



United Nations Global Compact

GEODIS 2018-2019 Communication on Progress

GEODIS' ambition is to become a leader in the Transport and Logistics industry, to position ourselves as the sustainable growth partner for our clients and recognized for our responsible approach in doing business. Transportation has a huge impact in terms of environmental footprint and has also great responsibilities when it comes to the social dimensions. The CSR activities within Geodis are now linked to the Business Excellence approach, directly under the management of the CEO, thus placing it at the heart of the Group's strategy, lever of performance and concerns.

In 2019, GEODIS is still confirming its commitment to the United Nations Global Compact. Signed since 2003, it accounts for one of the cornerstones of our Group's CSR and Business Excellence 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 Values: Commitment, Innovation, Trust, Solidarity and Passion.

Compliance with the specific requirements of Corporate Social Responsibility in the context of increasing regulations and greater competition in the Transport and Logistics sector at worldwide level is a challenge that GEODIS has faced for more than ten years. We have maintained and develop our efforts during the past years. Significant progresses were made possible through the commitment of all GEODIS employees.

The development of more environmentally friendly solutions is our major concerns when it comes to the investment level needed and innovation efforts: alternative energies, energy savings devices and software, shift to intermodal solutions, reduction of empty kilometers are some of the topics we are working on. Health and safety of our direct employees but also of our business partners are on the top of our priorities.

Our aim is to create long-term value for our clients, our employees, our shareholder and for society at large, through our CSR policy. We are committed to systematically leveraging on technological and methodological advances as well as on the rise of the collaborative economy by developing new services together with our partners. We will thus address the long-term challenges of urban growth, mobility and energy transition and progress towards operational excellence with the involvement of all our employees.

In 2015, 17 global Sustainable Development Goals were defined by the United Nations and its stakeholders and we fully commit to play our part and help to achieve these goals. The following pages show our results and give some examples of actions we have conducted in this field in the past year.



Philippe de Carné
GEODIS Executive Vice President



GEODIS has been a member of the United Nations Global Compact since 2003. GEODIS confirms its support to the Global Compact and has continued its efforts to improve its Corporate Social Responsibility performance. This document presents some of GEODIS main actions in 2018 and 2019.

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

Action

In 2019, GEODIS has pursued the structuration and consistency of its CSR policy.

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 top-rated, global supply chain operator recognized for its passion and commitment to helping clients overcome their logistical constraints. GEODIS' growth-focused offerings (Supply Chain Optimization, Freight Forwarding, Contract Logistics, Distribution & Express, and Road Transport) coupled with the company's truly global reach thanks to a direct presence in 67 countries, and a global network spanning 120 countries, translates in top business rankings, #1 in France, #4 in Europe and #7 worldwide.

In 2018, GEODIS accounted for over 41,000 employees globally and generated €8.2 billion in sales.

Ambition 2023 Strategic Plan

Our new strategic plan, Ambition 2023 started in 2019 in line with the previous one and with the same foundations. 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 GEODIS CSR approach, a key pillar in our Business Excellence approach

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

“**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.

In addition, we emphasize the fact that the Golden Rules “Recruit, develop and retain quality people” and “Ensure the safety of our people everywhere and at any time” have clear links with the CSR principles.



In practical terms, GEODIS aims at being the CSR preferred company to deal with, through three main objectives:

1. To mitigate and lower our impact on the environment and to contribute to the fight against climate change through:

- Reducing our carbon footprint and improving our energy efficiency.
- Decreasing pollutant and harmful emissions for the people and the ecosystems.
- Optimizing the use of natural resources by applying the “reduce, reuse, recycle” approach.

2. To enhance our social and societal impact on our employees and communities

- Ensuring occupational health and safety for our employees and anyone working on our behalf.
- Promoting diversity and equal opportunity which includes:
 - Gender equality,
 - Integration or reintegration of disabled people.
- Developing vocational program for long-term unemployed people or for the reintegration of war veterans in the USA.
- Fostering community engagement, volunteering and solidarity.

