIP, THAT HAS LONG BEEN BASED ON ADVICE AND TRUST.

*P. 34* **INDIVIDUALS: A RANGE AS INVENTIVE AS ITS USES •**

*P. 42* **BUSINESS AND REGIONS: OFFERING LEVERS FOR DEVELOPMENT**

# INDIVIDUALS: A RANGE AS INVENTIVE AS ITS USES

TO MEET THE GREAT DIVERSITY OF EXPECTATIONS OF ITS INDIVIDUAL CUSTOMERS –YOUNG PEOPLE, FAMILIES, SENIORS, CUSTOMERS IN DIFFICULTY OR WITH HIGH NET WORTH –LA BANQUE POSTALE CONTINUED TO EXPAND ITS SUPPLY OF PRODUCTS AND SERVICES IN 2013. IT IS DEVELOPING ITS OMNISCANAL SYSTEM MORE THAN EVER TO ANTICIPATE CHANGING USE

## Managing your account

In post offices, by telephone or internet, La Banque Postale offers its customers a group of services: the Account Formula. Made up of banking products essential for day-to-day account management, it can be customised according to each person's requirements and financial situation. At the end of 2013, 7.1million customers had already taken it up.

La Banque Postale completed the migration of all its individual customer accounts to the Single Euro Payment Area (SEPA) system, which totally replaces national transfers and withdrawals from February 1<sup>st</sup> 2014. This system allows payments to be made by transfers or withdrawals in all European countries, under the same clearance and rate terms as in France.

Finally, service quality is a priority. The clearance time for cheques has been reduced thanks to the use of cheque deposit scanners at the end of 2013; 4,500 post offices are equipped with them.

**3** EXCELLENCE LABELS  
AWARDED BY LES DOSSIERS DE  
L'ÉPARGNE FOR BANK SERVICES  
FOR YOUNG PEOPLE, STANDARD  
AND HIGH-RANGE GROUPS.

range of cards on the market. In total, 7.4 million La Banque Postale customers had a bank card at the end of 2013. To make the offering simpler and clearer, La Banque Postale retained Visa as its main issuing network. Begun in 2013, the bank card migration will be completed at the end of 2014.

## Controlled overdraft management

The bank revolving credit with its Extension option now covers 41,700 customers holding a postal cheque account (CCP) with an authorised overdraft. An innovation on the market, this additional overdraft – at an attractive rate – is useful when occasional needs arise for cash or to cover unexpected expenses. When the overdraft is exceeded, the Extension option automatically supplies the CCP by transfer from the revolving credit, with the customer informed either by SMS or email.

## A bank card for everyone

Holding the accounts for nearly one protected adult in three in France, La Banque Postale is the first French bank to offer them a prepaid and rechargeable bank card. Launched in 2013, Protectys is a Visa card, which allows appropriate budget management for customers placed under guardianship or supervision by their legal representative. Easy to apply for, it offers a personal use limit and an alert system. This card won a prize at the Prepaid Awards. Furthermore, in November 2013,



the Bank started marketing very high range cards for high-net-worth customers: Platinum and Infinite. It is the second institution in France to offer the Visa Platinum card and made it available throughout the country in January 2014.

From prepaid cards (gift card, Regliss card, prepaid card, Protectys card) to Visa Infinite cards, La Banque Postale now has one of the most complete

## ➡ A responsible bank

## The **ESG** check list covers all the new products

To routinely take environmental, social and governance (ESG) criteria into account in designing and distributing its services, and in supporting customers, La Banque Postale has used a tool since 2009 which sets out its founding values according to 19 criteria (advice ethics, transparency, simplicity, clarity, etc.). It has trained its product managers in the use of this check list and, from now on, all new products and services offered will be subject to these extra-financial criteria.



# LA BANQUE POSTALE, WHERE YOU WANT IT, AS YOU WANT IT!

## 10,000 POST OFFICES

A local relationship  
throughout the country



In 2013, the Retail Brand implemented a type of Customer Service Area (ESC) concept, taking into account space constraints in offices with a layout too confined for such an area. In these integral ESC (ESCI) offices, banking transactions are done at all islands, and the automatic teller machines have extended functions. This concept allows better customer management, in particular by releasing post office counter staff from transactions with no added value. At the end of 2013, 1,659 ESC offices, including over 100 ESCI offices, were established. Finally, as a test, three offices (SAS Express Urbains) offer an automatic teller machine space open for extended hours. The Adviser portfolios have been redeployed to improve customer management. Using post office counter staff to sell savings products (LA, LDD, Livret Jeune) is being tested.

## 36 39\*

Remote communication  
on a daily basis



This single number received 25.3 million calls in 2013. Indeed, the 3,500 Customer Service Managers in the Financial Centres, as well as the specialised platforms for credit, insurance and health, answer customer questions about all the products and services of La Banque Postale or its subsidiaries: account management, savings, taking out consumer loans, personal risk, general insurance, health insurance, home loans. They also make appointments for customers with their advisers at the post offices. Automatic account consultation is also available via 36 39\*.

\* €0.15 per minute (including tax), may be subject to a surcharge, depending on the operator.

## LANDLINE AND MOBILE INTERNET

Remote communication  
24 hours a day, 7 days a week



1.1 million customers connect each day to their customer area on [labanquepostale.fr](http://labanquepostale.fr), including 25% via their mobile phone. This channel is now used mostly for consulting accounts (72%) and single transfer transactions (85%). The possibilities for applying on line were extended in 2013: ramp-ups in the card range, Account Formulas, four personal risk products, prepaid cards and card recharges.

## LA BANQUE POSTALE CHEZ SOI

100% remote  
branch



*Chez Soi*

At the end of 2013, 70,000 customers had chosen the 100% remote relationship provided by La Banque Postale Chez Soi, which had extended its organisation (five branches). About 100 advisers support them in carrying out and following up their projects, and in daily account management. Through a dedicated number, callback via internet and conversations on safe and instant email, they are available from 8 a.m. to 8 p.m. Monday to Friday, and from 9 a.m. to 5 p.m. Saturday, excluding public holidays.

87%

of customers are very satisfied  
with the Adviser's capacity  
to suggest products and services  
appropriate to their needs.

94%

of customers are very  
satisfied and satisfied  
with the remote banking  
services by internet.

2.5 million

That's the number  
of emails processed  
by the Financial  
Centres.

(Source: 2013 internal barometer based on 7,520 customers.)



**Special for  
young workers**

Nearly 1.2 million young people trust La Banque Postale, which gives them preferential rates, such as a 50% reduction on the 18-25 years Account Formula.

