

2015 CORPORATE SOCIAL RESPONSIBILITY REPORT

BE A GOOD CITIZEN



GEODIS

We logistic your growth

CORPORATE SOCIAL RESPONSIBILITY REPORT 2015

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SCOPE OF REPORT

GEODIS is an integral part of SNCF Logistics, a branch of SNCF Mobilités specializing in the transport of goods and logistics. This document, published in June 2016, refers to GEODIS. Figures published in this report, and in particular CSR indicators for 2015 (pages 33 to 35) refer to the GEODIS scope excluding OHL, except the figures on page 3 - revenue and workforce - which include OHL. GEODIS first started publishing an annual Sustainable Development Report in 2009. It became a Corporate Social Responsibility Report in 2013.

Information on GEODIS CSR best practices and all 2015 CSR indicators are available on www.geodis.com

ACKNOWLEDGEMENTS

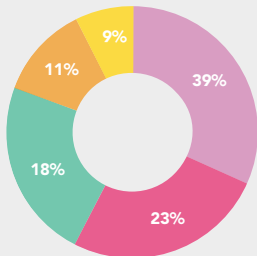
The 2015 GEODIS CSR Report was produced by the GEODIS CSR Department, with the support of the Communications Department and with the input from the Group's functional departments and its five Lines of Business. We would like to thank all those who contributed to this report.

GEODIS IN 2015

2015 REVENUE* AND WORKFORCE BY REGION*



2015 REVENUE BY LINE* OF BUSINESS



- Freight Forwarding
- Contract Logistics
- Distribution & Express
- Road Transport
- Supply Chain Optimization

67
countries with a direct presence

120
countries covered by our network

€8 billion
Revenue in 2015

165,000
clients

WORKFORCE BY LINE OF BUSINESS*



3%
Supply Chain Optimization



23%
Freight Forwarding



37%
Contract Logistics



24%
Distribution & Express



12%
Road Transport



1%
Head office

39,500
employees (including OHL)

* Including OHL pro forma.

A UNIQUE BRAND FIVE LINES OF BUSINESS



SUPPLY CHAIN OPTIMIZATION

The Supply Chain Optimization Line of Business at GEODIS is based on an innovative network built on operational excellence enabling it to respond effectively to supply chain challenges by optimizing costs, procurement, logistics and customs formalities, backed up by efficient IT solutions. GEODIS focuses on cost effectiveness, using its engineering and procurement skills and in assembling its Lines of Business' expertise with the right partners to deliver the best solutions to its clients.



FREIGHT FORWARDING

With a global reach and a presence in 67 countries, GEODIS is one of the world's leading freight forwarders. The Freight Forwarding Line of Business delivers multimodal transport solutions (sea, air, road or rail), with a range of value-added services including customs clearance, to ensure the fastest delivery at destination.



CONTRACT LOGISTICS

With over 300 platforms and 6,500,000 sqm of warehousing space globally, GEODIS is one of the leading Contract Logistics providers. In order to cost-effectively manage customers' logistics and reduce inventory costs, GEODIS provides a wide range of bespoke solutions, enriched by innovative services, from warehousing, distribution center management to line-side deliveries



DISTRIBUTION & EXPRESS

100% French specialist for express and groupage distribution and the final link in the GEODIS supply chain, the Distribution & Express Line of Business provides last-mile delivery to consignees both in France and in Europe.

The optimization of transport systems, a wide selection of product delivery options, full geographic coverage and the comprehensive management of packages up to final delivery point are the main advantages of GEODIS offer.

GEODIS makes use of automated solutions to combine flexibility with flawless efficiency and reliability. Its ability to innovate and deploy tailored road transport flows strengthens its position as market leader.

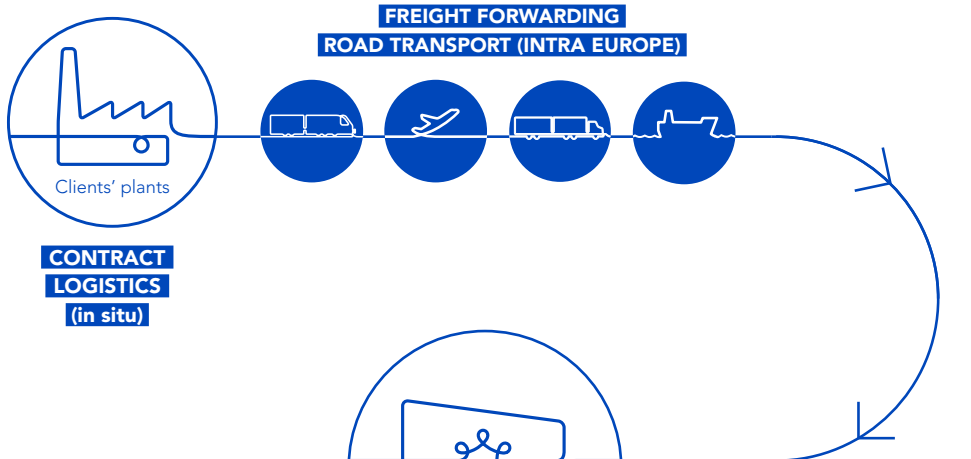


ROAD TRANSPORT

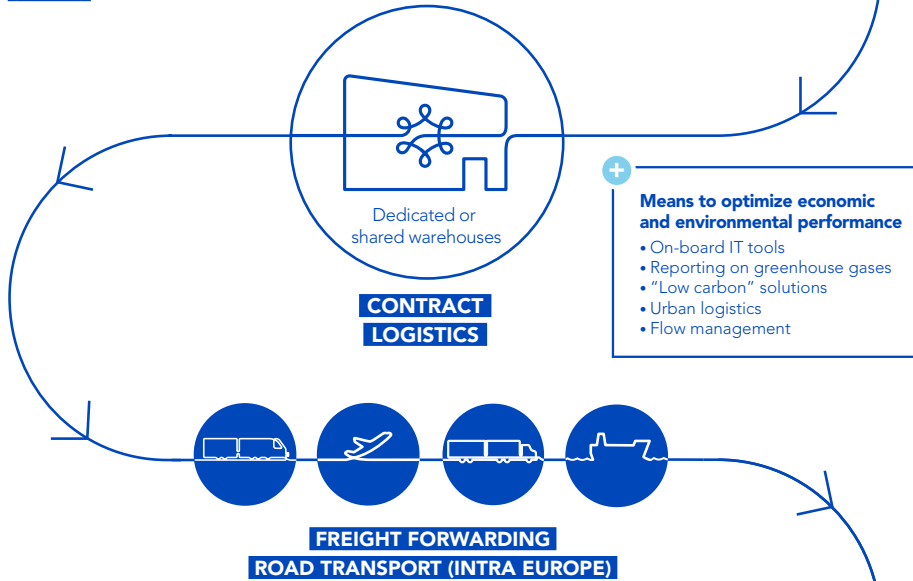
The GEODIS Road Transport Line of Business provides secure transport solutions with a product mix combining flexibility, capacity and productivity, both in France and continental Europe. Apart from the management of physical flows, its acknowledged expertise in the management of information systems guarantees customers that their transport operations will be steered with an ongoing optimization of their transport plans.

...DEDICATED TO THE CREATION OF SHARED VALUE

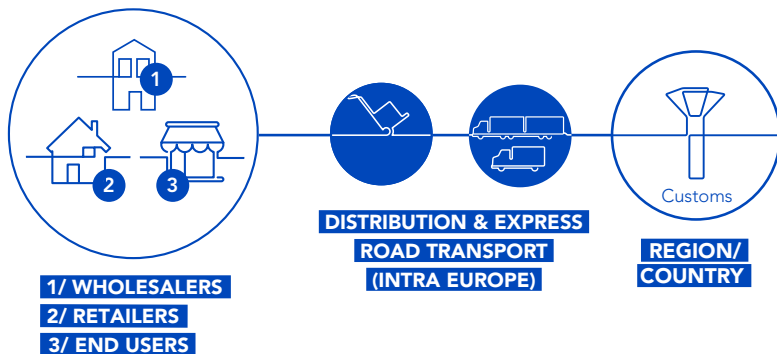
INBOUND FLOWS



OUTBOUND FLOWS



DISTRIBUTION FLOWS



MARIE-CHRISTINE LOMBARD, CEO OF GEODIS

"WE AIM TO BE OUR CLIENTS' REFERENCE PARTNER FOR SUSTAINABLE GROWTH."

What does this ambitious objective mean in concrete terms? Corporate Social Responsibility (CSR) involves taking on board environmental, social and societal concerns on a company-wide basis in our economic activities and interactions with various stakeholders, both external (clients, service providers ...) and internal (shareholder, employees ...).

At the same time as being an energy consumer and greenhouse gas emitter, the Transport and Logistics sector is also a major employer, an essential business ally and a global trade facilitator, positioning it at the hub of environmental, social and societal challenges. GEODIS addresses these numerous challenges through a concrete, determined CSR approach fully integrated in its company plan and reflected every day in its activities.

