



CORPORATE  
SOCIAL  
RESPONSIBILITY  
REPORT 2012

# An expert in flow management

## GEODIS IN 2012

**32,100**  
employees  
in **66 countries**

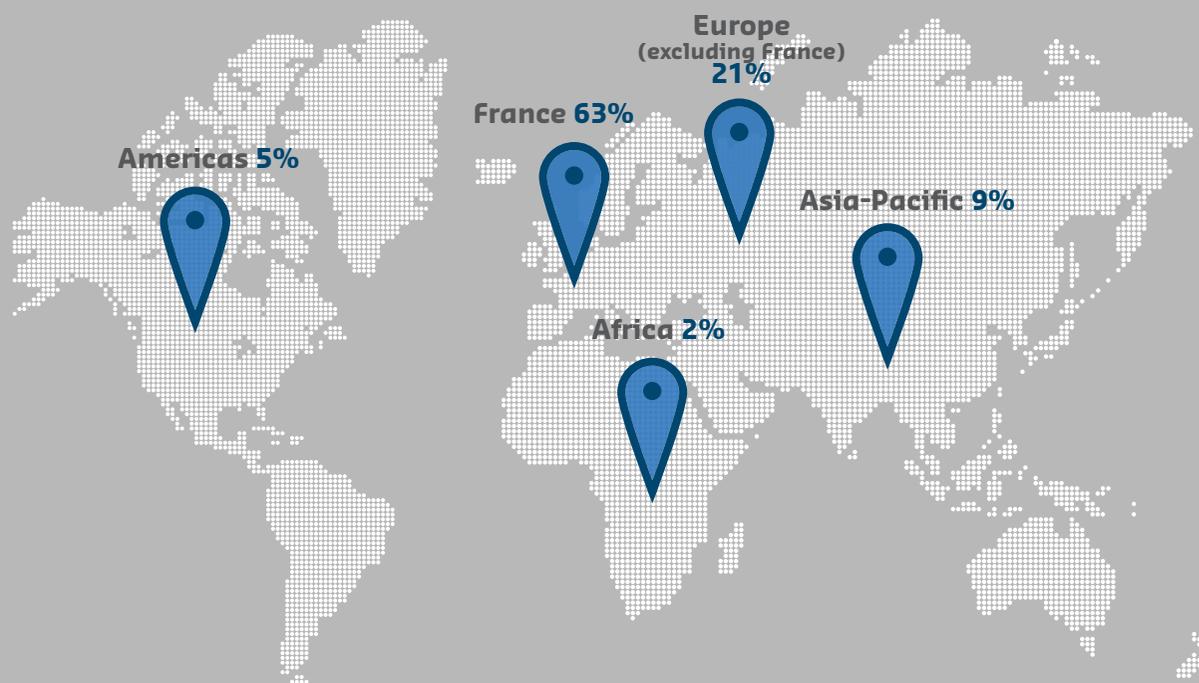
**€7,129 million**  
in revenue (up 3.2% on 2011)

**4<sup>th</sup>** logistics  
operator in Europe

## WORKFORCE BREAKDOWN BY BUSINESS LINE



## WORKFORCE BREAKDOWN BY GEOGRAPHICAL REGION



# 5 Business Lines

## GEODIS WILSON SEA AND AIR FREIGHT FORWARDING

- Sea, air and combined sea-air freight forwarding
- Value-added services (customs clearance) and integrated solutions
- E-services (track & trace)
- Industrial projects (exceptional transport, offshore pipelines, plant relocations, etc.)

## GEODIS CALBERSON GROUPAGE/EXPRESS

- 3 networks: Geodis Calberson, France Express, Geodis Ciblex
- Groupage in 24 h and 48 h
- Industrial express and express parcels in under 24 h twice a day
- Full and part loads up to 24 metric tons
- Small parcels from 0 to 30 kg

## GEODIS LOGISTICS CONTRACT LOGISTICS

- Distribution logistics (multi-customer hub, pick & pack, cross-docking, pooled supply, etc.)
- Industrial logistics (intermediate warehousing, etc.)
- Value-added services (kitting, co-packing, etc.)
- Reverse logistics

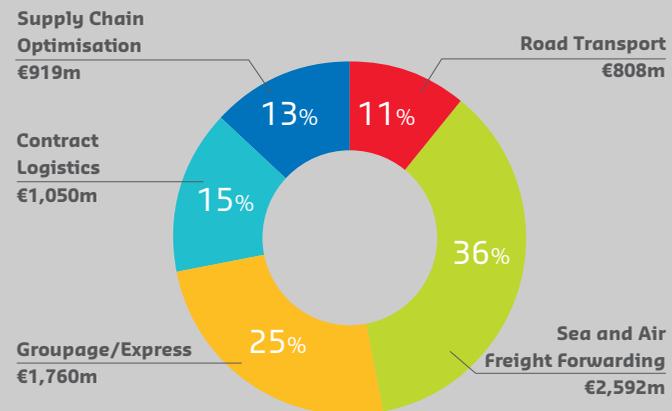
## GEODIS SCO SUPPLY CHAIN OPTIMISATION

- 4PL offering (fourth-party logistics), centralized coordination, control tower
- Global management of the supply chain
- Selection and purchasing of subcontracted transport and logistics services

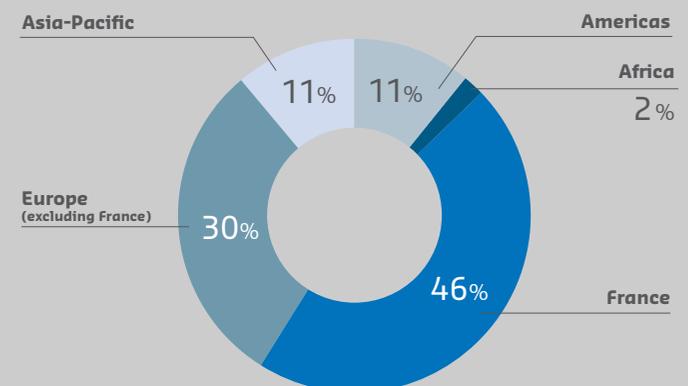
## GEODIS BM ROAD TRANSPORT

- Regular transport (full and part loads)
- Specialized solutions (controlled-temperature transport, etc.)
- Multimodal transport, including combined rail-road
- Operational flow coordination

### 2012 REVENUE BY BUSINESS LINE



### 2012 REVENUE BY GEOGRAPHICAL REGION



### REPORT SCOPE

Geodis is an integral part of SNCF Geodis, SNCF's goods transport branch. Geodis is SNCF Geodis's largest activity. This 2012 CSR report concerns **Geodis**. The four business units of SNCF Geodis and their constituent entities are as follows:

- **Geodis** – Transport and logistics operator
- **STVA** – Transport and logistics for finished vehicles
- **Fret SNCF, Captrain, VFLI, VIIA, Ecorail, Naviland Cargo** – Rail freight
- **Ermewa, Akiem** – Asset management

### WWW.GEODIS.COM

This is the fifth report on Geodis's sustainable development and the first report on the company's corporate social responsibility (CSR). It includes additional information on the internet and, as with previous editions, may be read and downloaded in French and English at [www.geodis.com](http://www.geodis.com) **www.geodis.com**



# Social responsibility in Geodis activities

Geodis, a multimodal supply chain operator, expresses its commitment in each of its Business Lines through real-life and measurable actions. By involving all stakeholders in the policy, Geodis is confirming its efforts to be responsible in the accomplishment of its activities.



×

8

At human level

## AMBITION

Be a committed and attractive employer.



×

14

A commitment to customers

## AMBITION

Be a partner to our customers' growth.



Departure:

customer warehouse or plant

Sea freight forwarding

Multimodal platform

Customs management

Road transport

Warehouses Production and distribution logistics

Multimodal transport



×



22

Trust in its partners

**AMBITION**

Rally our partners around our commitments.

×



26

At the heart of society

**AMBITION**

Be a responsible and social player.



Flow coordination



Arrival: final customer delivery

Air transport forwarding

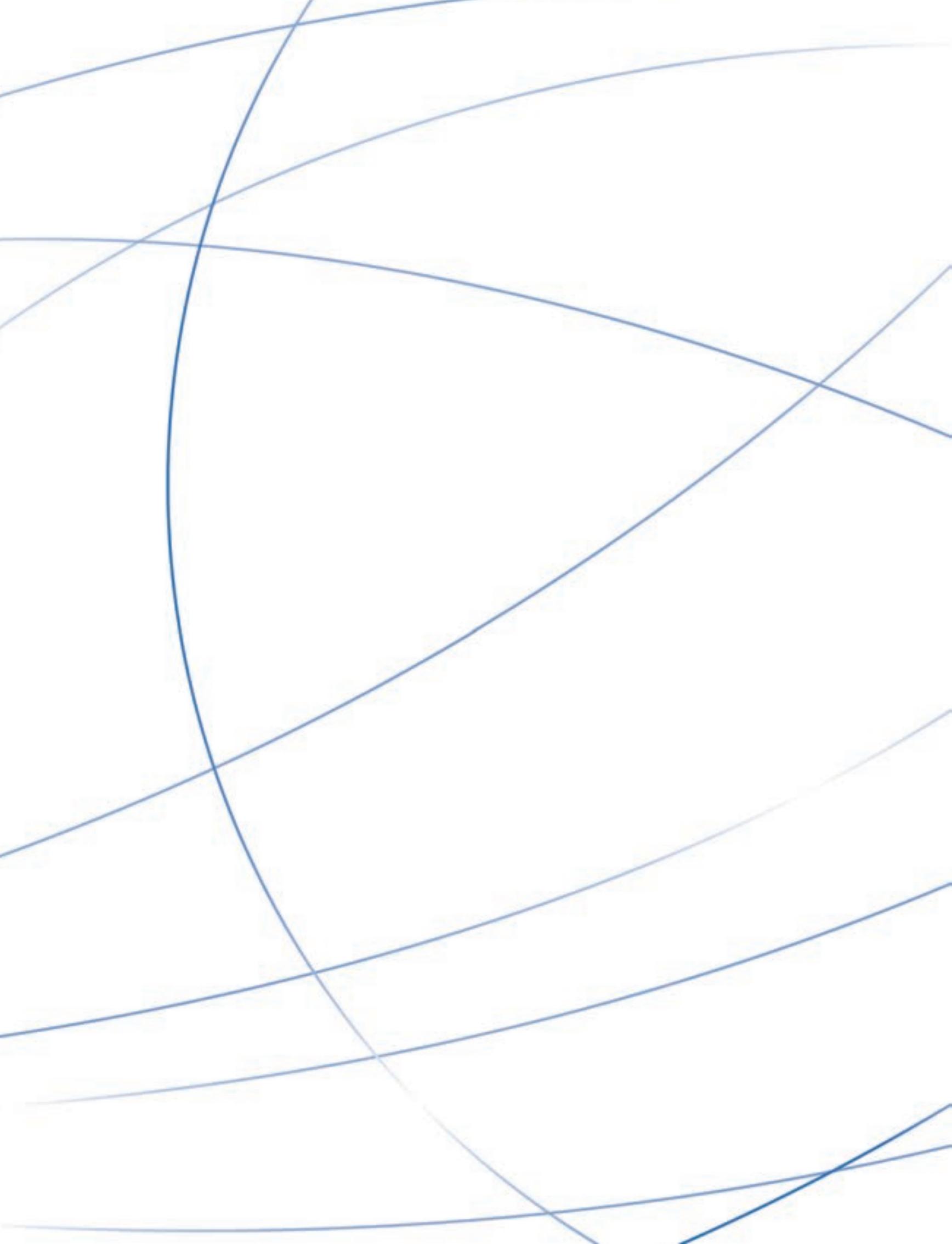
Urban Ecological Logistics Base ("BLUE" base)

Urban logistics

Technical center Reverse logistics

Groupage/Express platform







**B**y committing to a new path of sustainable growth, the Geodis group, a key player in logistics and goods transport in Europe, is staking out a clear position regarding its customers and underscoring its determination to harness its performance to support them and help them grow in their respective sectors.

To that end, we have initiated a transformation process and decided to clearly express our corporate social responsibility ambitions. Backed by real-life commitments and progress indicators,

these ambitions are the driving force of our motivation and our performance. They are based on the conviction that, to be competitive in the long term, our Group must integrate social responsibility at the highest levels of governance. Through heightened environmental awareness, a commitment to the community, open-mindedness, and innovation, we intend to fully embrace our role as a responsible company.