## Special for young workers

### Property projects: strong demand

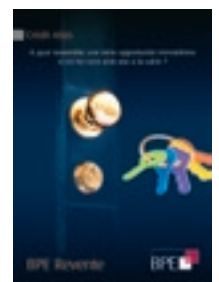
While the historically low rates support property transactions and a high demand for buybacks from the competition or renegotiation of existing loans, La Banque Postale continues to support its customers in their objectives: 78,000 property projects were financed by the Bank for an amount of €9.2 billion in home loans granted by the end of 2013, (i.e. +33% versus 2012). Keen to improve their satisfaction, the Bank strengthened its omni-channel system for initiating contact: 9,500 Banking Advisers and nearly 700 Advisers specialising in real estate listen to and support customers at each stage of arranging the finance for their property purchase, in the post offices and through the remote access services. In particular, the specialised real estate platform, based in Clermont-Ferrand, manages the qualification and discovery of property projects

### EMPLOYEE'S EMAIL

**"We can finance you": for my customers, this sentence is their dream come true, it's their house they can buy. At such times, I am proud of my job.**

Julia LLORET, **Banking Adviser in Neuves-Maisons**

coming from 36 39 and the internet. In 2013, La Banque Postale continued deployment of its home loan processing software, which optimises the quality and speed of processing for applications. 23 business apportionment regional centres have been operational since the end of August 2013. 11% of the property loans granted at the end of December 2013, were done through the business apportionment branch. This strong contribution relies on the sustained development of broker intermediation and on introducing a transaction tracking tool and commercial relationships with the business providers, in order to guarantee better quality service to customers. With its recognised experience in property financing, BPE developed an offering of asset-backed loans with appropriate (even complex) arrangements for the requirements of individuals and asset holding companies (SCI, SAS, holding company, etc.). BPE's expert Advisers support their customers, from the design of the project until its completion.



### A stronger social home ownership scheme

In order to encourage home ownership by customers with moderate incomes, La Banque Postale is strengthening its support system and undertakes to offer them a set of appropriate and safe financing solutions in partnership with the social housing stakeholders. In 2013, it established a platform dedicated to the social home ownership scheme, and a network of 29 Advisers on subsidised lending for home ownership in order to support all the social housing agencies and builders of private homes. 74 partners from the housing world (HLM, CIL, etc.) used the platform at the end of December 2013. La Banque Postale holds third place among French banks for distribution of the *Prêt à l'Accession Sociale* (PAS - social home ownership loan) launched in October 2012, with a market share of 13.2% in 2013 (Source: SGFGAS).

### A responsible consumer credit service

A subsidiary dedicated to consumer credit, La Banque Postale Financement offers a range of redeemable loans –personal loans (vehicle, works, projects), credit repurchase, youth loans (students, apprentices, permitted at 1 euro per day), offering dedicated to temporary workers. The amounts outstanding increased by 28.2% (€0.7 billion), reaching a level of €3.4 billion. The credit repurchase represented 24% of production. This solution of current loan consolidation (revolving credit, personal loans and property loans up to a limit of 60% of the total amount financed) allows customers to rebalance their budgets. From €1,500 to €75,000 over 12 to 144 months, credit repurchase is accessible

in post offices and on 36 39 (€0.15 per minute (including tax), may be subject to a surcharge, depending on the operator). Moreover, 2013 confirmed the good customer response to the revolving credit offer, that has been tested nationally since December 2012. On the dividing line between the overdraft and the personal loan, the revolving credit can be used to deal with unexpected expenses and can finance projects for small amounts. Clear, educational and transparent, the service includes three repayment speeds –including one that is accelerated, 30% quicker than the legal obligation –an annual budget update offered to all customers and a specific support offered to those who might get into financial difficulty during the life of the contract. Meeting customer needs, nearly 72,600 contracts were entered into at the end of 2013, for an overall outstanding amount of €59 million.



For further information: watch the video “Crédit immobilier: les conditions pour investir en 2014” on [www.labanquepostale.com](http://www.labanquepostale.com)



## Customer satisfaction

At La Banque Postale, the tailored advice, the quality of the products and the careful listening are essential in supporting life plans. Such careful attention is rewarded, as 94% of customers recommend La Banque Postale for its consumer loans.

(Source: Satisfaction barometer, January 2013.)

On September 17<sup>th</sup> 2013.

## La Banque Postale launches Paylib to facilitate online payment



To make payments to e-traders simpler and safer, La Banque Postale has launched a new online payment solution in partnership with two other banks.

With Paylib, the customer does not have to provide his bank card data, which is kept and managed solely by his online bank. Using an innovative customer authentication application on smartphone, this new payment service is also safe in m-commerce. Paylib will soon be available on the main e-commerce sites.



# 83%

of people asked by Ifop in August 2013 consider Paylib as a good alternative to existing internet payment systems.

## Tested and adopted

“I’ve discovered Paylib. It’s very simple to use: I no longer need to enter my bank card number for each purchase.”

**François Lompre**, Paylib customer and La Banque Postale employee



As I was able to choose my login and password, I know them by heart. I can therefore use Paylib anywhere and without my bank card. I pay very quickly without having to get out anything but my

phone, and the purchases can be checked directly on my bank statement. I have already ordered train tickets and bought a gift on a private sales website. I do my shopping quickly, easily and it is completely safe.



For further information: consult the “Innovation” section on [www.labanquepostale.com](http://www.labanquepostale.com)



### Everybody Is Involved

Since 2007, La Banque Postale Prévoyance has sponsored the "Personal risk - Dependence Barometer", carried out by TNS Sofres, on the perceptions and attitudes of French people aged from 35 to 75 years on the dependence of elderly persons.

## Support and prevention

La Banque Postale is committed to acting against financial exclusion. Support for customers in financial difficulty is written into its strategic plan and it works each day to facilitate access to quality banking services for everyone. With the launch of the think-tank, "Initiative against Banking Exclusion", and then "L'Appui" in 2013, it reaffirms its place as a civic-minded bank.

### "L'Appui", a major innovation serving customers in difficulty

In creating "L'Appui" in November 2013 –an advisory banking and budget guidance platform accessible by the customer via a unique toll-free number –La Banque Postale has introduced a major innovation in support of customers in financial difficulty. This launch follows the creation one year ago of "the Initiative against banking exclusion", a think-tank that brought together, besides La Banque Postale, the Adie, ATD Quart Monde, Crésus, the French Red Cross, La Banque Postale, Restos du Cœur, Secours Catholique, Secours Populaire and the National Union of Community Centres for Social Action (UNCCAS). The Salvation Army, Emmaüs France and Habitat et Humanisme joined the "Initiative" think-tank in 2013.

"L'Appui" has a dual mission: on the one hand, assisting customers of La Banque Postale experiencing one-off or recurring financial difficulties, and, on the other hand, preventing difficult financial situations. "L'Appui" is a banking information and guidance platform.

After examining the customer's budget, the platform Advisers assess what remains to live on, in order to detect any non-conferred rights and identify any cases of bad or excess debt. They are then in a position to offer the customer, where applicable, an introduction to partners, associations or voluntary social stakeholders, to facilitate access to rights or favourable rates, and to CMP Banque and Crésus, for situations of bad or excess debt. Finally, the platform will, under certain conditions, provide access to offers for customers in need, developed by the Action Tank Entreprise et Pauvreté (Malin, Mobiliz, Optique solidaire programmes).

