

2017 CORPORATE SOCIAL
RESPONSIBILITY REPORT

Your partner
for sustainable
growth



GEODIS

SUMMARY

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EDITORIAL BY MARIE-CHRISTINE LOMBARD

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CORPORATE SOCIAL
RESPONSIBILITY

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Report scope

The accomplishments shown in these pages concern 2017 and the first part of 2018.

CSR indicators concern 2017. They are available on www.geodis.com under the CSR section.

Apart from the indicator concerning "gender distribution by geographic area in 2017," the 2017 non-financial reporting data are exclusive of Contract Logistics USA.

The audit firm EY has carried out an initial review of reporting processes on a selection of GEODIS' key CSR indicators.



MARIE-CHRISTINE LOMBARD
CHIEF EXECUTIVE OFFICER
OF GEODIS

Shaped by contrasting trends in the economic environment depending on Lines of Business and geographies, 2017 was a year full of challenges for our Group. **The robustness of our business model and the commitment of our teams** defied strong headwinds and enabled us to reach the growth targets that we had set for ourselves.

Buoyed by these good results and the trust of our customers, we continue to work towards our ambition to become the global leader in transport and logistics. To achieve this, we have decided to provide our customers with even greater access to our services in 2018 by organizing our operations by geographic regions with a single point of entry for all Lines of Business. We also intensified our innovation and digitalization momentum, all while continuing to play **an active role as a responsible company.**

We are keenly aware of our impact on individuals, on the environment and on society. That's why GEODIS has been committed to a strong and resolute CSR approach for the last ten years.

As we are well aware, we must take action now more than ever. Indeed, the numbers are alarming. While CO₂ emissions from road traffic could increase by 60% by 2050¹, those linked to international freight could grow by 160%¹ if initiatives are not put in place to reverse the trend.

Now is the time to act. Collective action that calls on the highest levels of governments and institutions within the scope of the 2015 Paris Agreement. **Specific action** aimed at improving the efficiency of the different modes of transport and prioritizing sustainable solutions. **An innovative action** that continually anticipates societal evolution and technological advances.

It is on this basis that we shaped our determination to reduce greenhouse gas emissions (GHG) through the Oxygen project. **2018 will see a major acceleration in this effort** thanks to refined measures and an **ambition of quantifiable reduction in our carbon** impact in the medium and long term. So I am proud to announce our global ambition of a 30% reduction in greenhouse gas emissions by 2030².

As a company firmly rooted in societal evolution, GEODIS strives to address every day the needs and aspirations of individuals in terms of security, well-being and equal opportunities. Indeed, I am convinced that it is the **women and men of GEODIS who make the difference. They are the ones who transform these actions into real opportunities for the future.**

¹ OECD, *International Transport Forum, "ITF Transport Outlook 2017"*

² Reference year: 2017, at a comparable scope

2017 key points

Thanks to the mobilization of its teams and to the trust built with its customers, the Group continues to grow. These results cap the implementation of Ambition 2018, the strategic plan launched in 2013 to achieve, in particular, excellence in financial performance and to grow GEODIS' leadership in its market.

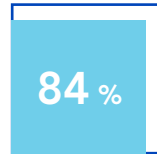


Since 2016, GEODIS has been considered a

"Leader"

by Gartner in its "Magic Quadrant" report on the global 3PL players.

CUSTOMER SATISFACTION RATE*



*2017 GEODIS customer satisfaction survey by market research firm TNS

2017 REVENUE BY LINE OF BUSINESS



- 39% Freight Forwarding
- 27% Contract Logistics
- 18% Distribution & Express
- 11% Road Transport
- 5% Supply Chain Optimization



40,500

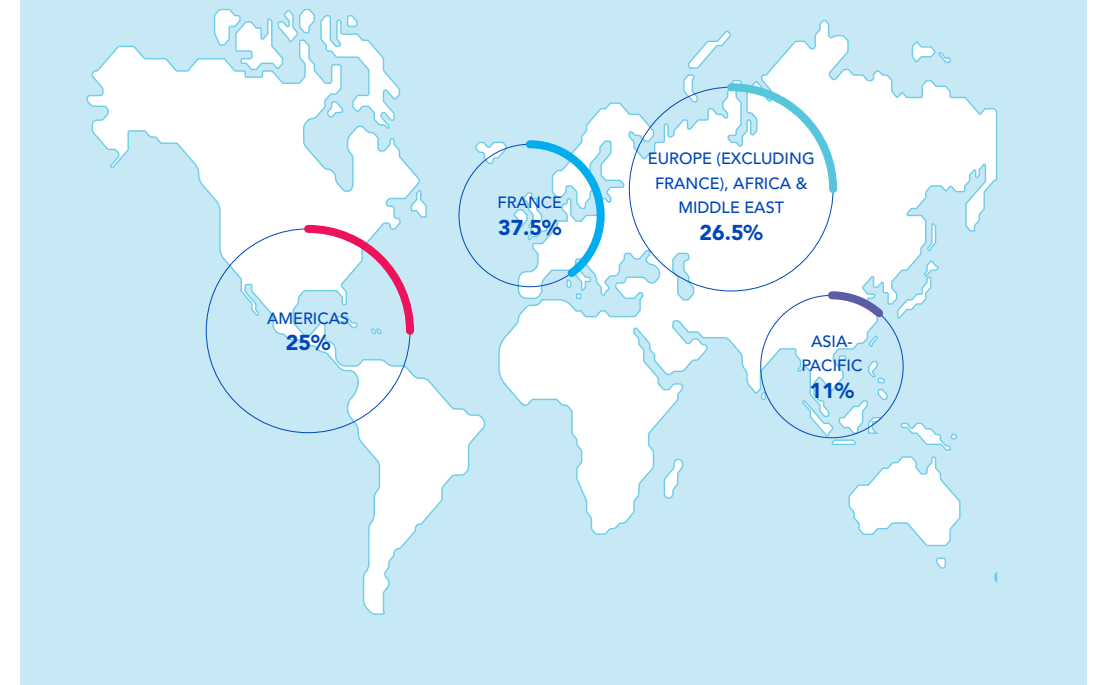
employees



165,000

customers across the globe

2017 REVENUE BY GEOGRAPHIC AREA



67

countries with proprietary sites

120

countries served

701

sites

62.5%

of activity, outside of France

Highlights

In 2017, GEODIS achieved a number of successes around the world. Mindful of its social responsibility, the Group also rolled out initiatives to strengthen its CSR approach.

