



# Corporate Social Responsibility Report 2017

**GEFCO**

Partners, unlimited

# Contents

## **SUSTAINABLE DEVELOPMENT STAKES ..... 4**

### **Sustainable development: Leverage new opportunities in a degraded environment ..... 5**

<b>GEFCO's Social Responsibility</b> .....	5
An engaging CSR approach.....	5
Partnering with our ecosystem.....	6

## **RESPONSIBLE SERVICE OFFERS ..... 7**

<b>Designing offers</b> .....	8
A growing Group.....	8
Designing responsible offers.....	10
Measuring the CO <sub>2</sub> impact of offers.....	13

<b>A responsible logistics chain</b> .....	13
Risk mapping.....	14
Evaluation procedures.....	14
Actions.....	15
Effectiveness of the measures taken.....	15

## **CORPORATE SOCIAL RESPONSIBILITY ..... 16**

<b>An expanding company</b> .....	17
The workforce of GEFCO and its subsidiaries.....	17
Recruitments and departures.....	19

<b>Employee retention and engagement</b> .....	22
Motivation factors.....	22
Skills development.....	25
Diversity and the fight against discrimination.....	29

<b>Health, safety and working conditions</b> .....	33
Health & Safety policy.....	33
Protecting employee health.....	40
Organisation of work.....	40

<b>Employee relations</b> .....	42
Organisation of social dialogue.....	42
Review of collective agreements.....	46



# Contents

## **CARING FOR THE ENVIRONMENT ..... 47**

<b>Environmental governance</b> .....	48
Environmental policy .....	48
A dedicated organisational structure .....	48
Environmental risk management .....	49
Environmental training .....	50
<b>Direct environmental impact of activities</b> .....	51
Energy efficiency of sites .....	51
Energy efficiency of GEFCO's own fleet .....	53
Water consumption .....	54
Waste management .....	56
Environmental incidents .....	58

## **SOCIAL COMMITMENT ..... 59**

<b>Territorial, economic and social impact of the company</b> .....	60
In terms of employment and regional development .....	60
On local residents .....	60
Partnership and sponsorship actions .....	60
<b>Ethics on a global scale</b> .....	61
Duty of care for subsidiaries .....	62
The fight against corruption .....	64
Fair competition .....	65
Compliance with international embargoes .....	65

## **METHODOLOGY ..... 66**

<b>Scope of social data</b> .....	67
GEFCO SA and the GEFCO subsidiaries .....	67
2017 social data .....	67
<b>Scope of environmental data and methodologies</b> .....	67

## **CONCORDANCE TABLE ..... 69**

## **REPORT OF THE INDEPENDENT THIRD-PARTY BODY ..... 71**



# Sustainable Development Stakes

## SUSTAINABLE DEVELOPMENT STAKES

### SUSTAINABLE DEVELOPMENT: LEVERAGE NEW OPPORTUNITIES IN A DEGRADED ENVIRONMENT

In a global context where the need for sustainable development is an increasingly important issue, countries and companies are launching ever greater numbers of initiatives to advance practices. 2015 was a tipping point: on the one hand, the signing of the Paris Agreement aimed to encourage States to commit to reducing greenhouse gas emissions to limit global warming to 2°C, even 1.5°C, and on the other hand, the United Nations published an international roadmap with 17 Sustainable Development Goals to end poverty, protect the planet, and ensure peace and prosperity for all.

These two initiatives involve States and thus by extension, businesses, for which they represent key strategic issues that provide guidance for investors and stakeholders in their decision-making.

The transport sector has begun to tackle these issues, and the measures taken by professional federations and trade unions demonstrate their desire to make headway in these areas alongside their members.

The IRU (International Road Transport Union) has confirmed, beyond its technical missions, that it devises and supports policies to promote more efficient and sustainable road transport as well as engaging in discussions on key questions such as energy and social responsibility to constantly evolve within the market. As such, the IRU has stated that the sector has reduced its emissions by 20% over the last 20 years and has committed to a 30% reduction by 2030. The IRU has also committed to helping businesses reduce their accident rates by running training courses and programmes on road safety.

For its part, the IATA (International Air Transport Association), which represents 280 airlines, has undertaken to reduce the environmental impact of air transport and in particular to reduce emissions by 50% by 2050 compared to 2005 levels.

Sea transport has also incorporated these issues into its operations: the ICS (International Chamber of Shipping) has identified the challenges facing the sector such as reducing CO<sub>2</sub> emissions, ballast water management, and ship recycling, among others.

Lastly, the rail transport sector has made commitments to tackle sustainable development issues: the UIC (International Union of Railways) is working on safety and reducing the sector's CO<sub>2</sub> emissions.

In parallel to these broad trends, the logistics sector is undergoing a transformation brought about by the development of digital technology and big data, as well as the upcoming arrival of autonomous vehicles.

### GEFCO'S SOCIAL RESPONSIBILITY

#### An engaging CSR approach

In accordance with these global challenges, its history and its vision, GEFCO has embraced since 2009 the obligations of the United Nations Global Compact on Human Rights, international labour standards, the environment and the fight against corruption. The values of the GEFCO Group reflect this commitment, and in particular the desire for cooperation and the drive to forge partnerships with the entire value chain.

A global framework agreement on the company's Social Responsibility was signed in 2010, renewing the initial agreement dating from 2006. Through this agreement, the GEFCO Group and its subsidiaries undertake to respect and promote human and fundamental rights, to apply best practices in management and human resource development, to involve all of the stakeholders and to take action to protect the environment.



## SUSTAINABLE DEVELOPMENT STAKES

“GEFCO maintains long-term partnerships based on trust and on its ability to respond to needs with innovative solutions.”

For several years now, GEFCO has submitted its approach for evaluation to EcoVadis, which rates GEFCO's maturity on social, environmental, business ethics and responsible purchasing matters. In 2017, GEFCO was given a rating of 60/100, almost unchanged since 2016, thus demonstrating its level of maturity in these areas.

The transport sector plays an important role in reducing greenhouse gases, which is why GEFCO also completes the CDP questionnaire on the management of its carbon emissions.

Despite an increasingly stringent rating system year on year, GEFCO improved its score in 2017 receiving a B rating, thus demonstrating its ability to manage its emissions.

At the end of 2017, GEFCO chose to take its approach one step further and initiated a materiality analysis with the aim of prioritising its social responsibility issues by submitting them to its internal and external stakeholders. This analysis will enable GEFCO to revise or consolidate its current commitments and processes in terms of both its service offer and its day-to-day operation.

### Partnering with our ecosystem

Within the framework of the new version of the ISO 9001 and 14001 standards, GEFCO has mapped its stakeholders and produced an amended version thereof to perform the materiality analysis. The GEFCO Group has identified its priority stakeholders.

Along with its ordering customers, GEFCO maintains long-term partnerships based on trust and on its ability to respond to needs with innovative solutions. In 2017, over 30 among the main customers requested that GEFCO complete the EcoVadis assessment and 5 customers asked the company to respond to the CDP questionnaire, thus demonstrating a desire to work together in establishing responsible supply chains. Some of these customers also conduct on-site audits to verify the regulatory compliance of our depots, particularly when it comes to health and safety.

Customers with an advanced CSR initiative, whether ordering parties or recipients, are particularly interested in GEFCO's capacity to provide information on the CO<sub>2</sub> emissions generated by transport services.

As GEFCO is also a logistics agent, the use of carriers is very important. In 2016, GEFCO initiated a responsible purchasing policy (which was deployed in 2017) by which service providers with the most positive evaluations receive customised support from GEFCO. The aim is to encourage all of its service providers to adopt a continuous improvement approach to introduce emulation and, in fine, improve the sector's handling of sustainable development issues.

Other service providers and subcontractors working on the sites, as well as temporary workers, are fully incorporated into the GEFCO health and safety process. They are also required to apply the same instructions as GEFCO employees when it comes to environmental protection.

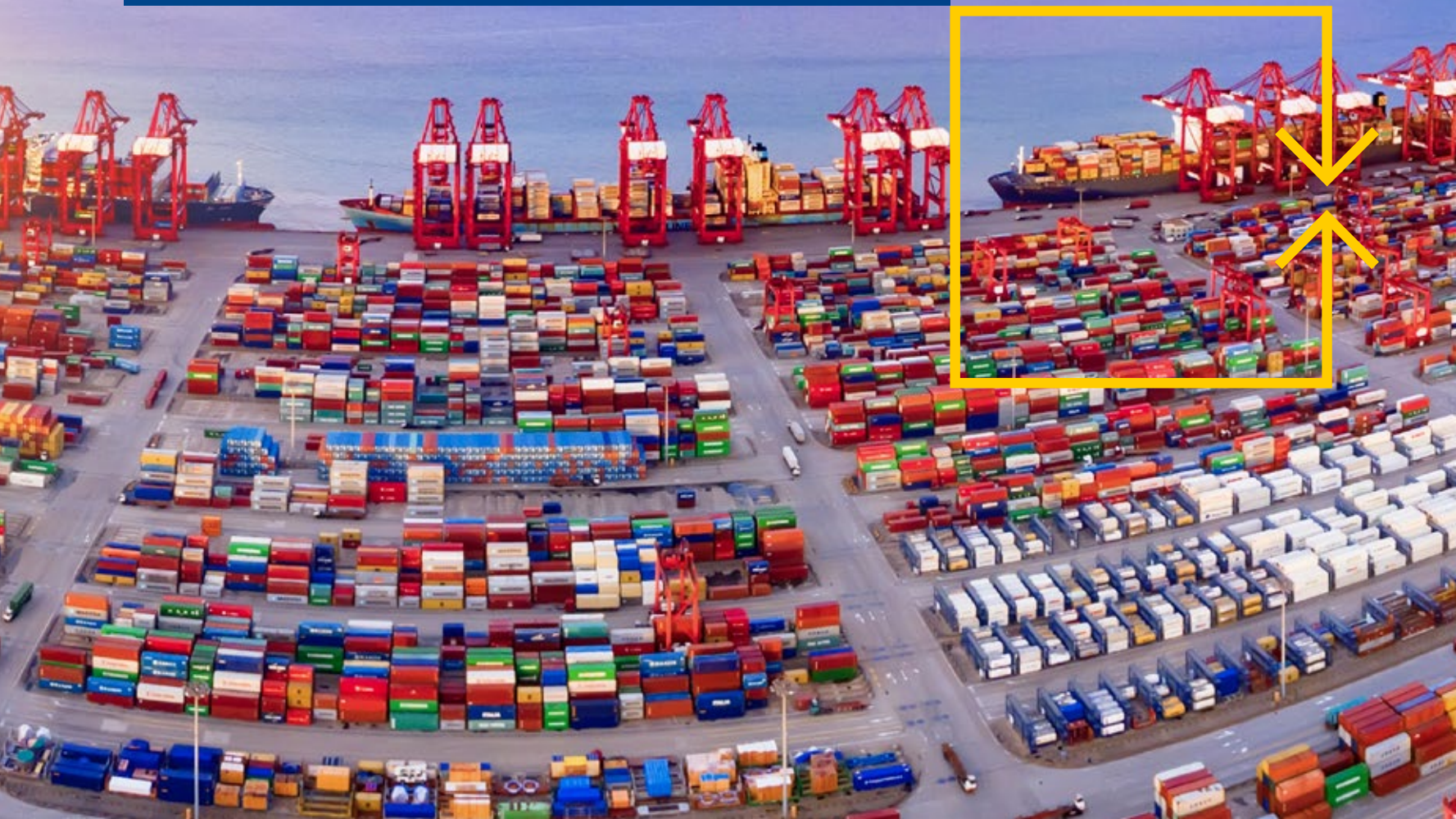
Furthermore, GEFCO is involved in professional federations. The carbon officer participates in the TLF (French Union of Transport and Logistics Companies) sustainable development commission which meets every quarter to reinforce the environmental initiatives undertaken by member companies and to put in place tools to manage the commitment to sustainable development.

With over 300 sites worldwide, the Group's relations with local stakeholders are crucial. As such, GEFCO meets with local authorities and administrations when setting up a new site in order to ensure its success and to create solid foundations for a good relationship.

GEFCO is particularly attentive to maintaining good relations with local residents. A report of complaints from residents (noise complaints, for example) is drawn up annually and responses are prepared to satisfy demands.

The Group is eager to incorporate young graduates. To do so, the Group's subsidiaries are encouraged to create partnerships with local schools and universities. These students are introduced to the logistics business and may become interns, apprentices and future recruits for the Group.

# Responsible service offers



## RESPONSIBLE SERVICE OFFERS



GEFCO develop multimodal transport and alternative routes.

## DESIGNING OFFERS

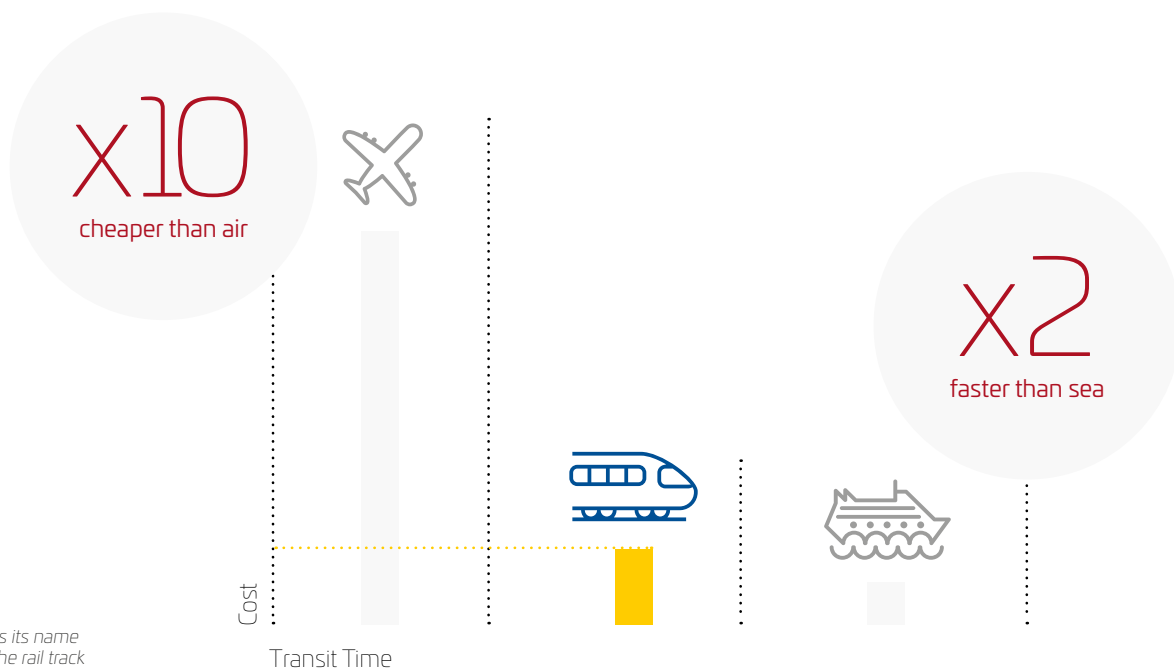
### A growing Group

The GEFCO Group is expanding and one of its development priorities is to offer customers an increasing number of destinations served by different modes of transport as well as strengthening its networks and logistics operations. The acquisition of IJS Global in 2015 was finalised through the successful integration of all operations with the former OVS (Overseas) activity, now renamed F-FWD (Freight Forwarding).

This development through external acquisition supplements internal development with, for example, the creation of a new subsidiary in Greece. Greece manages 18% of world merchant shipping, making it a competitive country from which to propose multimodal offers.

The Group has also developed new multimodal routes between Europe and Asia in particular. In 2013, China launched a 'Belt and Road' initiative designed to breathe new life into the Silk Road. GEFCO has chosen to support this initiative and to create new multimodal routes across the 1520<sup>(1)</sup> zone and to China.

In addition to costs ten times lower than that of air transport and lead times cut in half compared to sea transport, rail transport significantly reduces environmental impacts with 5 times fewer emissions than sea transport.



1/ The 1520 zone, which takes its name from the specific width of the rail track (1,520mm) in the zone, comprises Russia, the Commonwealth of Independent States, Georgia, the Baltic States, Finland and Mongolia.



## RESPONSIBLE SERVICE OFFERS



Given these statistics, three new routes have opened in 2017.

The Central Europe - Asia Route via Koper in the Adriatic. GEFCO operates sea transport between Koper and China with pre- and post-shipment via rail or road.

Another new route opened between Europe and China in 2017 passing via the port of Riga in Latvia. Lead times of between 12 and 14 days are on a competitive level compared to air transport at a reduced cost and environmental impact. GEFCO organises pre-shipment in Europe, sea transport to Riga, and rail transport to the final delivery destination in China.



## RESPONSIBLE SERVICE OFFERS

Lastly, in November 2017, the first block train transporting containers left China for a rail-only journey from Wuhan to Dourges in France. This train crossed 7 countries in under three weeks, demonstrating GEFCO's capacity to coordinate both internally with collaboration between three Forwarding teams (Shanghai, Moscow and Paris) and externally with its rail partners in China, in the 1520 zone and in Europe.

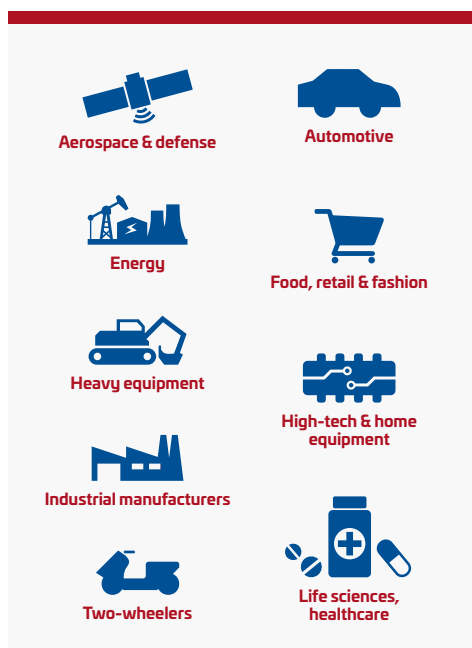


These new routes will allow GEFCO to pursue its strategy to develop responsible offers.

### Designing responsible offers

GEFCO has been marketing its expertise in logistics and transport for over 65 years. To assist its customers to the best of its ability, GEFCO has developed 6 key offers:

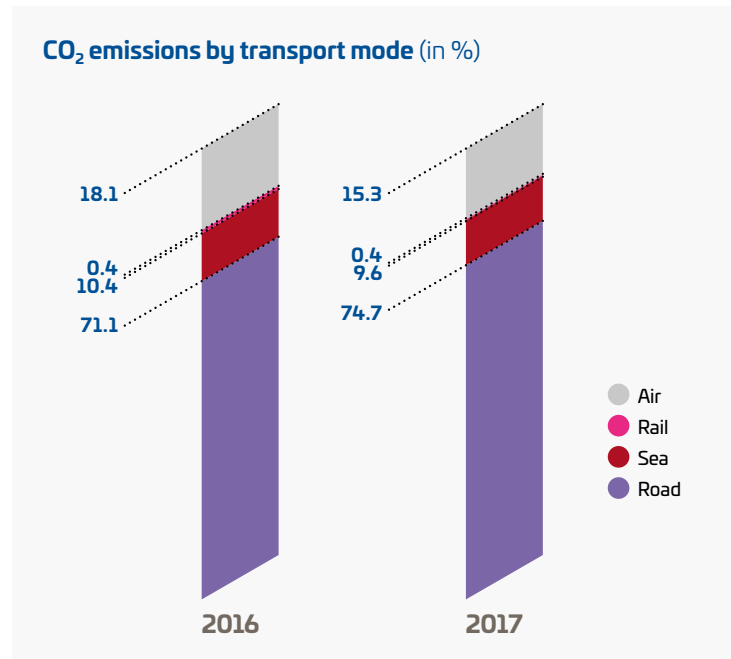
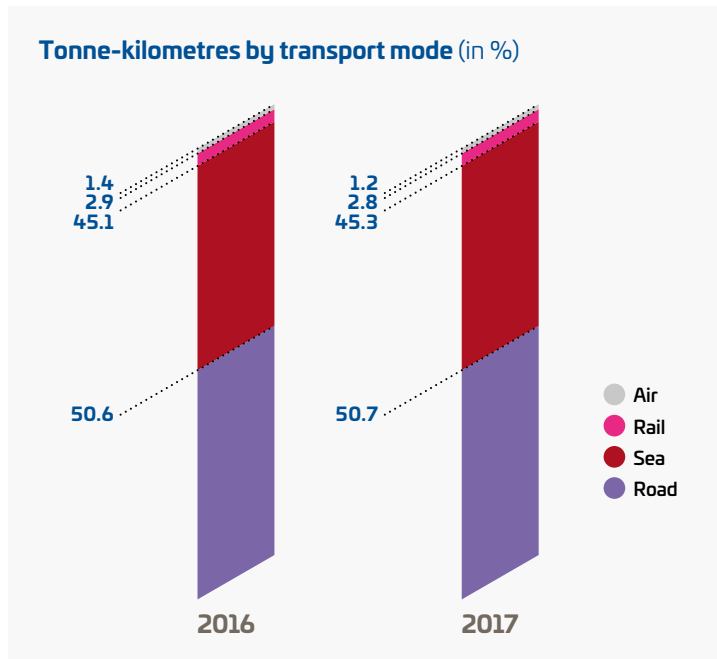
- 1 Core Freight: sea, road, air and rail transport services
- 2 Integrated Logistics: design and coordination of production site supply and distribution to warehouses and points of sale (finished products, vehicles, spare parts). This offer is comprised of 3 business lines since the end of 2017: OVL (Overland), WHS (Warehousing) and FVL (Finished Vehicle Logistics)
- 3 Strategic-Xpert: customs and tax engineering and integral supply chain management and oversight (LLP - Lead Logistics Provider and 4PL - Fourth Party Logistics expertise)
- 4 One Time solutions: transport solutions for one-off needs (events, urgent transport, outsize transport)
- 5 Geo-Gateways: transport and logistics solutions (warehousing, packaging) designed by local experts around the world
- 6 Industry Solutions: a dedicated offer for all types of business sectors



## RESPONSIBLE SERVICE OFFERS

For GEFCO, helping its customers optimise their logistics chain also means optimising flows and reducing their carbon footprint.

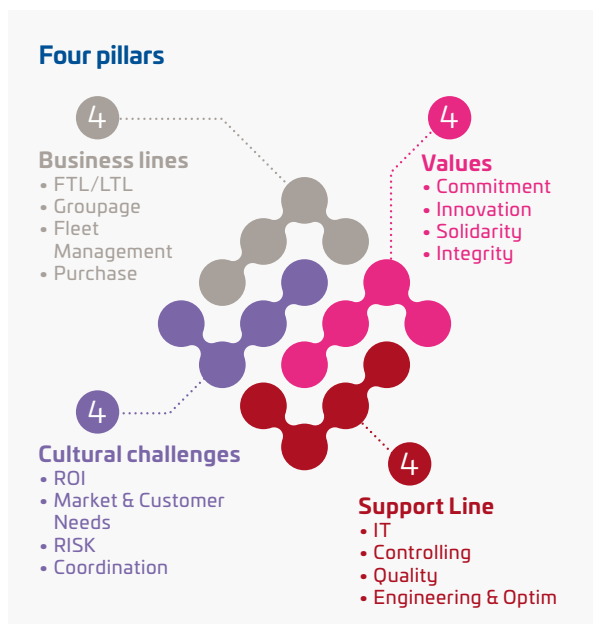
In 2017, most flows were transported by road or sea, unchanged from 2016.



Optimising transport means triggering several levers:

- improving loading rates,
- reducing empty return rates,
- decreasing average consumption per 100 kilometres.

These three levers have a direct impact on the number of tonne-kilometres and therefore on CO<sub>2</sub> emissions. The use of so-called 'soft' modes of transport is a major avenue for improvement.



### OPTIMISING ROAD TRANSPORT

Regarding road transport, actions to optimise transport plans have been put in place. These actions are implemented within the framework of the OVL streamlining policy which is based on 4 pillars.

As such, groupage optimises rounds by increasing fill rates and by reducing the number of kilometres covered. The roll-out of the new version of the CADIS OPTIM tracking software continued to this end in 2017 and will run until 2019. This new version provides for the development of a transport optimisation function that schedules truck rounds using computer software. The tool is already used by all of the OVL depots and the roll-out of the new function was launched in 2016. New sites are gradually being incorporated.

Tests run at a pilot site identified the following gains: 15% fewer kilometres covered, 4% higher fill rates, 9% fewer trucks on the road.

## RESPONSIBLE SERVICE OFFERS

The network of depots has been reviewed with the creation of hubs in order to further optimise logistics plans. The aim is to create corridors between the hubs making it possible to group goods or vehicles to be transported to a greater extent and thus maximise fill rates.

### DEVELOPING MULTIMODAL TRANSPORT

In order to offer its customers transport modes that generate fewer emissions, GEFCO needs to develop new transport routes. A dedicated team has been established to this end within the Freight Forwarding business line: the Rail Corporate team. These specialists have worked to create two new rail routes between Europe and Asia.

The most relevant avenues for rail transport development are transport within the Europe zone, within the 1520 zone, between Asia and Europe, between Europe and the 1520 zone, and between Asia and the 1520 zone.



This development opportunity in this area is partly the fruit of the company's preferential access to rail lines in Russia thanks to its majority shareholder JSC Russian Railways (RZD).

### OFFERING WAREHOUSING WITH A LOWER ENVIRONMENTAL IMPACT

Beyond its transport activities, GEFCO also offers its customers logistics services.

The Group's sites have been accredited according to stringent reference systems in order to meet the demands of the chemical industry.

As such, sites have been evaluated in Germany, France and Italy based on the SQAS (Safety & Quality Assessment for Sustainability) assessment developed by Cefic (the European Chemical Industry Council) which carries out a third-party assessment of the maturity of carriers in the areas of quality, health and safety, the environment and CSR.

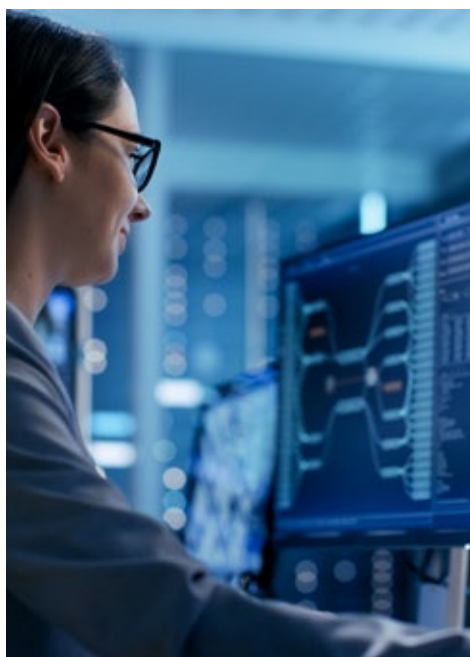
The PLIP platform in Le Havre, France, has obtained MASE certification (certification of health and safety and environmental management systems).

## RESPONSIBLE SERVICE OFFERS

At the end of 2017, GEFCO invented a new eco-responsible model for vehicle storage. Following the installation of solar panels at its vehicle storage yard, the Courgenay site in Switzerland supplies its own electricity and recharges electric vehicles in the yard. Furthermore, the rainwater collected is used to wash vehicles.

### CASTOR

The in-house software Castor allows the company to pass on information on CO<sub>2</sub> to the customers for services carried out over a given period.



### Measuring the CO<sub>2</sub> impact of offers

During the *Grenelle II de l'environnement* (or Grenelle II environment round table), the French government invited road carriers to commit to programmes to reduce CO<sub>2</sub> emissions. In 2011, the French government decided to take this one step further and required carriers to publish CO<sub>2</sub> emissions linked to logistics chains as of 2013. As such, carriers must be able to provide information on these CO<sub>2</sub> emissions for all transport services to or from France.

GEFCO has equipped itself with in-house software, Castor, connected to the business line management systems in order to collect transport data. Alongside its CRM (Customer Relationship Management) system, this allows the company to pass on information on CO<sub>2</sub> emissions to customers making this request for services carried out over a given period.

The software differentiates emissions according to two criteria:

- upstream emissions (CO<sub>2</sub> emitted to produce the fuel burned during the provision of transport),
- combustion emissions (CO<sub>2</sub> emitted from fuel burned during the provision of transport).