### ➡ A responsible bank

## La Banque Postale promotes personal and business micro-loans

To prevent excess debt, La Banque Postale has, since 2007, offered a personal micro-loan in partnership with local non-profit associations (*Secours Catholique*, UDAF, French Red Cross, *Restos du Cœur*, etc.). These associations are responsible for identifying and supporting the projects of individuals in a situation of banking exclusion as a result of their poor solvency. Since June 2012, La Banque Postale has also offered business micro-loans in partnership with Adie. The aim is to help unemployed people with no access to bank loans to set up a business, particularly in sensitive urban areas.

65.5%

is the increase in the number of micro-loans granted in 2013 compared with 2012.



For further information: watch the video  
"Créer sa boîte avec le microcrédit de l'Adie"  
on [www.labanquepostale.com](http://www.labanquepostale.com)

**11** ADVISERS  
TRAINED IN BUDGET  
ANALYSIS RUN THE  
"L'APPUI" PLATFORM.



## Saving and investing

In 2013, the strong partiality of the French for cash savings was confirmed. The new rise in the Livret A cap on January 1<sup>st</sup> 2013 facilitated collection at the beginning of the year with a strong collection in the first four months: €2.2 billion on Livret A and €447 million on the Livret de Développement Durable, i.e. respectively 15.1 and 7.4% of the market's collection over this period.

In the current context of low rates and with a PEL that remains attractive at 2.5%, La Banque Postale collected €640 million at the end of 2013. Regular savings account funds reached €71.5 billion by the end of 2013.

## Life insurance, still a key investment

La Banque Postale, which advises its customers, depending on their projects, to balance their savings between short and long term, offers a wide range of life insurance with CNP Assurances. The Vivaccio contract is accessible from €75 and the Solésio retirement range is made up of four separate contracts, including Solésio PREFON Retraite for civil servants and similar, and the Solésio PERP Horizon and Solésio PERP Évolution solutions.



The top life insurance contract on the market for its gross collection in 2012 and 2011, Cachemire, which is aimed at well-off customers, again won the Golden Trophy of the magazine *Le Revenu* in 2013.

In 2013, life insurance remained at the centre of the recommendations of La Banque Postale. Its revenue amounted to €8.9 billion, down to 8.2% compared to 2012. In parallel, services dropped slightly. Net collection remained positive at €50 million. The weight of account units grew strongly with a rate of 10.6%. The structured funds managed by La Banque Postale Structured Asset Management realised, in particular, a gross collection of €550 million in 2013.



### Development

EasyBourse, the online brokering platform of La Banque Postale, exceeded the threshold of 10,000 customers at the end of 2013.



## An asset management expertise strengthened by the acquisition of BPE



By combining its management companies with their varied and complementary expertise, La Banque Postale offers a comprehensive answer to the issues of its high-net-worth customers. Its expert advisers in asset management receive continuous training on changes in the sector in order to be able to give customers day-to-day support.

With the Group's acquisition of the asset management bank BPE in 2013, high-net-worth customers receive additional local expertise along with an extended range of products and services, combining credit and savings management and responding to the most complex situations.

## EMPLOYEE'S EMAIL



Seeing a range of customers each day, giving them the best advice, depending on their needs, concerns and expenses, makes my job a complete calling to help our customers. We have a "civic-minded" job. This social side fascinates me and motivates me each day.

Sabine JOLY, Financial Adviser – Courbevoie-Marceau Branch

### An extended range serving high-net-worth customers

Group subsidiaries contributed to the extension of this range with the launch of the first Duflot REIT: Ciloger Habitat 4, and that of the fund specialising in SMEs and intermediate-sized businesses: Tocqueville PME. Ciloger Habitat 4, an REIT for tax purposes covered by the Duflot scheme, was launched on July 18<sup>th</sup> 2013. This savings product allows high-net-worth

**The magazine *Mieux Vivre Votre Argent* awarded third place in the Corbeille d'Or to the range of mutual and investment funds managed by La Banque Postale Asset Management and Tocqueville Finance.**

customers with substantial financial resources to diversify their investments in housing rental real estate in the form of "bricks and mortar and property investment companies", all while receiving an income tax deduction. In 2013 the collection stood at €22 million. In 2013 La Banque Postale customers subscribed more than €500 million in discretionary asset

management, mainly through the Excelis life insurance policy – for over €400 million – but also through share accounts or PEAs. The assets under discretionary management by La Banque Postale Gestion Privée today exceed €2 billion, *i.e.* an increase of 30% compared to 2012. The UCITS (FCPI) managed by XAnge Private Equity carried out successful transfers of participating interests in 2013, in particular for the Neolane cross-channel marketing platform at Adobe.

### Planning ahead and providing protection

Protecting one's family and property is an essential concern. La Banque Postale provides a complete package of general insurance, health insurance and personal risk insurance, with ranges at the right price, based on simplicity, transparency and interdependence.

### Effective and enhanced general insurance

In 2013 La Banque Postale Assurances IARD extended its provision of general insurance by launching pocket products. The extension of cover, which covers the main household electrical, audiovisual and information technology appliances in the event of breakdown, has also been offered as a home multi-risk option since April. Insurance for portable devices (mobile phones, tablets, etc.) protects most portable devices of household members, in the event of theft or accidental damage outside the home. These two policies,

### ➡ A responsible bank

## Asset management subsidiaries federated around responsible investment

In August 2013, La Banque Postale Gestion Privée signed the United Nations Principles for Responsible Investment (PRI). All signatories to these commitments from now on, La Banque Postale's asset management subsidiaries have continued gradually to integrate the ESG criteria into their management. They pool their extrafinancial analyses within a Responsible Asset Management Committee created in 2013. Furthermore, this year again, Novethic awarded the ISR Label to the five funds of the "*Investir Autrement*" range managed by La Banque Postale Asset Management.

€91

billion in funds was managed integrating ESG criteria at the end of 2013, *i.e.* 65% of the total funds.



For further information: watch the video "*Les fonds ISR*" on [www.labanquepostale.com](http://www.labanquepostale.com)





### Omni-channel

Asking for a quote by telephone, additional information at the post offices, and taking out insurance online is now possible. For their supplementary health insurance, Bank customers also receive specialised telephone assistance in health customer relations centres.

offered for €9 per month, cover all household members. La Banque Postale Assurances IARD had 863,000 insurance contracts in its portfolio at the end of 2013. It recorded growth of 20% in terms of pro-duction.

### Health insurance: simple packages, suited to each person's needs

In 2013, 55,000 contracts were taken out with La Banque Postale Assurances Santé. La Banque Postale Assurances Santé completed its range with a policy for young people going abroad. Launched in July 2013, it is aimed at children aged 12 to 18 for stays from one week to one month, and

at students, aged from 18 to 30, for renewable stays from one week to 12 months. Like all La Banque Postale health insurance, this responsible policy provides essential cover: repayment from the first euro spent, coverage with no costs in advance in the event of hospital

admission for over 24 hours, assistance, civil liability, and a specific insurance examination for students. As for seniors, a study conducted by Profideo on the 25 largest stakeholders in the market selected La Banque Postale Assurances Santé's Senior contract as offering the best value for money. At the beginning of 2014, access to the Senior policy was extended to persons aged from 76 to 80.

**90%**

CUSTOMERS OF  
LA BANQUE POSTALE  
ASSURANCES IARD WHO  
MADE A CLAIM ARE SATISFIED  
WITH ITS MANAGEMENT.