2015 will therefore stand out as a landmark year for the climate. By optimizing our clients' flows, we seek to reduce overall mileage and the resulting CO₂ emissions generated by transport. Moreover, within our transport activity, we aim at a constant improvement in the energy efficiency of our vehicles. Finally, we have also introduced "reverse logistics" solutions for Waste Electrical and Electronic Equipment (WEEE) to enable our clients to meet their environmental obligations.

The social focus of the GEODIS CSR approach encompasses several aspects. Firstly, we take care of our

people through a policy of safety in the workplace. We also pursue an engaged human resources policy aiming to encourage diversity in our teams, with a particular emphasis on gender equality. This policy takes form notably in the Investors in People certification process. Finally, we have implemented an ethics and compliance policy which governs our business relationships with customers and suppliers.

As a responsible company, we also encourage our employees to be proactive on societal issues and we are actively involved in the community. We support charities by sharing our logistics know-how with them and have recently created a specific Aid and Relief Department. We also promote the integration of people with disabilities and developed a reinsertion project called "Tremplin" (Springboard) in 2016.

It is with the greatest determination and gravity that GEODIS commits to this CSR approach which we consider to be the only way forward. This CSR report bears witness to the progress achieved in each main focus of our commitment. I know I can count on the mobilization of all of our employees, their passion and solidarity, and their shared vision of the company. Our common goal is to be our clients' reference partner for profitable and sustainable growth.



"OUR BUSINESS EXCELLENCE PROGRAM MAKES OUR CSR APPROACH UNIQUE."

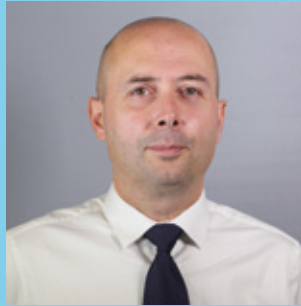
RÉGIS LESIEUX,
VICE PRESIDENT, BUSINESS
EXCELLENCE AND CSR, GEODIS

Could you tell us about the GEODIS Business Excellence program?

GEODIS seeks to attain high levels of performance by meeting, and even surpassing, the specific expectations of stakeholders, in line with the EFQM (European Foundation for Quality Management) model. In concrete terms, we pay constant attention to our stakeholders and make every effort to meet their needs, measure our performance and achieve ongoing improvement. We also aim for excellence in the long term. Ambition 2018, the GEODIS company plan, is based on our Business Excellence program. The latter is structured around our Mission, our Vision and our Values, around the strategy of each of our five Lines of Business and Global Accounts (key client accounts), and finally around our "Stakeholders' Total Satisfaction" (STS) continuous improvement approach. STS is in turn underpinned by 7 company-wide management principles called the 7 Golden Rules.

What is the position of Corporate Social Responsibility (CSR) in the GEODIS Business Excellence program?

At GEODIS, CSR is embodied in one of the 7 Golden Rules, called "Be a good citizen". This Golden Rule has a twofold focus on both environmental issues and social and societal issues to enhance the satisfaction of all our stakeholders, including employees, clients, our shareholder SNCF, society at large, our suppliers and subcontractors. The fact that CSR is one of the 7 Golden Rules which make up our STS approach constitutes a real advantage for the Group and signals the strength of our engagement to all our stakeholders.



How do you manage the "Be a good citizen" Golden Rule?

The "Be a good citizen" Golden Rule, in line with the whole of the Business Excellence program, is part of a wider process of continuing improvement. Firstly, to monitor our performance we base ourselves on three measures: our CSR reporting, customer and employee satisfaction surveys, and external evaluations which we use as a benchmark. For instance, in scoring 67/100 in the 2015 EcoVadis extra-financial assessment, we attained "Advanced" level for the first time, showing that we are in constant progression.

Secondly, we systematically follow up these measures by implementing improvement action plans. For example, in 2015 we carried out energy audits and we are already deploying action plans in 2016 to gain maximum benefit from the auditors' recommendations and to improve our performance.

We are firmly convinced that our CSR approach creates value, both for ourselves and for our stakeholders. Its inclusion in our Business Excellence program is further proof of the high level of commitment of the whole of the Group to CSR.

CSR, AT THE HEART OF OUR BUSINESS EXCELLENCE PROGRAM

Ambition 2018, our company plan, was launched in 2013 and this supports the **GEODIS Business Excellence Program**. It is composed of several key elements:

OUR MISSION

We help our clients succeed by overcoming logistical constraints.

OUR VISION

We are the growth partner for our clients.

OUR VALUES

We are experts in Transport and Logistics solutions, united by a shared passion and commitment. The five values the entire Group adheres to are Commitment, Innovation, Trust, Solidarity and Passion.

- We are committed to our clients, their needs, priorities and successes.
- We continuously innovate, we go the extra mile to improve our performance and the performance of our clients.
- We build trust, we are reliable, we respect our commitments and keep our word.
- We demonstrate solidarity, we are loyal and faithful to our clients, partners and amongst ourselves.
- We are passionate, determined and driven by the desire to succeed together and for our clients.

OUR STAKEHOLDERS' TOTAL SATISFACTION (STS) CONTINUOUS IMPROVEMENT PROGRAM.

To achieve Stakeholders' Total Satisfaction (STS), 7 Golden Rules were drawn up. They are part of day-to-day operations in each of our Lines of Business and at Head Office.

- Make it easy for the client to do business with us.
- Win, retain and develop profitable clients.
- Always deliver a perfect service.
- Get paid for what we do.
- Recruit, develop and retain quality people.
- Ensure the safety of our people everywhere and at anytime.
- Be a good citizen.

The STS program aims at setting targets and measure performance. Three key performance indicators (KPIs) enable us to track our progression towards Stakeholders' Total Satisfaction:

- Monthly STS KPIs: at Lines of Business and global level on each of the 7 Golden Rules.
- Yearly employee and customer surveys: each year, 2 group-wide satisfaction surveys are carried out, one with employees and one with customers.



- External benchmarks such as ISO, Investors in People and EFQM:
 - ISO standards: everywhere in the world, the GEODIS Lines of Business comply with the relevant ISO standards. These standards are used as benchmarks in terms of quality, safety, environment and where applicable supply chain security.
 - Investors In People (IIP): since the end of 2013, GEODIS has embarked upon an IIP certification, the purpose of which is to benchmark our internal practices against international people management standards. IIP adopts a hybrid approach, combining classic certification methodology with a field survey approach.
 - The EFQM Business Excellence model (European Foundation for Quality Management): the next step for GEODIS is its ambition to implement the principles of the EFQM Business Excellence model within each of its Lines of Business and in the Head Office.

OUR CSR APPROACH

Our Corporate Social Responsibility (CSR) approach is based on the Golden Rule “Be a good citizen”, one of the 7 Golden Rules of the STS continuous improvement program. CSR is therefore one of the 7 guiding principles of GEODIS to achieve its Ambition 2018 company plan.



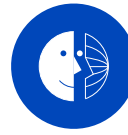
BE A GOOD CITIZEN, THE GEODIS CSR APPROACH

“Be a good citizen” is centered on both an environmental focus and a social and societal focus. It impacts GEODIS’ clients, employees, society, suppliers, subcontractors and shareholder in these two areas.

The environmental focus aims at the reduction of environmental impacts, notably by optimizing the consumption of natural resources, improving carbon efficiency and reducing local pollution.

The social and societal focus includes Ethics and Compliance, health and safety of our people, gender equality, integration of people with disabilities, solidarity and commitment to the local community.

MAIN CSR ISSUES BY STAKEHOLDER



SHAREHOLDER	CUSTOMERS	EMPLOYEES	SOCIETY	SUPPLIERS AND SUBCONTRACTORS
CSR ISSUES				
<p>Contribute to Excellence 2020 objectives, the SNCF company plan</p> <ul style="list-style-type: none"> ■ Contributing to the objectives of the SNCF Group, particularly in the area of CSR. 	<p>Be our customers’ growth partner</p> <ul style="list-style-type: none"> ■ Optimizing customers’ supply chain through high-performance, innovative and environmentally-friendly solutions. ■ Developing multimodal solutions, urban logistics and optimizing transport plans. 	<p>Be a committed and attractive employer</p> <ul style="list-style-type: none"> ■ Ensuring the health and safety of our people. ■ Encouraging diversity within our teams. ■ Fostering the involvement and skills of all staff. 	<p>Make a positive contribution to environmental and social change</p> <ul style="list-style-type: none"> ■ Taking action in favor of the climate and energy transition. ■ Controlling the environmental footprint of our activities, on site and on the road by improving energy, efficiency, reducing pollution from transport and buildings, optimizing waste treatment. ■ Contributing to local development and committing to local communities. 	<p>Involve partners regarding CSR</p> <ul style="list-style-type: none"> ■ Including CSR performance in the selection and evaluation of our main suppliers and subcontractors. ■ Fostering environmental conservation and the development of the social economy through our purchasing. ■ Encouraging our partners to adopt a CSR approach.
<p>← Uphold Ethics and Compliance principles in our dealings with all our stakeholders →</p>				

ORGANIZING AND MONITORING THE CSR APPROACH

The Corporate Social Responsibility Department reports to the General Management of the Group. A steering committee composed of representatives of the 5 Lines of Business and support functions meets each month and strives on a daily basis to put strategy into practice in the field.