The quality and competitiveness of the solutions Geodis brings its customers hinge on the motivation and excellence of our teams. As a service group, Geodis places the health and safety of its employees at the forefront of its commitments. It also undertakes to foster diversity and develop the involvement and skills of its staff. We are building on this robust base to better satisfy our customers and bring them an innovative and environmentally-respectful supply chain.

We have also made a commitment to our suppliers – the other stakeholders in our social responsibility – to include them in our policy so that we can move forward together. We sent out a strong signal in this respect through the partnership formed with Ecovadis to encourage our service providers to have assessments made of their responsibility commitment.

Because we work at the heart of society, we are pursuing our environmental policy to better control the impact of our activities on the planet and reduce our carbon footprint. At all our sites and through the Geodis Foundation, we are working with society to favor social and professional integration and fight against all forms of exclusion.

This report provides you with information on the actions taken and progress made by our Group in 2012.

**Marie-Christine Lombard**  
CHIEF EXECUTIVE OFFICER OF GEODIS

Geodis has set new goals for its corporate social responsibility policy.

# From sustainable development to social responsibility



Geodis Logistics in Ireland.

## **VSTRONGER GOVERNANCE AND LEADERSHIP**

The experience acquired in sustainable development issues over the past five years has encouraged the Group, a participant in the United Nations Global Compact since 2003, to give new impetus to its program initiated in 2008. Geodis aims to become a universally recognized leader in corporate social responsibility. To emphasize this commitment, the Group has taken steps to strengthen and expand its sustainable development approach. Today, this approach is part of a global corporate social responsibility (CSR) policy, reflecting a desire to do more in the social and societal spheres at a time when regulations and the expectations of customers and the community are placing greater pressure on business.

The Group is now structuring its CSR policy around four stakeholders, each made up of several commitments, objectives and joint actions. Progress is tracked through a dashboard of key indicators for each commitment, along with a reporting system covering all related objectives.

To support this new policy, Geodis is strengthening its corporate governance. The Group's Executive Committee provides leadership for the policy and monitors progress on a quarterly basis. The CSR department submits ideas and proposals to the Executive Committee concerning strategy, commitments and actions. The CSR teams also assist the operational entities and support functions (purchasing, sales and marketing, property, human resources, etc.) and lead a network of CSR correspondents.



## **STAKEHOLDERS: A CONSTRUCTIVE DIALOGUE**

The Group listens to its stakeholders' expectations and maintains a dialogue with them in different ways:

- Employees: satisfaction surveys, discussions with trade unions, the European Consultation Committee, etc.
- Customers: satisfaction surveys, etc.
- Business partners (suppliers): assessment questionnaires, audits, etc.
- National and local authorities and civil society: membership of professional organizations, meetings, partnerships, etc.

This dialogue enables Geodis to maintain a continual focus on CSR issues. The close contact with stakeholders offers opportunities to discuss these issues and take joint actions. It can also lead, for example, to innovations for the environment developed with customers or suppliers and to social initiatives. Additionally, the Group participates in public and industry bodies and contributes to work on new regulations in France and Europe in the freight transport sector as well as in the areas of sustainable development and CSR.

## A CONSOLIDATED APPROACH TO COMPLIANCE AND RISK CONTROL

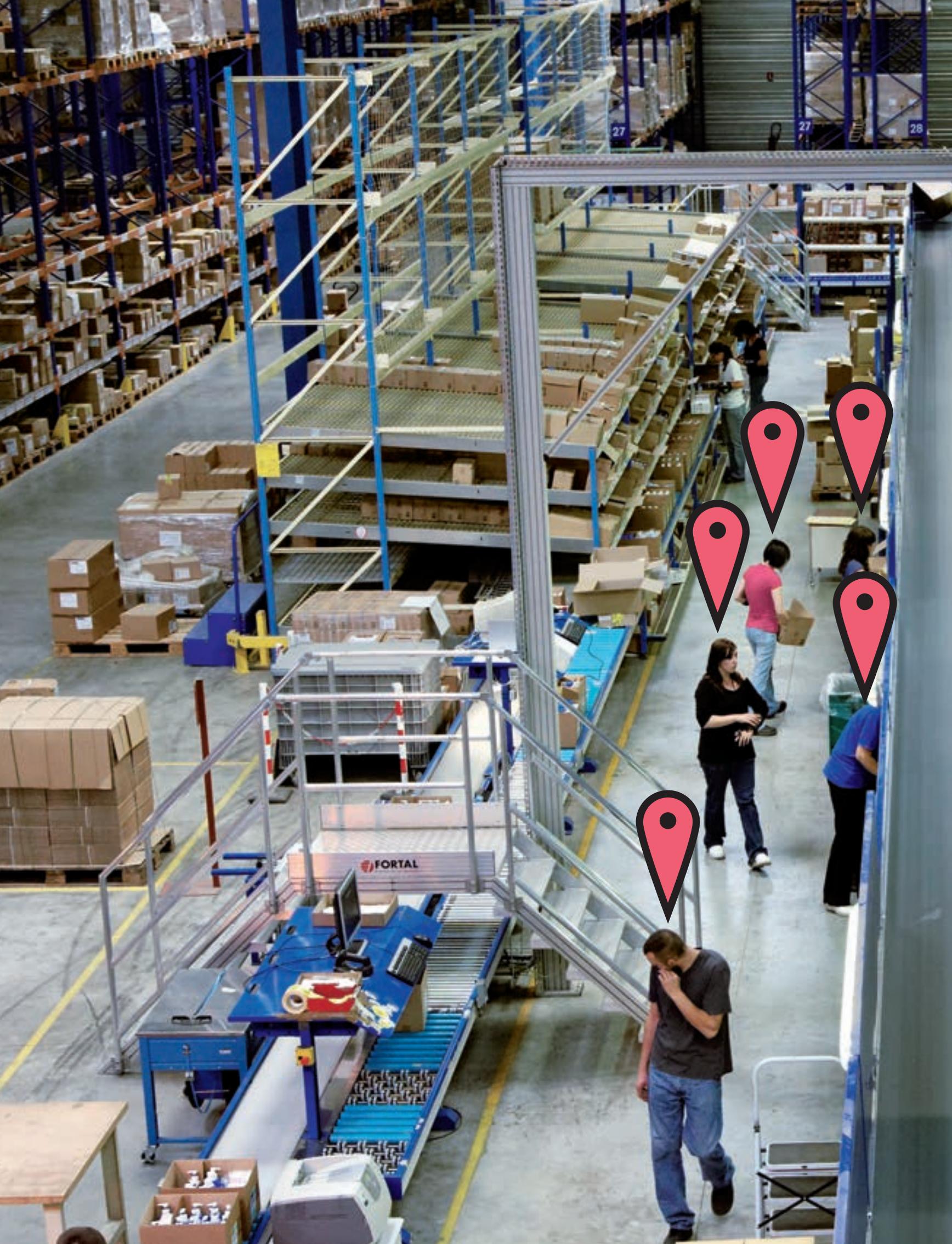
Facing uncertainties in their business environment and growing demands from civil society, public authorities and customers, companies are having to guard against a more diverse array of risks – ethical, legal, financial, social and image to name a few. In 2009, Geodis began developing an organization to better control and manage its risks to maximize its stakeholders’ trust. The two basic components of this organization are internal control on the one hand and ethics and legal compliance on the other hand.

Internal control is based on guidelines issued in 2011, which were developed from the AMF reference framework published in June 2010. These guidelines cover all business processes and functions in transport and logistics. With regards to ethics and compliance, a specific policy based on a Charter and on an Ethics Committee has been developed to emphasize and strengthen ethical conduct in the Group’s dealings with its stakeholders.

Instituted in all the subsidiaries worldwide, these policies are progressively enhanced and are now rooted in the everyday operations. Noteworthy among the initiatives in 2012 was a new self-assessment, in which the entities reviewed and verified their compliance with the Internal Control Reference Framework. A procedure for reporting fraud was also introduced, offering an opportunity to heighten the organization’s awareness of this issue’s importance and, if needed, to strengthen preventive and protective measures.

With regards to ethics, following the addition of an appendix concerning compliance with competition law in 2011, another appendix on the subject of corruption was issued. This document, which is also available on the intranet, indicates the relevant laws and penalties as well as the best practices for preventing risks of corruption.

 <p><b>EMPLOYEES</b></p> <p>Be a committed and attractive employer</p>	 <p><b>CUSTOMERS</b></p> <p>Be a partner to our customers’ growth</p>	 <p><b>PARTNERS</b></p> <p>Rally our partners around our commitments</p>	 <p><b>COMMUNITY</b></p> <p>Be a responsible and social player</p>
<b>COMMITTING TO ETHICS AND COMPLIANCE REGARDING OUR STAKEHOLDERS</b>			
<ul style="list-style-type: none"> <li>• Ensure the health and safety of our employees</li> <li>• Promote diversity in our teams</li> <li>• Develop the involvement and skills of all staff</li> </ul>	<ul style="list-style-type: none"> <li>• Offer an optimization of our customers’ supply chains through innovative, high-performance and environment-friendly solutions</li> <li>• Deliver top-quality service commensurate with our customers’ expectations</li> </ul>	<ul style="list-style-type: none"> <li>• Factor CSR performance into the selection and assessment of our main suppliers</li> <li>• Promote the development of the social economy through our purchasing</li> </ul>	<ul style="list-style-type: none"> <li>• Control the environmental footprint of our activities</li> <li>• Contribute to local development and make commitments with local populations</li> </ul>





Geodis builds its performance on the day-to-day work of its employees. The Group is concerned with their well-being. A harmonized human resources policy ensures the implementation of all conditions required for employees safety and health at work and for their career development. Geodis is aware that its standing in the business world gives it the power to serve as an example, and it has also made diversity a priority in its labor policies.

# AT HUMAN LEVEL





Applying the same human resources policies across the entire Group is a key part of Geodis' transformation.

# Harmonized human resources management

To support Geodis' international expansion and foster the involvement and development of its employees, the process of structuring human resources practices continued in 2012 at several levels.

Priority was given to further harmonizing HR policy, organization, processes and tools (hiring, mobility, training, etc.), while respecting the cultures of the businesses and countries.

## CAREER DEVELOPMENT

The Group continued the deployment of common HR tools. At the end of 2012, some 13,000 employees were able to benefit from G-Talent, the assessment, training and career development tool for the Group's personnel. Similarly, the Job Exchange, which is accessible on the intranet across Europe, promotes internal mobility by allowing employees to apply for jobs in other Group entities and countries.

## TRAINING

To enhance employees' skills and employability, the businesses and country entities are expanding the use of G-Campus to set up customized e-learning programs. Since 2011, 40,000 hours of training have been delivered. Geodis Wilson, for example, has created and rolled out modules on subjects including occupational, health and safety skills, environment and quality awareness.

## DIALOGUE AND LISTENING

Geodis maintains a dialogue with personnel through the Group's European Consultation Committee and local representative bodies. It is also eager to hear what its employees have to say. In 2013, an independent survey based on the Investors in People standard, which has already been used by Geodis Wilson, will be conducted across the entire Group to identify areas for improvement.

The Group also encourages employee involvement and initiatives by offering several ways to share ideas and best practices. One of these ways is the Blue Attitude Trophy, a competition held in the company each year since 2009 to focus attention on sustainable development. Participation was strong in 2012, with 67 entries involving all business functions and more countries than ever. Also in 2012, Geodis Wilson organized its second Innovation Master Awards, a competition to tap the potential for innovation of all its employees around the world.



# 32,100

employees in 66 countries



## LOCAL INITIATIVES THAT BECOME GLOBAL

The Group is relying on employee involvement to accomplish its transformation. One illustration is Geodis Wilson's Innovation Masters Awards, held for the first time in 2012. Out of 240 entries, the winning project, submitted by a Geodis Wilson Canada employee was "12 Steps to a More Sustainable Geodis Wilson", which raises the awareness of subsidiary personnel on a CSR theme every month (recycling, social donations, safety, etc.) leading to local initiatives. After taking the First Prize, this best practice has been introduced globally. Now, every two months Geodis Wilson draws the attention of its employees everywhere in the world to a new CSR theme.



Ensuring the safety of its employees is one of the Group's primary concerns.