UNITED STATES

THIRD DISTRIBUTION CENTER IN CARLISLE, PENNSYLVANIA

The Group announced the opening of a new warehouse in summer 2018, dedicated to the distribution of products of a leading cosmetics brand.

UNITED STATES

PARTNERSHIPS WITH DANONE WATERS

GEODIS has been awarded a contract to manage a new warehouse in Los Angeles for this leader in the food processing industry. Danone had already trusted the Group in 2015 for the management of its port handling and warehousing operations for its Miami site.

BOLIVIA

MAJOR PROJECT FOR SIEMENS

Siemens has chosen GEODIS to transport the necessary equipment to Bolivia for the extension of its three power plants. A true technical challenge, this mission involves port handling as well as sea and road transportation.

The overall score assigned in 2018 to GEODIS by EcoVadis* after an analysis of its entire CSR approach.

70/100

* This collaborative platform assesses the performance of companies based on environmental, social and ethical questions as well as on sustainable procurement.

THE NETHERLANDS

LONG TERM PARTNERSHIP WITH IYAMA

This Japanese computer screen maker has entrusted GEODIS with the end-to-end management of its European logistics operations in the Netherlands.

GERMANY

MISSION FOR A LUXURY CAR MANUFACTURER

The Group won a three-year contract for express delivery of spare parts from a warehouse located near Stuttgart to the network of dealers in France.

FRANCE

STRENGTHENED COLLABORATION WITH LVMH

Thanks to a new partnership with the luxury ready-to-wear company Kenzo for the management of its global logistics, GEODIS is accelerating its growth in the textile sector.

FRANCE

NEW PARISIAN AGENCY

This 15,000 sq m site opened in the capital's 12th district. Relying on the development of distribution bases spread across the city and a fleet of electric vehicles, GEODIS is committed to cleaner urban delivery.

SPAIN

EXTENSION OF THE CONTRACT WITH BIOSYSTEMS S.A.

For this company in the healthcare sector, the Group is managing the temperature-controlled shipping of reagents and laboratory instruments from Spain to over 35 countries.

UGANDA

NEW OFFICE IN UGANDA

This new establishment in Kampala expands the Group's global network and will initially be dedicated to industrial projects logistics, currently showing strong growth in East Africa.

SOUTH KOREA

50,000 SQ M

This is the surface area of the new distribution center for BMW Korea automotive components located south of Seoul. It is the second-largest distribution center in the world for the manufacturer, who has entrusted its operation to GEODIS.



A leader in transport and logistics

In a world where logistics has become a key factor of competitiveness for companies, GEODIS, which ranks among the world leaders in its sector, assists its customers on a daily basis, helping them to overcome their logistical constraints. A true growth partner, the Group is recognized for its expertise and its knowledge across all areas of the supply chain.

In a nutshell

Located in 67 countries with a global network spanning 120 countries, GEODIS is a leader in the transport and logistics industry. As part of its Business Excellence model, its Mission, Vision and Values define its DNA and nurture the relationship the Group maintains with its stakeholders.



Mission

TO HELP ITS CUSTOMERS SUCCEED BY OVERCOMING LOGISTICAL CONSTRAINTS

Driven by its five Lines of Business, each at the forefront of its expertise, GEODIS is a group of transport and logistics experts.



Vision

TO BE THE GROWTH PARTNER FOR ITS CUSTOMERS

Through its performance, its solutions, and its sense of innovation, GEODIS helps its customers to grow and reach their goals.



Values


EXPERTISE DRAWING ON FIVE FUNDAMENTAL VALUES, SHARED BY ALL EMPLOYEES


Commitment: GEODIS is committed to its customers, their priorities and their success.
Innovation: GEODIS continually innovates and goes above and beyond to improve its performance and that of its customers.
Passion: GEODIS employees are passionate, determined and motivated by the desire to succeed together.
Solidarity: GEODIS demonstrates solidarity with its employees as well as with its customers and partners.
Trust: GEODIS cultivates trust and honors its commitments.


Business Excellence


In order to respond to the challenges and needs of all its stakeholders, GEODIS has implemented a Business Excellence model based on the continuous improvement of its internal processes. Built on its Mission, its Vision and its Values, the model rolls out management principles and methods that target all performance metrics. The essence of it is expressed by the Golden Rules and the Leadership Principles.


OUR GOLDEN RULES






 Be a good citizen



 Make it easy for the client to do business with us



 Win, retain and develop profitable clients


 Ensure the safety of our people everywhere and at anytime



 Recruit, develop and retain quality people



 Always deliver a perfect service



 Get paid for what we do



GEODIS


OUR LEADERSHIP PRINCIPLES



 Walk the Talk



 Be a Strategy Ambassador



 Debate, Decide, Align


 Own the All


 Drive Results


 Engage & Empower People


 Duty to Communicate


GEODIS

The GEODIS offer

Thanks to its five complementary Lines of Business, GEODIS capitalizes on its know-how, its teams, its infrastructures, its processes and its information systems to provide comprehensive solutions that meet the needs of each industry segment or geographical area. The Group is involved in every step of its customers' supply chains, optimizing them from end-to-end.

DISTRIBUTION & EXPRESS



With a network of 150 agencies based in France and in bordering countries, GEODIS has positioned itself as the leading French provider of express solutions for next-day deliveries and of distribution solutions for deliveries within 24 to 48 hours. This Line of Business offers customers of all sizes and all industry segments innovative solutions tailored to their shipments and to their recipients. It specializes in green delivery in dense urban environments.

