



NEOPOST, A PLAYER IN THE CIRCULAR ECONOMY

Fully mindful of environmental issues, Neopost is a responsible company committed to sustainable development. In terms of the environment, the Group has taken advantage of regulatory constraints by preparing for them ahead of time and transforming them into a competitive advantage.

Ecodesign at the root of production

From the product design phase through to end-of-life dismantling, Neopost takes all environmental aspects into account. Be it in the choice of materials, the number of components, the ratio between product mass and packing volumes, sound emissions or energy consumption, ecodesign determines the technical specificities in production, in the equipment in use, and in recyclability conditions so as to limit environmental impacts.

The 3 R's rule

The Group applies the 3 R's rule of repairing, reusing and recycling to its ecodesigned products. Because the durability of the product is an essential component in ecodesign, the product has to be able to be dismantled, repaired and reused, and the non-toxic materials recovered must be easily recyclable.



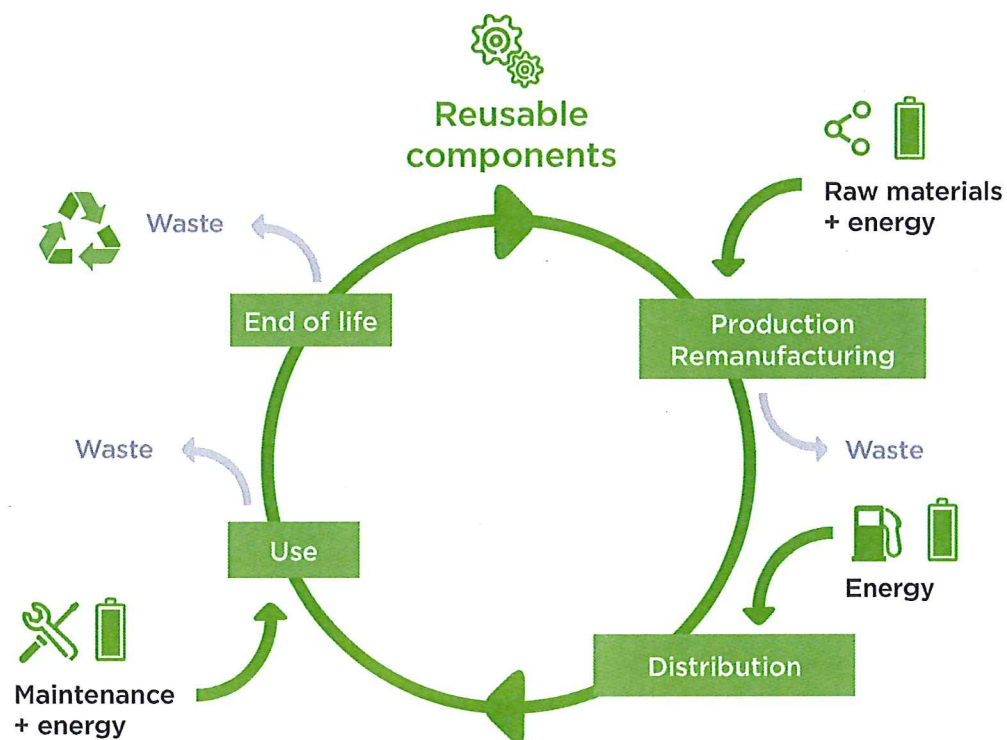
For example, thanks to an automated standby function, a DS-35 folder/inserters, an entry-level model for office use, consumes seven times less electricity than the previous-generation equivalent model.



What is circular economy?