The Ethics and Compliance Department reports to the Corporate Secretary. An Ethics Committee meets twice a year.

EXTERNAL REFERENCE DOCUMENTS

To support the Group's CSR ambitions, the CSR Department bases itself on a number of reference documents, international standards and good practices, both at a Group level and at the level of our Lines of Business:

- The United Nations Global Compact of which GEODIS has been a signatory since 2003.
- The ISO 9001 standard on quality management.
- The ISO 14001 standard on the management of the environment.
- The OHSAS 18001 standard on safety management and in the future the ISO 45001 standard.
- The Investors In People standard for people management.
- The ISO 26000 CSR guidelines.
- The EFQM Business Excellence model (European Foundation for Quality Management).

ETHICS AND COMPLIANCE POLICY

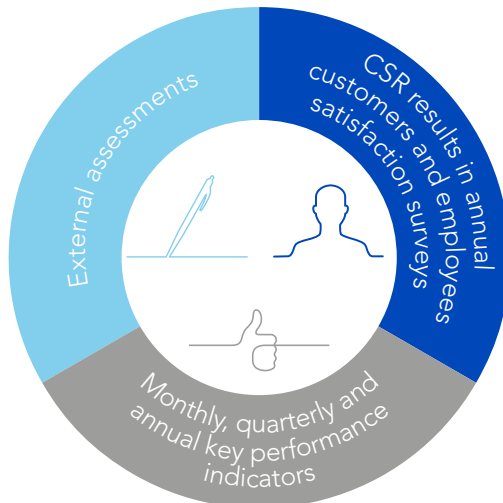
To support the Ethics and Compliance policy, which underpins the CSR approach, GEODIS measures itself on internal reference and policy documents.

- 2009 Code of Ethics, updated in 2015 and translated into 12 languages,
- Reference document on how to comply with antitrust laws (2011),
- Reference document on how to comply with anticorruption legislation (2012)
- Internal control reference document (2011),
- Suppliers' Code of Conduct (2015) and guidelines for the selection of suppliers (2015),
- Export control procedure (2015),
- Third-parties due diligence policy (2015).

MONITORING PERFORMANCE

The GEODIS CSR dashboard is a framework enabling the Group to measure progress and set up improvement action plans. The monitoring of CSR performance is viewed through a triple perspective (see pp. 33-35).

- Annual, quarterly and monthly KPIs. Performance on gender equality, the integration of people with disabilities, and CO₂ emissions are evaluated monthly in the STS dashboard. An annual CSR reporting, carried out since 2008, enables onsite indicators to be monitored worldwide (certifications, energy and water usage, waste management) on the vehicle fleet and other social data.
- Each year, a customer satisfaction survey and an employee satisfaction survey are carried out. Several questions concern the CSR strategy, with particular emphasis on the way it is perceived by these two groups.
- CSR performance is also assessed by external benchmarks: the CSR scores given by the extra-financial ratings assessments, particularly EcoVadis and CDP, and certifications granted by ISO standards.





BEING THE SUSTAINABLE GROWTH PARTNER FOR OUR CLIENTS

GEODIS believes that Corporate Social Responsibility is a key driver of success in the mission it has set itself: to help its customers to succeed by overcoming logistical constraints. Acting more responsibly means improving day-to-day practices. Based on this innovation-friendly perspective, the Group strives to provide optimized solutions from both an economic and environmental point of view, working with customers to help them achieve sustainable growth.

PERSPECTIVES FOR 2016

- Pursue the development of partnerships with customers, notably with respect to carbon, in order to promote synergies, to pool and increase CSR expertise and find effective solutions.
- Continue to work with customers to help them optimize their supply chain carbon footprint by using GEODIS measurement and steering tools.
- Create, develop and deploy new, more environmentally-friendly operational solutions.

IMPROVING CUSTOMER SATISFACTION: A FUNDAMENTAL COMMITMENT

Since 2014 GEODIS has carried out a worldwide customer satisfaction survey at Group level. Evaluations cover the themes of business relationships, the quality of operational service, information systems, administrative services and CSR. The information and scores that this survey yields are treated as performance indicators by GEODIS.

87%

of customers stated they were satisfied in 2015 and over 10,000 contacts responded.

Source: GEODIS 2015 Customer satisfaction survey.

With this in mind, in June 2015 nearly 100,000 GEODIS customer contacts were invited to complete the second Group satisfaction survey, conducted in 15 languages by a market research institute.

87%

of customers are satisfied with GEODIS CSR performance in 2015 (up 1 point from 2014), recognizing the efforts made with respect to diversity, ethics and the environment.

Source: GEODIS 2015 Customer satisfaction survey.



DEVELOPING INTELLIGENT, EFFECTIVE AND ENVIRONMENTALLY- FRIENDLY SOLUTIONS

GEODIS provides its customers with solutions to optimize the economic and environmental performance of the supply chain, with a particular emphasis on multimodal solutions combining different means of transport. These highly adaptable solutions take on board customer constraints, such as the type of goods, geographical region, distance and deadline. Because it belongs to the SNCF Group, GEODIS is a major player in multimodal transport in France and Europe, specifically in combined rail-road transport. This solution allows CO₂ emissions to be reduced by a factor of 20 compared to air transport. Rail motorways (such as the Autoroute Ferroviaire Alpine or Calais – Le Boulou), also offer effective and flexible solutions for customers seeking to improve their environmental performance.

The Road Transport Line of Business strengthened its position as European leader in “alternative” solutions. Multimodal activities recorded a growth of 4% due to market share gains. Road Transport is the only carrier to offer expertise in piggyback and combined transport: a competitive advantage

enabling it to cover the main strategic axes in Western Europe with considerable environmental benefits, since multimodal transport can generate up to 11 times less CO₂ than an equivalent road journey.

In the case of intercontinental shipments, delivery deadlines and commercial pressures may mean that air transport is opted for. But when deadlines are less tight, sea transport may be preferable due to its reduced environmental impact, or an alternative such as rail transport between China and Europe. Whenever possible, combined air and sea transport is preferred as it results in an average 30% reduction in CO₂.

Innovation is the heartbeat of the Group. The Group has notably built up considerable expertise in urban logistics ie environmentally-friendly last mile urban distribution through its Megacities program in Paris and Shanghai for example.

The Group also prides itself on expertise and achievements on reverse logistics, for example the Nieder-Olm site in Germany, one of the driving forces of reverse logistics in Europe.

GOOD PRACTICE

Electric vehicles to supply Sephora stores in Shanghai on a day-to-day basis

Since Summer 2015, five electric vehicles have been delivering to the 30 Sephora stores in Shanghai. The fact that they do not emit fine particles will allow them to prevent some 66 tons of direct CO₂ emissions in a year. Sephora was therefore the first user to adopt an innovative solution for urban delivery in the framework of the GEODIS Megacities project – a solution that the Group intends to deploy to more customers in other large cities of the region.



GEODIS electric vehicle in Shanghai, China.

PROMOTING AN EXPERTISE ON CO₂ DEDICATED TO CUSTOMERS

By encompassing all aspects of environmental management, namely measurement, analysis and reduction, GEODIS is furthering its ambition to become the leading European reference in CO₂ expertise, positioning itself as a partner in improving its customers' carbon efficiency.

GEODIS is engaged in an ongoing process to measure and take steps to reduce its customers' carbon footprint.

The Group can provide them with a modelling of emissions or a reporting on real flows. As far as modelling is concerned, internal engineering teams within the Group integrate the carbon data (costs, delivery times, CO₂ emissions) in transport plan optimization for customers.

Furthermore, in order to provide a reporting on carbon emissions, since 2012 GEODIS initiated the integration of the EcoTransIT World tool into its IT systems. This tool is designed to measure the greenhouse gas emissions and atmospheric pollutants generated worldwide by all modes of transport. In compliance with European standard EN 16258, this reporting tool enables the identification and analysis of the main environmental indicators. On the basis of this analysis, GEODIS is able to implement a harmonized response and provide its customers with robust data on the emissions generated by their freight flows.

For instance, in accordance with French legislation in force since 2013, the Distribution & Express Line of Business in France reports to its customers on the CO₂ emissions generated by their freight flows and provides them with data free of charge. An optional sophisticated assessment of their emissions is also available.

Also, over 400 customers of the Freight Forwarding Line of Business receive, on a monthly, quarterly or annual basis, a report on the carbon emissions of their flows.

To be the growth partner of its customers, GEODIS has undertaken to develop alternative "low carbon" transport solutions, not only by providing combined transport modes and steering tools, but also by upgrading its fleet of vehicles. An increasing number of alternative vehicles (running on natural gas or electricity) are used, essentially in urban areas. These vehicles help to check impact on the climate and reduce pollutants affecting air quality (see page 26).

89%

of customers are satisfied with the actions taken by GEODIS to reduce the carbon impact of its activities.

Source: GEODIS 2015 Customer satisfaction survey.

86%

of customers are satisfied with the capacity of GEODIS to report CO₂ emissions in a transparent and robust way.

