

**Corporate Social  
Responsibility Report  
2020**



Partners, unlimited



## OUR VISION

At GEFCO, our aim is to become one of the most innovative and influential players in supply chain transformation to meet technological, social and environmental challenges.

We believe we create value through cooperation.

Our open mindset and the humility to listen and learn from our partners take us the extra mile.

This is GEFCO's *Infinite Proximity*.

[GEFCO.net](https://www.gefco.net)

This report features some images that were taken before the COVID-19 pandemic. Throughout 2020, GEFCO put measures in place to ensure full compliance with the rules and guidelines in the various geographies in which it operates.

## Contents

### CSR OVERVIEW

	<b>Chairman's Letter</b>	<b>2</b>
	<b>Anne-Brigitte Spitzbarth's Letter</b>	<b>3</b>
	<b>About GEFCO What We Do</b>	<b>4</b>
	<b>About GEFCO Strategy, Governance and Value Creation</b>	<b>6</b>

### CSR IN DETAIL

<b>CSR Overview</b>	
Chairman's Letter	2
Anne-Brigitte Spitzbarth's Letter	3
About GEFCO	
What We do	4
Our Business Segments	5
Governance and Value Creation	6
Strategy	7
<b>Sustainability in Detail</b>	
Materiality Assessment	10
Material Issues, Approach, and UN Sustainable Development Goals (SDGs)	11
Commitment 1 – Conduct Business Fairly and Ethically	12
Commitment 2 – Manage our Supply Chain Responsibly	14
Commitment 3 – Lead and Engage our Stakeholders	16
Commitment 4 – Innovate and Digitalise	18
Commitment 5 – Reduce our Global Emissions	22
Commitment 6 – Manage the Environmental Impacts of our Sites	24
Commitment 7 – Help our People Grow	26
Commitment 8 – Protect our Health & Safety	28
<b>Data and Appendices</b>	
KPI Data Tables Environmental KPIs	30
Social & HR KPIs	32
Sustainable Development Goals and Global Compact Principles	34
Concordance Tables	35
Reporting Methodology	36
Independent third party's report on consolidated non-financial statement	37



“  
In 2021, GEFCO will launch an ambitious – but we believe achievable – new sustainability and CO<sub>2</sub> strategy, aligned with both Science Based Targets criteria and the UN Sustainable Development Goals.”

## Chairman's Letter

### Luc Nadal, CEO

2020 was a challenging year for GEFCO, our employees, local communities, customers and partners. As an expert in complex supply chains, we were truly tested by COVID-19, which generated plenty of new complexity, particularly in health and safety standards. We adapted our practices internally and externally to keep our employees safe and meet customers' requirements, in full compliance with regulation around the world.

The health and wellbeing of employees and partners was our first priority and I was very proud of the agility we demonstrated in adapting to a new paradigm, with new processes, workflows and a very different working environment for most of our employees. I am happy to report that no COVID-19 clusters were identified at any of our sites, a testament to our collective efforts to keep each other safe, along with the processes quickly enacted and the guidance provided by our Operations Excellence and Sustainability team.

I was also proud of the role GEFCO played in the mass transportation of Personal Protective Equipment (PPE) from Asia to Europe in 2020, supplying customers and governments with the fast solutions they needed.

While some of our headline sustainability initiatives were delayed or disrupted by the pandemic, we were able to maintain and expand our activities where health and safety guidelines allowed.

For example, our innovation teams continued to explore and test new technologies for increasing our fuel efficiency, our sustainable procurement charter was expanded to include almost 2,000 suppliers, and we sustained our CDP and EcoVadis environmental scores.

Among the many lessons learnt from the pandemic, I hope it will be easier for businesses across the world to recognise the impact of global-scale problems, particularly climate change, which GEFCO is resolved to tackle.

In 2021, GEFCO will launch an ambitious – but we believe achievable – new sustainability and CO<sub>2</sub> strategy, aligned with both Science Based Targets criteria and the UN Sustainable Development Goals (SDGs). In addition, I am pleased to reaffirm our commitment to the UN Global Compact for the 12th year.

I would like to thank all GEFCO employees and partners for their outstanding efforts in 2020, and wish you all good health and a brighter future in 2021.

Luc Nadal  
CEO



**Anne-Brigitte Spitzbarth**  
Vice-President Operations  
Excellence & Sustainability

**The newly formed Operations Excellence & Sustainability team has had an extremely busy first year with COVID-19 racing to the top of our agenda. I am pleased to report that we have continued to make substantial progress with our wider sustainability and emissions strategy, but once the scale of the pandemic became apparent, the safety of our employees and partners was our overriding priority.**

Our efforts to combat the virus were manifold and involved coordination across our global workforce and sites. Working from home has been initiated wherever possible, and strict procedures around hygiene and distancing have been created where our employees are still required to work at GEFCO sites. I am grateful to all of our employees for their efforts in adapting and adhering to these processes, and am very proud that all GEFCO sites appear to have avoided COVID-19 clusters.

Away from the pandemic, our work towards sustainability has continued, and in 2020 we hired a dedicated team to redesign and implement a global CSR strategy alongside long-term targets for our performance. Those will be announced in 2021 and will demonstrate GEFCO's commitments to operating sustainably and in particular to global decarbonisation, where we will focus on avoiding emissions rather than offsetting them.

In developing our approach we have aligned with both the Science Based Targets criteria and the UN Sustainable Development Goals (SDGs) to implement a serious and sincere strategy that will set a course for ourselves and our partners for the next decade.

We are excited by this journey, and the internal culture of innovation that is supporting it. Furthermore, our customers are increasingly engaged with our sustainable solutions, evidencing the macro shift that is underway in our industry, and the enormous commercial opportunity for those that can find the best solutions.

I look forward to announcing our long-term targets and renewed strategy in the near future, and would like to thank my colleagues and our partners for their continued enthusiasm for this grand project.

**Anne-Brigitte Spitzbarth**  
Vice-President Operations Excellence & Sustainability

# About GEFCO

## What We Do

### GEFCO is a world expert in complex supply-chain solutions and the European Leader in automotive logistics

From its beginnings in the 1950s as the transport and logistics arm of Groupe PSA, GEFCO has grown into a global specialist in complex supply chains. We are now trusted by over 30,000 customers around the world to deliver integrated supply-chain solutions.

Since its independence in 2012, GEFCO has transformed, culturally and operationally, into a confident, innovative, outward facing powerhouse brand.

We are a world leader in automotive logistics, and over the past decade have successfully expanded into other sectors including consumer goods, fashion, healthcare, electronics, pharmaceuticals and aerospace.

No other logistics provider combines this unified, multimodal global presence with the flexibility and expertise to design specific, integrated solutions for each and every customer.

**11,500**  
employees

**Multimodal: Road,  
Rail, Air & Sea**

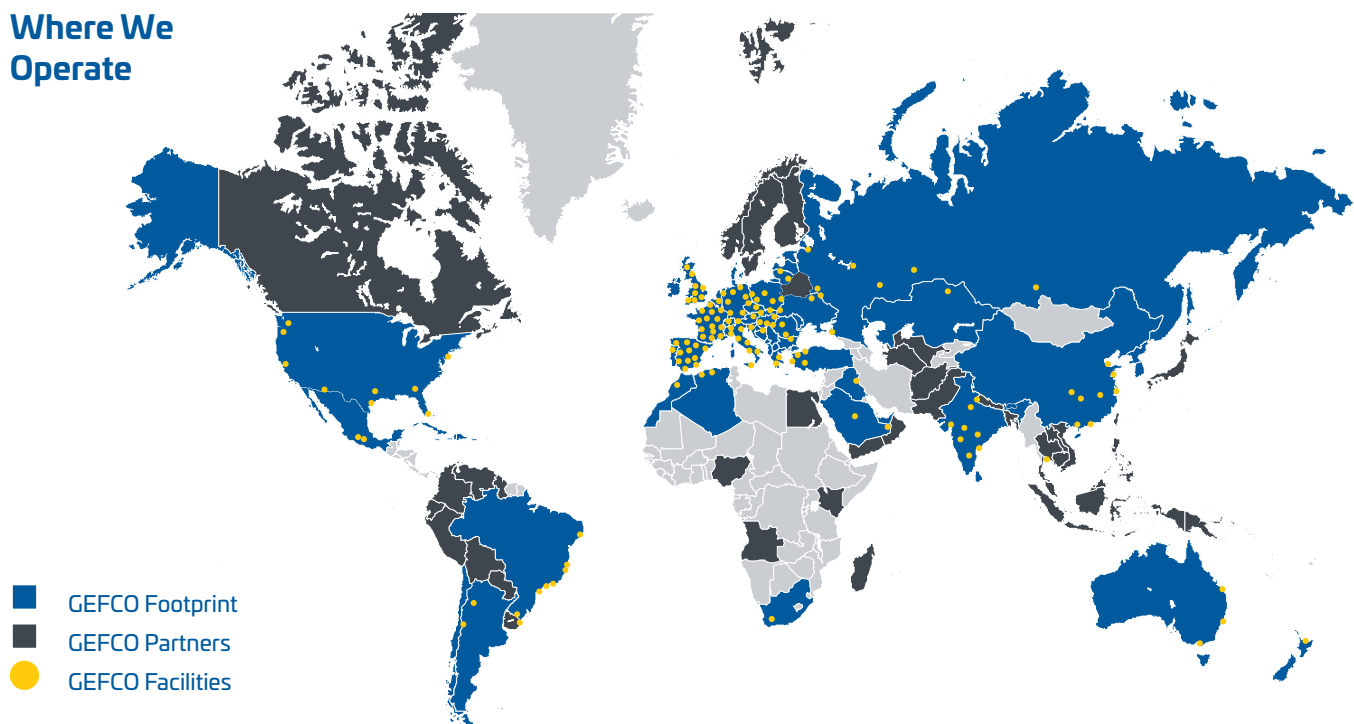
**100+**  
nationalities

**300+**  
locations worldwide

**4.2m**  
vehicles delivered<sup>1</sup>

**€3.8bn**  
turnover for 2020

### Where We Operate



# Our Business Segments

## Finished Vehicle Logistics (FVL)



GEFCO's FVL segment is Europe's biggest transporter of new vehicles, with over 60,000 in transit at any one time. Across the globe, the Group delivered 4.2 million<sup>1</sup> vehicles in 2020 from factories to distribution centres, and from car dealers to end customers.