3. To act responsibly in everything we do by adhering to:

- Strict ethical and compliance rules as stated in our corporate Ethics Charter, the first of which pertains to the use of forced labor, human rights violation, corruption and unfair competition.
- All applicable CSR, Occupational Health & Safety (OHS) and Environmental laws and regulations.

GEODIS will implement these three objectives through the following commitments to:

- Assess the success of our policies and initiatives via both internal and external benchmark documents.
- Measure and communicate our progress regularly and with full transparency through various means and especially our yearly CSR report.
- Continuously innovate and design new solutions in collaboration with our clients, suppliers and subcontractors, or any other external partner.
- Encourage our suppliers and subcontractors to implement initiatives that enable us to meet our own CSR objectives.
- Train and educate our employees on the social, societal and environmental impact of our activities.
- Motivate our employees to foster the sharing of internal good practices throughout the Group.

External reference documents

To support these CSR objectives, GEODIS takes advantage of a number of reference documents, international standards and norms as guidelines and frameworks, such as:

- The United Nations Global Compact of which GEODIS has been a signatory since 2003.
- The Sustainable Development Goals of the UN 2030 Agenda.
- The sustainability reporting guidelines of the Global Reporting Initiative.
- The ISO 14001 norm on environment management.
- The ISO 45001 (OHSAS 18001) norm on occupational health and safety.
- The SQAS system (Safety & Quality Assessment for Sustainability).
- The ISO 26000 CSR standard.
- Customer-specific or industry-specific standards on CSR.
- EcoVadis (CSR performance) and CDP (climate performance) assessments.
- The GHG Protocol, standard to measure and report greenhouse gas emissions.
- The Investors In People management and leadership standard.
- The GEEIS label (Gender Equality European & International Standard).
- The EFQM 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.
- **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.

In 2019, EcoVadis has given GEODIS an overall grade of 72/100 for the quality of its CSR activity. With this rating, GEODIS ranks among the "top 1%" of all companies evaluated in 2019. Since 2016, GEODIS has remained at the "Advanced" level, and its CSR level is awarded "Gold". According to the EcoVadis rating scale, the "Advanced" level means that GEODIS' strategy relies upon "a structured CSR approach, quantified commitments, tangible actions on all issues, detailed information on implemented actions, precise CSR reporting, as well as performance indicators."



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

GEODIS has published its 11th Activity and CSR Report in May 2019, 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 performance indicators.

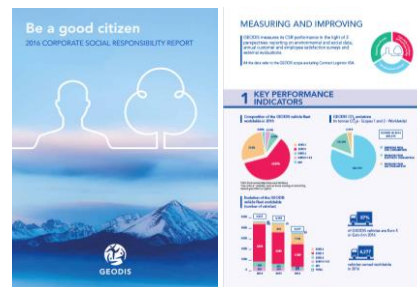
2018 Activity and CSR report



2017 CSR report and reporting



2016 CSR report and reporting



2015 CSR report



2014 CSR report



2011 Sustainable development report



2010 Sustainable development report



2013 CSR report



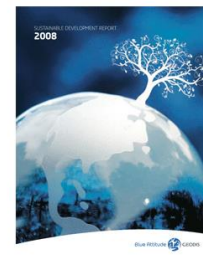
2012 CSR report



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 830 sites worldwide (as at the end of 2017) 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 2018, 573 (69%) of the Group's 830 sites were ISO 14001 certified. At the same time GEODIS is undertaking a triple QSE certification process in Quality (ISO 9001) Safety (ISO 45001 / OHSAS 18001) and Environment (ISO 14001). By the end of 2017, 238 (28%) 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. 60% is the estimated share of non-hazardous waste generated by GEODIS activity and recovered in 2018.

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 milk runs, notably through the installation of the Geodriver and Copilot for the Distribution & Express Line of Business. These onboard IT tools are designed to increase the efficiency of delivery 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.