Source: GEODIS 2015 Customer satisfaction survey.



“GIVING A NEW LIFE TO ELECTRIC AND ELECTRONIC PRODUCTS, AND MAKING THEM AVAILABLE ON A SECONDARY MARKET BEFORE THE RECYCLING STAGE”

What are the key issues regarding the treatment of Waste Electrical and Electronic Equipment (WEEE)?

The issues are threefold. First, the capacity to test, repair and refurbish electrical and electronic products which are no longer used, but are still in working order. Every year, an increasing number of products are disposed of because of programmed obsolescence, the development of new technologies and market incentives. Most of these products were not originally intended to be repaired, improved or recycled. GEODIS is developing its capacity and expertise to refurbish them and make them available on a secondary market, before the recycling stage, thereby playing a real environmental role. To achieve this, it can call on a worldwide network of operations including two key sites in the USA (Endicott, New York State) and in Germany (Nieder-Olm).

The second type of issue concerns the management of hazardous and toxic material. It is necessary to isolate certain materials, such as lead (used in soldering), mercury (in LCD screens, for example), lithium (in batteries), and plastics, as well as valuable rare metals, such as neodymium (in magnets). GEODIS can also call on a network of providers of specific recycling services for each material. Each of these service providers is certified with a unique process developed by GEODIS to meet the demands of the activity and of our clients.

Finally, we monitor and implement new environmental regulations, which are becoming increasingly demanding everywhere in the world, on Waste Electrical and Electronic Equipment (WEEE), notably on the recycling and treatment of waste, the transport of used WEEE, and equipment take-back.

What are the demands of your clients with regard to CSR?

Our clients come mainly from the high-tech sector and require us to introduce an environmental management system in line with ISO 14001, and to pursue other certifications like the R2 standard, certification on the

Damien DEROUENE

Global Senior Director,
Reverse Logistics,
GEODIS, Supply Chain
Optimization, USA



recycling of electronic products. They also expect us to be proactive in the identification, analysis and implementation of changes to environmental regulations. They also have strong expectations with regard to the security and cleansing of data in the WEEE.

How can the Reverse Logistics activities of GEODIS contribute to clients' environmental performance?

GEODIS guarantees the security of data and brands, notably by a system of data cleansing and certification. Additionally, clients can be sure that their products will be recycled through appropriate channels and that landfill dumping and incineration will be kept to a strict minimum.

GEODIS is involved in a number of initiatives aiming to reduce WEEE such as the Information Technology Industry Council, the Reverse Logistics Association, the INEMI (International Electronic Manufacturing Initiative) circular economy project, an initiative on the recycling of rare metals etc. Specialists in reverse logistics like GEODIS also have a role to play with regard to “urban mining”, which consists of seeking materials within the economy rather than extracting new raw materials or having to create new components. This links up with the circular economy.

DEVELOPING HIGH CSR VALUE PARTNERSHIPS WITH CUSTOMERS

GEODIS encourages the development of partnerships with its customers to make the most of every opportunity and to join forces in furthering progress. The nature of the Group's Lines of Business generally involves close cooperation between GEODIS and customers' teams. The Group seeks to take advantage of the potential this proximity offers to share its expertise and experience, particularly in the area of health and safety.

GOOD PRACTICE

Helping Heineken to promote its safety policy

The Group co-hosted a one-day event at Heineken's transport convention to promote its safety policy. This event was held in February 2015 at the brewer's Marseille site (La Valentine), and provided an opportunity to raise awareness on the commitments made between the company and its partner GEODIS on flow management and the community of carriers. The day was structured around safety workshops given by the Group's own trainers, and allowed management, site employees, customer service, purchasing and carriers to rub shoulders together. A high point of the year for GEODIS and Heineken, the event gave a new impetus to their partnership.

ETHICS & COMPLIANCE

The ongoing improvement of the Ethics and Compliance approach leads to increased confidence with customers and partners within the context of a demanding environment. In 2015, GEODIS strengthened its procedures for checking subcontractors and suppliers (compliance due diligence). This allows the Group to find out more about those partners who deal in high-risk areas or activities with regard to compliance with anti-corruption regulations and export restrictions. These preliminary checks are now considered as a norm both by GEODIS' customers and national authorities.

Moreover, GEODIS is continuing its anti-corruption training program through an e-learning module for at-risk employees, interventions in seminars and in-house training programs (sales people, customs officers, managers...).

These efforts have been rewarded – the 2015 customer satisfaction survey shows that 92% of customers are satisfied with GEODIS' Ethics and Compliance standards.

NOTA BENE

GEODIS has been notified of the 2015 ruling of the French antitrust authorities against the company and a number of other main players in the distribution and express sector. The ruling concerns firstly exchanges of information on price increases, and secondly an arrangement on passing on variations in diesel prices. These practices are a thing of the past and were introduced in 2004 by the professional organization TLF, several years before GEODIS became a member. GEODIS notes that its liability has not been engaged with respect to the second accusation. GEODIS takes note of the decision of the Competition Authority concerning alleged price-fixing and has lodged an appeal before the Court of Paris. In 2011, GEODIS launched a robust compliance program to counter anti-competitive practices. It should be noted that the offending practices preceded the implementation of this program.



TAKING ACTION AS A RESPONSIBLE EMPLOYER

As a major international player in the Transport and Logistics sector, GEODIS aims to achieve total satisfaction for all its stakeholders, including its employees. Over 39,500 employees* spread over 67 countries share common values of commitment, passion, solidarity, trust and innovation – the cornerstones of Group strategy.

Guaranteeing the safety of all our people on a permanent basis, ensuring that employees are satisfied and fostering their professional development, encouraging diversity - particularly gender equality - are all priorities which have prompted the Group to adopt a committed human resources policy, reflected by its engagement in the Investors In People certification process.

PERSPECTIVES FOR 2016

- Obtain the Investors In People certification for all the Group's operations and initiate the process for the 8,000 OHL employees.
- Improve the integration of employees with disabilities.
- Deploy projects to help people excluded from the labor market return to work.
- Roll out the GEODIS Women's Network on an international level.

* With OHL.

STRENGTHENING EMPLOYEE COMMITMENT THROUGH A SOUND HR POLICY

Fostering career development and employees' skills is a key factor to long-term success. On the basis of this conviction, GEODIS is deploying programs to provide employees with a professional development that matches their expectations and their skills.

THE INVESTORS IN PEOPLE CERTIFICATION, THE CORNERSTONE OF THE HR POLICY

The Investors In People (IIP) standard underpins the GEODIS human resources program. The Group has set itself the target of obtaining the certification by the end of 2016. IIP sets standards of managerial excellence around a simple idea: developing employees' skills has a positive effect on their performance, which in turn contributes to developing the performance of the company as a whole. Employees are conscious of the importance of their individual role, regardless of position or seniority. They are aware of the company's strategy and how they contribute to it. Achieving this calls for good communication involving regular and constructive exchanges with the management.

At end-2015, the Freight Forwarding and Contract Logistics Lines of Business and the Head Office had been certified. IIP audits for the Supply Chain Optimization and Distribution & Express Lines of Business are planned for the second half of 2016. The Road Transport Line of Business will be audited in 2016 to complete the certification process initiated in 2015.

47%

of employees are covered by the Investors In People accreditation in 2015.

KEEPING EMPLOYEES SATISFIED

GEODIS has been measuring employee satisfaction worldwide since 2013. Themes covered include management, working conditions, training and skills development, innovation and communication. In 2015, the entire worldwide workforce was asked to respond to the survey, which was translated into 29 languages. Not only was the overall response rate particularly high (86%), but the level of satisfaction in 2015, on the majority of themes (leadership, management, working conditions, CSR etc.), also remained significantly high. The points on which employees felt relatively less satisfied were innovation (77% satisfied), communication (72%), and training and skills development (71%).



Kitting, Contract Logistics, Evry site, France.

87%

of the employees stated that they were generally satisfied (up 1 point from 2014) in 2015.

Source: GEODIS 2015 Employee satisfaction survey.

TRAINING AND FOSTERING EMPLOYEE DEVELOPMENT

In 2015, the Group introduced its new performance management tool G-Talent+, an innovative platform which manages annual appraisal interviews on employee performance and is set to become the IT management system for recruitment and mobility within the Group. At a later stage, it will also be able to integrate training and HR management tools (salary reviews, replacement organizational charts...). Implementing G-Talent+ represents a first step towards harmonizing and consolidating HR tools throughout the Group. A Mobility Committee was also set up in 2015 in order to promote and facilitate mobility within the Group.

Launched in 2011, the G-Campus platform is a tool offering corporate training specific to each Line of Business, for example, e-learning on the subject of management for Road Transport or on safety for Freight Forwarding.

GEODIS, in partnership with the ESSEC Business School, organized a series of strategic webinars for senior managers in 2015. This tailored program consisted of an academic approach to seven key skills in respect to a range of managerial themes (strategy, change management, negotiation, etc.).

+7,300

employees worldwide accessed e-learning in 2015.



