



United Nations Global Compact

GEODIS 2015-2016 Communication on Progress

In 2015, GEODIS has confirmed its commitment to the United Nations Global Compact. Signed since 2003, it accounts for one of the cornerstones of our Group's CSR approach.

We are committed to promoting its 10 principles on Human Rights, Labor, Environment and Anti-Corruption. We fully integrate these principles in our CSR approach, our Stakeholders' Total Satisfaction program and they are in line with our 5 Values: Commitment, Innovation, Trust, Solidarity and Passion. We are convinced that Corporate Social Responsibility (CSR) is a key to the company's performance.

At the same time as being an energy consumer and greenhouse gas emitter, the Transport and Logistics sector is also a major employer, an essential business ally and a global trade facilitator, positioning it at the hub of environmental, social and societal challenges.

2015 will stand out as a landmark year for the climate. Firstly, in December 2015 a historic agreement was reached at the COP21, the United Nations Climate Conference held in Paris, limiting the rise in global temperature to less than 2°C, or even further to 1.5°C, as well as committing to reduce greenhouse gas emissions. Secondly, the average global surface temperature was the highest ever recorded and for the first time crossed the threshold of 1°C above the preindustrial period, according to the World Meteorological Organization. The world is changing more and more rapidly and is faced with ever-increasing energy challenges.

The stakes for GEODIS are huge and we have made progress in terms of CSR in 2015.

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

The social focus of the GEODIS CSR approach encompasses several aspects. Firstly, we take care of our people through a policy of safety in the workplace. We also pursue an engaged human resources policy aiming to encourage diversity in our teams, with a particular emphasis on gender equality. This policy takes form notably in the Investors In People certification process. Finally, we have implemented an ethics and compliance policy which governs our business relationships with customers and suppliers.

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

It is with the greatest determination and gravity that GEODIS commits to the United Nations Global Compact and to CSR which we consider to be the only way forward. GEODIS management and its employees are committed to promote our CSR approach and the United Nations Global Compact. The following pages show some examples of actions we have conducted in this field in 2015.



Régis LESIEUX

GEODIS Vice President Business Excellence & CSR



In 2015, GEODIS confirmed its support to the United Nations Global Compact and has continued its efforts to improve its Corporate Social Responsibility performance. This document presents some of GEODIS main actions in 2015.

I. “Be a Good Citizen”, the GEODIS CSR Program

Action

In 2015, GEODIS has made progress in terms of CSR.

Continuation of the Business Excellence Program aiming at Stakeholders' Total Satisfaction (STS)

Related Principles of the Global Compact:

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

GEODIS is a Supply Chain Operator ranking among the top companies in its field in Europe and the World. GEODIS is part of SNCF Logistics, a branch of SNCF Mobilités specializing in the transport of goods and logistics, within SNCF Group. The international reach includes a direct presence in 67 countries and a global network spanning over 120 countries. With its five Lines of Business (Supply Chain Optimization, Freight Forwarding, Contract Logistics, Distribution & Express and Road Transport), GEODIS manages its customers Supply Chain by providing end-to-end solutions enabled by our people, our infrastructure, processes and systems.

Ambition 2018

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

Our Mission

We help our clients succeed by overcoming logistical constraints.

Our Vision

We are the growth partner for our clients.

Our Values

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

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



Our Stakeholders' Total Satisfaction (STS) continuous improvement program

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

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

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

The GEODIS CSR Approach, a key pillar in our Business Excellence Approach

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

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

The environmental focus aims at the reduction of environmental impacts, notably by optimizing the consumption of natural resources, improving carbon efficiency and reducing local pollution. The social and societal focus includes Ethics and Compliance, health and safety of our people, gender equality, integration of people with disabilities, solidarity and commitment to the local community.



GEODIS main CSR issues by stakeholder



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

External reference documents

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

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

Monitoring performance

The GEODIS CSR dashboard is a framework enabling the Group to measure progress and set up improvement action plans. The monitoring of CSR performance is viewed through a triple perspective.