GEODIS is regularly upgrading its fleet (over 3,878 owned vehicles at 2018 year-end) so that an increasing number of them are compliant with the Euro 5 and Euro 6 emissions standards. 96% of GEODIS vehicles are Euro 5, Euro 6 and "clean" (such as electric vehicles or natural gas vehicles, NGV) at the end of 2018 (excluding the Freight Forwarding fleet). The number of Euro6 vehicles is progressing by 25% vs 2017.

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. Late in 2015, to meet these challenges, GEODIS set up an urban logistics offer which has been continued since then, providing a tailored distribution and logistics service for the downtown areas of the world's largest cities.



The GEODIS offer includes:

- Urban mobility consulting for buyers, institutions and authorities;
- Creation and management of urban consolidation centers which provide a local platform to pool last mile delivery flows to shopping malls, hospitals, airports and railroad stations;
- Tailored solutions (natural gas and electric vehicles, etc.).

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.

Reducing our Greenhouse Gas Emissions by 30% by 2030

GEODIS has been committed to improving its carbon efficiency and helping to meet the challenge of climate change since 2008. Within an evolving regulatory context, GEODIS aims at becoming the reference point among the Transport and Logistics companies in terms of carbon efficiency through its Oxygen program. Since 2010, GEODIS has been committed to the continuous improvement of its carbon efficiency. 2017 marked a new milestone in this ambitious approach with an emphasis on the Oxygen project and the establishment of a global ambition of a 30% reduction in greenhouse gas emissions by 2030 (reference year: 2017, like for like).

Oxygen's four areas of progress:

- **Carrying out of a yearly GHG inventory that includes direct and indirect emissions**
 - Continuous improvement process of the GHG inventory: own emissions and subcontractors' emissions
 - Contribution to the alignment of international standards
- **Reduction in GHG emissions and improvement of GEODIS' carbon efficiency**
 - Fuel consumption: driver eco-training, optimization of the vehicle fleet, alternative energies, network optimization
 - Building: awareness campaign, energy efficiency programs, alternative energies
- **Development of partnerships to improve the efficiency of subcontracted transport**
 - Road: support the energy transition of our partners, contractual requirements
 - Sea: engage in the CCWG dedicated to reducing the environmental impact of shipping
 - Air: development of a collaborative sustainable air initiative
- **Supporting our customers to help them reduce their carbon footprint**
 - Education of customers and sales teams
 - Emissions reporting and modeling
 - Low carbon solutions and partnerships

Innovating to Provide Transport Solutions with Greater Environmental Performance

- **The fleet**
 - 96% of GEODIS' vehicles are Euro 5, Euro 6 and "clean" at the end of 2018 (excluding the Freight Forwarding fleet)
 - Involvement of our suppliers and subcontractors
 - Partnerships to support investment in vehicle fleets and stations
 - Alternative fuel vehicles (natural gas)
- **Equipment**
 - Cruise control, fuel-efficient tires, automatic gearboxes, side and roof deflectors, side fairings, ...



GEODIS

- On board digital tools to manage consumption at driver and vehicle level and monitor safety on board (Eliot)
- Route planning
- On board digital tools to optimize the fleet and the delivery rounds (MOBICOP, Freight Simulator)
- **Logistics and transport network design to reduce the number of km travelled**

Best practices

France

Enlighted, an intelligent lighting system

- **Use of LED lighting and connected sensors in order to optimize the lighting of buildings and reduce electricity consumption**

- Consumption of the Lomme site in north of France of the Distribution & Express Line of Business reduced by 90% for the lighting (50% through LED and 40% through control system)
- Equipped with 764 sensors and 921 light fixtures, the site of Rennes in France (16,500 sqm) cut lighting costs by more than 85% in the first operating month

- **Improved well-being for the employees through this more adapted and natural lighting**



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**.

GEODIS has integrated the reporting of CO₂ emissions for its customers into its information systems since 2013. This reporting is based either on operational business data or is interfaced with EcoTransIT World.

This tool is designed to measure the greenhouse gas emissions (GHG) and atmospheric pollutants generated worldwide by all modes of transport. In compliance with European standard EN 16258, this reporting tool makes it possible to produce the key environmental performance indicators.

