

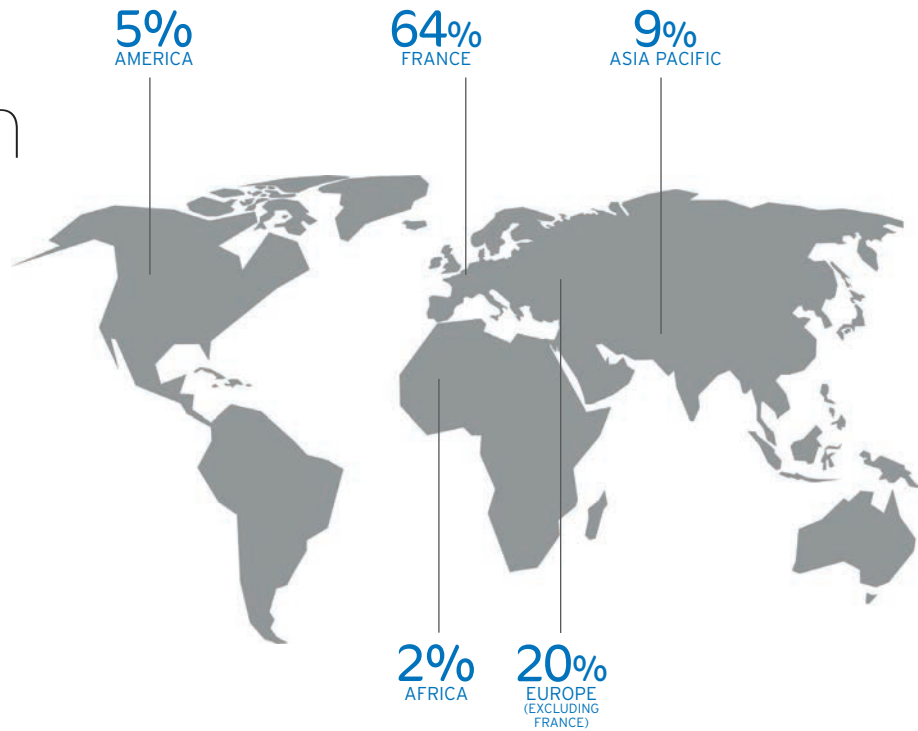
The background features three large, stylized, semi-transparent icons representing different modes of transport. On the left is a blue silhouette of a ship with a funnel and portholes. In the center is a grey silhouette of a truck with a large cargo area. On the right is a brown silhouette of a car with a sunroof and wheels. The text is overlaid on the truck icon.

# Geodis

COMMITTED TO SUSTAINABLE TRANSPORT  
SUSTAINABLE DEVELOPMENT REPORT 2011

A global,  
multimodal  
supply chain  
operator

Workforce breakdown by geographical region



**Geodis in 2011**

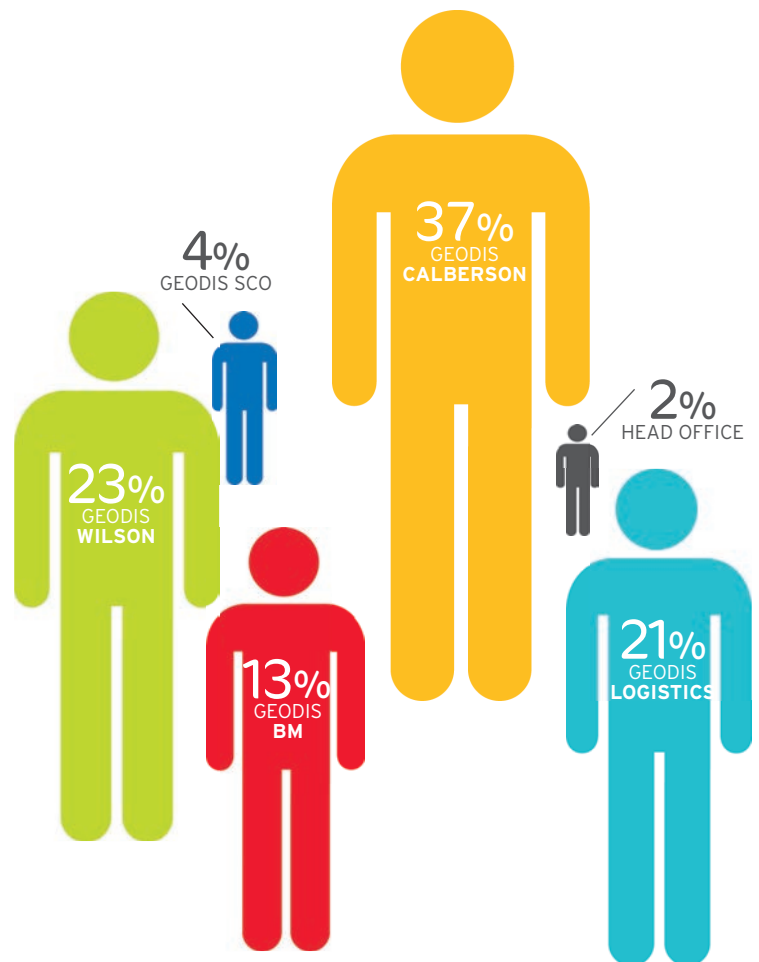
31,000  
employees in almost 60 countries

€6,906 million  
in revenue (up 5.2% on 2010)

4<sup>th</sup>  
biggest European logistics operator

A sales network spanning  
120 countries

Workforce breakdown by division



# Five divisions

## Geodis Wilson Air and sea freight forwarder

- Air, sea, and combined air/sea freight forwarder.
- Value-added services (customs clearance, control tower) and integrated logistics solutions.
- E-Solutions (track & trace, Freight report).
- Industrial projects (out-of-gauge transport, offshore pipelines, plant relocations, etc.).

## Geodis Calberson Groupage/Express

- Three networks: Geodis Calberson, France Express, Geodis Ciblex.
- Groupage with 24- or 48-hour delivery.
- Industrial express and parcel delivery in under 24 hours twice a day.
- Part and full loads up to 24 tonnes.
- Small parcels of between 0 and 30 kg.

## Geodis Logistics Contract logistics

- Distribution logistics (multi-customer hub, pick & pack, crossdocking, pooled supplies, etc.).
- Industrial logistics (inbound logistics centres, etc.).
- Value-added services (kitting, co-packing, etc.).
- Reverse logistics.

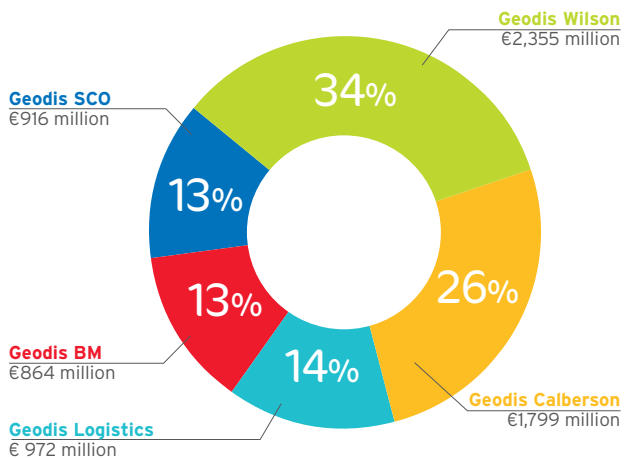
## Geodis BM Road

- Conventional transport (part and full loads).
- Specialised solutions (pulled flow shipments, controlled temperature shipments, etc.).
- Multimodal transport such as piggybacking.
- Operational flow management.

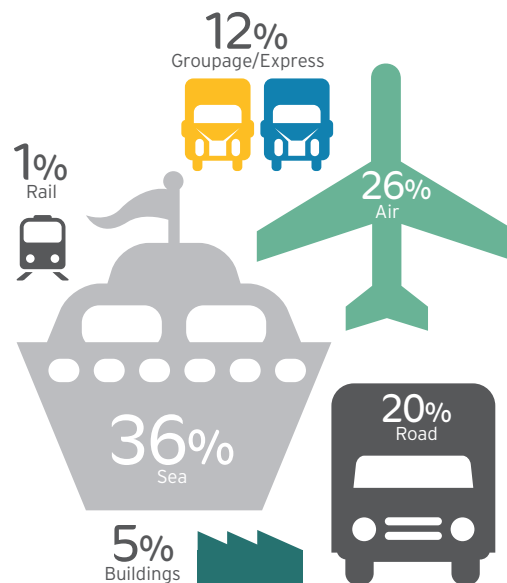
## Geodis SCO Supply Chain Optimisation

- 4PL (4<sup>th</sup> party logistics) offering, central management, control tower.
- Global supply chain management.
- Purchasing and selection of transport and logistics services.

2011 revenue by division



Breakdown of Geodis CO<sub>2</sub>-eq. emissions by activity



Transport accounts for 95% of emissions and buildings for 5%.

## Scope of the report

Geodis is an integral part of SNCF Geodis, the SNCF branch specialising in freight transport and logistics. Geodis is the main activity of SNCF Geodis. This 2011 sustainable development report covers the scope of **Geodis activities**.

### The three business lines of SNCF Geodis are:

**French rail freight activity**  
Fret SNCF, Captrain, VFLI, Ecorail, Naviland Cargo, Novatrans, Lorry Rail...

**Global transport and logistics operator**  
**Geodis**, STVA.

**Asset management**  
Ermewa, Akiem.



“Our aim is to bring each customer the most adapted solutions to its operational, economic and environmental performance needs.”

## Setting the example

In the name of all Geodis employees, I am particularly proud to introduce the Group's fourth sustainable development report. The report addresses all our stakeholders (customers, suppliers, service providers, institutions and employees) and testifies to our teams' growing commitment to sustainable development as well as to how firmly sustainable development is now rooted in our activities, processes and organisation systems. The initiatives described in the following pages - and the results of those initiatives - prove that, four years after the launch of Blue Attitude, the Group is in full marching order to meet its commitments, in line with those of SNCF Geodis and its shareholder, SNCF.

These environmental, economic and social commitments are a necessity as much as a duty

for a segment-leading group, which Geodis has now become. Our weight in an economically vital sector, one that employs a great number of people and whose activities account for a large share of greenhouse gas emissions, requires us to set the example. At a time of economic crisis and a growing rise in energy prices, creating and introducing innovative solutions to satisfy our customers and support them in their sustainable development challenges is necessary if not indispensable to the Group's long-term future and performance.

We assume this responsibility on a day-to-day basis and have placed it at the heart of our strategy. At our design offices, depots and platforms, and in our sales forces and support functions, the people at Geodis are using their expertise and convictions to forge a new transport and logistics operator model. In a decisive step in the rollout of this new model, we have completed the very first measurement of SNCF Geodis' carbon footprint. This key event in Geodis' sustainable development



policy is a technical feat, but also reflects the Group's strong ambition to improve its carbon efficiency in the long term and so limit the impact of its activities on the climate. As part of the same approach, our teams continue to develop Geodis expertise in multimodal transport. Harnessing the Group's ability to manage flows and use all goods transport modes, our aim is to bring each customer the most adapted solutions to its operational, economic and environmental performance needs.

As well as requiring us to set an example in the way we carry out our activities, our leadership role also brings with it the duty to use all the resources at our disposal to promote our long-standing solidarity and community-minded values in the social sphere. To further enhance this good-citizen commitment, rolled out at grassroots level by the men and women of the Group, the Geodis Foundation, hitherto focused on disability issues, is growing in momentum and broadening its remit to include the fight against all forms of exclusion, by working

to foster social and professional inclusion for those most in need. And because the history of Geodis is founded on the values of hard work and exceeding one's limits, I wanted the Group to support top-level able and disabled athletes, through the Geodis Team. These athletes serve as an example for our teams, which in their own way strive for excellence every day, and show us the path we need to travel to maintain our top ranking.

**PIERRE BLAYAU**

CHIEF EXECUTIVE OFFICER OF  
SNCF GEODIS AND CHAIRMAN AND  
CHIEF EXECUTIVE OFFICER OF GEODIS

# Geodis activities and sustainable development issues

Geodis, a global multimodal supply chain operator, initiated Blue Attitude, its sustainable development approach, in 2008.



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A story of men and women

### ISSUES

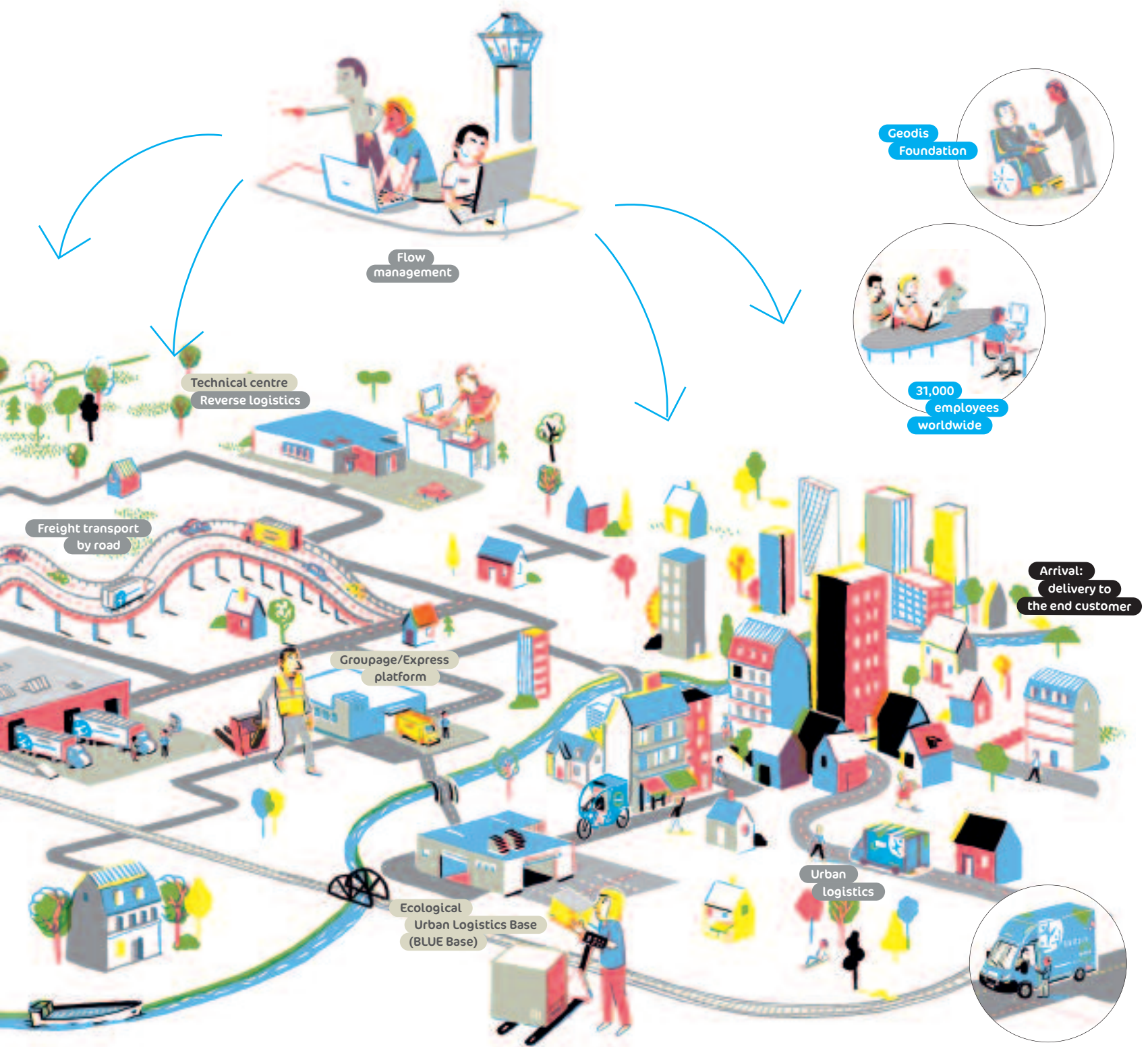
- Respect our ethical commitments worldwide.
- Ensure staff safety.
- Develop skills.
- Encourage diversity.
- Foster social dialogue.