# Safety for employees: a Group priority



## GEODIS BM, PARIS REGION SAFETY AND THE DRIVERS' ROLE

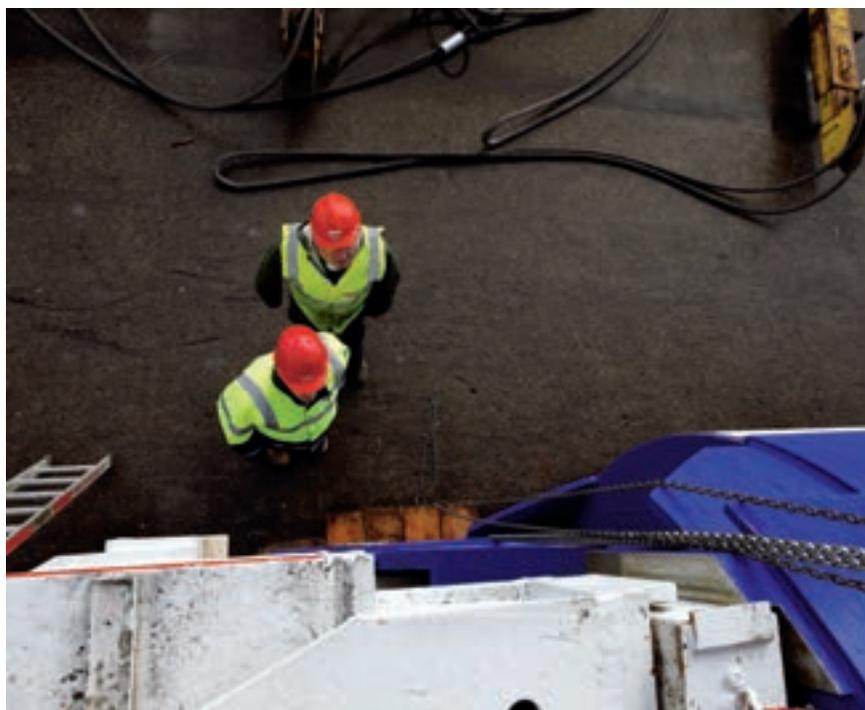
Faced with a high accident rate, Geodis BM Paris Region is seeking to raise employee awareness with an internal competition for drivers called the Volant d'Or (Golden Steering Wheel). Forty drivers signed up on a voluntary basis for the first round of the competition, which included theoretical tests (regulations, driving code, accident report) and practical tests (dock parking, parallel parking, unloading, driving a marked course, lashing, hitching) to identify ten finalists. Besides decreasing the number of accidents reported in the following months, this competition revealed weak points where improvement was needed.

Each of the business functions seeks to ensure the safety of its employees on roads and sites. Geodis BM, whose personnel consist mainly of drivers, has continued its road safety and educational efforts to reduce the number of road accidents. With the support of the "Automobile Club Prévention" (ACP), an organization specialized in road safety management certified by the French Ministry of Transport, an accident prevention program based on the systematic analysis of each incident, began in 2010 in France. This program, which also includes a conversation between the driver and his supervisor after each accident, and regular safety briefings, is now an integral part of the company's operations. It has helped to reduce the number of traffic accidents by 53% in two years. In 2012, Geodis BM also began a program for the protection of employees working alone at night. These employees are given a device that automatically signals any abnormal change in their behavior (resulting from a heart attack, for example) and indicates their location. The drivers of Geodis BM and Geodis Calberson are also given regular training in rational driving, which leads to a more careful and safer approach.

Geodis Wilson and Geodis Logistics have continued their OHSAS 18,001 (Operational Health and Safety Assessment Series) certification program. At Geodis Wilson, six countries (Brazil, Chile, France, Mexico, Peru, and Thailand) were certified in 2012. The aim is to have 100% of the Geodis Wilson network certified by 2015, compared with 43% at the end of 2012.

Efforts at Geodis Logistics have yielded positive results, with significant declines in the frequency (from 29.41% to 25.65%) and severity (from 1.34% to 0.15%) of occupational accidents at French sites between 2011 and 2012, thanks to training, safety campaigns, contests and audits.

AT HUMAN LEVEL



Geodis Wilson, lifting and transferring a stator.



Geodis Logistics at Satolas.

### IMPROVING WORKING CONDITIONS

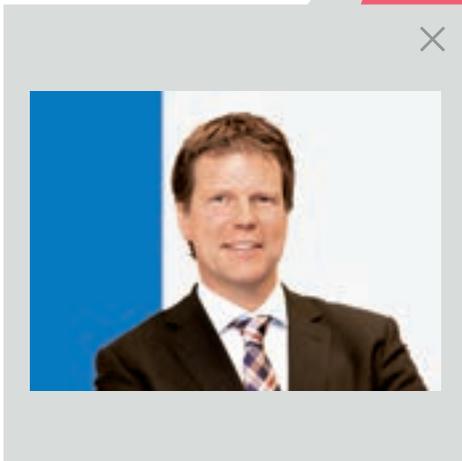
New actions have been taken to improve the quality of life in the workplace. At Geodis Calberson, for example, an agreement was signed on the installation of new equipment to assist with heavy tasks. This agreement was the outcome of efforts by staff from the human resources, operations and quality departments. To further improve working conditions, Geodis BM has developed a program called "Bien-Être et Santé au Travail" (Well-being and Health in the Workplace), in which surveys on psychosocial risks and stress are conducted to determine the preventive actions needed.



AT HUMAN LEVEL

**"It's up to each individual to realize that safety is important for him or her, and for everyone."**

**WILLEM JAN VAN AMERSFOORT**  
DIRECTOR OF GEODIS LOGISTICS BENELUX



#### **GEODIS LOGISTICS IS ROLLING OUT THE "VIC" SAFETY PROGRAM, WHICH WAS ORIGINATED IN THE BENELUX COUNTRIES. HOW DID THIS PROGRAM BEGIN?**

When I became Director of Geodis Logistics Benelux three years ago, I saw a lack of general safety awareness. We talked about safety, but paid no real attention to it – very few near misses were recorded, for instance. All ten of our sites had different approaches to safety, even ones that were near neighbors. I gave the QESH\* manager the urgent task of devising a safety program to operate on all sites.

#### **WHAT FORM DOES THE PROGRAM TAKE?**

A project team brainstormed twelve themes per year, covering safety and certain health issues. Each topic runs for a month. In the first week there are posters to raise curiosity, and then toolbox sessions are held using materials developed by the project team. We devised a mascot called VIC (in Dutch, his name stands for *veiligheid is cruciaal*, or "safety is crucial"). He is omnipresent on posters and in the toolbox literature. All the safety messages come from him, not a manager, so they are not presented in a top-down style. The tone stays light-hearted.

#### **WHAT ARE THE RESULTS, HAS BEHAVIOR CHANGED?**

Because of the bottom-up approach, people know that it's their safety that's at stake. It's our role as managers to create a safe environment, but it's up to each individual to realize that safety is important for him or her, and for everyone. Very soon, the employees were reporting far more near misses, as they realized that everyone could learn from them. We publish a safety alert for every near miss, with a root cause analysis and measures to prevent potential accidents. There have been quite a few safety suggestions made by the workers, such as introducing mirrors on blind corners and putting up safety barriers to keep pedestrians away from forklifts. And if people see someone acting in an unsafe way, they now intervene. The TCS (Total Customer Satisfaction) and QSE (Quality, Security and the Environment) policies have been enhanced thanks to VIC, and in the mid-term we would like to see a structural impact on the number of accidents, damages, pollution and employees satisfaction. The decision was made to gradually roll out the program through all Geodis Logistics sites.

QESH: Quality, Environment, Safety and Health.



As a major business and employer, Geodis is aware of its role as a model in the promotion of diversity and equality in the workplace.

## A collective effort to promote diversity

In 2012, the Group launched Equalis, a voluntary program to spur constructive efforts to fight all forms of discrimination and to encourage the sharing of best practices among the countries and business functions.

In the first instance, Geodis wishes to focus on the issue of gender equality. It has accordingly begun the process of obtaining the GEES-GEIS (Gender Equality European Standard-Gender Equality International Standard) label. Awarded by Bureau Veritas for a period of four years, this label recognizes and highlights efforts made at the European level on this issue. Following assessment audits in November 2012 on the subject of gender equality (training, balance between professional and personal life, salary practices, etc.), the Group received the label in France, Germany, the UK and Italy. To raise awareness on these issues, the Group published a guide in early 2013, for employees and more particularly for managers, describing the environment of the sector, best practices and the regulatory framework. An action plan was defined to improve practices related to the various GEES-GEIS criteria in the future. In addition, the businesses are continuing their efforts to bring disabled persons into the workforce, which is also a prime objective of the Geodis Foundation's actions (see page 32).



AT HUMAN LEVEL

“It is time to put the transport industry on a track to progress in gender equality.”

FRANÇOISE RISCH, HUMAN RESOURCES MANAGER, GEODIS CALBERSON SOUTH-EAST

### WHY HAS GEODIS CALBERSON SOUTH-EAST SET UP TRAINING ON GENDER EQUALITY?

It is time to put the transport industry, which is still very male-dominated, on a track to progress on this issue. Even though the proportion of women at Geodis Calberson is higher than the average for the sector, there are still very few women in management positions and virtually none in operational jobs. So we have used the opportunity presented by the regulatory framework, which now requires that companies negotiate agreements on this issue, to set up a program – one that is more ambitious than the law requires – to shift the boundaries. To do that, we want to heighten the awareness of all 110 of our managers in the region of south-east France, where we have a workforce of 700. After a pilot training course tested by the trade unions, one-day training sessions were organized by groups of ten people. They dealt with stereotyping, which is a source of all kinds of discrimination, and regulatory aspects, with role-playing and

considerable discussion and debate. This training fits in perfectly with Equalis, the diversity program launched by Geodis in 2012.

### WHAT WERE THE RESULTS OF THIS INITIATIVE AND WHAT DO YOU HAVE PLANNED AS A FOLLOW-UP?

The feedback from managers is very positive. The courses have triggered an awareness that has started things moving. Now we need to maintain this dynamic through continued action in the company, with support from our general management, which is indispensable, and also from the outside, by encouraging the training sector, including transport schools, as well as temporary employment agencies and our partners to be change agents. Making progress in the areas of diversity and gender equality is a long and slow transformation process, which, owing to its cultural and educational dimensions, extends beyond the scope of Geodis alone.

33%

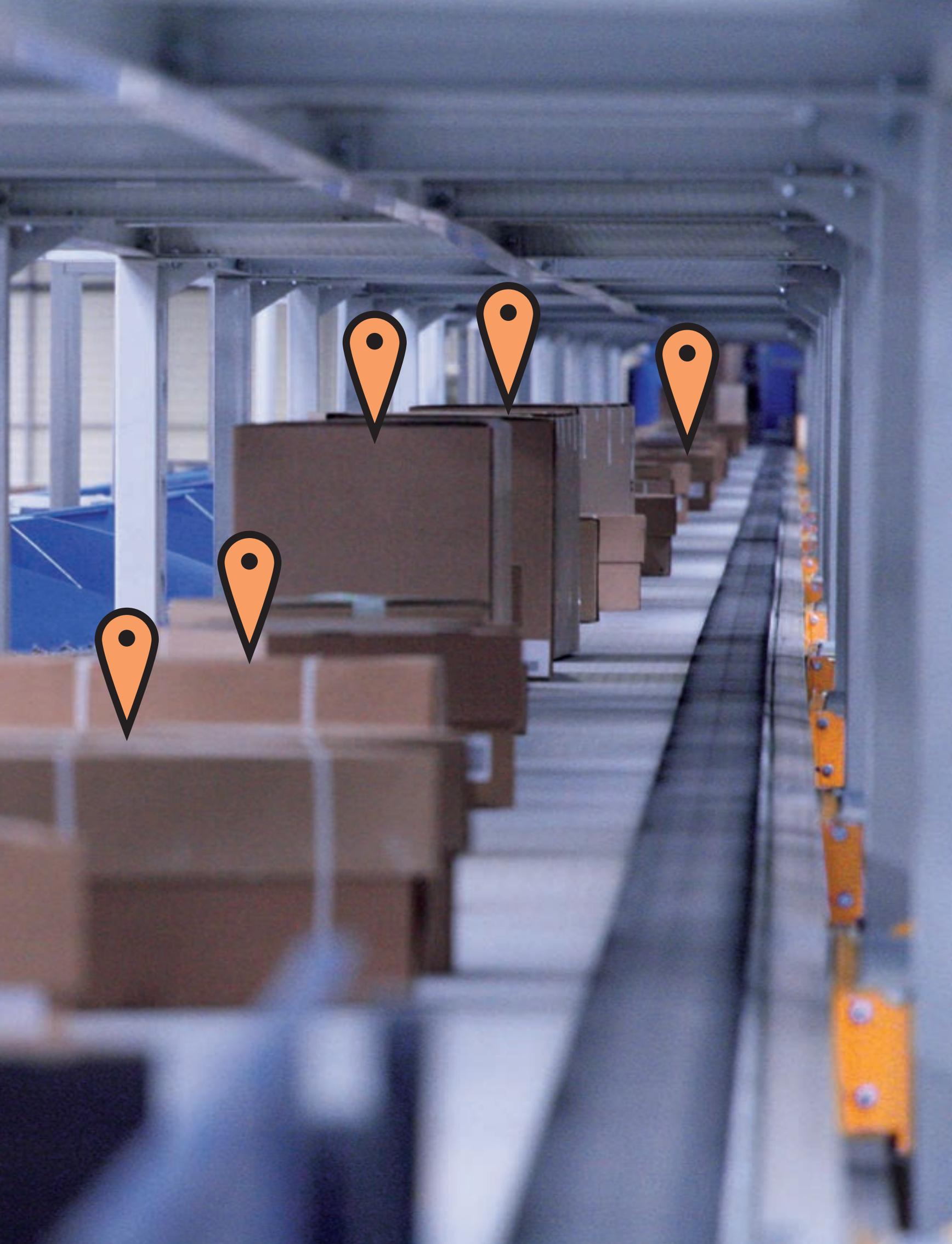
of the Group's employees are women





Through its operational expertise, Geodis promotes the development of its customers' activities. To meet their expectations, the Group designs innovative solutions that optimize the economic, operational and environmental performance of their supply chain. And because its customers are facing the same challenges, Geodis brings them the benefits of its own approach to corporate social responsibility and supports them in achieving their ambitions.