- Next-day express delivery
- Delivery within 24/48 hours
- Chartering

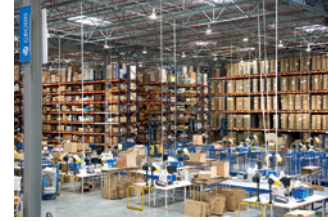
ROAD TRANSPORT



With its 3,900 semi-trailers and its 2,300 tractors (excluding outsourcing), GEODIS' Road Transport Line of Business is one of the leading European operators in FTL and LTL transportation. GEODIS offers a comprehensive range of specialized solutions for chemical, industrial, and automotive products, as well as for consumer goods.

- Long-distance and local road transport
- Multimodal transport (road, rail, barge, sea)
- Specialty transport (chemicals, gas, steel, concrete)
- Transport flow management

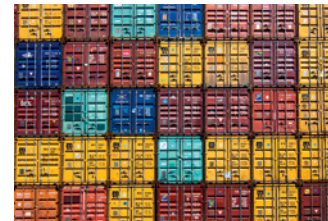
CONTRACT LOGISTICS



GEODIS manages more than 7,000,000 sq m of warehouses worldwide. From warehousing and distribution center management to line-side deliveries, the Group offers a wide range of specific, innovative solutions tailored to its customers' activities in order to manage flows in a cost-efficient way and to improve the supply chain efficiency.

- Warehousing and distribution
- Value-added services
- Reverse and after-sales logistics
- e-fulfillment

FREIGHT FORWARDING



GEODIS offers multimodal transport solutions (air, sea, rail, road) with value-added services integrating customs operations, in order to guarantee its customers optimal transport of their goods. With its Industrial Projects activity, it also develops solutions for the oil and gas, mining, petrochemicals, rail and energy sectors.

- Air freight
- Ocean freight
- Multimodal freight
- Industrial Projects
- Cargo insurance
- Customs clearance

SUPPLY CHAIN OPTIMIZATION

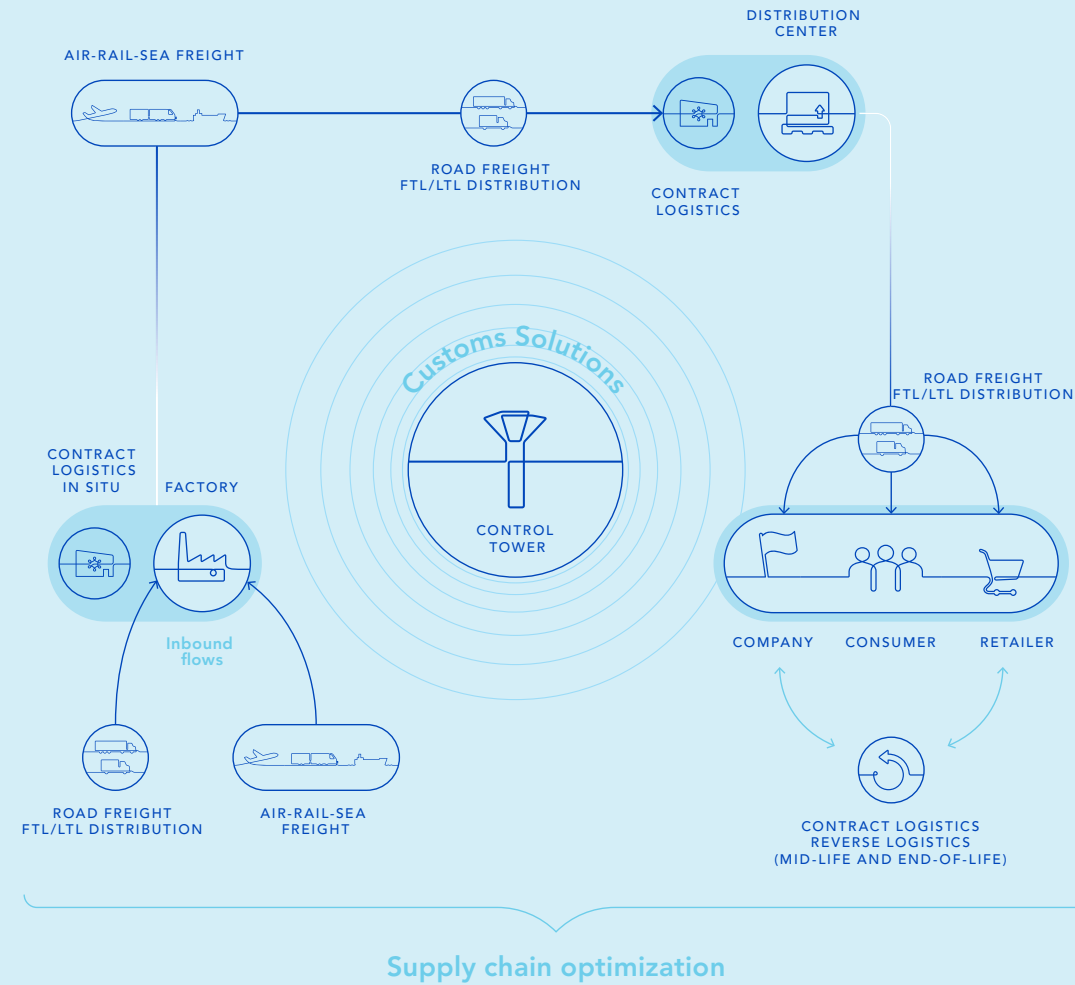


GEODIS offers services in consulting, in diagnostics of its customers' supply chains and in network design. It also offers complete outsourcing of supply chain operations management.

- Supply chain consulting
- Selection and management of suppliers
- Strategic outsourcing

A GLOBAL SUPPLY CHAIN MANAGEMENT FOR COMPLETE AND TAILORED SERVICES

The core competency of GEODIS is to optimize its customers' supply chain every step of the way. To achieve this, its five Lines of Business apply their expertise covering supply chain optimization, intercontinental transportation and customs clearance, road freight transportation, warehousing management and distribution. The Group manages all or part of the supply chain with its own assets or with selected partners.