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Expertise at the service of customers

### ISSUES

- Meet our customers' needs.
- Propose high-performance and innovative solutions from an economic and environmental standpoint.
- Develop multimodal offers.
- Calculate the CO<sub>2</sub> emitted by the transport flows of our customers.



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Working with partners and the community

## ISSUES

- Involve, inform and assess our subcontractors and suppliers.
- Take part in the development of the local economy and community.
- Foster community-minded initiatives.

# 29

A commitment to the planet

## ISSUES

- Measure greenhouse gas emissions.
- Reduce the energy consumption (fuel, electricity, gas) of our proprietary resources and get subcontractors involved.
- Optimise flows and develop low-carbon offers.
- Improve environmental management at sites.
- Reduce local pollution from goods transport.



“Sustainable development requires us to take a long-term view so as to prepare for the future and innovate.”

## “Our leitmotif: continuous improvement”

**JEAN-LOUIS DEMEULENAERE**  
CHIEF EXECUTIVE OFFICER OF GEODIS

What’s your view of trends in the transport and logistics market and those of Geodis itself in 2011?

The continuation of the economic crisis has accelerated the trend in market concentration that has been prevalent over the last few years and which involves major players able to innovate at commercial level. Geodis is by its size and ambitions one of those players, and is playing a part in the market reshape, which is reflected from one year to the next by changes in the scope of the Group with the integration of new employees and presence in new countries.

As with our human-centric values, our Blue Attitude sustainable development approach is a robust resource that will help us to succeed

in this transformation. For a changing group like ours, this approach brings us more harmony and discipline and helps us to continuously improve across the broad. It also encourages us to set an example in terms of the new requirements facing companies in areas such as ethics and compliance.

More than a constraint, I see sustainable development challenges as an opportunity for the Group.

Lasting relations with stakeholders create value by, for example, enabling us to provide our best-known customers with adapted solutions. And, while the current business environment prompts us to maintain a short-term vision of economic performance requirements, sustainable development requires us to take a long-term view so as to prepare for the future and innovate.





## Was last year a big one for innovation?

Yes, though the objective is not to innovate for innovation's sake but to support our customers with value-added solutions to boost their economic and environmental performance. The best example is the CO<sub>2</sub> calculator that we designed to provide our customers with a tool to help them make decisions on transport plans and modes. Another example is the Distripolis urban logistics service.

More globally, innovation for Geodis is also about our ability to call our existing solutions and resources into question on a day-to-day basis and about our determination to help customers rethink their logistics plans, for example by making use of innovative combinations in transport modes.

## What were some of the Group's major advances in sustainable development last year?

The first I would like to mention is the measurement of our carbon footprint. We led an ambitious initiative involving all the businesses

worldwide and all our greenhouse gas emissions, including those resulting from subcontracting and the amortisation of vehicles and buildings, which is not something all our competitors do. This approach reflects the ambition of a committed and exemplary player in an area where the transport sector has a huge responsibility. It also serves a strong and lasting ambition, namely to improve our carbon efficiency by 20% by 2020, subcontractors included.

The second big step forward in 2011 was the progress policy led with our partner EcoVadis to compare the effectiveness of our sustainable development policy with the policies of thousands of other companies. We wanted our approach to be assessed because we are committed to a policy of transparency with our customers and were looking to prove the relevance of our initiatives. And now our customers and third parties can also compare us with other companies.

At the same time, EcoVadis gives us access to assessments of suppliers and subcontractors. Given the considerable weight of purchasing and the percentage of our revenue that is subcontracted, this is a key lever for improving our

performance.

Lastly, the Group pursued and redoubled its efforts on safety and training and, more generally, initiatives for employees. Because if Blue Attitude has come this far after just four years, then Geodis owes it to the efforts made by all employees to meet our sustainable development objectives. This commitment was reflected once again in the quality of the projects in last year's Blue Attitude Trophy. I would like to thank my fellow employees and at the same time ask them to keep up the good work to make our Group one of the sector's most exemplary players in sustainable development.



# A sector of key importance for the environmental, social and economic issues facing the planet

The freight transport and logistics sector is linked to today's major ecological, societal and economic issues.

Far from considering sustainable development as a constraint, the Group sees it as an opportunity for development, positioned at the core of its offering and its day-to-day practices.

Freight transport and logistics is an energy-intensive activity. It accounts for 10% of global CO<sub>2</sub>\* emissions and, because it is still largely dependent on fossil fuels, it is highly sensitive to rising oil prices. In this context, and in response to growing regulatory pressure, the sector has stepped up the process of transition to new forms of energy in recent years. The aim is to act against climate change without changing the economic equation. This transition is taking place in a world that is increasingly urbanised. More than half of the global population lives in dense urban areas that need constant supplies of consumer goods. The objective today is to rethink supply plans, which until now focused essentially on road transport, in order to reduce nuisances (pollution, noise, road risk, etc.). The freight transport and logistics sector employs a large workforce over a wide geographical area and is therefore also a major economic player. Delivering an essential service for manufacturers, it is at the heart of international trade. The crises of 2008-2009 and 2011 slowed trade flows but did not reverse the basic trend, and trade will continue to grow in an increasingly globalised world. At the same time, players in this sector need to keep pace with the development of new

production regions and rising consumption figures in new countries. Further, recent crises have led to a fall in volumes combined with strong pressure on prices. As a result, consolidation has increased in pace across the sector, benefiting the operators whose level of performance ensures their competitive edge.

## **A development opportunity for Geodis**

As a global supply chain player, Geodis aims to address these issues in order to meet the expectations of all stakeholders. Far from considering sustainable development as a constraint, the Group sees it as an opportunity for development, positioned at the core of its offering and its day-to-day practices. Working for customers facing the same issues and the same need for competitiveness, Geodis provides innovative, made-to-measure solutions that reflect a full range of needs. It helps customers improve their economic and environmental performance, while establishing itself as their preferred logistics partner.

\* Summary of the survey *Fret mondial et changement climatique* (Global freight and climate change), Centre d'Analyse Stratégique, France, 2010.

# Blue Attitude: principles shared by all

Since 2008 and the founding of Blue Attitude, the Geodis approach to sustainable development, the Group has put in place a dedicated governance structure and organisation.

## Blue Attitude 5 commitments



Working with our **customers** in their sustainable development approach.



Getting our **people** involved and increasing their safety.



Taking care of the **environment** and controlling the risks.



Involving our **partners** in fulfilling commitments.



Partnering with the **community** by being a responsible actor and a good citizen.



Geodis signed the UN Global Compact in 2003. It has made a commitment to respect the ten principles and to communicate annually on progress made, through the document "Communication on Progress" sent to the United Nations. [www.unglobalcompact.org](http://www.unglobalcompact.org)

Reporting directly to senior management, the sustainable development department defines the sustainable development strategy and coordinates global deployment. It relies on a network of correspondents across the five divisions, and also works with functional departments (purchasing, sales, human resources, real estate, communication, etc.) on specific projects. The role of the correspondents is to deploy the principles of the Blue Attitude approach within their entity, while adjusting it to business-line and local characteristics, through objectives and action plans that are specific to each division. This shared coordination of Blue Attitude, with a strategic Group committee and a number of steering committees across the Group and divisions, encourages the pooling of expertise as part of cross-cutting projects (for example, on responsible purchasing, on measuring the carbon footprint, or on regulatory monitoring on environmental or safety issues).

With the reporting system put in place in 2008, Geodis is able to track indicators and measure the progress made. This governance structure, based on close cooperation between the Group and the divisions, make possible the progress of the sustainable development approach (progress attested by external assessments) which is also suited to the company's mission, the expectations of its customers and of teams in the field. At the same time, Geodis takes part in the SNCF Group's sustainable development steering committees, set up to ensure that the initiatives taken by the various subsidiaries are coherent.



## Recognised results

As a supplier to leading international firms looking for responsible partners, Geodis needs to communicate transparently on its sustainable development policy.

To this end, following a request by a number of customers, the Group completed the questionnaire developed by EcoVadis, a global, neutral and independent collaborative platform that assesses the environmental and social performance of thousands of suppliers in 150 sectors of activity. Following an analysis conducted in December 2011, EcoVadis rated Geodis as one of the best players overall in all sectors, with an average score of 6/10 compared with 4.2 for the average of suppliers assessed. In terms of environmental and social performance, the Group scored 7/10, the highest score for transport companies in the platform base.

# Risk management and ethics at the heart of the organisation

Geodis is facing growing constraints and increasingly stringent requirements in its business activities.

Since 2008, the Group has sought to improve risk management by putting in place an organisation and tools to better describe and control risks.

With the economic, social and environmental crisis, civil society is stepping up its demands on the world of business. At the same time, customers wish to protect themselves from ethical or legal risk against a backdrop of new standards and regulations, increasing controls on business, and higher financial penalties. In consequence, Geodis is more exposed to an increasingly diversified range of risks (ethical, legal, financial, reputation, social, etc.). Since 2008, the Group has sought to put in place an organisation and tools to better manage and control risk. In 2011, the approach was expanded and consolidated, thus building trust by third parties.

## **Internal control: the same principles for all entities**

In 2011, Geodis developed an internal control standard covering all Group procedures and intended for all entities. This document sets out the points to be checked and the principles to be respected for eight major management processes (sales, purchases, cash flow, human resources, etc.). At the same time, the Group appointed internal control correspondents in all divisions. These correspondents are responsible for disseminating the standard across their entity as well as adapting or even completing the principles in line with the specific characteristics of their scope of activity. The Group has also brought in the auditors who contribute to ensuring that the standard is taken on board in all the companies that they visit. In 2012, the standard will be used by the various entities to self-assess their internal con-

trol procedures and initiate action plans if necessary.

## **An expanded Code of Ethics**

To restate its ethical commitments, particularly those relating to the UN Global Compact of which it is a signatory, the Group introduced a Code of Ethics - distributed to all employees - and set up an Ethics Committee in 2009. In 2011, the Code of Ethics gained an appendix concerning competition law, distributed to about 2,000 managers and sales force employees, with acknowledgement of receipt. The appendix sets out the rules and risks, as well as the best practices to be adopted. Also in 2011, ethical clauses were included in a number of supplier contracts.

## **A new risk map**

The Group has updated and completed its existing risk map, adapting it to its changing environment (international, acquisitions, share ownership, etc.). To identify the major risks to which Geodis is exposed, the Group carried out 120 interviews with senior managers and experts. In early 2012, a senior manager was appointed for each risk. He or she is the representative for that risk and has the role of making sure that the Group deploys the resources necessary over the long term to guard against any threats arising from the risk for which he/she is responsible.



# A story of men and women

The responsibility of a company is expressed in relation to its employees who, through their involvement, contribute to its day-to-day performance. Geodis deploys an ambitious worldwide human resources policy that aims to make the Group more attractive by creating the conditions necessary for the development, the safety and the well-being of employees.



# Supporting the Group's international expansion

# 31,000

Number of Geodis employees worldwide

Throughout its history, Geodis has integrated people from different companies, cultures and countries and pursued a wide range of business activities. As a result, it has always placed the emphasis on grass-roots human resources management, taking account of specific local characteristics.

Today, given the scale of its expansion, it needs to upgrade this model. While enabling each function and country to manage human resources according to their own needs, the Group decided in 2011 to reinforce the base of its common HR strategy. This strategy addresses the need to support Geodis' ongoing expansion outside France which is reflected in its growing workforce. Today, 36% of Group employees work outside France, compared with 25% in 2008. At the same time, the key account customers on which the Group's growth is built in part, are increasingly looking for multi-function services encompassing several countries or even several continents. And, in the same way as for environmental or ethical questions, customers and employees are increasingly asking the Group about the reality of its commitment to social responsibility.

At the same time, the Group is seeking to accelerate internal mobility as required by the increasingly close ties between divisions, external growth and development in new regions. Further, to manage human resources at Group level, information systems and reporting tools must also be international.

To deploy this new strategy, the HR function has upgraded its system of governance with the founding in 2011 of a reinforced central Group human resources direction that will coordinate and oversee the new approach, along with country human resources departments (multi-division), functioning alongside the divisional HR departments. This last stage concerns only a number of European countries at present.

### Towards a global HR policy

In this context, Geodis needs HR processes and tools that are harmonised. These must first and foremost promote the construction of a shared culture based on Group values of customer satisfaction, innovation and commitment. They must also guarantee the same level of employee expertise and commitment for all business functions and countries. The deployment outside France of the HR policy must also make it possible to identify and promote future high-flyers, who will be able to think at Group level and work as part of a company whose centre of gravity is gradually moving towards new markets such as Asia-Pacific and South America.





9.5 hours

of training by employee worldwide in 2011 on average (compared with 8.88 hours in 2010). In France, each employee received 11.5 hours of training on average.

France Express in Valenciennes (France)

“A meaningful approach to social responsibility helps to secure the loyalty of employees.”

Jean-Louis Vincent, Geodis human resources director

## Tools serving the development of skills and mobility

In 2011, the Group conducted several projects promoting the implementation of a more international human resources policy supervised centrally but still managed at local level.



### An ad-hoc training tool

Any tool shared by the entire Group must also meet the specific needs of each function or country.

G-Campus, the e-learning training platform includes Mohive, a special tool used to develop made-to-measure training courses to choice.

A range of courses are being developed, e.g. on sustainable development or on joining the Group, tailored to the needs and training policies of each division.

Initiated in France by Geodis Calberson in the first instance, the Job Centre encourages internal mobility by enabling employees to apply for jobs across different entities of the Group. It subsequently widened its scope to all divisions and six other European countries. Another tool introduced to promote mobility is G-Talent, which centralises annual performance reviews and career-related requests submitted by employees. This tool was deployed by Geodis SCO and Geodis Logistics in the first instance, prior to a general roll-out across the Group, from 2011. At the same time, Geodis set up its Exchange Program, which enables employees to spend six months working in another division and/or another country. Several tools have also been developed to promote acquisition of a shared culture and skills. The G-Campus e-learning

platform, launched in 2010 by Geodis SCO, is now accessible on the Intranet and has been extended to all divisions. This tool gives Geodis employees access to 10,000 multilingual training modules in a wide range of areas (finance, corporate strategy, marketing, personal efficiency, office automation, management, etc.) as well as to made-to-measure training courses (see opposite). Other initiatives have also been put in place in order to strengthen a shared culture at management level and provide à 360° view of Geodis, e.g.: inter-divisional Group induction seminars, customised training courses (such as the diploma put in place with the IML - Logistics Management Institute - at Geodis Logistics...) or Geodis Executive Master programme. Further, the Group is gradually implementing joint IT tools for human resources management.



Geodis Logistics,  
Marocco

# Restating our social responsibility

To satisfy stakeholder expectations in the field of diversity, Geodis is seeking to better meet its responsibilities as an employer.



GEODIS LOGISTICS GERMANY

## A better balance between professional and home life

Geodis Logistics Germany sought to find new ways of building staff loyalty. Alongside programmes to encourage internal mobility, and greater access for women to managerial positions, the approach focused on improving the balance between professional life and family life through a range of measures designed to increase the flexibility of working hours: part-time work by choice, parental leave, shorter working hours to prepare for retirement, etc. Many employees took advantage of these opportunities, thus contributing to staff motivation.