(Source: Satisfaction barometer with  
customers who made a claim from  
February to September 2013.)

## INNOVATION STORIES

April and October 2013

**Digishoot**  
rewarded!



The mobile application Digishoot, for quick claim management, launched in 2012 by La Banque Postale Assurances IARD, has received four prizes: in April 2013, the Argus d'Or de l'Assurance, category "Most remarkable initiative in customer relations management"; in October, the Trophée d'Or at the Insurance trophies; the Palme de l'Innovation at the Palmes de la Relation Clients, category "Customer experience"; and the Top Com d'Argent at the Top Com Consumer Awards, section "Digital".

 **Digishoot**

### Contingency insurance: a strong business

In an extremely dynamic market, La Banque Postale Prévoyance answers the concerns of all those who wish to protect themselves, and also those close to them, their projects and their assets. It offers them a complete range of individual policies to cover the risks in daily life: personal accidents, loss of independence and death, etc. In 2013, more than 425,000 individual contracts were taken out, taking the portfolio of La Banque Postale personal risk insurance to 2.7 million contracts. Prévalys, the policy covering personal accidents, met the concerns in particular of 85,000 new policy holders, and *Les Dossiers de l'Epargne* once again singled out La Banque Postale contingency insurance with five Excellence Labels in 2013.



For further information watch the video "*Complémentaire santé : La Banque Postale joue la carte de la transparence*" on [www.labanquepostale.com](http://www.labanquepostale.com)



# BUSINESS AND REGIONS: OFFERING LEVERS FOR DEVELOPMENT

A TRUSTED BANKING PARTNER, LA BANQUE POSTALE OFFERS SIMPLE, USEFUL AND RESPONSIBLE PRODUCTS. A REGIONAL DEVELOPMENT BANK, IT ACTIVELY SERVES BUSINESSES, SOCIAL HOUSING LANDLORDS, MUTUAL INSURANCE COMPANIES, NON-PROFIT ASSOCIATIONS, LOCAL AUTHORITIES AND HOSPITALS. IT SUPPORTS THEIR DESIRE TO DO BUSINESS AND THEIR PROJECTS, WHILE LOOKING AFTER THEIR DAY-TO-DAY BANK TRANSACTIONS.

A bank for everyone, La Banque Postale has, since its establishment, extended its offering to individuals and, more recently, to corporations, in particular with a range of financing.

It has gradually obtained the resources to become a key player in the development of the regions and thus to support the real economy. True to its commitments and its public service values, La Banque Postale supports its customers by offering them a now complete range made up of simple, useful and responsible products for managing

cash flows, investments, electronic banking and social engineering. Its financing offer in 2013 met with keen success in all its markets.

**La Banque Postale uses French savings for national economic development.**

Nearly 110,000 businesses and professionals, two social housing landlords out of three, nearly one non-profit association in three, two mutual insurance companies out of three and nearly 3,000 local authorities already trust it. Backed up by its public share-ownership and its nationwide network, La Banque Postale offers them a set of dedicated solutions to assist them in fulfilling their mission.

## Enhanced internet services for corporate customers

The customer transaction area of The La Banque Postale's website includes new ergonomic features. It makes the services offered to corporations more visible. Customers can now manage their cash and cash equivalents more effectively thanks to a detailed view of future debit/credit transactions. All the Online Bank tools have been brought into compliance with the Single Euro Payments Area (SEPA) standard, and the increased security systems allow transactions to be carried out with optimal risk control. By the end of 2013, 80,000 corporate customers had chosen the online Bank, i.e. 15% more than in 2012. The website portal was overhauled to facilitate access to the corporate customer area which in 2013 counted 800,000 visits per month on average.



## A local Bank

To be as close as possible to the regions, La Banque Postale has taken part in many exhibitions and congresses. It has set up a Guidance Committee on the Public Sector, open to local stakeholders, and published several studies on local finance in partnership with local authorities.





### Personal welcome

La Banque Postale offers its corporate customers a personal welcome throughout the country with 22 Business Centres.

## Accompanying businesses and professionals

A historic stakeholder in the provision of cash flow services and cash and cash equivalent management for businesses and professionals, La Banque Postale bases its relationship with these customers on its values of local availability, accessibility and trust. By meeting the essential requirements of business and professional customers now by simple and appropriate offers, La Banque Postale enables these customers to manage their businesses with equanimity.

### Loans for everyone: from corporate customers to professionals

The range of financing offered by La Banque Postale to corporations covers both substantial financing transactions for large businesses and micro-loans for professionals. The equipment lease financing offer, by La Banque Postale Crédit Entreprises, a wholly owned subsidiary of La Banque Postale, matured in 2013. It now represents a key development vehicle for the overall relationship of La Banque Postale with its customers.



In accordance with the forecasts, more than 2,000 equipment leasing contracts were signed in 2013.

Property leasing, launched in 2012, grew solidly in 2013, and financed projects for hotels, offices, business parks and building complexes, for a total amount of nearly €240 million. The initial offer was supplemented by a mortgage solution. With a reputation for its good commercial

results, La Banque Postale Crédit Entreprises is also known for its technical expertise in arranging complex and iconic operations for corporate customers, such as CDC and Orange.

### A financing range that is growing

In 2013 La Banque Postale launched a factoring service designed in partnership with Crédit Mutuel-CIC Factor, and carried out its first operations.

It established a team dedicated to the more complex financing requirements of its business, local authority and institutional customers. This team, basically focused on financing plant and equipment assets, carried out about ten of these operations in 2013.





### Performance and trust

As partner of large businesses and institutions, La Banque Postale offers a wide range of solutions jointly developed with its customers.

## ➔ Customer relations

**250 corporate accounts** are personally monitored by a dedicated team of contact people, specialising by sector.

**18,000 very small, small and medium-sized business customers** are followed up face to face by specialised Business Advisers in 22 Business Centres in metropolitan France and its overseas departments. Local very small business and professional customers are received and informed in 10,000 post offices, but also referred to the Remote Branch, responsible for advising them and starting the processing of loan applications. 11,000 very small business/professional customers have thus joined the Remote Branch portfolio.

## The Remote Branch ramps up its activity

Serving La Banque Postale's local professional customers – very small businesses, professionals and non-profit associations – the Remote Branch also takes over from post offices and the website to advise them and provide simple products (business Visa card, means of payment insurance, Livret A accounts for non-profit associations). Now run by around 50 Customer

**20,000**

MONTHLY CALLS  
HANDLED BY THE REMOTE  
BRANCH, ONE THIRD  
OF WHICH ARE  
OUTGOING CALLS.

Service Managers and Remote Advisers, it had a first year full of activity in 2013, after being developed in 2012.

Today the Remote Branch has a full place in the omni-channel system serving very small businesses, professionals and

local non-profit associations. There has been a sharp rise in its use. In 2013, the Remote Advisers formed a personal relationship with the customers, whose calls increased by 60% compared with 2012.