In addition to new vehicle delivery, GEFCO is increasingly involved in a number of added-value services within our customers' supply chains, including post production, fleet management, and inspection. The Group is also deploying its market-leading solutions in the very large second-hand market and developing tailored solutions for the quickly advancing EV sector.

## Air & Sea



GEFCO's Air & Sea segment arranges local and cross-border transport via air, sea and rail infrastructure, while handling all aspects of customs, tax, and relevant import and export regulations. We have a network of 182 offices worldwide with a presence in 120 countries.

The segment is also responsible for arranging time-critical solutions, where our customers' unforeseen disruptions require fast and stable solutions to keep their supply chains moving.

Lastly, the Air & Sea team arranges specialist transportation for unusually large or unwieldy cargo, such as heavy industrial equipment that is unable to be moved by conventional means.

## Overland & Contract logistics (OVL & CL)



GEFCO's Overland segment designs and operates supply-chain and delivery flows for a wide range of industries, predominantly via road. The offering is a combination of transportation, customised worldwide warehousing, engineering and solutions design, and project management.

Through our contracted network of 133 agencies and more than 300 partners worldwide we provide a full spectrum of transport solutions, including full and part load transport and customised time-critical solutions. Our asset-light approach, only owning 900 trucks directly but with access to over 11,000, allows us to build solutions around our customers' needs rather than bend them to our process.

## Industrial Services



GEFCO's Industrial Services segment provides various industrial logistics and support services, the most significant of which is our Reusable Packaging Solutions (RPS), providing proprietary reusable crates and containers for a range of logistics needs.

The offering includes 6.5 million crates and small boxes in circulation with our customers, allowing standardisation, and state-of-the-art container management and storage with minimal capital outlay.

## Asset Light

The company is deliberately asset-light, only owning a portion of the assets which it operates. This ensures we are fast to adapt, resilient over business cycles, and stable through crises such as the COVID-19 pandemic.

The characteristic also gives us a number of advantages from a sustainability perspective, allowing us to be extremely agile in responding to changes in our markets or our customers' needs, innovating to turn challenges into opportunities.

<sup>1</sup> GEFCO delivered over 5m+ cars in 2019, and the decrease in 2020 is the result of the COVID-19 pandemic and related economic slowdown

# About GEFCO

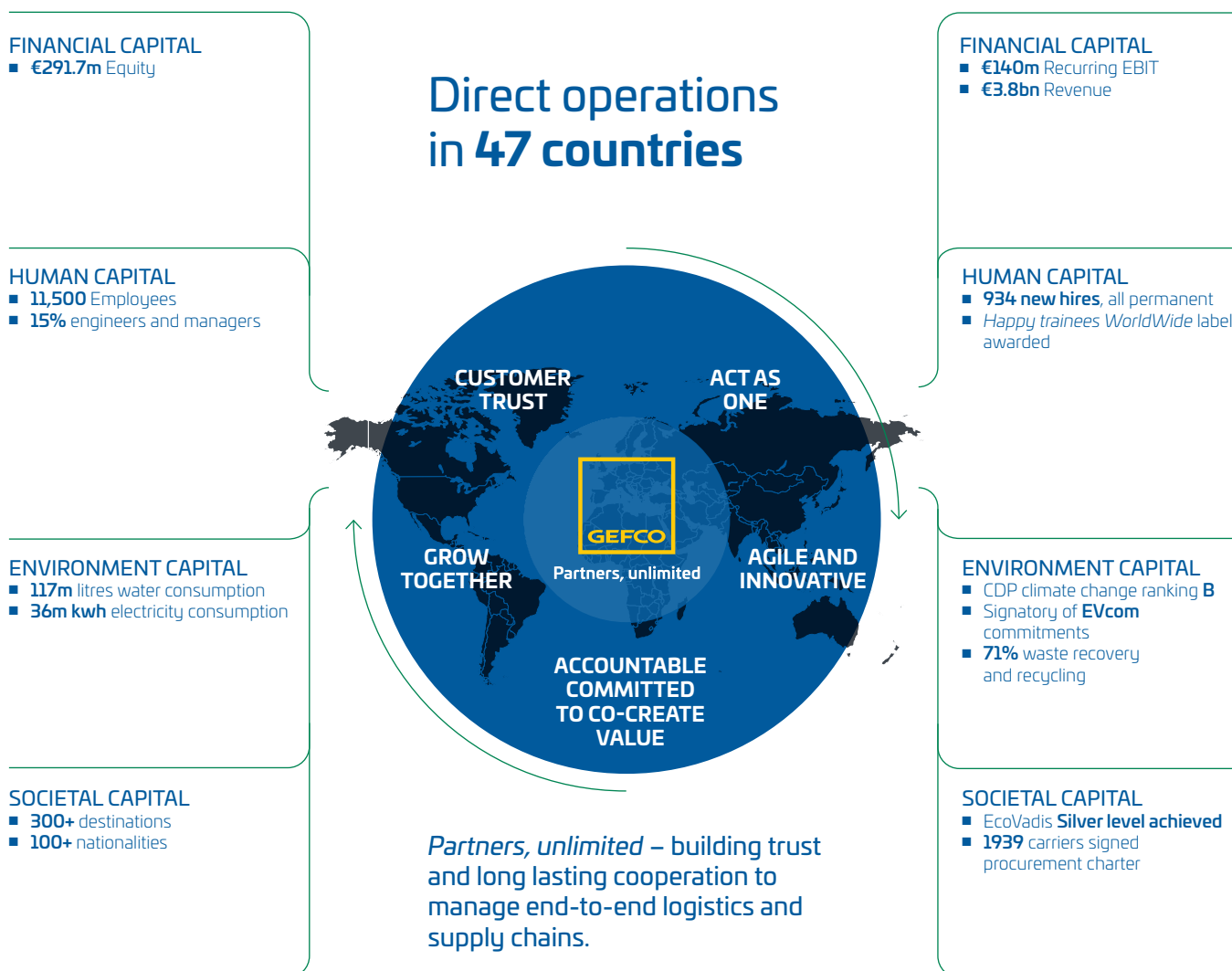
## Governance and Value Creation

GEFCO has two main shareholders: Russian Railways (75%) and the PSA Group (25%). The company has a Supervisory Board composed of 14 members representing these two shareholders, including 2 employee representatives.

Below the Supervisory Board, GEFECO is governed by a Management Board (5 members) and a wider Executive Committee (11 members) responsible for implementing Group strategy and overseeing the quality and added value of our projects for customers, shareholders and employees.

Support functions such as finance, HR, IT, real estate, and compliance are managed at group level while the respective international subsidiaries are responsible for operational functions and commercial interface including project development, supplies, and site management.

The below diagram illustrates how GEFECO creates value beyond its financial performance.





# Strategy

The Group's strategy is focused on five pillars, building on the approach that has proven successful in driving the Group's above market growth over recent years.



## Become the global leader in Finished Vehicle Logistics (FVL)

The Group is well established as Europe's largest provider of FVL and aims to expand this leadership position by capitalising on its expertise, specialised assets, global network, and existing deep customer relationships.



## Expand auto inbound and adjacent logistics segments

The Group will continue to leverage its leadership position in FVL to expand market share in adjacent automotive logistics segments including inbound supply chain, spare parts, reusable packaging, and light assembly.



## Further develop second-hand vehicle logistics and services

With changing approaches to car ownership, and GEFCO's existing positioning and expertise, the company has an immense opportunity to become a key provider of services for vehicles throughout their lifetime. This includes all used car transactions as well as a range of services from first owner to scrap.



## Grow non-auto verticals by leveraging existing expertise

The Group has an existing global integrated network and unrivalled expertise in the demanding and complex automotive industry. We are successfully expanding into adjacent industries with similarly complex supply chain requirements.