### Promoting an active labour-relations dialogue

Geodis aims to maintain a close dialogue with personnel representatives at inter-professional level or through the Group's European Consultation Committee. This approach is also visible at decentralised level in the field through the presence of many local representative bodies. Studies were conducted by the divisions in 2011 and several agreements signed, particularly in the fields of diversity, trade union law, older employees and welfare. The Group also played a leading role in putting in place a system of health insurance for the transport sector in France in 2011.

### Encouraging the recruitment of disabled people

A number of awareness-raising initiatives have been organised concerning the professional integration of disabled people (poster campaigns and the publication of a guide for Geodis Calberson managers, for example). Regional targets have been

set with a view to raising the proportion of disabled people in the workforce to 6%, in accordance with French law, by 2015. In 2011, the proportion was 2.55% across the Group, with variations across sites and countries. At the same time, Geodis BM worked with external partners to promote the recruitment of disabled people and buy services from employers of disabled people, and conducted regular awareness-raising initiatives.

### Fostering gender equality

Gender parity is also a priority for Geodis in business functions that are historically masculine. The divisions signed new agreements in favour of men and women equality in the workplace. In 2012, the Group undertook a review of practices in the field of gender equality.





# Staff safety and well-being as a priority

For Geodis, a company's performance also depends on its ability to provide safe, non-stressful working conditions for its employees.

## - 20%

**Fall in the road accidents rate at Geodis BM in France between 2010 and 2011.**



GEODIS LOGISTICS GRENOBLE

### A preventive warm-up

To cut the number of occupational accidents in handling activities, the Geodis Logistics platform Grenoble has put in place daily workplace sessions to warm up muscles and joints. The sessions, which last between five and eight minutes, are organised every morning by the platform's "movement and posture" monitor. Employees have taken the idea on board and the initiative has also served to build team cohesion. Further, no handling accidents have been reported in the first months following the introduction of this initiative.

### A Group safety-security department

The Group, whose employees are exposed every day to the risk of accidents, has developed a strong culture of workplace safety. The Group once again made considerable efforts in this area in 2009, as illustrated by its decision to broaden and strengthen the Group safety-security department. Set up in 2011 to oversee the security of assets, its scope has now been extended to include the safety of people. Its role includes coordinating safety procedures, developing management systems based on the OHSAS standard (see page 16) and creating a central accident and incident reporting procedure, essential for putting in place targeted action plans. Reporting data are transmitted to the Executive Committee every quarter.

### Assess risks for more effective control

The Group's efforts to manage safety risks for its employees in every way possible, both on the road and on-site, concern each division or site, in line with their own characteristics. The Industrial Project Department of Geodis Wilson, for example, which specialises in transport and logistics for large-scale projects in specific sectors (oil, rail, mining, etc.) aims to ensure the safety of employees who may be working in difficult political or technical contexts. An overall assessment of each geographical region (political and military situation, etc.) is systematically carried out, and staff receive training on current practices.

### Training as the keystone of road safety

Geodis BM, which reported five fatal accidents and an increase in driver accidents in 2010, put in place a vigorous plan

of action in 2010 to reverse the trend. The prevention scheme was expanded in 2011. It includes regular awareness-raising campaigns, safety challenges, and systematic "eco-safety" training for drivers. The Drivers' Manual was revised and translated into eight languages. To support these initiatives and reward collective efforts, the criteria for calculating employee profit-sharing bonuses now includes road accidents. Further, a partnership has been set up with the ACP (*Automobile Club Prévention*), an organisation approved by the French Ministry of Transport. Based on a detailed analysis of each accident, the ACP draws up quarterly reviews of accident data and puts in place targeted awareness-raising and communication initiatives. At the same time, any driver who has a second accident in the next twelve months follows another customised ACP training course. Penalties may include dismissal for any driver after two accidents.

### Encouraging results

All these actions together have significantly reduced accident frequency from 0.70 (number of accidents caused by drivers in relation to the number of vehicles in the fleet) in 2010 to 0.53 in 2011. These efforts will continue in 2012 with a view to reaching a target of 0.40.

Again with a view to protecting employees more effectively, Geodis BM has put in place a 24/24 alert/emergency intervention plan to assist its 250 isolated drivers (working at night, for example) if they are ill.

Geodis Logistics is pursuing the safety policy rolled out in 2007 across its platforms, with a view to cutting the number of occupational accidents from one year to the next by 10%. This effort has led to a fall in the severity of accidents, thanks



Geodis Wilson, transport of an Alstom 405-tons stator, Strasbourg (France)



### A partnership with International SOS

To ensure the safety and security of Geodis employees on business trips, as well as expat staff, Geodis has signed a contract with International SOS, global leader in international assistance. This contract makes provision for 24/7 assistance for all types of crisis anywhere in the world. Geodis employees can also access the database of International SOS, for useful travel tips, country by country.

to a wide range of on-site initiatives: training, communication, challenges, OHSAS 18001 certification, surveillance audits, regulatory watch.

### Geodis Wilson targeting global certification in health and safety

In order to satisfy customer expectations, Geodis Wilson is aiming to obtain OHSAS 18001 (Occupational Health and Safety Assessment Series) certification across a number of their sites in 2012. Previously five countries (UK, Sweden, Finland, Australia and New Zealand) obtained this certification, which provides the basis for an effective health and safety management system along with action plans to reduce the risks to which employees are exposed.

### Improving working conditions

Also in 2011, the entire Group devoted considerable efforts to questions relating to employee well-being in the workplace, the management of psychosocial risks, and the improvement of working conditions. Within Geodis BM, a work group called BEST (from the French acronym *Bien-être et santé au travail*, accounting for health and well-being in the workplace) was set up in order to identify employees at risk, through sur-

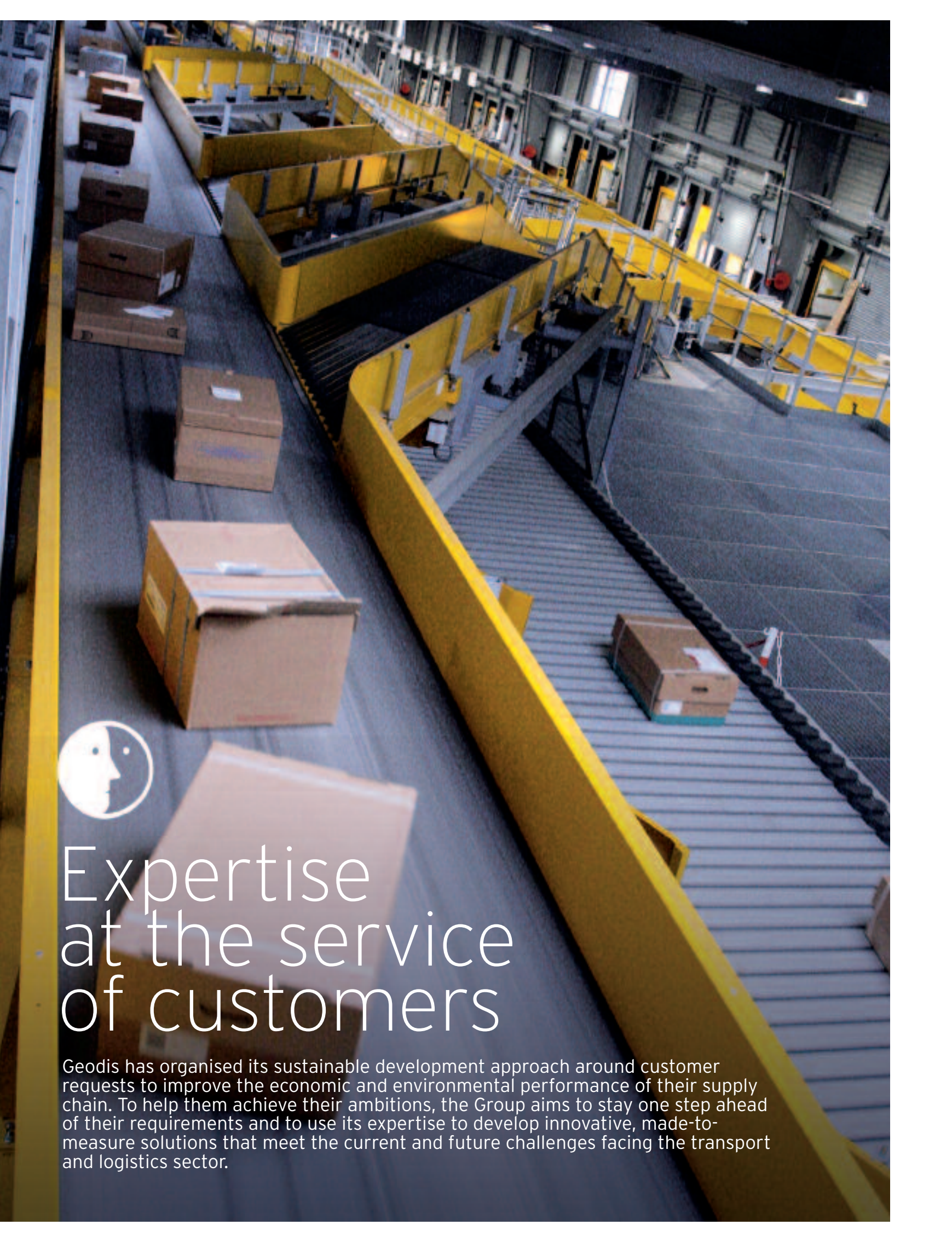
veys, to put in place actions to better manage professional stress and, more broadly, to look at what makes an ideal company prior to initiating an excellence plan on the theme of well-being in the workplace. Geodis Calberson placed the emphasis on preventing stress as well as on the risk of muscular-skeletal disorders. This type of disorder may be reduced for delivery drivers, for example, through the use of ergonomic equipment such as polyvolume vehicles and electric forklift trucks.



GEODIS LOGISTICS IN HUNGARY

### Working together for safety

The Geodis Logistics platform in Gyal (Hungary) reached the symbolic figure of 1,000 days with no occupational accidents. This achievement is the result of the training programmes put in place jointly by the site and its customer Nestlé.



# Expertise at the service of customers

Geodis has organised its sustainable development approach around customer requests to improve the economic and environmental performance of their supply chain. To help them achieve their ambitions, the Group aims to stay one step ahead of their requirements and to use its expertise to develop innovative, made-to-measure solutions that meet the current and future challenges facing the transport and logistics sector.



Containers,  
Port of Antwerp (Belgium)



### Geodis BM tests the first hybrid refrigerated truck for Carrefour

In October 2011, Geodis started making deliveries to six Carrefour stores (French retailer) in Lille city centre using a 26-tonne hybrid refrigerated truck. The truck switches to electric mode when it approaches the stores, thus reducing noise, fuel consumption (-20%) and CO<sub>2</sub> emissions (-10 tonnes per year compared with a conventional truck). Based on a partnership between Carrefour, Geodis BM and Renault Trucks, the trial will be reviewed in 2012. It is part of the Distripolis concept (see pages 20-21).

## Environmental progress and economic performance

The sustainable development approach implemented by Geodis takes on its full meaning in its quest to combine environmental progress with cost performance for customers' supply chains.

In pursuit of this principle, set out in customer commitments, the Group needs to address two in dissociable requirements. The first is to support customers in the transformation of their business and logistics needs: international development, transfer of production to Asia or South America, new supply regions to maintain competitive edge, reduced stocks to limit tied-up capital, higher fossil energy prices, etc. These trends are changing logistics plans. They demand complex, made-to-measure solutions that also satisfy increasingly stringent quality/cost/time requirements.

At the same time, the Group must help customers address the environmental challenges facing them (measuring and reducing greenhouse gas emissions, increased regulatory requirements, consumer image, etc.). Through its knowledge of supply chain functions and the environmental expertise acquired in recent years, Geodis is able to deliver tools and solutions tailored to this twin challenge. Through an approach that associates economic and environmental performance targets, Geodis is able to bring customers differentiating tools with high added value.



## A word from a customer

**ERIC POULON**  
TRANSPORT MANAGER  
AT SCHNEIDER ELECTRIC'S  
EMEAS HUB

The reduction of CO<sub>2</sub> emissions at equivalent cost and service level is a decisive criteria today for Schneider Electric in its selection of service providers. We wanted to get out of the "road only" approach with our shipments between Lyon and Russia. Geodis proposed an innovative solution and won the call for bids. Since April 2011 we have revamped our transport plan with a road segment from Lyon to Antwerp followed by a sea segment from Antwerp to Saint Petersburg and then road deliveries in Russia. Geodis' short-sea solution is effective from all standpoints as it cuts a day off delivery times, brings costs down (through lower transport costs and customs duties) and reduces CO<sub>2</sub> emissions by around 70% for this flow.

Geodis came up with an innovative idea as part of a real partnership approach - a constructive relationship and not just one between customer and service provider.

### IT tools to optimise the supply chain

In France, 75% of road freight shipments concern distances of less than 150 km. Geodis is therefore seeking primarily to help customers to optimise freight routes by road, thus saving fuel and - at the same time - cutting greenhouse gas emissions. To this end, the Group is modernising its IT tools. Optimising the services provided to customers demands powerful information systems able to track flows in real time and share data between all the players in the supply chain. Geodis therefore decided to renew all the Group's TMS (Transport Management Systems). Depending on the business function, the new applications are already deployed or in the final stages of development, such as NextGen TMS at Geodis Wilson. They help to improve flow management across several divisions.

In 2010, Geodis Calberson developed a made-to-measure tool called Copilote to improve the scheduling of urban groupage/express routes, based on customer addresses and real-time data from delivery drivers. Right from the first tests, this system cut the distances travelled by delivery vehicles by 5%.

Geodis BM has also equipped its entire fleet of trucks with an onboard IT tool called Eliot. Connected to the vehicle's technical systems, this tool collects data on fuel consumption in order to draft reports by truck and by driver. This data is then analysed in order to customise the content of training courses in rational driving training and to make sure that recommendations are put into application over the long term.

### Modelling CO<sub>2</sub> emissions with a reliable, high-performance calculator

Since 2010, a CO<sub>2</sub> calculator has been developed for Geodis customers' transport flows. This calculator is used as a decision-support tool in selecting transport means and plans, based on the emissions of three greenhouse gases. During the call for tender phase, the tool can be used to model the emissions of CO<sub>2</sub> (carbon dioxide), N<sub>2</sub>O (nitrous oxide) and CH<sub>4</sub> (methane) generated by end-to-end transport flows (including pre- and post-shipment) anywhere in the world, regardless of the

means of transport used, the type of freight or its packaging. The pertinence of the tool, whose rigorous application, robust methods and truthful results were verified in 2011 by Bureau Veritas Certification, is reflected in the requests made by customers during the call-for-tender phase or concerning the optimization of existing contracts. Around forty key account customers asked Geodis to model their emissions in 2011. These requests were made by customers keen to cut their global carbon footprint, working in a wide variety of sectors such as industry (33% of requests), consumer goods and retailing (26% of requests), textiles (12%), and aerospace and defence (9%). Half came from groups with multimodal freight flows (air, sea, road). By making these calculations, Geodis is able to bring customers solutions that are optimised in terms of cost, time, and carbon emissions.



### GEODIS CALBERSON NORTH A university for the transport of the future

For Geodis, implementing its expertise goes hand-in-hand with the ambition to convey an understanding of its activities and to share its approach to sustainable development. Geodis Calberson North invited 300 customers and prospects to a local event bringing together all divisions and partners at the end of 2010. Named the University for the transport of the future, the event gave customers an opportunity to discover the Group's latest innovations. They were able, for example, to try out electric vehicles and ergonomic pallet transfer trucks and to find out more about its practical initiatives in the areas of eco-driving, the environment and safety.