## A consolidated position with corporate customers

Present with large businesses and institutions, La Banque Postale has dedicated to these customers a team responsible for ensuring coordination of the overall relationship. To date, more than 250 large businesses and institutions already trust it as an innovative banking partner, expert on its business lines, and providing high quality performance.

During the 2013 financial year, La Banque Postale consolidated its positions on processing means of payment, particularly on behalf of those with large billing operations, the energy companies and telecom operators. It also contributed to financing the activities and projects of large businesses and large institutions by developing its loan portfolio, which totalled €3.3 billion at December 31<sup>st</sup> 2013. La Banque Postale prepared the SEPA migration of its corporate customers, which were supported by a dedicated team to facilitate the move to the new standards. For corporate customers, La Banque Postale also offers a specific range of UCITS, open or dedicated on all the major asset classes, and open-ended property funds, specially developed for them. This offer was strengthened in 2013 by

## EMPLOYEE'S EMAIL



**It's because we serve our individual, professional and institutional customers that we remain a civic-minded Bank. Here, trust is shared.**

Florian TABARLY, Financial Adviser –  
Villenouvelle Montauban post office

a debt fund with infrastructure and property subfunds, which La Banque Postale Asset Management (LBPAM) was among the first management companies to launch. This operation helped raise €500 million from French institutional customers. In 2013 LBPAM also launched on the market LBPAM 12-18 months, a bond and debt securities fund denominated in euros which supplements the existing range of dynamic money market funds (LBPAM Eonia 3-6 months and LBPAM 6-12 months), with a minimum 12 months investment.

**Very present in calls for tenders, LBPAM was entrusted with €1.7 million in discretionary asset management and dedicated funds by its corporate customers in 2013.**

## Supporting the activity of very small businesses and professionals

This year, La Banque Postale increased equipment for its new very small business and professional customers, 25% of whom are now equipped with four account management products. The formula "Essentiel de La Banque Postale", developed to facilitate the day-to-day activity of very small businesses and professionals, comprises a professional current account, a cheque book, a business Visa card, means of payment insurance and internet account access. In addition, 65% of new very small businesses and professional customers have also taken up the online Bank offer and 30% a business Visa card.



“ We started a partnership, under the sign of dynamism. ”

**Henry de SAINT LEGER**, *Chairman of the Executive Board of CarGo*

CarGo is a long-term and short-term vehicle leasing company. Our fleet numbers 4,000 vehicles, managed by 400 branches throughout France. We worked with La Banque Postale as we had to increase our automotive fleet. La Banque Postale knew how to respond to our development with its vehicle financing offer. We started a partnership, under the sign of dynamism, which should develop further in 2014.

“ La Banque Postale knew how to listen to us. ”

**Monique Piffaut**, *Chairperson and Chief Executive Officer of Financière Turenne Lafayette*

The Financière Turenne Lafayette group called on La Banque Postale to finance projects such as production lines in our Madrange plants, furnaces and production equipment. We were thus able to appreciate the speedy response by La Banque Postale Crédit Entreprises. La Banque Postale showed us it knew how to listen, which enabled us to set up an equipment-leasing finance line that was flexible and effective.



### Supporting the social economy in the heart of the regions

Non-profit associations, mutual insurance companies and social protection agencies form an ecosystem that supports social ties. The dynamism of their actions is part of the attraction of the regions, while also creating activity and jobs. La Banque Postale offers all these stakeholders in the social economy, to which it is close, dedicated solutions to help them fulfil their missions. Historically a partner of the non-profit world, La Banque Postale has built up over a long period a natural and sustainable relationship with 310,000 non-profit associations. This close relationship with almost one third of the market is based on a strong community of values: solidarity, accessibility, support. It was built up thanks to the network of 10,000 post offices.

#### Ramping up the relationship with local non-profit associations

To better equip the local non-profit associations, in 2013, La Banque Postale launched two new grouped services for them: Adispo Asso Classic and Adispo Asso Intégral, simple and appropriate services for the needs of local non-profit associations, at one of the most competitive rates on the market. In parallel, it redefined the routes in post offices and renovated its computer tools so as to better serve these non-profit associations. The marketing line also benefited from a training plan oriented to receiving and advising non-profit associations in post offices.

#### A complete offering, dedicated to the managers of non-profit associations

In 2013, La Banque Postale increased its network of specialist Advisers, trained to meet the expectations of management associations as regards cash flow, investments, social engineering and financing. Today there are 35 Advisers responsible for receiving

### ➡ A responsible bank

#### Support for great causes

In 2013, La Banque Postale passed on calls for donations from the Red Cross, the Telethon and the Paris Hospitals-Gold Coins, appealing to the generosity of its customers. It also conducted an exceptional operation with the Red Cross on behalf of the victims of the Haiyan typhoon in the Philippines, which in particular enabled the reconstruction phase to start, thanks to the distribution of tools kits for building shelters.

€ 190 612.80

That's the amount of the cheque delivered to the Red Cross on 9 December 2013, following the Haiyan typhoon, thanks to the generosity of the Bank's customers and employees.

and advising these customers in the Business Centres of La Banque Postale, with the support of national leaders and experts on products for non-profit association customers. In order to support all the projects of large non-profit associations, La Banque Postale has supplemented its service. To meet their requirements for short-term investment, it has increased its savings solutions with a range of term deposits. Its financing solutions have been fleshed out by equipment and property leasing, as well as with medium- to long-term loans.



#### Everyone is concerned

The historical relationship of La Banque Postale with the multi-industry mutual insurance companies and the civil service relies on shared values of solidarity.

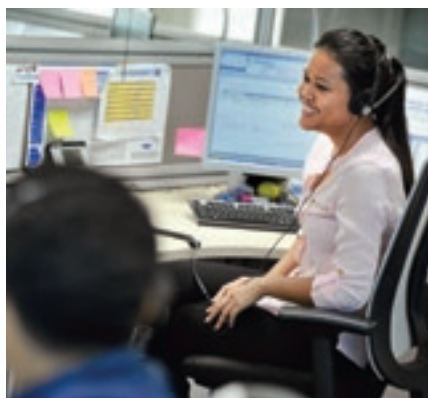
#### EMPLOYEE'S EMAIL



Being a civic-minded bank also means protecting customers by making bank advice compliant and transparent.

Bérénice BAYSSE, Inspector - Finance, Markets and Insurance Centre





## ➡ Customer relations

### **10,000 management associations**

are supported face to face by specialist Advisers in the Business Centres.

### **300,000 local non-profit associations**

are serviced by post offices and the Remote Branch.

In 2013, La Banque Postale continued to support the major national causes by providing charities customers with an online donation collection tool on [labanquepostale.fr](http://labanquepostale.fr) (see *Responsible Bank box opposite*).

## **Launch of a mutual insurance company and social welfare chain**

Because mutual insurance companies and social welfare companies carry out their activity in a very specific regulatory framework – Mutual Insurance System Code, Social Security Code, Insurance Code, French National Multi-industry Agreement, etc. – La Banque Postale created on January 1<sup>st</sup> 2013 a



mutual insurance and social welfare chain to meet the specific expertise of this sector and support its relative weight in the national economy. Throughout the country, ten employees are now local experts who offer this chain of tailored business solutions, investment ranges and financing offers. La Banque Postale is thus supporting two out of three mutual insurance companies in their essential

missions: on the one hand, collecting contributions and paying rebates to members, on the other hand, securing their cash and cash equivalents and their reserve funds.