Furthermore, emissions can be broken down by activity (OVL-Overland, F-FWD-Freight-Forwarding or FVL-Finished Vehicle Logistics) and by transport mode use (Road-Full/Part Loads, Road-Groupage, Rail, Sea, or Air).

The tool is accessible to customers online and a report can be produced on request giving a summary of all emissions over a given period.

The tool also provides information on tonnes transported, distances covered and tonne-kilometres, thus making it possible to analyse the efficiency of the transport provision in terms of CO<sub>2</sub> emissions and to work on further improvements to logistics plans.

In order to do so, the Castor software generates emissions simulations for possible transport plans and thus guides decision-making by taking into account the CO<sub>2</sub> criterion.

For customers, and particularly those committed to a carbon reduction strategy, this tool is key in helping them coordinate their data. To ensure that customers have a good understanding of how the tool functions, sales representatives have been given access to an e-learning training programme. They thus receive training on the use of the tool and can generate simulations of past journeys or those under consideration.

## A RESPONSIBLE LOGISTICS CHAIN

As part of its role as a transport agent, GEFCO calls on a large number of service providers to perform services according to the deadlines and requirements set by its customers.

The supplier panel is very varied in terms of size, geographic location and services provided.

In addition to the classic quality/cost/lead time criteria, the Purchasing department has decided to include social, environmental and ethics criteria for its service provider referencing. New resources have been assigned to this objective.

## RESPONSIBLE SERVICE OFFERS



The number of hybrid or electric light vehicles and the number of drivers with training in eco-driving are listed as mandatory element.

### Risk mapping

The referenced suppliers meet the criteria set in terms of price, quality, performance and needs alignment while also complying with legislation and regulations (countries under embargo, for example). Since 2012, they have been recorded in a CMS (Carrier Management System) tool which lists all services. Carriers have access to this tool and must contractually update their information regarding both the services they provide and proof of their compliance with legislation. The list of mandatory documents is given according to the service provider's country of origin. For example, the carrier's turnover is required in order to determine its level of dependence on GEFCO and the breakdown of its fleet in terms of environmental standards. The number of hybrid or electric light vehicles and the number of drivers with training in eco-driving are also listed as mandatory elements. If a document is not up to date, a notification is sent to both GEFCO and the carrier.

The tool currently ranks service providers according to mainly financial criteria.

Additional work is under way to hone this ranking. These criteria are established for road carriers and are currently being examined for application to other purchases. For road transport, operational criteria such as the size of the owned fleet and the capacity to computerise processes are included along with two sustainable development criteria: one regarding Euro emission standards, and the other regarding the participation or lack thereof in the sustainable development questionnaire.

A purchase mapping is currently being drawn up in collaboration with the country purchasers so as to calculate risk levels and identify and subsequently audit the most vulnerable service providers. Major risks will be identified and addressed.

### Evaluation procedures

A Responsible Transport Purchasing Charter was drawn up in 2016 and rolled out in 2017 among the largest service providers of the OVL business line. The roll-out has started for the FVL activity. This charter recalls GEFCO's commitments in terms of social responsibility and requires service providers to commit to several points:

- compliance with the GEFCO Code of Ethics
- respect for fundamental rights, particularly by banning child labour, forced labour and all forms of discrimination
- respect for the health and safety of employees and service providers
- environmental protection.

By signing this charter, the service provider accepts to respond to the sustainable development questionnaire sent out by GEFCO once a year and to submit to regular checks to ensure commitments are fulfilled.

At the end of 2017, more than 1,100 service providers in road flows had signed the charter, representing over 71% of the category's purchasing budget.

The sustainable development questionnaire is an important pillar of the responsible purchasing policy. It supplements the information taken from the CMS tool and can be used to categorise service providers. It includes questions on possible certification or labels (ISO 14001 and 50001, CO<sub>2</sub> label), on fleet composition, on energy consumption and CO<sub>2</sub> emissions, on accident rates and on responsible purchasing, and filters the information input into the CMS tool by relevance.

# 71%

At the end of 2017, more than 1,100 service providers in road flows had signed the charter, representing over 71% of the category's purchasing budget.

## RESPONSIBLE SERVICE OFFERS

“GEFCO reaffirms its desire to ensure that its service providers and subcontractors apply the same principles and requirements as those applied within the company.”

In 2017, the questionnaire was sent out to service providers that had signed the Charter in 2016. 35% of the targeted signatories returned the questionnaire. A discussion is under way on the management of questionnaire sending and returns in order to improve the response rate.

In parallel to the signing of the Charter and the sending of the questionnaire, audits are carried out among service providers. The auditing reference system includes the verification of data imported into the CMS tool by the service provider, particularly data regarding the age of its owned fleet, eco-driving training courses taken, ISO 14000 or ISO 50001 certifications, consumption tracking and regular awareness-raising among drivers, road safety rules, accident rate monitoring and the implementation of an anti-addiction policy.

The audits were launched in 2015 with approximately 120 conducted every year, of which 10% to 15% resulted in a second audit due to weaknesses detected which required an action plan and specific follow-up.

### Actions

In its Code of Ethics and its Global Agreement on Social Responsibility, GEFCO reaffirms its desire to ensure that its service providers and subcontractors apply the same principles and requirements as those applied within the company.

Since 2016, prevention activities have been put in place among OVL carriers to improve health and safety. Developed in consultation with the GEFCO health & safety officer, newsletters are sent out to carriers in printable format on a quarterly basis and translated into 23 languages so that they can be conveyed to drivers. The subjects covered vary according to current events. To date, the topics covered have addressed safe driving, ground safety and security rules (behaviour to adopt to prevent or react to the theft of goods or trucks). This awareness-raising measure will gradually be extended to the FVL activity.

Following the categorisation of service providers, the Purchasing department is eager to offer top-level service providers ‘rewards’ in the form of joint actions to help them improve their performance and help carriers develop their skills. The subsidiary purchasers are invited to pass on the best practices put in place to their service providers. A few targeted carriers will initially take part in a pilot phase. One of the measures supported by GEFCO will be eco-driving courses.

The service providers that receive the lowest scores will receive fewer assignments.

The audits conducted at supplier sites will result in action plans in the event of discrepancies with regard to the Group requirements. These action plans are monitored by purchasers and will soon be incorporated into the audit tool used by the GMS department: audit schedules and frequency as well as action plans and the monitoring of these plans.

### Effectiveness of the measures taken

In 2017, 71% of road transport purchases were covered by the signing of the Responsible Purchasing Charter. 155 service providers responded to the questionnaire, which was put in place in 2017. The average score for compliance with GEFCO’s requirements stood at 74.2% in 2017, compared to the targeted 80%.

Improving these indicators as well as the business line indicators (accident rates, breakdown of the fleet by Euro standard, number of drivers with eco-driving training, etc.) will help reinforce the relevance and efficiency of the actions put in place or currently under consideration.

Feedback is given on these indicators during the quality and environment management review, which includes CSR information, and with results.



# Corporate Social Responsibility

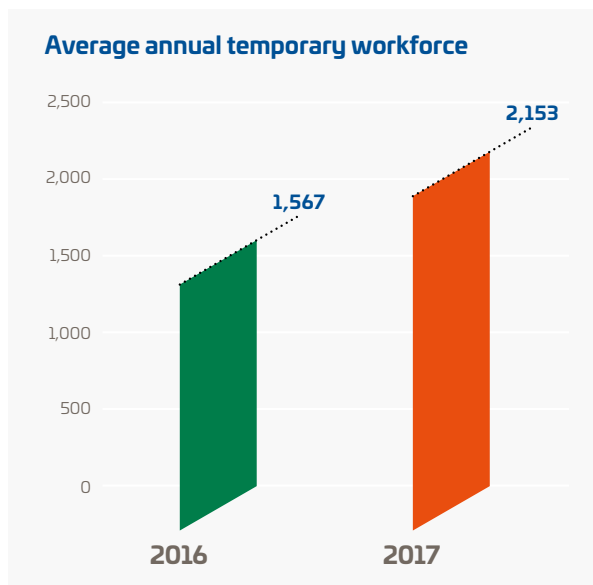
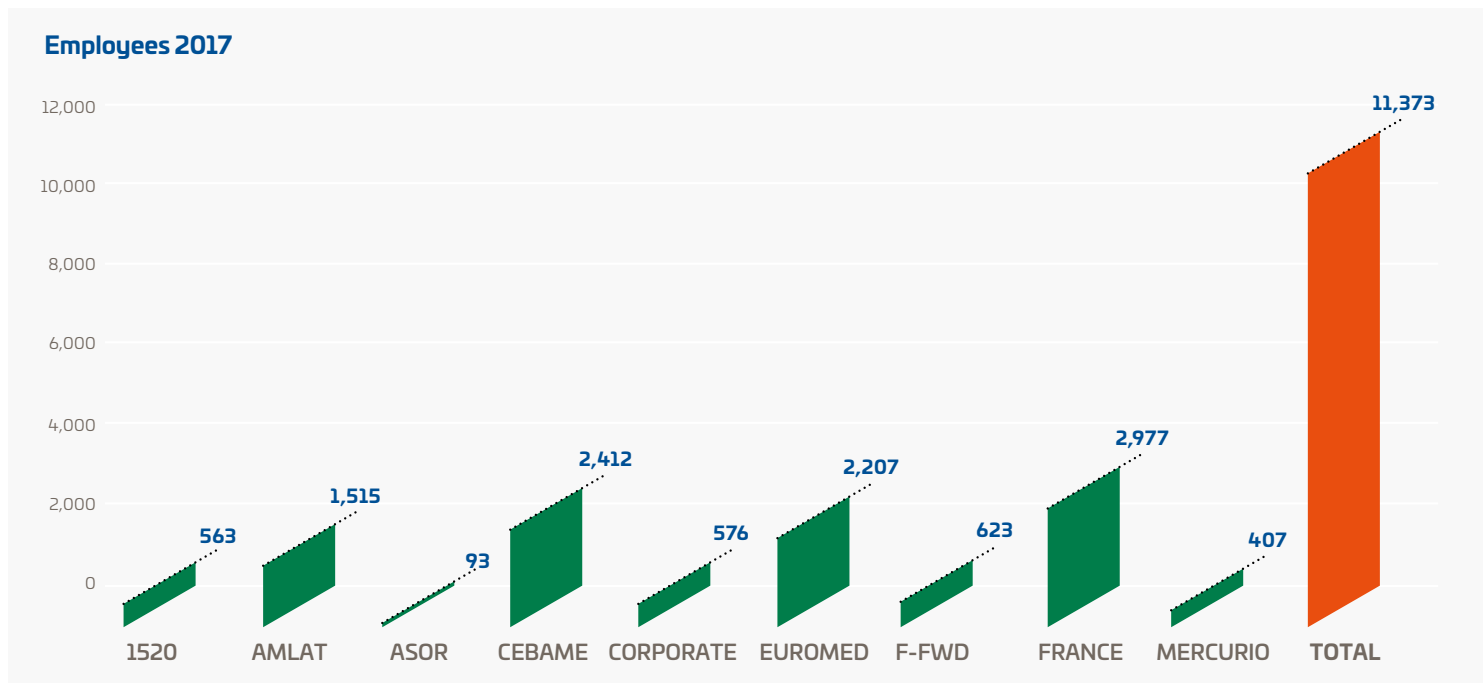


**CORPORATE SOCIAL RESPONSIBILITY**

**AN EXPANDING COMPANY**

**The workforce of GEFCO and its subsidiaries**

Within the framework of its international development and its growth strategy, the GEFCO Group headcount was up on 2016, particularly in the LATAM zone due to a new contract with Volkswagen in Argentina and in the France zone with the integration of 2 new companies: GEFCO INDUSTRIAL SERVICES (GIS) and GEFCO AUTOMOTIVE SERVICES (GAS).

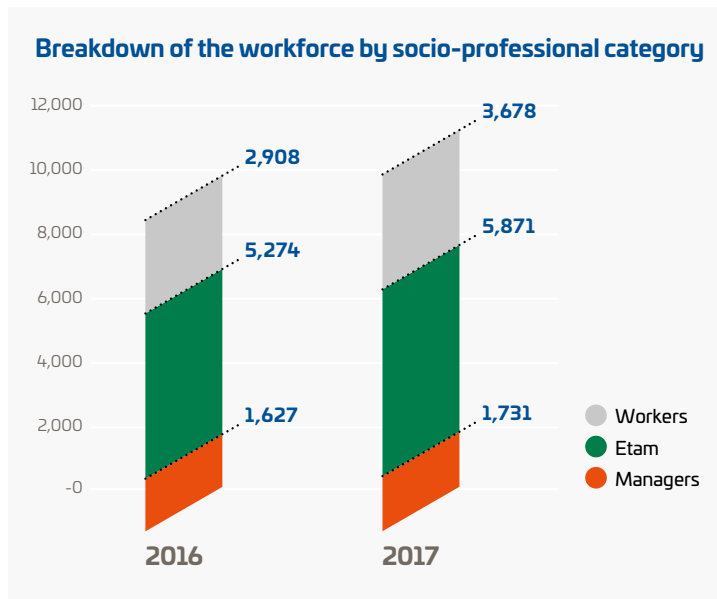


As at 31 December 2017, the Group had 11,373 employees on permanent and temporary contracts (including apprentices, employees on professional contracts and expatriates), i.e. up 6.3% compared to 2016. The number of temporary workers stood at 2,153, i.e. a variation of 29% compared to 2016, notably explained by the integration of Freight Forwarding, GIS and GAS.

In response to the decreased volumes generated by customers, GEFCO has implemented a reduction in force plan in France.

The context of the economic crisis in Brazil has had a direct impact on the GEFCO sites as well as all of the country's economic players, resulting in a significant cut back in activity. In order to address these difficulties, GEFCO Brazil has introduced a recovery plan that has led to a drop in the workforce.

## CORPORATE SOCIAL RESPONSIBILITY



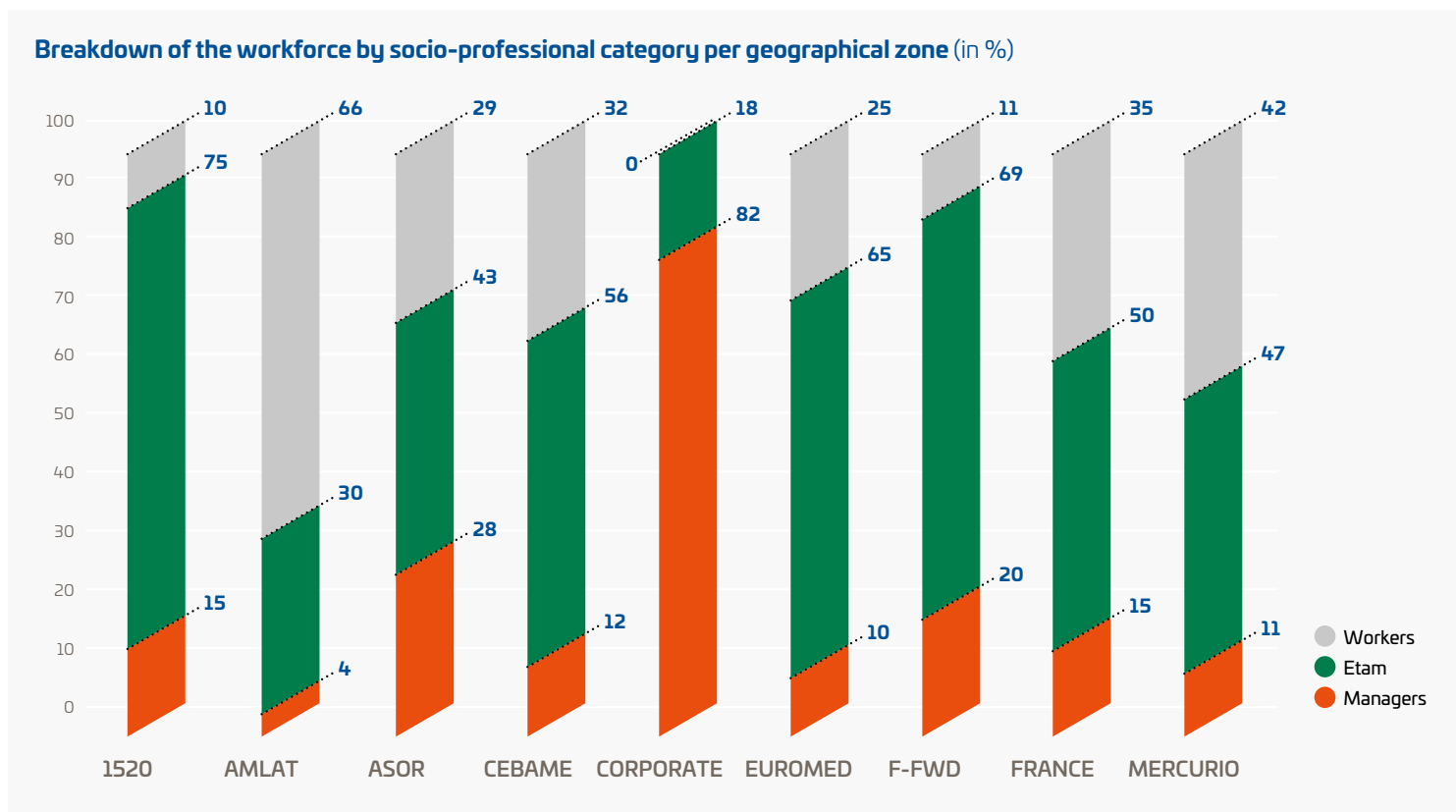
The breakdown of the workforce remains stable in 2017 compared to 2016, with 33% Workers (manual and sedentary), 52% Employees, Technicians and Supervisors, and 15% Managers.

The France zone, which has the largest share of the Group's headcount, recorded the largest proportion of Workers, Employees, Technicians and Supervisors (86%, 2,977 all socio-professional categories combined).

Due to its support functions, the Head Office does not employ blue collars but relies on a large number of managers, which explains the marked disparity with the other regions.

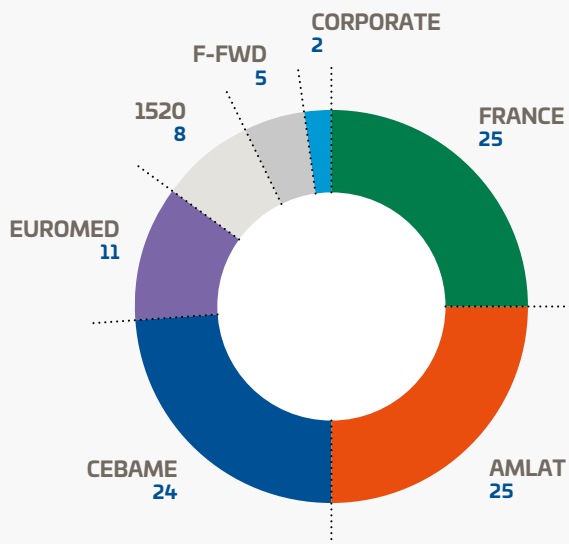
The LATAM zone has the highest concentration of blue collars, representing two thirds of the headcount.

▶ Excluding Mercurio Argentina (93), the data for which is unavailable.

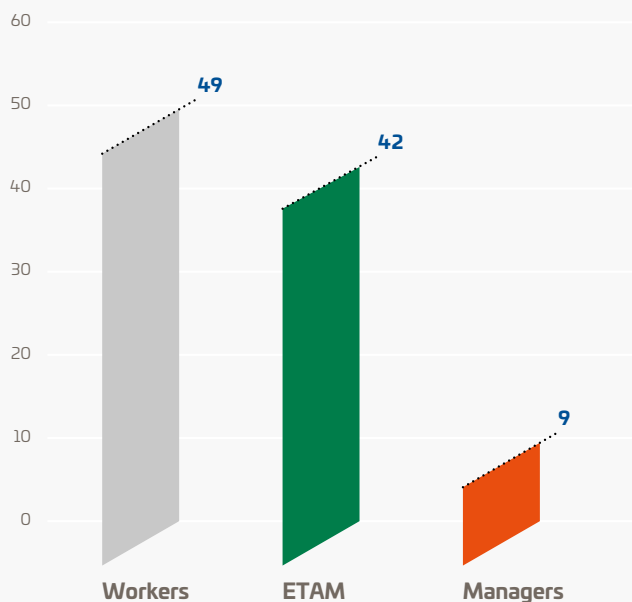


## CORPORATE SOCIAL RESPONSIBILITY

Breakdown of recruitments by geographical zone (in %)



Recruitment by socio-professional category (in %)



### Recruitments and departures

The data concerning the Mercurio subsidiary has not been included in this section due to non-availability. Recruitment is a key step for a company in preparing the future and anticipating upcoming needs. The recruitment policy is based on four pillars: transparency, visibility, efficiency and assertion.

Each country ensures the necessary recruitments for its activity using local tools as well as the processes developed at Group level. A careers site, available in seven languages, presents the vacant positions worldwide. Internally, employees have personal access to the site so as to receive notifications of job openings that fit their profile and to allow them to take advantage of internal transfers.

In 2017, the GEFCO Group initiated a review of its recruitment practices and implemented programmes to develop the employer brand, for example through the creation of global partnerships with socio-professional networks such as LinkedIn. At the end of 2017, GEFCO had 37,000 followers. The Country Human Resources managers received training in the employer brand concept as well as in standardising recruitment practices.

The countries develop partnerships with schools to attract young talent. In France, GEFCO Corporate has forged partnerships with business schools such as Audencia and ISC Business School and engineering schools such as UTT and the École Nationale Supérieure d'Arts et Métiers Paris Tech. In Germany, the Mainz site has concluded a 3-year partnership to host students from the University of Mannheim, while in Russia, GEFCO participates in job forums run by universities in order to recruit interns. In 2017, 5 out of 27 interns were recruited as a result of these job fairs.

The review of recruitment processes is set to continue in 2018 in order to help the countries increase the efficiency of their processes.

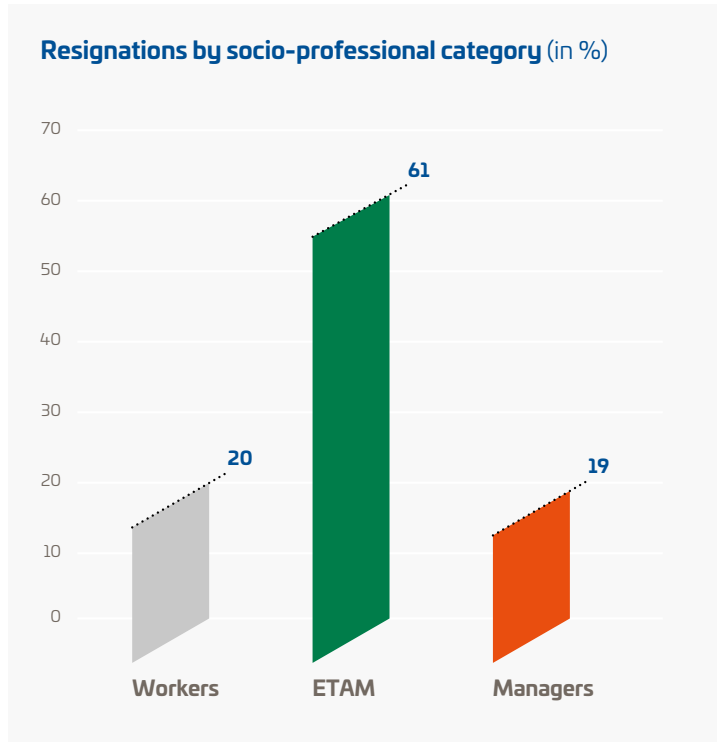
The trends in the workforce in 2017 were notably linked to recruitments in the LATAM and CEBAME zones designed to support business development. As such, 1,920 employees were recruited on permanent contracts in 2017, up 27% compared to 2016 (1,513 recruitments). Turkey and the United Kingdom have shown marked progress due to the integration of numerous temporary workers, with both subsidiaries looking to secure employment.

**Breakdown of recruitments by geographic zone**  
 (see chart to the left)

#### Recruitment by socio-professional category

Recruitment needs were primarily focused on blue collars who represented 49% of recruitment in 2017 (937 people), compared to 42% for Employees, Technicians and Supervisors (806 people), and 9% for Managers (177 people).

**CORPORATE SOCIAL RESPONSIBILITY**

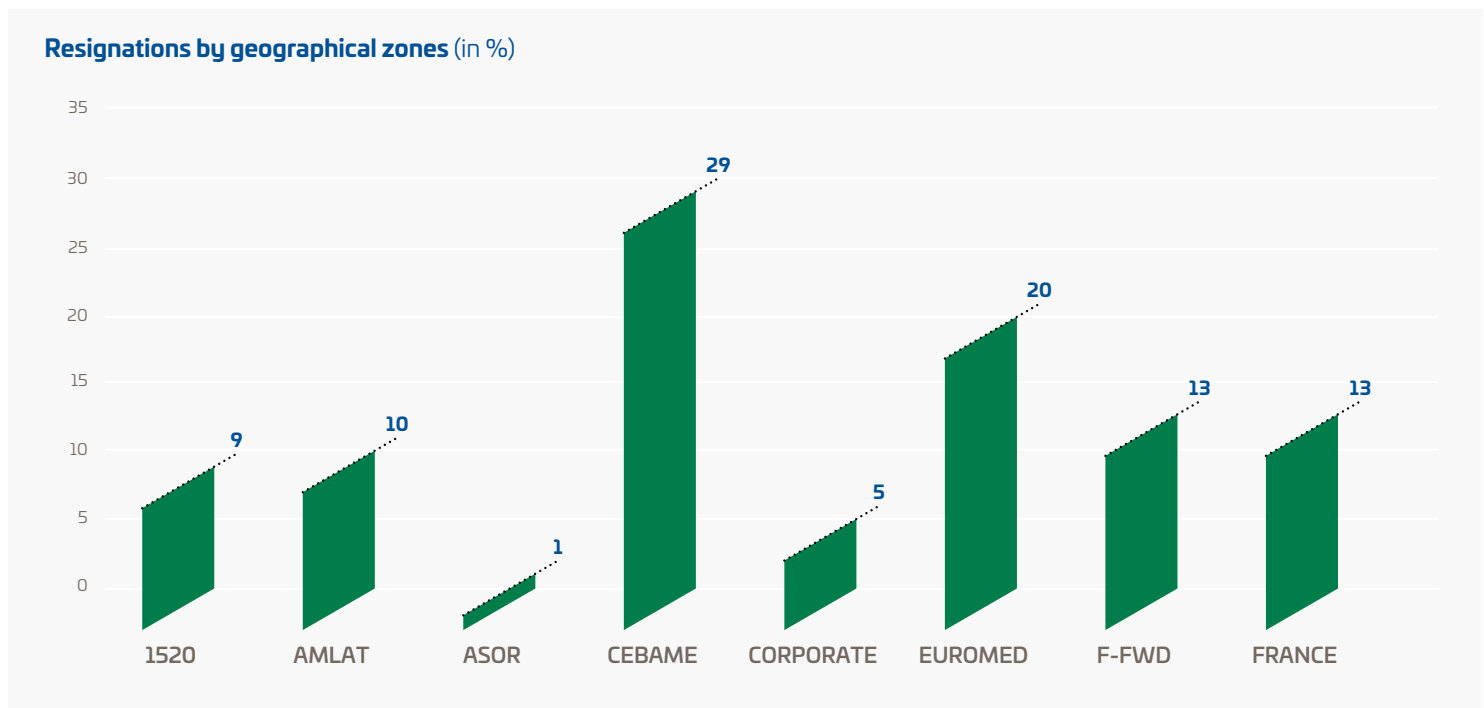


**Resignations in 2017**

The GEFCO companies recorded 704 resignations in 2017, 61% of which by Employees, Technicians and Supervisors. This proportion is identical in all of the geographic zones with the exception of France where Managers represented 32% of voluntary departures.