## A word from a customer

**TONY DELATTRE**  
FOOD SUPPLY CHAIN DIRECTOR,  
PEPSICO FRANCE

"For a number of years, Geodis has been helping us to factor sustainable development into our supply chain, while addressing strong growth in volumes and the need to stay competitive. Through its expertise in road transport and its knowledge of rail transport, we have been able to make use of road-rail services from 2006. Today, of the 650,0000 freight pallets that we ship every year, 30% use this means of transport. In this way, we save 1,500 tonnes of carbon every year as well as reducing road risk. Multimodal transport is also a response to the road transport shortages that are frequent in summer. It is also in keeping with the course of history. Rising oil prices and the development of green taxation will gradually make road transport less competitive than rail-road options."

### Combining means of transport in line with needs

For Geodis, combining several means of transport is the first and most important way to optimise supply chains, from both an operational and environmental standpoint. It has made multimodality a strategic lever in its development. The Group's expertise in all transport functions and its ability to manage all customer logistics flows make this choice credible. Geodis is able to customised solutions based on the weight and characteristics of the freight carried, the distances to be covered, the geographical regions to be served and the time constraints: modal transfer from air to sea for international flows, combined rail-road transport, rail motorways, flows pooled with those of other customers, rail to approach city centres, etc.

### The means to develop multimodal transport

Geodis's multimodal strategy is based on a dedicated organisation and resources. Following several external growth operations in 2010 and 2011, the Group created Geodis BM Multimodal, a subsidiary responsible for organising and marketing the entire rail-road offering in France. To support the development of this activity, the entity also invested in 200 new swap bodies, thus renewing almost one-third of its base.

Further, in early 2011, Geodis opened a vast multimodal platform with a covered area of more than 14,000 m<sup>2</sup> in a Bonneuil-sur-Marne, east of Paris. This platform groups road, river and rail resources.

### A new urban logistics model

Geodis has developed Distripolis, an innovative urban logistics concept. Against a backdrop of growing urbanisation and greater restrictions on city-centre deliveries (e.g. shorter access times) and in response to the increased expectations of governments and citizens, Geodis is seeking to develop multimodal solutions from the first to the last mile. The objective is to limit nuisances (pollution, noise), to maintain the attractiveness of the city centre and to contribute to a better quality of life in the city. Freight flows for urban delivery are consolidated and

shipped (by train, barge or full truckload), to multimodal platforms located on the edge of the city. From here, they are taken to ecological urban logistics bases called BLUE Bases perfectly integrated into the city, before being delivered to the city centre by clean, silent vehicles tailored to the needs of "last mile" logistics (light electric vehicles, electric tricycles, etc.).

Trialled from June 2011 in Paris then in four other cities around France (Lille, Strasbourg, Toulouse and Versailles), Distripolis will gradually be extended to other large or medium-sized cities in Europe. In Paris, the aim of Distripolis is to achieve an 85% cut in greenhouse gas emissions by 2015 compared with current levels.

### Multimodal levers for optimised freight flows

Geodis uses of all levers in its efforts to support customers looking for economic and environmental performance. To this end, the Group is implementing multimodal solutions and keeping up with all



GEODIS WILSON IN SWEDEN

### Financing environmental projects

In Sweden, Geodis Wilson levies an amount from each freight shipment for payment into a fund managed by an Environmental Council, made up of customers and the Swedish Society for Nature Conservation. This green service fee varies between €2.50 and €5 per shipment, depending on the customer. In 2011, it was used to finance a number of environmental projects, such as a study on the impact of rising fuel prices (€71,500) and an environmental education project (€27,500) conducted by Ice Hotel, one of Geodis Wilson's customers in Sweden.



## portfolio

The Blue Attitude approach consists of real-life work on social and environmental issues.

The following pages present a panorama of the initiatives taken in 2011, all of them owing their success to the day-to-day commitment and involvement of employees.



## Training for all

In October 2011 recently hired or appointed executives in cross-functional positions from all over the worlds attended the Group Induction Seminar.

Twelve European employees graduated from the first class of the Geodis Executive Master programme, organised in partnership with ESCP-Europe, in 2011.

Geodis drivers are continuously trained in eco-driving, for more safety and improved environmental performance.



## Well-managed routes

Geodis uses in-vehicle IT equipment. Geodis BM rolled out the Eliot IT tool across its fleet to monitor fuel consumption. Geodis Calberson continued to implement the Geodriver and Copilote resources that help to optimise flows by sequencing routes and reducing mileage by 5%.







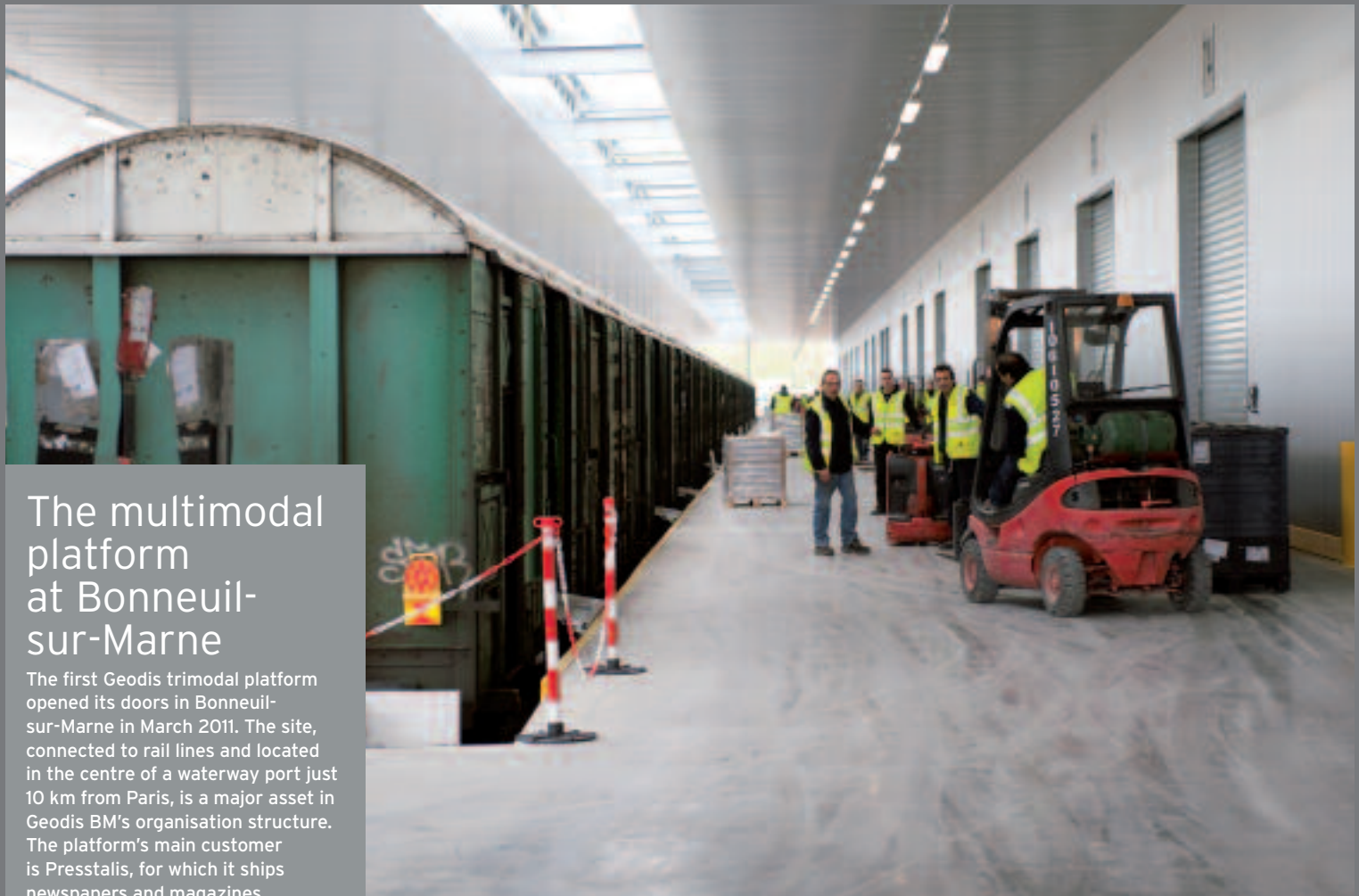
**2011 Geodis Foundation prize winners**

In December 2011 Pierre Blayau, chairman of the Geodis Foundation, presented the Guy Crescent awards to the seven prize winners. The aim of the Foundation is to encourage entrepreneurship and initiatives by disabled people in three categories: "Encouraging autonomy", "Fostering dialogue" and "Creating and exceeding one's limits".  
[www.fondationgeodis.org](http://www.fondationgeodis.org)



**Homeless World Cup**

In August 2011 Geodis supported the ninth Homeless World Cup football event in Paris. A total 64 teams from around the world went head to head in this competition aimed at helping homeless and excluded people get back into society.



## The multimodal platform at Bonneuil-sur-Marne

The first Geodis trimodal platform opened its doors in Bonneuil-sur-Marne in March 2011. The site, connected to rail lines and located in the centre of a waterway port just 10 km from Paris, is a major asset in Geodis BM's organisation structure. The platform's main customer is Presstalis, for which it ships newspapers and magazines in the Paris region and across France, optimising flows and using rail transport.



## The Distripolis revolution

In an increasingly citified world, urban goods transport is one of today's biggest issues in logistics. In June 2011 Geodis launched Distripolis, an urban logistics concept based on a multimodal organisation structure. Goods are group transported to cities by train, barge or full-load truck and distributed in the city centre using the least invasive logistics system, including electric vehicles and power-assisted tricycles.



## The first hybrid refrigerated truck

As part of its Distripolis offer, in Lille in September 2011 Geodis put the first hybrid refrigerated heavy goods vehicle into service for its customer Carrefour. The truck is fitted with a cryogenic refrigeration system - the only one of its kind on the market - and is completely silent in operation. The combination of an internal combustion engine and an electric motor cuts diesel consumption by 20% and reduces CO<sub>2</sub> emissions. The truck delivers to Carrefour's six stores in central Lille more cleanly and quietly.



## Geodis Wilson Innovation Masters awards

In December 2011 Geodis Wilson organised its first Innovation Masters awards ceremony. The objective of the awards is to reward the creativity of the division's employees worldwide. In the sustainable development category, the first prize went to Geodis Wilson Canada for its project to roll out 12 action phases in favour of sustainable development.



## 2011 Blue Attitude Trophy

Since 2009, Blue Attitude Trophy has been presented to employees for the best sustainable development initiatives carried out internally or in partnership with customers, suppliers and associations. The awards have met with increasing success, with some 70 projects entered in 2011. Above: the Geodis Logistics site in Grenoble, which won a prize for its initiative on warm-up exercises in the workplace aimed at reducing the risk of handling accidents.



## The Oxygen Project

Geodis measured its carbon footprint for the very first time in 2011. The measurement covered a broad scope, including subcontractors. The assessment is part of the Group's ambitious long-standing policy to reduce CO<sub>2</sub> emissions.

## A recognised CO<sub>2</sub> calculator

Geodis has developed a CO<sub>2</sub> calculator to model the emissions linked to the transport flows of its customers and enable them to select logistics plans adapted to their economic and environmental objectives. Emissions are calculated for end-to-end flows (including pre- and post-shipping), regardless of the country and transport mode. The calculator was verified by Bureau Veritas Certification in October 2011.



## Photovoltaic installation in Italy

Geodis Logistics inaugurated a 32,000-m<sup>2</sup> warehouse fully equipped with mono-crystalline photovoltaic panels in Castel San Giovanni in 2011. The site has more than 13,000 panels able to produce 3 MWh of electricity a year, enough for the needs of 1,000 households. Reducing CO<sub>2</sub> emissions and developing renewable energies, the Castel San Giovanni warehouse obtained top-level BREEAM certification in November 2011.



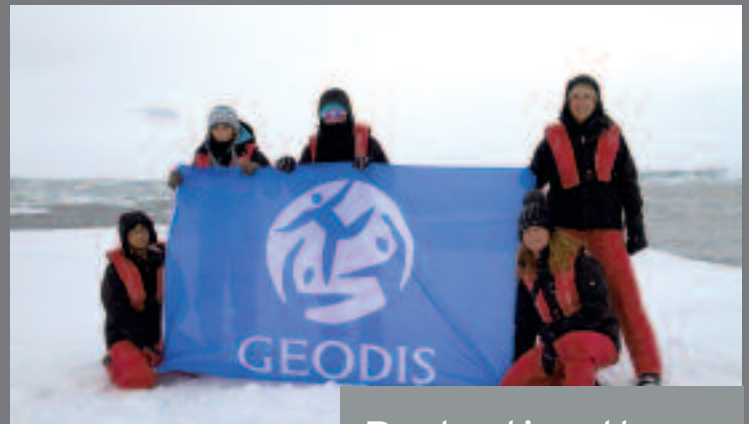
## Support for Geodis Team athletes

The Group created the Geodis Team to encourage and support for an 18-month period ten top-level able and disabled athletes, backing them in their preparations for the 2012 Olympic and Paralympic Games in London. This is a strong commitment in favour of sport for all and the values of perseverance and exceeding one's limits.



## Good corporate citizen

In early 2012 the Geodis Class 40 yacht skippered by Fabrice Amedeo and Armel Tripon came third in this year's Solidaire du Chocolat double-handed transatlantic race from Saint-Nazaire in France to Progreso in Mexico. The boat wore the colours of the Mira Europe association, the leading European centre for the training of guide dogs for young blind people. Geodis employees organise a considerable number of other initiatives locally. Geodis Calberson Touraine-Anjou encouraged some 550 employees, customers and partners to compete in the 10 km and 20 km running races in Tours in 2011. The community-minded initiative was in favour of the Blouses Roses association that works with hospital in-patients and people in retirement homes.



## Protecting the oceans with the Maud Fontenoy Fondation

Geodis supports the Maud Fontenoy Fondation that works to raise public awareness - and the awareness of young people in particular - on the protection of the oceans and the preservation of marine biodiversity.



Geodis Logistics,  
Germany.



GEODIS BM SALAISE (FRANCE)

## Ecoway: an ecological, economical service for shipments between France and Italy

For a customer specialising in medical equipment, Geodis suggested using Ecoway for shipments between France and Italy. This rail-road service, which relies on new trailers, extends the use of the Alpine rail motorway, used only by tankers until now. Geodis BM in Salaise (France) provides trucks that travel to the rail terminal in Aiton (Savoie region). The trailers are then placed on a train to Orbassano (Italy), where they are picked up again by Geodis BM. Through this service, the customer has been able to cut CO<sub>2</sub> emissions by 20% and optimise transport costs per tonne shipped, as well as cutting transport time and helping to reduce the number of vehicles using the Mont-Blanc Tunnel.

new promising innovations in the world of transport.

### • Top One: urgent deliveries by high-speed train to reduce environmental impact

In February 2011, France Express launched a new urgent delivery service called Top One. The aim is to ship parcels of up to 30 kg in the hold of high-speed (TGV) trains to and from France, London and Brussels. The dense network of TGV stations and France Express depots cuts the cost of last mile delivery, making this parcel service more competitive than a road-based service. The use of rail transport also slashes greenhouse gas emissions while helping to reduce congestion on the road network.

### • Combined air-sea shipment, a softer, more competitive solution for intercontinental freight

Like the rail-road combination used for shipments between two European countries, the air-sea combination meets the performance requirements of customers shipping freight between two continents. Geodis's Sea-Air service offers the best compromise between time constraints, cost and CO<sub>2</sub> emissions. Depending on the journey, customers can, for example, save time by using air transport for one stage of the project, and minimise costs and environmental impact, by opting for sea transport at another stage. For in-

formation, based on an equivalent load, a sea-air shipment from Hong Kong to France may cut emissions by 40% compared with a shipment by air alone.