# A COMMITMENT TO CUSTOMERS





# INNOVATION COMMITMENT

MULTIMODAL

## SPECIALIZED SERVICES

5

**ISO TS CERTIFIED SITES**  
International quality standard for the automotive sector.

6

**TAPA CERTIFIED SITES**  
Transport Asset Protection Association, an international freight security standard.

17

**SQAS ASSESSED SITES**  
Safety and Quality Safety and Quality Assessment Series, European guidelines on assessing quality and safety policies in the chemicals sector.

124

**CERTIPHARM CERTIFIED SITES**  
International standard on quality policy in the health sector.

184

**AEO SITES**  
Authorized Economic Operator, certification on customs formalities.

**MODELLING AND REPORTING**  
on the emissions of three greenhouse gases from customer goods flows:

**CO<sub>2</sub>**  
carbon dioxide

**N<sub>2</sub>O**  
nitrous oxide

**CH<sub>4</sub>**  
methane

CLEAN  
VEHICLES

ONBOARD  
IT



By making its expertise, know-how and tools available to customers, Geodis optimizes the management of their supply chain and contributes to their economic, operational and environmental performance.

## Supporting customer development



Multimodal rail-road transport.

A COMMITMENT TO CUSTOMERS

Faced with the globalization of trade, rising fossil energy prices, and a context of economic crisis, Geodis is supporting the changing logistics requirements of its customers while helping them to meet the challenges of sustainable development. It promotes customer activity through solutions and tools that closely integrate targets in operational, economic and environmental performance. Driven by a quest for continuous innovation and a shared passion, Geodis staff commit every day to inventing solutions that are even more efficient. A sustainable relationship is developed with customers, based on shared trust.

### TECHNOLOGICAL INNOVATION SERVING THE SUPPLY CHAIN

Geodis is adapting its IT solutions to save fuel and reduce the greenhouse gas emissions of the customers whose shipping it manages. All the business functions are renewing the information systems used to oversee their activities. As a result, customers are able to monitor and track their shipments using real-time tools. Specifically, Geodis Calberson and Geodis BM are fitting their vehicles with onboard IT tools. In 2010, Geodis Calberson introduced Geodriver and Copilote, which are designed to make deliveries easier and optimize the scheduling of groupage-express rounds in the city. Both systems use a database comprising the addresses of more than 10 million customers, along with information on delivery slots, and service/parcel characteristics. Improved route scheduling cuts vehicle distance by 5% and improves the quality of deliveries. This function was already used daily by 63 depots in 2012. Its deployment across the network and with partner independent carriers will be complete by the end of 2013. Geodis BM has installed an onboard IT tool called Eliot on all its trucks. Connected to the vehicle, Eliot collects data to calculate fuel consumption by truck and by driver, enabling customized training in eco-driving techniques.



Distripolis tricycle in the streets of Paris.

“We focused on equipment that would meet customer expectations in terms of environmental protection, safety and cost-cutting”

**JULIEN GOUVIS**, PROJECT LEADER WITH THE PRODUCTION AND QUALITY DEPARTMENT, GEODIS CALBERSON AND **ÉRIC LAMBOLEY**, DIRECTOR OF TECHNOLOGY AND PURCHASING, GEODIS BM

**WHAT INITIATIVES DID YOU TAKE IN 2012 TO OPTIMIZE YOUR VEHICLE FLEET FROM AN ENVIRONMENTAL STANDPOINT?**

**Julien Gouvis:** We took a number of initiatives in 2012 to meet a twofold challenge: first, to reduce our environmental impact and, more particularly, to boost our carbon efficiency by 20% by 2020 and second, to expand our range of low-carbon vehicles as part of the deployment of our urban logistics program, Distripolis. We tested an electric tricycle in Tours for the delivery of letters and small parcels in city centers. This tricycle had a capacity of 2 m<sup>3</sup>, compared with 1 m<sup>3</sup> for the existing model. We have not yet adopted this tricycle, but have asked the manufacturer to make a number of technical and functional adjustments before organizing further tests. At the same time, we tested a vehicle running on natural gas in Nantes using it on the Nantes-Rennes route overnight and for deliveries to retail customers during the day. The test was conclusive. The vehicle offered a satisfactory range as well as cutting particulates and NOx (nitrogen oxide) emissions by 90%. It also halved noise levels. In order to significantly reduce our CO<sub>2</sub> emissions, we will need to wait for the production and widespread injection of biomethane (-90% of CO<sub>2</sub> compared with -10% for NGV) into the natural gas grid and the implementation of a real network of public and private stations.

**Éric Lamboley:** As part of the annual renewal of one-quarter of our fleet (350 trucks/year), we focused on equipment that would meet customer expectations in terms of environmental

protection, safety and cost-cutting. All the vehicles renewed in 2012 are more aerodynamic, with roof and side deflectors and side fairings. Similarly, semi-automatic transmissions, which provide substantial savings, are now standard for all our vehicles. We are also placing the emphasis on other systems, such as a tire pressure monitor or additional brake, which bring benefits in terms of fuel consumption and safety. These innovations in vehicles and equipment are designed to improve safety, environmental performance and economic performance, while cutting fuel consumption, thus meeting the expectations of our customers.

**WHAT ARE THE NEXT STAGES?**

**J. G.:** As part of the Distripolis program, we plan to pursue testing of electric vehicles (electric tricycles, 8 m<sup>3</sup>, etc.) and to continue working with suppliers in order to expand our range. As part of our transport plan (4,000 lines daily in France, representing 850,000 km), the aim is to extend tests on NGVs to Nantes and other depots in order to confirm economic and environmental performance.

**É. L.:** We will continue to work with vehicle manufacturers to ensure that their vehicles include the solutions we need. At the same time, we are continuing tests on hybrid and natural gas trucks, while remaining extremely prudent. For reasons of cost and technology, we need to allow time for these innovations to reach maturity so that they can be used every day in production.



### MODELLING CO<sub>2</sub> EMISSIONS FOR GOODS FLOWS

The Group developed a CO<sub>2</sub> calculator in 2010. Verified for reliability and performance by Bureau Veritas Certification in 2011, the resource is used in the call for tender phase to model the emissions of three greenhouse gases: carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O) and methane (CH<sub>4</sub>). The calculations cover transport flows worldwide, end-to-end (including pre- and post-shipment) and regardless of transport mode, the nature of the goods or their packaging. Geodis uses the calculations to propose optimized solutions to customers in line with their criteria on costs, times and greenhouse gas emissions. In 2012, the calculator was used to respond to 67 customer requests, half of them in the manufacturing and FMCG sectors.

### USING ALL TRANSPORT MODES

Building on its ability to coordinate all the logistics flows of a customer and on its expertise in all goods transport modes, Geodis has made multimodal transport a development priority because of the operational and environmental advantages it offers to customers. Transport means are combined to bring a tailored solution to each customer corresponding to the goods transported, the distances covered, the regions delivered, and the delivery times required. Solutions include switching from air to sea transport for international flows, combined rail-road transport, the use of rail motorways, and an emphasis on rail for shipments to city centers.

### ALTERNATIVE, LOW-CARBON TRANSPORT SOLUTIONS

Geodis develops further transport solutions to encourage its customers to reduce their CO<sub>2</sub> emissions while helping them to achieve robust economic performance. For intercontinental transport, the Group provides flexible solutions combining air and sea transport. This modal approach strikes an ideal balance between economic and environmental performance by cutting shipment times compared with sea-only transport and by reducing costs and environmental impacts compared with air-only transport.

Geodis Wilson makes use of waterway transport as part of its waterway freight forwarding and port handling activity at all French ports, particularly those on the Seine, at Le Havre, Rouen and Paris.



The multimodal platform of Bonneuil-sur-Marne.

## "SOFT", EFFICIENT URBAN LOGISTICS

Launched by Geodis in 2011, Distripolis is an urban freight transport program providing the basis for last-mile logistics solutions that place greater emphasis on the environment and city residents. Freight flows for city delivery are consolidated (by train, barge or full truck load) and grouped on a multimodal platform located outside the city. This freight is then shipped to so-called BLUE bases (from the French acronym for Ecological Urban Logistics Bases) inside the city for subsequent delivery using quieter "clean" vehicles (electric light commercial vehicles, electric tricycles, etc.). Geodis Calberson had 82 electric commercial vehicles and three tricycles at end of 2012. In Paris, thanks to Distripolis, Geodis is aiming to slash its greenhouse gas emissions by 85% in 2015 compared with 2011. This program has also been extended to other cities in France (Lille, Strasbourg, Toulouse) as well as to Versailles outside Paris, which is playing the role of pilot for the deployment of this concept in medium-sized cities with a population of between 40,000 and 100,000.



From top to bottom: Delivery driver unloading an electric vehicle using an electric pallet transfer truck. Loading a cargo plane.



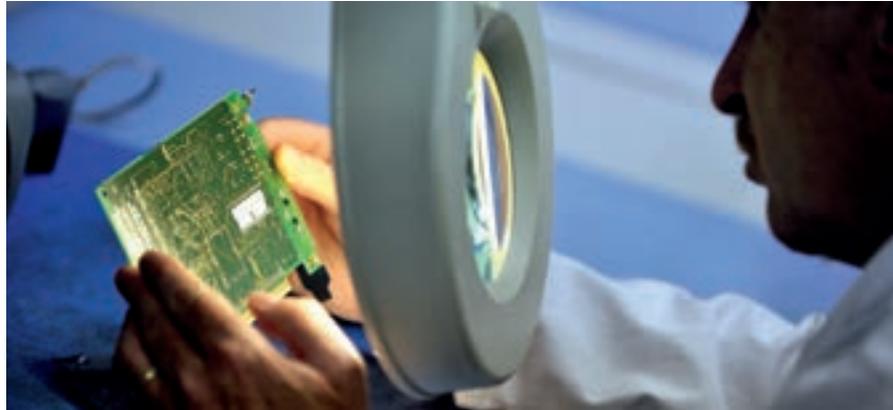
## GEODIS WILSON, SWEDEN ANTICIPATING CHANGES TO THE SUPPLY CHAIN

In Sweden, Geodis Wilson has developed a model to simulate the way in which a customer's supply chain is likely to change over the next ten years. The model takes account of possible changes in parameters linked to regulations, the economic situation and the environment. The aim of this educational tool is to raise customer awareness on how these parameters can impact their supply chain from an environmental and economic standpoint. To this end, 15 variables have been identified in accordance with their impact. For example, the model is able to measure the consequences of a significant rise in oil prices over the next five to fifteen years, or to assess the impact of longer lead-times on CO<sub>2</sub> emissions, or of replacing one means of transport, for part of the freight flow, by another (ship instead of plane, for example). The first version of this tool is now operational, and a tablet app has also been developed. It is used by sales staff in discussions with their customers. Regular upgrades are planned, in line with the feedback from the various partners involved in the project (customers, service providers, scientists).



### MANAGING HIGH-TECH PRODUCTS THROUGHOUT THEIR LIFE CYCLE

In 2012, Geodis Logistics structured its offering for high-tech market customers (electronics, IT, telephone, health, etc.) with a view to covering logistics requirements throughout the product life cycle. At every stage (start, middle and end of life), Geodis provides a full range of value-added solutions and services. This offering includes inbound logistics in the production countries, recycling at end-of-life, configuration on the premises of end-customers, or repair and resale. This solution is original for the way that all services are integrated through the Geodis Logistics platforms and customer activity managed via a dedicated control tower. For customers, an organization of this type is a guarantee of speed and efficiency. It also enables them to satisfy their environmental obligations when products reach the end of their service lives.