As far as modeling is concerned, The Group's internal engineering teams integrate the carbon data (costs, delivery times, CO₂ emissions) in their transport plan optimization for customers.

GEODIS is thus able to help its customers optimize the carbon footprint of their supply chain using its own measuring and monitoring tools.

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

GEODIS participates in numerous sectoral initiatives around the world.

Reducing greenhouse gases (GHG) requires a joint effort by all players including carriers and customers, and the Group is contributing to the improvement of the environmental performance of the whole industry.



In 2018, GEODIS has continued its involvement in the following initiatives:

- The *Global Logistics Emissions Council* (GLEC) which aims to develop a globally recognized method of calculating supply chain greenhouse gas emissions. GEODIS committed to adopt the GLEC Framework in 2016;
- 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;
- *EcoTransIT World Initiative*, the purpose of which is to improve transparency of the environmental impacts of freight transport and to provide a globally recognized multimodal tool for calculating freight transport emissions;
- *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;
- *Alliance for the Decarbonization of Transport* (TDA), an initiative launched at the One Planet Summit on 12 December 2017. It aims at stimulating a general mobilization of countries, local authorities and businesses for a profound transformation of mobility in support of the 2015 Paris Climate Agreement;
- *Movin'on Openlab*, a collaborative and innovative think-and-do-tank which promotes sustainable mobility.
- Support letter sent to JC Juncker, president of the European Commission to enforcement of new emissions standards for trucks allowing a reduction of fuel consumption by 25% by 2025.
- Support letter sent to U von der Leyen, president of the European Commission to enforcement of zero emissions trucks in cities, as part of the "Green Deal"



IV. Taking action as a responsible employer

Action

Taking action as a responsible employer

Related Principles of the Global Compact:

Human Rights

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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.

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 40,500 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 is deploying the IIP standard 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 the end of 2019, 4684 FTE's are covered by the IIP certification at worldwide level.

Training and fostering employee development

Since 2015, the Group has 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 has also been set up since 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 about 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 ISO 45001 / 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 within the company or with customers, to reward the best performances.

Safety policy is based on the ISO 45001 / OHSAS 18001 standard which provides support for the evaluation and certification of the occupational health and safety management system. The ISO 45001 / 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.

In the course of 2018, frequency rates and gravity rates improved significantly at group level, even if they remain high in absolute values in activities including a lot of manual handling.

Best practices

GOAL: ZERO ACCIDENT IN ROAD TRANSPORT

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

EXOSKELETON TEST IN THE NETHERLANDS

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




Double center rider electric pallet jack



Electronic fire simulator



Electric hand truck to carry the heavy and bulky loads in staircases



Com'hand, intuitive control system for lifting and handling machinery



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.

Since 2013, the Group has undertaken a continuous improvement process based on the GEEIS label, Gender Equality European & International Standard. 5 countries in which GEODIS operates are currently covered the GEEIS label, and GEODIS is seeking new ways of action. The regulations on gender equality have been reinforced in France, our home and major country counting more than one third of our employees worldwide.

Also in 2013, the Group launched the GEODIS Women's Network, aimed at promoting women's access to management positions by fostering the potential of female employees within the company and supporting their career development. Initially launched in Europe, the network has been active in the United States since 2017. A global conference of the GWN has been organized in Paris in October 2019 to give a new momentum to this approach and onboard more people, men as well as women.

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.

Regarding social commitment, GEODIS' ambition is to support actions based on the two main following issues:

1. Fight against exclusion: solidarity and aid for people in need (food assistance, homelessness, poverty, etc.), child welfare, integration, health, support in the event of natural disaster, disability and mobility (emergency response or development).
2. Preservation of natural resources: protection of the habitats, protection of forests and natural environments, actions to conserve the natural resources – water, energy, waste reduction, etc.

The choice of partner and respective actions to fulfill our social commitment is based on diligently applying the following criteria:



- Usefulness: ideally respond to the most essential needs in the defined areas of intervention;
- Transparency: ensure that both actions and the use of funds are transparent. Be accountable for the donated funds;
- Involvement: whenever possible, promote employees' involvement through volunteer activity, skills-based sponsorship or other mechanisms;
- Innovation: carry out pilot actions that could be implemented in other Lines of Business or countries.