### • The development of waterways transport

Sealogis, a subsidiary of Geodis Wilson, manages sea agency activities (company representation), waterway freight forwarding and port handling operations at all French ports and in particular those on the Seine (Le Havre, Rouen and Paris). More than 10,000 twenty-foot equivalent units were shipped on the Seine in 2011, or 20% of the goods volumes confided by Sealogis to Le Havre, mainly in grouped flows (flour containers for example), which is a more carbon-efficient form of transport than road for the same distance.

### Expertise recognised by Group customers

Any sustainable development approach implemented by a company must be based on high-quality products and services if it is to be meaningful. To continuously improve quality, Geodis and its divisions conduct regular customer satisfaction surveys. The results indicate a high level of satisfaction. For example, 95.5% of Geodis Logistics customers say they are satisfied. Calls for tender reflect the changing requirements of logistics customers, who increasingly set out



Geodis Wilson,  
Guadeloupe (France)

# Interview

**RÉGINE PICARD**  
DIRECTOR OF GEODIS GLOBAL SOLUTIONS FOR ASIA-PACIFIC,  
**AND JOËLLE BROHIER MEUTER**, DIRECTOR, ANAKOUT CSR CONSULTANCY  
(SINGAPORE) AND CO-FOUNDER WWW.RSE-ET-PED.INFO

**What are the main sustainable development issues in the Asia-Pacific region?**

International trade is increasing as a result of growing demand from international customers and the sharp rise in consumption in Asia. This development comes hand in hand with major social expectations and increased pressure on the environment. The job market is dynamic and staff turnover higher than in Europe. Employees have growing expectations in terms of working conditions, training and pay. The challenges for companies are to provide more value-added jobs and gain the loyalty of their staff. In China, the world's factory, and neighbouring countries, development is intense and very natural-resource hungry, both for domestic needs (such as infrastructure construction) and for the production of goods for the entire planet. Carbon footprint reduction is a necessity.

**How mature are sustainable development policies in the region and what impact are they having on transport?**

While still largely absent from calls for bids, environmental expectations are on the rise and draft regulation is being introduced. But Asian countries sometimes still see the environmental requirements of the OECD countries as harmful to development. Companies are starting to see the business interest rather than the constraints of these approaches. That being the case, logistics companies will have a decisive role to play in improving intra-Asian trade flows and introducing alternative transport solutions. Also important will be their ability to help their own suppliers to improve their sustainable development practices.

precise requirements in terms of quality, environmental factors and safety. They expect their service provider not only to make a commitment but also to implement robust management systems to ensure that the resources are available to respect this commitment. In consequence, Geodis is basing its action in these areas on the most widely applied international standards, such as ISO 9001 for quality, ISO 14001 for the environment and OHSAS 18001 for safety.





# Working with partners and the community

Geodis seeks to act responsibly within its sphere of influence. This commitment, based on a close dialogue with stakeholders, can be seen in the involvement of its partners - suppliers and sub-contractors - in managing the social and environmental risks of its activities. Societal actions that reflect the Group's values of solidarity and commitment are also deployed.

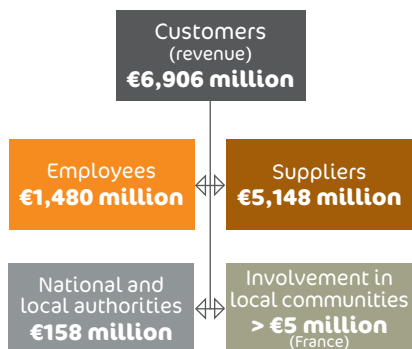


Geodis Calberson,  
United-Kingdom

## Stakeholders: dialogue is a priority

For Geodis, matching its sustainable development actions to stakeholder expectations is key to their success.

### Revenue distribution in 2011 (excluding investments)



This diagram shows the economic weight of Geodis with its stakeholders.

The Group is careful to listen to stakeholders and their expectations, sometimes contradictory but always enriching. The dialogue can take different forms:

- Employees: satisfaction surveys, particularly as part of the Total Employee Satisfaction approach, discussions with trade unions, the European Consultation Committee, etc.
- Customers and business partners (suppliers and sub-contractors): satisfaction surveys as part of the Total Customer Satisfaction approach, assessment questionnaires, audits, etc.
- National and local authorities and civil society: membership of professional organisations, steering committees, meetings, partnerships, etc.
- Group (SNCF and subsidiaries): SNCF Geodis executive committees, work groups, annual reports, etc.

### An attentive approach as the basis for progress

These discussions enable Geodis to maintain an active watch on strategic or emerging environmental and social issues and to adjust its actions as neces-

sary. At the end of 2010, for the first time, Geodis brought together a representative group of its main stakeholders in order to discuss sustainable development issues, expectations, and the actions put in place by the Group. Some stakeholders assessed the previous sustainable development report. Their views can be seen on the Geodis website ([www.geodis.com](http://www.geodis.com)). The Group realises that to make its sustainable development approach stronger, it needs to involve all the players. It will therefore seek to hold similar initiatives regularly.

### Making progress together

Maintaining close relations with stakeholders makes it possible to undertake joint studies and actions and may, for example, lead to innovations developed with suppliers and customers to limit carbon emissions, or to societal initiatives. Geodis is also present in public and trade entities. For example, the Group is taking part in studies on future upgrades to French and European regulations in the freight transport sector and in the field of sustainable development.



# Interview

**PIERRE-FRANÇOIS THALER,**  
CO-FOUNDER AND MANAGING  
DIRECTOR OF ECOVADIS

### What are the benefits for suppliers assessed by Ecovadis?

The first is that they gain an independent assessment of their practices based on a framework compliant with international CSR standards (ISO 26000 standard and the Global Reporting Initiative). It also gives them an opportunity to compare their performance with that of other companies in the same sector and to identify the strengths of their sustainable development approach as well as any weaknesses that need to be addressed. Last, when suppliers complete our questionnaire on the request of a customer, they gain an assessment that can subsequently be used by other customers.

### What are the benefits of assessing suppliers for customer firms?

Our tool provides industrial access to reliable information on the practices of thousands of suppliers in 90 countries. Customer firms can thereby identify any environmental and social risks and take corrective action, and also pick out the most innovative suppliers in order to improve their own products and processes.

### How do you see Geodis's sustainable purchasing approach?

Geodis is the first logistics player to put in place an initiative of this type with tools as structured as those we use ourselves. It is a pioneer in this area.

# A purchasing process serving sustainable development

Geodis buys over €5 billion worth of services from suppliers and sub-contractors (including transport services), who therefore represent a strategic lever in improving the Group's environmental performance.

This can be explained by the Group's business model, which involves extensive use of sub-contracting in road, air and sea shipments, accounting for 60% of revenue in 2011. This substantial figure is naturally reflected in Geodis's carbon footprint : sub-contractors alone account for 87% of the Group's greenhouse gas emissions.

### New criteria in purchasing tools and processes

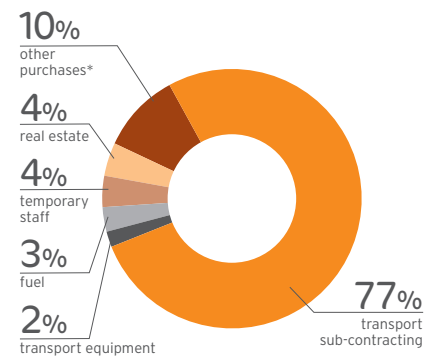
In the light of these facts, Geodis has introduced a purchasing approach to bring in responsible partners. In 2011, further progress was made in systematically integrating ethical, environmental and social criteria in specifications, analysis grids and standard contracts. These are now differentiating but not discriminatory criteria.

### A platform to assess supplier commitment

At the same time in 2011, Geodis joined EcoVadis (see box), a collaborative platform specialised in evaluating the environmental and social performance of suppliers in 150 sectors of activity. Following a pilot phase involving a panel of sub-contractors and suppliers, the purchasing division will use this tool to select new suppliers and assess existing ones. In 2012, the platform will also be gradually made available to the divisions (in

particular Geodis Wilson, which works with a limited number of main sea-and air-freight subcontractors, its core carriers, and also Geodis BM for its regular haulage partners) to help them select their transport sub-contractors, provided that these firms are part of the approach.

**Breakdown of Geodis purchases by major family in 2011**



\*Overheads, travel, consultancy and fees, IT services, cleaning services.



Geodis Calberson vehicles, Gennevilliers (France)



### Innovating with suppliers

Geodis is working in close partnership with some of its suppliers in order to acquire vehicles designed for better environmental performance. For example, the development of “clean” vehicles for city centre deliveries as part of Distripolis (see pages 20-21) was part of a cooperation project with manufacturer Fiat, coach builder Gruau and rental firm Fraikin. This led to the arrival of the first electric trucks in mid-2011 meeting specifications in terms of range, load and handling. In the same way, Geodriver and Copilote, the route scheduling tools, were developed jointly by Geodis Calberson, and PTV Loxane and IER, companies specialised in geographical information services and flow optimisation.

## A wide range of initiatives in all purchasing families

All purchasing families (property, temporary staff, fuel, travel, packaging, consumables, etc.) are considered as potential levers for improving the environmental and social impact of the Group’s activities. Specific actions are organised for each family based on the issues involved.

A project to optimise the consumption of fluids (gas, electricity, water) was set up in 2010 and continued in 2011 with the organisation of consumption audits at 11 sites in France. Recommendations were made on infrastructure, equipment, contract optimization and educational initiatives. The actions to be conducted are selected by each division in 2012. At the same time, a new travel agency has been selected to manage business travel. The agency was selected also for its ability to indicate the carbon emissions of the means of travel used when orders are placed and to provide a summary of travel emissions. The Group is also implementing new policies on the renewal of some items of

equipment, whose production or use has an impact on the environment. For example, it will now seek to renew IT equipment every four years rather than every three, thus limiting the consumption of resources and the carbon emissions involved in production as well as the waste produced at the end of their life cycle. Geodis BM has adopted the same approach for its fleet, with trucks now being replaced every five years. At the same time, the Group is taking advantage of the renewal of its vehicle fleet (trucks, company and employee cars) to place the emphasis on Euro 5 engines.



The Geodis Foundation awarded a Guy Crescent Prize to Marc Borgetto for the Snowwheel that enables seated disabled skiers to reach the cable cars without assistance.



GEODIS LOGISTICS FRANCE

## Reducing the digital divide between North and South

Working alongside its customer Ricoh, Geodis Logistics is supporting "Close the Gap", a Belgian NGO set up in 2003. The organisation aims to close the digital divide between North and South countries by reusing old business computers, after repair if necessary. After reconditioning, the computers are made available for social projects in a number of African countries. Geodis Logistics, which is a partner of the association since 2011.

# Sponsorship, expressing the Group's commitment as a corporate citizen

Building on its economic weight, broad presence and the personal involvement of its employees, Geodis aims to put down strong roots in local communities, underlining its role as a responsible player and citizen and encouraging local initiatives.

Geodis's societal commitment is expressed through actions by local sites and staff for charitable or philanthropic causes: helping sick children, providing emergency assistance for disaster victims, disablement, fighting Aids and cancer, etc. This grass-roots involvement plays a real role in building team cohesion and making employees proud to belong to a company with a strong sense of corporate citizenship. It takes a variety of forms: fund collection, logistics support, shipments of equipment, financial support, sponsorship of events, etc. In 2011, Geodis Calberson and Geodis BM

staff distributed 150,000 copies of Rose magazine, a publication for cancer sufferers, across France. In Japan, Geodis contributed to humanitarian aid operations in the weeks following the tsunami in March 2011.

### Acting against all forms of exclusion

This local corporate commitment is addressed at Group level through the Geodis Foundation. Created in 2007, it encourages entrepreneurship and initiative by disabled people or associations working in the field of disablement,



Geodis Logistics,  
Dublin (Ireland)



**GEODIS WILSON  
IN SOUTH AFRICA**

**A new use for  
containers**

The Rotary Club asked its partner, Geodis Wilson South Africa, to support a clinic in a township near Johannesburg. With 10,000 patients a year, the clinic was facing overcrowding and needed to be extended. In response, Geodis Wilson donated a number of sea containers and helped clinic staff set them up and turn them into consultation surgeries and pharmacies.

through the Guy Crescent Prize awarded every year. In 2011, for example, the Foundation recognised Marc Borgetto, a paraplegic engineer who has developed a system to enable seated skiers to reach cable cars without assistance.

Apart from its Foundation, Geodis takes part in corporate citizenship actions in favour of the integration into the labour force or into the society for disadvantaged people, or in educational initiatives. Geodis supported actions in the field of social integration (for example, *Fondation de la deuxième chance*) and sustainable development awareness (support for the Maud Fontenoy Foundation and Good Planet, a foundation set up by Yann Arthus-Bertrand.)

**Promoting sustainable  
youth employment**

Through its growth and strong presence in local labour market areas, Geodis promotes the long-term workplace integration of young people, with particular emphasis on those outside the labour market. For a number of years, the Group has conducted initiatives in this area through a partnership with France's *Conseil National des Entreprises pour la Banlieue* (an organisation set up to promote employment in deprived areas), alongside local employment entities and job centres. In 2011, Geodis signed around twenty vocational training contracts,

more than 200 temporary contracts and more than 50 fixed-term contracts with young people. Reflecting this active recruitment policy, almost 20% of the Group's workforce is under 26. Efforts will be stepped up in 2012 with the signing of a national agreement by the Group and several major French companies to promote the employment of young people from working-class areas and build ties with the world of business.

**Sport as a key expression of the  
Group's societal commitments**

Geodis sees sport as an excellent way to reach a wide audience and to convey the Group's values of solidarity and constant efforts to push back the limits. Geodis encourages sports-focused societal initiatives. As well as supporting sports initiation programmes in deprived areas, and local football teams, the Group organised new initiatives in 2011. It set up "Geodis Team", a group of ten male and female athletes from various backgrounds, able-bodied and disabled, with a view to supporting them in the run-up to the summer 2012 Olympic and Paralympic Games in London. In August 2011, Geodis also partnered the Homeless World Cup, which aims to promote the integration of homeless people and raise awareness of their cause among the general public.



# A commitment to the planet

Geodis is aware of the responsibility and environmental impact of the transport and logistics sector, and is pursuing dynamic and proactive environmental policies in response. The main focus points are to measure and reduce its carbon footprint, and to improve the environmental performance of its transport solutions and buildings.



## Committed to sector-based initiatives

To share best practices and introduce solutions in partnership with companies in the sector, Geodis is involved in a range of initiatives worldwide. In France, Geodis BM and Geodis Calberson signed **ADEME's CO<sub>2</sub> Charter** in 2008, committing to quantified objectives on reduction and action plans. In Sweden, Geodis Wilson is involved in an initiative by **NTM, the Swedish Network for Transport and Environment**, aimed at measuring the environmental impact of transport and also in the **Clean Shipping Project** aimed at assessing the environmental performance of sea transport. Geodis SCO is playing an active role at local level. In the USA it is a member of the **SmartWay programme of the Environmental Protection Agency** that encourages the reduction of transport-linked emissions and as part of which the company was awarded the highest score possible for its work on energy efficiency. It also participates in the creation of a similar programme in Europe. In Mexico, it is a founding member of **Transporte Limpio**, a government programme on the certification of transport operators involved in the reduction of CO<sub>2</sub> emissions. In Canada, Geodis SCO is working to get its subcontractors involved in the **Fleetsmart** programme on the reduction of fuel consumption.