## Continue developing new geographies and trade lanes

With its asset-light and agile business model the Group can expand internationally on a selective basis. We can do so in partnership with existing customers who are themselves expanding, and prospect customers, especially in fast-growing geographies.

STRATEGY PILLARS

STRATEGY ACCELERATORS

### Consolidation platform for selective M&A

The Group has a two-pronged approach to M&A: firstly within FVL where the Group will look at strategic and value-enhancing companies; and secondly on an opportunistic basis in other segments where we can add additional geographies, technologies or capabilities to the Group.

### Harness innovation as an accelerator

Given the increasingly rapid changes in our customers' supply chains, innovation is and must be central to our company and culture. We have partnered with Techstars, and launched a dedicated internal organisation for innovation – GEFCO Innovation Factory – which is already producing results.

# COVID-19

GEFCO's reaction to the COVID-19 pandemic was fast and effective, and we are hugely grateful to the adaptability that our employees and partners demonstrated throughout the year. As a supply chain expert, GEFCO was simultaneously responsible for adapting its own internal processes around COVID-19 while managing the requirements of its clients throughout the world.\*

Compliance with our heightened safety standards and close collaboration with our customers to understand how to adapt to the new working environment were key to the success of our operations.

Our first priority was the protection of our staff, and the Operations Excellence and Sustainability (OES) division has been at the forefront of GEFCO's response. Relying on a strong Health & Safety expertise and a solid network, the team quickly assessed the entire operational flow of the business to protect all GEFCO employees across the world and make sure they can work safely at our production sites, in offices, and from home. Throughout the year, specific sanitary rules and guidelines were defined and audited on a regular basis to monitor implementation at every level of the company.

Wellbeing was also a top priority, and during the various lockdowns, GEFCO set up multiple initiatives to support our employees, including regular communications, check-up networks and a podcast series. Throughout the challenges of 2020, we were determined to maintain social links between our people, true to our *'Infinite Proximity'* culture.

Corporate teams supplied GEFCO country divisions with protective equipment until local sourcing became available, and at the same time sourced and transported millions of pieces of PPE to customers in order to allow them to operate as they required.

Thanks to this proactive strategy, GEFCO did not detect a single COVID-19 cluster at any of its sites in 2020. The OES team continues to closely monitor the progress of the pandemic and refine the existing rules and guidelines in line with the evolving situation.



\* This report features some images that were taken before the COVID-19 pandemic. Throughout 2020, GEFCO put measures in place to ensure full compliance with the rules and guidelines in the various geographies in which it operates.



# Materiality

## 2020 Materiality Assessment

GEFCO updated its materiality matrix in Q4 2020 to maintain an accurate and current picture of the Environmental, Social and Governance (ESG) issues affecting the company and its stakeholders.

### Methodology

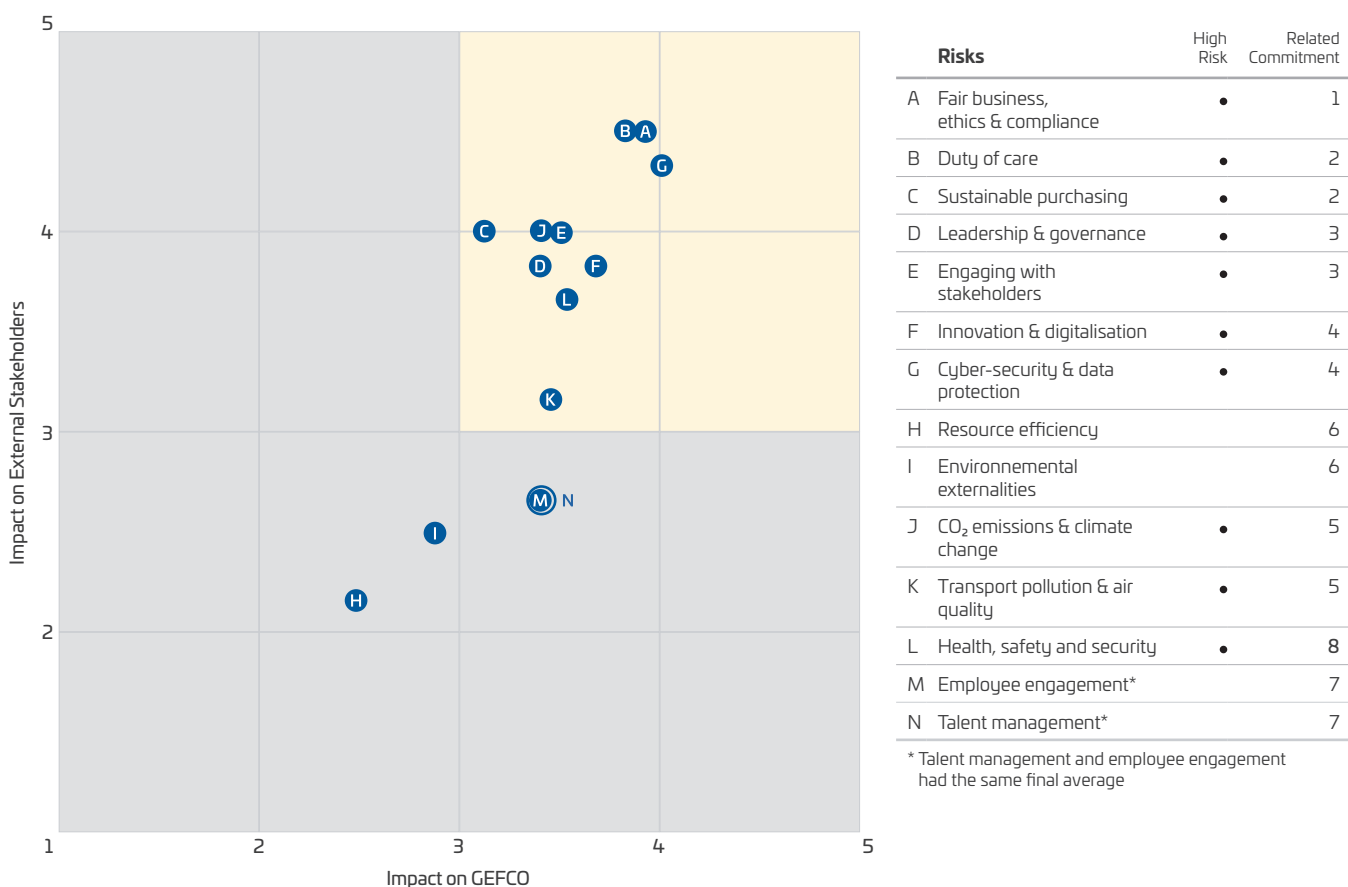
GEFCO conducted a benchmarking study of recognised international frameworks (including UN Sustainable Development Goals, SASB, MSCI, GRI) and a review of sectoral peers to define the universe of sustainability issues relating to GEFCO.

The most material issues were then consolidated into individual categories. Each of them was defined according to its impacts (positive and negative, to address both risks and opportunities), its causes and the primary locations of its effect.

To evaluate their importance for our internal and external stakeholders on a dual materiality matrix, interviews were conducted with customers, suppliers, sustainability experts and representatives of GEFCO's different internal functions – Finance, Purchasing, HR, Operations Excellence and Sustainability.

The interviews were conducted by Tennaxia, an independent sustainability and materiality expert, to guarantee a neutral, third-party view. Interviewees were asked to evaluate each of the issues according to the inherent risk that they represent for GEFCO or our stakeholders and were scored on a 1-5 scale (1= low risk; 5 = critical risk). Results were then consolidated into the matrix displayed below.

## Materiality Matrix



## Material Issues and Approach

Following the results of this new materiality matrix for 2020, GEFCO is updating its sustainability strategy. The sustainability issues evaluated in its materiality matrix were translated into eight commitments which GEFCO will use to structure its approach.

These eight commitments support specific aspects of the UN Sustainable Development Goals (SDGs), with some commitments relating to more than one SDG and vice versa.

### The United Nations Sustainable Development Goals

Through these commitments, GEFCO has pre-identified its contribution to seven of the SDGs as explained below. The relationships between the commitments and the SDGs are explained in the following pages.



## Our Eight Commitments



### 1 Conduct business fairly and ethically

Associated risk: fair business, ethics and compliance



### 2 Manage our supply chain responsibly

Associated risks: duty of care, sustainable purchasing



### 3 Lead and engage our stakeholders

Associated risks: leadership and governance, engaging with stakeholders



### 4 Innovate and digitalise

Associated risks: innovation and digitalisation, cyber-security and data protection



### 5 Reduce our global emissions

Associated risks: CO<sub>2</sub> emissions, transport pollution



### 6 Manage our sites' impacts

Associated risks: resource efficiency, environmental externalities



### 7 Help our people grow

Associated risks: employee engagement, talent management



### 8 Protect our health and safety

Associated risk: health, safety and security

# Commitment 1

## – Conduct Business Fairly and Ethically

### Commitment Overview

GEFCO conducts its business fairly, in accordance with ethical and compliance standards set by regulations, by itself or by the markets in which it operates. Doing so builds the trust, understanding, and long-term relationships which GEFCO relies upon to deliver its services, and avoids risks of corruption, antitrust, fraud, money laundering or other related unlawful behaviours.