The Lines of Business and corporate CSR work closely to ensure that GEODIS' social commitment actions are duly implemented.

Committed to the integration of long-term unemployed people into the world of work

Tremplin program

GEODIS launched in 2015 its Tremplin program to promote reintegration through employment. It has been set up mainly for people who have been out of the world of work for a long time (long-term unemployed, unemployed people under 26 with no qualifications, unemployed people undergoing a career change). It aims at integrating them into the world of work on a permanent basis. The jobs offered are warehouse workers, forklift drivers, dock workers and order pickers.

Trainees from the third edition of the Tremplin program have been awarded diplomas in February 2018. Having found themselves in a situation where they were excluded from the professional world, selected candidates underwent six weeks of training in order to qualify as a warehouse picking operator. They then joined pilot teams for a period of five months, where they familiarized themselves with their new workplace. The "Tremplin" program also includes a component regarding reintegration into daily life outside of work. At the end of this training, GEODIS offered the trainees an open-ended contract either within its teams or with one of its partners.

The eight main strands of the Tremplin Program

1. Selection based on aptitude.
2. Specific training.
3. A qualification and a recognized diploma.
4. A practical training program.
5. Reinforced integration.
6. Monitoring and an individual coaching.
7. Dedicated social assistance.
8. A long term employment contract.

GetVet program

GEODIS has put in place a program called GeoVet to recruit US war veterans, in order to:

- Establish GEODIS as an employer for choice for veterans exiting the military
- Foster the talent of front-line military leaders
- Offer holistic career opportunities for veterans transitioning successfully into civilian roles at GEODIS
- Targeted recruitment events

49 veterans were hired in 2018.



Encouraging commitment to the community

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

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

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

Best practices

TEAMS WORKING TOGETHER FOR THE COMMUNITY

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

PARTNERSHIP WITH ROSE ASSOCIATION

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

Céline Lis-Roux
Editor-in-Chief of *Rose Magazine*

€11,000

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



More than 1.5 tons of food sorted for the U.S. food bank *Second Harvest*



Support to the victims of hurricane Harvey in the U.S.



Fundraising for United Way in the U.S.

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

<p>Action</p> <p>Responsible procurement: involving our suppliers and subcontractors in our CSR approach</p> <p>Related Principles of the Global Compact:</p> <p>Human Rights</p> <ul style="list-style-type: none"> • 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. <p>Labour</p> <ul style="list-style-type: none"> • 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. <p>Environment</p> <ul style="list-style-type: none"> • 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. <p>Anti-Corruption</p> <ul style="list-style-type: none"> • Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

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; 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

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 (in 2017, we have performed a new calculation of GEODIS' worldwide carbon footprint.

The assessment of suppliers 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. EcoVadis is an independent body that evaluates the CSR commitment of thousands of suppliers in 190 purchasing categories and 150 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.

The Road Transport Line of Business has implemented an assessment program for its transport partners since 2015 with audits in the field and CSR self-assessments deployed in 2016.

GEODIS also selects its suppliers depending on how their CSR approach will affect its industrial performance. In France, GEODIS chose a partner to rebrand its trucks offering more effective guarantees on reducing environmental impact.

Finally, the Procurement Department of GEODIS is a powerful lever for improving the Group's social and environmental footprint and for contributing to its CSR goals. GEODIS' priorities are as follows:

- Reinforce the importance of the CSR criteria when choosing suppliers or subcontractors;
- Rely on specialized external partners in order to assess the suppliers and the subcontractors (EcoVadis for instance);
- Promote sustainable purchasing initiatives: solidarity purchasing, "green" purchasing;
- Commit to a shared continuous improvement process through the setting-up of partnerships.

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.