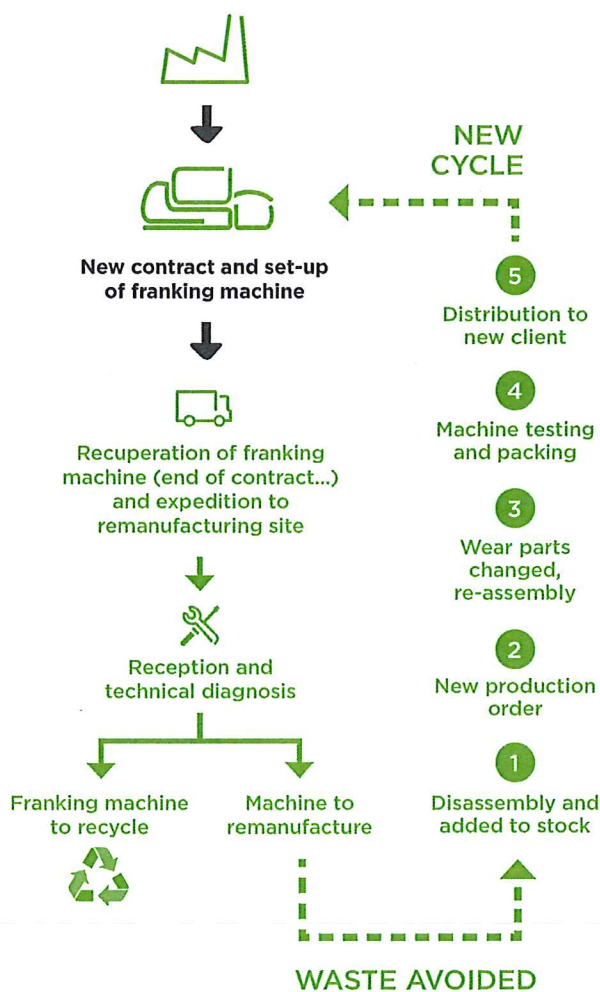
The circular economy is an economic concept tying in with sustainable development. The aim is to produce goods and services while limiting the consumption and waste of raw materials, water and energy sources at each stage in the life cycle of the product or service.

THE EQUIPMENT LIFE CYCLE



All of Neopost's franking machines comply with the specifications of the US certification Energy Star.

REMANUFACTURING PROCESS OF A NEOPOST MACHINE



Optimizing repair

Neopost favors remote repair work, which limits travel on the part of technicians and the environmental impact of the distance traveled. Today, over 50% of repair jobs are carried out remotely. The percentage rises to a full 90% for the IS-280 entry-level franking machine. Standard exchange is possible for entry-level and mid-range franking machines that cannot be repaired without the direct intervention of a technician. In this case, a new machine is sent to the customer within 24 hours. The original equipment is returned and integrated in the recycling process. In addition to the savings generated in terms of maintenance costs, this system improves both customer service and the quality of the machines in circulation, which will require less maintenance in the future. The standard exchange system has thus far been rolled out in Benelux, France, Germany, the United Kingdom and the United States.

Remanufacturing for a second life

Neopost has been developing remanufacturing for entry-level and mid-range machines since 2012. Remanufacturing involves refurbishing equipment based on a combination of parts and sub-assemblies from machines recovered at the end of the leasing or rental contract or standard-exchange machines. Nevertheless, some products and components are systematically replaced to ensure the same high levels of quality, reliability, functionalities and appearance as a new product. In 2015, about 30% of franking machines placed to Neopost customers were from remanufacturing.

Reduced environmental impact

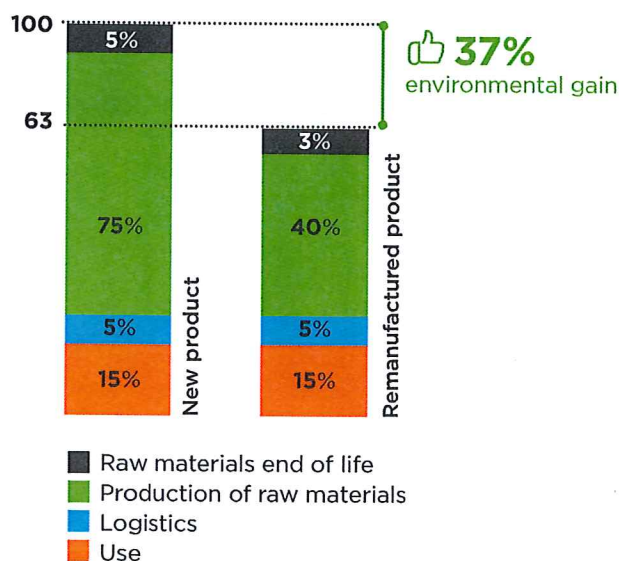
Factoring in the entire life cycle of equipment (production, transport and use), refurbishing serves to significantly reduce Neopost's carbon footprint.



By increasing the share of refurbished machines in its installed base, the Group shrank its carbon footprint by 25% in 2014 and expects to reach 30%* reduction in 2016.

* Neopost estimates on the basis of a carbon footprint of under 37% for refurbished machines.

The environmental footprint of franking systems



75%

The ecodesign process ensures a 75% recycling potential for franking machine components, notably thanks to the elimination of metallic inserts and the use of the same plastics. This ratio exceeds the thresholds set out in the WEEE directive.

85%

In 2015 Neopost achieved an actual recycling rate of 85% with the waste from its franking machines range.



Contributing to job creation

Refurbishing is also a way for Neopost to safeguard activity and jobs at its production site in France. By doing so, it has protected 20 direct jobs and six indirect jobs at Le Lude.