### Policy and Governance

GEFCO's ethical values are consolidated in our Code of Ethics: a set of commitments to prevent and identify conflicts of interest; to treat suppliers fairly; to prevent insider trading; to share our ethics with contractors; to respect international trade control regulations; to exercise fair competition; and to fight corruption and money laundering.

GEFCO has developed an Anti-Corruption Policy, a Competition Law Policy, a formal framework for participation in professional associations, and an Export Control Policy which details verification procedures for flows according to country, region, transaction and risk.

GEFCO's Operating Guidelines, which define the applicable rules and procedures for all employees, were updated in 2020. The Guidelines require all transactions to comply with local legislative and regulatory frameworks and the Group's internal rules.

Regarding governance, the Chief Compliance Officer reports directly to the CEO, and supervises the topic of ethics at GEFCO. He oversees the interaction of GEFCO employees with external organisations in a compliance context and sits on the ethics committee, which addresses ethical concerns, including whistleblowing alerts.

GEFCO's ethics policies are implemented by the compliance network, constituted of employees from legal & compliance, finance or HR departments. At 31st December 2020, only two countries did not have an identified compliance officer, due to personnel changes during the year.

The compliance network trains employees and assists with inbound queries. Training is mandatory every 18 months, and the Group has developed dedicated e-learning programmes for fair business and ethics, including modules on corruption and anti-trust. These were particularly useful during 2020 with employees working from home due to COVID-19.

GEFCO also verifies some third-party stakeholders in their commitment to fair business (customers, suppliers, or partners in a joint venture for example), based on the Group's corruption risk mapping and the Transparency International Index. The Group currently has joint ventures in China, Saudi Arabia, Slovakia and Spain.

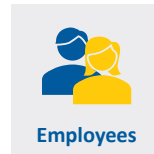
Finally, to supervise potential conflicts of interest at GEFCO, top management signed a certification of non-conflict of interest early 2020. In October, GEFCO then published a procedure for managing conflicts of interest, applicable in the entire Group.

# 56%

of relevant employees trained in anti-corruption in 2019-2020



Customers



Employees



Suppliers

### 2020 Actions

The Group's GDPR and data classification procedure was updated in 2020. Work also began to review the ethical charter and update it with new stakeholder and regulatory expectations for 2021. Also, in the coming year, additional procedures will be published regarding aspects of our anti-corruption policy, including donations, sponsorship, hospitality and gifts management.

### Results

- Of 18 whistleblowing alerts received in 2020, all were formally analysed. Of the 12 which were deemed relevant for the Ethics Committee, 8 had been concluded by the 31st December 2020
- 56% of relevant employees trained in anti-corruption during 2019-2020
- 53% of relevant employees trained in anti-trust during 2019-2020



### Whistleblowing

*We promote an internal whistleblowing system which is open to all concerns including corruption, anti-competitive practices, discrimination and harassment, occupational health and safety and environmental issues. This system is managed by an external provider in order to guarantee absolute anonymity for our employees. In 2019 we launched a revised communications campaign to raise employee awareness of the whistleblowing platform.*



**This commitment contributes to the SDG 16 – Peace, Justice and Strong Institutions.**



# Commitment 2

## – Manage our Supply Chain Responsibly

### Commitment Overview

As an asset-light business working with many carriers, it is especially important for GEFCO to extend its CSR-related programme to include its sub-contractors and partners in order to prevent breaches of our standards in our supply chain. In addition, the ability to assess the CSR performance of our suppliers allows us to drive improvements beyond the bounds of our company and provide an incentive for our partners to operate more sustainably.

### Policy and Governance

GEFCO's most important policy relating to this commitment is its Sustainable Procurement Charter. Suppliers must commit to the Charter, and thereby adhere to GEFCO's code of ethics, respect of human rights, health and safety, and environmental management. In return, GEFCO commits to fair selection of suppliers, and good codes of practice around independence, confidentiality, conflicts of interest, and mutual dependence.

The charter also carries specific obligations for suppliers to help reduce our impact on climate change, including the use of vehicles compliant with a minimum of EURO 5 standards, tracking systems, eco-driving training for all drivers, as well as questionnaires and audits on these issues from GEFCO.

These audits can be carried out at supplier premises, with mandatory documents and information checked on GEFCO's Carrier Management System (CMS). In case of significant non conformities, an action plan will be implemented with the supplier and monitored by GEFCO. If no remedial action is taken, the supplier will be downgraded on the Group CMS.

Our carriers' trucks are also monitored against EURO norms in GEFCO's CMS. For example, in France this year 90% of our subcontracted fleet met EURO 5 or 6 standards. While we have not yet extended this level of monitoring to all countries, we are working towards this goal.

To limit risks in terms of Duty of Care and mitigate existing risks in terms of Human Rights in the driving industry, our contract templates prohibit subcontractors from subcontracting themselves without authorisation from GEFCO.

### 2020 Action & Results

Our contracting policy ensures that all carriers must sign the Sustainable Procurement Charter. In 2020, we updated our supplier questionnaire to include new questions on CSR topics, including SDGs, Health & Safety, CO<sub>2</sub> and other environmental measures, as well as Human Rights. In France, renewal contracts now specify that our subcontractors must work with us using only EURO 6 trucks.

# 58

onsite audits were done (33% of what was planned), or 2.4% of total spend

# 78%

average score of audits of our sub-contractors

# 1,939

transport suppliers have signed our sustainable charter (37% of spend)







Suppliers

We also augmented our data monitoring to include Health & Safety and emissions data. Launch of the new questionnaire was intended for 2020 but was postponed to early 2021 due to a second lockdown in France.

The pandemic also affected our ability to conduct onsite subcontractor audits. We were able to partially adapt the programme, with audits conducted remotely and in the periods between lockdowns.

### Plans for 2021

- Updated sustainability questionnaire launch, followed by data analysis and adaptation of action plans accordingly
- Supplier audits via digital network and onsite where the situation permits
- Internal training of purchasing teams on CSR issues
- Sustainable Procurement Charter to be reviewed and strengthened
- EUROnorm appraisal of subcontractors in CMS

## Global Compact

GEFCO is a signatory of the Global Compact and strongly supports its ten principles. As such, we wish to include our suppliers and subcontractors in our commitment to:

- |                                                                                               |                                                                              |                                                                                                                       |                                                                                                  |                                                                                            |
|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <p><b>1</b> Support and respect the protection of internationally proclaimed human rights</p> | <p><b>2</b> Make sure that we are not complicit in human rights abuse</p>    | <p><b>3</b> Uphold the freedom of association and the effective recognition of the right to collective bargaining</p> | <p><b>4</b> Eliminate all forms of forced and compulsory labour</p>                              | <p><b>5</b> The effective abolition of child labour</p>                                    |
| <p><b>6</b> The elimination of discrimination in respect of employment and occupation</p>     | <p><b>7</b> Support a precautionary approach to environmental challenges</p> | <p><b>8</b> Undertake initiatives to promote greater environmental responsibility</p>                                 | <p><b>9</b> Encourage the development and diffusion of environmentally friendly technologies</p> | <p><b>10</b> Work against corruption in all its forms, including extortion and bribery</p> |

**This commitment contributes to several SDGs relevant to our supply chain. GEFCO wishes to address these issues with its supply chain as part of its responsibility to work with its sphere of influence.**



# Commitment 3

## – Lead and Engage our Stakeholders

### Commitment Overview

GEFCO wants to maintain and develop dialogue with its key stakeholders to identify our common sustainability issues and engage to create common solutions. Many of the challenges we face cannot be solved alone and require changes from our partners or customers. GEFCO’s position as an asset-light company enables it to engage with all parts of the market to engender change.

Following the 2020 materiality matrix and analysis of its SDG contribution, GEFCO will also review its governance and leadership for each of its material issues and commitments, and aim to implement relevant actions, monitor impacts, define targets and communicate results.

### Policy, Governance, Actions and Results

#### With Customers

Sustainability is discussed with each customer during reviews and tenders, or at any other time of their asking. Our commercial teams are the main contact points and manage most of our customers’ requests, with support from the sustainability team where applicable.

We respond to EcoVadis – our 2019 and 2020 grade has been 64/100, achieving gold and silver medals for the past two years.

	2019	2020	Target
EcoVadis score	64/100	64/100	Gold
CDP	B	B	A

### 2021 Update

GEFCO reached its target of GOLD on Ecovadis in 2021, with a grade of 68/100, thanks to a strong performance in 2020.



EcoVadis:

**64/100**

CDP:

**B**

### With Suppliers

In addition to the processes described in commitment 2 (Manage our supply chain responsibly), we involved some of our subcontractors and suppliers in our recently updated materiality matrix. The suppliers were selected from different countries and different sectors (Road, Rail, Air & Sea) and provided feedback on how each of our sustainability issues could impact them. Their feedback was consolidated in our materiality matrix and helped shape our new sustainability vision.