## **A sustained effort to finance the health and social welfare sector**

In 2013, La Banque Postale particularly supported the short-term financing requirements of the retirement funds with €1 billion granted in short-term loans. It is now developing the financing of the health and social welfare sector throughout the country. A civic-minded bank, La Banque Postale collaborates with the mutual insurance companies on major structural projects in the health world. It will participate in programmes, such as the development of health centres,

which involve both the mutual insurance companies and the hospital sector.

## **Promoting the social and solidarity economy (ESS)**

After having participated in 2012 in discussions conducted as part of the Social and Solidarity Economy Month, La Banque Postale is increasing its action with the CRESS in the regions. It is committing itself to-day by supporting the events around the ESS, both nationally and locally (colloquiums, debates, forums on employment). The Bank has also initiated, with the CNCRES\*, a partnership with the objective of contributing together to the development and recognition of the social and solidarity economy in the regions.

\* Conseil national des chambres régionales de l'économie sociale (National Council of Regional Chambers of the Social Economy).



For further information: read our article "*La Banque Postale, partenaire du mois de l'économie sociale et solidaire*" on [labanquepostale.com](http://labanquepostale.com)

“The relationship between Orphéopolis and La Banque Postale goes well beyond banking services.”

**Stéphane Boutelière**, Chairman of OMPN-a/Orphéopolis

The National Police Mutualist Orphanage-Assistance (OMPN-a), called “Orphéopolis”, provides moral, material and financial support to 2,300 orphans of police officers. By supporting them at home or within children’s villages until they start work, it develops deep and lasting ties. La Banque Postale’s values of solidarity fit totally with our project. We trust La Banque Postale for investments and processing our cash flows. But our partnership goes as far as conducting joint social actions from time to time.

### Supporting the local public sector and regional development

The ambition of La Banque Postale is to become the reference bank as regards financing and banking services for local authorities, social housing stakeholders, local institutions and public

**€6**

BILLION  
COMMITTED IN 2013  
BY LA BANQUE POSTALE  
TO FINANCE THE  
LOCAL PUBLIC SECTOR.

health institutions. In 2013, the service is being fully deployed, with in particular medium- to long-term credit solutions that the Bank marketed to local authorities and public health institutions, and from the second half of the year, to local public enter-

prises. During this year, investment by local authorities was maintained (+1.7%), despite a fall of 1.2% in their gross savings.

#### Local contact and advice

The Guidance Committee on the Local Public Sector, which La Banque Postale established at the end of 2012 and in which public figures –elected representatives, national civil servants and university staff– are involved, carries out prospects, observation and alert assignments, which allow the Bank to check whether the services it provides match the requirements of local authorities. In accordance with its commitments, La Banque Postale actively positions itself with the local public sector, publishing studies on local finances and reports on the economic climate. These publications analyse the major points of financial equilibrium

and the developments in the municipalities and groups in 2013, and, based on the results of a survey conducted by the Association of French Mayors, draw up a table of prospects for the next term of office.

#### Supporting social housing landlords and tenants

Two-thirds of social housing landlords have chosen an offering of La Banque Postale, which covers all their current banking needs: cash flow management, investments, financing and social engineering. The service is provided by Account Managers specialising in the regional social housing sector. It responds to all the issues of customers, regardless of their status, their core businesses and their particular regional features. €800 million in short-, medium- and long-term commitments were made in 2013.

La Banque Postale is also aware of the requirements of HLM tenants. To simplify their life, it has designed simple and safe solutions for payment of their rent: withdrawals, transfers, interbank payment orders, cash with the Eficash service in post offices, or else bank card by telephone with Scellius Vocal. These services make the collection activity for social housing landlords flexible and safe. Also committed to access to social home ownership, La Banque Postale launched a financing offering for HLM bodies, in the form of PASL, operational since the end of 2013 (see Page 36).



#### Infrastructure

Thanks to its offer of short-, medium- and long-term credit, La Banque Postale is financing infrastructure and development operations such as the Nantes or Strasbourg tramways.



## ➡ A responsible bank

### A new financing model serving the real economy

La Banque Postale is financing the real economy and supports regional development through a responsible approach to advice and risk. The service offered to local authorities is based on a new financing model that is clear, simple and transparent, made up of a cash line, a bridging loan and a medium- and long-term loan. These products are available to local authorities of all types and sizes, with a loan threshold of only €50,000.



For further information: download the studies produced by La Banque Postale concerning local finances on [labanquepostale.com](http://labanquepostale.com)

## Major stakeholder in financing local authorities

In 2013, La Banque Postale was one of the top financiers of local authorities and public health institutions. Responding to the banking credit crisis, it consolidated its short-term loan activity

**La Banque Postale is already one of the top financiers of local authorities and public health institutions in 2013 with 15 % of the market share.**

by doubling its production, with nearly €3 billion outstanding. Supporting local authorities in their investment projects, it developed its medium- and long-term loan activity, exceeding €3 billion in commitments at the end of 2013. Finally, the Bank expanded the accessibility of its service to small municipalities, public health institutions and local public enterprises,

and increased the scope of its range with the launch of bridging loans, loans with a mobilisation phase and variable rate loans transferable to fixed rates.

## An offering for public hospitals and the mixed economy

Keenly awaited by the public hospitals which suffered from the withdrawal of the banks in the midst of the financial crisis, La Banque Postale met a substantial demand for loans. It offered its first financing in July 2013, followed in September by 20-year loans, able to support the infrastructure projects of the public health institutions. The local public enterprises

(EPL)\* and semi-public companies (SEM) have major financing requirements in order to carry out their missions properly. La Banque Postale has met this need since July 2013 with its offer of short-, medium- and long-term loans.

*\*Local authority structures to manage any general interest activity: development, tourism, leisure, energy and transport, etc.*

## ➡ Customer relations

**The Advisers** dedicated to the local public sector can be contacted on +33 9 69 36 88 00, from 9.00 a.m. to 5.00 p.m. Monday to Friday, by email or by completing the online financing application at [www.labanquepostale.fr/collectivites.html](http://www.labanquepostale.fr/collectivites.html)

## EMPLOYEE'S EMAIL



**1817-2014: from the first money order to financing local authorities, 197 years have been spent serving the French people.**

Gonzague PERCIE DU SERT, lawyer specialising in banking law – postal cheque accounts and other banking products and services

I WORK IN THE DEPARTMENT  
OF **FINANCIAL**  
➡ **OPERATIONS.**



Hello,  
I am Dominique.



---

**Dominique Heckel,**  
**Long-term Refinancing Manager**  
**in the Department of Financial**  
**Operations.**

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To increase its major role  
in financing **real estate**,  
La Banque Postale has  
issued €1 billion in bonds.

The operation was **oversubscribed**,  
thus highlighting the quality  
of the Bank's signature.

120 investors  
for an order book  
of €3 billion.