IN-DEPTH EXPERTISE BY INDUSTRY SEGMENT

In order to help its customers overcome their market-specific logistical constraints, GEODIS designs and implements transport and logistics solutions tailored to their industry. GEODIS' communities of sectoral experts are committed to supporting their customers with custom-made added value solutions and services. They aim to optimize both physical and information flows at every stage of the supply chain. GEODIS offers a full range of services that are strongly backed by a highly structured customer segmentation strategy that demonstrates the value delivered by the Group to its customers in each of the markets in which it operates.

Automotive



When "just-in-time" is the standard

High-Tech



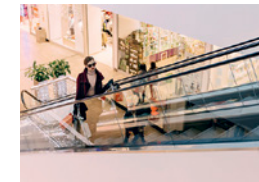
Where speed-to-market matters

Industry



Where differentiation is essential

Retail



Where customer satisfaction is paramount

FMCG



Where flexibility is a differentiator

Aerospace & Defense



When safety and reliability are key

Healthcare



Where compliance is mandatory



Corporate Social Responsibility

Aware of the environmental and societal challenges at the heart of its business, GEODIS is a partner for its customers in profitable, but also sustainable growth. This is why one of the Group's Golden Rules is to "be a good citizen" to both its employees and society as a whole.

CSR strategy

“Be a good citizen” is the Golden Rule that underlies GEODIS’ CSR approach. The rule affects its employees, customers, suppliers and subcontractors as much as it affects society as a whole.



THREE STRUCTURING OBJECTIVES

Aware of its role for the environment, for individuals and for society as a whole, GEODIS has developed its CSR policy around three major objectives. While transport remains a significant source of greenhouse gas emissions and pollutants, the Group is committed to controlling and reducing the environmental impact of its activities and to contributing to the fight against climate change. A major employer and economic player, GEODIS has established numerous initiatives to continuously improve its social and societal impact. It prioritizes safety and promotes well-being and equal opportunities for its employees and for the community. Finally, with a conviction that responsibility gets its value only when it is shared by everyone, GEODIS has the requirement to act in a responsible manner in all circumstances, thanks to a voluntary Ethics and Compliance policy.

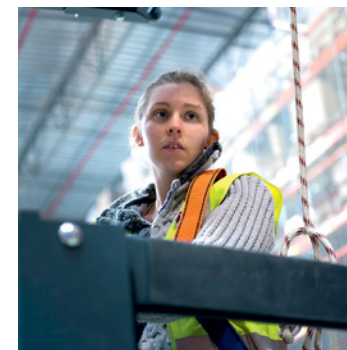
A COLLECTIVE DYNAMIC

The Group has placed CSR at the heart of its strategy. A steering committee meets every two months in order to share action plans as well as best practices and to monitor indicators’ progress. It brings together a dedicated corporate team which represents various regions, Lines of Business and support functions. True ambassadors of the CSR policy in the field, GEODIS teams are aware of these challenges, and the sharing of best practices is

widely favored. Furthermore, the Group encourages its suppliers and subcontractors to integrate this same approach, specifically via a responsible purchasing policy. The Group relies on specialized external partners to evaluate them (EcoVadis, for example). Finally, GEODIS opts for co-construction with its customers, partners and providers in order to continuously explore new, more virtuous and sustainable solutions.

A RIGOROUS ASSESSMENT OF PROGRESS

GEODIS closely evaluates the effects of initiatives put in place and communicates openly on a regular basis about results and progress made. By using periodic indicators, it monitors CSR performance. Each year, there are several questions in the customer and employee satisfaction surveys related to the Group’s CSR strategy. Finally, GEODIS assesses itself voluntarily against recognized external benchmarks, such as EcoVadis and CDP (former Carbon Disclosure Project) assessments, ISO and Investors In People certifications, or the GEEIS (Gender Equality European & International Standard) label. More broadly, GEODIS’ commitment to excellence is aligned with the EFQM (European Foundation for Quality Management) model, which provides an overall framework for its continuous improvement program.



EXTERNAL BENCHMARKS

In order to support its CSR commitments, GEODIS relies on benchmarks, international standards and best practices that are applicable to the Group, its regions and each of its Lines of Business:

- The Group has been a signatory of the United Nations Global Compact since 2003;
- ISO 14001 standard on environmental management;
- OHSAS (Occupational Health and Safety Assessment Series) 18001 standard (new name: ISO 45001 standard) on safety management;
- ISO 26000 guidelines related to CSR;
- The SQAS (Safety & Quality Assessment for Sustainability) standard, which enables the assessment of performances in terms of quality, safety and environment;
- EcoVadis assessment for CSR performance and CDP assessment for greenhouse gas emissions;
- Investors in People certification regarding human resources management;
- The GEEIS label, the European and international standard for professional equality.

Improve carbon efficiency

Since 2010, GEODIS has been committed to the continuous improvement of its carbon efficiency. 2017 marked a new milestone in this ambitious approach with an emphasis on the *Oxygen* project and the establishment of a global ambition of a 30% reduction in greenhouse gas emissions by 2030 (reference year: 2017, at a comparable scope).



OXYGEN: A ROADMAP FOR COMBINING PERFORMANCE AND INNOVATION

Launched in 2010, the *Oxygen* project responds to the Group's strategic priority of reducing greenhouse gas emissions (GHG). It translates GEODIS' ambition to be a major player in the decarbonization of the transport and logistics sector into a quantified commitment.

Structured around four areas of improvement, *Oxygen* is applied at every level of the organization, with tailored action plans for each entity and stakeholder.

A COMPREHENSIVE CARBON INVENTORY

In 2017, GEODIS updated all sources of greenhouse gas emissions identified in *Oxygen* in order to have at its command even more accurate indicators and to adapt its goals and actions accordingly. This new carbon inventory now takes into account emissions from its gas-powered vehicles, indirect emissions (scope 3) deriving from subcontractors' transport activity and upstream emissions. In addition to this inventory, GEODIS will now produce an annual assessment to measure its progress and update its improvement objectives.