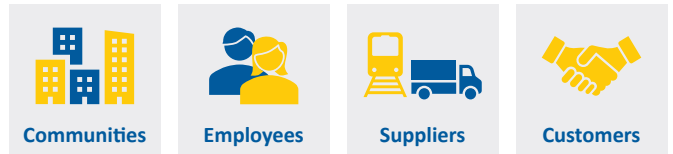
### Employee Dialogue

The Group fully respects the right of employees to form unions and sign agreements.

Agreements are signed regularly at Group or country level and include, among other subjects, agreements on training and skills, on stress prevention, the right to disconnect and on working from home. The Group also has committees on social and economic matters, health, safety and working conditions.

### Employee PULSE Survey

GEFCO conducts its employee PULSE survey globally every two years. This was put on hold this year due to the COVID-19 pandemic as the results would have been very difficult to interpret. It has been re-scheduled and will be launched in the first half of 2021.



### COVID-19

During 2020 the Group launched country surveys to assess our employees’ wellbeing during the pandemic and subsequent lockdowns. Regular calls were held between teams, with a daily call across the HR network. During furlough periods, calls were arranged regularly to keep in touch with employees, inform them of the situation and future evolutions, in order to keep them informed and reduce feelings of isolation. GEFCO’s use of online working tools was widespread in 2020 to adapt to COVID-19, lockdown and working from home.

### With Communities

GEFCO has around 300 sites globally, with each forming an integral part of the numerous communities in which we work and live. Our employees engage strongly with our communities and develop numerous initiatives in each of our countries through in-kind and financial support.

In the UK, a community employment programme is underway for young adults with disabilities, providing work experience and a route to full employment with GEFCO.

In France, GEFCO renewed its commitment to the “Institut de l’Engagement” to support the personal and professional projects of motivated and high-potential youths. GEFCO France has also updated its three-year plan for workers with disabilities, with a focus on recruiting, maintaining, and integrating those employees.

We endeavour to be good neighbours in each of the areas in which we operate. Throughout the Group, only one site received an environmental complaint in 2020.

### Plans for 2021

- Conduct rescheduled employee PULSE survey
- Increase country-based access programmes and work experience programmes



**This commitment contributes to SDG 4 – Quality Education; 7 – Affordable and Clean Energy; 12 – Responsible Consumption and Production and 16 – Peace, Justice and Strong Institutions.**



# Commitment 4

## – Innovate and Digitalise

### Commitment Overview

Digitalising supply chains reduces customer lead times, reduces costs, and allows Group functions to work together in a more connected, efficient way. Done well, digitalisation allows the business to operate more intelligently. However, reliance on data sharing and computer analysis also carries risks of malfunction, data security breaches, and unintended interruptions, as happened this year.

### Policy and Governance

#### Innovation

The organisation of the innovation departments was reshuffled in 2020 and regrouped into one team, resulting in better organisation and efficiency, and lower costs and governance.

Three new pillars of Innovation at GEFCO:

#### Innovation Watch & BI



- Detect new ideas and opportunities, analysing complex developments in areas such as 5G, Quantum Computing, and Urban Logistics
- Develop potential opportunities for GEFCO use cases
- Play a guiding role in helping the EXCOM choose the right direction for investment and development

#### Innovation Factory

- Internal incubator for the development of projects with good potential
- Define teams with sponsors and mentors from around the business
- Develop projects and challenge them
- Test them and if successful roll them out across the company



#### Open Innovation



- Work with the global innovation ecosystem: large businesses, start-ups, incubators, local projects
- Ensure we are able to accelerate projects identified outside GEFCO with tech partners, startups, and incubators

### Cyber-Security

GEFCO Group was the victim of a cyber-attack in the second half of 2020, serving as a reminder of the importance of cyber-security for all employees of the Group. In addition to implementing additional security measures and rehauling its IT systems, the Group followed GDPR procedures in affected countries by declaring the attack to the relevant authorities as well as notifying all impacted stakeholders. The IT and Compliance department also updated its GDPR procedure in 2020, and a new training course on cyber-security was launched early 2021 to increase awareness of security breaches and how to prevent them.

### 2020 Actions and Results

Due to restrictions of COVID-19, the Innovation team could not roll out all projects in 2020, but was still able to focus on four projects:

1. Compound 4.0: a forward-looking review of the future of vehicle compounds, focused on operational efficiency, digitalisation, better monitoring, and track & trace
2. Fuel reduction (see below)
3. Suppliers Unlimited (see below)
4. Warehouses 4.0: a promising site access management project, launching in 2021 to automate and accelerate the entrance to and exit from sites

Two further innovation projects were led by the IT department. They addressed process automation and leveraging our data for wider use-cases.

# 19

ongoing projects

# 6

rollouts in 2020







### Suppliers Unlimited

GEFCO developed the Suppliers Unlimited programme in 2020 to bring a range of benefits to subcontractors working with GEFCO, including preferential accesses or cheaper prices when purchasing vehicles, tyres, or maintenance services.

### Fuel Reduction

Fuel efficiency is a key goal for GEFCO, reducing both our cost and our impact on the environment. We actively manage the consumption of our existing fleet through measures described in the following pages and want to motivate our subcontractors to do the same.

An internal and external challenge was launched at the start of 2020 to identify initiatives which can help reduce consumption by the diesel fleet. Over a hundred concepts were collected and consolidated with the results currently being analysed for testing in 2021. One example led to researching dynamic deflectors, wings and skirts for lorries, which can adapt to wind conditions and speed to improve aerodynamics.

This challenge also highlighted local initiatives which could be shared across the Group and our partners around the world. In France for example, eco-driving training (86% of subcontracted drivers have been trained) led to a 7% decrease in fuel consumption while in Spain, a roll-out of a fuel additives programme reduced consumption by 3%. A dedicated database is being built to share data more effectively.

### Alternative Fuels

Five tests took place in Europe on the possibilities of LNG and CNG vehicles. They tested the benefits at distances between 75 and 350km and showed positive results in terms of cost and CO<sub>2</sub> emissions with reductions of emissions between 13 and 30% (TCO<sub>2</sub>) observed. Drivers were also happy with the comfort of the vehicles, especially the noise reduction.

The more significant current challenges are around cost and infrastructure, with prices remaining too high for subcontractors to consider without guarantees for their usage over the coming years. In addition, existing infrastructure can complicate refuelling if it requires detouring. As such, the use of these trucks will need to be on the lines with easy access to refuelling.

GEFCO strongly believes in the development of a hydrogen network in Europe, but also that this network needs the assurance of long-term engagement and financing commitments.

### Plans for 2021

- In 2021, we plan to expand our projects and roll-outs, including Suppliers Unlimited, Fuel Reduction and Fuel Alternatives projects, as well as Process Automation and Compound 4.0.



**This commitment contributes to SDGs 7 – Affordable and Clean Energy; 13 – Climate Action and 16 – Peace, Justice and Strong Institutions.**



# Commitment 5

## – Reduce our Global Emissions

### Commitment Overview

GEFCO must mitigate its impact on climate change to minimise the threats resulting from warmer temperatures and more frequent extreme weather events, as well as adapt to increasing regulations and pressure from markets and customers to propose low carbon transportation services. GEFCO also wishes to contribute to cleaner transport and reduced air pollution in urban and semi-urban regions to maintain its position as a responsible member of its communities.

### Policy and Governance

GEFCO's management board and Executive committee are responsible for setting emissions reduction objectives and ensuring their delivery through strong governance and appropriate strategic and operational measures.

The newly created Operations Excellence and Sustainability (OES) team is in charge of deploying an ambitious carbon reduction programme in line with the 2015 Paris Agreement across the Group, working with internal operational and innovation teams as well our partners. A new high-level carbon strategy is currently being prepared by the OES team. The main strategic direction is expected to be validated at the beginning of 2021 followed by progressive deployment on a country by country basis through the rest of the year.

The main goal of this process is to define an ambitious CO<sub>2</sub> target for 2030 in order to steer the company's decision-making towards low-carbon logistics. The strategy is defined in three levels:

- Lead by example: leadership through ambitious commitments and demonstrating action through GEFCO's owned assets
- Better together: co-operate and support our transport partners through the low-carbon transition
- Sustainable proximity: propose and integrate low-carbon solutions for our customers

As part of defining an ambitious CO<sub>2</sub> target, GEFCO is committing to the Science Based Target criteria in order to align its carbon reduction trajectory with international efforts and the Paris Agreement, and will be submitting a target for approval by the end of 2021.

Towards the end of 2020, GEFCO joined the Global Logistics Emissions Council (GLEC), an industry-led partnership to drive emissions reduction and efficiency across global logistics supply chains by harmonising guidelines for reporting.

### 2020 Actions and Results

Our own carbon footprint is closely linked to the volume of our business, and as such COVID-19 had a significant impact on our emissions, primarily during the spring of 2020. The CO<sub>2</sub> emissions related to transport activities dropped by 18% compared to last year, and the emissions performance of the Group's transport activities improved by 0.3% compared to 2019. Our share of activity in sea and rail mode increased during 2020, which contributed to a better carbon performance. GEFCO expects to keep improving its carbon performance in 2021.