# FINANCIAL ITEMS

IN 2013, LA BANQUE POSTALE STEPPED UP ITS COMMERCIAL DEVELOPMENT.  
CARRIED BY ITS LOAN ACTIVITIES, IT RECORDED A GROWTH IN OPERATING PROFIT.  
IT RELIES ON A SOLID BALANCE SHEET AND A HIGH LEVEL OF SOLVENCY.

P. 52 **FINANCIAL MANAGEMENT** • P. 54 **OVERVIEW OF RESULTS** •  
P. 55 **BALANCE SHEET AND INCOME STATEMENT**

# A SOLID BALANCE SHEET STRUCTURE

LA BANQUE POSTALE'S DEVELOPMENT RESTS ON A SOLID BALANCE SHEET  
AND A FAVOURABLE LIQUIDITY POSITION.

## Accelerated development of commercial activities

The growth in amounts outstanding in loans and receivables to customers in 2013 represents €9.3 billion (+18.6%). It is mainly due to home loans and local public sector loans. The amounts outstanding in loans and receivables to customers represents €59.2 billion at the end of December 2013.

In liabilities, the outstanding amounts for customer transactions is also growing and amounted to €166.9 billion at the end of 2013, up by +3.5% over the year, drawn mainly from rises in outstanding amounts for Livret A accounts and demand deposits.

The "Loans to deposits" ratio stood at 67% at the end of 2013 (up by 8%), demonstrating the substantial difference between non-centralised customer assets and liabilities, which characterises the atypical balance sheet of La Banque Postale.

## Financial management implemented

La Banque Postale is pursuing the following objectives in its financial management:

- maintaining a liquidity surplus in the medium term;
- producing financial margins in line with the strategic objectives in terms of net banking income;
- mitigating margin volatility, in particular by limiting the sensitivity to interest rate fluctuations to which the Bank is exposed.

This financial management relies on determining the average maturities of the funds collected (savings, demand deposits), based on which the asset allocation is determined (average maturity authorised for commercial development, bond investments, level of centralisation). Although the majority of these funds are contractually "on demand" and theoretically payable at any time, these outstanding amounts remain on the balance sheet and prove relatively stable. At the end of the statistical analyses, deposits are broken down into two main parts:

- a volatile part invested for the short term in order to deal with customers' daily requirements;
- a stable part, that can be invested long term, once unfavourable scenarios on the macro-economic and/or commercial level are taken into account.

La Banque Postale continued its cautious management policy, using its liquidity surpluses for the development of commercial assets and investing in good quality counterparties through purchasing French or similar sovereign debt, eligible for repurchase agreements. It supplemented this arrangement with the issue of mortgage bonds through its refinancing vehicle: La Banque Postale Home Loan SFH.

## Financial assets

Financial assets amounted to €137.6 billion, up by €1 billion. These assets constitute one of the main categories in terms



of managed amounts, generated net banking income and risk management of the balance sheet, in rates and in liquidity. In 2013, the assets quality remained very high, and the proportion of securities noted as at least AA in the portfolio held to maturity increased from 88 to 93%. The amount outstanding for the investment portfolio held to maturity fell by €4.8 billion in one year.

Thus, excluding centralised resources with the Caisse des Dépôts et Consignations and deposits made to the Central Bank, the portfolio allocation breaks down as follows:

- one portfolio held to maturity, amounting to €32 billion, made up of very good quality bonds (mainly State securities or similars), recognised at the amortised cost and thus enabling mitigation of financial margin volatility;
- one portfolio available for sale, amounting to €11.8 billion, recognised at fair value by equity, following a strategic allocation based on analysis of the yield/risk ratio. This portfolio is made up of bonds (State or financial sector), as well as other classes of assets such as shares and stock market indices, alternative management or private equity;
- one portfolio of cash and cash equivalents for less than one year, amounting to €5.2 billion, recognised at fair value by result, which is secured at the residual fraction of the volatile part of the market deposits or financing, and allows management of the Bank's short-term liquidity. Part of the temporary liquidity surpluses is also managed through repurchase agreements.

## Financial liabilities

Financial liabilities amounted to €19.2 billion at the end of 2013, down by €1.3 billion compared with the end of 2012.

Short-term repurchase agreement activity made it possible to profit from the market liquidity of securities held in portfolio, to diversify financing sources and to support the start-up of new financing activities.

Since September 2013, La Banque Postale has acquired an additional means of refinancing itself over the long term (as well as the resources generated by certain customer deposits), and carried out its first issue of mortgage bonds. At the end of 2013, the amount outstanding for bonds issued by La Banque Postale was €1.12 billion.



## Hedging derivatives

A portfolio of interest rate swaps representing a notional value of €19.4 billion (up by €6.6 billion) enabled reduction of La Banque Postale's margin sensitivity.

Concerning long-term swaps beyond one year, their accounting classification (demand deposit hedging, cash flow hedging for financial assets and liabilities or hedging for loan interest rate risk) reduces the impact on the income statement of the variations in value of these instruments.

In the case of customer liabilities with no maturity date and deemed to be at a fixed rate, the hedges are based on a cautious analysis of customer behaviour, allowing outflow principles to be defined for the stable part of the outstanding amounts managed.

Fixed-rate financial assets and hedging instruments thus allow margins to be regulated and limit the impact of interest rate volatility on profit or loss. They contribute to overall management of interest rate risk.

# IN 2013, LA BANQUE POSTALE SHOWED SUSTAINED BUSINESS GROWTH, RESULTING IN INCREASED OPERATING PROFITS

**The consolidated net banking income (NBI) amounted to €5,539 million, up 5.7% compared to 2012.**

At constant scope excluding non recurring items<sup>(1)</sup> and the home savings provision, NBI increased by 2.7% compared to 2012, reflecting the Group's strong commercial results and despite an uncertain economic climate and a low interest rate environment.

**2013 was marked by a sharp rise in overall outstanding credit (+17.3% to €57.8 billion at the end of 2013).**

In the area of **retail banking**, La Banque Postale's ordinary savings deposits recorded an increase of over €8.6 billion to €297.1 billion, mainly driven by the success of the Livret A and LDD accounts following the raising of their ceilings in 2012.

**Insurance** recorded a 15.7% increase in NBI to €123 million, boosted by the launch of new business activities (property and general insurance, health insurance) and the good performance of individual contingency insurance.

**The asset management business** line showed good results, with net banking income up 11.9% to €134 million in an environment of lesser market uncertainty.

The Group's operating expenses totalled €4,685 million, increasing by 1.4% at constant scope and excluding nonrecurring items<sup>(2)</sup>.

This rise in operating expenses mainly stems from the cost of launching and developing new business activities, particularly the regional roll-out of local public sector financing support teams and the development of the consumer credits activity.

**The operating ratio improved by 0.9 point to 84.9%.**

The gross operating income totalled €854 million, increasing by 9.5% at constant scope and excluding non-recurring items<sup>(3)</sup>.

**The cost of risk** is stable compared to 2012. Reported to outstandings, the cost of risk decrease at 29 basis points compared to 33 basis points in 2012. Excluding the effect of the impairment on Greek securities in 2012, the cost of current risk has risen by €16 million due to a sharp increase in loans outstanding.