Pamela CALDEROLI

Head of Marketing,
Communication & Projects – GEODIS,
Contract Logistics, Italy

Could you tell us about the Investors In People (IIP) certification approach?

Investors In People is not a Human Resources tool. It is a powerful management tool, which helps to develop the company's performance. The certification is based on standards internationally recognized and best managerial practices. It is structured around three specific milestones (plan, do and review) aiming at improving performance, using 10 key indicators and 39 specific measures to assess the company. Being IIP certified means, first of all, to be focused on developing resources and constantly aiming to enhance them, through the harmonization of their daily performance. This ensures the integration of staff in the decision-making processes more efficiently.

How was the certification project for the Contract Logistics Line of Business of GEODIS organized in Italy in 2015? What was the perception of employees on this project?

In March 2014 we created an internal IIP Committee, composed of top managers representing all the main functions of the company, in order to generate a strong commitment to the project. In parallel, we generated a dedicated "Investors In People Community", composed of 10% of the population of the Contract Logistics Line of Business in Italy. We wanted to have a real representation of the company's population. A lot of our employees now want to join this IIP Community. Their motivation is very high. I think that the commitment from the board has encouraged further involvement from employees and there is the feeling that everyone and anyone can promote an idea, and people are becoming more involved in the reality of the company. People appreciate that it is not only about the certification, it is about our company strategy.

ENSURING THE SAFETY OF OUR PEOPLE EVERYWHERE AND AT ALL TIMES

Safety is one of GEODIS' 7 Golden Rules and is at the heart of all its operations. Health and safety risks are specific to each activity. Each Line of Business has developed a strong culture for operational health and safety, both on site and on the road, and has developed its own health and safety policy.

Protecting employees' physical well-being requires setting up prevention plans, including a regular evaluation of health and safety risks; the development of certifications - notably OHSAS 18001; the continual improvement of material and individual equipment and the raising of awareness through training and communication campaigns. Regular challenges are organized, either in-company or with customers, to reward the best performances.

Safety policy is based on the OHSAS 18001 standard which provides support for the evaluation and certification of the occupational health and safety management system.

The OHSAS 18001 standard underpins the policies of the Freight Forwarding, Distribution & Express, Contract Logistics and Road Transport Lines of Business, currently in the process of achieving certification for their sites.



Tanker truck, Road transport, France.

Raising awareness, a key component of risk prevention

The new Drivers' Manual published in 2015 for the Road Transport Line of Business includes safety factsheets on a range of essential points (speed, tiredness, using cell phones, drink-driving, adapting to adverse weather conditions, etc.). Drivers also attend a quarterly meeting to refresh their training on eco-driving. This year, Road Transport teams have also had the opportunity to participate in a whole-day program focusing on safety.

The Contract Logistics Line of Business is currently rolling out its VIC (*Veiligheid is cruciaal* in Dutch or "safety is crucial") program, first introduced in 2012, in all its warehouses worldwide. VIC is a program to manage and raise awareness of safety. It provides regular up-dates on the causes of accidents and a platform for sharing good practices. The VIC logo is featured on accident prevention posters, documents and charts.

In the Distribution & Express Line of Business, a Safety Committee was created in 2014 and regional committees study accident data and share feedback and good practices. Local operations help to raise awareness, such as one-day "Safety" events, and a Health Awareness Day with the presence of doctors, osteopaths, etc. Every morning, drivers receive the "Top Drivers" briefing which systematically reminds them of safety rules. Since 2012, the Distribution & Express Line of Business has also been carrying out diagnostic studies on painfulness of work, and agreements have been signed. Further diagnostics are planned for 2016.

85%

of employees are satisfied on Health and Safety issues (2015 survey).

Source: GEODIS 2015 Employee satisfaction survey.

24%

of GEODIS sites worldwide were OHSAS 18001 certified by the end of 2015 (ie 160 sites).

"HEALTH AND SAFETY DEPENDS ON INVOLVING AND EMPOWERING STAFF AT ALL LEVELS."

What are the keys to maintaining health and safety in the long term?

CD : Health and safety depends on involving and empowering staff at all levels: from workers through to managers and directors. This means communication and dialogue on a daily basis, and actually making this effort every day – we cannot be complacent. Defining realistic objectives and communicating on progress and indicators in the field are also excellent sources of motivation.

AL : Also, training and awareness-raising programs have led to the development of a genuine health and safety culture, particularly at a management level.

What are the key health and safety issues in your activities?

AL : The key issues are above all human. It is essential to protect the health of our employees and ensure the safety of third party road users. Improving safety also results in an enhanced social climate in areas such as working conditions, ergonomics, etc.



Christophe DUVERNOIS

Director of CSR,
Distribution & Express Line
of Business



Anne LECERVOISIER

Health and Safety Manager,
Distribution & Express Line
of Business

What are your goals for 2016?

CD : We aim to strengthen the part of safety in the STS program. Additionally, we want to encourage the coordination of regional safety projects, with a view to enhancing the sharing of good practices between our Lines of Business. As an example, in 2016 we are launching an action plan similar to that employed by the Road Transport Line of business to avoid road accidents for our drivers but also for all Distribution & Express employees.



Distribution & Express, Bruges site, France.

ENCOURAGING DIVERSITY AND PROMOTING EQUAL OPPORTUNITIES

As a major player in the economy and a large-scale employer, GEODIS is aware that it must show leadership in promoting diversity and equal opportunities.

GEODIS has committed to gender diversity in all its Lines of Business, in what is traditionally a male sector.

The Group has undertaken a continuous improvement process based on the GEES/GEIS (Gender Equality European – International Standard). In 2015, mid-term audits were carried out in countries which had been accredited in 2013 (France, Germany, Italy, United Kingdom). Canada, Mexico, Hong Kong, Australia, New Zealand and the Netherlands were also accredited in 2014.

First introduced in 2013, the GEODIS Women’s Network is dedicated to promoting women’s access to management positions by fostering the potential of female employees within the company and supporting their career development. The GEODIS Women’s Network organized its annual seminar in October 2015. As part of this network, a mentoring program was created for twenty women gathered from all the Lines of Business in France for the second year. In addition to this, local action groups have been organized to promote the integration of people with disabilities.

70/100

score achieved by GEODIS in the category “Social”, EcoVadis 2015 evaluation (see page 35).

32%

of women, in the Group in 2015* (full-time equivalent).

*Excluding OHL.

ETHICS & COMPLIANCE

In 2015, GEODIS implemented a whistleblowing system, allowing each employee to confidentially transmit, by email or voicemail, information on ethical issues such as suspicion of fraud, corruption, anti-competitive practices, etc. Moreover, as of 2015 a new training module on fighting corruption is available online on the G-Campus training platform. More than 1,600 employees now have access to this module.



Contract Logistics, Hem site, France.



PROTECTING THE ENVIRONMENT AND ENGAGING WITH SOCIETY

GEODIS realizes the impact its activities have on the environment and the scale of its potential to contribute to society. GEODIS is therefore implementing programs to meet the challenges of climate change, protecting the environment and promote the wellbeing of all our stakeholders and of society in its broader sense.

PERSPECTIVES FOR 2016

- Pursue actions to improve the carbon efficiency of operations, with a particular emphasis on reducing fuel consumption.
- Reduce the environmental impact of our premises.
- Find innovative solutions, such as using new energy sources.
- Contribute to reducing pollution in urban areas.
- Get involved in local issues and encourage community projects around the world.

REDUCING THE ENVIRONMENTAL IMPACT OF OUR SITES

GEODIS has 664 sites* worldwide (as at the end of 2015) including head offices, sales offices, logistics warehouses and distribution platforms. GEODIS has designed its management system to reduce environmental impact in line with the ISO 14001 standard. This system consists of a range of measures aimed at reducing electricity, gas and water usage.

By the end of 2015, 40% of the Group's 664 sites were ISO 14001 certified. At the same time GEODIS is undertaking a triple QSE certification process in Quality (ISO 9001) Safety (OHSAS 18001) and Environment (ISO 14001). By the end of 2015, 153 (23%) of sites had obtained the triple certification.

Managing the environment also involves the processing of hazardous and non-hazardous waste. Hazardous waste such as filter sludge, used oil, batteries, etc. is stocked and then transported to specialized facilities. Non-hazardous waste is sorted and stored before being recycled or recovered.

By the end of 2015, GEODIS had completed all the four-yearly energy audits required by the 2015 French legislation. The premises at ten Contract Logistics sites were involved. The analysis of relevant factors gave rise to a number of recommendations concerning the lighting (by improving adjustment of the lighting, onsite organization and equipment, etc.), heating, ventilation and air-conditioning in offices and logistics premises (by installing regulators, renovating, and controlling heat loss through doors, etc.) as well as contributing to the optimization process of handling equipment loading. Contract Logistics sites in the Netherlands also carried out energy audits in the course of 2015 and have taken action leading to a reduction in gas consumption of up to 35% at certain pilot sites.

*Excluding OHL.

GOOD PRACTICE

LED lighting to reduce energy footprint

The Group is currently testing LED lighting in different logistics sites. LED lighting use less electricity than traditional lighting. Studies are under way with a view to rolling out this lighting system to all feasible locations.