# Carbon: from assessment to action

10% of the planet's emissions of CO<sub>2</sub>, the main greenhouse gas behind global warming, are linked to goods transport\*.

The reduction of greenhouse gas emissions is a strategic priority for Geodis. This commitment stems in part from the Group's ambition to improve its carbon efficiency and in part from the needs of its customers looking for a greener supply chain.

A decisive step was made in 2011. For the first time, SNCF Geodis measured its overall carbon footprint with a view to identifying impacts and the corresponding actions to be rolled out.

### Comprehensive measurement

The wide-ranging project, called "Oxygen", involved the development of a demanding and complex methodology aimed at achieving the most comprehensive and precise carbon emissions measurement possible. The objective was made even more ambitious by the international dimension of Geodis and the diversity of its activities. The assessment also required a tailor-made methodology consistent with specific technical and geographical characteristics and the operating modes of each transport and logistics activity. A complete range of parameters was taken into account, including vehicle type, fuel consumption, loading rates,

pre-and post-shipping, and fixed assets. The data compiled for the analysis covers 98% of Geodis revenues.

### Recognised standards

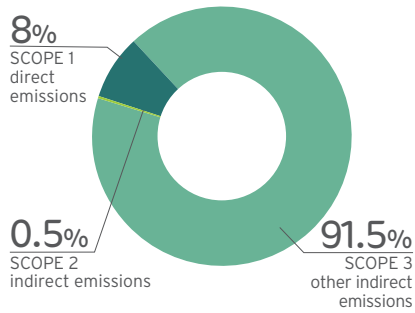
Project methodology was based on the most advanced standards and tools both in France and internationally, namely the "Bilan Carbone" assessment developed by the French Environment and Energy Management Agency, ADEME, and the Greenhouse Gas Protocol, or GHG Protocol, recognised and used worldwide, as well as EcoTransIT, a tool developed specifically to calculate the environmental impacts of goods transport. In line with GHG Protocol methodology, emissions are divided into three scopes. Particular emphasis has been placed on scope 3, in terms of integrating all emissions sources. The calculation for scope 3 primarily includes emissions generated by subcontractors, together with emissions linked to the production of the fuel used by the company and the purchase of equipment and services, as well as the end-of-life processing of waste, employee

\*Survey Fret mondial et changement climatique (Global freight and climate change), Centre d'Analyse Stratégique, France, 2010.





### Segmentation of CO<sub>2</sub> emissions according to GHG Protocol

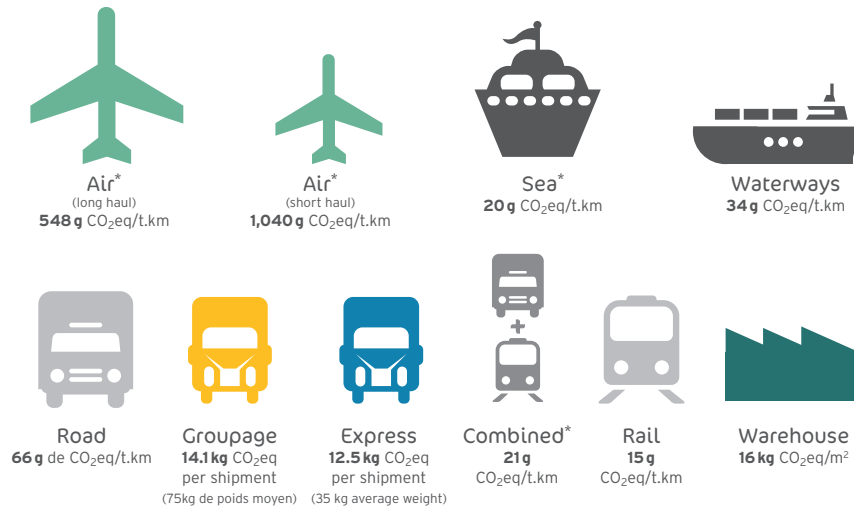


SCOPE 1: direct emissions from fuel and gas combustion.

SCOPE 2: indirect emissions from the purchase of electricity.

SCOPE 3: indirect emissions linked to transport subcontracting, fuel production, equipment and service purchases, waste processing, travel, and the amortisation of buildings and equipment.

### Carbon efficiency of each activity



All of the greenhouse gases in the Bilan Carbone report are taken into account - CO<sub>2</sub> (carbon dioxide), N<sub>2</sub>O (nitrous oxide), CH<sub>4</sub> (methane), HFC (hydrofluorocarbons), PFC (perfluorocarbons), SF<sub>6</sub> (sulphur hexafluoride) and CFC (chlorofluorocarbon) - apart from gases not included in the Kyoto Protocol emitted by the air sector. The measurement is based on 2010 data.

\*The indicator includes pre- and post-shipments.



## A high-value-added calculator

Geodis' tool for modelling greenhouse gas emissions earned Bureau Veritas Certification verification in October 2011 (see p.19). The tool stands out through its capacity to take account of the operational constraints of customers (goods type, packaging, transport means) and thereby help them make their logistics choices.

### Geodis is actively committed to:

- improving carbon measurements and integrating them in its IT systems,
- helping customers draw up and rollout low-carbon solutions,
- improving its carbon efficiency by 20% by 2020.

travel (professional and commute), amortisation of vehicles, handling equipment and buildings.

### 92% of Geodis emissions are indirect

By consolidating all these data, SNCF Geodis' overall carbon footprint was estimated at 5.9 million tCO<sub>2</sub>eq in 2010, of which 4.9 million tCO<sub>2</sub>eq for Geodis (Geodis accounts for 84% of total SNCF Geodis emissions). For Geodis only, 95% of emissions are generated by transport flows and 5% by buildings. Also, 92% of Geodis emissions are indirect, 0.5% made up of scope 2 (emissions from electricity purchased) and 91.5% of scope 3, including emissions by subcontracted transport companies, which account for the lion's share, or 87%, of Geodis emissions.

Regarding transport modes, the main emitters are sea freight followed by air and road. However, carbon efficiency - i.e. the amount of emissions per tonne of goods transported and per kilometre - varies significantly from one means of transport to the next (see diagram). This point underlines how important it is for the Group to help its customers reduce their CO<sub>2</sub> emissions through tailored multimodal transport plans.

### Improving carbon efficiency

Geodis aims to improve its carbon efficiency by 20% by 2020. To do so, it has to continue working on the reduction of direct emissions from its owned transport means (speed limits, onboard IT, eco-driving training, etc.) and buildings (reduced energy consumption, improved waste management, optimised travel, etc.).

With its carbon footprint intimately linked to the activity of subcontractors, the Group cannot act alone. This is why it is Geodis' responsibility to encourage subcontractors to initiate their own actions to reduce emissions and to select companies on the basis of their carbon performance.

Lastly, Geodis has to continue working with its customers by bringing them effective and high-performance solutions that emit less CO<sub>2</sub> and meet their economic and operational requirements, such as combined air-sea transport, multimodal transport and the use of clean vehicles for last-mile logistics.



GEODIS LOGISTICS IN ITALY  
**BREEAM-**  
**certified**  
**warehouse**

Geodis Logistics settled in a new 32,000-m<sup>2</sup> warehouse in Castel San Giovanni in Italy in late 2011. The roofs of the site are equipped with 13,000 photovoltaic panels that produce 3 MWh of electricity annually – enough for nearly 1,000 households a year. The performance of the site has earned it the highest level of BREEAM certification, awarded by the Building Research Establishment (BRE), a UK body that has developed an assessment method for high-environmental-quality buildings.



# Environmental action on all fronts

## Renewing fleets to reduce pollution

In parallel with the increased use of trucks with “cleaner” engines, Geodis continues to renew its vehicle fleet in line with the latest European engine standards on reducing local pollutant emissions (carbon monoxide (CO), nitrogen oxide (NOx), particles, etc.) that impact air quality. At end-2011 nearly 48% of Geodis’ world fleet was equipped with Euro 5 engines, on a total fleet of 4,868 vehicles, and compared with 41% at end-2010.

## High-performance equipment and trained drivers

The fuel consumption of heavy goods vehicles is linked to vehicle type, speed and driving style. Since 2006, Geodis BM has decided to limit the top speeds of its vehicles to 82 km/h rather than the regulatory limit of 90 km/h, for a fuel economy of 1.2 litres/100 km on average each year. To the same end, Geodis BM favours “low-consumption” tyres that reduce diesel use by 3%. And because fuel consumption hinges on driving style, Geodis BM and Geodis Calberson train their drivers on rational driving. The application of this at-the-wheel approach is then measured by in-vehicle IT systems. In the event of any drift, drivers

receive additional training to help them definitively acquire a more economical and safer driving style.

## Tools for regulatory monitoring and risk assessment

Geodis BM and Geodis Calberson Quality, Environment and Safety teams have since February 2011 been using Amadeo, an on-line watch tool concerning the environment and safety regulations. The employees use the database, developed with Bureau Veritas, to answer any questions from staff, customers or prospects on prevailing regulations in France. A similar tool will be developed in other countries in 2012. Meanwhile, Geodis BM has selected a single risk assessment tool (safety, security, environment, health) for all of its sites. The application is used by the sites to update their “Single Risk Assessment Document” every year and makes it easier to monitor prevention action plans.

## Rigorous environmental management

As part of its dynamic to continuously reduce the environmental impact of its activities, Geodis has introduced an environmental management system based on the ISO 14001 standard. Geodis is also gradually rolling out the triple certification:



GEODIS BM CHIMIE  
METZ (FRANCE)

## Clean and economical workshops

As is true for all vehicle maintenance and repair workshops, the workshop at the Geodis BM Chimie depot in Metz, France, produces a significant amount of pollutant waste, including solvents, aerosols, used paper rolls and batteries. The site has taken several decisions to optimise waste processing and reduce the volume of waste while reducing costs. It has replaced solvents by detergent and paper by reusable cloths, introduced an aerosol filling system to cut down on disposable bombs and now has batteries regenerated by a service provider.



Above: Geodis BM vehicles in Oissel (France).  
Opposite: Geodis BM driver in Oissel.

# 58%

of Geodis' non-hazardous waste was recovered in 2011.

# 235

Geodis sites worldwide had ISO 14001 environmental certification at end-2011 (32% of the total).

# 2,052

drivers attended a training course in 2011 (39%) and 100% of drivers have already been trained.

# 48%

of Geodis' proprietary vehicle fleet complied with the Euro 5 standard at end-2011 (on a total of 4,868 vehicles).

quality (ISO 9001), the environment (ISO 14001) and safety (OHSAS\* 18001). At end-2011, out of 727 Geodis sites worldwide, 235 (32%) had ISO 14001 certification and 77 (10%) had triple quality/safety/environmental certification.

### Virtuous practices at Group buildings

Besides certification, the environmental management system enables each site to adopt a structured policy on improving environmental performance. The policy consists of real-life initiatives aimed at controlling and reducing the impact of buildings, including logistics warehouses, groupage platforms, sales offices and head office. Given that the Group mainly rents its premises, actions include improving infrastructures, buying more efficient equipment and raising staff awareness. The sites are focused on reducing energy and water consumption, improving waste management and optimising professional travel and commuting.

At local level, Geodis seizes every opportunity to take things further and foster the best environmental practices in terms of real estate, as evidenced in the BREEAM certification recently earned by the Geodis Logistics warehouse in Italy (see box).

### Continuous work on waste recovery

Geodis' operational sites produce hazardous waste - including filtration sludge from vehicle washing, used oil and filters,

vehicle batteries, and so on - and non-hazardous waste, such as wooden pallets, cardboard, plastic film and metallic paper. The environmental policy of the sites includes rigorous management of this waste according to type. The waste is sorted, stocked then sent on to processing sites for recovery whenever this latter is possible. A significant quantity of waste is recovered every year thanks to the hard work of the teams. In 2011 a full 58% of non-hazardous waste generated by Group activity was recovered.

\*OHSAS: Operational Health and Safety Assessment Series.



### GEODIS WILSON FRANCE Reducing and offsetting emissions

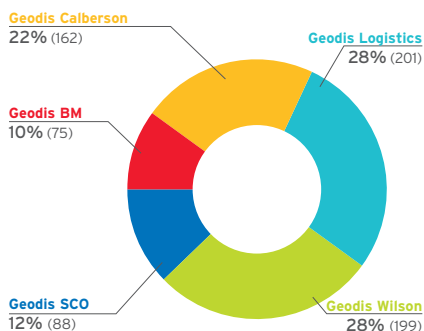
As an air and sea transport forwarding agent, Geodis Wilson France does not have a proprietary fleet. Its action plan for reducing its CO<sub>2</sub> emissions was focused on reducing energy consumptions at sites. As a complement, Geodis Wilson France has committed to GERES, a French NGO working in renewable energy and solidarity, in order to offset its carbon emissions (covering 50% of emissions). The project concerns the purchase of economical wood-burning stoves in Chefchaouen province in Morocco that will economise 6,200 tCO<sub>2</sub>eq over four years.

# Sustainable development indicators

## Sites and certifications

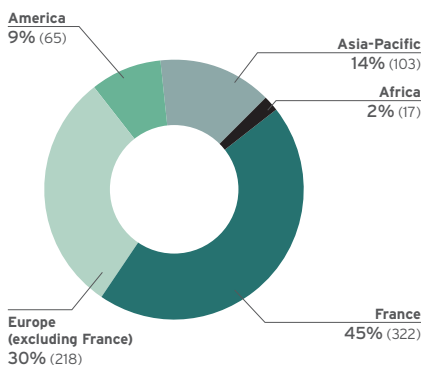
### Geodis sites by division in 2011

Total number of sites: 727  
(725 sites and 2 sites for headquarters)



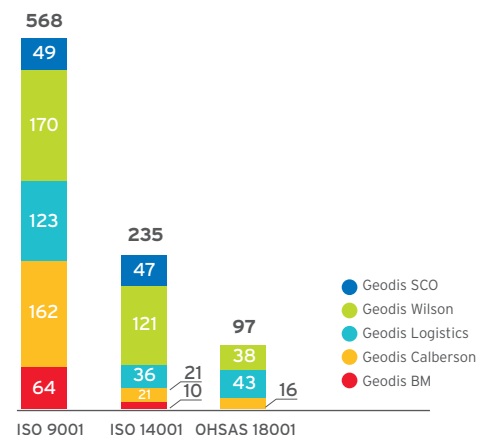
### Geodis presence by geographical area

(number of sites - excluding headquarters)



### Geodis certification by division in 2011

(number of sites)

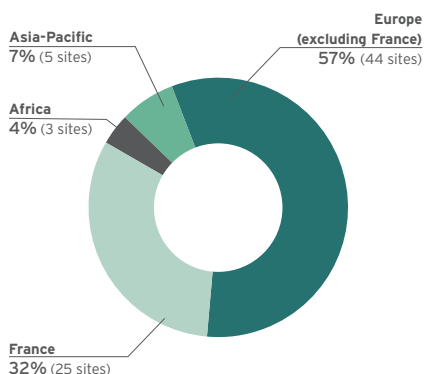


Geodis continued to grow in 2011, in particular outside France. The number of Geodis sites worldwide increased by 7% between 2010 and 2011 from 681 sites at end-2010 to 727 at end-2011. The Group strengthened its presence in Europe (a 9% increase in the number of sites between 2010 and 2011), Asia-Pacific (+21%) and the Americas (+16%). The sites taken into consideration are warehouses, platforms and offices owned or rented by Geodis at the end of the calendar year.