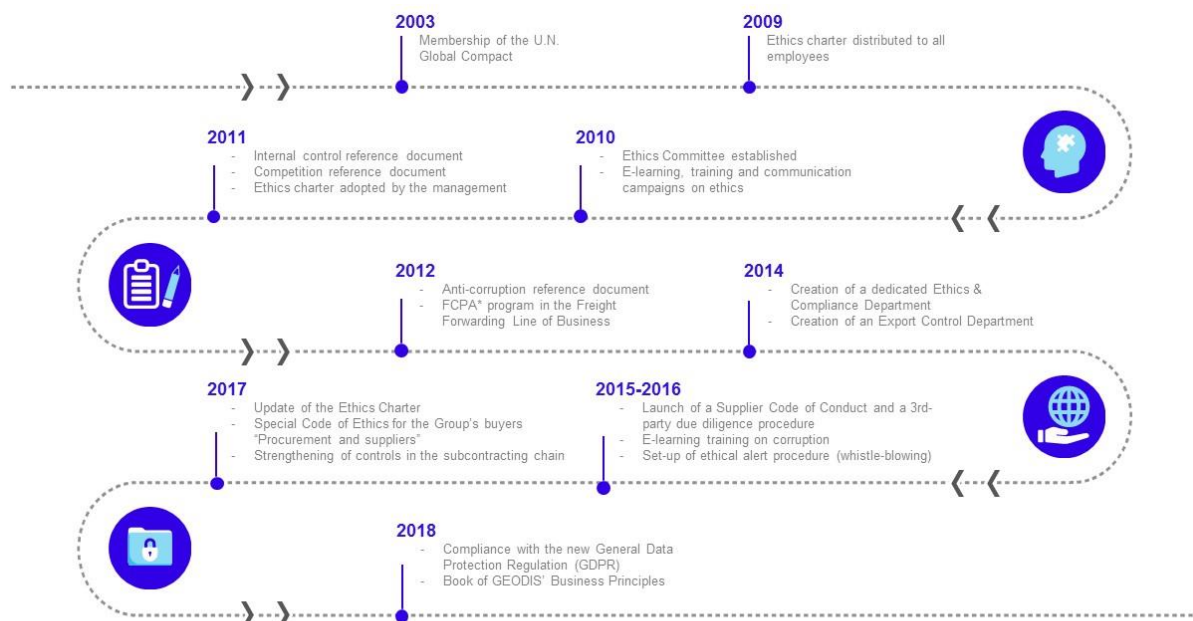
GEODIS is deeply committed to its responsibilities towards all its stakeholders and to complying with the laws of every territory in which it operates. In this respect, the GEODIS Ethics and Compliance program has been globally deployed across its five Lines of Business. As an integral part of the Group's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

- Code of Ethics and a special Code of Ethics for the Group's buyers called "procurement and buyer"
- Ethics Charter
- Antitrust guidelines on how to comply with antitrust laws
- Internal control reference document
- Reference document on how to comply with anticorruption legislation
- Suppliers' Code of Conduct (2018) and guidelines for the selection of suppliers
- Export control procedure
- Third-parties due diligence guidelines
- E-learning on corruption
- Set-up of an ethical alert procedure
- Compliance with GDPR (General Data Protection Regulation)
- Book of GEODIS' business principles

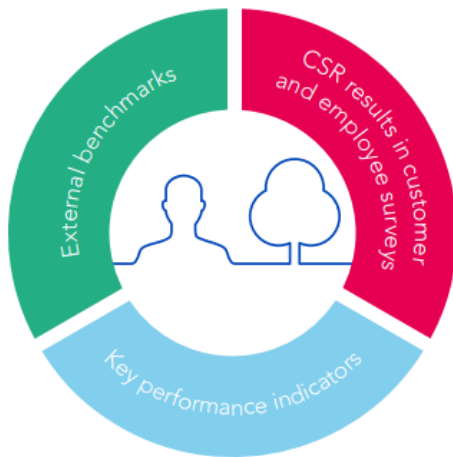
A continuous improvement process to develop trust and integrity



* Foreign Corrupt Practices Act, American federal law of 1977 aimed at fighting corruption of public officials in the U.S.