Several sites of the Contract Logistics Line of Business have implemented LED lighting. The 900 bulbs installed at the 60,000 sqm. Landriano site in Italy will generate estimated savings of €120,000 per year. The Dublin site was also equipped with LED lighting and presence detectors in warehouse aisles. Finally, a saving of a €55,000 is due to be achieved by the introduction of an innovative LED system at the 21,000 sqm. Nieder-Olm site in Germany.

40%

of the Group's 664 sites are ISO 14001 certified at end-2015 (35% of the total surface).

98%

of non-hazardous waste generated by the Group's activities was recovered or recycled, in 2015.

RUNNING A HIGH-ENVIRONMENTAL PERFORMANCE FLEET

The majority of GEODIS vehicles are equipped with combustion engines generating both greenhouse gases, which contribute to climate change, and local pollutants impacting air quality and health. The Group makes use of a range of equipment to reduce fuel consumption, including cruise control, fuel-efficient tyres, automatic gearboxes, side and roof deflectors and side fairings. This modernization also involves working on the optimization of delivery rounds, notably through the installation of the Geodriver and Copilote for the Distribution & Express Line of Business. These onboard IT tools are designed to increase the efficiency of delivery round scheduling and to reduce the mileage by an average of 5%.

The Road Transport Line of Business has equipped all its vehicles with the Eliot onboard tool to manage fuel consumption at driver and vehicle level and keep tabs on safety on board.

By the end of 2015, GEODIS had completed all the energy audits on transport (vehicles and flows) required by the 2015 French legislation at four-yearly intervals. An extensive study on transport practices and mileage encompassed

around forty sites attached to the Distribution & Express and Contract Logistics Lines of Business. These audits yielded an analysis of influencing factors and precise recommendations concerning the selection and maintenance policy for vehicles (hired or purchased), accessories and equipment (aerodynamic accessories, tyres, tyre pressure controls, gearboxes and engine governors), as well as for follow up and driving practices, such as switching the engine off when stopped and onboard telematics. Recommendations also concerned journey planning, promoting good practices and raising awareness in drivers of the fuel purchasing strategy. Audits showed that a culture of fuel saving is already embedded in the company but certain points could still be improved upon.

GEODIS is progressively upgrading its fleet so that an increasing number of them are compliant with the Euro 5 and Euro 6 emissions standards. 85% of vehicles were compliant by the end of 2015. Also, 2% of vehicles are EEV (Environmentally Enhanced Vehicles) ie "clean" vehicles, such as those running on electricity or natural gas.



Road Transport, France.

85%

of the GEODIS fleet complies with Euro 5 and Euro 6 emissions standards at end-2015.

80/100

score achieved by GEODIS in the category "Environment", EcoVadis 2015 evaluation (see page 35).

INNOVATION AT THE HEART OF OUR APPROACH TO PROGRESS

GEODIS believes that innovation is a good driver of CSR and moreover that the reverse effect is also true. To minimize the environmental impact of its activities, the Group is experimenting with alternative vehicles, such as those running on compressed or liquid natural gas or electricity.

Urban logistics raises challenges that combine commercial, economic, social and environmental aspects: for instance, pollution, noise and traffic congestion. To meet these challenges, in 2014 GEODIS set up a working group named "Megacities" charged with the development of a tailored distribution logistics service for the downtown areas of the world's largest cities.

GEODIS services include:

- urban mobility consulting for purchasing advisors, institutions and authorities,
- creation and management of urban consolidation centers, destined to provide a local platform to pool the last-mile delivery flows to shopping malls, hospitals, airports or railroad stations,
- tailored technical solutions (natural gas and electric vehicles, cargo bikes, etc.).

Pilot cities are Paris, Shanghai and Mexico City, and trials are already taking place. In Paris, GEODIS provided its first urban logistics solution in 2011, consisting of electric vehicles and cargo bikes. In 2015 GEODIS introduced a new range of trucks using the latest CNG technology for the retail company BHV Marais. In Shanghai, the first GEODIS deliveries by electric vehicles in the city center took place in 2015 (see page 14).

The Group aims to increase the scale of these innovative solutions for urban environments. In view of this, GEODIS is seeking partners to support investment in vehicles and depots. Through identifying common interests these partnerships have the potential to give rise to unprecedented innovations in terms of mobility.

GEODIS joins the MCB Open Lab

In July 2015, GEODIS joined the MCB Open Lab (Michelin Challenge Bibendum) "think and do tank", a hub of collaborative and forward-looking thinking, innovation and experimentation within an ecosystem. By bringing together the pooled experience of decision-makers from innovative and complementary private and public bodies (large companies, state authorities, towns, professional and international organizations, start-ups, leading figures from the scientific and academic world), the MCB Open Lab is co-constructing a vision of the future of sustainable mobility. GEODIS has therefore positioned itself at the forefront of thinking on the mobility of tomorrow.

ETHICS & COMPLIANCE

In the updated 2015 version of the Group Code of Ethics, sections referring to the environment, safety and security are tougher, calling on employees to be vigilant with regard to the potential consequences of our activities and operations on the environment, society and local communities.

HELPING TO MEET THE CHALLENGE OF CLIMATE CHANGE

The issue of climate change was very much in the spotlight in 2015 due to the COP21. GEODIS is committed to improving its carbon efficiency and seeking new solutions.

COOPERATING WITH ALL INDUSTRY PLAYERS

GEODIS participates in numerous sectoral initiatives around the world. Reducing greenhouse gases requires a joint effort by all players, both carriers and customers, and the Group is contributing to the improvement of the environmental performance of the whole industry. In 2015 GEODIS took part in the following initiatives:

- the *Global Logistics Emissions Council* (GLEC) which aims to develop a globally recognized method of calculating supply chain greenhouse gas emissions,
- the *Club Déméter Environnement et Logistique*. Since 2002, the *Club Déméter* has brought together supply chain players to develop sustainable logistics practices through experimentation and collaboration,

- the *Clean Cargo Working Group* (CCWG), an initiative hosted by BSR (Business for Social Responsibility) which over the last ten years has contributed to improving the performance of the maritime transport sector by developing tools for the measurement, evaluation and reporting of its environmental impacts.

GEODIS is also pursuing its involvement in initiatives such as:

- *EcoTransIT World Initiative*, the purpose of which is to improve transparency on the environmental impacts of freight transport and to provide a globally recognized multimodal tool for calculating freight transport emissions. In 2015, GEODIS actively participated in the organization of the 4th EcoTransIT Forum in Goteborg (Sweden),
- *SmartWay USA and Canada*, a program set up by the EPA (Environmental Protection Agency) in the US to help the freight industry improve supply chain efficiency,
- *Transporte Limpio* (Mexico), a Mexican government certification project for carriers taking positive action to reduce their CO₂ emissions.

Cop21, a new impetus in the fight against climate change

The 21st United Nations International Conference on Climate Change, which took place at the end of 2015, provided GEODIS with an opportunity to demonstrate its capacity to innovate and its position as a leading responsible company, presenting concrete solutions for more environmentally-friendly freight transport.

The Group actively participated in the Paris exhibition "Paris de l'avenir" ("Paris of the Future"), a showcase for tangible climate solutions, on the Bassin de la Villette, and participated in the debate on the role of fuel efficiency at Transport Day 2015.

Assess the carbon performance

GEODIS first responded to the CDP Supply Chain Program in 2014. The CDP provides a method of evaluating actions taken on reporting and controlling greenhouse gas emissions. The results open up a real visibility on what efforts need to be made, enabling the Group to move forward and adapt coherently. Not only does the CDP Supply Chain Program assesses the carbon strategy of the company, it also enables the customers (shippers) to have access to the information on the greenhouse gas emissions of their supply chain

76 D In 2015, the Group reached a score of 76D (see page 35).

ENCOURAGING EMPLOYEES TO COMMIT TO THE LOCAL COMMUNITY AND TO THE PLANET

Being a good citizen also means engaging with the most disadvantaged people and participating in initiatives to protect the planet. GEODIS strives to lend its active support to humanitarian and environmental causes by sharing its expertise and material resources to help those in need.

To enhance the meaning and impact of this approach, the Group encourages and supports the involvement of its employees in this type of project. These solidarity initiatives owe their existence to the energy of our people, and are a source of pride to all the employees.

For example, teams within the Freight Forwarding Line of Business are involved in providing assistance to impoverished people in Argentina and to their Indian colleagues affected by the November 2015 flooding in Chennai.

85 %

of employees are satisfied with the way GEODIS takes into account environmental and social issues.

Source: GEODIS 2015 Employee satisfaction survey.

"EACH OF US IS LOOKING FOR MEANING"

How did this partnership between Handicap International France and GEODIS come about?

It's a recent partnership, dating from 2014, set up on the initiative of GEODIS employees in the context of the annual customer satisfaction survey. GEODIS pledged to contribute one euro for each customer answering the satisfaction survey worldwide. GEODIS also gave financial support to victims of the earthquake in Nepal last April, as part of an urgent appeal we made to our partners. Also, GEODIS has provided its logistics support for our event "Pyramid of shoes" which took place in September 2015 in about 30 cities in France. The Group cares about disability and assisting people in situations of risk.