- Annual, quarterly and monthly KPIs. Performance on gender equality, the integration of people with disabilities, and CO₂ emissions are evaluated monthly in the STS dashboard. An annual CSR reporting, carried out since 2008, enables onsite indicators to be monitored worldwide (certifications, energy and water usage, waste management) on the vehicle fleet and other social data.



GEODIS

- Each year, a customer satisfaction survey and an employee satisfaction survey are carried out. Several questions concern the CSR strategy, with particular emphasis on the way it is perceived by these two groups.
- CSR performance is also assessed by external benchmarks: the CSR scores given by the extra-financial ratings assessments, particularly EcoVadis and CDP, and certifications granted by ISO standards.

The Geodis CSR Report, a thorough insight into our CSR achievements

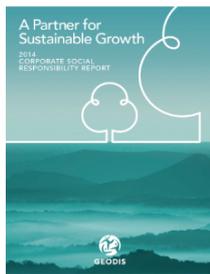
GEODIS has published its 7th Sustainable Development / CSR Report in June 2015 and its 8th Sustainable Development / CSR Report in June 2016, as requested by the French law (article 225, Grenelle II). All reports are available on www.geodis.com

Reports explain GEODIS CSR approach, organization, main actions and indicators.

2015 CSR report



2014 CSR report



2013 CSR report



2012 CSR report



2011 Sustainable development report



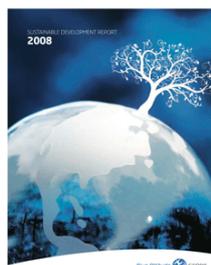
2010 Sustainable development report



2009 Sustainable development report



2008 Sustainable development report





II. Reducing our Environmental Footprint

Action

Reducing our Environmental Footprint

Related Principles of the Global Compact:

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Reducing the environmental impact of our sites

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

By the end of 2015, 40% of the Group's 664 sites were ISO 14001 certified. At the same time GEODIS is undertaking a triple QSE certification process in Quality (ISO 9001) Safety (OHSAS 18001) and Environment (ISO 14001). By the end of 2015, 153 (23%) of sites had obtained the triple certification. Managing the environment also involves the processing of hazardous and non-hazardous waste. Hazardous waste such as filter sludge, used oil, batteries, etc. is stocked and then transported to specialized facilities. Non-hazardous waste is sorted and stored before being recycled or recovered.

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

Running a high-environmental performance fleet

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

By the end of 2015, GEODIS had completed all the energy audits on transport (vehicles and flows) required by the 2015 French legislation at four-yearly intervals. An extensive study on transport practices and mileage encompassed around forty sites attached to the Distribution & Express and Contract Logistics Lines of Business. These audits yielded an analysis of influencing factors and precise recommendations concerning the selection and maintenance policy for vehicles (hired or purchased), accessories and equipment (aerodynamic accessories, tyres, tyre pressure controls, gearboxes and engine governors), as well as for follow up and driving practices, such as switching the engine off when stopped and onboard telematics. Recommendations also concerned journey planning, promoting good practices and raising awareness in drivers of the fuel purchasing strategy. Audits showed that a culture of fuel saving is already embedded in the company but certain points could still be improved upon.

GEODIS is progressively upgrading its fleet so that an increasing number of them are compliant with the Euro 5 and Euro 6 emissions standards. 85% of vehicles were compliant by the end of 2015.



Also, 2% of vehicles are EEV (Environmentally Enhanced Vehicles) ie “clean” vehicles, such as those running on electricity or natural gas.

Innovation at the heart of our approach to progress

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

Urban logistics raises challenges that combine commercial, economic, social and environmental aspects: for instance, pollution, noise and traffic congestion. To meet these challenges, in 2015 GEODIS pursued its working group “Megacities”- which has been launched since 2014 – with the objective of developing tailored distribution and logistics service for the downtown areas of the world's largest cities. GEODIS services include:

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

Pilot cities are Paris, Shanghai and Mexico City, and trials are already taking place. In Paris, GEODIS provided its first urban logistics solution in 2011, consisting of electric vehicles and cargo bikes. In 2015 GEODIS introduced a new range of trucks using the latest CNG technology for the retail company BHV Marais. In Shanghai, the first GEODIS deliveries by electric vehicles in the city center took place in 2015. The Group aims to increase the scale of these innovative solutions for urban environments. In view of this, GEODIS is seeking partners to support investment in vehicles and depots. Through identifying common interests these partnerships have the potential to give rise to unprecedented innovations in terms of mobility.