Geodis Logistics in Ireland, technical centre.



“Transferring part of the traffic from air to sea and maintaining maximum flexibility.”

LASZLO MAKRA, QUARTER-END COORDINATOR, 4PL LEAD, GEODIS SCO, HUNGARY

#### WHAT SERVICES DOES GEODIS SCO PROVIDE FOR IBM IN HUNGARY?

As part of the global contract between Geodis SCO and IBM, we procure, measure and manage transportation activities for the incoming and outgoing flows of IBM Vác. This also includes the shipment of batteries manufactured by Fuji from Shenzhen in China to the IBM Vác warehouse in Vác, Hungary. Every year, we handle around 11,000 parts (equal to 1,000 tonnes or between 5,000 and 6,000 pallets), which were formerly shipped exclusively by air.

#### WHAT NEW SOLUTION HAVE YOU PUT IN PLACE?

We put forward a solution that is both cheaper and more eco-friendly. Working in close consultation with IBM and Fuji, we agreed that it would be possible to transfer part of the traffic from air to sea. Specifically, we came up with a transport plan that made provision to ship one-third of weekly quantities by sea while continuing to use air transport for the other two-thirds in order to maintain maximum flexibility. This combined air-sea transport model was put in place for an annual volume of 40 containers.

#### WHAT ARE THE RESULTS, TWO YEARS AFTER DEPLOYMENT OF THE SOLUTION?

Today, one-third of Fuji battery containers are shipped by sea, cutting transport costs by 14%. And the reduction in carbon emissions per 10 containers is equivalent to the amount absorbed by around two hectares of tropical forest on a yearly basis. This project has won a sustainable development award from Geodis as well as an IBM Green Star Award from IBM. The aim now is to build on the economical and environmental benefits of this solution by making it available to other IBM suppliers and other Group customers. The solution is easy to replicate and virtuous for all stakeholders. Recently, in early 2013, we started coordinating similar sea container shipments from another location of Fuji to IBM Vác, this time from Thailand. So far the results are rather promising.





Geodis' suppliers and subcontractors are an integral part of its operational and economic business model. Geodis actively encourages these partners to adhere to its corporate social responsibility commitments. A purchasing policy based on demanding performance criteria enables Geodis to better control the social and environmental risks of its activities.

# TRUST IN ITS PARTNERS







In 2012, the Group's purchases were equivalent to more than 5 billion euros, explaining why Geodis has applied a responsible purchasing policy for several years.

## Purchasing, a key lever in the Group's CSR policy

Geodis' purchases come to more than 5 billion euros (transport services included) a year. Its suppliers and subcontractors are thus a strategic source of leverage for improving its CSR performance.

Since 2011, social and environmental criteria are systematically included in the calls for tender, analysis grids, and standard contracts. While they are not currently grounds for rejecting a bid, they are considered as factors in selecting new suppliers.

### ASSESSING PARTNERS TO MAKE BETTER CHOICES

To enhance and facilitate the selection process, in 2011 Geodis joined EcoVadis, an independent organization that evaluates the CSR commitment of thousands of suppliers in 150 business sectors in over 90 countries. The assessment is done using a reference system consistent with international standards such as ISO 26000 and the Global Reporting Initiative, including environmental, social and ethical criteria. In 2012, the Purchasing department asked a first group of 150 suppliers to conduct an EcoVadis assessment. Of the 84 that agreed to do so, 64% were judged by EcoVadis to be "confirmed" or "advanced" (that is, with a CSR score of at least 45 on a scale of 100, while on average, 37% of suppliers evaluated by the platform fall within this category). The Group will be asking more suppliers to undergo this assessment in 2013.

Since the end of 2012, Geodis Wilson has asked its main air and sea transport subcontractors to conduct an EcoVadis evaluation too. Of the 17 contacted, six have agreed. The results are expected in 2013. These assessments are especially important in that the Group relies heavily on outside suppliers for road, air and sea transport services in its business. While subcontractors account for more than half of Geodis' purchasing, they are also responsible for 87% of the greenhouse gas emissions generated by its activities (based on the calculation of Geodis' carbon footprint in 2011). Acquiring detailed knowledge of their social, societal and environmental performance is crucial to improving the Group's performance.

Geodis Calberson, Bonneuil-en-France.

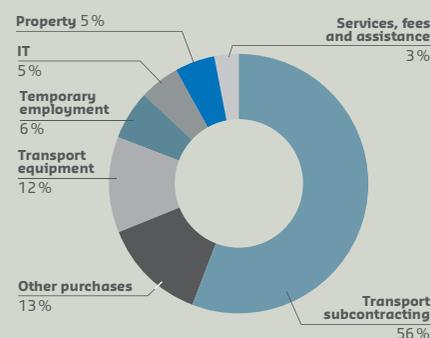


### GEODIS SCO: CERTIFIED ETHICAL AND SUSTAINABLE PURCHASING

In 2012, Geodis SCO (Geodis Supply Chain Optimisation) has received the highly regarded certification awarded by the Chartered Institute of Purchasing and Supply (CIPS), a London-based public-interest group reputed for its independence and its expertise in purchasing. This globally recognized certification is given to organizations striving for excellence in purchasing and cost optimization. It provides customers and suppliers with the assurance that the processes audited respect ethical standards and are applied as part of a sustainable development policy. Geodis SCO, which spends some USD 800 million a year for transport and logistics services, is one of the very few companies in its sector to have satisfied CIPS certification requirements. CIPS assessed the soundness of Geodis SCO's purchasing processes and in particular those for selecting suppliers and awarding contracts.



### BREAKDOWN OF GEODIS' PURCHASING BY MAJOR CATEGORY IN 2012\*

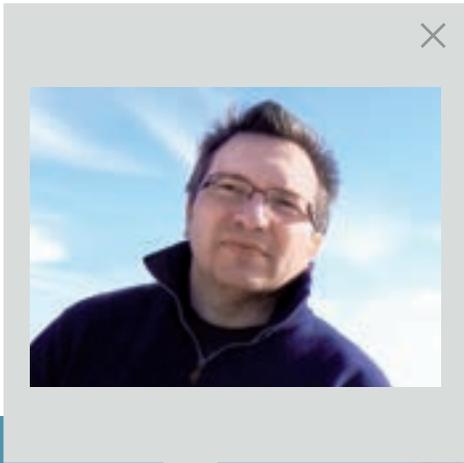


\* France only



### OPTIMIZING CSR PERFORMANCE FOR ALL CATEGORIES OF PURCHASING

Not only subcontracting, but also every purchasing category that Geodis needs for its daily operations is a potential source to leverage CSR performance. Purchases of property, fuel, packaging, consumables, vehicles, travel and the remuneration of temporary workers are all being targeted with actions to reduce the impact on the environment. For example, Geodis has begun replacing its computer equipment every four years instead of three and its trucks every four or five years, depending on the model.



Maersk Line Triple E ship.

“When we cut our emissions, Geodis Wilson’s emissions and those of its customers also go down – a win-win-win situation.”

FRANÇOIS VAN DE WALLE, HEAD OF KEY CLIENTS - GLOBAL FORWARDERS, MAERSK LINE FRANCE

Maersk Line France is one of the world’s leading’ container ocean carriers, and a strategic partner of Geodis Wilson.

#### MAERSK LINE HAS MADE IT A PRIORITY TO CUT CARBON EMISSIONS. WHY IS THIS?

Maersk Line is committed to conducting its business in a responsible and sustainable manner. We are constantly looking for new ways to increase the efficiency of our operations and minimize our environmental footprint. It is integral to remaining cost competitive in today’s ocean transport market, where margins are very small: cutting our emissions means consuming less fuel and thus cutting costs.

It’s also an issue from a commercial standpoint, a responsible purchasing requirement expressed by customers such as Geodis Wilson who are setting new standards for sustainability performance in the supply chain. When we cut our emissions, Geodis Wilson’s emissions and those of its customers also go down – a win-win-win situation.

#### WHAT SOLUTIONS ARE YOU PUTTING IN PLACE?

Several different Maersk Line initiatives have contributed to our industry-leading CO<sub>2</sub> performance including a focus on network efficiencies, slow steaming and maintaining a modern, fuel-efficient fleet. In June 2013 we are launching our new Triple-E vessels which represent the future of low-impact shipping. The Triple-E vessels, almost 400 meters long and with a capacity of 18,000 TEUs (20-foot equivalent units) will consume approximately 35% less fuel and emit 50% less CO<sub>2</sub> per container moved, compared to the industry average on the Asia-

Europe trade. They will also set a new industry standard for sustainable shipbuilding through an almost entirely recyclable vessel with a “cradle-to-cradle passport” approach.

#### HAS MAERSK LINE SET QUANTITATIVE TARGETS IN TERMS OF CARBON EMISSIONS?

Yes. We were aiming to cut emissions by 25% between 2007 and 2020, but we actually reached our target in 2012 thanks, in particular, to our slow steaming approach. We have now set a new target to cut emissions by 40% between 2007 and 2020.

#### HOW ARE YOU WORKING WITH GEODIS ON SUSTAINABLE DEVELOPMENT ISSUES?

Geodis Wilson is one of the most strategic customers to whom we supply third-party verified, reporting data concerning the environmental impact of its traffic flows on a monthly basis. We do this through our Key Client Performance Dashboard where we calculate the carbon emissions saved using Maersk Line compared to an industry average carrier. This was made possible because the container shipping industry has developed a standard methodology for CO<sub>2</sub> emissions reporting, giving customers the transparency and control to reduce their supply chain CO<sub>2</sub> impacts through carrier benchmarking. In 2012, based on these measurements, we were able to present Geodis Wilson with a first ‘Carbon Savings Certificate’ for reduced carbon emissions. Using Maersk Line, Geodis saved 8,796 metric tons of CO<sub>2</sub> in 2011 and 9,800 metric tons of CO<sub>2</sub> in 2012. We have also participated in the assessment of our CSR performance through the EcoVadis platform, as requested by Geodis Wilson.



Geodis has a responsibility to pursue its development in harmony with its environment, wherever the Group is present. For this reason, the Group has set up strong and ambitious targets to improve the environmental performance, the carbon efficiency of its activities and to support societal initiatives reflecting its values of solidarity and commitment.

# AT THE HEART OF SOCIETY







Freight transport generates 10% of global emissions of CO<sub>2</sub>, the main greenhouse gas responsible for global warming\*. As a major player in the sector, Geodis has made it a strategic priority to cut greenhouse gas emissions.

## Restated ambitions in carbon efficiency

In 2011, Geodis conducted the first global, exhaustive assessment of its carbon footprint as part of the Oxygen project. In terms of method, this project is based on the most effective standards and tools: Bilan Carbone® (carbon assessment) developed by ADEME, the French Environment and Energy Management Agency, the GHG (greenhouse gas) Protocol, and EcoTransIT World, a tool designed to calculate the environmental impact of freight transport. The calculation covers 98% of revenue (base year 2010) and includes all parameters (vehicle types, fuel consumption, load factor, pre- and post-shipment, vehicles off the road) and all levels of scope, including scope 3 of the GHG Protocol (indirect emissions linked in particular to transport subcontracting). Following this measurement phase, Geodis made a commitment to improve its carbon efficiency by 20% by 2020.



Geodis Calberson, Paris Bercy.

### INTEGRATING CARBON CALCULATIONS IN IT SYSTEMS

This approach highlighted the need for measurement tools able to conduct calculations on an industrial basis, in order to allow regular updates and efficient management of emission-cutting action plans. Following on from Oxygen, Geodis initiated the Blue<sub>2</sub> project to integrate and deploy the EcoTransIT World tool in the IT solutions used by all Group business functions. The EcoTransIT World tool was originally developed in 1998 by European rail companies including SNCF. It measures emissions of greenhouse gases and atmospheric pollutants for all means of transport and all geographical areas. It is aligned with European standard EN 16,258, published in early 2013, which sets out a method for calculating greenhouse gas emissions in the transport sector, common to all European countries. The EcoTransIT World method is complementary and coherent with the method developed for the Oxygen project. Based on this complementarity, Geodis is able to ensure that all transport flow segments are covered by a proven method of calculation. With the deployment of calculation tools in the Group's IT systems through Blue<sub>2</sub>, Geodis is implementing a global, harmonized response that will enable it to measure and manage its carbon footprint and to supply customers with reporting data on the emissions generated by their freight flows, as required by French legislation from October 2013.