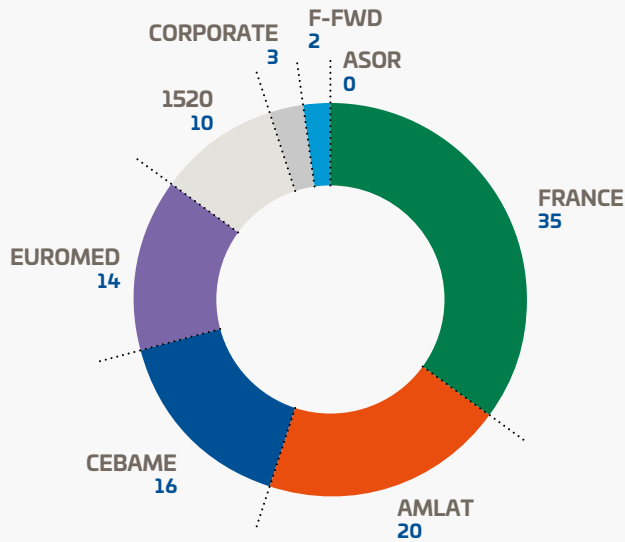
These resignations primarily concerned the CEBAME (29% resignations, i.e. 203 departures of which 39% at the Slovakian subsidiary) and EUROMED (20%, 140 departures) zones.

The France zone and F-FWD recorded 14% (97 departures) and 13% (91 departures) of resignations respectively.



**CORPORATE SOCIAL RESPONSIBILITY**

**Redundancies by geographical zone (in %)**



**Redundancies in 2017**

The GEFCO companies recorded 635 redundancies in 2017, i.e. 7% of the headcount at the start of the year.

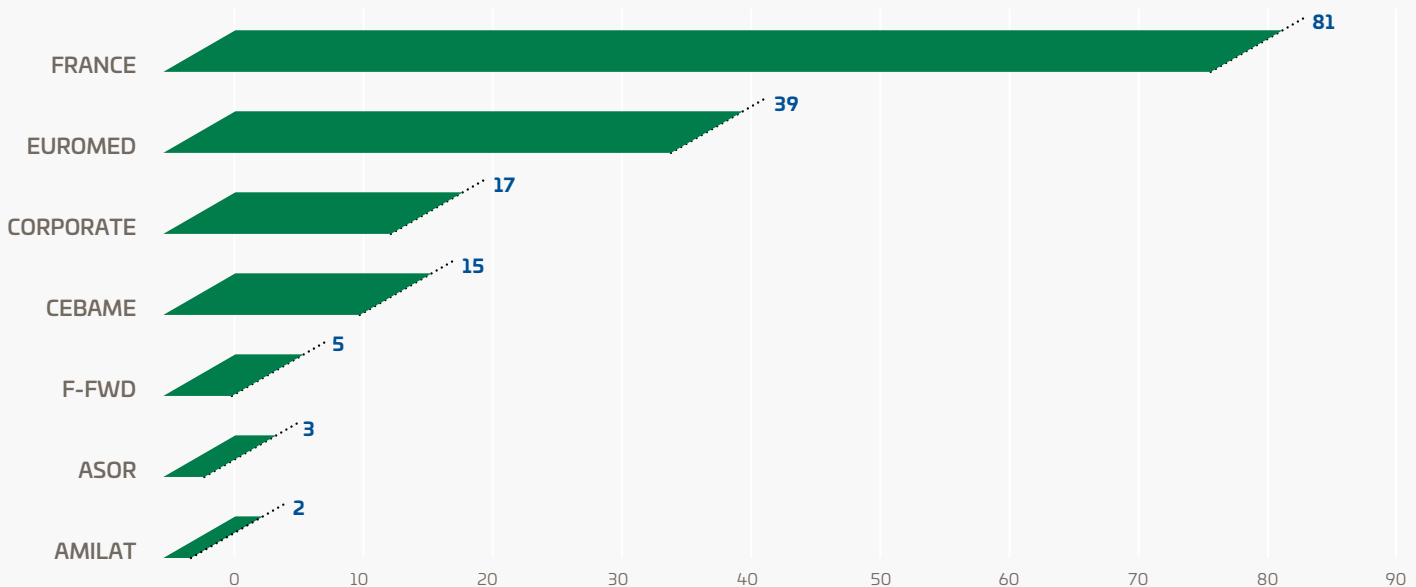
These redundancies were primarily concentrated in the France zone (35%, 223 redundancies), notably due to the continuation of the Job Protection Plan initiated in 2015.

The LATAM zone recorded 137 redundancies, i.e. almost 20% of the Group total, of which 59% concerned Brazil due to the economic crisis and the drop in PSA volumes.

**Retirements in 2017**

France accounted for half the retirement departures.

**Retirements by geographical zone (in %)**



## EMPLOYEE RETENTION AND ENGAGEMENT

### Motivation factors

At the end of 2016, the GEFCO Group conducted its first engagement survey in all of its subsidiaries, known as Pulse. Some 7,000 employees responded to the survey, giving a participation rate of 76%.

The survey illustrated employee satisfaction with regard to their work/life balance, GEFCO's ability to put their skills and experiences to good use, and to encourage diversity.

The avenues for improvement identified concern the reputation of the GEFCO brand, the optimisation of processes and structure, and the clarification of the remuneration system.

In January 2017, 300 managers attended a meeting presenting the GEFCO brand, which had been previously approved by the Executive Committee.

A number of local working groups allowed employees to put forward improvement actions on the topics that were identified as areas for improvement at their sites or within their entities.

The survey will be renewed in 2018 in order to measure the progress of the results obtained following the implementation of action plans.

### THE INFINITE PROXIMITY™ TOUR

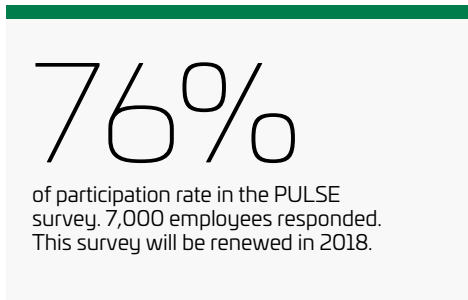
In 2017, GEFCO chose 10 emblematic principles of its corporate culture that should underpin all of its employees' actions and decisions. These ten principles, united under the Infinite Proximity™ programme, act as guidelines to follow for GEFCO's development:

- innovate: become innovation enablers
- integrate on demand: provide the GEFCO smart solution
- increase trust: earn trust everyday
- design lasting cooperations: challenge the easy way
- explore: we open our space
- Infinite Proximity™: build close connections
- growth and long-term profitability: co-create value
- strong partner: nurture our ecosystem
- flexible and knowledgeable pool of people: grow together
- commitment to a global network: act as one network.

The launch of these 10 principles provided an opportunity for the entire Executive Committee to take part in a roadshow:

11 meetings were held in 8 different countries in Europe, Asia and South America over the course of 1 year. More than 1,700 managers came together at these events and were able to spend time face-to-face with the members of the Executive Committee. A truly unifying moment, the Infinite Proximity™ Tour proved a huge success with participants, bringing them together to celebrate solid, common values and a shared vision of the Group's ambitions for the future.

Yet more proof of the tour's success, 98% of people surveyed after the event rated it as 'good' or 'very good'.



### REMUNERATION

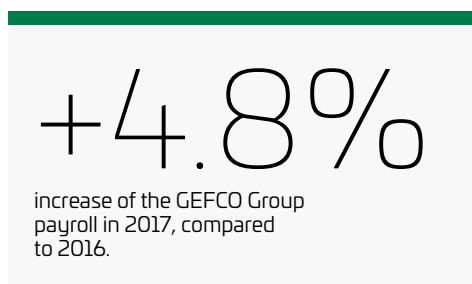
An important factor in employee motivation, remuneration is reviewed every year in the wake of the annual appraisal interviews. The Group has decided to create and roll-out a remuneration policy that incorporates an international process to define pay rises according to individual performance, paying particular attention to gender equity and equality. An annual remuneration check is conducted to identify market trends and grant pay rises in line with local labour markets.

In 2017, the GEFCO Group payroll reached €604 million, up 4.8% compared to 2016 (€576 million), which is explained by a better sharing of success via pay rises and the extension of bonuses.

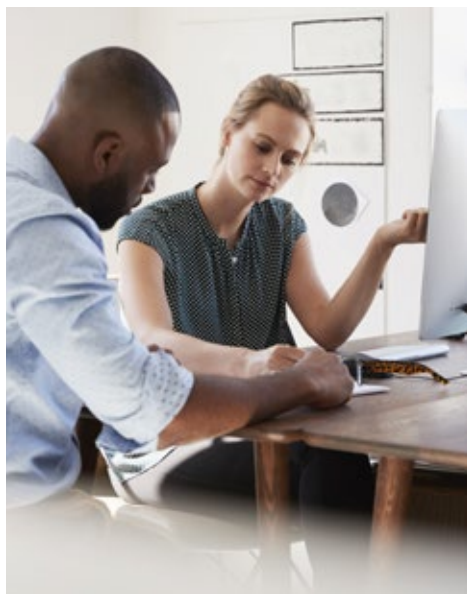
Collective bonuses based on entity results, like the profit sharing scheme in France, are put in place locally, particularly in the CEBAME zone (Eastern Europe). Basic pay is supplemented by variable compensation for certain types of functions (sales representatives, charterers, etc.). Lastly, individual bonuses can be awarded to certain employees for exceptional performance.

In addition to their wages, employees receive benefits such as provident coverage: a global agreement with an external partner allows GEFCO to offer provident coverage to almost all of its employees in the event of death, whatever the cause. With the exception of two countries and in the Mercurio and Freight Forwarding subsidiaries where this scheme is still being rolled out, this cover pays out a minimum of one year's wage to the employee's family in the event of death.

A complementary pension scheme is gradually being rolled out by the Group within the subsidiaries. Employee subscription is mandatory and contributions are divided between the employer and the employee. The pension benefits available are adapted to the need for flexibility due to international transfers.



“Remuneration is reviewed every year in the wake of the annual appraisal interviews.”



**CORPORATE SOCIAL RESPONSIBILITY**

Employee benefits by country

	Life and Accident insurance	Incapacity insurance	Health insurance	Retirement
Algeria	●		●	
Argentina	●		●	●
Australia				●
Austria	●			●
Belgium	●	●	●	●
Brazil	●	●	●	●
Bulgaria	●	●	●	
Chile				
China	●		●	●
Croatia	●	●		
Czech Republic	●	●		●
France (including Corporate)	●	●	●	●
Germany			●	●
Greece	●		●	
Hong Kong				
Hungary	●	●	●	
India	●			●
Italy	●		●	●
Kazakhstan				
Latvia	●		●	●
Lithuania				
Mexico			●	
Morocco	●	●	●	
Netherlands	●		●	●
New Zealand				●
Poland	●		●	
Portugal	●	●	●	
Romania	●	●	●	●
Russia	●		●	
Serbia	●			
Singapore				
Slovakia	●	●	●	
Slovenia			●	
South Africa	●	●		●
South Korea				
Spain	●	●	●	●
Switzerland	●	●	●	●
Taiwan				
Thailand	●			
Tunisia	●	●	●	
Turkey	●	●	●	●
Ukraine	●	●	●	
United Arab Emirates	●		●	
United Kingdom	●	●	●	●
United States	●	●	●	●



## CORPORATE SOCIAL RESPONSIBILITY



### Skills development

The goal of the GEFCO Group is to become the leading logistics partner for players in the industrial sector. This means buying out external companies on the one hand, and changing internal operating modes on the other hand. In order to make this transition, GEFCO needs to enhance and develop its employees' skills. Furthermore, encouraging its employees' development leads to greater employee engagement in both their work and the company.

GEFCO applies a 70-20-10 approach to help support its employees' careers.

The levers identified by GEFCO to improve employee development are the implementation of new measures and the consolidation of training programme. As such, the Group initiated discussions on how to transform skills management processes in 2016. 2017 saw the structuring of new measures set to come into force in 2018.

### CAREER MANAGEMENT

#### ..... Job mapping

One of the structural projects implemented in 2017 was the review of GEFCO's job mapping. This analysis aimed to:

- standardise business lines and the associated job positions across the countries, in line with the company's strategy and incorporating local best practices
- provide tailored resources and workforce planning thanks to the precise definition of business lines and possible career paths
- motivate employees and future employees by offering a clear view of their possible evolution and transfer opportunities.

11 working groups were tasked with this analysis, bringing together a total of over 60 employees representing the different professions within the subsidiaries and the Corporate office.

Job descriptions were drawn up for 150 positions within the 12 professions identified, each structured according to the tasks, activities, skills (expertise and level of expertise required) and contact persons. Over 90 skills were also identified: managerial, technical, personal and interpersonal skills.

Lastly, the Human Resources Division reviewed the possible career paths within business lines and between business lines.

These elements will be incorporated into GEFCO's career management tool, 'Vision', in 2018 and will be accessible to employees, thus allowing them to mark out their career path and identify the various milestones and skills needed to succeed.

These elements will also be used by managers to help guide their employees with regard to their career choices.

#### ..... Annual appraisal interviews

This exchange between employees and their manager takes place during the annual appraisal interview. This interview is mandatory for all managers, employees on a variable wage, and those beyond a certain grade in the Employees, Technicians and Supervisors category and follows an outline set by the Corporate Human Resources department. This outline was reviewed in 2016 in order to better take into account employee advancement and fulfilment. Various

12 job families	
Project studies	Marketing
Sales	Custom, law & tax
HR	Procurement
Finance	IT
Quality, health, safety & environment	Communication
Operations	Asset management & maintenance

## CORPORATE SOCIAL RESPONSIBILITY

# 25%

At the Group consolidated level, the number of appraisal interviews is up 25%.

aspects of their job position are addressed: their objectives and achievements, remuneration, training, and work/life balance. Career aspirations are also discussed along with training and development actions to put in place.

Other employee categories can also take advantage of these interviews depending on the practices in place in their country. Currently, around 50% of blue collars benefit from these interviews, and GEFCO aims to increase this number. At the Group consolidated level, the number of appraisal interviews is up 25%.

Following these interviews, the managers and Human Resources personnel meet to identify, develop and coordinate courses of action for employees who show potential. This thus creates a pool of potential talent to fill strategic positions by offering motivating career paths.

### ..... The induction process

Support is provided for new recruits in the first few months following their arrival. Indeed, this induction process is key to a good understanding of their role, their working environment and their network. A successful induction allows employees to understand and assimilate the corporate culture and to feel as though they belong, something that is vital to their engagement within the company.

New recruits receive detailed information on GEFCO's values, organisation, and operating mode, as well as training in the Group's safety and prevention rules and practices, and are introduced to their team and their key contact persons.

The GEFCO Group has decided to create a template for the induction process that will be conveyed to the various countries in order to be adapted to business lines and the local culture. This programme will be based on digital modules, local programmes and a Group programme, including discussions with the Head Office teams.

## SUPPORT AND TRAINING

### ..... Mentoring and coaching programmes

A new mentoring programme was launched in 2017 for all employees. This programme is based on the 'exchange' aspect of the 70-20-10 approach. The programme is designed to run between 3 months and 1 year depending on specific needs, with a monthly meeting. The employees in this programme may be new recruits looking to better understand their job, existing employees looking to change job position and acquire the necessary skills to do so, or existing employees looking for help on a specific matter. A variety of topics are covered: time management and prioritising, building and maintaining a network, leadership development, etc. The mentors are volunteer employees happy to share their experience and develop management skills in some cases.

In order to ensure the programme functions as it should, the 'mentees' and mentors receive training to explain their role and how the system works. An internal hotline is also available throughout the programme.

This mentoring programme was successfully tested in the Baltic States with 9 mentors trained in 2017, and will be rolled out in all countries as of 2018.

A coaching programme was also launched in 2017 for executive managers. Designed for country and business line managers, this coaching programme helps managers in their relationships with their employees, for example by improving their impact and leadership, helping manage stress, or developing their management skills.



Mentors are volunteer employees who want to share their experience.

The framework for this programme was drawn up by the Corporate office to allow each country to adapt it to their specific context with the aim of rolling out the programme to all employees in the long run.

The third system put in place in 2017 was the external assessment system. When recruiting an executive manager to the Group or country executive committees, GEFCO aims to ensure that the person is right for the job from an external viewpoint. The discrepancy between actual skills and those required for the job position is analysed and GEFCO ensures that the candidate is able to rapidly gain the necessary expertise. GEFCO plans for the countries to adopt this system and use it when filling job positions or promoting employees, for the highest pay grades down to middle management.

3%

GEFCO allocates at least 3% of its wage bill every year to ensuring that its expertise and know-how.

#### ..... Training

The final component of employee career development is training. GEFCO allocates at least 3% of its wage bill every year to ensuring that its expertise and know-how are in line with market and business trends.

In light of this, the priorities of the training policy are as follows:

- improving internally the skills required for the Group's strategic development
- ensuring that all employees improve their expertise in their job position
- allowing employees to develop their skills to obtain promotions, transfers and job changes
- and allowing managers to support their employees in their career advancement based on the previous three priorities.

In 2017, GEFCO initiated an overhaul of its employee training system, resulting in the GEFCO University set to launch in 2018. Academies will be developed on specific themes or for specific audiences, like project management for example.

The 'Vision' information system is one of the key elements in achieving these objectives. Indeed, this tool provides a constant overview of the training programmes available and offers e-learning modules that can be taken by all employees, thus allowing employees to be independent and play an important role in their own professional advancement while allocating human resources and managers an advisory role.

Each employee is monitored via this tool and has access to their own training records. The quality of the modules on offer is verified by the systematic sending of an 'instant' and 'delayed' satisfaction survey to employees that take virtual classes, thus ensuring long-term improvements.

E-learning programmes are just one of the three options available: classroom-based training, e-learning, and blended learning (combination of the two previous approaches).

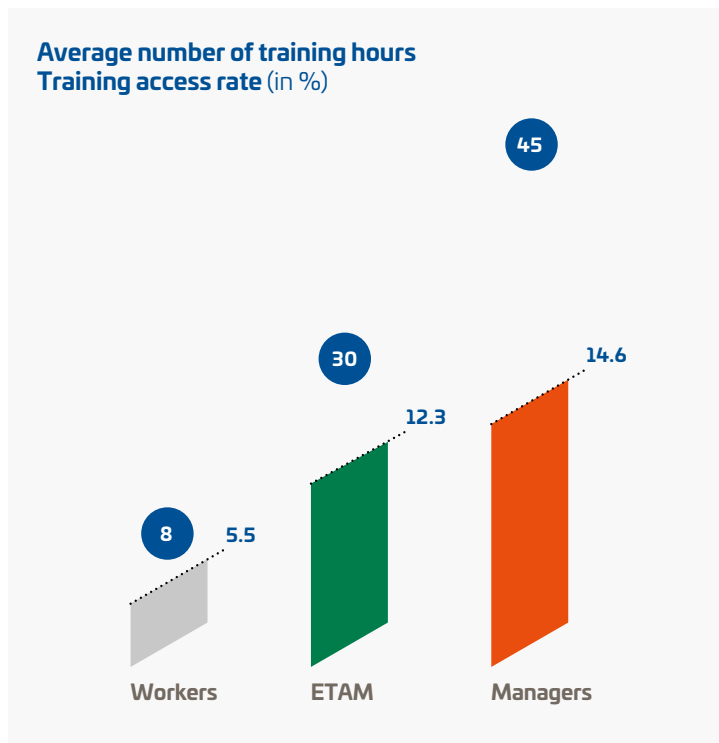
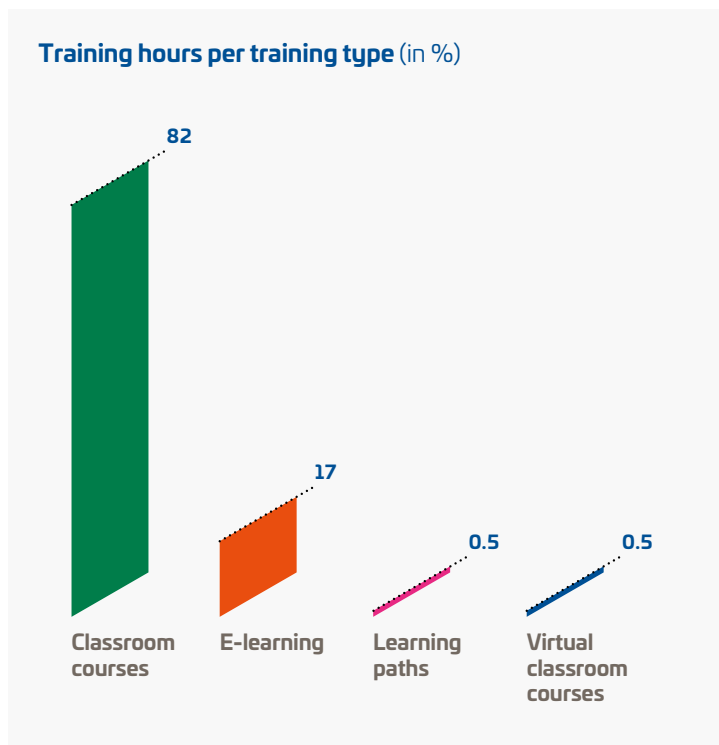
Building on the action taken in previous years, specific attention was paid to the development of managerial, commercial and linguistic skills in 2017.

Language training is a key priority for GEFCO, whose international presence means that its employees constantly communicate in languages other than their own.

In order to gauge the effectiveness of these training programmes and adapt their content to specific needs, an in-house test known as 'Bright' is used to assess employees' proficiency level before and after training. These training programmes are run via e-learning, with English representing 93% of language training hours.

**“The ‘Vision’ information system provides a constant overview of the training programmes available and offers e-learning modules.”**

## CORPORATE SOCIAL RESPONSIBILITY



At the same time, other topics relating to the business lines are also offered, with technical modules that have been rolled out in increasing numbers thanks to the shift to e-learning: 85 modules are currently available, including the serious game 'Competition rules and fair dealings in business relations' created by the Strategy and Finance Division, as well as 'A new GEFCO offer', 'Integrated Logistics' and 'Strategic-Xpert' from the Sales and Marketing Division.

These are supplemented by certain programmes. The 2016 overhaul of the 'Sales and Solutions' programme allowed some 600 people to undergo training in line with the new commercial challenges and the company strategy in 2017. The project management module was also redesigned in 2017 in order to adapt the content to the changes in the business lines and the company strategy.

The data concerning the GEFCO France SAS subsidiary is not complete (about 25% of data is available). 38,040 training hours were recorded in 2017 for a total of 2,996 employees, compared to 61,298 hours in 2016. Apart from the impact of France data partly available, the development of e-learning and the decrease in France workforce contribute to this reduction.

27% of employees thus had access to at least one training programme over the year with an average of 13 training hours clocked.

The majority of beneficiaries were Managers. 45% took at least one training course over the year with an average of 14.6 hours clocked per trainee, while Employees, Technicians and Supervisors recorded 12.3 hours and blue collars 5.5 hours.

### INTERNAL MOBILITY

Another important aspect of employee advancement is internal mobility. Reviewing benchmark positions and formalising career paths within business lines and between business lines will enable all employees to envisage their future within the company and have a motivating career.

The human resources management tool 'Vision' will be updated in 2018 to ensure that all of these career paths are accessible and that vacant in-house job positions are available to all employees at all times. Country managing director positions are particularly adapted to internal transfers, with 80% of positions being awarded to GEFCO employees.

International mobility is also an option within GEFCO, with 28 employees transferred to a different country in 2017.

**CORPORATE SOCIAL RESPONSIBILITY**

“We ensure each subsidiary applies these principles of fairness and equality within the Group.”

**Diversity and the fight against discrimination**

As part of its international scope, the GEFCO Group hires employees from all countries, thus encouraging multiculturalism. Diversity is an important value within the Group and is enshrined in the Code of Ethics. The company is committed to promoting diversity in its employees and their backgrounds in order to boost collective performance by encouraging international development and by creating synergies between its teams. GEFCO also prohibits all forms of discrimination.

GEFCO has reaffirmed this commitment to combat all forms of discrimination by joining the United Nations Global Compact and complying with the standards and agreements set by the International Labour Organization and the guidelines set by the United Nations and the OECD.

This principle applies to all of the company’s decisions, whether they concern recruitment, remuneration, career management with equal access to training and promotions, the adaptation of workstations and working hours. Employees, particularly those responsible for recruitment, receive training to ensure equal treatment.

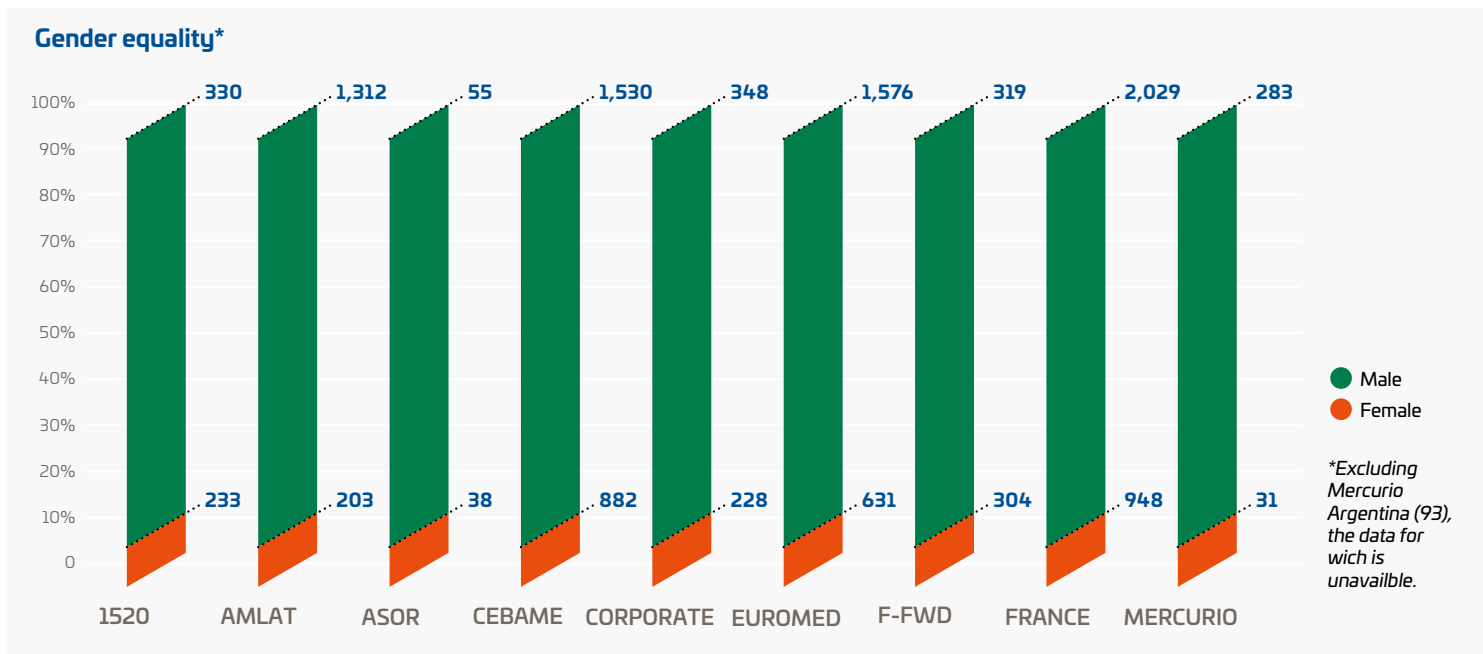
An anonymous in-house whistleblowing system allows all employees to report any observed ethical breaches or possible discrimination. This whistleblowing system, implemented by an external service provider, has been adapted to each country and laid out in the Code of Ethics and on the Group Intranet.

GEFCO Group ensures that each subsidiary applies these principles of fairness and equality and to incorporate them into their processes via local actions.