What values does a charity have in common with a large company like GEODIS?

The links between a large company like GEODIS and a charity like ours are essentially human. The ends may differ, but each of us is looking for meaning. Companies give new meaning to their

Magali DENEUFCHATEL

Chief Executive,
Handicap International
France



activities both through the values they uphold and the CSR programs they conduct.

In your view, what do employees get out of this type of partnership?

For many employees, the commitment of their company is a strong motivator. An employee who gets involved with a charity in the context of a partnership can also find out about a cause which may not get a lot of media coverage. Many employees come forward and volunteer to become their company's ambassador for this type of issue. These proactive people may involve their colleagues and teams in fundraising events, sporting challenges, action campaigns and so on. Employees want to take an active part. The GEODIS / Handicap International partnership is the expression of a collective determination to take positive action.



INVOLVING OUR SUPPLIERS AND SUBCONTRACTORS IN OUR CSR APPROACH

GEODIS' purchasing constitutes an essential source of leverage for improving the Group's social and environmental footprint and attaining its CSR objectives. In addition to this, integrating CSR performance into the purchasing process acts as a driver of effective CSR. GEODIS priorities are to increase the importance of CSR criteria in the selection of suppliers and subcontractors; to seek the support of external specialist partners (e.g. EcoVadis) to evaluate suppliers and subcontractors; to promote responsible purchasing initiatives - solidarity purchasing and "green" purchasing – and to pursue a policy of collective progress by the setting up of partnerships.

PERSPECTIVES FOR 2016

- Continue to evaluate suppliers and subcontractors on their CSR performance.
- Strengthen the responsible purchasing policy: sustainable and solidary purchasing initiatives.
- Foster social inclusion, by contracting with work centers and organizations which employ disabled people.

ASSESSING AND SELECTING SUPPLIERS AND SUBCONTRACTORS ON CSR CRITERIA

Totalling more than €4 billion in 2015, GEODIS' purchasing, including transport subcontracting, is a strategic source of leverage for improving CSR performance. For example, almost 87% of the Group's greenhouse gas emissions are accounted for by subcontractors (most recent calculation of GEODIS' worldwide carbon footprint, 2010). The assessment of suppliers and subcontractors therefore emerges as a key issue, not only on an economic and operational level, but also on an environmental and social level. This involves teaming up with our commercial partners on the Group's commitments and engaging them in a collective move towards progress.

Since 2011, environmental, social and ethical criteria have been included in calls for tender, analysis grids and standard contracts for different categories of purchasing (real estate, hiring of temporary workers, fuel, packaging, operational consumables, IT, vehicles, etc.) and constitute a differentiating factor in the selection of a new supplier.

In addition to this, since 2011 GEODIS has used EcoVadis evaluations to measure the CSR performances of its suppliers and subcontractors. EcoVadis is an independent body that evaluates the CSR commitment of thousands of suppliers in 150 business sectors in over 90 countries on CSR criteria (environment, working conditions and ethics), using a reference system based on the ISO 26000 guidelines and on the Global Reporting Initiative.

In 2015, the Road Transport Line of Business implemented an assessment program for subcontractors with in the field audits for contractors and subcontractors, and CSR self-assessments will be deployed in 2016.

60/100

score achieved by GEODIS in the category "Responsible purchasing", EcoVadis 2015 evaluation (see page 35).

Several responsible purchasing initiatives took place in 2015. In the context of a new tender to provide temporary staff, GEODIS improved specifications and methods of contracting by adding new, stricter clauses concerning undeclared labor, non-discrimination and equal working conditions, professional integration and reintegration, older workers, parity, QHSE expectations and ethics. These criteria are followed up with indicators and penalties may apply. Among other examples, a tender for work clothing included a clause requiring clothing to be recycled and organic raw materials to be used. Suppliers were each questioned on their ability to assist the Group in the recycling of clothing.

ETHICS & COMPLIANCE

In 2015, the Supplier Code of Conduct was produced by the Ethics & Compliance and Purchasing Departments. In this code, GEODIS sets out tougher demands on human rights issues, particularly forced labor, slavery and child labor. The Supplier Code of Conduct demonstrates the Group's determination to increase vigilance with regards to underage workers and raises the minimum age of employment that GEODIS authorizes for subcontractors. Anti-corruption requirements have also been tightened and the Suppliers' Code of Conduct also includes the possibility of carrying out due diligence on ethical criteria for third parties (suppliers, subcontractors, agents). Purchasers also underwent specific anti-corruption training in 2015.

"THE CARBON PACT BETWEEN GEODIS AND MAERSK LINE IS THE CONFIRMATION OF OUR COMMON DESIRE TO MAKE PROGRESS ON THIS MATTER."

Why has a Carbon Pact been signed between GEODIS and Maersk Line?

Maersk Line is the world leader in the ocean transport of containers. We want to take sustainability to the next level in the customer-supplier relationship. The Carbon Pact is the confirmation of our mutual ambition to generate sustainable growth and promote transparency and responsibility. This partnership is possible since there is a common desire to advance this cause. Putting sustainability at the forefront of our commercial strategy is essential.

What are the objectives of the Carbon Pact?

The Carbon Pact outlines our objectives, aspirations and resources to support our ambition to jointly decrease our environmental impacts. The main goal is to reduce the CO₂ emissions per container shipped by GEODIS on Maersk Line vessels by 20% from 2015 to 2020. This target has been established on the basis of the Clean Cargo Working Group CO₂ calculation methodology. Another important aspect of the Carbon Pact is that we support standardization of how to measure environmental impacts in our industry, and we want to be transparent about our performance. In addition we are working towards integrating CO₂ in the global performance evaluation of carriers, which can help us to unlock the commercial potential of sustainability and drive further improvements in shipping.

What are the actions that Maersk Line has put in place to reduce CO₂ emissions?

These actions can be categorized into three complementary categories. First, it is about optimizing our network. We now approach it in a much more holistic way. For example, how can we reduce our speed and at the same time deliver on time? This implies challenging our current planning and organization practices. Secondly, it is about modernizing our existing fleet through various technical upgrades: optimized

**Mads
STENSEN**

Global Sustainability
Advisor at Maersk Line



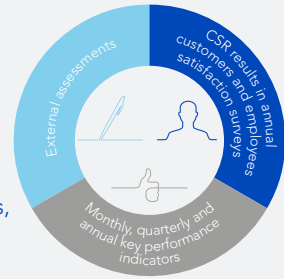
propellers, new bulbous bows, higher loads, etc. Finally, and naturally, new vessels come into our fleet, like the Triple E. These large container vessels are optimized for lower speeds which makes them approximately 35% more fuel and CO₂ efficient compared to average vessels sailing the same shipping route.

Which future initiatives between Maersk Line and GEODIS can help this partnership to grow?

We have launched a pilot project called the Business Booster Initiative, in the context of a partnership with Ashoka, an international network of social entrepreneurs. Its goal is to find opportunities to offer tailored services in transportation for social businesses to help them in their development. We hope this pilot project will grow in the future.

MEASURING AND IMPROVING

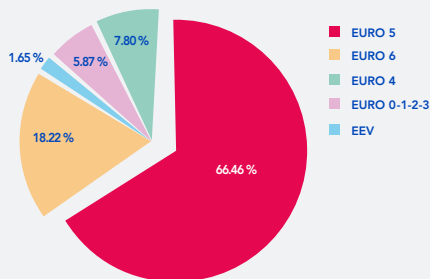
GEODIS measures its CSR performance in the light of 3 perspectives: reporting on environmental and social data, annual client and employee satisfaction surveys, and external evaluations (see page 11).



1) KEY PERFORMANCE INDICATORS

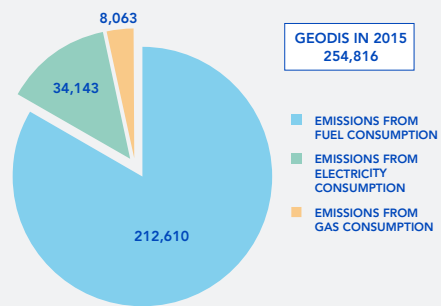
ENVIRONMENT

Composition of the GEODIS vehicle fleet worldwide in 2015

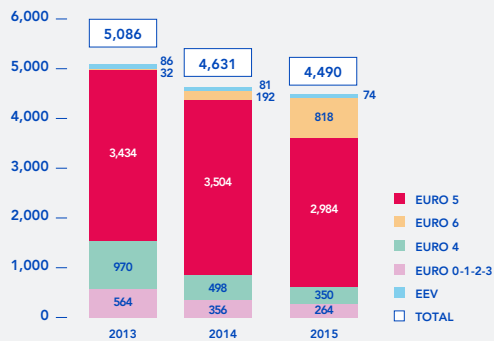


*EEV (Environmentally Enhanced Vehicles): "clean" vehicles, such as those running on electricity, natural gas (GNV) or hybrid.