Geodis has for several years been committed to a policy of site certification on quality, safety and the environment, for all divisions. Additional certification is implemented in line with the site's specific activity:

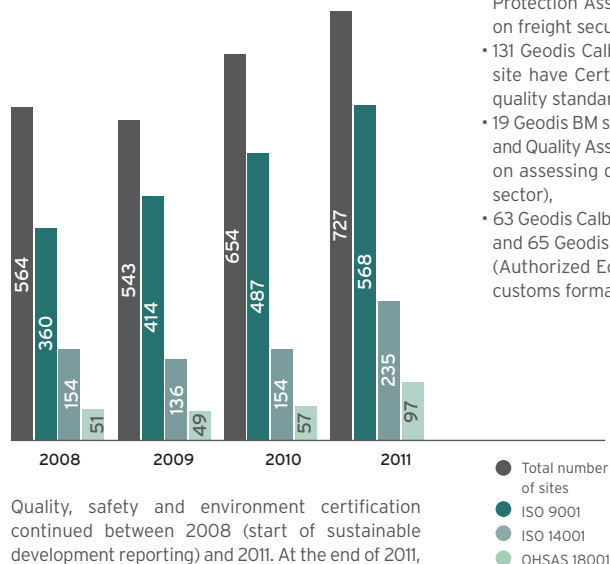
- 4 Geodis Logistics sites have ISO TS 16949 certification (international quality standard for the automotive industry),
- 1 Geodis Logistics site and 5 Geodis Wilson sites have TAPA certification (Transported Asset Protection Association, an international standard on freight security),
- 131 Geodis Calberson sites and 1 Geodis Logistics site have Certipharm certification (international quality standard for the health sector),
- 19 Geodis BM sites have SQAS certification (Safety and Quality Assessment Series, European guidelines on assessing quality and safety in the chemicals sector),
- 63 Geodis Calberson sites, 15 Geodis Logistics sites and 65 Geodis Wilson sites have AEO certification (Authorized Economic Operator, certification for customs formalities).

### Triple quality/safety/environment certification in 2011



The Group is moving ahead on triple quality/safety/environment certification, with 77 sites concerned at end-2011 (10% of the total) compared with 50 sites at end-2010, for a 54% increase.

### Evolution of the number of certified sites



Quality, safety and environment certification continued between 2008 (start of sustainable development reporting) and 2011. At the end of 2011, 78% of Geodis sites worldwide had ISO 9001 certification, 32% ISO 14001 and 13% OHSAS 18001. The majority of certified sites are located in Europe but the policy is being rolled out in other world regions.

# The social year

Between 2008 and 2011, the workforce expanded from 26,381 to 31,047. The groupage/express, logistics and air and sea freight forwarding activities make up the bulk of the workforce. France has the highest number of employees, with 61% (in full-time equivalent). The share of employees outside France is growing, especially in Europe, which now accounts for 23% of the total (excluding France), while Asia-Pacific, the Americas and Africa together account for 16% of the total, in full-time equivalent.

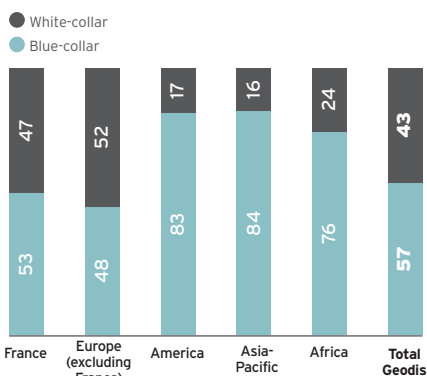


## Breakdown of workforce

GRI (Global Reporting Initiative version 3 - www.globalreporting.org) indicator: LA1

### Breakdown of workforce by category in 2011

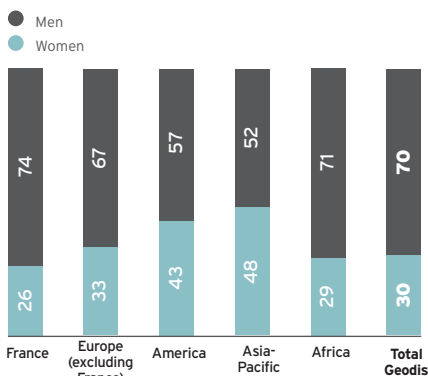
% of full-time equivalents



The share of white-collar workers (executives, high-level supervisors, supervisors and employees) and blue-collar workers (operating workers and drivers) varies considerably from one world region to the next.

### Men/women share in 2011

% of full-time equivalents



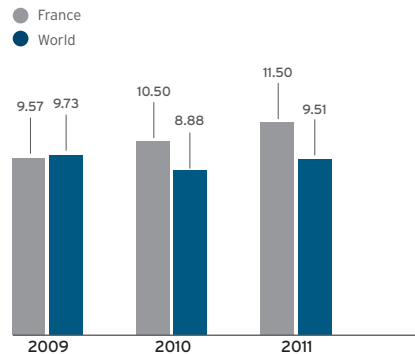
The transport and logistics sector by nature has a low number of female employees. The share of women in the workforce rose slightly between 2010 and 2011, from 29% to 30%. The percentage varies according to geographical area and activity type.

## Training

GRI indicator: LA10

### Training hours per employee

By full-time equivalent per year

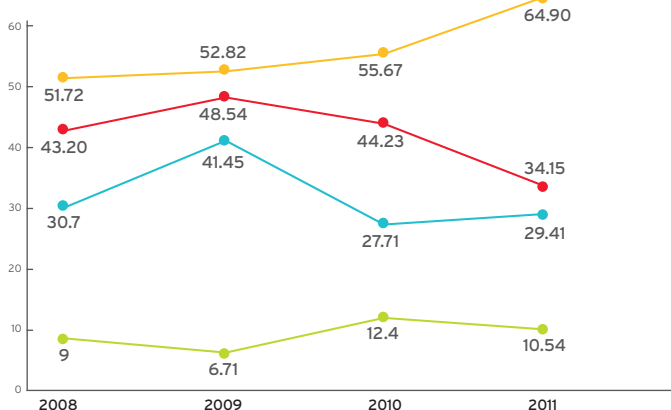


Training hours per employee increased significantly between 2010 and 2011, by 7%, notably through e-learning programmes and the continuation of hands-on training, for example on eco-driving for drivers.

## Personnel safety

GRI indicator: LA7

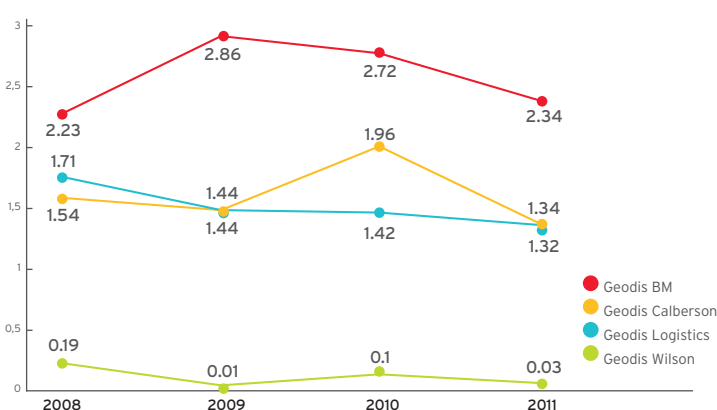
### Frequency of occupational accidents in France



In 2011, the reliability of the consolidation of indicators on safety has been improved, by using detailed data to calculate the frequency and severity of occupational accidents. This evolution makes it difficult to compare the data with the previous years.

Considerable efforts were made in 2011 to improve safety. This was particularly true at Geodis BM, which has rolled out strong initiatives since 2010. As part of its partnership with Automobile Club Prévention, it carried out analysis on the precise cause of each accident, continued training drivers in eco-driving, and

### Severity of occupational accidents in France



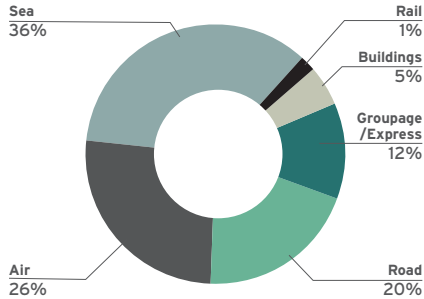
distributed a new Driver's Manual. Geodis Calberson focused on improving the monitoring of occupational accidents through site-by-site analysis in 2011, which boosted staff awareness and reduced the severity of accidents in France. Geodis Logistics worked particularly hard to improve safety, through challenges, communication and training, and OHSAS 18001 certification. Geodis Wilson continues to roll out OHSAS 18001 certification at all its sites across the world.

# The environmental year

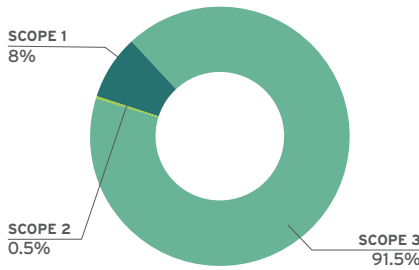
## Greenhouse gas emissions

GRI (Global Reporting Initiative version 3 - www.globalreporting.org) indicator: EN16

**Breakdown of CO<sub>2</sub>eq emissions by activity**



**Breakdown of CO<sub>2</sub>-eq emissions by scope**  
(according to GHG Protocol)



**Geodis global carbon footprint**

Emissions are broken down by the GHG Protocol and Bilan Carbone® assessment:

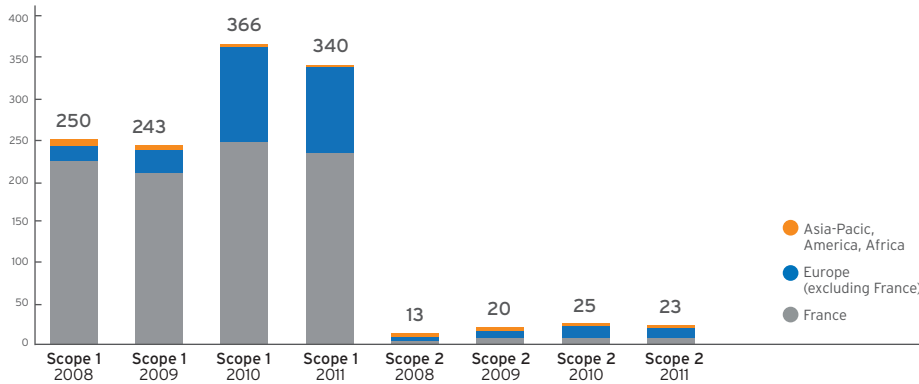
**Scope 1:** direct emissions from fuel and gas combustion.

**Scope 2:** indirect emissions resulting from the purchase of electricity.

**Scope 3:** indirect emissions linked to transport subcontracting, fuel production, equipment and service purchases, waste processing, travel, and the amortisation of buildings and equipment. Geodis is hard at work on its commitment to improve its carbon efficiency by 20% by 2020. The Oxygen project and the detailed carbon footprint results (especially carbon efficiency by transport mode) can be found on pages 1 and 30-31.

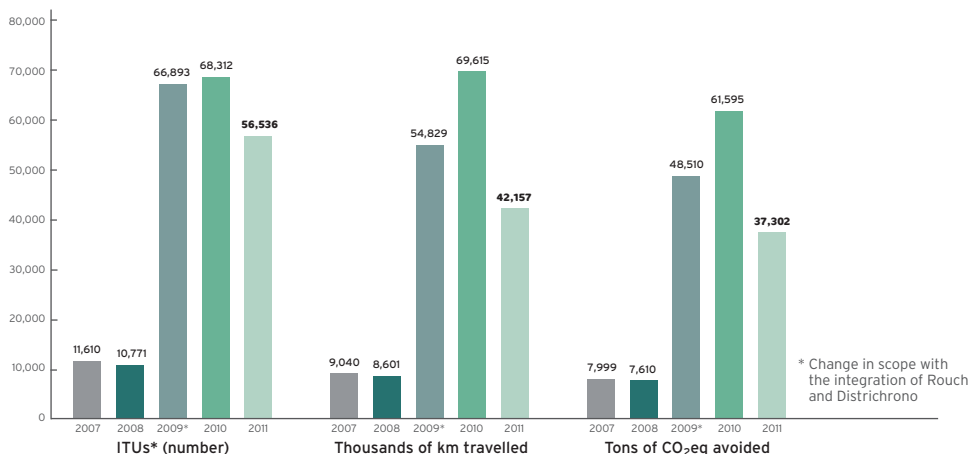
These two graphs show the greenhouse gas emissions calculated as part of the Oxygen project to measure Geodis' world carbon footprint for the year 2010. The calculation takes account of all Group activities (transport and buildings), including outsourced activities falling within Scope 3. Geodis' world carbon footprint in 2010 was 4.9 million tCO<sub>2</sub>eq, with transport flows accounting for 95% of emissions and buildings for 5%.

**Trend in Geodis CO<sub>2</sub> emissions (Scopes 1 and 2)**  
(in thousands of tCO<sub>2</sub>eq.)



Emissions included in scopes 1 and 2 increased in 2010, mainly as a result of the integration of new entities and the gradual recovery in business. CO<sub>2</sub> emissions included in scopes 1 and 2 decreased in 2011, partly because of the work achieved by Geodis on reducing the energy consumption of its vehicles and buildings and partly because of the slowdown in business activity in the second half of the year.

**Geodis BM modal transfer in France**



After the integration of Rouch and Districhrono in 2010, 2011 was a difficult year for the development of multimodal activity, marked by the economic crisis and a downturn in goods flows. CO<sub>2</sub> emissions are calculated on the basis of fuel consumption of an equivalent journey by road.

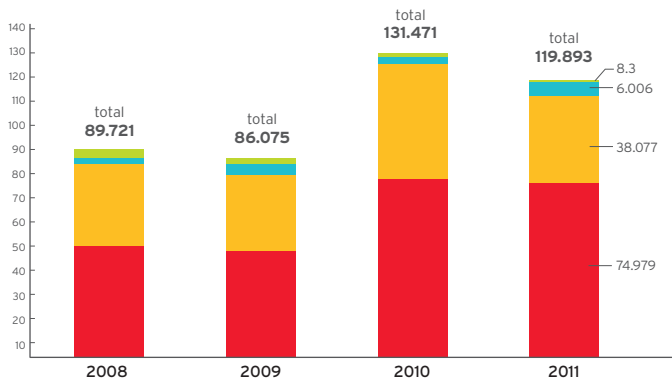
\*ITUs: intermodal transport units (containers, swap bodies, semi-trailers).

# The environmental year

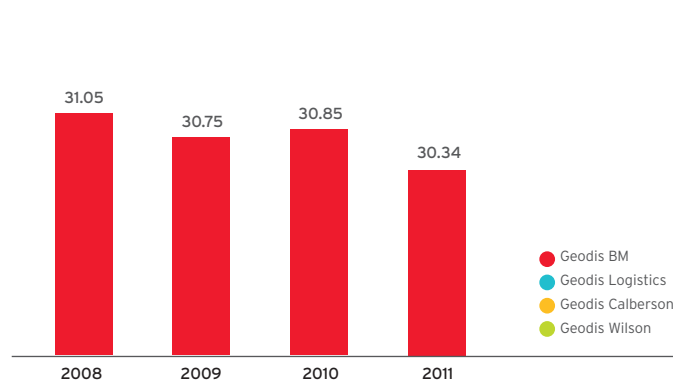
## Transport / Fuel consumption

GRI (Global Reporting Initiative version 3 - www.globalreporting.org) indicator: EN3

**Annual fuel consumption by division**  
(millions of litres)



**Geodis BM average fuel consumption in France**  
(litres / 100 km)



The considerable decrease in fuel consumption between 2010 and 2011 resulted from, one, a business slowdown for some divisions owing to the economic situation and, two, significant efforts to improve performance and reduce fuel consumption. Geodis BM (Road) and Geodis Calberson (Groupage/Express) account for 94% of Group fuel consumption.