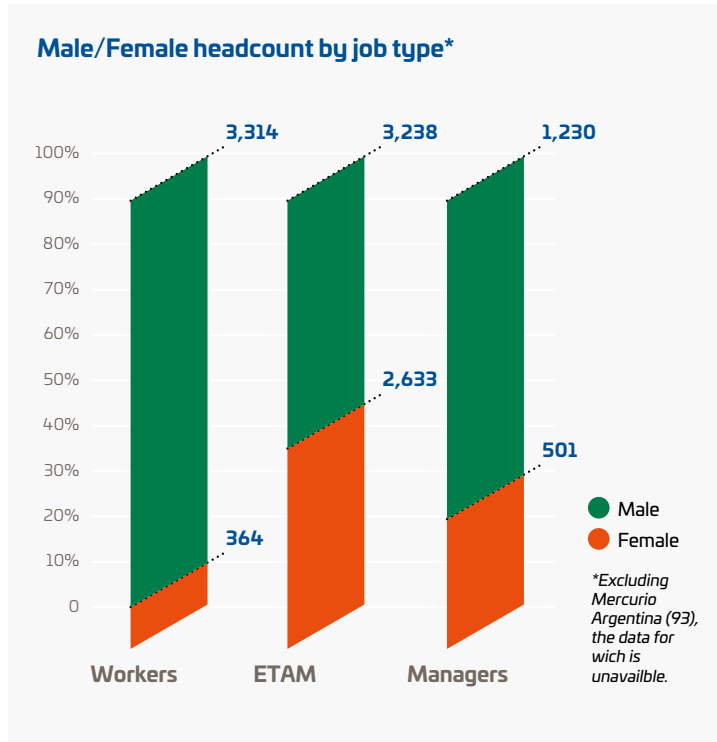
For example, the Czech Republic subsidiary signed the Diversity Charter in 2017. This National Charter has been established within the country on the basis of a European model used by 14 other countries.

**GENDER EQUALITY**

Given that its line of work has been traditionally male-dominated, the GEFCO Group currently employs 3,498 women and 7,782 men, i.e. 31% of the workforce. This proportion has remained stable compared to 2016.



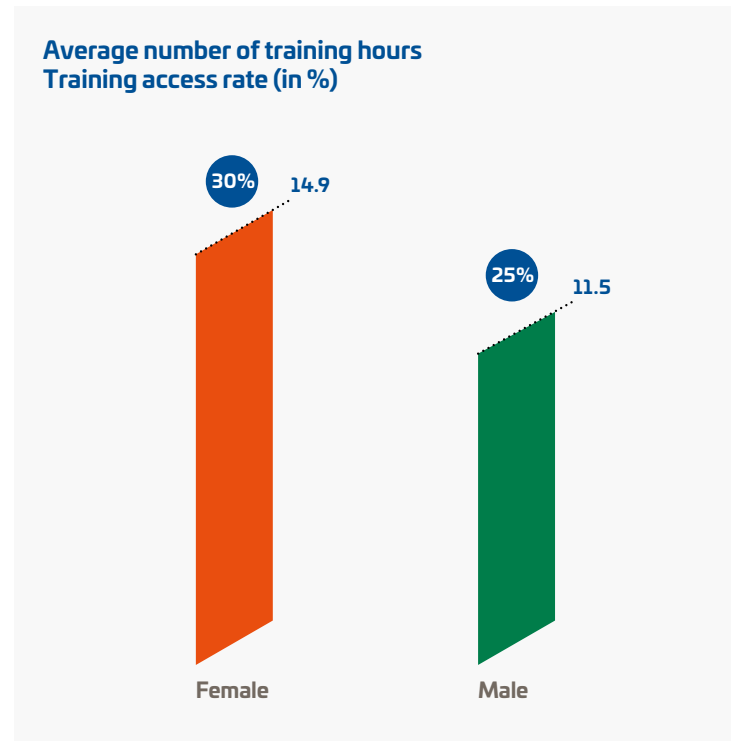
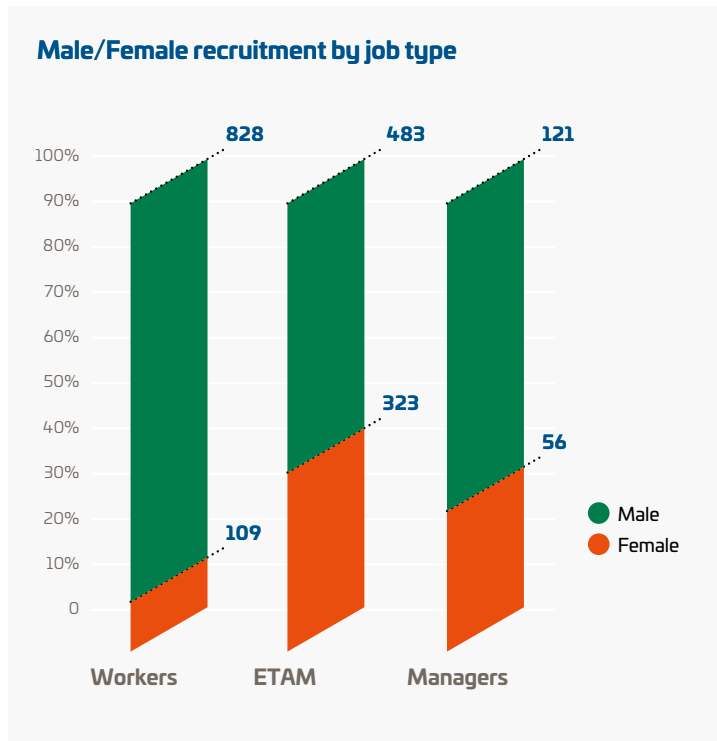
**CORPORATE SOCIAL RESPONSIBILITY**



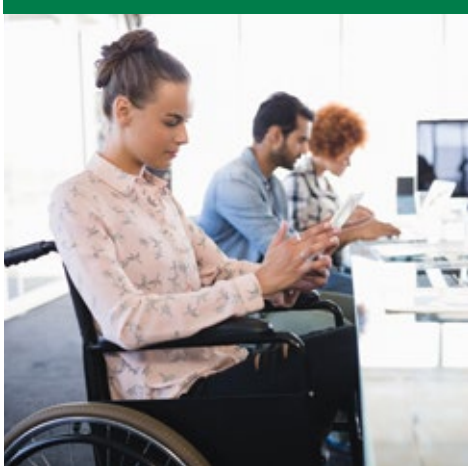
With regard to recruitment, 32% of managers hired are women, thus bolstering the number of female managers.

In 2017, the Freight Forwarding subsidiary laid out an ambitious plan to achieve a proportion of 50% female personnel in Top Management.

In terms of training, 30% of women took courses in 2017 compared to 25% of men with an average of 14.9 hours for women and 11.4 hours for men, demonstrating GEFCO's desire to improve the skillsets of its female personnel with a view to their promotion.



## CORPORATE SOCIAL RESPONSIBILITY



### EMPLOYMENT AND INTEGRATION OF DISABLED WORKERS

The GEFCO Group endeavours to employ people with disabilities within its subsidiaries. In order to do so, a certain number of subsidiaries have introduced recruitment offers that emphasise GEFCO's capacity to hire people with disabilities and advertise vacancies on specialised sites.

The GEFCO France SAS subsidiary has recruited 4 people with disabilities whose workstations have been modified. These recruitments fall within the framework of the agreement on the integration and retention in employment of disabled workers, which was renewed in 2015.

This agreement and that of GEFCO SA set an employment rate of 6%. In 2017, the proportion of Disabled Workers at GEFCO SA stood at 4.16%, stable compared to 2016 (4.20%), and at 7.10% for GEFCO France SAS.

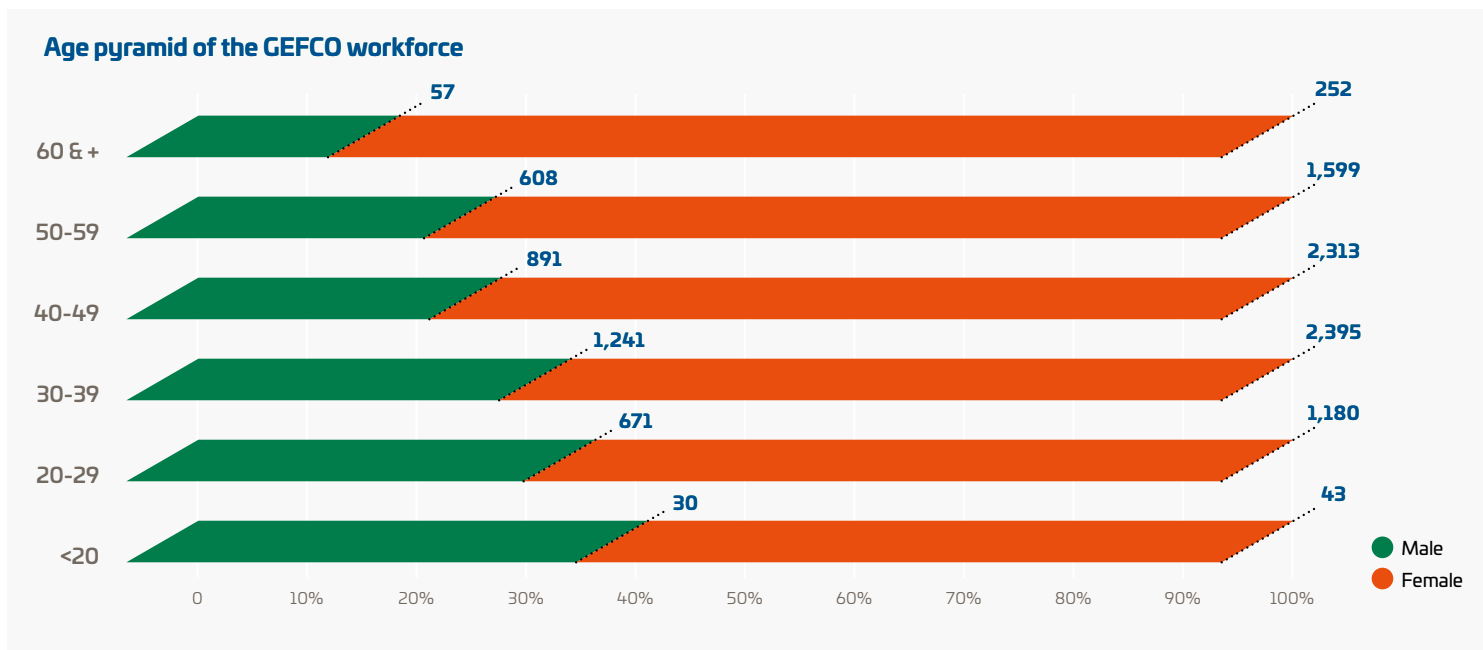
GEFCO SA took part in a specialist recruitment forum, 'Hello Handicap', in October 2017. This website allows applicants to conduct interviews by telephone or live chat without having to travel, thus facilitating the recruitment process.

Furthermore, GEFCO SA became a member of the association Tremplin in 2017, founded by leading French groups in 1992 to support people with disabilities in their access to training to develop the skills required to obtain employment. Through its participation in this association, GEFCO helps hire, integrate and train disabled workers.

An agreement was signed by three sites in Italy to encourage the integration of disabled apprentices, with three taken on over the period 2017/2018.

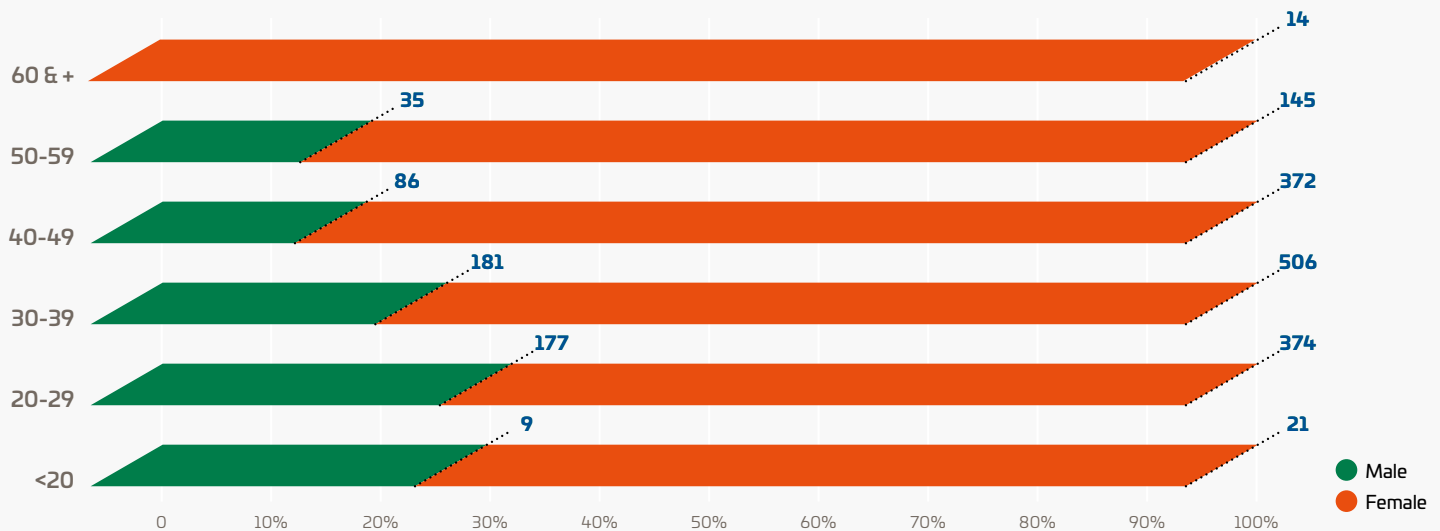
### EMPLOYMENT OF JUNIORS AND SENIORS

In order to continue to prepare for the future, GEFCO is hiring large numbers of young graduates as well as experienced employees and experts. As such, employees aged under 30 represent 17% of the headcount, while those aged over 50 represent 22%.



## CORPORATE SOCIAL RESPONSIBILITY

### Breakdown of recruitment by age and gender



94%

of interns surveyed in 2017 would recommend GEFCO for an internship, work-study placement or VIE contract (an improvement on the 85% recorded in 2016)

The two generation contracts signed by GEFCO France SAS and GEFCO SA were renewed in 2016. In 2017, GEFCO SA hired 37 young people of which 10 on permanent contracts and 27 on fixed-term contracts (including work-study placements). 11 seniors aged over 45 were also hired.

The GEFCO France SAS generation contract notably provides for the adaptation of work organisation for seniors, favouring daytime schedules and training for operators in the use of office tools.

The Mentoring programme presented in the skills development section supplements these actions. These mentors help young graduates to fit into the company and pass on their skills. 'Reverse mentoring' is also used in some cases where more junior profiles train senior profiles in the use of new technologies, for example.

This emphasis on hiring young people is also reflected in the recruitment of interns. Within this framework, GEFCO favours partnerships with schools and universities and has received the Happy Trainees Label for the second year running, ranking sixth in the 'international' category. 94% of interns surveyed in 2017 would recommend GEFCO for an internship, work-study placement or VIE contract (an improvement on the 85% recorded in 2016) and feel that this experience is an important milestone in their career.





**CORPORATE SOCIAL RESPONSIBILITY**

“Each company manager is involved in the roll-out of the SMST (Occupational Safety Management System).”

**HEALTH, SAFETY AND WORKING CONDITIONS**

**Health & Safety policy**

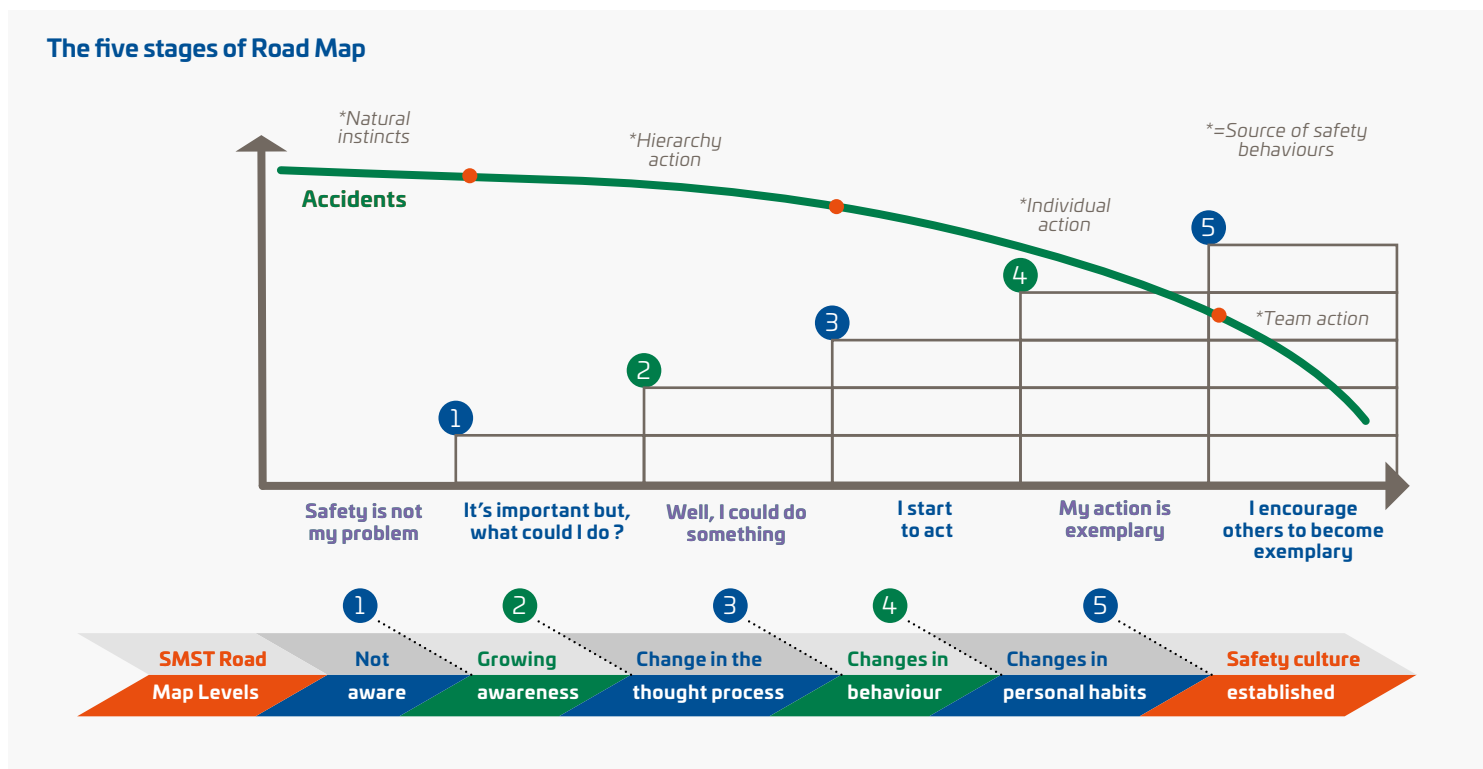
Over the last ten years, GEFCO has introduced a strong safety culture within the company. The Health & Safety policy was re-signed in 2017 by all of the members of the Executive Committee with the aim of achieving a zero occupational accident or illness rate, which is supported by the frequency rate (5.02) and accident analysis (86%).

In its Code of Ethics, GEFCO undertakes to guarantee health and safety in the workplace.

To ensure this, each company manager, regardless of their role, is involved in the roll-out of the SMST (Occupational Safety Management System). Setting an example, constant vigilance and responsiveness are the three behaviours that should guide our actions when it comes to accident prevention.

Service providers and subcontractors working on GEFCO sites are fully incorporated into all policies and actions.

The SMST is an integral part of the GEFCO Management System tools. It sets out management standards with regard to safety in order to promote an ingrained safety culture in managerial practices across all of the company’s functions. The SMST lays out a 5-step roadmap composed of 22 requirements. Steps 1 to 3 relate to operations with the implementation of the tools and procedures needed to drive change management in steps 4 and 5.



In 2017, the SMST was deployed within 28 subsidiaries. Smaller and recently created subsidiaries have yet to initiate this process. An adapted version of the SMST is being developed for smaller subsidiaries.

Each subsidiary that has adopted to SMST annually sets between 3 to 5 major actions to improve safety, which are then implemented at depot level and presented to each employee to ensure their widespread application. Progress is regularly monitored during steering meetings and Management reviews. Employees are kept up to date with this progress at conventions and end of year reviews.

Some major actions may take several years to be fully implemented.

In 2017, 96% of the 120 actions undertaken were currently being implemented or had been completed.

## **RISK PREVENTION**

### **..... Risk mapping and assessment**

The first crucial stage in taking into account health & safety is identifying possible risks.

GEFCO has made risk assessment mandatory within the Group for all functional and operational activities, both for existing and upcoming projects.

During the design stage for new projects for equipment or work spaces, each department incorporates risk analysis from the consideration phase. This initial integration makes it possible to take technical and organisational decisions while avoiding or mitigating health and safety risks.

For existing activities, occupational risk assessments must be conducted annually at each work site and for all activities, whether functional or operational.

These risk assessments are based on a process and risk reference document established at Group level. They are composed of five successive steps:

- a preliminary step (definition of the evaluation plan, drafting of job descriptions, etc.)
- identification of risks and their evolution
- implementation of safety measures
- communication on safety procedures and measurements
- regular re-evaluation of risks.

Beyond risks of on-site accidents and road accidents, the list of risks requiring an assessment notably includes risk related to repetitive movements or strenuous postures leading to musculoskeletal problems, psychosocial risks, and risks related to the use of computer screens. Risks associated with the working environment such as noise, air quality or exposure to strong chemical products must also be assessed.

The Winlassie tool used to computerise occupational risk assessments is deployed at 4 subsidiaries: GEFCO France SAS, GEFCO Belgium, GEFCO Portugal and GEFCO Switzerland. This tool allows for the evaluation of occupational risks per workstation, using a standardised approach common to the entire subsidiary and to track the progress of action plans. It is also used to monitor occupational health risks at GEFCO SAS (France).

### **..... Risk prevention and reduction**

#### ***a/ Manager involvement***

Manager engagement and communication to all employees is a key element in creating a successful safety culture. In order to ensure this, the subsidiaries' commitment to 3 or 5 safety

## CORPORATE SOCIAL RESPONSIBILITY



actions is now enforced at the sites and signed by the site management teams when level 3 of the SMST is achieved. The implementation of actions is monitored by the Group. Some site managers have chosen to put in place local monitoring indicators to track progress. The progress of these commitments is monitored at management and departmental meetings (called 'Health and Safety Committees' in the SMST) led by the entity manager.

Communication is key, particularly during team briefings where 'Safety Alerts' have been introduced as well as regular use of the 'Safety Cross' in team communication areas. Site tours are conducted by the local manager in order to set an example and reinforce the vigilance and responsiveness of the managerial structure. Safety induction consists of the identification of three points as part of the site tour established by the GMS ritual: a positive type of behaviour to encourage, a type of behaviour to improve and a simple technical issue to correct.

### *b/ Employee training*

Each new arrival receives safety training. If the job position is not safety related, this training is run by the direct manager or a qualified team member. The information provided to the employee depends on the safety data sheet for the job position, which is updated following an occupational risk assessment. This training is renewed every three years.

For safety-related job positions, identified as such at subsidiary level, the site manager must supply authorisation to operate. These job positions require the employee to have the necessary skills (certified by an external training organisation or an internal GEFCO structure), to undergo specific medical checks in certain cases, and to meet certain criteria (in terms of experience, for example).

Employees in these jobs receive specific training to obtain authorisation to accept and retain their position. These authorisations are renewed following repeat training courses and renewal of medical aptitude certificates.

During annual appraisal interviews, the manager verifies that the employee applies the safety procedures and is able to report risks and secure a risk situation. Safety is an integral part of annual objectives for some job categories.

### *c/ Risk management*

The risk analysis results in the definition of actions in order to eliminate the risk as far as possible, to reduce residual risk and lastly to put in place the most efficient behaviour to adopt in the event of an incident or accident.

The Group's methodology is in line with European Directive 89/391, particularly when it comes to managing residual risk: if the risk cannot be eliminated, a collective protective measure must be identified that cannot be removed. If this is not possible, the collective protective measure must be put in place even if it can be removed. Lastly, if it is not possible to introduce a collective measure, the safety manager must implement individual protective measures, posters, etc.

The subsidiaries have put in place local actions to reduce risks. For example, Bulgaria and Serbia have signed health and safety agreements with their carriers. Greece, which currently only has a Head Office, has introduced a Health & Safety agreement with the premise owners. Training is run in China and Turkey on safe behaviour. In Hungary, 12% of employees have received first aid training. The Ukraine subsidiary ran an information campaign on the specific risks associated with the winter season. In Brazil, a communications campaign on accident prevention and the use of illicit substances at the wheel was run and a multi-disciplinary committee was created to analyse and determine the sanctions to be applied in the event of a breach of safety rules.

**“During annual appraisal interviews, the manager verifies that the employee applies the safety procedures.”**

## CORPORATE SOCIAL RESPONSIBILITY

### ..... Incorporating social partners in risk prevention and review of collective health and safety agreements.

More than half the subsidiaries have Health & Safety Committees. Whether these are structured committees or staff representatives responsible for safety, they actively participate in staff awareness-raising actions, safety audits of workstations, and occupational risk assessments.

These actions are carried out in close collaboration with the country prevention officers and the human resources departments.

As an example, the action plan resulting from the study on psychosocial risks conducted by GEFCO SA was prepared in collaboration with the trade union organisations.

No Health and Safety agreements were signed in 2017.

### ..... Taking into account specific risks

#### *a/ Occupational illnesses and musculoskeletal problems*

The Group has recorded very few occupational illnesses in relation to its size. In 2017, 3 illnesses were acknowledged all of which were linked to musculoskeletal problems.

Medical checks have been reinforced for job positions at risk of occupational illnesses. Bulgaria and Tunisia conducted medical check-ups on their employees. Switzerland carried out hearing tests at its FVL depots, as did GEFCO SA at its Head Office.

With regard to musculoskeletal problems, a specific initiative has been incorporated into the SMST to ensure the early detection of abnormal situations: the ALT (Alerte Liée au Travail) system. All employees are able to report any anomalies at their workstation that result in abnormal physical efforts or that impact posture to their direct manager.

The aim of the ALT system is to rapidly resolve problems in order to avoid the emergence of future musculoskeletal problem and to reduce the stress generated from a risk situation. The system uses visual animations as well as daily briefings to identify and implement solutions.

In order to prevent the emergence of certain problems, employees receive training when taking up their job position including a section on risk awareness and the correct movements and postures to adopt.

The sites also take local actions. For example, Argentina, the Czech Republic, Portugal and the Baltic States conducted ergonomic analyses of workstations. Austria, Tunisia and Russia trained their employees in correct posture when seated, and GEFCO SA ran a training programme on movements and postures. The Mercurio subsidiary distributed a guide with postural exercises for the spine to its drivers, while Portugal and South Africa invested in more ergonomic equipment: mouse mats, chairs, etc.

#### *b/ Psychosocial risks*

A new study on psychosocial risks was conducted at the GEFCO SA Head Office in Courbevoie, following on from the previous studies carried out in 2010 and 2012. Managed by an external service provider, the survey showed that employees' exposure to psychosocial risks is moderate overall compared to national indicators and the other companies surveyed by the service provider. Germany and Italy also conducted specific surveys on this topic. Other subsidiaries such as Slovakia, South Africa and the Baltic States carried out prevention actions through information and training for employees during conferences and dedicated days. A dedicated hotline was introduced at GEFCO France SAS and managers received training on detecting risk situations.



Medical checks have been reinforced for job positions at risk of occupational illnesses.

## CORPORATE SOCIAL RESPONSIBILITY

### *c/ Road risks*

The GEFCO Group revamped its Company Car Policy in 2016. Numerous road risk prevention campaigns were run worldwide based on the Corporate Guide to Safe Driving. Translated and adapted to legislation by the different subsidiaries, this Guide is issued against a signed commitment to respect the rules contained within.

The subsidiaries have continued to use this tool in 2017 and some, such as the Baltic States, Romania and China, have distributed the guide to their carrier subcontractors. Certain subsidiaries ran training courses for employees with a service vehicle or company car on road risks (Mexico, Ukraine) or defensive driving (Argentina). A 'winter' version of the Safe Driving Guide was introduced in the UK in 2017 to raise awareness.

Road risks are regularly covered within all of the subsidiaries during safety weeks, in newsletters and at conferences, for example.

### *d/ Chemical risks*

The FVL and RPS activities may require the use of chemical products for certain operations (FVL workshops or washing of reusable containers, for example).

Where technically possible, the Group is endeavouring to replace CMR products (Carcinogenic, Mutagenic and Reprotoxic). As such, the chemical products used have been identified in Portugal, Switzerland and at GEFCO France SAS along with an analysis of their Safety Data Sheet. The use of the Winlassie tool to list products in France makes it possible to produce simplified data sheets that are appended to the security instructions for job descriptions. New employees are therefore informed of the risks and the behaviour to adopt in order to avoid risks and to know what action to take in the event of an incident.