III. Acting for climate and energy transition

Action

Acting for climate and energy transition

Related Principles of the Global Compact:

- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

In common with all operators in the international transport industry, GEODIS constantly endeavors to reduce its carbon footprint and limit its greenhouse gas emissions

Promoting and expertise on CO₂ dedicated to customers

By encompassing all aspects of environmental management, namely measurement, analysis and reduction, GEODIS is furthering its ambition to become the leading European reference in CO₂ expertise, positioning itself as a partner in improving its customers' carbon efficiency. GEODIS is engaged in an ongoing process to measure and take steps to reduce its customers' carbon footprint. The Group can provide them with a **modeling of CO₂ emissions or a reporting on real flows**.

As far as modeling is concerned, internal engineering teams within the Group integrate the carbon data (costs, delivery times, CO₂ emissions) in transport plan optimization for customers. Furthermore, in order to provide a reporting on carbon emissions, since 2012 GEODIS initiated the integration of the EcoTransIT World tool into its IT systems. This tool is designed to measure the greenhouse gas emissions and atmospheric pollutants generated worldwide by all modes of transport. In compliance with European standard EN 16258, this reporting tool enables the identification and analysis of the main environmental indicators. On the basis of this analysis, GEODIS is able to implement a harmonized response and provide its customers with robust data on the emissions generated by their freight flows. For instance, in accordance with French legislation in force since 2013, the Distribution & Express Line of Business in France reports to its customers on the CO₂ emissions generated by their freight flows and provides them with data free of charge. An optional sophisticated assessment of their emissions is also available. Also, over 400 customers of the Freight Forwarding Line of Business receive, on a monthly, quarterly or annual basis, a report on the carbon emissions of their flows.

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

Helping to meet to the challenge of climate change: cooperating with all industry players

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

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

In 2015 GEODIS joined the following initiatives:

- the Global Logistics Emissions Council (GLEC) which aims to develop a globally recognized method of calculating supply chain greenhouse gas emissions,
- the Club Déméter Environnement et Logistique. Since 2002, the Club Déméter has brought together supply chain players to develop sustainable logistics practices through experimentation and collaboration,
- the Clean Cargo Working Group (CCWG), an initiative hosted by BSR (Business for Social Responsibility) which over the last ten years has contributed to improving the performance of the maritime transport sector by developing tools for the measurement, evaluation and reporting of its environmental impacts.



GEODIS is also pursuing its involvement in initiatives such as:

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

Cop21, a new impetus in the fight against climate change

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

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

GEODIS joins the MCB Open Lab

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



IV. Taking action as a responsible employer

Action

Taking action as a responsible employer

Related Principles of the Global Compact:

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Labour

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

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

The Investors In People certification, the cornerstone of the HR policy

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

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

Training and fostering employee development

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

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

Ensure the safety of our people everywhere and at all times

Safety is one of GEODIS' 7 Golden Rules and is at the heart of all its operations. Health and safety risks are specific to each activity. Each Line of Business has developed a strong culture for operational health and safety, both on site and on the road, and has developed its own health and safety policy. Protecting employees' physical well-being requires setting up prevention plans, including a regular



evaluation of health and safety risks; the development of certifications - notably OHSAS 18001; the continual improvement of material and individual equipment and the raising of awareness through training and communication campaigns. Regular challenges are organized, either incompany or with customers, to reward the best performances.