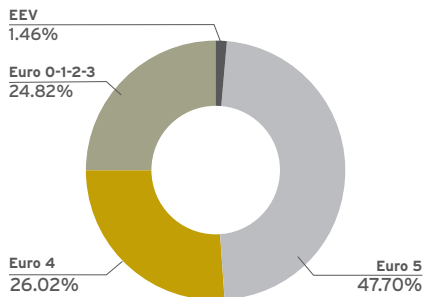
Geodis BM's has worked hard in the last few years to reduce truck fuel consumption. It stepped up its efforts in 2011 to obtain an impressive result, with average consumption down by 0.71 litre/100 km between 2008 and 2011.

INDICATORS

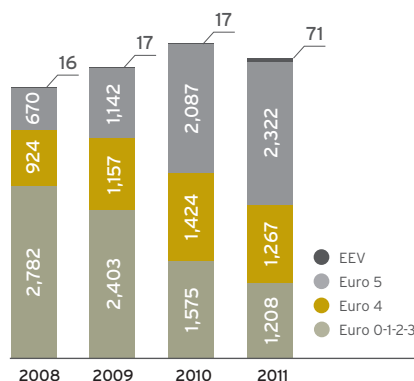
## Transport / Vehicle fleet

GRI indicator: LT2

**Geodis owned truck fleet worldwide in 2011**



**Modernisation of the vehicle fleet** (number of vehicle)



4,868

**Total Geodis owned vehicle fleet worldwide in 2011**

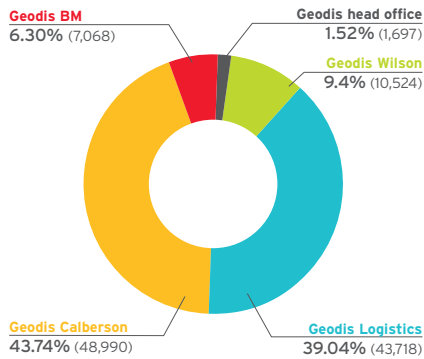
Geodis continued to renew its vehicle fleet in 2011, with 48% of the total now compliant with the Euro 5 standard introduced in 2009 for all new vehicle purchases. Vehicles are mainly those of Geodis BM, Geodis Calberson and Geodis Logistics. Environmentally Enhanced Vehicles, or EEVs, are "clean" vehicles such as the electric models used in Distripolis, a new take on urban logistics (see page 20), and compressed natural gas vehicles, or CNGs.

# The environmental year

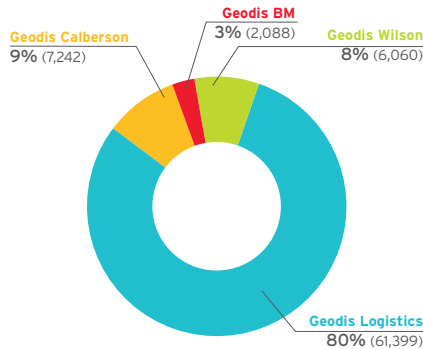
## Buildings/electricity, gas and water consumption

GRI (Global Reporting Initiative version 3 - www.globalreporting.org) indicator: EN3, EN8

**Geodis electricity consumption worldwide in 2011 (MWh)**



**Geodis gas consumption worldwide in 2011 (MWh)**



Logistics and groupage are by nature energy-hungry activities, with warehouses to be lighted and heated and handling machines and conveyor belts to be powered. Most of the energy consumption is in Europe; France accounts for 67% of Geodis total electricity consumption. In France, Geodis Logistics accounts for 87% of gas consumption.



**111,997 MWh**  
Geodis total electricity consumption worldwide in 2011

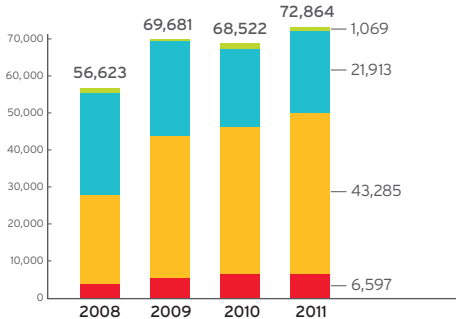


**76,789 MWh**  
Geodis total gas consumption worldwide in 2011

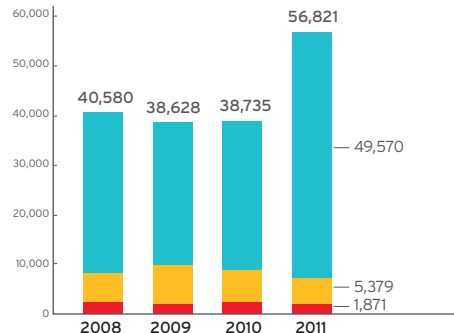


**260,135 m<sup>3</sup>**  
Geodis total water consumption worldwide in 2011

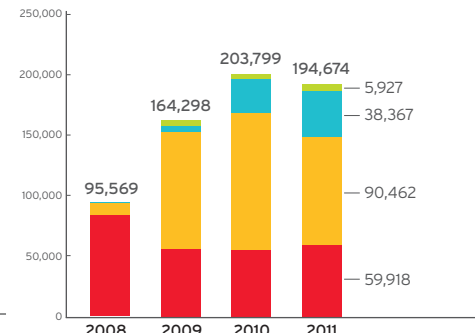
**Annual electricity consumption by division in France (MWh, excl. head office)**



**Annual gas consumption by division in France (MWh, excl. head office)**



**Annual water consumption in France (en m<sup>3</sup>)**



Geodis launched an audit on electricity, gas and water in 2011 with a view to optimising consumption. Audits were made at 11 sites in France and recommendations drawn up on the development of

infrastructure and equipment, the optimisation of contracts and awareness raising among employees. In 2012 the divisions concerned will validate the action plans to be introduced in line with these

recommendations. Water consumption at the sites is mainly due to external washing stations for vehicles and internal washing stations for tank trucks (Geodis BM has four).

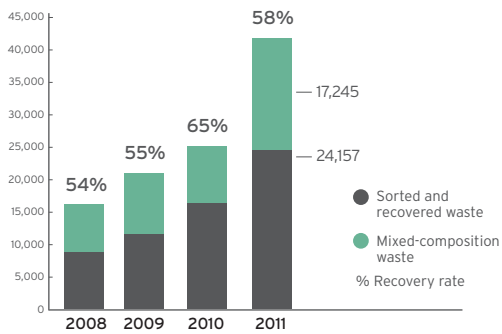


# The environmental year

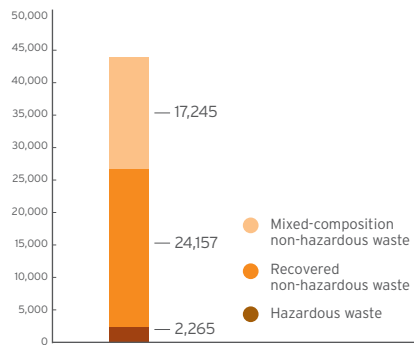
## Buildings / waste from activity

GRI (Global Reporting Initiative version 3 - www.globalreporting.org) indicator: EN22

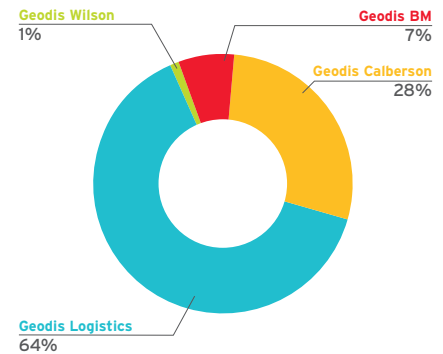
**Production and recovery of Geodis non-hazardous waste (tonnes)**



**Geodis total waste production worldwide in 2011 (tonnes)**

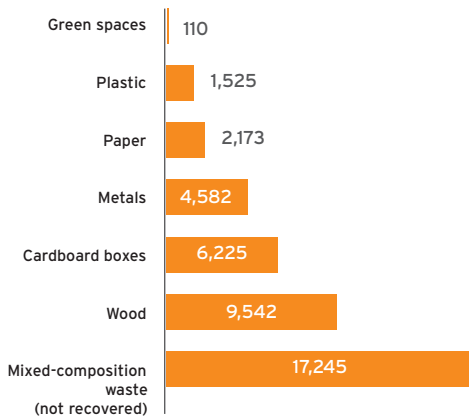


**Total waste production (hazardous and non-hazardous) by division in 2011**

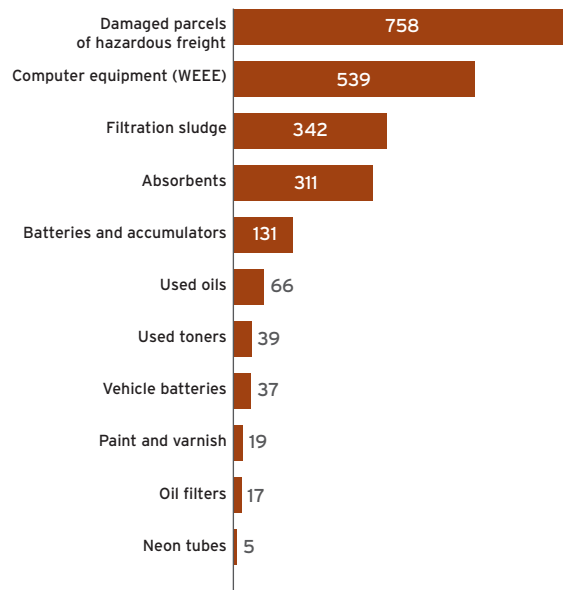


Waste production, directly linked to the activity level, continued to increase sharply in 2011 owing to the integration of new entities. The majority of waste is generated by the logistics and groupage activities, mainly in France and Europe. Geodis headquarters produce 19 tonnes of recovered non-hazardous waste, mainly paper. Geodis is pursuing its efforts to raise staff awareness and improve the sorting and recovery of non-hazardous waste. In 2011, 58% of non-hazardous waste was recovered at the sites.

**Composition of Geodis non-hazardous waste worldwide in 2011 (tonnes)**



**Composition of Geodis hazardous waste worldwide in 2011 (tonnes)**



INDICATORS

# Reporting methodology

## Reporting scope, data collection and consolidation process

Since there is no recognised reporting system relevant to its activities, the Group has created its own procedures based on a methodology for collecting, analysing and consolidating environmental and social data. Reporting forms include the indicators, the bases of calculation and the areas concerned.

At present, the Group does not have a common system for collecting data. Information has been consolidated through each division's structures in the areas of human resources, quality, safety, the environment and purchasing. The figures shown for 2011 are therefore calculated or estimated using data from three sources: operational sites, divisional and/or Group information systems, and suppliers. Data are presented by geographic area and by division. In 2011, a project was put in place to update indicator forms and improve data consolidation. Some indicators included in previous years (for example, the number of hours of training) were recalculated in line with the new method applied to calculate data.

Depending on the data presented, the scope of consolidation can vary and include only some of the sites or countries concerned. Data are presented for five geographical regions: France, Europe (excluding France), the Americas, Asia-Pacific and Africa/Middle-East. The list of countries in each region is set out in the table below.

	EUROPE (EXCLUDING FRANCE)	AMERICAS	ASIA-PACIFIC	AFRICA / MIDDLE-EAST
<b>GEODIS BM</b>	Germany, Spain, Italy, Luxembourg, Netherlands, Portugal			
<b>GEODIS CALBERSON</b>	Benelux, Italy, UK			
<b>GEODIS LOGISTICS</b>	Germany, Benelux, Spain, Eastern Europe, Ireland, Italy			Morocco, Tunisia
<b>GEODIS WILSON</b>	Germany, Belgium, Denmark, Spain, Finland, Italy, Netherlands, Norway, Sweden, UK	Argentina, Brazil, Canada, Chile, Colombia, USA, Mexico, Peru	Australia, Bangladesh, China, South Korea, Hong Kong, India, Indonesia, Malaysia, New Zealand, Singapore, Taiwan, Thailand, Vietnam	South Africa, United Arab Emirates, Morocco, Qatar, Tunisia
<b>GEODIS SCO</b>	Germany, Austria, Belgium, Denmark, Spain, Hungary, Ireland, Italy, Netherlands, Poland, Czech Republic, Romania, UK, Russia, Slovakia, Sweden, Switzerland	Argentina, Brazil, Canada, Chile, Colombia, USA, Mexico, Peru, Venezuela	Australia, China, South Korea, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Philippines, Singapore, Taiwan, Thailand, Vietnam	Israel, South Africa

## Choice of indicators

Reporting data are divided into three categories - environmental, social, and economic - to reflect the Group's commitments and measure the effectiveness of the actions taken by the divisions. The Group has thus selected its own indicators on the basis of relevance, based on international benchmarks and the guidelines of the Global Reporting Initiative, version 31. A document setting out a formal definition for each indicator is provided to ensure that the same method of calculation is used for all geographic areas and activities.

## Limitations of the methodology

Certain factors limit the reliability of the data:

- different collection and reporting methods from one division to another,
- varying availability for some of the data needed to calculate indicators.

## Reviewing and verifying the indicators

Environmental data are consolidated and verified by each division's quality, safety and environment departments and the Group's sustainable development department. Social data are consolidated and verified by the HR departments at head office and within each division.

The consistency of the data is verified by the divisions and the Group's sustainable development department. This verification includes a comparison with the data from previous years and systematic analysis of any differences deemed to be significant. At present, the Group does not have the data verified by any outside organisations.

\* [www.globalreporting.org](http://www.globalreporting.org)

## A few definitions

### Waste

- **Production of non-hazardous waste:** the total tonnage of wood (including pallets), cardboard, paper, plastic, including film and polystyrene, metals, green waste and mixed waste (non-recovered).
- **Recovery rate of non-hazardous waste:** total tonnage of non-hazardous waste recovered minus the tonnage of mixed non-hazardous waste divided by the total tonnage of non-hazardous waste produced.
- **Production of hazardous waste:** total tonnage for eleven categories - absorbents (including soiled rags, saturated sand), batteries from road vehicles or handling machinery, filtration sludge (from sludge traps/oil separators for stormwater or the treatment of tank cleaning water), ink cartridges, damaged packaging used for hazardous materials, oil filters and used oil from road vehicles (axles, transmissions, engines), IT/office automation equipment (WEEE), paints and varnishes, batteries and accumulators, neon tubes.

### CO<sub>2</sub>- equivalent (CO<sub>2</sub>-eq)

- **Emissions linked to the consumption of fuel, electricity and gas:** total emissions, expressed in terms of CO<sub>2</sub> equivalent, linked to fuel, gas and electricity.
- **Emission factors used:** as set out in the Greenhouse Gas Protocol ([www.ghgprotocol.org](http://www.ghgprotocol.org)). For fuel, the emission factor used is 2.681 kg CO<sub>2</sub>e/litre. For gas, the emission factor used is 0.205kg/CO<sub>2</sub>e /kWh (based on gas with a low heating value). For electricity, the emission factors vary from one country to the next.

### Employees

- **Full-time equivalent employees:** total number of hours worked / average hours worked annually in a full-time job.
- **Absenteeism:** (number of hours of absence/total number of hours worked) x 100). The calculation excludes paid leave, reduced working time and days taken to care for sick children in France.
- **White collar:** executives, high-level supervisors, supervisors, employees.
- **Blue collar:** operating workers, drivers.

### Safety

- **Frequency of occupational accidents:** (number of accidents involving at least one day of lost time/ total number of hours worked ) x 1,000,000).
- **Severity of occupational accidents:** number of days lost/number of hours worked) x 1,000.

This is the fourth sustainable development report published by Geodis. It can be viewed and downloaded, like the previous reports, in French and in English on [www.geodis.com](http://www.geodis.com).

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