GEFCO continues to provide carbon reports to its customers, with a dedicated reporting tool to track all services provided by GEFCO. The calculation is aligned with European Standard EN 16258 and the GHG protocol for accounting of carbon emissions. The information is derived from GEFCO's proprietary Transport Management Systems with input from EcoTransIT World for corresponding CO<sub>2</sub> emissions calculations.

### Route Optimisation and Efficiency

In addition to the trials of alternative fuels mentioned in relation to Commitment 4, GEFCO continues to work on schemes to lower the carbon intensity of its network. Route optimisation and multimodal solutions play a significant role in this process, reducing delivery time, cost and emissions.

As an example, we continued to expand our 'New Silk Road' offering to our freight forwarding customers, providing rail solutions between Europe and Asia. Currently, 95% of trade between China and Europe is delivered by sea, yet this mode of freight is slow and has a high air pollution impact. GEFCO's investment in the region allows us to offer customers a rail solution that is twice as fast as the maritime alternative and emits five times less CO<sub>2</sub>.

53.6

gCO<sub>2</sub>.tkm

1,484

KtCO<sub>2</sub>e





## France

Following the company's 2019 EVcom commitment, GEFCO France was awarded with the "Objective CO<sub>2</sub>" designation by the French Environment Agency, in recognition of the efficiency of its vehicle emissions. In 2020, GEFCO's owned fleet was 92% compliant with Euro 6 completed installations of on-board telematics for measuring fuel performance.

## Carbon Offsetting

GEFCO supported reforestation projects recognised as "Label Bas-Carbone" by the French Environmental Agency. Our objective was to compensate for the entire CO<sub>2</sub> emissions of our owned fleet, equating 10,000 tonnes of CO<sub>2</sub> on a scope 1 basis. In 2020 55,000 trees were planted over an area of 52 hectares.

## Site Energy Management

GEFCO continues to roll out renewable energy production at appropriate sites, and in 2020 this included our facility at Pinto in Spain which is now 100% powered by its own solar energy. The site uses low-energy warehouse machinery, intelligent LED lighting, and efficient temperature management controls. Across the Group, 5600 MWh of renewable energy was produced by our sites.

## Air Quality

In addition to GEFCO's GHG targets, we are conscious of the need to manage local pollutants relating to our road fleet, with the most hazardous emissions (particulate matter and nitrogen oxide) being our priorities. In 2020 GEFCO conducted measurements of these pollutants from the vehicles in its FVL division, with 94% of the fleet compliant to Euro 5 and 6 standards.

## Plans for 2021

- Target submitted to the Science Based Target initiative, and awaiting approval
- Company-wide CO<sub>2</sub> reduction plan for countries and activities towards our 2030 SBT targets
- Implemented ambition to monitor air quality at group level by 2021 and include subcontractors within 3 years.



This commitment contributes to SDGs 3 – Good Health and Well-Being; 7 – Affordable and Clean Energy and 13 – Climate Action.



# Commitment 6

## – Manage the Environmental Impacts of our Sites

### Commitment Overview

GEFCO has a responsibility to the regions, ecosystems, and communities in which it operates. Beyond the negative effect on the environment, mismanagement of environmental impacts can also lead to reputational and regulatory risks for the company.

Our commitment is to managing resources effectively, and minimising environmental impacts including water, waste, effluents, and chemicals. We are also committed to reducing our localised impacts on issues such as noise pollution and biodiversity.

### Policy and Governance

At Group level, environmental issues around our sites are managed by the Operations Excellence & Sustainability (OES) team and by the environmental maintenance & buildings department, with representatives of the OES network implementing changes on a local basis. The global team is responsible for supervising the development and update of policies and certifications (including but not limited to ISO 14001) and managing environmental issues. Approximately 70% of our sites have at least one industrial activity such as workshops, warehouses or reusable packaging services, with the remaining 30% representing offices.

### 2020 Actions and Results

Our ability to implement site management plans was impacted by COVID-19, but some progress was still made with 36% of sites either conducting or updating their environmental risk mapping during the year. 14% of sites reported environmental incidents in 2020 (primarily small spills or leakages, which must always be reported).

### Water

GEFCO conducted a global water stress analysis of our sites in 2020, showing that 70% of our overall water consumption occurs in areas with low or low-medium water stress. A more in-depth analysis will be conducted in 2021 to identify opportunities for improvement at sites located in high or very-high water stress areas representing 17% of our consumption. These are primarily located around the Mediterranean and in South Africa, as well as areas of Belgium and Northern France.

### Waste

A significant and large-scale waste optimisation project was planned for GEFCO France in 2020 with the launch of the project delayed due to the effect of the pandemic. The programme will begin in the first half of 2021 and encompasses both hazardous and non-hazardous waste at over 60 sites. We also continue to move towards paperless solutions across France, with the advent of increased working from home accelerating this transition.

GEFCO & Innovate UK also worked towards developing a circular economy solution for metal waste at our FVL centres.

**71%**

of waste recovered

**26.5%**

of all sites are certified ISO 14001



Communities



Employees



In Poland, GEFCO conducted tests at its Psara branch to reduce waste by using specialist equipment to convert used cardboard into a packaging component for express shipments. As well as reducing resource consumption, this lowers costs for ourselves and our customers.

**This commitment contributes to SDGs 7 – Affordable and Clean Energy; 12 – Responsible Consumption and Production and 13 – Climate Action.**



# Commitment 7

## – Help our People Grow

As an asset-light business, GEFCO's human capital is the principal source of our value and expertise. Talent acquisition and employee engagement are two key themes for GEFCO and essential to GEFCO's business model and ongoing development. GEFCO wants to attract key talents and develop its existing employees' abilities in order to respond to current challenges and anticipate future ones, while providing a working environment based on trust and autonomy that keeps employees committed and enthusiastic about work-related activities and the success of the company.

### Policies and Governance

GEFCO relies on a versatile and talented workforce and a global network to provide our customers and partners with smart, flexible solutions. GEFCO's *Infinite Proximity* culture includes 10 guiding principles that inspire our decisions and actions. Each principle reflects our ambition of building long-lasting relationships to earn trust and create value across the supply chain.



# 5,308

active GEFCO University (G&U) users in 2020

# 5.4%

voluntary turnover

### Reward and Recognition Framework

GEFCO's Reward and Recognition Framework is the centrepiece of our efforts to provide attractive working conditions. It is represented by three Cs.

- **Caring** – Looking after our employees through retirement plans, health insurance, flexible working schedules and home office options. For senior drivers, we actively promote daytime working schedules
- **Contribution** – Recognition and reward for effort and achievement, both through individual and collective schemes
- **Competitiveness** – Ensuring that our offering is a compelling one in terms of responsibilities and remuneration

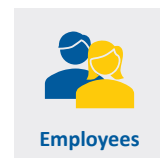
### Talent Development

Our Talent Acquisition philosophy incorporates 4 pillars:

1. **Transparency:** to enhance employee ambition and develop internal mobility we give colleagues access to all open positions
2. **Visibility:** to attract better talents, we have to be visible in the job market on a regular basis
3. **Efficiency:** the candidate experience requires a very professional candidate relationship
4. **Assertiveness:** our employer branding is the combination of all the above, and our ability to convince the market that GEFCO is a great place to work

Once hired, GEFCO offers an orientation program to welcome newcomers into their new roles, and immerse them in the business, working environment and global network. The aim is to allow newcomers to feel at home, understand and appreciate our corporate culture and quickly become part of the GEFCO team.

For all our employees, GEFCO has developed a Performance Management Programme which helps them to direct their careers and to prepare their individual appraisal. They are evaluated annually by their manager, whose role is to encourage, give feedback and coach each person for performance and potential development and to give objectives for the coming year. GEFCO updated its individual appraisals to adapt to the exceptional 2020 context.



Employees

### GEFCO Academy

GEFCO has developed a global training platform, called GEFCO University (G&U) for all its employees throughout the world. This platform addresses a very wide variety of topics (on support themes, our key activities, innovation and language skills).

Our training strategy has 3 dimensions:

1. Promote learning: offer access to educational content on all subjects
2. Strategic topics: ensure a good understanding of the most critical topics for GEFCO
3. Critical skills: accompanying employees in their upskilling/reskilling journey

The programme complements GEFCO’s learning “3E” vision of having our employees learning by experience (on the job), exposure (from others) and education (through training).

In addition to the fundamental academies, G&U offers courses for specific business lines (Electric Vehicles, 4PL, Customer Service, RPS), Functions Academy (Sales, Finance), as well as language courses.

### 2020 Actions

#### COVID-19

2020 highlighted the importance of our culture and principles as our teams went the extra mile to find solutions in a new work paradigm amongst lockdowns and other restrictions on mobility.

GEFCO quickly launched its work from home policies and infrastructure at a massive scale in the first few months of the pandemic. Countries and individual sites are continuing to operate these policies, depending on local context.

Furlough schemes were activated for some staff members in some countries, especially during the first lockdown in Europe, and where this was the case, we ensured regular dialogue with employees who were partially or fully unemployed. In some regions, EXCOM members called furloughed staff directly to check up on them and monitor employee well-being more broadly.