Safety policy is based on the OHSAS 18001 standard which provides support for the evaluation and certification of the occupational health and safety management system. The OHSAS 18001 standard underpins the policies of the Freight Forwarding, Distribution & Express, Contract Logistics and Road Transport Lines of Business, currently in the process of achieving certification for their sites

Raising awareness, a key component of risk prevention

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

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

In the Distribution & Express Line of Business, a Safety Committee as well as regional committees have been in place since 2013 to monitor occupational accidents and share feedback and good practices. Local operations help to raise awareness, such as one-day "Safety" events, and a Health Awareness Day with the presence of doctors, osteopaths, etc. Every morning, drivers receive the "Top Drivers" briefing which systematically reminds them of safety rules. Since 2012, the Distribution & Express Line of Business has also been carrying out diagnostic studies on painfulness of work, and agreements have been signed. Further diagnostics are planned for 2016.

Encouraging diversity and promoting equal opportunities

As a major player in the economy and a large scale employer, GEODIS is aware that it must show leadership in promoting diversity and equal opportunities. GEODIS has committed to gender diversity in all its Lines of Business, in what is traditionally a male sector.

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

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



V. Encouraging employees to commit to the local community and to the planet

Action

Encouraging employees to commit to the local community and to the planet

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Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

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

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

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

Support to Handicap International France

At Group-level, a partnership has been signed with Handicap International France. In 2015, 3 actions were organized:

- Contribution of one euro for each customer answering the satisfaction survey worldwide.
- Financial support to victims of the earthquake in Nepal in April 2015, as part of urgent appeal made by Handicap International to its partners worldwide.
- Transport and logistics support for the event "Pyramid of shoes" which took place in September 2015 in about 30 cities in France.

GEODIS cares about disability and assisting people in situations of risk.



VI. Responsible procurement: involving our suppliers and subcontractors in our CSR approach

Action

Responsible procurement: involving our suppliers and subcontractors in our CSR approach

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

Assessing and selecting suppliers and subcontractors on CSR criteria

Totalling more than €4 billion in 2015, GEODIS' purchasing, including transport subcontracting, is a strategic source of leverage for improving CSR performance. For example, almost 87% of the Group's greenhouse gas emissions are accounted for by subcontractors (most recent calculation of GEODIS' worldwide carbon footprint, 2010).

The assessment of suppliers and subcontractors therefore emerges as a key issue, not only on an economic and operational level, but also on an environmental and social level. This involves teaming up with our commercial partners on the Group's commitments and engaging them in a collective move towards progress. Since 2011, environmental, social and ethical criteria have been included in calls for tender, analysis grids and standard contracts for different categories of purchasing (real estate, hiring of temporary workers, fuel, packaging, operational consumables, IT, vehicles, etc.) and constitute a differentiating factor in the selection of a new supplier.

In addition to this, since 2011 GEODIS has used EcoVadis evaluations to measure the CSR performances of its suppliers and subcontractors. EcoVadis is an independent body that evaluates the CSR commitment of thousands of suppliers in 150 business sectors in over 90 countries on CSR criteria (environment, working conditions and ethics), using a reference system based on the ISO 26000 guidelines and on the Global Reporting Initiative. In 2015, the Road Transport Line of Business implemented an assessment program for subcontractors with in the field audits for contractors and subcontractors, and CSR self-assessments will be deployed in 2016.

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



VII. Ethics & Compliance : a robust framework

Action

Ethics & Compliance : a robust framework

Related Principles of the Global Compact:

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

GEODIS is deeply committed to its responsibilities towards all its stakeholders and to complying with the laws of every territory in which it operates. In this respect, the GEODIS Ethics and Compliance program has been globally deployed across its five Lines of Business. As an integral part of the Group's strategy and management system, the program is subject to a continuous process to develop trust and integrity.

Ethics and Compliance policy

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

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

2015 actions Customer-oriented and related to Ethics

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

Moreover, GEODIS is continuing its anticorruption training program through an e-learning module for at-risk employees, interventions in seminars and in-house training programs (sales people, customs officers, managers...). These efforts have been rewarded – the 2015 customer satisfaction survey shows that 92% of customers are satisfied with GEODIS' Ethics and Compliance standards.