The share of income from equity associates in CNP increased by 13.4% to €200 million. The profit before tax has therefore risen (+14.8%) to €909 million.

After a 48.5% increase in tax, which amounted to €324 million, the net income, Group share stood at €579 million, rising 1% in comparison with 2012.

## Financial Structure

La Banque Postale's development rests on a solid balance sheet and a high solvency ratio: on December 31st 2013, **La Banque Postale's Core Tier 1 ratio (Basel 2.5)<sup>(4)</sup> stood at 11.4%**, after the capital increase of €228 million in December 2013<sup>(5)</sup>.

Following the issue of Tier 1 hybrid capital amounting to €800 million, the Tier 1 ratio of La Banque Postale stood at 13.2%.

**La Banque Postale showed a solid Basel 3 Common Equity Tier 1<sup>(6)</sup> ratio of 10.2% at the end of 2013.**

La Banque Postale's liquidity position remains highly favourable:

- the loan to deposit ratio remains favourable, at 67%<sup>(7)</sup> (59% in 2012), the rising by 0.8 point compared to 2012 is due to the gradual rebalancing of the balance sheet emked to the credit development;
- the LCR<sup>(8)</sup> stood at 152% at the end of December 2013.

During 2013, La Banque Postale worked to reduce its balance sheet's sensitivity to the exposure to sovereign debts of peripheral countries.

As such, between 2012 and 2013, direct exposure to PIIGS dropped sharply to €2,463 million, down 40.7%. There is no longer any direct exposure to the Greek and Portuguese sovereign debts on the balance sheet of La Banque Postale.

*(1) Scope effect and non-recurring items: BPE, LBPCL, LBPSFH, EIC fine (fine imposed by the Competition Authority for collusion to fix bank charges on cheque image exchanges involving 11 banks in 2010) and provision home savings.*

*(2) Scope effect and non-recurring items: BPE, LBPCL, LBPSFH, provision for penalty on the control of regulated savings products risk on the 2009-2011 period.*

*(3) Scope effect and non-recurring items: BPE, LBPCL, LBPSFH, EIC fine, provision home savings and provision for penalty on the control of regulated savings products risk.*

*(4) Basel 2.5 Core Tier 1 equity capital are defined as Basel 2.5 Tier 1 equity capital minus eligible Tier 1 hybrid capital and after applying deductions to Tier 1 provided for by the CRD III regulations.*

*(5) And the treatment of insurance under Basel 2.*

*(6) With application of the transitional rules and the provisions of the Danish compromise. The fully loaded CET1 ratio is estimated at 11.2%.*

*(7) The loan to deposit ratio for the Group is defined as the ratio between loans and deposits, in turn defined according to specific rules, excluding savings deposits transferred to the CDC.*

*(8) Estimated.*



# CONSOLIDATED INCOME STATEMENT 2013 as at december 31<sup>st</sup> 2013

(€ '000s)

	12.31.2012	12.31.2013
<b>Net banking income</b>	<b>5,241,030</b>	<b>5,538,960</b>
General operating expenses	(4,311,992)	(4,492,267)
Net depreciation, amortisation and impairments of tangible and intangible noncurrent assets	(174,176)	(192,711)
<b>Gross operating income</b>	<b>754,862</b>	<b>853,982</b>
Cost of risk	(151,844)	(154,388)
<b>Operating income</b>	<b>603,019</b>	<b>699,594</b>
Share of income from associates	176,028	199,549
Net gains and losses on other assets	(1,556)	1,521
Changes in value of goodwill	14,362	8,107
<b>Profit before tax</b>	<b>791,854</b>	<b>908,771</b>
Income tax	(218,086)	(323,887)
<b>Net profit</b>	<b>573,767</b>	<b>584,884</b>
Non-controlling interests	(257)	5,748
<b>Net income, Group share</b>	<b>574,024</b>	<b>579,136</b>

# CONSOLIDATED BALANCE SHEET as at december 31<sup>st</sup> 2013

**Assets** (€ '000s)

	12.31.2012	12.31.2013
Cash and central banks	2,725,691	1,569,984
Financial assets at fair value through profit and loss	6,899,791	5,366,693
Hedging derivatives	286,710	221,270
Financial assets available for sale	10,003,185	12,024,562
Loans and receivables – credit institutions	81,254,334	82,893,836
Loans and receivables – customers	49,930,597	59,212,535
Revaluation differences on interest rate risk hedged portfolios	293,386	130,357
Financial assets held to maturity	37,035,568	32,265,882
Tax assets (current and deferred)	294,785	252,005
Accruals and other assets	3,829,673	2,672,761
Investments in associates	2,333,961	2,528,838
Property, plant and equipment	500,128	711,775
Intangible assets	345,383	327,471
Goodwill	53,655	53,655
<b>Total</b>	<b>195,786,844</b>	<b>200,231,623</b>

**Liabilities** (€ '000s)

	12.31.2012	12.31.2013
Financial liabilities at fair value through profit and loss	110,569	117,821
Hedging derivatives	563,290	371,550
Payables – credit institutions	15,811,870	14,756,992
Payables – customers	161,193,891	166,885,651
Debt represented by a security	4,537,187	4,300,424
Tax and other liabilities	5,092,788	3,677,715
Underwriting reserves of insurance companies	674,214	817,490
Provisions	557,118	677,598
Subordinated debt	849,569	1,629,315
Equity attributable to the owners of the parent	6,416,671	7,017,318
Non-controlling interests	(20,323)	(20,251)
<b>Total</b>	<b>195,786,844</b>	<b>200,231,623</b>

# OPERATIONAL COMMITTEE

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**Marc Batave**

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General Secretary  
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**Yves Brassart**

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# EXECUTIVE COMMITTEE

Chaired by Rémy Weber, the Bank's Executive Committee comprises the members of the Operational Committee, as well as:

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# BOARD OF DIRECTORS

The Board of Directors of the Bank is made up of members of the Executive Committee and the following:

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**Bernard de Marnhac, Secretary,** bernard.de-marnhac@labanquepostale.fr

## THANKS TO

Thanks to all employee who took part in the e-mail competition to illustrate the La Banque Postale 2013 Activity Report and congratulations to the winners: Xavier LAROVAY, Sylvain MANCUSO, Gonzague PERCIE DU SERT, Geneviève BRECHAT, Hakim REZZOUG, Nadia DJOGHLAL, Laurence BIGUENET, Thierry GUDEFIN, Christophe GUILLY, Christophe LACOSTE, Sabine JOLY, Bernadette PREUD-HOMME, Julia LLORET, Florian TABARLY, Bérénice BAYSSE.

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Department,  PUBLICORP - 12576.  
This report is available at: [www.labanquepostale.com](http://www.labanquepostale.com)





Limited Company with Executive Board and Supervisory Board,  
capitalised at €3,413,734,750.  
Registered Office and postal address:  
115, rue de Sèvres - 75275 Paris Cedex 06  
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intermediary at ORIAS under No. 07 023 424.  
[labanquepostale.fr](http://labanquepostale.fr)