Measuring and improving performance

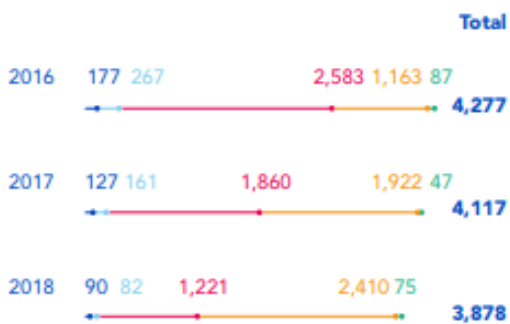
GEODIS measures its CSR performance in the light of 3 perspectives: reporting on environmental and social data, annual client and employee satisfaction surveys, and external evaluations.
2018 CSR indicators are available on www.geodis.com



1. Key Performance Indicators

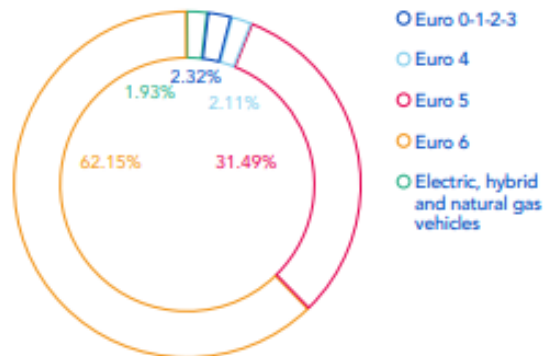
ENVIRONMENT

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



- Euro 0-1-2-3
- Euro 4
- Euro 5
- Euro 6
- Electric, hybrid and natural gas vehicles

Mix of the GEODIS' road vehicle fleet worldwide
 (in 2018)

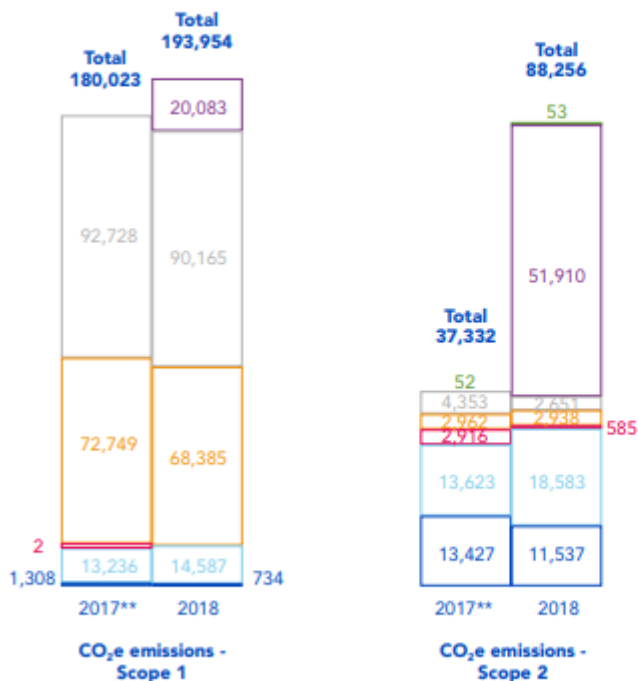


This Euro fleet does not include the Freight Forwarding Line of Business that is only available in Gross Vehicle Weight Rating and represents 1.5% of the GEODIS' fleet in GVWR.



GEODIS' CO₂e emissions per Line of Business

(in metric tons of CO₂e - Scopes 1 and 2* - Worldwide - 2017 2018)



*scope 1: direct emissions from stationary or mobile sources (gas or fuel)
 scope 2: indirect emissions associated with electricity production
 **excluding Contract Logistics US

GEODIS' 2018 total production of renewable energy (KWh)