2015 actions Employee-oriented and related to Ethics

In 2015, GEODIS implemented a whistleblowing system, allowing each employee to confidentially transmit, by email or voicemail, information on ethical issues such as suspicion of fraud, corruption, anti-competitive practices, etc.

Moreover, as of 2015 a new training module on fighting corruption is available online on the G-Campus training platform More than 1,600 employees now have access to this module.

2015 actions Society-oriented and related to Ethics

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

2015 actions Supplier and subcontractor-oriented and related to Ethics

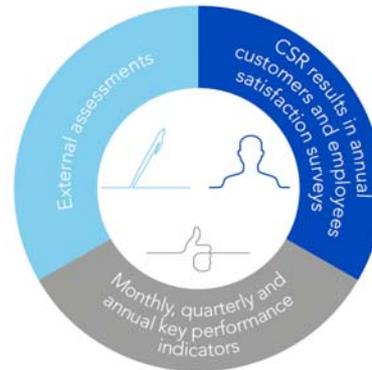
In 2015, the Supplier Code of Conduct was produced by the Ethics & Compliance and Purchasing Departments. In this code, GEODIS sets out tougher demands on human rights issues, particularly forced labor, slavery and child labor. The Supplier Code of Conduct demonstrates the Group's determination to increase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

VIII. Measuring and improving performance

GEODIS measures its CSR performance in the light of 3 perspectives: reporting on environmental and social data, annual client and employee satisfaction surveys, and external evaluations.
2015 CSR indicators are available on www.geodis.com

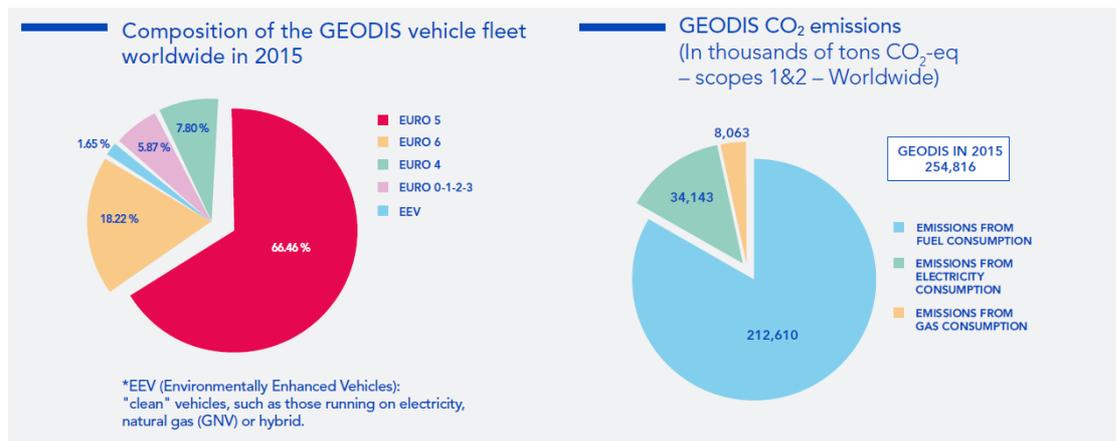
GEODIS Stakeholders' Total Satisfaction approach

Monitoring CSR performance at GEODIS

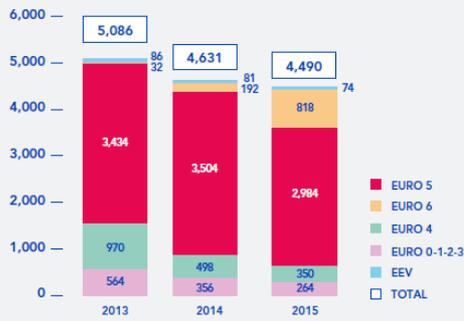


1. Key Performance Indicators

ENVIRONMENT



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



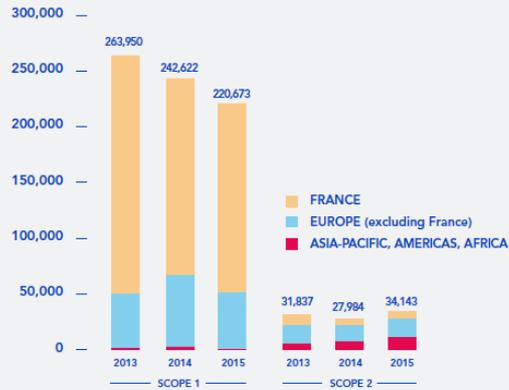
85% of GEODIS vehicles are Euro 5 or Euro 6 in 2015