\* Global Freight and Climate Change Report, Centre d'Analyse Stratégique, 2010.



### GEODIS' CARBON FOOTPRINT\*

**4,9** million tCO<sub>2</sub>eq

**8 % SCOPE 1**  
Direct emissions  
(fuel and gas combustion)

**0,5 % SCOPE 2**  
Indirect emissions  
(purchase of electricity)

**91,5 % SCOPE 3**  
Other indirect emissions,  
of which 87% linked to  
subcontracting

**95 % of emissions**  
generated by transport

**5 % of emissions**  
generated by buildings

\*2011, based on 2010 figures.  
Update planned for 2014.



### CO<sub>2</sub> INFORMATION ON TRANSPORT SERVICES

Just like passenger transport firms, freight carriers entering and leaving France will be required from October 1, 2013 to inform their customers of the CO<sub>2</sub> emissions produced by shipment of their freight, regardless of the means of transport used. This requirement, set out in article 228 of the Grenelle II act in France, is designed to promote transparency. It will provide a basis on which to measure and subsequently reduce emissions. The main aim of the Blue<sub>2</sub> project is to help Geodis meet this new regulatory requirement.



### PRACTICAL INITIATIVES IN THE FIELD

To improve its carbon efficiency, Geodis is continuing its efforts of recent years with initiatives targeting its own means of transport (speed limits, onboard IT systems, training in eco-driving, equipment to cut fuel consumption, etc.) and premises (optimized energy consumption and business travel, better waste management, etc.). The Group's carbon footprint is highly dependent on the activity of its subcontractors. Geodis encourages them to pursue their own emission-cutting programs, and is aiming to include their carbon performance in its selection process.

### TAKING ACTION WITH THE TRANSPORT SECTOR AND WITH CUSTOMERS

Cutting greenhouse gas emissions requires a collective effort by all players, both carriers and customers. For this reason, the Group is involved in various sectoral initiatives around the world to improve the environmental performance of transport. For example, Geodis is part of Green Freight Europe, a collaborative platform bringing together carriers and shipping customers. Geodis SCO is involved in the SmartWay program set up by the Environmental Protection Agency in the US, and in Transporte Limpio in Mexico, a government program for the certification of carriers actively seeking to cut their CO<sub>2</sub> emissions. Geodis Wilson is taking part in the Clean Shipping Project, to assess the environmental performance of shipping and, in Sweden, it is working with the Swedish Network for Transport and the Environment (NTM), to measure the environmental impact of transport.

“It's very important that all the players take concerted action on emissions.”

MARTIN SCHMIED HEADS THE ENVIRONMENT AND TRANSPORT DEPARTMENT AT INFRAS, A SWISS CONSULTING GROUP ON SUSTAINABLE DEVELOPMENT ISSUES.

#### IS THE TRANSPORT AND LOGISTICS SECTOR DOING ENOUGH TO REDUCE CARBON EMISSIONS?

Unlike other economic sectors, where emissions of CO<sub>2</sub> and the other greenhouse gases are falling, they have risen significantly in the goods transport sector in recent years, and will continue to do so. This results from the increasing globalisation of markets. It's very important that all the players take concerted action on emissions. The issues of measuring and reducing GHG emissions are quite new subjects in the sector, compared to other industries. But a crucial point is that you cannot manage what you cannot measure. Today the calculation methods applied differ, the reliability of the results is often doubtful and evaluation of the results not always easy. For example discrepancies are caused by using different conversion and emission factors. Do the factors include CO<sub>2</sub> only or all greenhouse gases like methane? Do the factors consider the production of the fuels or simply the emission measured on the exhaust pipe? Are empty return trips included or not? In order to harmonize the calculation and declaration of greenhouse gas emissions, the new European standard EN 16258 has been developed over the last few years. The emission calculation tool EcoTransIT developed by logistic



Container ships and portal cranes in the port of Jarry, Guadeloupe.

companies like Geodis fulfils already now the requirements of this standard and allows calculating energy consumption and emissions for worldwide transport chains with high accuracy, transparency and consistency.

#### WHAT STEPS SHOULD WE TAKE TO REDUCE THE GHG EMISSION IN THE LOGISTIC SECTOR?

A combination of solutions for all transportation modes should be used. Transport companies must accompany their customers to optimise their load factors, introduce new, more fuel efficient generations of trucks, planes or vessels, test low carbon vehicles and fuel types, use rail and ship transport instead of truck and air whenever possible, and optimize the use of all transport modes for example by reducing the speed of container vessels. There will be economic and industrial consequences for customers, but these steps shall all reduce the sector's carbon footprint. There should be a close cooperation between the transport company and its customers, its subcontractors and also with the industry on tools like EcoTransIT for instance. A common understanding of the emission situation will enable all partners of the supply chain to develop an ecologically and economically efficient strategy to reduce the greenhouse gas emissions.



Geodis is making active efforts to improve environmental performance in all areas, from its fleet of vehicles through to the day-to-day running of its sites.

# Reducing environmental impacts

## REDUCING LOCAL POLLUTION AND VEHICLE FUEL CONSUMPTION

To limit the local pollutant emissions that impact air quality and human health (carbon monoxide CO, nitrogen oxides NOx, particulates, etc.), Geodis continued to renew its fleet in 2012 in line with the Euro 5 standard. Between end of 2011 and end of 2012, the percentage of the fleet meeting the Euro 5 standard rose from almost 48% to 63%, out of 5,286 owned vehicles. At the same time, the Group is testing the use of vehicles with “clean” drivetrains (electric, hybrid, natural gas, etc.), for example, as part of the urban logistics concept, Distripolis. Geodis is also continuing efforts to reduce the fuel consumption of its vehicles. Geodis BM has limited engine power since 2006 (82 kph instead of the regulatory 90 kph) for average fuel savings of 1.2 liters/100 km per year. It is adopting low-consumption tires. Pursuing the same objective, Geodis BM and Geodis Calberson are training all drivers in rational driving techniques. With the onboard IT tools fitted on trucks, any drivers deviating from this safer, more economical style of driving, receive additional training to help them acquire the necessary knowledge and put them to practice for a long term.

## SITES COMMITTED TO PROTECTING THE ENVIRONMENT

As part of a process of continuous improvement, Geodis sites (logistics warehouses, groupage platforms, sales offices, head office, etc.) use an environmental management system based on the ISO 14001 standard. A growing number of sites have already received certification. At end of 2012, out of 752 Geodis sites worldwide, 279 were ISO 14001 certified (37% of sites), compared with 235 at end of 2011. Through this certification, the sites are taking a structured approach to improve their environmental performance with initiatives designed to reduce their impacts.



Geodis BM, Oissel, France. Driver checking the engine of a truck.



## ANTICIPATING THE ECOTAX

From October 1, 2013, all trucks using French roads will be required to pay the tax on heavy goods vehicles, often referred to as the Ecotax. This new tax, based on the principle of a flat-rate charge on transport, is intended to finance new infrastructure as part of the intermodal development of transport, and to repair the road network. The tax, which was inspired by France’s national roundtable on the environment, will be collected by an electronic toll system. Anticipating the application of this tax, Geodis set up a work group in 2012 to monitor debate on the bill and to be ready for deployment. It is working on all aspects of the ecotax, with particular emphasis on the modeling of costs for Geodis BM and Geodis Calberson, the impact for customers, the provision of onboard electronic toll units for trucks, the contract with the electronic toll collection company, and customer information.



## GEODIS SCO, CHINE, SHENZHEN CHEAPER PACKAGING TO PROTECT THE ENVIRONMENT

Formerly, the Geodis SCO site in Shenzhen (China) had few options at its disposal in terms of packaging size (boxes and pallets). The site, which processes shipments from IBM plants for the company's customers, therefore generated significant additional costs and waste. To reduce wastage and cost while optimizing organization, the site asked its customer to consider expanding the packaging range to include 15 new models. Since the project launch in 2010, the site has acquired boxes and pallets better adapted to the size and volume of goods. This makes for easier loading, contributes to environmental protection, and has also cut costs by USD 1.23 million.



Solar panels on the Geodis Logistics warehouse in Castel San Giovanni, Italy.

As the Group rents most of its buildings, these initiatives seek primarily to improve infrastructure with the purchase of more efficient equipment (low consumption bulbs and presence detectors, for example), and campaigns to raise employee awareness on everyday eco-friendly practices. At the same time, the Group is putting in place measures to cut energy and water consumption, and to optimize business travel and home-work journeys. Geodis is also deploying a triple certification approach: QSE - Quality (ISO 9001), Safety (OHSAS 18001) and Environment (ISO 14001). At end of 2012, 155 Geodis sites (21%) had this triple certification.

Environmental management at Geodis sites also includes continuous efforts to optimize waste management. Hazardous waste (filter sludge from vehicle washing, used oil, batteries, etc.) is stored before transfer for specific treatment. Non-hazardous production waste (wooden pallets, cardboard, plastic films, paper, metal, etc.) is sorted, stored and processed for treatment and recovery whenever possible. In 2012, 73% of the ordinary waste generated by Geodis activities was recovered.

AT THE HEART OF SOCIETY

## 752 sites at end-2012



**155**  
sites have QSE  
triple certification

Quality-Safety-Environment (21% of sites): this number has doubled on 2011 (77 sites), primarily as a result of the efforts made by Geodis Wilson, which has tripled the number of sites with triple certification.

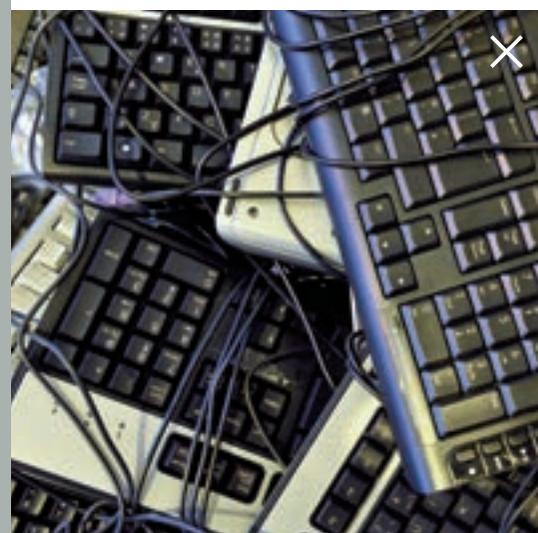
**80%**  
of sites certified  
ISO 9001

**37%**  
of sites certified  
ISO 14001

**23%**  
of sites certified  
OHSAS 18001

**63%**  
of Geodis vehicles  
meeting the Euro 5  
standard at  
end-2012 (out of  
a fleet of 5,286  
vehicles).

**73%**  
of non-hazardous  
waste produced by  
Geodis worldwide  
recovered in 2012.





Through its economic weight and role in the community, Geodis is involved in a range of socially aware initiatives that reflect its values.

# Significant involvement in the community

## THE GEODIS FOUNDATION: COMMITTED TO PREVENTING EXCLUSION

The Geodis Foundation is an important part of the Group's social commitment, reflecting its efforts to fight all forms of exclusion. Set up in 2007 under the aegis of Fondation de France, it seeks to encourage entrepreneurship and initiative by disabled people in France. Every year, the Foundation awards the Guy Crescent prizes to disabled people or to associations working with the disabled. These prizes target initiatives that seek to improve the lives of disabled people or that involve projects to create or develop a professional activity. In 2012, for example, the Geodis Foundation presented a prize to "J'en crois pas mes yeux" (I can't believe my eyes), a series designed to raise awareness on disability and difference, which can be watched online. Group employees can get involved in the Foundation by taking part in the process to select and sponsor projects. Looking beyond the Foundation, Geodis supports social initiatives, in particular, to promote the professional and social integration of people in difficulty or young people unable to find a job.

## LOCAL INITIATIVES

In all the countries where the Group is present, its employees, sites and business functions are actively involved in charitable and philanthropic initiatives: support for sick children or cancer sufferers, assistance for disaster victims, action for disabled people, etc. This involvement can take different forms: donations, sponsoring, financial or logistics support or the shipment of equipment. In France, for example, Geodis supported the initiative "Don de couettes" (duvet donation) to provide charities with duvets used by French rail operator SNCF in its night trains, with more than 80,000 duvets distributed overall. In Spain, Geodis Wilson published a charity calendar that was sold to employees, with proceeds going to the Spanish Food Bank. This commitment can also be seen in joint initiatives with Group customers. For example, Geodis Logistics is supporting the association "Close the gap", alongside its customer Ricoh. The association recovers used IT equipment for an NGO that reuses it in schools and villages in Africa.