Exercises to train employees on how to react in the case of chemical product or fuel spills were run in Tunisia and South Africa.

Regarding the transportation of hazardous materials, GEFCO has an obligation to its customers to comply with the legislation in force and to guarantee the safety of personnel, installations and the environment. Regulations require that the transport of goods subject to the Carriage of Dangerous Goods by Road Act (ADR) (European Agreement on the international carriage of dangerous goods by road) be carried out by duly qualified persons. Training courses were run in Italy, Poland, Romania, France, Turkey, the Netherlands, Brazil, Morocco and the Baltic States.

### ..... Safety audits

The SMST provides for the implementation of regular audits in order to ensure that risks are properly taken into account and to verify the effectiveness of the measures taken. The sites audited by a two-person team formed of a local prevention officer (country or site) and an external prevention officer (external to the site or the country). The site manager completes a self-assessment of his or her progress on the 22 requirements in the SMST reference system prior to the audit. The audit is then conducted on-site, covering seven topics.

An analysis of the self-assessment and the audit results helps provide feedback to the manager in identifying both strong points and points to improve upon while also giving an indication of his or her level of commitment. The sites' level of advancement is plotted on the validated roadmap following the audit.

These audits also provide an opportunity to identify best prevention practices and to encourage discussions between the sites and the subsidiaries.

In 2017, 63 sites (i.e. 26% of the sites within the SMST perimeter) were audited based on the SMST reference system.

### The 7 topics of safety audits :

Senior management's commitment

A structured coordination

Established and applied standards

Defined roles

Alert tools

Control and improvement tools

Controlled risks

## CORPORATE SOCIAL RESPONSIBILITY

At the end of 2017, 73% of the subsidiaries that enforce the GEFCO SMST had reached level 1 (80% at the end of 2016), 55% level 2 (60% at the end of 2016), 35% level 3 (27% at the end of 2016), and 6% level 4.

These audits based on the SMST reference system are supplemented by more technical safety audits carried out by the network of country and local prevention officers. These technical audits are scheduled and on occasion conducted at the request of local management, and aim to ensure the compliance of installations and workstations with local safety standards or those established by the Group. All of the Group's sites are concerned by these audits. In 2017, 81 sites were regularly audited.

Operational management and the GMS departments conduct operational audits that verify the incorporation of safety practices into operational standards.

In addition, some customers perform their own safety audits. The positive results of these audits reaffirm the effectiveness of the SMST system and the reliability of internal audits.

### RESULTS OF THE HEALTH & SAFETY POLICY

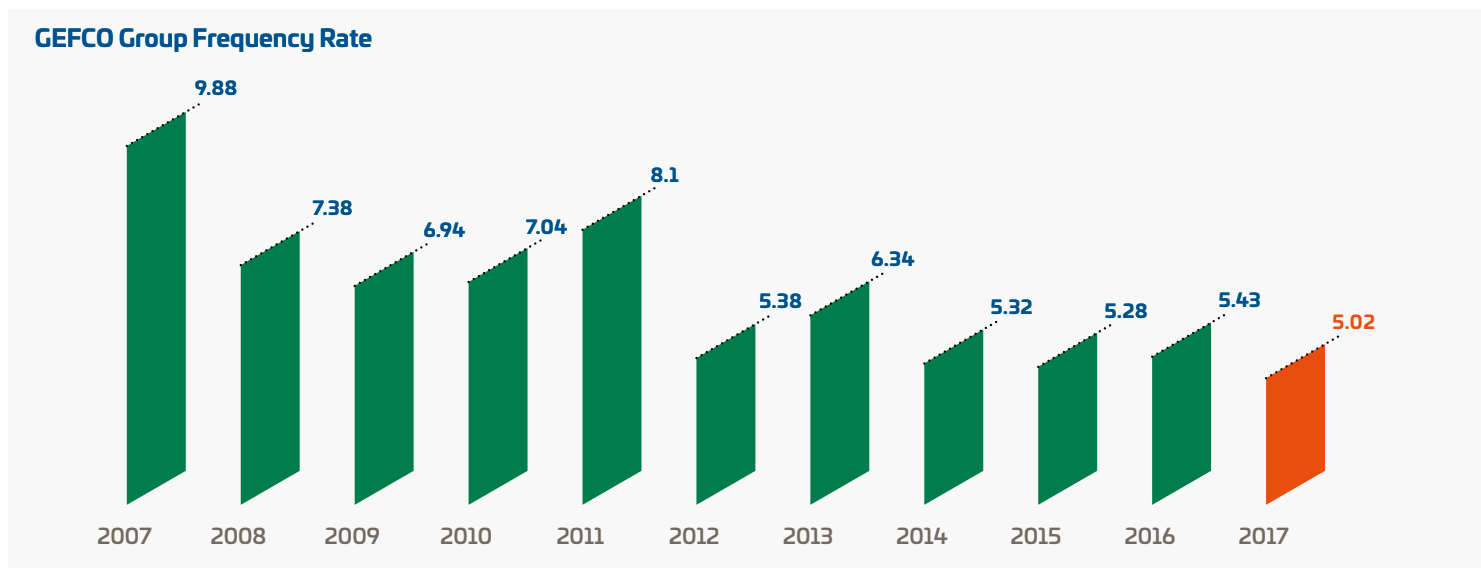
Thanks to all of these measures, safety results have improved overall since the introduction of the SMST. The main indicators such as the frequency rate, severity rate and analysis rate of accidents are monitored on a monthly basis by the site, subsidiary and Group management teams during management reviews. These meetings take an OBEYA approach, where managers share their indicators using visual aids in a 'great room'.

The Group's objective is to improve the analysis of accidents in order to identify their causes and address these. This analysis helps avoid recurrences of an accident at the site but also allows other sites to identify risk situations and thus prevent accidents.

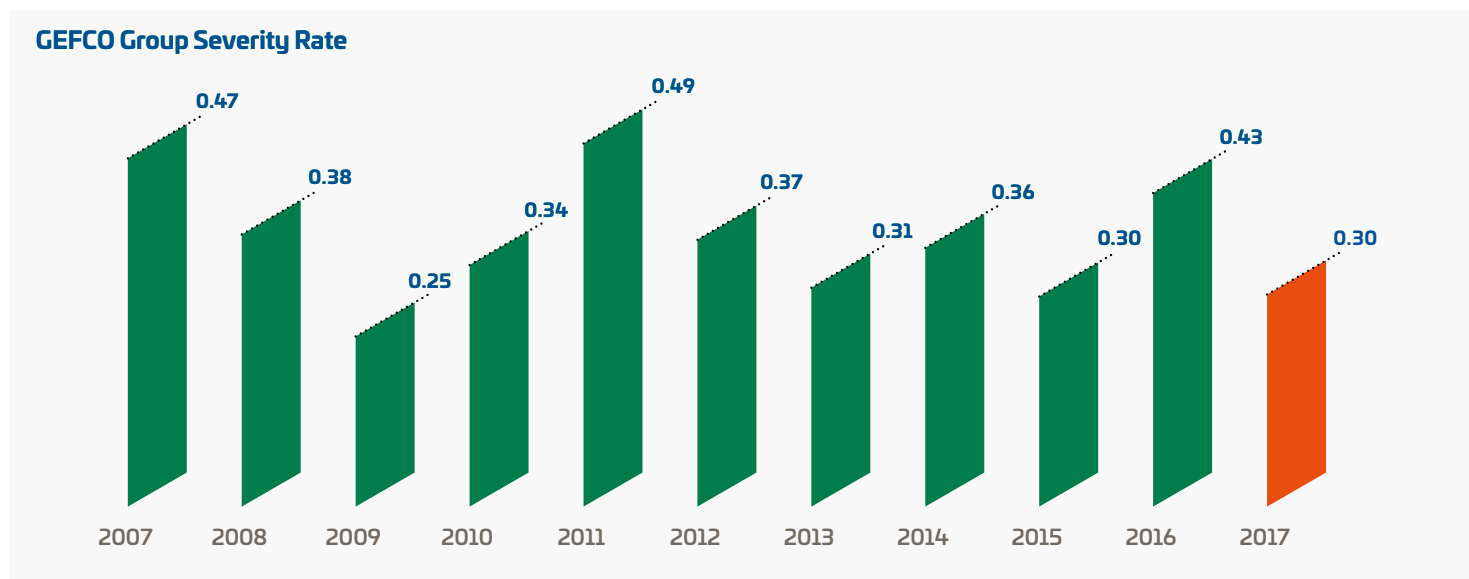
The proportion of accidents<sup>(2)</sup> analysed remains stable at 86% in 2017. Although this result is unchanged compared to 2016, it is up on 2015 when 70% of accidents were analysed.

In 2017, the frequency rate<sup>(3)</sup> stood at 5.02<sup>(4)</sup>, almost in line with the objective of 5,00, and a significant improvement compared to 2016 (5.43), demonstrating the effectiveness of the management system put in place.

- 2/ Analysis rate of accidents: includes accidents with or without days lost, minor accidents and near-miss accidents.
- 3/ Frequency rate: number of occupational accidents resulting in at least one day lost per million hours worked.
- 4/ These results take into account all of the F-FWD, GAS (France) and Mercurio Italy subsidiaries as of April 2017, as well as the GIS (France) subsidiary as of May 2017. The Mercurio Slovakia, Argentina and India subsidiaries are not integrated.



## CORPORATE SOCIAL RESPONSIBILITY



The severity<sup>(5)</sup> rate<sup>(4)</sup> stood at 0.304, a significant improvement on 2016 (0.43), notably thanks to the improved results at WRP and OVL.

As such, the rate of absenteeism was 2.5% of the current headcount<sup>(6)</sup> at the end of 2017, an improvement compared to 2016 (2.9%). In addition to absence due to occupational accidents, the main causes of absence were common illnesses.

Zone	2016 (in %)	2017 (in %)
CORPORATE	2.8	2.8
FRANCE	4.9	4.3
EUROMED	1.9	1.8
1520	1	1
AMLAT	1.9	1.2
ASOR	1.8	0.6
CEBAME	2.3	2.1
Rest of the World	1.3	-

5/ Severity rate: number of days lost due to an occupational accident per thousand hours worked. The day of the accident and the day the employee returns to work are not included in the days lost. These results take into account all of the F-FWD, GAS (France) and Mercurio Italy subsidiaries as of April 2017, as well as the GIS (France) subsidiary as of May 2017.

6/ Absenteeism rate: number of days lost due to illness, hospitalisation, occupational accident and commuting accident compared to the theoretical number of days worked.

▶ Excluding Mercurio and F-FWD, the data for which is unavailable.

## CORPORATE SOCIAL RESPONSIBILITY

### Protecting employee health

In addition to ensuring the safety of its employees, the GEFCO Group also endeavours to safeguard the health of its employees and thus promote their well-being. Awareness-raising campaigns are regularly run to encourage employees to favour a healthy lifestyle and provide information on the prevention and symptoms of certain illnesses such as breast cancer and diabetes.

Some countries have implemented attractive health insurance schemes: Hungary, for example, offers its employees with at least 1 year's seniority health cover.

Austria has set up a health week, Algeria and the Netherlands have run anti-smoking poster campaigns, GEFCO SA organised a nutrition workshop, Mercurio organised nutrition sessions for drivers, and Russia sent out 13 newsletters over the year. China ran a flu vaccination campaign, while Morocco organised screening for lung disease.

Employees are also encouraged to practice a sport: the Toulouse site in France held a Sports Festival, employees in Hungary took part in two marathons, Poland has running teams at each site that compete against other companies, and the Czech Republic held a sports day for all of the subsidiary's employees.

### Organisation of work

Within the GEFCO Group, working hours comply with the legislation in force in the different countries in which GEFCO operates and are decided according to the activity required to meet customer demands.

The GEFCO Group strives to ensure compliance with the working hour standards in force in the countries where it operates.

#### PART-TIME PC AND FTC HEADCOUNT

As at 31 December 2017, the GEFCO companies' part-time PC and FTC headcount amounted to 366 people (excluding work-study contracts, which numbered 199), i.e. 3% of employees on permanent and fixed-term contracts.

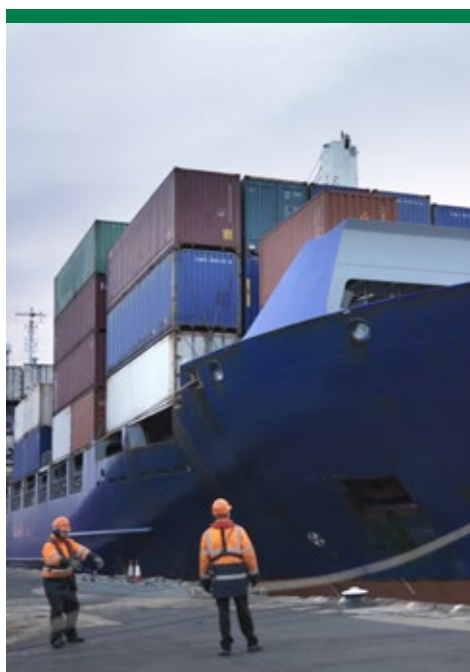
#### OVERTIME AND HOURS OF PARTIAL UNEMPLOYMENT

The GEFCO Group uses overtime and partial unemployment in order to adapt to the operating constraints associated with its activity and to the fluctuations in demand for certain customers. This overtime and partial unemployment results in variations in remuneration for employees, in line with local regulations.

Within the framework of the variable operating conditions associated with activity levels, the teams' hours may be modified by Management after consultation with the staff representative bodies.

GEFCO Argentina uses partial unemployment hours to counter reduced business levels due to lower demand from one of its main customers. In total, this suspension of activity represented an equivalent of 231 days in 2017.

To offset this stoppage at the AVTOMOBILNY ZAVOD (GAZ) plant in Nizhny Novgorod, Russia, some FVL employees were temporarily transferred to Doskino. The PCMA site in Kaluga also experienced a fall in activity levels, resulting in changes in employee remuneration over several months, in line with local legislation. However, in the summer of 2017, the purchase of 700 wagons for vehicle transport allowed the FVL entity to create a new department, 'FVL Rail', to manage this new fleet. As such, 9 new employees were hired.



Within the GEFCO Group, working hours comply with the legislation in force in the different countries in which GEFCO operates.



This economic dynamic also impacted the GEFCO Switzerland subsidiary, which has put in place two working teams as well as overtime on Saturdays to cope with the increase in FVL activity.

In Portugal, the Alverca WRP and OVL and Porto sites saw an increase in growth due to new activities and new customers. In order to respond to these new demands, overtime was favoured at the various GEFCO sites.

### **SPECIAL WORKING-HOUR ARRANGEMENTS**

The Finished Vehicle Logistics (FVL), warehousing and packaging activities for goods and spare parts (WRP) require an organisation with specific work schedules. In order to respond to its customers' demands and needs, GEFCO has developed great flexibility when it comes to its work schedules, which can also be adapted to accommodate spikes in activity or new activities among its existing depot portfolio.

The GEFCO Group has over sixty sites spread across some fifteen countries which has implemented specific work schedules. In order to implement these organisational models, the sites have put in place teams working on a 2x8 or 3x8 shift system (2 or 3 teams working 8-hour shifts) when the activity requires a permanent presence. The 2x8 system concerns around a thousand employees, as does the 3x8 system which largely concerns night rotations. These specific work schedules are governed by the legislation in force and collective agreements and are notably used in Argentina, Slovakia, Poland, the Czech Republic and Brazil.

The payment of bonuses is often associated with these specific work schedules.

The test phase for telework initiated by GEFCO SA (Corporate) in June 2016 continued in 2017 and expanded to some fifty employees. This trial phase will be made permanent in 2018 with the signing of a company telework agreement.

### **MATERNITY, PATERNITY AND PARENTAL LEAVE**

The GEFCO Group ensures compliance with legislation regarding maternity, paternity and parental leave in the countries where these measures are in force. Uptake rates of maternity, paternity and parental leave remained stable compared to 2016.

In Italy, two days' paternity leave are mandatory. However, if the employee refuses, the company will pay out compensation of €600.

In China, employees receive 3 days paternity leave unlike in the Netherlands where employees receive a similar number of days but without pay.

In Turkey, following maternity leave, one of the parents can request part-time work until the child goes to school, with the employer's agreement.

Changes have been made to the South African legislation: paternity leave has been extended to 10 paid days. However, maternity leave remains unchanged.

Other changes have also been implemented in the Czech, Portuguese and Slovakian legislation. In the Czech Republic, employees can now take one week's paternity leave during the 6 weeks following the birth of a child. Since 2016, new parents in Portugal can take advantage of telework up until their child's third birthday, as long as their job is compatible. The employer cannot refuse telework if there are justified grounds and if it is compatible with requirements. Lastly, in Slovakia, daily maternity allowances have increased from 70% to 75% of average daily taxable earnings from the previous year.

“The Group’s development and stability are underpinned by social dialogue.”

## EMPLOYEE RELATIONS

Employee relations are extremely important within the GEFCO Group.

### Organisation of social dialogue

The GEFCO Group undertakes to create favourable conditions for social dialogue in all of the countries in which it operates.

The Group’s development and stability are underpinned by social dialogue, a privileged tool throughout the structure when it comes to improving working condition, particularly with regard to remuneration, employee social protection, supplementary pension schemes, workplace health and safety, and training.

GEFCO guarantees compliance with the legislation in force with regard to the appointment of members of union organisations, and with the establishment of staff representative bodies, in order to ensure constructive social dialogue.

To take into account working conditions at local level, the Group ensures that employees are represented at all levels. With the integration of IJS Global (now GEFCO F-FWD) and the Mercurio subsidiaries (i.e. approximately 1,000 people in total), 69% of staff are covered by occupational health and safety structures, equivalent to the French Health, Safety and Workplace Conditions Committee (CHSCT), and 54% of staff are covered by staff representative structures<sup>7/</sup>.

With regard to the mode of operation and resources allocated to the performance of their functions, the GEFCO Group undertakes to respect and treat trade union representatives and elected members of staff representative bodies equally.

Concerning both staff representative bodies and trade union organisations, the Group undertakes to respect the forms of social dialogue determined by the legislation in force.

Depending on the case and the areas in question, this may involve:

- a duty to inform
- mandatory consultation
- information-consultation proceedings
- an annual negotiation obligation, for example covering wages and working hours.

Within the framework of an employee’s participation in a staff representative bodies or trade union organisation in an elected office, the GEFCO Group undertakes to prohibit all forms of discrimination, whether in terms of remuneration, career advancement or training.

In accordance with the agreement implemented by the Special Negotiating Body (SNB) on 18 February 2015, the Group European Works Council represented 18 European Union countries in 2017. The last annual meeting of the EWC was held on 13 September 2016.

*7/ The entire GEFCO workforce is taken into account in the calculation of this ratio, although some subsidiaries do not have trade union representation or a staff representative body due to lack of legal provisions in force in the country for implementing such a system.*

## CORPORATE SOCIAL RESPONSIBILITY

### State of staff representation within the GEFCO Group

Country	At central level Company	At local level Site	Occupational health and safety bodies	Trade unions present
<b>Algeria</b>	Staff delegation, formed in September 2015	No	Health and safety committee, formed in March 2015	
<b>Argentina</b>	No	Employee representatives belonging to the trade unions represented at GEFCO Argentina (19)	Topic addressed with the staff representatives	SICHOCA (Truck Drivers' Union) UOM (Union of Metal Workers) SMATA (Mechanics and Automotive Transport Union), FESTIQyPRA (Federation of Chemical and Petrochemical Workers' Unions)
<b>Austria</b>	A Works Council elected in January 2016	No	Topic addressed with the elected members of the Works Council	No
<b>Baltic States (Latvia, Lithuania, Estonia)</b>	Three staff representatives since December 2013, renewed in 2015	No	Responsibility of the staff representatives	No
<b>Benelux</b>	Belgium: Works Council (WC) Netherlands: No	Belgium: No Netherlands: No	Belgium: Committee on Protection and Prevention at Work Netherlands: No	FGTB - S.E.T.Ca: General Workers' Federation of Belgium - Union of Employees, Technicians and Managers FGTB/UBOT: General Workers' Federation of Belgium - Belgian Transport Workers' Union CNE: National Federation of White-Collar Workers CSC/TRANSCOM: Confederation of Christian Unions of Belgium - Transport and Communications CGSLB: General Federation of the Liberal Trade Unions of Belgium (since the 2016 social elections)
<b>Brazil</b>	No	No	Internal Commission for Accident Prevention (CIPA) - One in Rio de Janeiro, one in Porto Real and one in Guarulhos (since 2013). Elections are held every year.	No
<b>Bulgaria</b>	No	No	No	No
<b>Chile</b>	No	No	No	No
<b>China</b>	No	No	No	No
<b>Croatia</b>	No	No	No	No
<b>Czech Republic</b>	No	No	No	No
<b>Dubai</b>	No	No	No	No
<b>France GEFCO France SAS</b>	Central Works Council	28 Works Councils, Staff Representatives	Health, Safety and Workplace Conditions Committee (CHSCT)	Company union representatives (CFDT- CFE/CGC - CFTC- FO/ UNCP) Company union representatives (CFDT- CFE/CGC - CFTC - CGT - CAT)

## CORPORATE SOCIAL RESPONSIBILITY

Country	At central level Company	At local level Site	Occupational health and safety bodies	Trade unions present
<b>France GEFCO SA</b>	European Works Council Group Committee (CG)	Works Council, Staff Representatives	Health, Safety and Workplace Conditions Committee (CHSCT)	CFE/CGC - CFTC
<b>Germany</b>	Gesamtbetriebsrat (GBR)	5 Betriebsräte (BR), representing 9 establishments: Wuppertal, Mainz, Berlin, Hamburg, Rieste, Morfelden/Zülpich/Furth-im-Wald/Gossnitz	Under the existing legislation, the workers' safety committee is composed of: Representative bodies HR Site manager Occupational doctor Safety expert A committee is in place at each site	Ver.di (Vereinte Dienstleistungsgewerkschaft)
<b>Hong Kong</b>	No	No	No	No
<b>Hungary</b>	No	No	No	No
<b>Italy</b>	No	Company Union Representation (RSA) at some sites (Milan -Turin -Pregana - Florence)	Within the RSA, one of the members is specifically responsible for occupational health and safety aspects	Italian General Confederation of Labour (CGIL) Italian Confederation of Workers' Unions (CISL)
<b>Kazakhstan</b>	No	No	H&S Council established in 2013	No
<b>Mexico</b>	No	No	No	No
<b>Morocco</b>	A Works Council since 2010	Staff representatives at the Casablanca, Tit-Mellil and Tangiers sites	Health and Safety Committee at the Casablanca, Tit-Mellil and Tangiers sites	No
<b>Poland</b>	No	No	A central Health and Safety Committee	No
<b>Portugal</b>	No	No	Health and Safety Committee established in 2012	No
<b>Romania</b>	A Works Council since 2008	No	No	No
<b>Russia</b>	No	No	An Occupational Health and Safety Committee since December 2011 in Kaluga - new elections were held in January 2014	No
<b>Slovakia</b>	A Works Council since 2007, elected for a 4-year term, renewed for the last time in March 2015. An additional member was elected in March 2016, bringing the number of staff representatives to seven	No	Responsibility of the Works Council	No
<b>Slovenia</b>	No	No	No	No
<b>South Africa</b>	No	No	No	No
<b>Spain</b>	No	Works Councils (Madrid, Vigo and Barcelona) A staff delegation in Valence	Occupational Health and Safety Committees (Madrid, Vigo and Barcelona)	Two independent trade unions, FSI and Grupo de Trababajores CIG (Galician Trade Union Confederation) CC OO (Workers' Commissions) USO (Worker's Trade Union) UGT (General Workers' Union)

**CORPORATE SOCIAL RESPONSIBILITY**

Country	At central level Company	At local level Site	Occupational health and safety bodies	Trade unions present
Switzerland	No	No	No	No
Tunisia	A company advisory committee since April 2010, renewed on 17 June 2013. It was extended for an additional year until June 2017	No	An Occupational Health and Safety Committee was established in April 2010 then in June 2013. It was extended for an additional year until June 2017.	3 GEFCO Tunisia employees were elected to the UGTT's representative office on 15 April 2014 for a three-year term
Turkey	No	No	Occupational Health and Safety Committee in Izmit and Tuzla (December 2012).	No
Ukraine	No	3 employee representatives elected in November 2013	Responsibility of the staff representatives	No
United Kingdom	No	No	A (non trade union) Employee Forum was set up at the Corby, Sheerness and Coventry sites in June 2012. Since the end of 2013, the Employee Forum and the staff representatives come together three times per year at a joint meeting with the Management of GEFCO UK. It was renewed in June 2015 with 13 members.	Unite trade union representatives have been appointed at the Corby, Sheerness, Coventry and Ellesmere Port sites. At the Luton site, the representative resigned from his office in August 2015 and has not yet been replaced. A UNITE representative from outside the company therefore negotiates for the site.

In the absence of staff representative bodies, the GEFCO Group encourages managers to introduce the means to ensure social dialogue, even if the arrangements are informal.

In order to maintain the cohesion of the teams, they need to be updated on the projects they are involved in, and be given all of the information concerning the situation of the GEFCO Group.

Management is attentive to employee questions and concerns during these discussions and provide tailored responses at the earliest opportunity. To avoid unresolved questions becoming sources of tension likely to alter the social climate or generate social conflict, Management establishes appropriate action plans.

## Review of collective agreements

Since 2011, around thirty agreements are regularly signed each year: 28 in 2011, 34 in 2012, 51 in 2013 and 38 in 2014, 45 in 2015 and 45 in 2016 with the creation of a subsidiary specific to France. In 2017, 28 collective agreements were concluded within the Group, as shown in the following table:

Country	Subject of agreement	Signatories
Germany	Agreement on the reconciliation of interests and a redundancy plan concerning the closure of the 4PL Freight Audit team in Mörfelden (activity transferred to Poland and Hungary).	Mörfelden, Furth in Wald, Gössnitz and Zülpich Works Councils
	Agreement on the annual wage policy	Central Works Council
	General agreement on working conditions (harmonisation of flexi-time and implementation of a new work hours management system)	Central Works Council
	Agreement on the reconciliation of interests and a redundancy plan concerning the closure of the Rieste branch on 31/12/2017	Central Works Council defined by local committees
Argentina	Agreement on a 7.0% pay rise for the 1st quarter of 2017	SMATA (Sindicato de Mecanicos y Afines del Transporte Automotor)
	Agreement on a 6.40% pay rise for the 2nd quarter of 2017	
	Agreement on a 5.4% pay rise for the 3rd quarter of 2017	
	Agreement on a 5.2% pay rise for the 4th quarter of 2017	UOM (Union of Metal Workers of the Republic of Argentina)
	Agreement on a 22% pay rise (11% in April 2017, 11% in July 2017) and granting of an annual bonus of ARS 4,000	
	Agreement on a 23% pay rise (11% in July 2017, 6% in November 2017, 6% in March 2018)	SICHOCA (Sindicato de CHOferes de CAMiones)
France / GEFCO France SAS	Agreements on mandatory annual negotiations	FO/UNCP, CFTC, CFE-CGC, CFDT
	Planned external redeployment and retraining agreement dated 22 June 2017	
	Majority agreement dated 31/07/2017 concerning the Job Protection Plan	
	DIRECCTE approval and validation decision dated 08/08/2017	
	GEFCO SA - GEFCO France SAS profit-sharing agreement dated 07/03/2017	
	Amendment no.1 of 15 May 2017 to the profit-sharing agreement dated 07/03/2017	
France / GEFCO SA (Corporate)	Agreement on 2017 mandatory annual negotiations dated 23/01/2017	CFE-CGC
	GEFCO SA - GEFCO France SAS profit-sharing agreement dated 07/03/2017	GEFCO SA: CFE-CGC, CFTC
	Amendment no.1 of 15/05/17 to the GEFCO SA – GEFCO France SAS Group profit-sharing agreement dated 07/03/17	GEFCO France SAS: CFDT CFE-CGC, CFTC, FO
	Amendment no.1 of 15/05/17 to the regulations of the GEFCO SA Group Company Savings Plan dated 13/12/13	CFE-CGC
	Amendment no.2 of 15/05/17 to the regulations of the GEFCO SA Company Savings Plan for Collective Retirement dated 13/12/2013	
	Amendment no.3 to the GEFCO SA profit-sharing agreement dated 18/05/17	
	Agreement concerning the grouping and change to additional pension schemes	CFE-CGC / CFTC
	Amendment no.2 of 11/10/17 to the regulations of the GEFCO SA Group Company Savings Plan dated 13/12/13	
	Amendment no.3 of 11/10/17 to the regulations of the GEFCO SA Company Savings Plan for Collective Retirement dated 13/12/13	
	Amendment to the Company Agreement concerning dependent living cover for GEFCO SA employees	
GEFCO Italy	Agreement on the integration and retention in employment of disabled workers dated 29/11/17	FILT-CGIL and UIL Trasporti
	Collective agreement signed at the Logistics and Freight Train branch level	

An aerial photograph of a railway track running vertically through a landscape. The track consists of two parallel rails on a gravel bed, flanked by green grass and trees. A large, semi-transparent blue rectangle is overlaid on the left side of the image, containing the text 'Caring for the Environment'. A yellow rectangular box with a wavy bottom edge is overlaid on the right side of the track. At the bottom of the image, there is a solid orange horizontal bar.