4,490 vehicles owned in the world in 2015

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

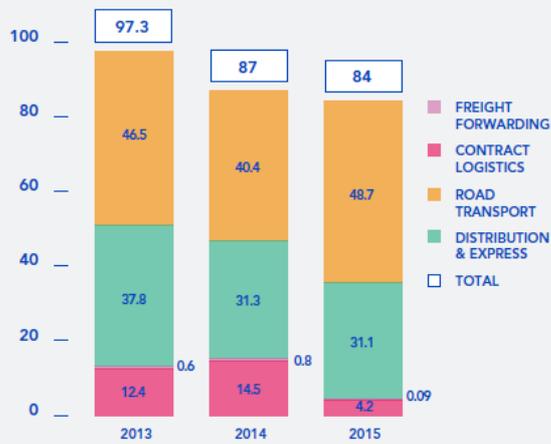
Correspondence GRI4: EN15

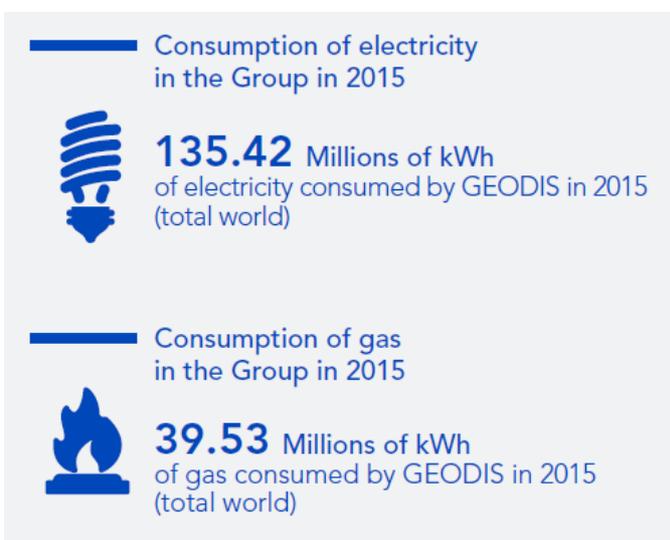
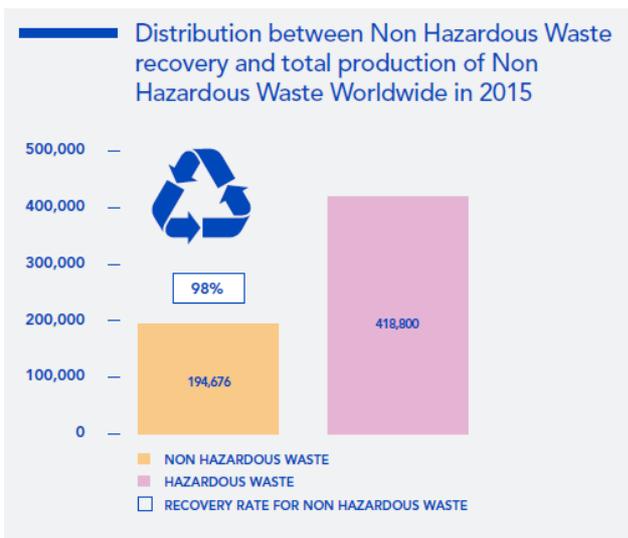


The distribution of emissions is that of the GHG Protocol and the *Bilan Carbone*[®]:
 Scope 1: direct emissions caused by the combustion of fuel and gas.
 Scope 2: indirect emissions caused by the purchase of electricity.