CONTRIBUTING TO PERFORMANCE IMPROVEMENTS IN THE SECTOR

GEODIS works to advance standards in its sector and to construct the most precise and efficient tools and methods of calculation. The Group participated in the adoption and development of the GLEC Framework (*Global Logistic Emissions Council*), which aims to harmonize international greenhouse gas emissions standards.

GEODIS also contributes to the EcoTransIT World Initiative, which devised a multimodal, globally recognized calculation tool for greenhouse gas emissions in order to improve transparency in the sector regarding environmental challenges. It is on this basis that GEODIS annually updates BLUE₂, its own reporting and modeling tool for CO₂ emissions. In 2017, the developments dealt with adapting measurements to different geographical areas.

Oxygen's four components

01. MEASUREMENT

Carrying out of a yearly global carbon inventory that includes direct and indirect emissions (scopes 1, 2 and 3*).

02. REDUCTION

Reduction in GHG emissions and improvement in GEODIS' carbon efficiency.

03. PARTNERSHIPS

Development of partnerships with major subcontractors to reduce indirect emissions (scope 3*). As nearly 87% of GEODIS' greenhouse gas emissions are generated by subcontractors, the Group offers them support tools for the valuable decision to optimize their flows, closely evaluate their carbon footprints and identify opportunities for improvement in emissions across their entire supply chain operations.

*
Scope 1: direct emissions from stationary or mobile sources.
Scope 2: indirect emissions associated with electricity production.
Scope 3: other indirect emissions.

Thanks to its recognized commitment to these issues and its position as a heavyweight player in the sector, GEODIS lends its expertise in carbon to various other groups in order to advance best practices and to be a force for positive change for the entire industry. GEODIS has thus participated in the fourth "International Workshop on Sustainable Road Freight Transport". Member of the think-and-do tank *Open Lab Mobility*, it contributed to the study "Speeding up to >2 °C: Actionable clean mobility solutions", which promotes reflection on eco-driving and on the development of refueling infrastructures for gas-powered vehicles.

The Group is also a member of the European platform ALICE (*Alliance for Logistics Innovation through Collaboration in Europe*) and international initiatives such as *Clean Cargo Working Group*, which works toward improving environmental efficiency in ocean freight, *Smartway USA and Canada*, a program established by the American EPA (*Environmental Protection Agency*) that helps industry professionals improve their supply chain operations, and *Transporte Limpio*, a Mexican government certification project for carriers reducing their CO₂ emissions.

04. SOLUTIONS

Supporting customers to help them reduce their carbon footprint.

- GEODIS offers its customers alternative clean transport solutions. It emphasizes, in particular, the modal shift: its Road Transport Line of Business therefore provides rail transport solutions (rail transport, combined rail/road transport, etc.) and barge transport. For intercontinental transport, and in particular routes between China and Europe, rail transport is proposed as an alternative to air transport.
- The Group's customers also benefit from its expertise in modeling, namely with the assessment of carbon footprints, based on thorough assessment of their supply chain operations.





CREATING THE URBAN LOGISTICS OF THE FUTURE

While urban freight accounts for 40% of city pollution* and more and more urban areas are restricting the flow of in-city traffic, GEODIS is implementing urban logistics solutions so that cities become less polluted and more livable for their residents. Some examples:

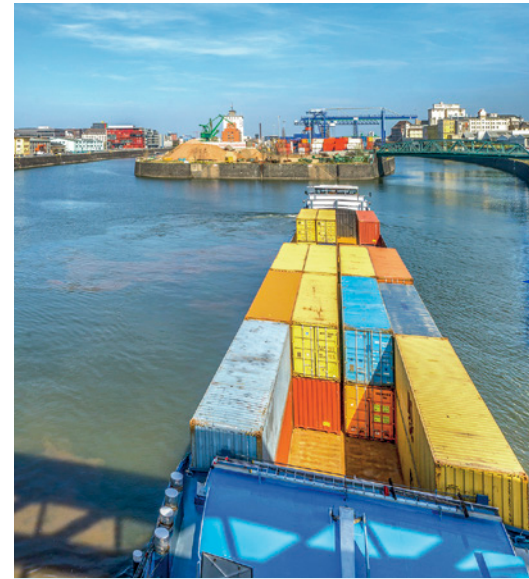
Developing full transport and logistics ecosystems in the heart of smart cities
 GEODIS offers innovative green delivery services, adapted to new urban lifestyles. In the forthcoming zero-carbon eco-district "Eole Evangile" set to emerge in northeastern Paris in 2020, the Distribution & Express Line of Business will coordinate not only all deliveries to four city districts, but also to 30,000 sq m of new stores, offices and hotels, with complementary concierge and luggage handling services, and a single central reception area. The Group is also rolling out ecological urban logistics bases (Blue Bases) integrated into the city in order to enable last mile delivery with clean modes of transport (bike or light electric vehicle). In 2017, GEODIS put 50 electric vehicles into circulation in Paris (subcontracting included), replacing the conventional fleet.

Drivers' use of a PDA (Personal Digital Assistant), which optimizes delivery milk runs, was an additional factor for improving productivity, facilitating the implementation of clean delivery solutions in cities. Moreover, the sequencing of milk runs has enabled an evolution in the global organization of work on the platform. Combining all of these improvements, the vehicle fleet was reduced by nearly 30%, and new services were developed, such as delivery to the final consignee, including outside of normal working hours (until 8:00 p.m., for example).

Since commissioning this fleet, which has remained the largest in its weight category since 2011, GEODIS has acquired considerable experience in the operation of electric vehicles. The Group has, consequently, duplicated this model in China and is now managing a fleet of electric vehicles in Shanghai and Beijing.