## GEODIS SCO, MEXIQUE SOCIAL ACTION BY FEMALE EMPLOYEES

Around twenty women working for Geodis SCO in Mexico launched Blue Women. As part of this program, women are encouraged to take part in humanitarian, societal and environmental actions or projects. At the same time, this approach helps them to demonstrate their leadership qualities as well as promoting their personal and professional development. This project contributes to turning the spotlight on women, in a subsidiary where they account for 20% of the workforce, compared with 30% in Geodis SCO as a whole.

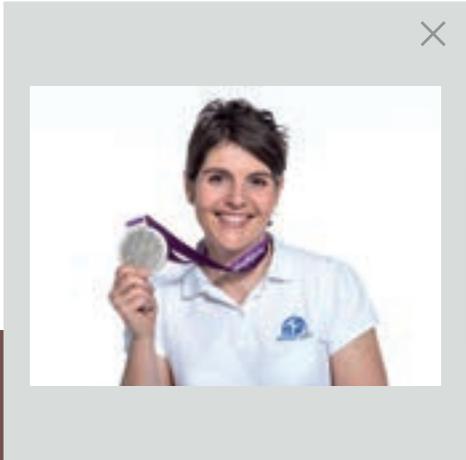


Winners of the 2012 Guy Crescent prizes awarded by the Geodis Foundation, with their sponsors.



### SUPPORTING THE SPORTING WORLD

Geodis shares common values with the sporting world: a sense of solidarity and an ability to push back the limits. For this reason, sport is one of the main fields in which the Group seeks to express its societal commitment, promote diversity and prevent all forms of exclusion. For example, Geodis supports the charitable initiatives of Variétés Club de France, and the association "Remise en jeu" (back in the game), which supports the social reintegration of homeless people. It also hoisted the colors of Mira Europe, an association helping young blind people, on its yacht, the Class 40 Geodis. Reflecting this commitment, Geodis supported the ten athletes of Geodis Team, set up in 2011, in the run-up to the 2012 Olympic and Paralympic Games in London. Made up of able-bodied and disabled sportsmen and women from a wide range of background team shares a determination to push back the limits. Supported by Group employees, they came back from London with six medals, of which two gold.



“The support provided by Geodis for adaptive sports, which tend to have a low profile, is a real opportunity for me.”

**NATHALIE BENOÎT,**  
SILVER MEDAL FOR ROWING, ARMS AND SHOULDERS CATEGORY,  
IN THE 2012 LONDON PARALYMPIC GAMES, MEMBER OF GEODIS TEAM

#### WHAT BENEFITS DID YOU GAIN FROM JOINING GEODIS TEAM 18 MONTHS BEFORE THE LONDON GAMES?

First, financial support. I was able to buy a boat identical to the one I was taking to the Paralympic Games in London, and to pay for body-building equipment and osteopathy treatment to help me get in shape physically. But the most important factor was the moral support. Being part of a sports team alongside my own team, with high-profile sports people such as Lucie Décosse, was really motivating. And the fact that I was chosen from among so many other athletes also contributed to my self-confidence, and that's essential in a competition such as the Games. Also, I really enjoyed the support and interest shown by the Geodis employees I met on several occasions. Last, I knew that I could count on company staff if necessary. And that was beyond price.

#### WHAT DO YOU THINK OF GEODIS' DECISION TO BRING TOGETHER ABLE-BODIED AND DISABLED ATHLETES IN THE SAME TEAM?

I'm determined not to be pigeonholed in the adaptive sports category. I'm a French athlete, a rower in a category (arms-shoulders) that is just one category amongst others (heavyweight, lightweight, etc). So I really welcomed the Geodis initiative. Sponsors usually think in terms of visibility. In France, adaptive sports have virtually no visibility, so it is difficult to find partners, who, like Geodis, sponsor athletes for human reasons rather than for media coverage. In fact, disabled athletes have no more difficulties than any other athletes practicing a sport that does not benefit from significant media coverage, i.e. 80% of French sports people. So the support provided by Geodis is a real opportunity. And all the more appreciated in that the Group is continuing to support me in 2013 in the run-up to my next project. From June 15, I plan to row across France by canal and river, from Paris to Marseille!

Geodis Team: ten top able-bodied and disabled athletes. From left to right: Yohann Diniz (walking), Nathalie Benoît (para-rowing), Renaud Lavillenie (pole vaulting), Lucie Décosse (judo), Christophe Lemaitre (sprinting), Sandrine Aurières-Martinet (para-judo), Grégory Baugé (track cycling), Gévrise Emrane (judo), Céline Gerny (para-riding), Hongyan Pi (badminton).

# CSR INDICATORS



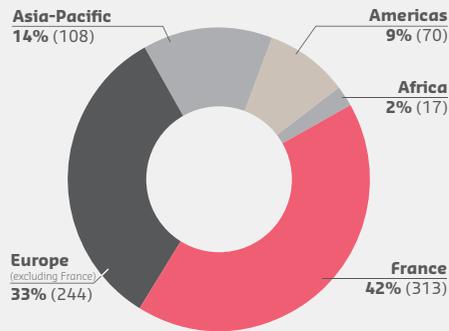
SEE ALL THE CSR INDICATORS 2012



## SITES & CERTIFICATIONS

### Geodis presence by geographical area

Total number of sites: 752  
(750 sites and 2 sites for headquarters)



In 2012, Geodis continued its development. The number of sites worldwide rose by 3.5% between 2011 and 2012. The Group reinforced its presence in Europe, with a 12% increase in site numbers between 2011 and 2012. The warehouses, platforms and offices owned or rented by Geodis at the end of the calendar year are counted as sites.

## GOVERNANCE



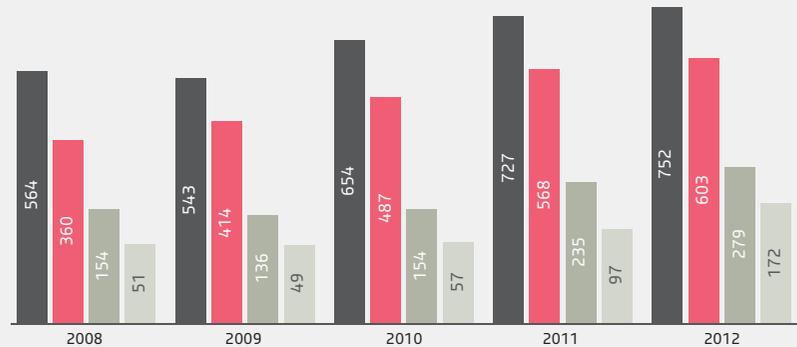
**63/100**

### An external assessment of Geodis' CSR performance by EcoVadis

In 2012, Geodis updated the assessment of its CSR performance by EcoVadis, a neutral, independent platform assessing the CSR performance of companies in 150 sectors of activity. Geodis was rated as "confirmed" with a score of 63/100. This score places Geodis on a par with the average rating for companies assessed by EcoVadis (average score of 48/100) and above companies in the "road transport" sector (average score of 45/100). Geodis obtained a score of 70 for the Environment and Labor Practices categories and 50 for the Fair Business Practices and Suppliers categories.

### Evolution of the number of certified sites

- Total number of sites
- ISO 9001
- ISO 14001
- OHSAS 18001



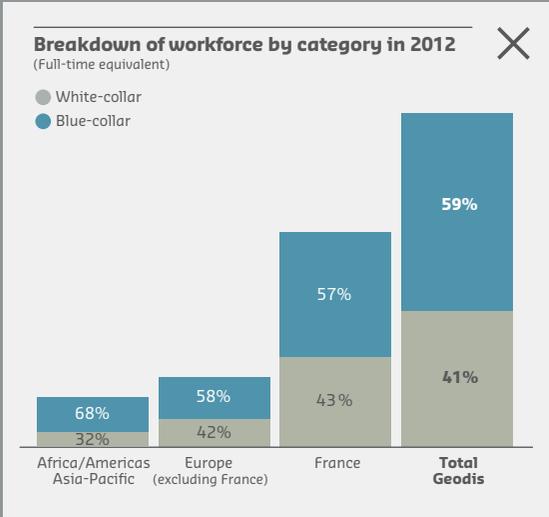
The triple certification in Quality-Safety-Environment (QSE) concerned 155 sites at end of 2012 (21% of sites), double the number a year earlier (77 sites at end of 2011). This increase can be attributed primarily to the efforts of Geodis Wilson which tripled the number of sites with triple certification. A total 71% of QSE-certified sites are in France and Europe. At end of 2012, 80% of Geodis sites worldwide had ISO 9001 certification, 37% of sites ISO 14001 and 23% of sites OHSAS 18001. Most certified sites are in France and in Europe but this approach is also being deployed in other regions around the world.



# LABOR YEAR

## WORKFORCE BREAKDOWN

GRI (GLOBAL REPORTING INITIATIVE VERSION 3 - WWW.GLOBALREPORTING.ORG)  
INDICATOR: LA1



**33% of women and 67% of men (full-time equivalent)**

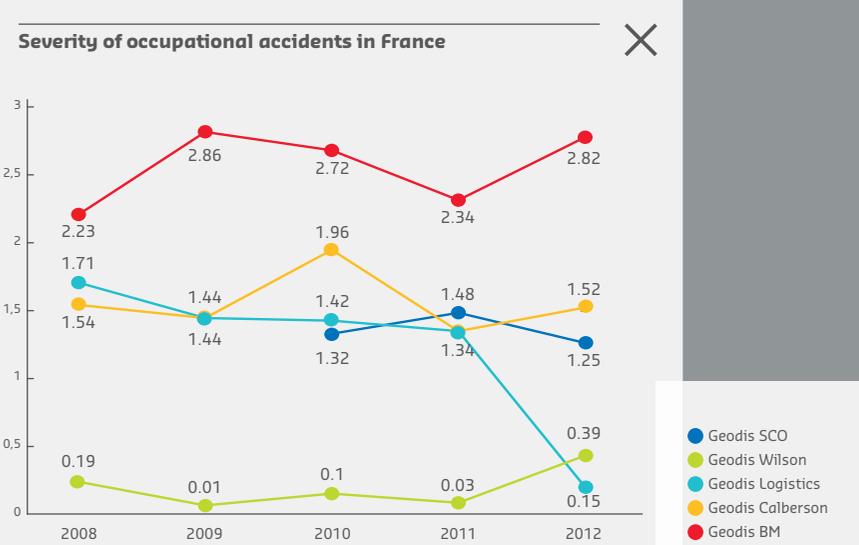
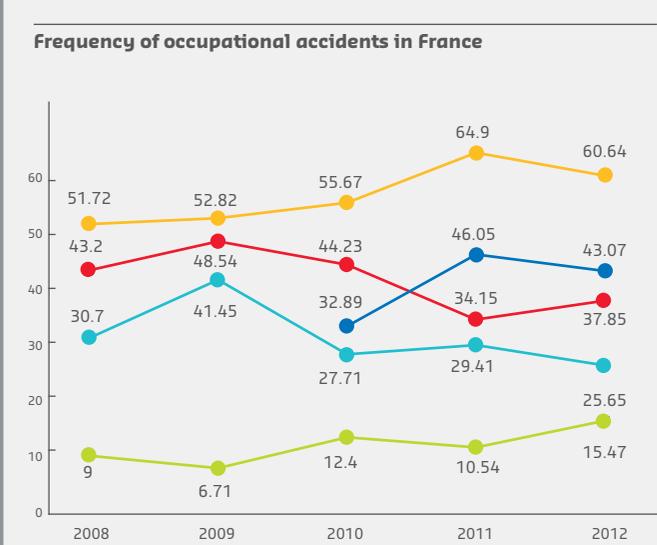
Between 2008 and 2011, the workforce grew from 26,381 to 32,100 employees. The bulk of the workforce is employed in the groupage/express logistics and air/sea freight forwarding business functions. France has the largest number of employees, accounting for 62% of the total. Europe (excluding France) accounts for 22% of employees, and the regions of Asia-Pacific, Americas and Africa for 16%.

The white collar category includes managers, senior supervisors, supervisors and employees, while the blue collar category includes production workers and drivers. The breakdown between blue and white collar varies significantly from one region to another. The number of women in the transport and logistics sector is low by nature. Women accounted for 33% of the workforce in 2012 (full-time equivalent). Nevertheless numbers vary according to the geographical region and the activity. Women represent more than 50% of the workforce in Asia-Pacific and in the Americas.