GEODIS CO₂ emissions (In thousands of tons CO₂-eq – scopes 1&2 – Worldwide)



Evolution of the GEODIS vehicle fleet worldwide (number of vehicles)



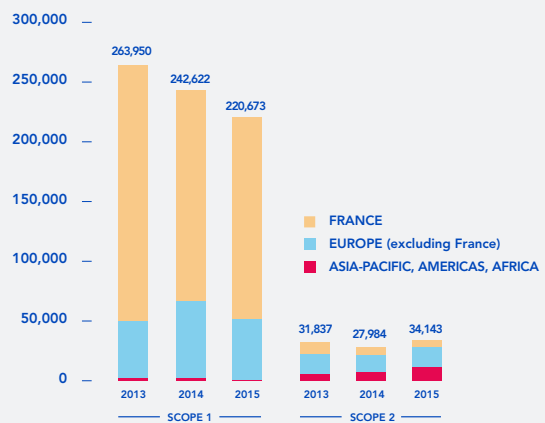
85% of GEODIS vehicles are Euro 5 or Euro 6 in 2015



4,490 vehicles owned in the world in 2015

Evolution of GEODIS CO₂ emissions (In thousands of tons CO₂-eq – scopes 1&2 – Worldwide)

Correspondence GRI4: EN15

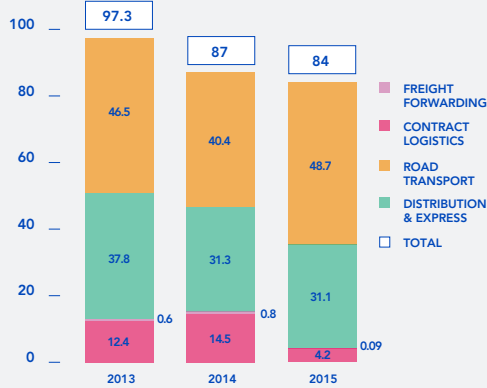


The distribution of emissions is that of the GHG Protocol and the Bilan Carbone®:
Scope 1: direct emissions caused by the combustion of fuel and gas.
Scope 2: indirect emissions caused by the purchase of electricity.

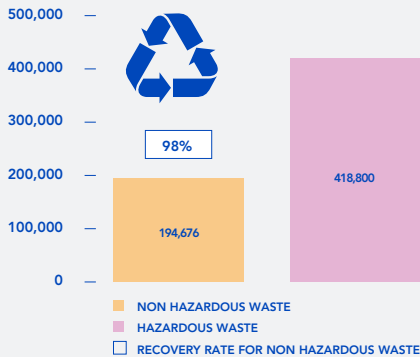
ENVIRONMENT

GEODIS Fuel consumption by Line of Business (Millions of liters)

Correspondence GRI4: EN3



Distribution between Non Hazardous Waste recovery and total production of Non Hazardous Waste Worldwide in 2015



Consumption of electricity in the Group in 2015



135.42 Millions of kWh of electricity consumed by GEODIS in 2015 (total world)

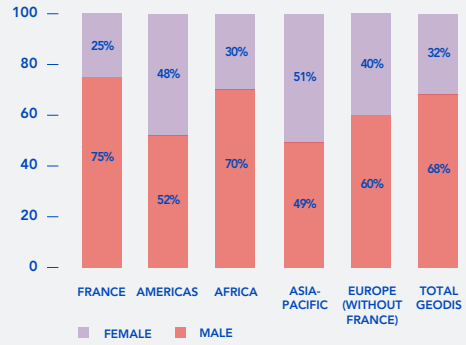
Consumption of gas in the Group in 2015



39.53 Millions of kWh of gas consumed by GEODIS in 2015 (total world)

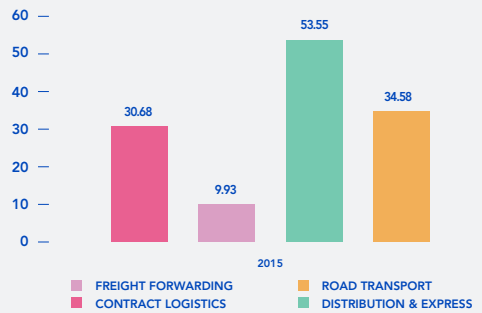
SOCIAL

Male/female breakdown by geographical area - 2015 (World, by Line of Business)



Safety: Evolution of frequency rate of occupational accidents in France by Line of Business in 2015

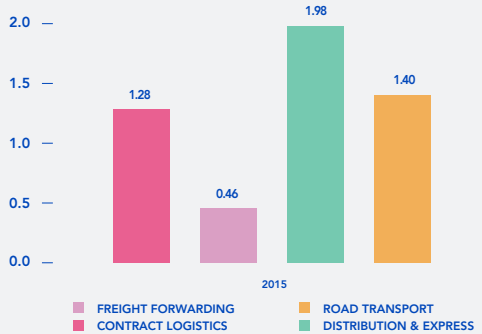
Correspondence GRI4: LA7



Occupational accident frequency rate: (number of accidents resulting in absence x 1,000,000) / total hours worked.

Safety: Evolution of severity rate of occupational accidents in France by Line of Business in 2015

Correspondence GRI4: LA7



Occupational accident severity rate: (number of days lost x 1,000) / total hours worked.

2) SURVEYS

87% of customers stated they were satisfied with GEODIS CSR actions (up 1 point from 2014), according to the 2015 customer survey.

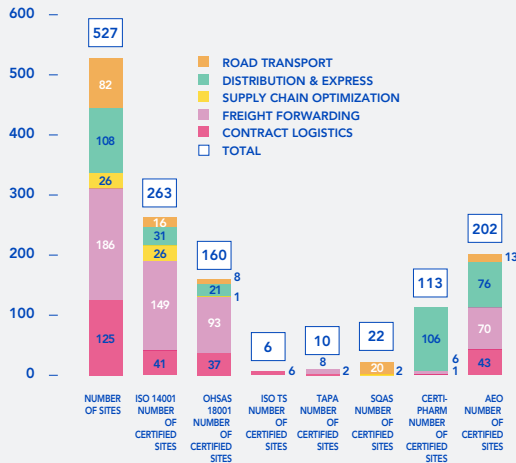
85% of employees stated they were satisfied with GEODIS CSR actions, according to the 2015 employee survey.

3) EVALUATIONS

CERTIFICATIONS

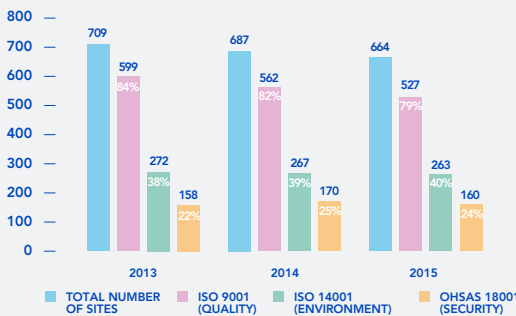
Certifications by Line of Business in 2015

Correspondence GRI4: EN31



GEODIS site certifications (worldwide)

Correspondence GRI4: EN31



23% of GEODIS sites worldwide had a triple QSE (Quality, Safety and Environment) certification at end 2015 - a total of 153 sites.

* ISO 9001: quality.
ISO 14001: environment.
OHSAS 18001: safety.
ISO TS 16949: quality in the automobile sector.

ECOVADIS

67/100 EcoVadis external evaluation of GEODIS, 2015



GEODIS achieved a score of 67/100 in the 2015 evaluation of its CSR by the independent body EcoVadis (compared to 64/100 in 2014). In constant progression since 2009, GEODIS attained its best score since the evaluation process kicked off and achieved "Advanced" level for the first time. GEODIS is therefore at the top of its category out of the 252 companies evaluated. The Group is also in the top 2 % of suppliers assessed by EcoVadis, across all categories. An EcoVadis "Advanced" level means that GEODIS strategy is based on a structured CSR approach, quantified commitments, concrete action on all issues, detailed information on the implementation of actions, a methodical CSR report and reporting, together with performance indicators. GEODIS obtained the following scores in each category:

- environment: 80/100;
- social: 70/100;
- business ethics: 50/100;
- responsible purchasing: 60/100.

CDP

76D CDP 2015 evaluation of GEODIS.

GEODIS has been responding to the CDP Supply Chain since 2014. The CDP evaluates actions taken with respect to reporting and curbing greenhouse gas emissions. A score of 76 (out of 100 points) corresponds to transparency level - a progression of 14 points compared to 2014. The letter D refers to performance.

Nota Bene: the data presented on pages 33 to 35 refer to GEODIS on December 31st, 2015, excluding OHL.



TO FIND OUT MORE:

All GEODIS 2015 indicators, along with details on reporting methodology (scope, data gathering and consolidation process, choice of indicators, methodological limitations, checks and verification of indicators) and correspondence with the Global Reporting Initiative (G4 – Guidelines for sustainable development reporting) can be consulted on www.geodis.com, under 'CSR'.

TAPA (Transported Asset Protection Association): cargo security.
SQAS evaluation (Safety and Quality Assessment Series): quality and safety in the chemical sector.
Certipharm: quality in the health sector.
AEO (Authorized Economic Operator): customs formalities.



GEODIS

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