Participating in the scientific research for limiting pollutant emissions in urban areas
 On September 20, 2017, Airparif, the association responsible for monitoring air quality in the Île-de-France region, along with the "innovation accelerator" *Airlab*, introduced a GEODIS experimental electric vehicle. The vehicle is equipped with embedded microsensors to measure air pollution in real mobility and traffic conditions during deliveries.

* Source : Frost & Sullivan



27,000 TONS OF GOODS TRANSPORTED BY BARGE IN EUROPE IN 2017

Being a multimodal European player means leveraging the continent's seas and rivers. GEODIS uses river barges to transport goods to major ports before forwarding them on to the rest of the world. So chemical compounds flow down the Rhône to Fos-sur-Mer in France, or along the Danube-Mainz-Rhine corridor in Germany to Antwerp and Rotterdam in the Netherlands before heading to Asia.

NEW "SILK ROADS": WHEN GEODIS OPTS FOR RAIL LINKS BETWEEN CHINA AND EUROPE

Five years ago, the Chinese government launched the program "One Belt, One Road" to connect China to the European continent using new infrastructures – railways, in particular. GEODIS was one of the first players on those routes and is today one of the three top operators.

This service has grown rapidly since 2012 as an alternative to air transport. Rail transport is indeed five times less expensive than air transport and emits 20 times less CO₂ on a Shanghai-Lyon route, for example. All in all, 4,000 GEODIS trains connected 28 Chinese and 15 European cities between 2012 and 2017. Furthermore, the market has enormous potential with estimates of 5,000 trains in circulation by 2020, i.e. 14 a day.



Reduce pollutant emissions

GEODIS implements transport solutions with the highest environmental performance in order to limit the impact of its activities on the air quality and health of the population.

To guarantee its customers clean, competitive delivery is one of GEODIS' priorities. Consequently, 92% of its vehicles were in compliance with Euro 5 and Euro 6 emission standards in 2017. The reduction in its environmental impact is also a driver of innovation for the Group. This is why it experiments with using alternative vehicles, whether they are electric or run on compressed or liquefied natural gas (see below).



“By choosing transport that is more environmentally friendly, GEODIS involves its suppliers and subcontractors in its efforts by pulling two levers. The first consists in intervening in the subcontracting in terms of vehicle norms. The fleet owned by the Distribution & Express Business Line complies with Euro 5 standard, with a high proportion complying with Euro 6 standard. The second deals with the quality of the subcontractors' fleets. For example, in all French cities where Crit'Air was implemented, GEODIS encouraged subcontractors to considerably improve

the quality of their fleets and to invest in electric vehicles, going so far as to recommend equipment. This alternative energies component is shared between GEODIS' Lines of Business, whether talking about Road Transport for long distances or traction vehicles, or about Distribution & Express for the commissioning of vehicles for last mile deliveries, creating real synergies.”

Christophe Duvernois
Director of Sustainable Development – CSR Distribution & Express Line of Business

A NEW FLEET OF LNG-POWERED TRUCKS

Contract Logistics deployed five new trucks running on liquefied natural gas (LNG) in Italy in 2017. These trucks emit 32% less NOx (nitrogen oxide) emissions, 99% less particles and up to 15% less CO₂ than a diesel vehicle. Noise pollution has also been reduced. The Road Transport Line of Business is also responding to its large retail customers' environmental requests: already operating 13 LNG trucks in France, 12 others are planned for Spain in 2018.

Optimize the use of natural resources

GEODIS articulates its efforts on the environmental impact of its sites and its fleet around the “reduce, reuse and recycle” approach, which is based on the principles of circular economy.

MORE ENERGY EFFICIENT BUILDINGS AND VEHICLES

In order to reduce the energy, gas and water consumptions in its sites around the world, GEODIS relies on an environmental management system based on ISO standard 14001. This standard also serves as the framework for vehicle and equipment selection and maintenance, route planning, promotion of best practices and the fuel purchasing strategy.

CREATE VALUE AT EVERY STEP OF THE PRODUCT LIFECYCLE

GEODIS is continuously designing new solutions for reducing waste and increasing the efficiency of resource use. In terms of contract logistics, reverse logistics is consequently one of GEODIS' recognized areas of expertise. The Group also promotes the pooling of resources to avoid multiple purchases, as well as collaboration between customers and partners to encourage recycling efforts. GEODIS therefore provides services based on a circular model

in which waste turns into a resource. Consequently, the PELM (Product End-of-Life Management) offer from its Supply Chain Optimization Line of Business recycles electric and electronic waste via machine repair, reuse of spare parts and the recovery of materials.

5,000

pallets of outdated books, collected from more than 1,000 French schools and sent on to 20 recycling platforms in 2017. Through this partnership, VEOLIA and GEODIS are developing innovative solutions in terms of transport (reduction in empty mileage and optimization of transport plans) and waste management.



8,600

tons of cardboard, and also 217 tons of plastic, 343 tons of electronic waste, and 6,000 tons of wooden pallets were recycled thanks to the year-round commitment of the Contract Logistics teams in the U.S.

Guarantee health and safety at work

At GEODIS, safety is an absolute priority. That is why it is shared by all teams around a common requirement: remaining constantly alert.

A FIRM COMMITMENT AT THE HIGHEST LEVEL OF THE COMPANY

As evidence that the topic is at the top of the Group's concerns, GEODIS created a specific Golden Rule: "Ensure the safety of our people everywhere and at any time". At GEODIS, each Line of Business has developed a strong culture of occupational health and safety, on sites and on the road, and applies the relevant policies.

RAISE AWARENESS AMONG TEAMS AND INCREASE THE EQUIPMENTS' SECURITY LEVEL

GEODIS is putting prevention plans in place that include regular risk assessment and the development of certifications, notably OHSAS 18001 standard (new name: ISO 45001 standard), and assessments, in particular SQAS (Safety & Quality Assessment for Sustainability). The Group is also rolling out actions focused on two priority areas. The first consists of regular awareness operations (communication campaigns, training sessions, challenges that bring teams together). Their objective is to encourage employees to always remain alert. The second, which has received considerable attention throughout the Group, is based on the continuous improvement of materials, equipment and technical instruments in order to constantly optimize safety and the level of protection of each employee. At the same time, GEODIS is committed to the well-being of its teams and is engaged in a wide range of initiatives aimed at offering them more comfort at work.

