

Date: 2024

Since 1970, human consumption of natural resources and raw materials has increased tenfold¹. The materials used to produce consumer goods are becoming increasingly rare and pose growing challenges in terms of carbon and biodiversity impact, particularly in the context of the planetary boundaries² identified.

In addition, resource consumption for consumer goods with an increasingly shorter lifespan increases waste volumes both nationally and internationally.

With this policy, La Banque Postale is committed to a reasoned management of its resources. This policy includes both an assessment identifying the most significant and material resources in its business and those of its subsidiaries, and actions to be implemented to reduce their consumption. This approach and the associated roadmap are structured around three time frames in resource management:

- Upstream (resources): This involves examining the relevance of each new resource and anticipating the associated end of life,
- Use: This involves extending the useful life of the various assets,
- Downstream (deposits): This involves optimising end-of-life management and prioritising reuse and recycling.

The policy is based on a guiding commitment: **reducing at source and optimising the use and end-of-life of our resources by 2030³**.

In line with this commitment, several operational targets have been set and are managed annually by the Sustainability Department (SD)⁴:

Reducing our waste volumes at source:

- Reducing our plastic waste by 50% across all our businesses;
- Reducing our paper/cardboard waste by 30% across all our businesses;

Optimising the end-of-life of our raw and secondary materials:

- Sorting, recovering and aiming to recycle 100% of waste (excluding plastic) generated on our sites;
- Ensuring that 100% of plastic waste generated is recyclable, reusable or compostable;
- Ensuring that 100% of our products put into circulation are subject to an eco-design process;
- Ensuring that 30% of our expired bank cards put into circulation are collected;
- Ensuring that 100% of our expired bank cards collected are recovered;
- Ensuring that 100% of our undistributed bank cards are recovered.

¹ ADEME data, 2023.

² The planetary boundaries as defined by the SRC are: climate change, erosion of biodiversity, disruption of nitrogen and phosphorous cycles, change in land use, freshwater change, the introduction of new entities into the biosphere, the acidification of the oceans, the depletion of the ozone layer and the increased prevalence of aerosols in the atmosphere.

³ Reference year: 2023.

⁴ 2023 is the reference year for all targets, and 2030 is the year in which the targets should be achieved.

The methods for achieving these targets as well as the absolute data (where relevant) are available in Appendix 1 of this document.

La Banque Postale is also particularly attentive to the impacts of the use of PFAS⁵ on both the environment and human health. In this sense, it specifically aims to reduce the use of these compounds in its activities and those of its suppliers.

1 LBP's flagship challenge of preserving resources and committing to a circular economy

1.1 An incentive-based and increasingly restrictive set of regulations and standards

European and national regulations are already being developed on the management of resources by private and public stakeholders to move towards a circular economy. These mostly regulatory standards cover both:

- Public authorities, particularly at the local level;
- Companies, the aim being to move towards greater transparency with regard to their practices and the offers and services they develop.

1.1.1 Waste Management Law of July 1975

This French regulation defines waste as *“any substance, material, product or more generally any movable asset abandoned or that its holder intends to abandon”*.

The law gives each municipality the responsibility for collecting and disposing of household waste. It has also established the “polluter pays” principle whereby any person who produces or holds waste must ensure that it is disposed of under conditions that do not harm human health or the environment.

1.1.2 2008 European Waste Framework Directive

This new European regulation defines the “end-of-waste criteria” (when certain waste ceases to be waste and becomes a product or a secondary raw material) to facilitate waste reuse. It also introduces a waste management hierarchy and makes prevention a top priority.

⁵ Per- and polyfluoroalkyl substances, or PFAS, cover a vast family of several thousand chemical compounds. They have been widely used since the 1950s in various industrial applications and everyday consumer products such as textiles, food packaging, fire-fighting foams, refrigerant gases, non-stick coatings, cosmetics, medical devices, plant protection products, etc. They all share the characteristic of being **persistent in the environment**. When they break down in the environment, this can generate substances which, although having shorter carbon chains, give rise to the same concerns.

The directive requires each member state to establish one or more plans for waste management and prevention actions in their country.

1.1.3 French Energy Transition Law for Green Growth (LTECV) of August 2015

This Law is the first to position the notion of a “circular economy” in the national regulatory landscape⁶ and to set ambitious quantitative targets for waste reduction and recovery:

- **10% reduction in household waste** and equivalent per inhabitant in 2020 compared to 2010;
- **Increased quantity of waste** recovered in material form, particularly organic waste (55% in 2020 and 65% in 2025);
- **Widespread sorting of bio-waste at source** for all waste producers by 2025;
- **Extension of sorting instructions** to all plastic packaging by 2022;
- **Progress in the roll-out of incentive-based pricing** for local authority waste.