### Impacts of COVID-19 on Employees

GEFCO’s group-level survey, PULSE, was initially scheduled for 2020 but was pushed back to H1 2021 due to COVID-19. Individual 2020 targets will also be pushed back to 2021 as individual goals were rendered obsolete by such a large-scale crisis and its impacts on society, customers and employees.

### Plans for 2021

- G&U will offer courses related to CSR, lean management, Movecar activities, Purchasing Academy (including a CSR component), Manager Academy...



**This commitment contributes to SDGs 3 – Good Health and Well-Being; 4 – Quality Education; 5 – Gender Equality; 12 – Responsible Consumption and Production and 16 – Peace, Justice and Strong Institutions.**



# Commitment 8

## – Protect our Health & Safety

### Commitment Overview

Every member of staff and any person working at our sites must be able to work in complete safety. GEFCO must ensure the health, safety and security of its employees to avoid accidents which in addition to the effects on the individuals involved, could affect operations, clients and suppliers and its broader reputation.

### Policy and Governance

#### H&S Policy

GEFCO has an H&S Policy signed by EXCOM in 2019. The policy is centred around our most important objective: zero accidents in the workplace and zero occupational illnesses. Achieving this goal is a personal and collective endeavour for every member of staff throughout our business, including external stakeholders. The key principles of the policy are:

- Ensure and manage safety in all work situations
- Raise individual awareness of personal safety and the safety of others
- Ensure the implementation of health and safety policies in the workplace
- Involve partners in risk prevention initiatives
- Require external organisations to adhere to our health and safety policy in the workplace

GEFCO's Operating Guidelines, a document which applies to all employees regardless of the country of operation, also incorporates health and safety issues, and provides a frame of reference for all procedures and standards in force throughout the Group.

### Implementation

A network of H&S managers is present in all geographies in which GEFCO operates and are responsible for implementation and oversight of our policies. The company has already deployed a risk assessment software in France, Belgium, Switzerland and plans to extend it to the Group.

Risks are reviewed annually or after any accident or incidence of occupational illness. These assessments encompass on-site accidents, road accidents, repetitive movements, physically strenuous tasks, computer screen exposure, chemical exposure, noise and pollution, and psychological stress. Lost-time injuries, incidents without lost-time, benign accidents, and near-misses are monitored and recorded, with local variations.

Risks are also assessed for when new projects present particular risks, for example in the transport of lithium-ion batteries which present specific fire and electrical risks.

### 2020 Actions & Results

Preparing the company for safe operation within COVID-19 guidelines was a very significant operation, taking into consideration government guidelines in all of the jurisdictions in which we operate. Centrally, the Group's H&S team published guidelines for managing COVID-19 risk around each of our activities, which were then adapted by the teams in each of the operating regions.

Communication campaigns were launched to raise awareness of handwashing, mask-wearing, and physical distancing. We are very proud that throughout 2020, no COVID-19 cluster was identified in any of GEFCO's sites.

0

COVID-19 clusters identified

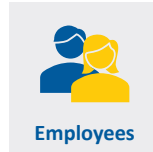
6.7

frequency rate

0.4

severity rate





Employees



Suppliers



Customers



Outside of COVID-19, our H&S work continued although it was hampered by restrictions in a lot of areas. Achievements of note include the recruitment of a new H&S manager at Group level and in-depth training on accidents analysis.

We also made progress regarding our EV offering, continuing work with insurance companies to augment our battery storage operation at GEFCO warehouses. We are updating the safety procedures for the handling of batteries accordingly.

### Plans for 2021

- Global review of H&S management systems undertaken by GEFCO's new H&S manager and their team
- Training of our purchasing teams regarding H&S in our supply chain
- Leveraging our updated major risks mapping to mitigate key issues

**This commitment contributes to SDGs 3 – Good Health and Well-Being.**



# KPI Data tables

## Environmental KPIs

**Note:** The availability of environmental data this year was impacted by COVID-19 and the cyber-attack which took place a month before the environmental data collection campaign. As such, the data's scope is specified below for each section (energy, water, waste).

### Reduce our emissions

Indicator	KPI	Unit	2018	2019	2020
<b>Carbon Emissions (data collected for 93% of revenues)</b>					
<b>Main activities CO<sub>2</sub> emissions (scope 1, 2, 3)</b>	★	tCO <sub>2</sub> eq	1 849 300	1 812 754	1 484 555 tCO <sub>2</sub> eq ↘
Scope 1		%	3%	3.4%	3.4%
Scope 2		%	0.8%	0.7%	0.6%
Scope 3 (subcontracted transports)		%	96.2%	96%	96%
<b>Other CO<sub>2</sub> emissions</b>					
Scope 3 (excluding transports)		tCO <sub>2</sub> eq	196 705	215 730	170 012 tCO <sub>2</sub> eq ↘
<b>Total CO<sub>2</sub> emissions (by type of transport)</b>					
Road		%	77.7%	81.5%	81.5% →
Rail		%	0.9%	0.8%	1% ↗
Sea		%	8.3%	8.2%	8.3% ↗
Air		%	13.1%	9.5%	9.2% ↘
<b>Carbon efficiency</b>	★	gCO <sub>2</sub> .tkm	56.1	53.8	53.6 gCO <sub>2</sub> .tkm ↘

### Air Pollution

#### Share of EURO 5 & EURO 6 trucks (Subcontracted transport covering 67% of turnover)

Own assets	★	%	–	–	94%
Subcontracted transports	★	%	–	–	89%
Air emissions of particulate matter		–	–	–	Coming 2021/22



# KPI Data tables

## Environmental KPIs

### Manage our sites' impacts

Indicator	KPI	Unit	2018	2019	2020	
<b>Energy (data collected for 85% of sites concerned by the environmental reporting)</b>						
<b>Buildings' energy consumption</b>		<b>MWh</b>	<b>90,838</b>	<b>87,230</b>	<b>69,282 MWh</b>	↘
Electricity		MWh	47,402	42,102	35,908 MWh	↘
Gas		MWh	26,457	31,040	25,291 MWh	↘
Other (district heating, LPG, heating oil)		MWh	16,979	14,088	7,067 MWh	↘
Sites with energy initiatives		%	–	–	32%	
Investments in energy eco-initiatives		€	–	–	327,841 €	
<b>Water (data collected for 67% of sites concerned by the environmental reporting)</b>						
<b>Total water consumption</b>		<b>m³</b>	<b>180,337</b>	<b>191,953</b>	<b>117,300 m³</b>	↘
Water consumption by water-stress level of sites	★	%	–	–	Low-medium: 70% Medium-high: 13% High-very high: 17%	
Percentage of water consumed coming from mains		%	–	84.8%	80.8%	
Water consumption per vehicle washed	★	l/veh.	180.1	115.2	123.2 l/veh.	
Water consumption per 60-litre container washed	★	l/cont.	0.8	0.7	0.9 l/cont.	
<b>Waste (data collected for 74% of sites concerned by the environmental reporting)</b>						
<b>Non-hazardous waste</b>		<b>T</b>	<b>–</b>	<b>15,284</b>	<b>16,006 Ts</b>	↑
Recovered (including recycling)	★	%	–	74%	74.5%	↑
<b>Hazardous waste</b>		<b>T</b>	<b>–</b>	<b>1,771</b>	<b>1,351.8 T</b>	↓
Recovered (including recycling)	★	%	–	31%	52.2%	↑
<b>Environmental Management</b>						
Certified ISO 14001 sites		%	23%	26.3%	26.5%	→
Environmental incidents (any type)		Number of	285	270	285	↗

# Social & HR KPIs

**Note:** GEFCO changed the monitoring of hours used for the frequency and severity rates to include real working hours in 2020 instead of theoretical on all scopes except France, due to a change of software during the year.