**32,100 employees worldwide in 2012**

## INDIVIDUAL SAFETY

GRI INDICATOR: LA7

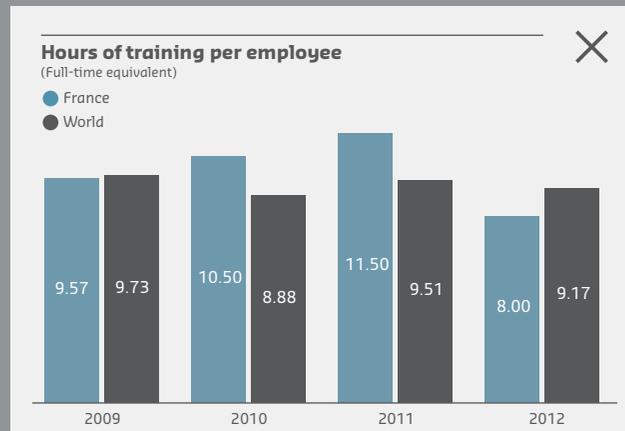


In 2011, the reliability of the process for consolidating safety indicators was improved, using detailed data to obtain frequency and severity rates for occupational accidents. This change makes it difficult to compare figures with those for the period before 2011. In 2012, the business functions continued their efforts to improve safety. Geodis BM has given new impetus to a number of major initiatives 2010 as part of its partnership with "Automobile Club Prévention". At Geodis Calberson,

efforts focused on tracking occupational accidents more effectively, based on a site-by-site analysis, in order to inform employees and reduce the severity of accidents in France. Geodis Logistics organized joint action to improve safety, with challenges and initiatives in communication, training and OHSAS 18001 certification. Geodis Wilson is continuing to deploy OHSAS 18001 certification across all its sites worldwide (objective for 2015). Six new countries were certified in 2012.

## TRAINING

GRI INDICATOR: LA10

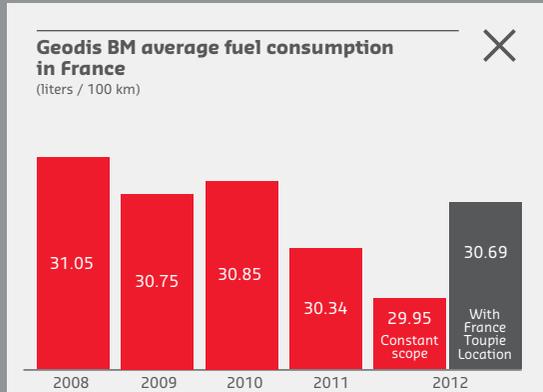
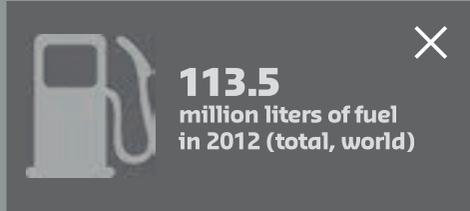


Despite a slowdown in economic growth, Geodis is continuing its training programs in e-learning and in the field (training in eco-driving, for example), placing particular emphasis on safety training.

# ENVIRONMENTAL YEAR

## TRANSPORT FUEL CONSUMPTION

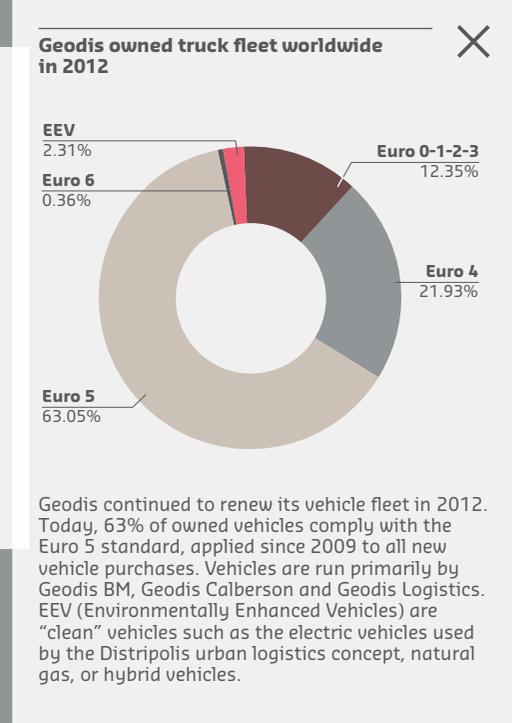
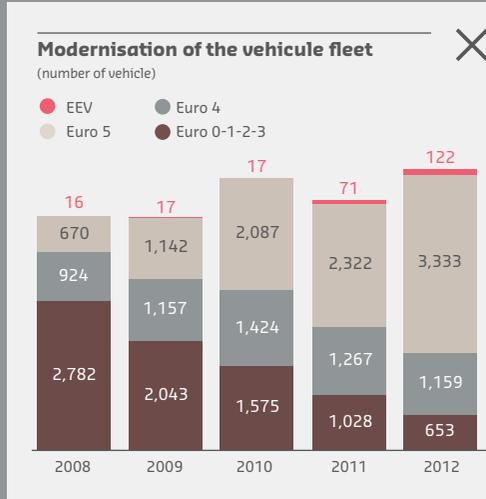
GRI INDICATOR: EN3



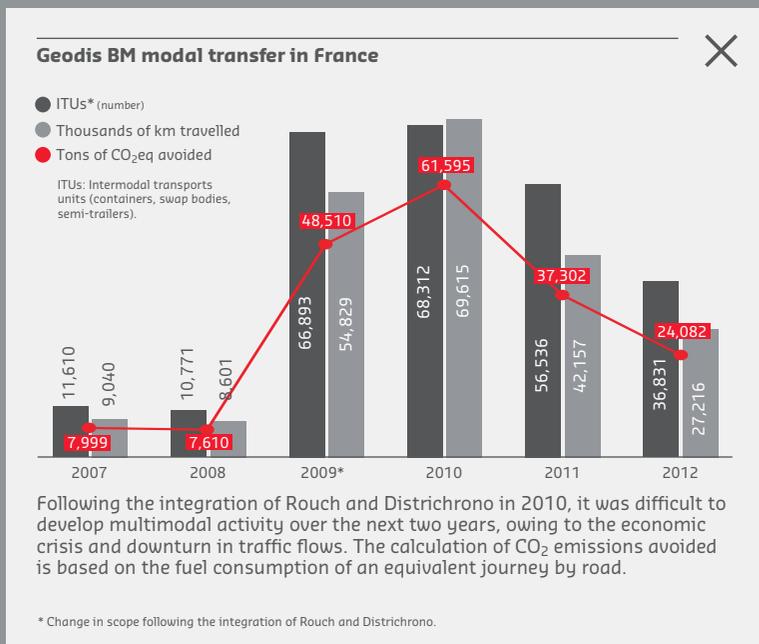
The Group has cut its fuel consumption by almost 14% since 2010. This drop reflects a downturn in activity for some functions as a result of the economic situation, but also the significant efforts made to improve performance and reduce fuel consumption. In 2012, Geodis BM accounted for 52% of consumption, Geodis Calberson for 34%, and Geodis Logistics for 14%. In 2011 and 2012, Geodis BM stepped up the efforts made over a number of years to cut the average fuel consumption of its trucks. These efforts have brought results, since average consumption fell by 1.10 liters/100 km between 2008 and 2012 on a like-for-like basis. In 2012, Geodis BM acquired France Toupie Location, a mixer truck business that is fuel-intensive by nature.

## TRANSPORT VEHICLE FLEET

GRI INDICATOR: LT2



CSR INDICATORS



## BUILDINGS ELECTRICITY, GAS AND WATER CONSUMPTION

The logistics and groupage activities are energy-intensive by nature (lighting for warehouses, heating, power for handling systems and conveyors). The bulk of energy consumption concerns Europe. France accounts for 60% of Geodis' worldwide electricity consumption, 60% of gas consumption and 72% of water consumption. Geodis Logistics accounts for 79% of the gas consumed by Geodis worldwide. Geodis is pursuing initiatives to optimize its consumption of utilities (electricity, gas, water), by upgrading its infrastructures and equipment, and organizing awareness-raising campaigns. Most of the water consumed at Group sites is used by the external vehicle washing stations and the internal tank washing stations (four at Geodis BM).

**134,528 MWh**  
of electricity  
consumed in 2012  
(total, world)

**60,522 MWh**  
of gas consumed in  
2012 (total, world)

**352,285 m<sup>3</sup>**  
of water consumed in  
2012 (total, world)

GRI INDICATOR: EN3, EN8

# BUILDINGS

## PRODUCTION WASTE GRI INDICATOR: EN22

Waste production fell in 2012. As part of its activities, Geodis produces non-hazardous waste (wooden pallets, cardboard, films, plastic, paper, metal, etc.), which is sorted, stored and sent for recovery, where possible. The Group is continuing efforts to raise employee awareness and to improve the sorting and recovery of non-hazardous waste. Figures rose significantly in 2012, with recovery of 73% of the non-hazardous waste produced by the sites. The Group also produces hazardous waste (filter sludge from vehicle washing, used oil, batteries, etc.), which is stored before transfer for specific treatment. The logistics and groupage activities account for the bulk of production waste, primarily in France and Europe.

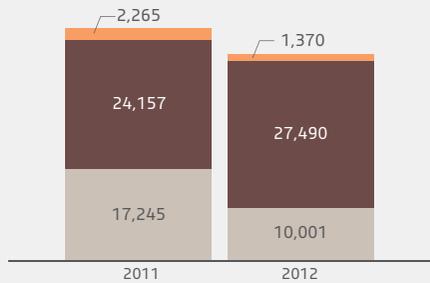


**73%**  
of non-hazardous waste recovered in 2012 (total, world)

### Total waste produced by Geodis worldwide

(in tonnes)

- Non-hazardous mixed waste
- Non-hazardous waste recovered
- Hazardous waste



### Production and recovery of non-hazardous waste by Geodis worldwide

(in tonnes)

- Non-hazardous mixed waste (non-recovered)
- Non-hazardous waste, sorted and recovered
- % recovery rate

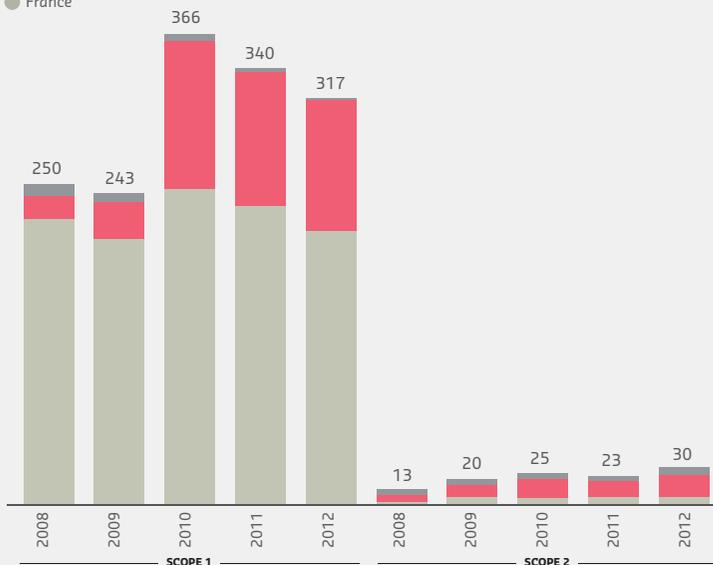


# GREENHOUSE GAS EMISSIONS GRI INDICATOR: EN16

### Geodis CO<sub>2</sub> emissions (scopes 1 and 2)

(in thousands of tonnes of CO<sub>2</sub>eq)

- Asia-Pacific, Americas, Africa
- Europe (excluding France)
- France



The breakdown of emissions is based on the GHG Protocol and Bilan Carbone®:

- Scope 1: direct emissions from the burning of fuel and gas.
- Scope 2: indirect emissions from the consumption of purchased electricity.

Emissions in scopes 1 and 2 rose in 2010, primarily as a result of the integration of new entities and a gradual pick-up in activity. Scope 1 emissions fell in 2011 and 2012, owing partly to the efforts made by Geodis to cut the energy consumption of its vehicles and buildings, and also to the economic situation, which caused a slowdown in activity. For more information on the measurement and reduction of the carbon footprint, see pages 28-29).

SEE [WWW.GEODIS.COM](http://WWW.GEODIS.COM) FOR DETAILS OF THE REPORTING METHOD (SCOPE OF REPORTING, PROCESS FOR COLLECTING AND CONSOLIDATING DATA, CHOICE OF INDICATORS, LIMITATIONS OF METHODOLOGY, CHECKS AND VERIFICATION OF INDICATORS).

#### **ACKNOWLEDGE**

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