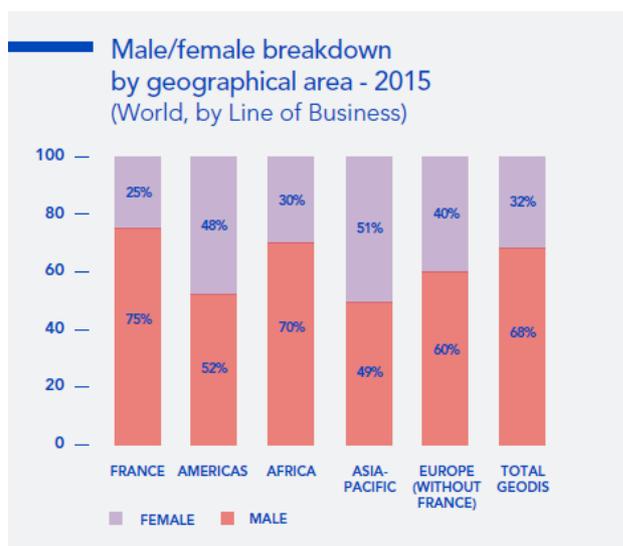
GEODIS Fuel consumption by Line of Business (Millions of liters)

Correspondence GRI4: EN3



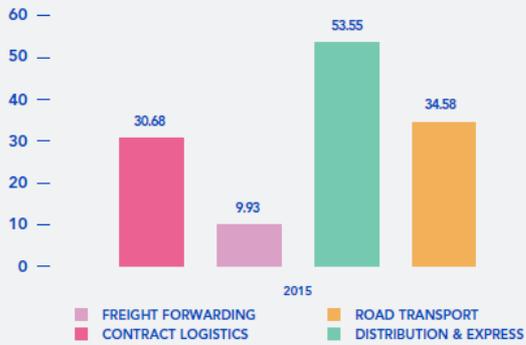


SOCIAL



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

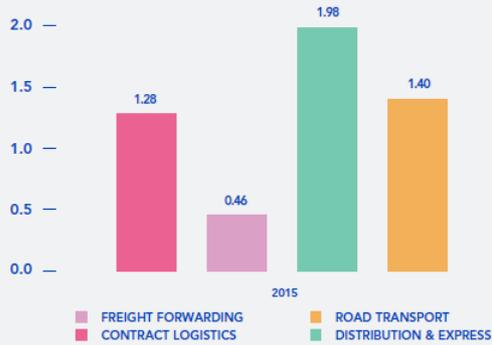
Correspondence GRI4: LA7



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

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

Correspondence GRI4: LA7



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



GEODIS

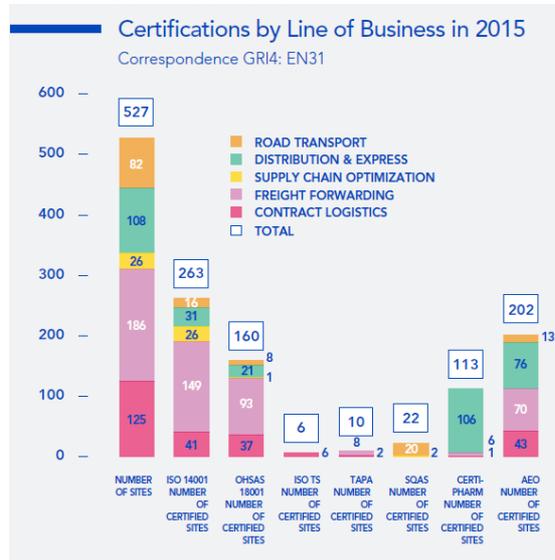
2. Surveys

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

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

3. Evaluations

3.1. Certifications



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

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



3.2. External assessments

ECOVADIS

67/100 EcoVadis external evaluation of GEODIS, 2015



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

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

CDP

76D CDP 2015 evaluation of GEODIS.

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

4. For more information

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