GOAL: ZERO ACCIDENT IN ROAD TRANSPORT

In 2017, Road Transport took on an ambitious goal: achieve zero accident at work. Training and support of managers, provision of an educational guide, poster campaign and security challenges are just some examples of the many actions implemented. 14 sites reached the goal and their employees were compensated accordingly!

EXOSKELETON TEST IN THE NETHERLANDS

In order to protect employees' backs at the Venlo warehouse, GEODIS is experimenting with the use of exoskeletons during order picking and packaging.



Encourage diversity and equal opportunity

GEODIS promotes an inclusive culture and fosters diversity of thought, experience and background among its employees. By creating a work environment conducive to the development of its teams, GEODIS is also responding to a performance challenge.

STRENGTHEN THE PRESENCE OF WOMEN IN MANAGERIAL ROLES



While transport is a sector where there are traditionally less women, GEODIS is committed to making professional equality between women and men a reality. To this end, since 2013, the Group has been involved in a continuous improvement effort based on the GEEIS label. The same year, it created the GEODIS Women's Network to encourage female employees to develop their potential and to help them move into managerial roles. Initially launched in Europe, the network has been active in the United States since 2017. Along the same lines, the Group is also leading an internal mentoring program.

IMPROVE THE DAILY LIFE OF DISABLED WORKERS

Regarding disability, GEODIS' goal is to undertake concrete actions focused on the following six areas:

- encouragement of employees to acknowledge their disabilities;
- recruitment of disabled people;
- integration and retention of disabled employees;
- training of key players (recruiters, HR, purchasing) and raising awareness of all employees;
- internal and external communication;
- subcontracting to sheltered workshops in France to the greatest extent possible.



THIRD EDITION OF THE "TREMPLIN" (SPRINGBOARD) PROGRAM

Seven trainees have been awarded diplomas from this edition. Having found themselves in a situation where they were excluded from the professional world, selected candidates underwent six weeks of training in order to qualify as a warehouse picking operator. They then joined pilot teams for a period of five months, where they familiarized themselves with their new workplace. The "Tremplin" program also includes a component regarding reintegration into daily life outside of work. At the end of this training, GEODIS offered the trainees an open-ended contract either within its teams or with one of its partners.

PARTNERSHIP WITH THE "CAPITAL FILLES" ASSOCIATION

All in all, nine "godmothers" embarked on this journey in 2017. These GEODIS employee volunteers made a commitment to support and mentor female high school students in underprivileged neighborhoods and rural areas. During the school year, they offer advice and expertise to these young women concerning their choice of career path, allowing them to discover the professional world and help them prepare their applications for future schooling or for in-company training programs.

Encouraging commitment to the community

GEODIS teams take action to support communities on a daily basis. In particular, the Group encourages them to commit to the fight against exclusion and to the conservation of natural resources.



◀ GEODIS teams in the United States came together to help victims of Hurricane Harvey which swept across Texas in August 2017.

DOUBLE SCOPE OF ACTION

The fight against exclusion is part of GEODIS' societal commitment. The Group leads initiatives on topics such as solidarity, support of underprivileged populations (malnutrition, homelessness, poverty, etc.), children's aid, integration, disaster support, disability, and mobility (emergency humanitarian aid or humanitarian development).

Furthermore, the Group is committed to advancing the protection of the environment as well as to the conservation of forests, natural environments and natural resources (water, energy, waste reduction, etc.).

INITIATIVES CHOSEN WITH CARE

The choice of partners and associated efforts to fulfill GEODIS' social commitment are based on meticulous compliance to the following criteria:

- usefulness: respond to the most basic needs of the defined areas of focus;
- transparency: assure the transparency of actions undertaken and use of funds; account for allocated funds;
- involvement: encourage, whenever possible, employee involvement through volunteer work, skill-based sponsorship or other mechanisms;
- innovation: lead pilot programs that can be rolled out in other Lines of Business or countries.

Regions, Lines of Business and the CSR Department work together to ensure the effective implementation of these efforts.



PARTNERSHIP WITH ROSE ASSOCIATION

"GEODIS was our very first partner in France. When I had the idea to start Rose Magazine for people affected by cancer eight years ago, I turned to my contacts at GEODIS in Bordeaux, France. What I found was a fantastic team with tremendous human value and a true sense of team work and public service. We continued this dynamic momentum with the teams at the Touraine Anjou site, located near our printer. GEODIS is our primary partner by scope as well, since the magazine is distributed to our 180,000 readers who eagerly await its delivery. This partnership has evolved over the years and has widened its scope, all while maintaining the same level of attentiveness, humanity and professionalism."

Céline Lis-Raoux
Editor-in-Chief of Rose Magazine



TEAMS WORKING TOGETHER FOR THE COMMUNITY

Whether it was through fundraising for charity organizations, distributing toys, furnishing school supplies or basic necessities for refugees or the homeless, GEODIS teams in the U.S. gave their time, money and energy all year long to help the most disadvantaged and support local initiatives. For example, 130 homes were built in Virginia. California sites also participated in the integration of disabled people through recycling or repair missions. To recognize this exemplary commitment, the *United Way* of Metropolitan Nashville presented GEODIS teams with an *Iris Circle Award*. It is the charity organization's top honor.

€11,000

were given by GEODIS to Handicap International in 2017 as part of a partnership agreement signed for the fourth consecutive year. During the GEODIS customer satisfaction survey conducted in June by market research firm TNS, the Group pledged one euro per completed questionnaire.

A responsibility shared by all

AT THE HEART OF THE STRATEGY

For GEODIS, integrity is the foundation of the relationship of trust forged with all of its customers. To translate this imperative tangibly, the Group has deployed an Ethics and Compliance program that lies at the heart of its strategy and its basic principles.