# Caring for the Environment

## ENVIRONMENTAL GOVERNANCE

### Environmental policy

Under the Global Framework Agreement on Social Responsibility signed in 2006 and amended in 2010, GEFCO has committed to taking action to protect the environment by:

- respecting natural resources through controlling consumption
- contributing to the fight against climate change
- raising awareness of environmental challenges.

These commitments are monitored annually and action plans are put in place by the Management teams in order to make progress in this area.



GEFCO has committed to taking initiatives to promote greater environmental responsibility.

Through its signing of the United Nations Global Compact in 2009, GEFCO has committed to applying a precautionary approach to environmental problems, to taking initiatives to promote greater environmental responsibility, and to encourage the development and dissemination of environmentally-friendly technology.

In order to coordinate and address these commitments, the GEFCO Management System (GMS) department has drafted a Quality and Environmental Policy that sets out the environmental guidelines with objectives to monitor progress.

This environmental policy is based on the three pillars of the aforementioned Agreement, the implementation of which requires quality management and incorporation into the company's everyday activities.

The key success factors are the adoption of the policy by all employees, the application of standards, compliance with regulations, sharing of best practices, and a shared desire to achieve the objectives set.

These priority areas are adapted to each business line in the form of environmental guidelines:

- respect for natural resources through their controlled consumption
- fighting climate change and pollution, and reducing impacts on the natural environment and third parties
- prevention of accident situations with regard to the environment
- compliance with environmental regulations.

Each business line has set its own targets, indicators and structuring actions for each guideline.

### A dedicated organisational structure

In order to ensure the effective deployment of the Quality and Environmental Policy and its environmental guidelines, the GEFCO Management System (GMS) department has set out the organisation and the environmental management system for the business lines and monitor their implementation.

#### AT BUSINESS LINE LEVEL

The business line divisions are responsible for determining and publishing the environmental requirements to be incorporated into business processes, overseeing the implementation thereof and assessing the corresponding results.



## CARING FOR THE ENVIRONMENT

Steering committees are established within the business lines to help incorporate these environmental requirements into processes and set the associated guidelines and objectives.

The environmental training actions are organised by the business line divisions.

The Overland business line is the first to organise its Corporate CSR unit under the leadership of its GMS Manager, with the hiring of a CSR Coordinator in 2016. The latter is responsible for coordinating the network with regard to environmental, social and societal performance and promoting initiatives at Group level.

OVL and FVL are currently uniting under a new entity (to be finalised in 2018) thus bringing the strong growth of OVL to FVL.

### AT SUBSIDIARY LEVEL

60 subsidiary GMS managers are tasked with coordinating and implementing the roll-out and maintenance of the environmental management system within the Group. Local liaison officers enforce these by introducing the measures at one or several sites.

They ensure the awarding of ISO 14001 certification for the sites concerned and compliance with these requirements.

The sites set out their Environmental Management Plan, taking into account the environmental guidelines set at Group level. These plans consider environmental regulations and, where relevant, the requirements of the ISO 14001 certification. They coordinate the actions identified to implement their Environmental Management Plan and evaluate the results.



Risk analysis is used as an input for the quality and environmental management review.

### Environmental risk management

An integral part of the Quality and Environmental Policy, environmental risk management is based on the performance of risk analyses according to a reference system developed at Group level by the GMS department. A list of risks adapted to the typology of the sites is drawn up along with the assessment criteria to prioritise risks.

Risks posed by accidental pollution, industrial effluents and hazardous waste, unintentional releases and damage to biodiversity are locally assessed by the sites.

Risk analysis is a key part of the ISO 14001 certification requirements, and is therefore used as an input for the quality and environmental management review. The GMS department asks non-certified sites to also carry out these risk analyses based on the same reference system.

Risk related to climate change are also included in this analysis: risks of natural disasters such as hurricanes, tsunamis and droughts, as well as extreme weather conditions (snow, storms, etc.). If risks are identified, the aim is to be able to mitigate the impacts of events related to climate change in particular.

The sites deploy and implement procedures and actions for each risk identified and according to its level of control, which are then shared between sites in order to disseminate best practices. A global building and equipment maintenance programme is used to check all installations that could generate accidental releases into the water, air or soil. This programme assigns responsibilities and sets out the control and monitoring procedures for each piece of equipment or installation.

The effectiveness of the management system within the various subsidiaries is assessed at different levels:

- the sites guarantee compliance with standards and conduct self-assessments. Visits, operational audits and simulations of emergency situations are conducted on a regular basis

## CARING FOR THE ENVIRONMENT

- the subsidiary GMS managers perform quality/environmental audits
- lastly, the Group conducts surveillance audits and annual evaluations of internal controls.

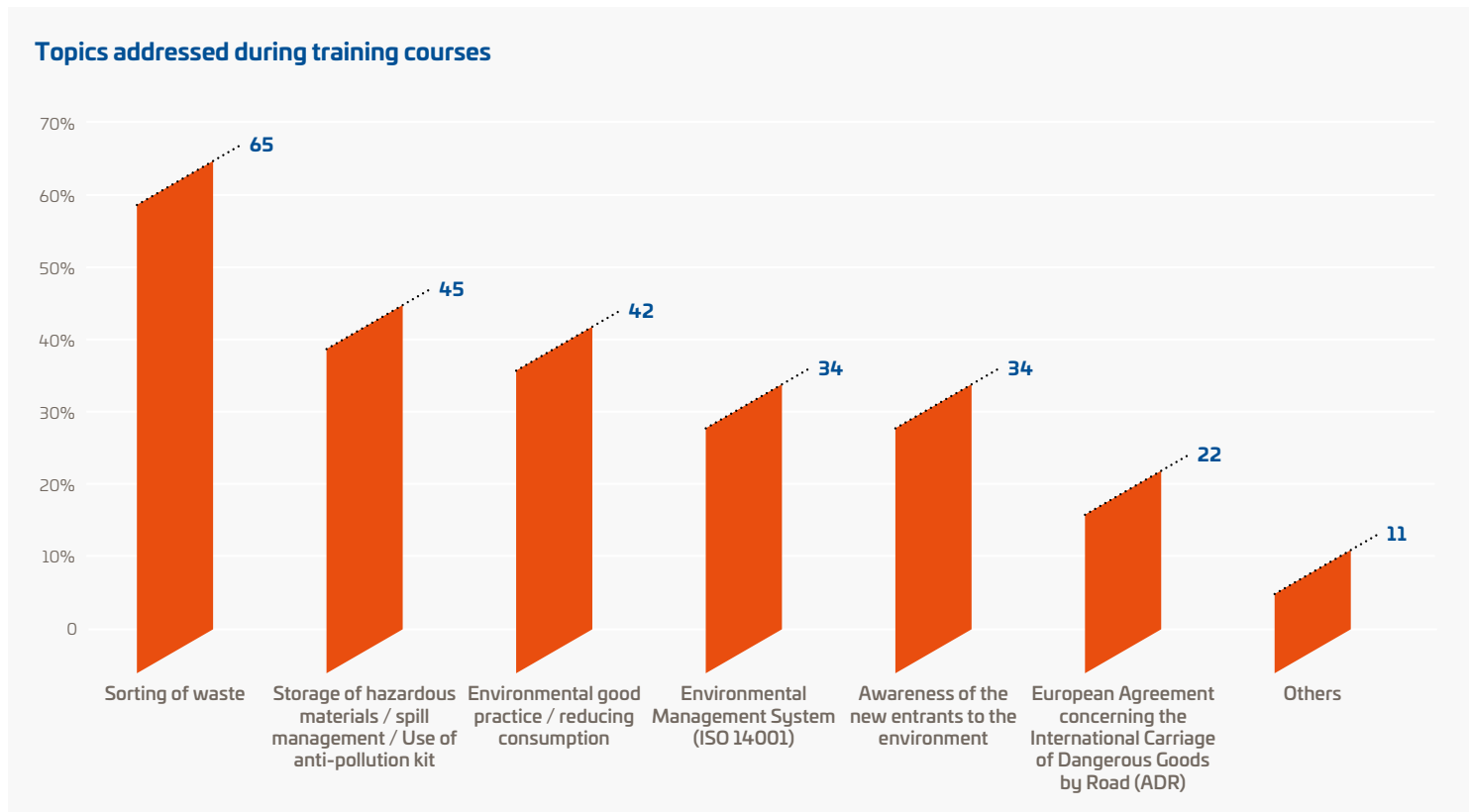
These internal evaluations may be supplemented by audits conducted by external service providers on specific areas such as the transport or warehousing of chemical products, in addition to the ISO 14001 certification.

In 2017, 55 sites received ISO 14001 certification and all of the sites successfully renewed their certification based on the new 2015 version.

### Environmental training

An understanding among all employees of the importance of protecting the environment is one of the key levers identified by the GEFCO Group in its Quality and Environmental Policy. With this in mind, the GMS department has developed a Guide to eco-friendly practices as well as posters to be displayed at sites.

The sites run training courses adapted to their challenges and needs. In 2017, 34% of sites provided training for their teams in environmental issues. The main topics addressed were waste sorting (run at 65% of the sites with training courses in place), the storage of hazardous products, and eco-friendly practices.



## CARING FOR THE ENVIRONMENT

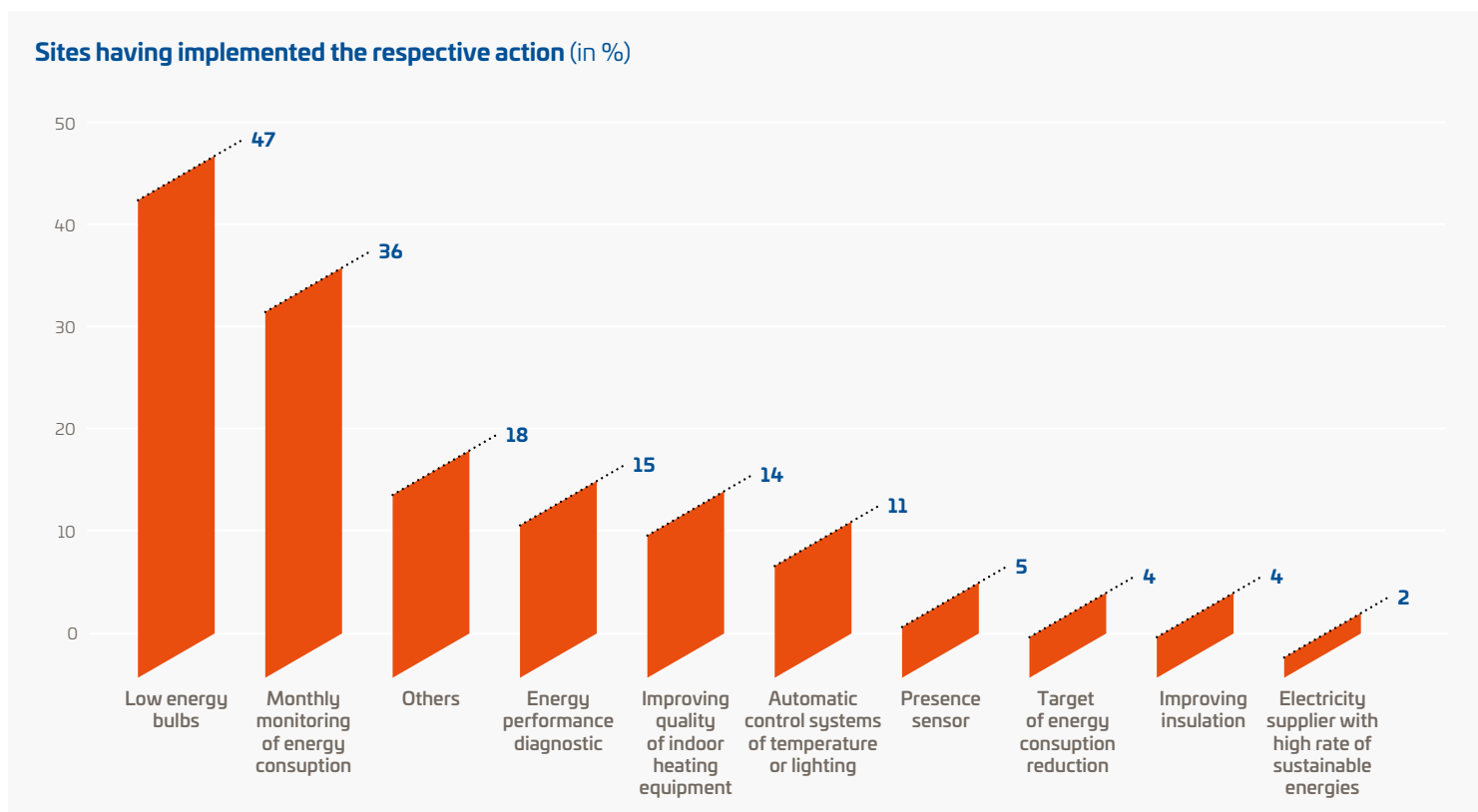
### DIRECT ENVIRONMENTAL IMPACT OF ACTIVITIES

#### Energy efficiency of sites

Controlling the consumption of resources, and energy in particular, is one of the priorities of the environmental policy. All of the business lines have set out a reduction target in their roadmaps. In order to achieve this, three levers have been identified:

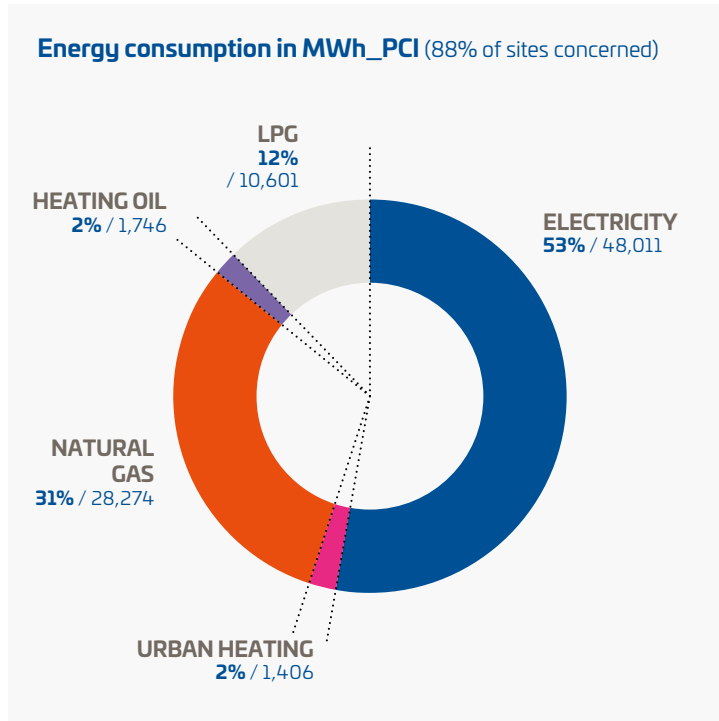
- replacement of traditional lighting with more economical LED lighting and the installation of motion and/or light sensors to adapt the lighting to ambient light conditions
- review of the premises layout in order to maximise natural light
- introduction of temperature controls to automate heating or air-conditioning settings.

55 sites carried out energy reduction actions in 2017 with 87 actions implemented, representing an investment of €1,000,000 and a return on investment estimated at €170,000 in 2018. The reduction in consumption is estimated at 72MWh, i.e. 8% of consumption.



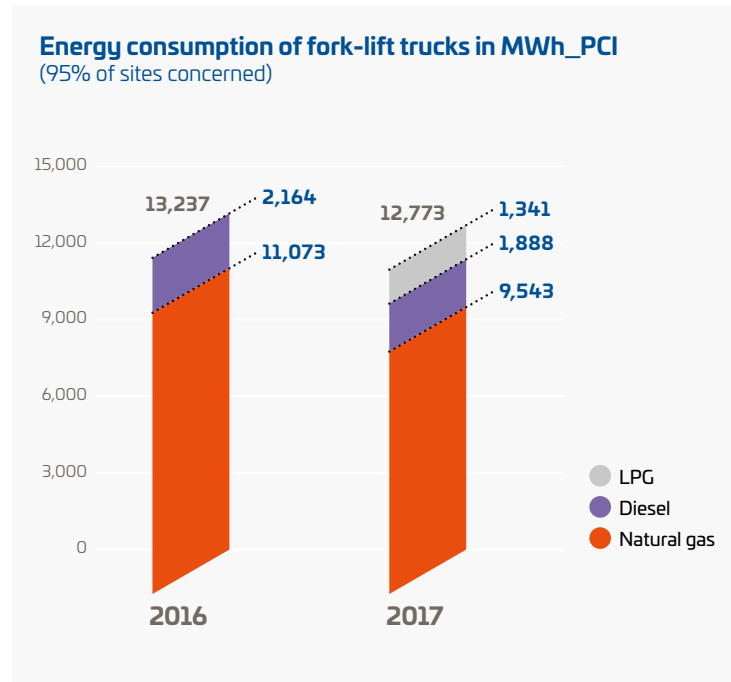
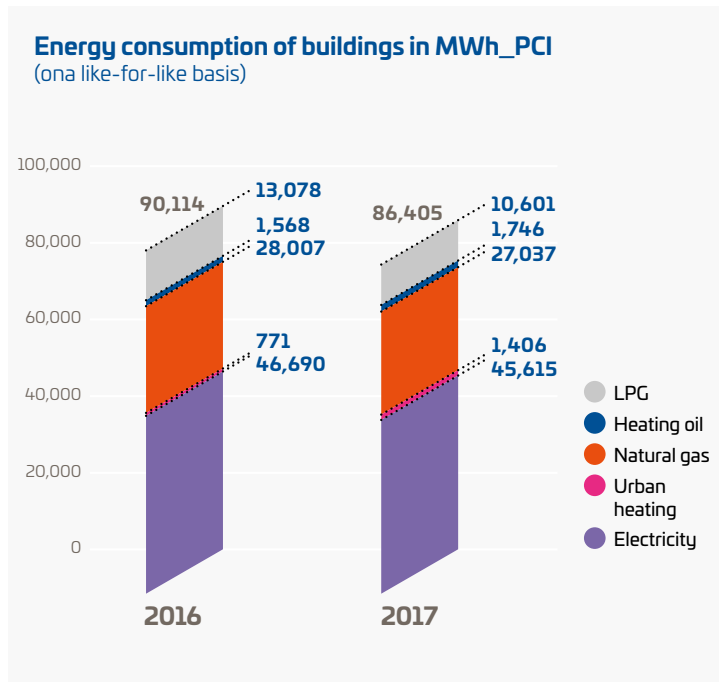
In total, electricity remains the primary energy consumed (53%) across all sites, ahead of natural gas (31%) and LPG (12%).

**CARING FOR THE ENVIRONMENT**

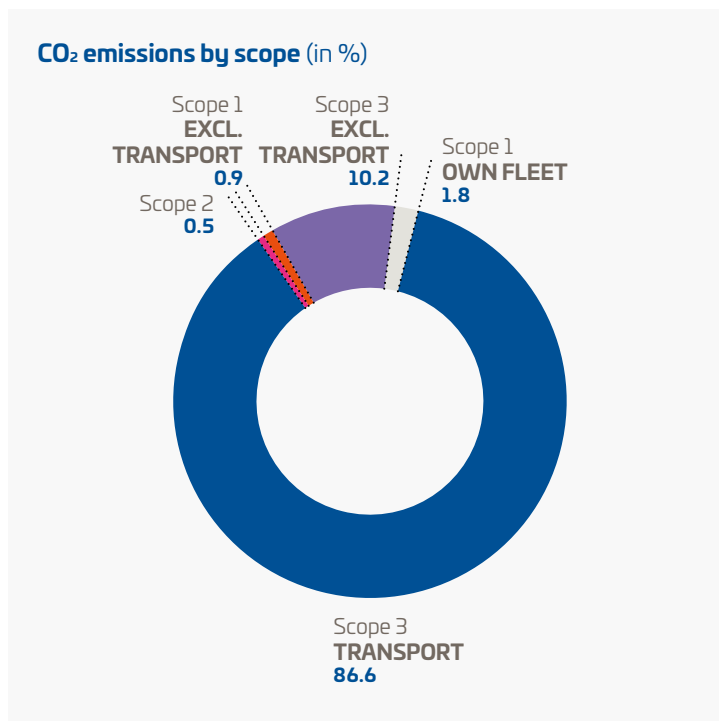


**Energy consumption in MWh\_PCI (88% of sites concerned)**  
 A 4% reduction in total consumption was recorded at the sites in place in 2016 and 2017.

**Energy consumption of buildings in MWh\_PCI (on a like-for-like basis)**  
 136 sites declared the use of fork-lift trucks, up 48%. 71% of these trucks run on electricity, the consumption of which is included in the figures for buildings. 18% of other fork-lift trucks run on natural gas, 8% on diesel, and 4% on LPG. In total, the energy consumption of fork-lift trucks stood at 12,773 MWh\_PCI.



## CARING FOR THE ENVIRONMENT



### CO<sub>2</sub> emissions by scope

In 2017, CO<sub>2</sub> emissions are mainly due to subcontracted transport. Goods and services purchasing, acquisitions of capital assets and employee travels (commuting and business travels) – scope 3 excluding transport – also contribute a significant share of the emissions.

The breakdown of emissions by scope remains stable compared to 2016 (emissions have been recalculated with the integration of IJS Global data).

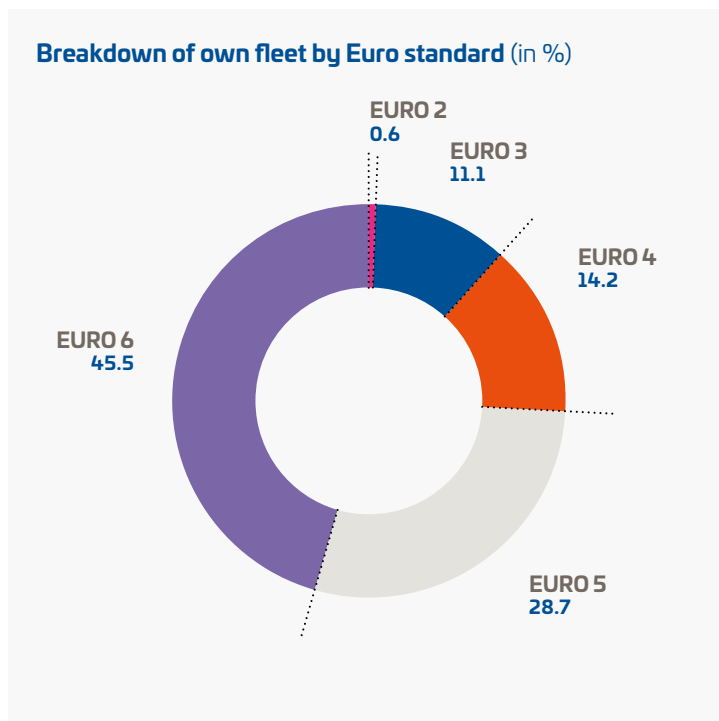
### Energy efficiency of GEFCO's own fleet

The GEFCO Group owns a fleet of over 150 trucks, down on the 2016 figure, for its OVL and FVL activities. For FVL, which concerns vehicle transport for car manufacturers, the Group owns trucks in order to guarantee its widely recognised expertise and know-how and ensure enhanced complementarity with its carriers.

Maintaining a fleet of owned vehicles in good condition and replacing trucks with new models with improved environmental performances (Euro 5 or 6 standard) contributes to the reliability of the services provided and enhances the company's image as well as overall economic performance. The business line fleet manager is responsible for the oversight and maintenance of the owned fleet. As such, an inventory is drawn up on an annual basis.

In 2017, the owned fleet comprises 289 motor vehicles for FVL in the France, Spain, Germany and China subsidiaries and the CEBAME zone, and 63 for OVL in the United Kingdom, Switzerland and Argentina subsidiaries.

The average consumption for the motor vehicles of the FVL owned fleet is 35 litres per 100 km.



### Breakdown of own fleet by Euro standard

Consumption of fuel from sites tanks or purchased by card represent 14,963 m<sup>3</sup>, slightly decreasing compared to 2016 (15,701 m<sup>3</sup> consumed in 2016).

GEFCO France SAS has been working with the AFTRAL training organisation since 2016 to train its FVL drivers in eco-driving. Eco-driving creates a smoother driving experience, reducing fuel consumption, but also a safer driving style, reducing accident rates.

The goal is to train 100% of FVL drivers at the GEFCO France SAS subsidiary. A training standard is currently being developed with AFTRAL to this end based on 2 training programmes:

- initial training during which drivers complete a test course before and after the theory section of the training and compare the benefits of eco-driving in a real-life situation. These observations are supplemented by telematic measures
- follow-up training which enables the driver to renew their eco-driving certification every 2 years through simulation exercises.

## CARING FOR THE ENVIRONMENT

### A SUCCESSFUL TRANSITION

The Ghislenghien site in Belgium changed its vehicle washing technology in 2016, shifting from a washing station to a low-pressure steam-cleaning system. After a year of operation, the results are positive, with a reduced environmental impact:

- water consumption reduced from 145 litres per vehicle to 15 litres
- elimination of industrial effluent runoff
- electricity consumption down 71%
- 15 to 20 times fewer chemical products used

### Water consumption

The water consumed by GEFCO is mainly domestic water, with the exception of the FVL and WRP/RPS activities which use water in the performance of certain services.

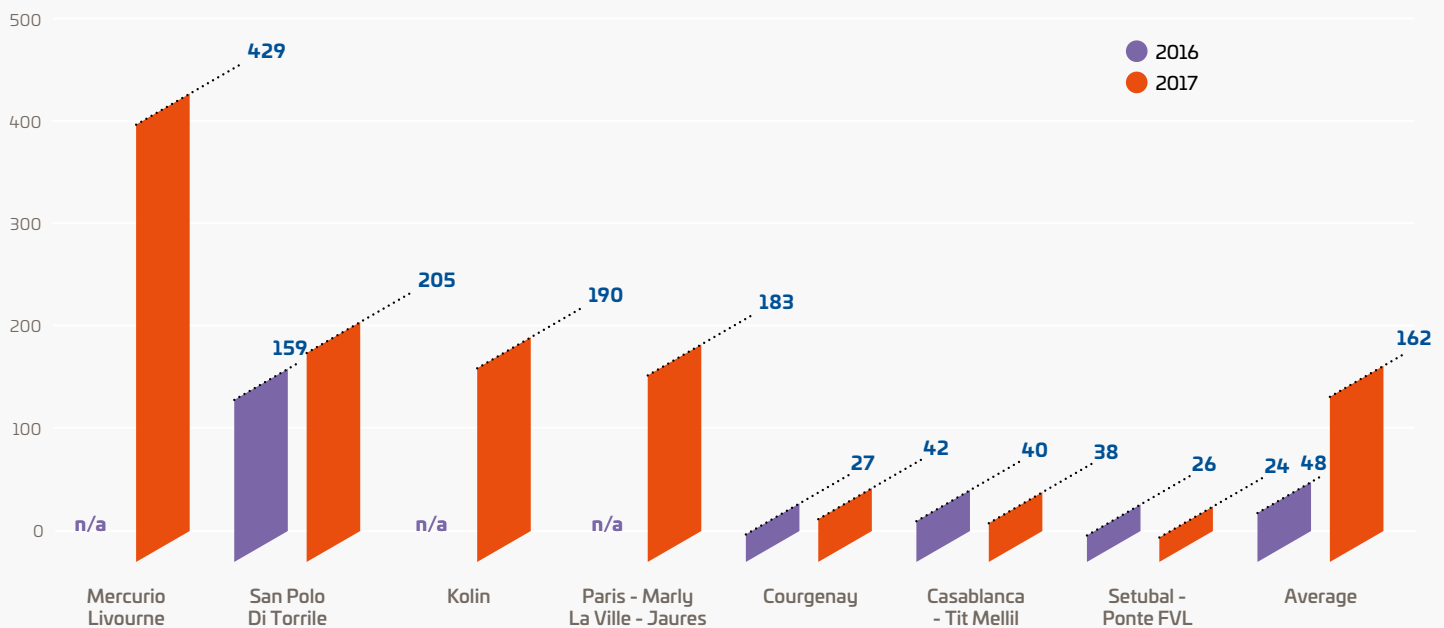
#### FVL WASHING STATIONS

Water consumption at FVL is mainly linked to vehicle washing equipment. Two technologies are used:

- high-pressure water jets used by an operator who moves around the vehicle
- washing decks, which are fixed stations that vehicles pass under to be cleaned.