## Protect our Health & Safety (Group data , excluding FFWD-only countries)

Indicator	KPI	Unit	2018	2019	2020
<b>Frequency rate of occupational accidents</b>	★		<b>6.6</b>	<b>5.4</b>	<b>6.7</b> ↗
1520			-	-	0
ASOR		Occupational accidents (with at least one day of absence) x 1,000,000 / hours worked	-	-	0
CEBAME			-	-	2.79
EUROMED			-	-	4.61
FRANCE (theoretical hours)			-	-	11.35
LATAM			-	-	10.34
<b>Severity rate of occupational accidents</b>	★		<b>0.3</b>	<b>0.2</b>	<b>0.4</b> ↗
1520			-	-	0
ASOR		Days of absence due to an OA x 1,000 / hours worked	-	-	0
CEBAME			-	-	0
EUROMED			-	-	0.08
FRANCE (theoretical hours)			-	-	0.96
LATAM			-	-	0.46

# Social & HR KPIs

## Help our People Grow

Indicator	KPI	Unit	2018	2019	2020
<b>Employees</b>					
<b>Total workforce</b>		–	<b>12,454</b>	<b>12,379</b>	<b>11,590</b> ↘
ETAM		%	43%	54%	50% ↘
Managers		%	10%	8%	15% ↗
Workers		%	47%	38%	35% ↘
Share of employees with permanent contracts		%	92.8%	92.1%	93.3% ↗
Average annual temporary workforce		–	3,025	3,107	1872 ↘
<b>Men-women ratios</b>					
Women in the organisation		%	30%	32%	32% →
Women managers		%	30%	32%	34% ↗
Women top executive (GM/EXCOM)		%	–	–	16.7%
Vulnerable workers employed (French scope)		%	7.62%	7.52%	Unavailable
<b>Employment</b>					
<b>Voluntary turnover</b>	★	%	–	6.6%	5.4% ↘
Recruitments (permanent contracts)		Number of	2,458	2,476	934 ↘
Resignations		Number of	773	737	609 ↘
Redundancies		Number of	635	931	664 ↘
PULSE survey		–	Done	N/A	Coming 2021
<b>Talent and skills development</b>					
<b>Workforce trained on G&amp;U / total workforce</b>	★	% (total empl.)	–	–	<b>46%</b>
Hours spent on G&U (per employee trained)		hours	–	–	2 hours
On sustainable purchasing		% (of relevant empl.)	–	–	Coming 2021
On anti-corruption	★	% (of relevant empl.)	–	–	56.4%
On anti-trust		% (of relevant empl.)	–	–	53.2%
<b>Workforce</b>					
With performance and career reviews		%	–	–	51%
Covered by collective agreements on working conditions		%	–	–	72%
Covered by elected employee representatives		%	–	–	80%

# Sustainable Development Goals and Global Compact Principles

GEFCO Commitments		Pages	Global Compact Principles	UN Sustainable Development Goals							
1	Conduct Business Fairly and Ethically	12	Principle 10								16
2	Manage our Supply Chain responsibly	14	All principles	3		5	7	12	13		16
3	Lead and Engage our Stakeholders	16	Principle 9		4		7	12			16
4	Innovate and Digitalise	18	Principles 1, 8, 10				7		13		16
5	Reduce our Global Emissions	22	Principles 3, 4, 5, 6	3			7		13		
6	Manage the Environmental Impacts of our Sites	24	Principles 3, 4, 5, 6				7	12	13		
7	Help our People Grow	26	Principles 7, 8, 9	3	4	5		12			16
8	Protect our Health & Safety	28	Principles 7, 8, 9	3							

Our commitments presented in this report are aligned with the Global Compact Principles and with the United Nations’ Sustainable Development Goals and associated targets.

For example, our commitment to “Reduce our global emissions” aligns with the Global Compact Principles 7 to 9 and the SDGs 3, 7 and 13. Although targets are not presented in this report, they are under review for our contribution to the SDGs .



# Concordance Table

<b>Introduction</b>	<b>Pages</b>
Luc Nadal letter and Global Compact commitment	2
Anne-Brigitte Spitzbarth letter	3
<b>Business Model Description</b>	
What we do	4
Our Business segments	5
Governance and Value Creation	6
Strategy	7
<b>Risks and Opportunities</b>	
2020 Materiality Assessment	10-11
1 Conduct Business Fairly and Ethically	12-13
2 Manage our Supply Chain responsibly	14-15
3 Lead and Engage our Stakeholders	16-17
4 Innovate and Digitalise	18-21
5 Reduce our Global Emissions	22-23
6 Manage the Environmental Impacts of our Sites	24-25
7 Help our People Grow	26-27
8 Protect our Health & Safety	28-29
<b>Specific Disclosures</b>	
Climate change	22-23, KPIs
Circular economy	24-25, KPIs
Fight against food waste	Excluded*
Fight against food insecurity and respect for animal welfare and responsible, fair and sustainable food	Excluded*
Collective agreements concluded in the company	16-17, KPIs
Actions to fight against discrimination and promote diversity	13, KPIs
Measures taken for the benefit of disabled people	17, KPIs

\* Given the nature of our activities (transport and warehousing services) and our CSR materiality analysis, we consider that these themes do not constitute major CSR risks and do not justify a development in this non-financial performance declaration.

# Reporting Methodology

## Social Data

In 2020, the GEFCO Group's consolidated accounts covered 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
- FRANCE (including France SAS and subsidiaries)
- 1520 (Baltic states, Kazakhstan, Russia)
- LATAM (Argentina, Brazil, Chile, Mexico)
- ASOR (China, Hong-Kong)
- CEBAME (Austria, Bulgaria, Croatia, Czech Republic, Germany, Greece, Hungary, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey, United Arab Emirates, Ukraine)
- EUROMED (Algeria, Benelux, Italy, Morocco, Portugal, Spain (including GLT), Switzerland, Tunisia, the UK)
- FFWD (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 F-FWD Belgium, GEFCO South Africa, GEFCO South Korea, F-FWD France)

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

Health & Safety data is recorded in Acciline (occupational accidents, frequency rates and severity rates). In 2020, in order to calculate the rates using real working hours instead of theoretical hours (except for France, which reported theoretical hours), a country-by-country consolidation of working hours was done by the HR network to calculate the H&S KPIs. Kazakhstan and FFWD-only countries (Australia, Taiwan, Thailand, Singapore, USA, South Africa, South Korea) did not report data (they are offices and do not have operation activities); they were excluded from the Health & Safety reporting.

## Environmental Data

### Scope of environmental data and methodologies

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

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

- Sites whose activity is office-based with a workforce of under 5 people
- Sites whose operating life is less than 6 months in the reference period

### Scope of the group environmental reporting questionnaire

Modalities for the accounting if the site is in third-party premises: 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.

The report covers the period from 1st November 2019 to 31st October 2020. 234 sites took part in the 2020 reporting campaign. Are excluded, due to lack of personnel to complete the questionnaire: Almaty, Amsterdam FFWD, Venlo FFWD and Bangkok FFWD.

As of 31st December 2020, 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 most of its operational sites are in existing industrial areas. The direct 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 considered.

Indicators reported here may exclude answers of sites that have not, could not or incorrectly answered 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.

# Independent third party's report on consolidated non-financial statement

## Independent third party's report on consolidated non-financial statement presented in the management report

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

### To the General Assembly,

In our quality as an independent verifier, accredited by the COFRAC under the number n° 3-1681 (scope of accreditation available on the website [www.cofrac.fr](http://www.cofrac.fr)), and as a member of the network of one of the statutory auditors of your entity (hereafter "entity"), we present our report on the consolidated non-financial statement established for the year ended on the 31 December 2020 (hereafter referred to as the "Statement"), included in the management report pursuant to the requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

### The entity's responsibility

The Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement or which are available online.

### Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

### Responsibility of the independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code; and
- the fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

### Nature and scope of the work

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000<sup>1</sup>.

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225 102 1 III of the French Commercial;
- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;

<sup>1</sup> ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

- we verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented;
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain risks such as anticorruption, climate change, responsible procurement our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities : GEFCO Russia, GEFCO Netherlands and GEFCO France;
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;

- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1 , we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 37% and 27% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (37 % of the revenue and 27 % of the headcount); and
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

#### Means and resources

Our verification work mobilized the skills of four people and took place between November 2020 and February 2021 on a total duration of intervention of about eight weeks.

We conducted about ten interviews with the persons responsible for the preparation of the Statement including in particular the General Management, Administration and Finance, Risk Management, Compliance, Human Resources, Health and Safety, environment and purchasing.

#### Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

#### Comments

Without modifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:

- The climate change policy, currently under review, is expected for 2021; and
- The responsible purchasing approach (charter, questionnaire, audits) does not specify improvement objectives.

Paris-La Défense, the 10 March 2021

French original signed by:  
Independent third party

#### EY & Associés

**Partner, Sustainable Development**  
Philippe Aubain

**Partner**  
Jean-François Bélorgey



## Appendix 1 : The most important information

Social information	
Quantitative Information (including key performance indicators)	Qualitative Information (actions or results)
<ul style="list-style-type: none"> <li>■ Voluntary Turnover (%).</li> <li>■ Frequency rate, accident severity rate (Nb / million hours worked).</li> </ul>	<ul style="list-style-type: none"> <li>■ Employee engagement.</li> <li>■ Health and safety (preventive actions).</li> </ul>
Environmental Information	
Quantitative Information (including key performance indicators)	Qualitative Information (actions or results)
<ul style="list-style-type: none"> <li>■ GHG Emissions.</li> <li>■ GHG Emissions per t.km.</li> </ul>	<ul style="list-style-type: none"> <li>■ Climate change (significant emissions items due to the activity, reduction measures and targets).</li> </ul>
Societal Information	
Quantitative Information (including key performance indicators)	Qualitative Information (actions or results)
<ul style="list-style-type: none"> <li>■ Number of sustainable purchasing charters signed.</li> <li>■ Number of supplier audits carried out.</li> <li>■ Average supplier audit results.</li> <li>■ % of relevant people trained in anti-corruption and anti-trust training.</li> </ul>	<ul style="list-style-type: none"> <li>■ Subcontracting and suppliers (environmental and social issues).</li> <li>■ Code of ethics.</li> </ul>



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