1.1.4 2016 “Five flows” Decree resulting from the LTECV Law

This decree sets out the practical application of the requirements of the Energy Transition Law for Green Growth. It aims, in particular, to simplify the administrative procedures for companies around the main waste streams they produce, namely: **paper, metal, plastic, glass and wood.**

These five flows must be treated separately (sorting at source) from other waste for reuse or recycling, whether it is waste thrown away by their customers at their facilities or by their employees. The decree covers “any company whose waste is collected by a private service provider or whose weekly volume exceeds 1,100 litres”.

As of 1 January 2024, **bio-waste** was added to the types of waste requiring sorting at source. It is now mandatory to have a solution for collecting food waste and green waste.

2020 French Anti-Waste Law for a Circular Economy (AGEC)

This central and restrictive regulation for private stakeholders increases restrictions on the use of plastics as well as the creation of new EPR channels⁷ on consumer products (toys, sport and leisure items, DIY and garden items, single-use sanitary textiles, etc.). The AGECE Law can be structured around three major strands:

- **Greater responsibility for producers**
 - 3R strategy: reduction, reuse and recycling of single-use plastic packaging;
 - 2040: ban on marketing of single-use plastic packaging;
 - Reuse of packaging placed on the market.

⁶ According to ecologie.gouv.org, the circular economy is defined as an economy that “consists of producing goods and services in a sustainable way by limiting the consumption and waste of resources and the production of waste. It is about moving from an all-disposable company to a circular economic model”.

⁷ EPR: Extended Producer Responsibility

- **Better consumer information**
 - Overseeing environmental claims by marketers and obligation to inform consumers about certain environmental characteristics of the products they purchase;
 - Overseeing carbon neutrality claims.
- **Protection and preservation of threatened natural habitats**

1.2 A major role for La Banque Postale

1.2.1 Maintaining its leading position in ESG commitments

On 23 February 2022, La Banque Postale adopted the status of a mission-led company, reaffirming its desire to make the just transition the guiding principle of its governance and a driver of its performance. This status and the resulting actions make La Banque Postale a leading player in terms of ESG commitments, as evidenced by the annual non-financial ratings it receives.

To maintain this position, La Banque Postale and its subsidiaries must set ambitious targets for a reasoned management of its resources.

1.2.2 Meeting new non-financial reporting requirements

The European Corporate Sustainability Reporting Directive (CSRD), which has been in force since 1 January 2024, sets new non-financial reporting standards and obligations for the largest companies (more than 500 employees = reporting from 2025 and more than 250 employees = reporting from 2026).

In this context, ESRS E5 requires disclosures from La Banque Postale on two main categories relating to the circular economy:

ED E5 – 1. **Policies** on the use of resources and the circular economy

ED E5 – 2. **Actions/measures** on the use of resources and the circular economy

The disclosure must include information on incoming resources to understand the use of resources in its own operations as well as upstream and downstream of its value chain. It must also cover outgoing resources. This latter aspect includes developing an understanding of (a) how the company contributes to the circular economy:

- By designing products and materials in accordance with the principles of the circular economy;
- By increasing or maximising the proportion of products, materials and waste put back into circulation, in practical terms, after their first use.

As well as (b) the company's waste reduction and management strategy and the extent to which the company is aware of how its pre-consumer waste is managed in its own operations.

Roadmap for the upstream and downstream challenges of resource management

To support its commitment (defined in the introduction), La Banque Postale has adopted an ambitious roadmap, which it has rolled out to all its relevant subsidiaries:

Upstream (resources):

- Raising awareness among purchasing managers of the notion of “justified need” to limit new resources (training, communication campaigns, on-site tests, etc.);
- Incorporating dedicated criteria in the purchasing process to ensure an increase in the life of equipment, its reparability and optimised end-of-life management;
- Incorporating dedicated criteria in the scoring tools for La Banque Postale’s businesses, offers and services, mainly the Impact Weighting Factor (IWF) and ESG checklist⁸.

Use:

- Raising awareness among purchasing managers and users of the extension of the useful life and reparability of equipment (mainly in the IT field);
- Structuring of simplified repair procedures suited to the resources/assets used for each business line and subsidiary.

Downstream (deposits):

- Identifying resources/assets that can be reused and donated internally and externally;
- Structuring of simplified and adapted procedures to enable the effective implementation of reuse solutions.

⁸ The Impact Weighting Factor (IWF) is a tool developed by La Banque Postale to score all financing decisions by assessing their environmental, social and societal impact. The ESG checklist is a tool for assessing La Banque Postale’s offers based on environmental, social and societal criteria. These two tools ensure that ESG criteria are taken into account by all business lines and in all business activities.