24 sites had a vehicle washing station installed in 2017, 7 of which can provide information on their water consumption linked to this washing activity (2 additional sites compared to 2016). These sites consume a total of 25,635 m<sup>3</sup> for 158,003 vehicles washed, i.e. an average of 162 litres per vehicle washed.

Consumption of water per vehicle washed (in litres)

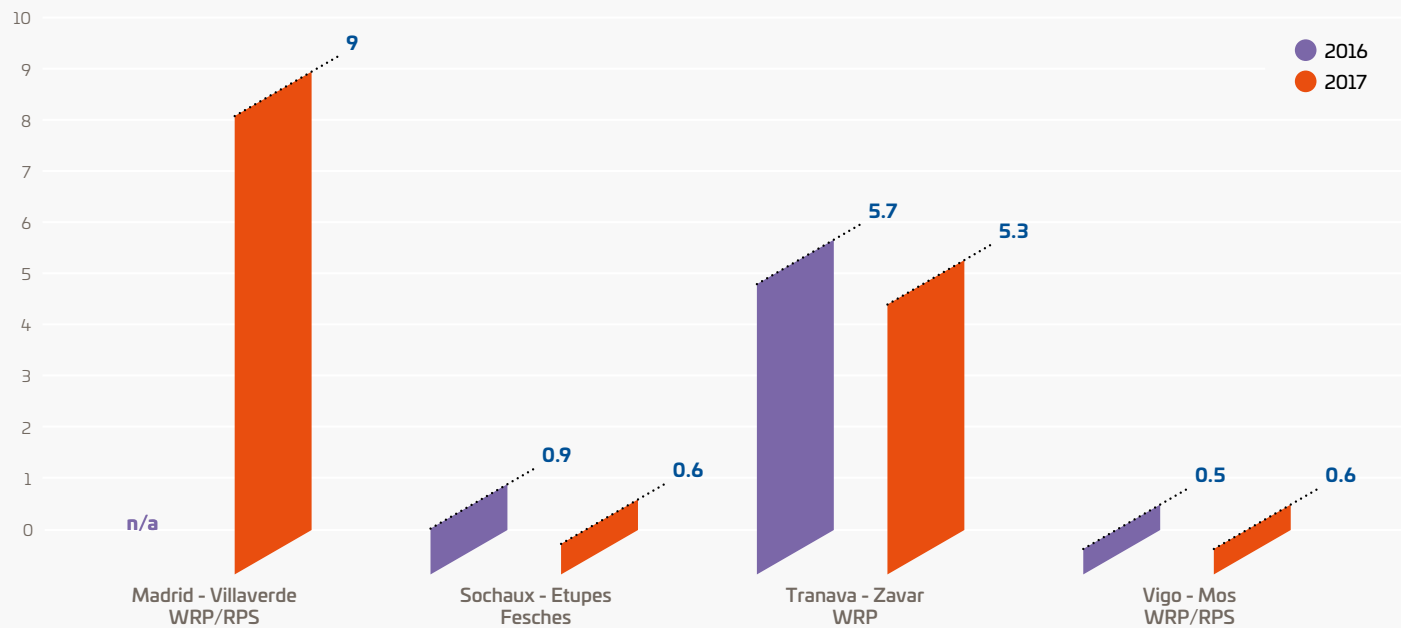


**CARING FOR THE ENVIRONMENT**

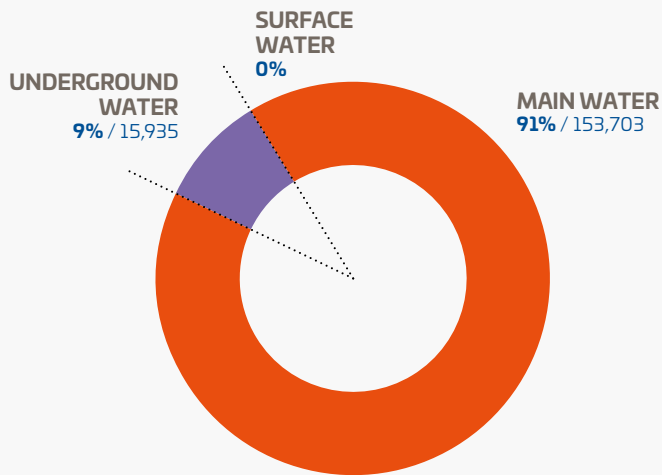
**RPS WASHING MACHINES**

Water is primarily used at RPS for container washing machines. In 2017, 5 sites used washing machines. 4 of the 5 sites are able to provide data. 4,859,310 'equivalent 60L' containers were washed in 2017 giving a total consumption of 4,518m<sup>3</sup>, i.e. an average of 0.9L per container. Washing efficiency is improving at long-standing sites.

**Average water consumption litres per 'equivalent 60L' container washed (in litres)**



**Water consumption per supply source (68% of sites concerned)**



Water consumption in the other business lines solely concerns domestic water.

In total, the GEFCO Group consumed 169,638m<sup>3</sup> in 2017, i.e. an average of 21m<sup>3</sup> per employee per year. The consumption levels of the sites in place in 2016 and 2017 (198 sites) remains stable. In total, there was a slight increase in consumption due to the incorporation of 30 new sites (primarily the F-FWD sites) into the reporting, whose average consumption is 17m<sup>3</sup> per employee (F-FWD activity only uses domestic water).

## CARING FOR THE ENVIRONMENT

### Waste management

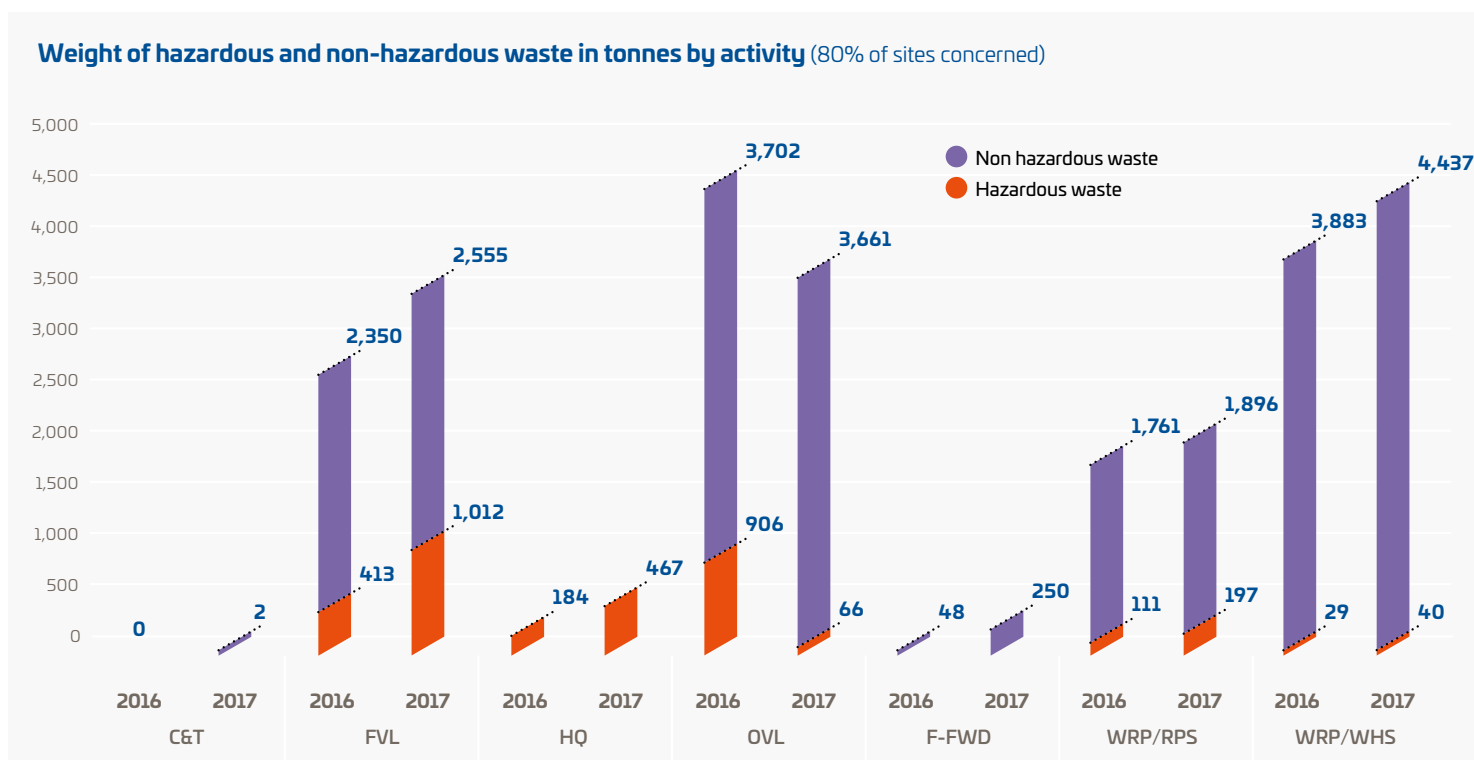
Under the GEFCO Group environmental policy, each site is responsible for its waste and waste treatment. This directive applies in all cases where local regulations enforce lower requirements than those in force within the company, based on French regulations. Where local regulations are more stringent, the sites comply with the legislation in force.

A waste management procedure has been drawn up in order to formalise the process, by assigning responsibility and identifying the tools available for each of the three stages: production, storage and treatment.

The Group's objective is to recover waste as much as possible, either through recycling or through other types of waste recover solutions such as incineration with energy recovery. Waste disposal is avoided where possible and when recovery processes are in place at the sites.

170 sites out of the 213 (80%) concerned by waste management provided information on the quantities of waste generated.

The waste generated by GEFCO varies according to its activities.

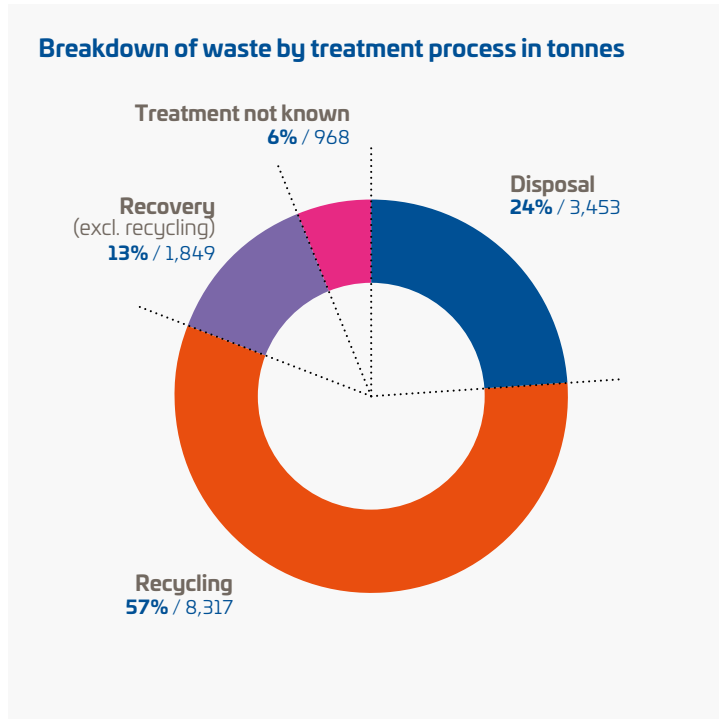


The fivefold increase in waste at the F-FWD activity is linked to the incorporation of the data for sites acquired in 2015 for the first year.

In total, 14,588 tonnes of waste were generated by the activities, 70% of which was recovered or recycled, i.e. a 5-point improvement compared to 2016.



**CARING FOR THE ENVIRONMENT**



With regard to hazardous waste, the sites mainly produce wet sludge and other types of hazardous waste not specifically identified.

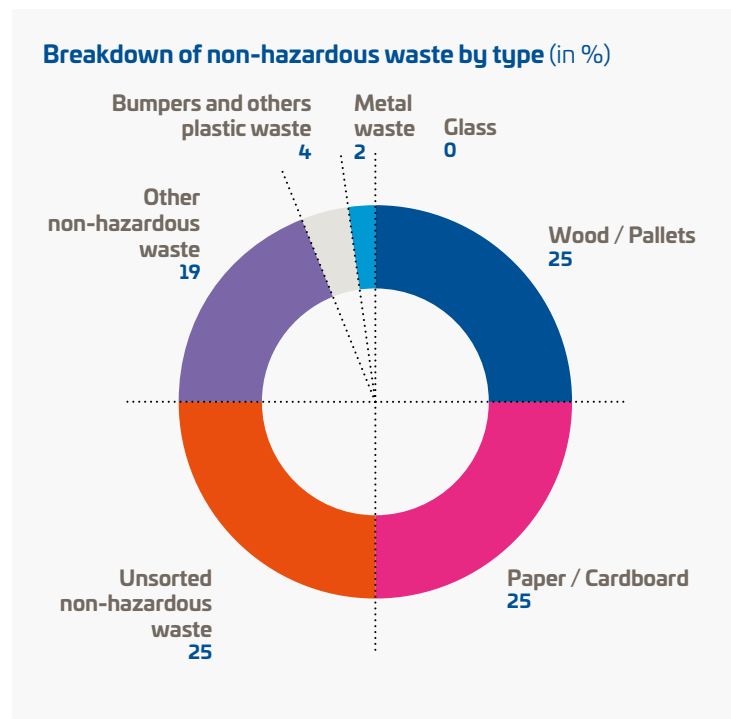
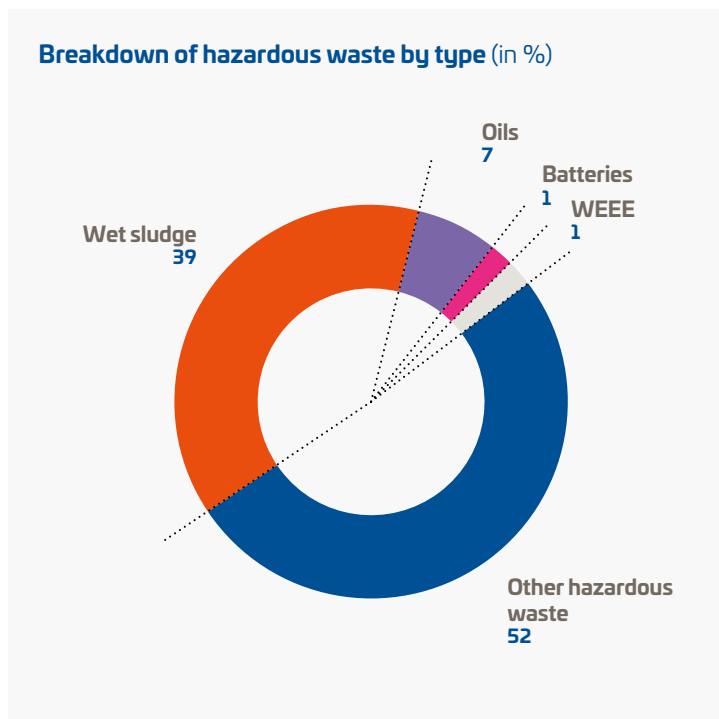
The main non-hazardous waste products generated by the sites are paper/cardboard, wood and pallets, and unsorted non-hazardous waste.

Unsorted non-hazardous waste is waste disposed of in common waste bins that are not sorted.

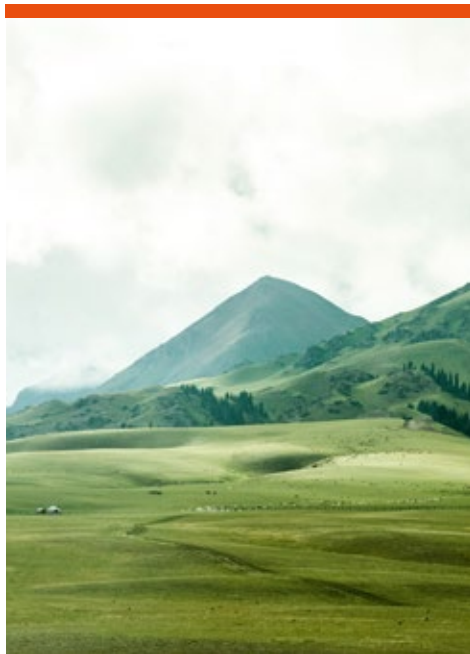
Other non-hazardous waste includes waste that is sorted but does not fall under one of the categories specifically identified herein.

In total, 74% of non-hazardous waste is recycled or recovered with almost 100% of bumpers and plastic waste, paper/cardboard and metal waste recycled or recovered. 93% of wood waste and pallets are recycled or recovered, while 53% of glass is recycled.

The resale of waste with a view to its recovery or recycling allows the GEFCO Group to reduce treatment costs by €288,000. As such, 8 sites have a positive financial balance when it comes to waste management.



## CARING FOR THE ENVIRONMENT



### Environmental incidents

30 GEFCO sites that are liable to generate soil and water pollution are equipped with a holding or storm-water tank.

68 sites are equipped with hydrocarbon separators and 92 sites have rainwater and waste water separation systems.

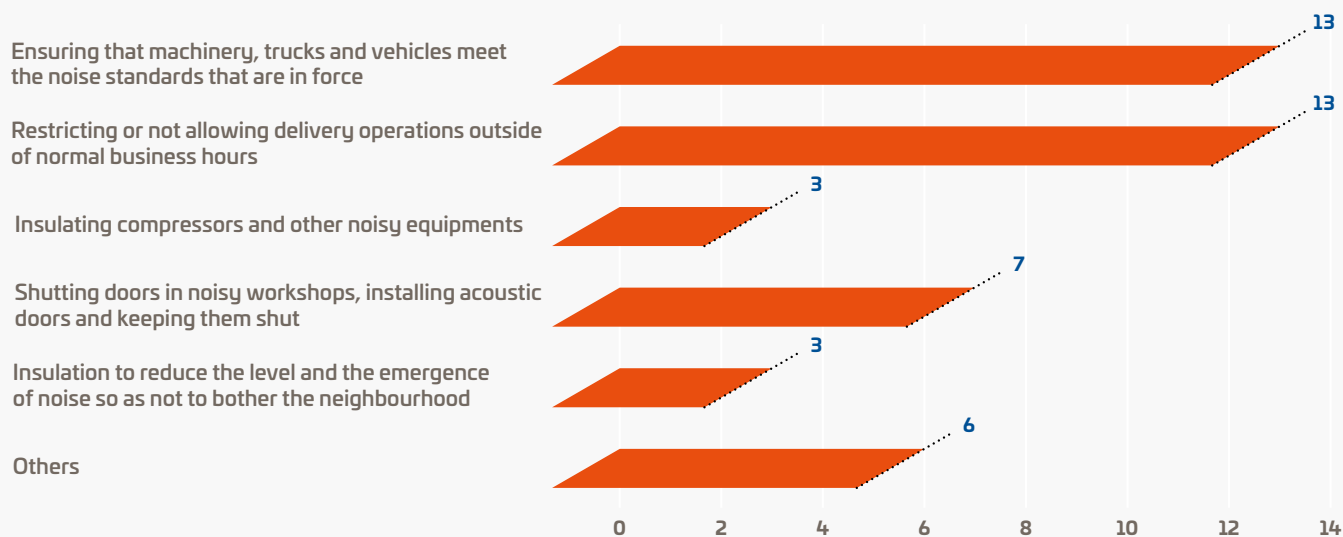
123 sites have anti-pollution kits that are used as a first response in the event of incidents. Spillages and leaks are instantly contained, without the risk of water or soil pollution.

1 site received an official complaint due to spillage into a waterway. This complaint was dismissed with no further action thanks to the implementation of a corrective plan, the installation of additional equipment and employee training.

23 sites declared having suffered environmental incidents, primarily leakages of hydraulic fuel due to ruptured hoses on the trucks in operation at the sites. These incidents are immediately handled by the GEFCO teams in collaboration with drivers. Other incidents such as product spillages and oil leaks are subject to a detailed analysis in order to determine the causes and implement corrective and preventative actions. In the event of exceptional incidents, communications are established with the sites potentially concerned by this kind of incident to enable them to determine if their own situation presents a risk.

Transport activities can generate noise pollution in and around the sites due to high levels of truck traffic and internal installations (fork-lift trucks, compressors, etc.). In order to limit these nuisances, GEFCO conducts noise reduction actions at sites, such as insulation for noisy machines and limiting delivery operations outside of normal opening hours.

### 35 sites declared having put in place a total of 45 actions





# Social commitment

“Where possible, GEFCO uses local subcontractors and service providers, thus contributing to local development.”

## TERRITORIAL, ECONOMIC AND SOCIAL IMPACT OF THE COMPANY

### **In terms of employment and regional development**

The GEFCO Group is present on all continents and operates at 130 air and sea platforms, 60 logistics platforms, and 90 car compounds. These sites are located as near as possible to major industrial estates or its customers' plants. For example, Vigo in Spain, a PSA plant, is surrounded by several of its suppliers. GEFCO has established a site here, thus contributing to the local economic vitality and employment. GEFCO endeavours to recruit local employees when opening new sites, and uses permanent contracts as far as possible within the Group's entities. As such, following a period of increased use of temporary workers to absorb a peak in activity, the Turkey subsidiary decided to convert 15 of these temporary contracts to permanent GEFCO contracts, thus contributing to employment stability.

In Slovakia, the subsidiary is working closely with employment agencies, offering training courses to the unemployed with the aim of subsequently hiring them due to a labour shortage, particularly for driver positions.

### **On local residents**

Given that its activity is dependent on that of its customers, GEFCO regularly uses temporary workers to absorb seasonal spikes (delivery spikes around Christmas) and market trends (particularly for vehicles) within the business lines.

The subsidiaries thus work in close collaboration with local temporary employment agencies. In Germany, the subsidiary encourages its employees to publicise job offers within their personal networks in order to recruit locally.

Where possible, GEFCO uses local subcontractors and service providers, thus contributing to local development.

The GEFCO subsidiaries and sites are attentive to local residents and endeavour to minimise their impacts on these populations. In order to do so, the depots comply with the regulations in force with regard to noise and waste, among others. Thanks to the prevention and protection measures put in place, only one site received an official complaint in 2017 due to spillage into a waterway, which was resolved without problem.

In 2017, 20% of sites stated having carried out actions to limit noise pollution, inherent to the transport business, for example by limiting delivery operations outside of normal opening hours, by sealing or insulating noisy equipment such as compressors.

### **Partnership and sponsorship actions**

GEFCO seeks to fully integrate its sites into the surrounding locality and encourages its subsidiaries and depots to participate in local life, whether by supporting employees' individual initiatives or through corporate projects.

In Turkey, the subsidiary took part in a social project in 2016 that continued throughout 2017. The project provided for actions put in place alongside non-governmental organisations such as the transport of books and materials for a school library on the East coast of Turkey using GEFCO trucks. Employees were invited to participate or organise school equipment drives for primary schools or sales of bags produced by an association for physically abused women.

## SOCIAL COMMITMENT

In the United Kingdom, a social and charity committee was created within the subsidiary with a dual aim: to forge strong relationships with local associations on the one hand, and to raise money for global projects supported by all of the subsidiary's sites on the other hand. Thirteen local actions received financial backing. Furthermore, a solidarity team building event was run with Exhall Grange, a school for children with physical disabilities, specific medical requirements or social difficulties. The participating employees helped construct a pirate ship and worked in the garden over these two days. The partnership also allowed pupils from the school to visit the GEFCO Prologis site.

In Romania, GEFCO sponsors the Parada foundation for homeless people. GEFCO's support has helped to provide food for over 260 people, to provide access to social and medical assistance in over 300 cases, and to find two rental solutions. Employees also contributed through a clothing and supplies drive for the beneficiaries of the association. In addition, the subsidiary purchased equipment for the Grigore Alexandrescu children's hospital in Bucharest.

Numerous initiatives exist in Argentina: managers built bikes during a team building event that were then donated to a library, a donation of transport resources was put in place in collaboration with the 'Fe y Esperanza' foundation for a school located in a rural area, and donations were made to the Garrahan children's hospital.

In Hungary, a solidarity day was organised to allow volunteer employees to visit a retirement home and work in the gardens.

In Russia, GEFCO was the partner of an event organised to celebrate the 180th anniversary of Russian Railways: some twenty GEFCO employees and their families took part in sports competitions held during the day, raising money for children with complex diseases.

Numerous solidarity actions have been put in place in Portugal through the creation of a solidarity grant: school supplies were gifted to the Pedrogão Grande town hall social centre to support families that were victims of the wildfires; a monetary donation was made to the Association Conversa Amiga to help the homeless, the Comunidade Vida e Paz (for the homeless), Instituto Sorriso (for patients with amyotrophic lateral sclerosis) and Abrigo para a Vida (for families in economic difficulty) associations and an association for parents and friends of children with cancer received financial support and donations of food, hygiene products and toys collected by employees.



GEFCO UK brightened up the play area of a local partner school with a bespoke pirate ship.

## ETHICS ON A GLOBAL SCALE

French Law No. 2017-399 of 27 March 2017 on the 'Duty of Care of Parent Companies and Ordering Companies' requires French companies, and therefore GEFCO, to put in place vigilance plans to identify risks and prevent serious abuses of human rights and fundamental freedoms, the health and safety of persons and the environment. The vigilance plan must be implemented vis-a-vis subsidiaries, suppliers, service providers and subcontractors. The measures taken with regard to the latter are presented in section 2.B A responsible logistics chain.

The following section presents the measures put in place for subsidiaries.

### **Duty of care for subsidiaries**

The operations of the GEFCO Group subsidiaries are governed by Corporate policies.

Through its membership of the UN Global Compact, its 2006 Global Framework Agreement on Social Responsibility and its Code of Ethics established in 2016, GEFCO undertakes to enforce Human Rights, the health and safety of employees and environmental protection within its subsidiaries.

The internal organisations and current policies ensure that these issues are taken into account within the subsidiaries. The Human Resources and GMS (GEFCO Management System) Divisions establish the procedures and reporting tools that ensure the effectiveness of policies.

### **RISK MAPPING**

Internal health and safety-related and environmental risks are taken into account at site level based on the reference systems drawn up at Corporate Business Line level.

As such, analyses of environmental risks are conducted across all sites and adapted to the activity: risks of pollution, discharge into the soil or air, etc. With regard to health and safety, risks of accidents, occupational illnesses and psychosocial risks, for example, are identified and assessed. Details of these risk analyses are presented in the previous sections.

The Pulse survey conducted at the end of 2016 also identified areas for improvement when it comes to risk reduction at global and local level through questions on working conditions and remuneration. Reporting processes also help to detect new situations and to update potential risks where necessary.

In 2018, two projects will be carried out to give a global overview of risks: firstly, the Legal Division will produce a risk mapping chart in collaboration with the Internal Audit Office, which will subsequently be reinforced through the involvement of the operational entities.

Secondly, the materiality matrix will identify social, societal and environmental issues that could generate risks for the company. The topics of human rights, social dialogue, health and safety and the environment will be addressed.