Backed by senior management's commitment and a dedicated organization, this program relies on a global policy aiming to apply the same rules in terms of corruption and of human rights to all levels of the Group in its five Lines of Business and across all regions.

A Code of Ethics serves as its foundation, updated regularly in a continuous improvement process in order to adapt to changes in the law, to Group business activity, and to situations encountered in the field.

Furthermore, GEODIS is a member of the United Nations Global Compact since 2003. The Group supports the ten principles relating to human rights, labor rights, environmental standards and the fight against corruption.

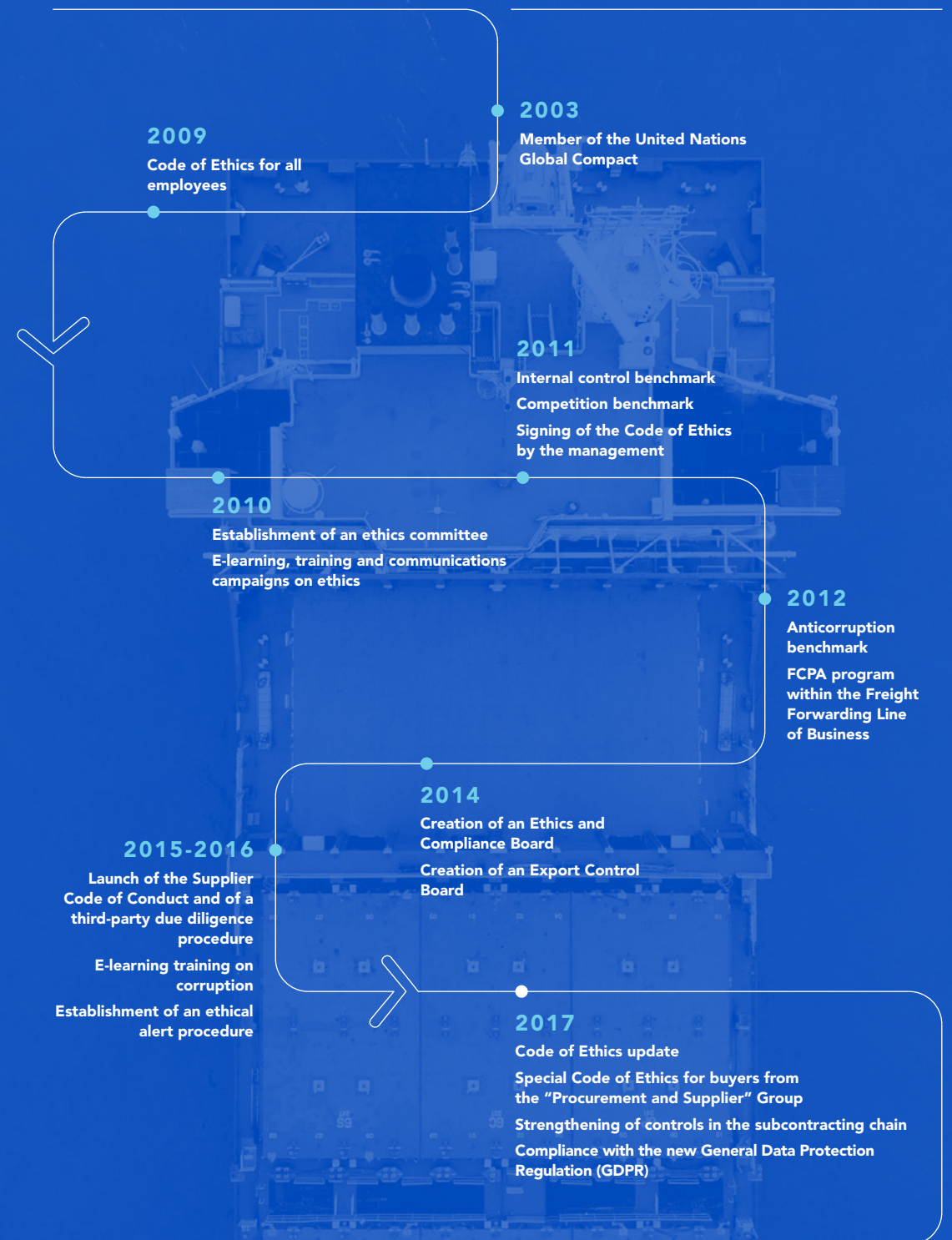
ADAPTING WHENEVER AND WHEREVER TO REGULATORY CHANGES

GEODIS conducts its business in compliance with the laws and regulations applicable in the countries where it operates. It is committed in particular to national anti-corruption legislations such as the "Sapin 2" law in France, the FCPA* in the United States and the *Bribery Act* in the United Kingdom. It also complies with corporate obligations with regard to human rights, like the duty of vigilance law in France and the *Modern Slavery Act* in the United Kingdom. In 2017, GEODIS also led a global compliance project relating to the General Data Protection Regulation (GDPR) that came into effect on May 25, 2018, in the European Union.

ENCOURAGE ETHICAL COMMITMENT AMONG ALL EMPLOYEES

It is essential that each employee honors the commitments made by GEODIS and does all he or she can to protect the interest of the Group and its employees. It is with this in mind that the topic is worked into the newcomer induction program and touched on in the annual review of each employee with his or her manager. Training and e-learning sessions as well as awareness-raising measures on corruption and competition are organized throughout the year. In order to ensure that its partners respect its principles of integrity, GEODIS has also established a "Supplier Code of Conduct". As part of its rigorous selection process, GEODIS assesses its providers, subcontractors and agents on their capacity to operate ethically and in accordance with the law. Thanks to this stringent approach, GEODIS has positioned itself as a trusted player among its customers. It therefore has the capacity to optimally support them in their own ethics concerns.

*Foreign Corrupt Practices Act, American federal law established in 1977 aimed at fighting corruption among public officials in the United States



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