### **EVALUATION PROCEDURES FOR SUBSIDIARIES**

The subsidiaries are regularly evaluated with regard to the risks identified. As such, health and safety is monitored by SMST audits and safety audits which verify the deployment of the Group management system within entities: risks are identified and the measures implemented to reduce these are audited. Regarding the environment, audits are performed by the subsidiary GMS managers and the GMS department in addition to the visits and operational audits conducted within the subsidiaries. Details of the evaluation procedures and audits are given in the corresponding sections.

As a general rule, the Internal Audit Office conducts audits of the entities to ensure compliance with the standards and regulations in force, covering the issues of remuneration, work organisation, forced labour and child labour, among others, where appropriate. When preparing the audits, the Audit Office initiates discussions with the main local contact persons so as to adapt the areas audited to the local situation. Where risks have been mapped, the Internal Audit Office incorporates the risk dimension into the choice of areas audited. Questions concerning human rights and fundamental freedoms may be included in the audit, according to the risk level identified within the subsidiary.

## SOCIAL COMMITMENT

### ACTIONS TO PREVENT RISKS AND MITIGATE SERIOUS ABUSES

The actions carried out to prevent risks and mitigate serious abuses are based on Management's commitment to prohibiting all risk behaviours. The Code of Ethics established in 2016 reinforced the Operating Guidelines that previously governed behaviour.

The Code of Ethics recalls Management's commitments to enforcing international conventions on human rights, particularly those concerning the fight against child labour, forced labour, freedom of association and the right to collective bargaining, as well as respect for the environment.

These commitments are also reflected in GEFCO's membership of the United Nations Global Compact whose 10 principles concern human rights, international labour standards, the environment and the fight against corruption.

The Global Framework Agreement on Social Responsibility reiterates GEFCO's commitment on behalf of all of its subsidiaries to respect and promote human and fundamental rights (fight against discrimination, elimination of forced labour, freedom of association and recognition of collective bargaining labour law), to apply best practices in management and human resource development (constant and innovative social dialogue, priority placed on safety, working conditions, health and well-being at work), and to take action to protect the environment (respect for natural resources through their controlled consumption, contribution to the fight against climate change and raising awareness of environmental challenges).

The Group's governance allows for an organisation and procedures across all of the subsidiaries that implement the necessary actions to prevent breaches of guidelines. Employees are invited to question the compliance of their actions with the GEFCO Operating Guidelines, the laws and regulations in force, the impacts on stakeholders and their reactions before taking action. They are also invited to request help in decision-making and to report their concerns.

The health and safety (SMST) and environment management systems set out the general guidelines for entities and sites. Each site can then develop its own tools to achieve the Group's objectives.

Likewise, the Group sets out guidelines and puts in place organisations with regard to respect for human rights and fundamental freedoms: the entities can then put in place the necessary tools to enforce these. As such, the Group updated an internal standard in September 2017 on the abolition of child labour, reaffirming its total ban on the use of child labour under the age of 18 (excluding apprenticeship contracts authorised by legislation) within the company and by its subcontractors, service providers and suppliers. A procedure was also drawn up in the event of the detection of cases of child labour, including an alert and enquiry procedure with guidelines on questioning the child and a methodology for the creation of a corrective and preventive action plan.

Locally, Poland revised its internal regulations to include the ban on forced or mandatory labour.

Staff representatives received training in Slovakia and in the Freight Forwarding France subsidiary to ensure the respect for fundamental freedoms.

### INTERNAL WHISTLEBLOWING SYSTEM

At the end of 2016, the GEFCO Group introduced a professional whistleblowing system initially deployed in France and subsequently rolled out in the other countries. The system is laid out in the Code of Ethics and its modalities depend on each country. The existence of the system and its conditions of use are presented on the Group Intranet and disseminated within its entities.



Employees are invited to question the compliance of their actions before taking action.

## SOCIAL COMMITMENT

The mechanism is managed by an external service provider and allows employees to anonymously (or otherwise) report any unethical behaviour that could impact the Group's activity and have far-reaching consequences on its accountability in the following areas:

- finance, accounting, banking and the fight against corruption
- anti-competitive practices
- discrimination and harassment in the workplace
- occupational health and safety
- and environmental protection.

The Ethics Committee, appointed by the Chairman of the Management Board, handles the alerts received. This Committee is composed of the Executive Vice President CPSA, the Executive Vice President Human Resources, the Legal & Compliance Officer and the Compliance Advisor.

### FOLLOW-UP ACTIONS

The Corporate and local Divisions, as well as prevention officers and GMS officers verify the effectiveness of procedures and actions in their day-to-day work. Pooling of best practices as well as situations requiring intervention allows for improvement and changes to existing processes where necessary across the entire Group.

The effectiveness of organisation, procedures and measures put in place is monitored through frequent indicator reports. The progress of entities in terms of health and safety is annually verified through monitoring of the percentage of actions put in place with regard to the five stages of the SMST. Environmental information is the subject of annual feedback and results are analysed to identify progress and areas for improvement and to set targets for the sites. Annual monitoring of staff representative bodies and agreements signed is used to ensure compliance with international labour standards.

The effectiveness of the procedures and actions put in place is analysed by independent third parties. Numerous customers request an evaluation of the company's maturity through the EcoVadis questionnaire and the CDP questionnaire, specifically on carbon management. The constant improvement in scores and their superior ranking with regard to the sector's average gives an objective illustration of GEFCO's performance in these areas as well as its continuous improvement in less advanced areas.

### The fight against corruption

Ethical risks are an intrinsic risk in an international company. In order to fulfil the commitments made under the Global Framework Agreement on Social Responsibility, its membership of the United Nations Global Compact, its internal regulations such as the Code of Ethics and its Operating Guidelines and the obligations imposed on it in France by Law No. 2016-1691 of 9 December 2016 on transparency, anti-corruption and the modernisation of the economy (so-called Sapin II Law), GEFCO is enforcing strong rules to ensure the prohibition of all forms of corruption, money laundering, influence peddling or other types of fraud.

The Group's Operating Guidelines thus require that all transactions undertaken must comply with a certain number of principles: compliance with the legislative and regulatory framework in force, particularly but not limited to European, American and UN regulations concerning the fight against money laundering and corruption. Each third party and each transaction are analysed, the appropriate measures are written into the commitments and compliance audits are regularly conducted. Likewise, some undertakings, due to their nature or amount, are subject to prior

“GEFCO is enforcing strong anticorruption rules.”



approval by certain bodies and entities (Supervisory Board, Investment Committee). Lastly, the principle of dual validation of orders and payments by two authorised persons must be applied systematically.

Furthermore, the Group has adopted an anti-corruption policy that sets out and illustrates the different types of behaviour that should be prohibited as grounds for corruption or influence peddling. This policy forms the cornerstone of its anti-corruption compliance programme which also includes other tools provided for by law such as the implementation of accounting controls and third-party evaluation procedures.

The Internal Audit Office ensures compliance with these regulations during audits.

### **Fair competition**

Within the framework of the decision issued by the French Competition Authority (ADLC) in December 2015, GEFCO has undertaken a voluntary process to ensure the compliance of and review its internal organisation and its prevention mechanisms.

As such, GEFCO's competition law compliance programme notably includes:

- the appointment of a 'Compliance Officer', assisted by a 'Group Compliance Advisor' and 'Compliance Advisors' within the French subsidiary, tasked with the implementation of the compliance programme
- supervision of the participation of GEFCO personnel in professional associations
- mandatory training programmes, whether classroom-based or via e-learning, for certain employees (managers, members of professional associations, Compliance Advisors, etc.) which conclude with a validation of the knowledge acquired
- a professional whistleblowing system (see above)
- and a guide to compliance with competition law, disseminated internally to all employees initially in France and followed by other subsidiaries over the course of 2018.

### **Compliance with international embargoes**

GEFCO purchases numerous goods and services as part of its activity as a transport agent and its worldwide presence. The services requested by its customers require the creation of complex logistics plans that may involve the collaboration of several depots or subsidiaries. These plans involve transport across different regions and different countries with specific regulations. GEFCO has a duty to offer its customers reliable services and thus to comply with legislation as well as possible sanctions applicable to commercial activities in countries under embargo or liable to involve natural or legal persons under embargo.

The Group has introduced an export control procedure including verification procedures for flows according to country, region, transaction, and risk countries concerned. Compliance with these procedures, to which GEFCO as well as its customers, partners and subcontractors are subject, is controlled by the divisions under the aegis of the Legal & Compliance Division.

In addition, the 'Gral Denied Parties' tool in which transactions are recorded is regularly updated with all information concerning embargoes, sanctions and countries black-listed by the UN, the United States and the European Union. Primarily used by Overland, the tool makes it possible to control services and block suspicious transactions. These alerts are reported to the Group Legal & Compliance Division which investigates the validity of the alert with the operational entities concerned. Depending on the results of the investigation, the information regarding the third parties concerned is updated and the latter assigned to the 'green list' or remain on the 'red list'. In the event that a service is blocked, the latter is modified or cancelled.

# Methodology



## SCOPE OF SOCIAL DATA

In 2017, the GEFCO Group's consolidated accounts covered companies of different origins.



### GEFCO SA and the GEFCO subsidiaries

The consolidated GEFCO subsidiaries are spread across six geographic zones, corresponding to eight structural zones for the processing of social data:

- CORPORATE: GEFCO SA, the parent company
- France: GEFCO France S.A.S., the French subsidiary including the GIS and GAS second-tier subsidiaries
- 1520: Baltic states, Kazakhstan, Russia
- LATAM (Latin America): Argentina, Brazil, Chile, Mexico
- ASOR (East Asia): China, South Korea, Hong Kong, JV SOTRANS Vietnam.
- CEBAME (Central Europe, Balkans, Middle East): Austria, Bulgaria, Croatia, Czech Republic, Germany, Greece, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey, United Arab Emirates, Ukraine
- EUROMED (Western Europe, Mediterranean): Algeria, Benelux, Italy, Morocco, Portugal, Spain, Switzerland, Tunisia, the UK
- F-FWD: F-FWD Corporate, F-FWD Australia, F-FWD Hong Kong, F-FWD China, F-FWD Taiwan, F-FWD Thailand, F-FWD Singapore, F-FWD Netherlands, F-FWD Poland, F-FWD Czech Republic, F-FWD Germany, F-FWD Switzerland, F-FWD UK, F-FWD USA, GEFCO United states, GEFCO F-FWD Belgium, GEFCO South Africa, GEFCO South Korea, F-FWD France
- MERCURIO: Argentina, India, Italy, Slovakia.

### 2017 social data

The Group's social data, with the exception of data relating to occupational accidents, is monitored in Vision, its HR information system - data regarding occupational accidents and incidents is tracked in the Acciline application, linked to Vision.

The GEFCO Hong Kong workforce, which was merged with that of IJS Global Hong Kong, has not yet been transferred to Vision and consequently remains in the GEFCO data contained in this report.

The data for the MERCURIO subsidiaries is not included in the recruitments and redundancies given in the report as they are not recorded in Vision. This exclusion has little impact on the social data as the workforce of these subsidiaries represents just 4% of the Group's headcount. The MERCURIO subsidiaries will be incorporated into Vision in 2018.

The Chinese JVs GEFCO CHONGQING CO, LTD, DONGFENG GEFCO WUHAN LOGISTICS CO, LTD and SHENZHEN MINSHENG GEFCO LOGISTICS (SMGL) CO, LTD not controlled by the Group are not recorded in Vision and do not appear within the scope of the 2017 social data.

In sum, and unless otherwise indicated, the 2017 social data solely concerns GEFCO SA and the Group's GEFCO companies.

## SCOPE OF ENVIRONMENTAL DATA AND METHODOLOGIES

### Scope

GEFCO uses the 'CSR Reporting' questionnaire linked to the Tennaxia software to gather environmental data relating to all of its activities. The Group's sites are required to complete the questionnaire on an annual basis.

## METHODOLOGY

### SCOPE OF THE GROUP ENVIRONMENTAL REPORTING QUESTIONNAIRE

#### ..... Exclusion criteria

The questionnaire automatically excludes sites that are considered not to be representative of the Group's environmental impact, in accordance with the criteria outlined and formalised in the reporting procedures.

- Operating life of the site: a site whose operating life is less than 6 months in the reference period is excluded
- Activity of the site: a site whose activity is only 'office' with a size of less than 5 persons is excluded
- Modalities for the accounting if the site is at a third-party's: some sites are located on, or juxtaposed to, a third-party site (customer, supplier, service provider, contractor or partner). If the utilities (water, electricity, gas, heating oil, urban heating, LPG, diesel, and waste management) provided by the third party are not counted physically (using a meter) or are partially, GEFCO does not take account of these figures usually consolidated by the third party.

#### ..... 2017 coverage

The report covers the period from 1 November 2016 to 31 October 2017. For the purposes of this campaign, and in addition to the exclusion criteria outlined above, the questionnaire excluded the sites of the India, Iraq and Vietnam subsidiaries.

All of the excluded sites therefore account for a turnover of €434,252K, i.e. 94.2% of the Group's consolidated turnover for the period referred to above. 236 sites took part in the 2017 reporting campaign, 227 of which were consolidated.

As at 31 December 2017, the GEFCO Group had not been required to establish any provision or guarantee concerning a risk to the environment. GEFCO does not consume raw materials in its activity and the majority of its operational sites are located in industrial areas. The impact on biodiversity is therefore reduced. Furthermore, the Group does not exploit land or process food waste. Likewise, the fight against food waste is not relevant to the GEFCO Group.

The Group's risk management framework incorporates environmental risks and enables such risks to be taken into account.

Indicators reported here may exclude answers of sites that have not or ill-answered to the associated questions. The response rate to an indicator will therefore be specified, being higher or lower regarding the number of missing answers or non-corrected data.

### CARBON INVENTORY

GEFCO's carbon inventory outlines the greenhouse gas emissions generated by the Group, whether they are generated as a direct (Scope 1 and 2) or indirect consequence of its activities. The inventory is produced using the GHG Protocol method.

Emissions are calculated based on activity data (litres of diesel used, MWh LHV used, etc.) multiplied by emissions factors (TEQ CO<sub>2</sub>/litre of diesel, TEQ CO<sub>2</sub>/MWh LHV of electricity, etc.).

This data can then be used to assess the impact of Scopes 1 and 2. The gases taken into account are those relating to the Kyoto Protocol divided by a tonne of CO<sub>2</sub> equivalent (TEQ CO<sub>2</sub>) through their global warming potential (GWP).

Scope 3 emissions regarding sea, road, air and rail transport are calculated directly using the Group's internal tool (CASTOR).

Remaining Scope 3 emissions are calculated by exploiting data extracted from support operating systems.

The tonnes.kilometres and CO<sub>2</sub> emissions relating to transport (scope 3) have been recalculated for 2016 incorporating IJS Global data now fully integrated.

Within the GEFCO carbon inventory, emission factors are taken from DEFRA (Department for Environment, Food and Rural Affairs - 2012), from the Carbon Footprint (V8) and from the implementing decree governing the CO<sub>2</sub> display of the means of transport in question.



- 1 SCOPE 1 / direct emissions**  
produced by sources of combustion belonging to GEFCO:
- Buildings
  - Own fleet

- 2 SCOPE 2 / indirect emissions**  
Due to electricity and urban heating consumption

- 3 SCOPE 3 / other indirect emissions**  
Other sources:
- Business travel
  - Purchases of goods and services
  - Subcontracted transport
  - Treatment of waste
  - Energy from leased property

# Concordance Table

Categories of Article 225 (Grenelle Act)	Information	Pages	Correspondence with the UN Global Compact
I. a) Employment	Total workforce and breakdown of the workforce by gender, age and region	17 ; 29 ; 31	
	New hires and terminations	19-21	
	Compensation and changes in compensation	23-24	
I. b) Organization of working hours	Organization of working hours	40-41	
	Absenteeism	39	
I. c) Labor relations	Organization of industrial dialogue, procedures for informing and consulting employees and negotiating with them	42-45	3. Companies are invited to uphold freedom of association and to recognize the right to collective bargaining
	Review of collective agreements	46	
I. d) Health and safety	Conditions of occupational health and safety	33-40	
	Review of agreements signed with labor union organizations or employee representatives regarding occupational health and safety	36	
	Occupational accidents, in particular their frequency and severity, as well as occupational illnesses	36 38-39	
I. e) Training	Training policies	25-28	
	Total number of training hours	28	
I. f) Equal treatment	Measures taken in favor of gender equality	29-30	2. Companies are asked to ensure that their own entities do not become party to violations of human rights. 4. The elimination of all forms of forced or compulsory labor. 5. The effective abolition of child labor. 6. Elimination of discrimination in respect of employment and occupation.
	Measures taken to promote the employment and inclusion of persons with disabilities	31	
	Anti-discrimination policy	29-32	
I. g) Promotion and enforcement of the provisions of the core conventions of the International Labor Organization (ILO) relating to:	The upholding of freedom of association and the right to collective bargaining	60-64	
	The elimination of discrimination in respect of employment and occupation	29 ; 60-64	
	The elimination of forced or compulsory labor	60-64	
	The effective abolition of child labor	60-64	
II. a) General environmental policy	Organization by the Company to take environmental issues into account and, where appropriate, take into consideration assessment or certification processes concerning the environment	48-49	7. Companies are invited to apply a precautionary approach to environmental issues. 8. To take initiatives that will promote greater environmental responsibility.
	Training and information of employees conducted on the subject of environmental protection	50	
	Resources devoted to the prevention of environmental risks and pollution	49-50	
	Amount of provisions and guarantees for environmental risks, provided that such information is not likely to cause serious damage to the Company in an ongoing dispute	68	
II. b) Pollution	Measures for the prevention, reduction or compensation for air, water and soil emissions seriously affecting the environment	49-50	7. Companies are invited to apply a precautionary approach to environmental issues. 9. To favor the development and dissemination of environmentally friendly technologies.
	Accounting for noise pollution and other forms of pollution arising from a specific activity	58	

# Concordance Table

Categories of Article 225 (Grenelle Act)	Information	Pages	Correspondence with the UN Global Compact
II. c) Circular economy	i) Waste prevention and management		7. Companies are invited to apply a precautionary approach to environmental issues. 9. To favor the development and dissemination of environmentally friendly technologies.
	Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste	56-57	
	Actions to fight against food waste	68	
	ii) Sustainable use of resources		
	Water consumption and water supply according to local constraints	54-55	
	Consumption of raw materials and measures to improve efficiency in their use	68	
	Energy consumption, measures to improve energy efficiency and use of renewable energy	51-53	
	Land use	68	
II. d) Climate change	Significant sources of greenhouse gas emissions generated as a result of the Company's activity, in particular through the use of the goods and services that it produces	10-13 51-53	
	Adaptation to the impacts of climate change	49	
II. e) Protection of biodiversity	Measures taken to preserve or develop biodiversity	68	
III. a) Regional, economic and social impact of the Company's activity	With respect to employment and regional development	60	
	On local or neighboring populations	60	
III. b) Relationships with persons or organizations with an interest in the Company's businesses, in particular vocational integration associations, educational institutions, environmental protection associations, consumer associations and local residents	Conditions for dialogue with these people or organizations	6	
	Partnership or sponsorship actions	61	
III. c) Outsourcing and suppliers	Taking social and environmental challenges into account in the purchasing policy	13-15	1. Companies are invited to promote and comply with international law relating to human rights within their sphere of influence. 2. They must ensure that their own entities do not become party to infringements of human rights.
	Importance of outsourcing and taking the social and environmental responsibility of suppliers and subcontractors into account	13-15	
III. d) Fair practices	Measures taken in favor of consumer health and safety	68	
	Actions undertaken to prevent corruption	64-65	
III. e) Other actions carried out in favor of human rights		62-63	1. Companies are invited to promote and comply with international law relating to human rights within their sphere of influence. 2. They must ensure that their own entities do not become party to infringements of human rights. 4. The elimination of all forms of forced or compulsory labor. 5. The effective abolition of child labor. 10. Companies are invited to act against corruption in all its forms, including extortion and bribery.

## Report of the independent third-party body



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### Gefco

Exercice clos le 31 décembre 2017

#### Rapport de l'organisme tiers indépendant sur les informations sociales, environnementales et sociétales consolidées figurant dans le rapport de gestion

Aux Actionnaires,

En notre qualité d'organisme tiers indépendant, accrédité par le COFRAC<sup>1</sup> sous le numéro 3-1050 et membre du réseau de l'un des commissaires aux comptes de la société Gefco, nous vous présentons notre rapport sur les informations sociales, environnementales et sociétales consolidées relatives à l'exercice clos le 31 décembre 2017, présentées dans le rapport de gestion, ci-après les « Informations RSE », en application des dispositions de l'article L. 225-102-1 du Code de commerce.

#### Responsabilité de la société

Il appartient au directoire d'établir un rapport de gestion comprenant les Informations RSE prévues à l'article R. 225-105-1 du Code de commerce, préparées conformément aux référentiels utilisés par la société (ci-après les « Référentiels ») dont un résumé figure dans le rapport de gestion et disponibles sur demande au siège de la société.

#### Indépendance et contrôle qualité

Notre indépendance est définie par les textes réglementaires, le Code de déontologie de la profession ainsi que les dispositions prévues à l'article L. 822-11-3 du Code de commerce. Par ailleurs, nous avons mis en place un système de contrôle qualité qui comprend des politiques et des procédures documentées visant à assurer le respect des règles déontologiques, des normes professionnelles et des textes légaux et réglementaires applicables.

#### Responsabilité de l'organisme tiers indépendant

Il nous appartient, sur la base de nos travaux :

- d'attester que les Informations RSE requises sont présentes dans le rapport de gestion ou font l'objet, en cas d'omission, d'une explication en application du troisième alinéa de l'article R. 225-105 du Code de commerce (Attestation de présence des Informations RSE) ;

<sup>1</sup> Portée d'accréditation disponible sur [www.cofrac.fr](http://www.cofrac.fr)

## Report of the independent third-party body



- d'exprimer une conclusion d'assurance modérée sur le fait que les Informations RSE, prises dans leur ensemble, sont présentées, dans tous leurs aspects significatifs, de manière sincère, conformément aux Référentiels (Avis motivé sur la sincérité des Informations RSE).

Il ne nous appartient pas en revanche de nous prononcer sur la conformité aux autres dispositions légales applicables le cas échéant, en particulier celles prévues par l'article L. 225-102-4 du Code de commerce (plan de vigilance) et par la loi n° 2016-1691 du 9 décembre 2016 dite Sapin II (lutte contre la corruption).

Nos travaux ont mobilisé les compétences de cinq personnes et se sont déroulés entre septembre 2017 et avril 2018 sur une durée totale d'intervention d'environ huit semaines.

Nous avons conduit les travaux décrits ci-après conformément aux normes professionnelles applicables en France et à l'arrêté du 13 mai 2013 déterminant les modalités dans lesquelles l'organisme tiers indépendant conduit sa mission et, concernant l'avis motivé de sincérité, à la norme internationale ISAE 3000<sup>2</sup>.

### 1. Attestation de présence des Informations RSE

#### Nature et étendue des travaux

Nous avons pris connaissance, sur la base d'entretiens avec les responsables des directions concernées, de l'exposé des orientations en matière de développement durable, en fonction des conséquences sociales et environnementales liées à l'activité de la société et de ses engagements sociétaux et, le cas échéant, des actions ou programmes qui en découlent.

Nous avons comparé les Informations RSE présentées dans le rapport de gestion avec la liste prévue par l'article R. 225-105-1 du Code de commerce.

En cas d'absence de certaines informations consolidées, nous avons vérifié que des explications étaient fournies conformément aux dispositions de l'article R. 225-105 alinéa 3 du Code de commerce.

Nous avons vérifié que les Informations RSE couvraient le périmètre consolidé, à savoir la société ainsi que ses filiales au sens de l'article L. 233-1 du Code de commerce et les sociétés qu'elle contrôle au sens de l'article L. 233-3 du même code avec les limites précisées dans les notes méthodologiques sociale et environnementale présentées dans l'Annexe 4 du rapport de gestion.

#### Conclusion

Sur la base de ces travaux et compte tenu des limites mentionnées ci-dessus, nous attestons de la présence dans le rapport de gestion des Informations RSE requises.

<sup>2</sup> ISAE 3000 - Assurance engagements other than audits or reviews of historical information



# Report of the independent third-party body



## 2. Avis motivé sur la sincérité des Informations RSE

### Nature et étendue des travaux

Nous avons mené des entretiens avec les personnes responsables de la préparation des Informations RSE auprès des directions en charge des processus de collecte des informations et, le cas échéant, responsables des procédures de contrôle interne et de gestion des risques, afin :

- d'apprécier le caractère approprié des Référentiels au regard de leur pertinence, leur exhaustivité, leur fiabilité, leur neutralité et leur caractère compréhensible, en prenant en considération, le cas échéant, les bonnes pratiques du secteur ;
- de vérifier la mise en place d'un processus de collecte, de compilation, de traitement et de contrôle visant à l'exhaustivité et à la cohérence des Informations RSE et prendre connaissance des procédures de contrôle interne et de gestion des risques relatives à l'élaboration des Informations RSE.

Nous avons déterminé la nature et l'étendue de nos tests et contrôles en fonction de la nature et de l'importance des Informations RSE au regard des caractéristiques de la société, des enjeux sociaux et environnementaux de ses activités, de ses orientations en matière de développement durable et des bonnes pratiques sectorielles.

Pour les informations RSE que nous avons considérées les plus importantes<sup>3</sup> :

- au niveau de l'entité consolidante, nous avons consulté les sources documentaires et mené des entretiens pour corroborer les informations qualitatives (organisation, politiques, actions, etc.), nous avons mis en œuvre des procédures analytiques sur les informations quantitatives et vérifié, sur la base de sondages, les calculs ainsi que la consolidation des données et nous avons vérifié leur cohérence et leur concordance avec les autres informations figurant dans le rapport de gestion ;
- au niveau d'un échantillon représentatif d'entités que nous avons sélectionnées<sup>4</sup> en fonction de leur activité, de leur contribution aux indicateurs consolidés, de leur implantation et d'une analyse de risque, nous avons mené des entretiens pour vérifier la correcte application des procédures et mis en œuvre des tests de détail sur la base d'échantillonnages, consistant à vérifier les calculs effectués et à rapprocher les données des pièces justificatives. L'échantillon ainsi sélectionné représente en moyenne 36 % des effectifs et 52 % des consommations d'électricité présentées, considérées comme grandeurs caractéristiques des volets sociaux et environnementaux.

Pour les autres informations RSE consolidées, nous avons apprécié leur cohérence par rapport à notre connaissance de la société.

<sup>3</sup> Informations sociales : l'effectif total et sa répartition, les embauches et les licenciements, les conditions de santé-sécurité au travail, les accidents du travail, notamment leur fréquence et leur gravité.

Informations environnementales et sociétales : les consommations d'énergie, les types de déchets et leur valorisation, les mesures de prévention, de réduction ou de réparation des rejets dans l'air, l'eau et le sol, les postes significatifs d'émissions de gaz à effet de serre générés du fait de l'activité de la société, notamment l'usage des biens et des services qu'elle produit ; la prise en compte dans la politique d'achat et dans les relations avec les fournisseurs et les sous-traitants des enjeux sociaux et environnementaux, l'éthique et la lutte contre la corruption.

<sup>4</sup> GEFCO France (dont Lyon-Vénissieux), filiales en Allemagne (dont Wuppertal), République Tchèque (dont Kolin) et Espagne (dont Vigo).

## Report of the independent third-party body



Enfin, nous avons apprécié la pertinence des explications relatives, le cas échéant, à l'absence totale ou partielle de certaines informations.

Nous estimons que les méthodes d'échantillonnage et tailles d'échantillons que nous avons retenues en exerçant notre jugement professionnel nous permettent de formuler une conclusion d'assurance modérée ; une assurance de niveau supérieur aurait nécessité des travaux de vérification plus étendus. Du fait du recours à l'utilisation de techniques d'échantillonnages ainsi que des autres limites inhérentes au fonctionnement de tout système d'information et de contrôle interne, le risque de non-détection d'une anomalie significative dans les Informations RSE ne peut être totalement éliminé.

### Conclusion

Sur la base de ces travaux, nous n'avons pas relevé d'anomalie significative de nature à remettre en cause le fait que les Informations RSE, prises dans leur ensemble, sont présentées de manière sincère conformément aux Référentiels.

Paris-La Défense, le 20 avril 2018

L'Organisme Tiers Indépendant  
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