From photovoltaic energy

211,371

From wind energy

3,600

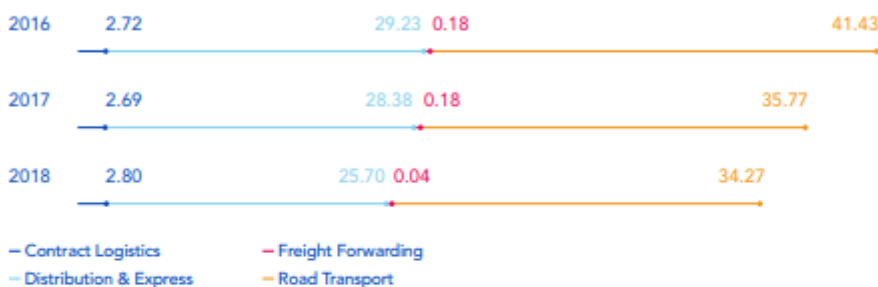
Total

214,971

- Freight Forwarding
- Contract Logistics
- Supply Chain Optimization
- Distribution & Express
- Road Transport
- Contract Logistics US
- Corporate & Holdings

Annual worldwide gasoil consumption per Line of Business

(in million of liters)



2018 average gasoil consumption/100 km vs 2017

Road Transport

-0.76%

Distribution & Express

-0.6%

Electricity consumption of the Contract Logistics activity

(in KWh/sqm - France & Europe)
Excluding CL US



Electricity consumption of Group buildings

(in million of KWh - Worldwide)

2017
143.3

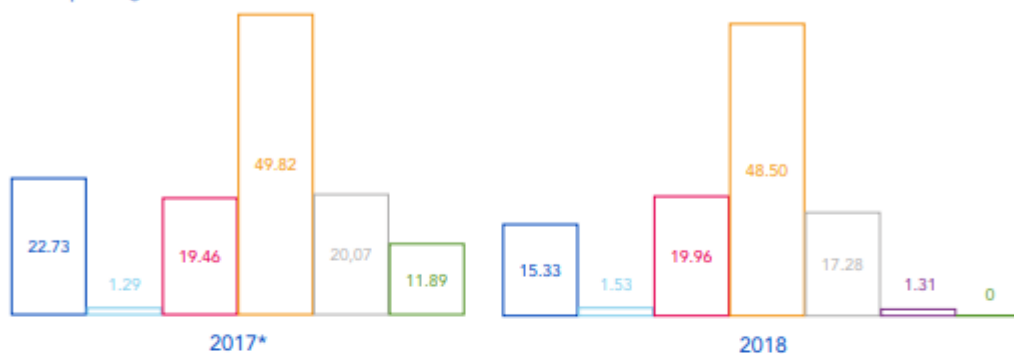
2018 (including CL US)
235.2

SOCIAL

Safety: frequency rate of occupational accidents

(worldwide)

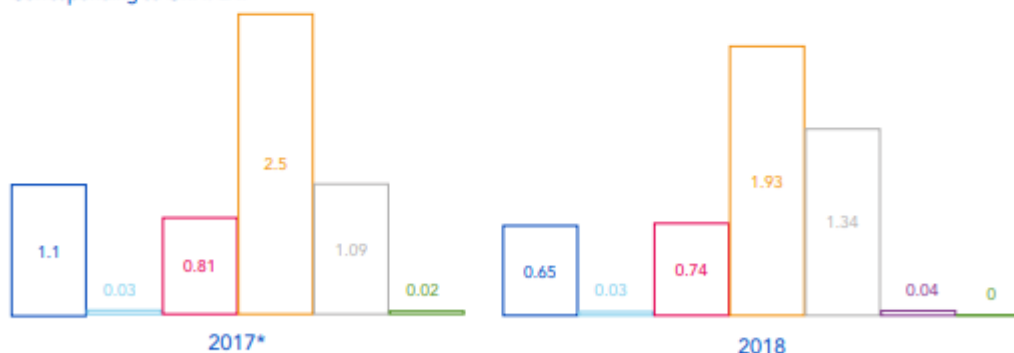
Corresponding to GRI4: LA7



Safety: severity rate of occupational accidents

(worldwide)

Corresponding to GRI4: LA7



— GEODIS — Freight Forwarding — Contract Logistics — Distribution & Express
— Road Transport — Contract Logistics US — Corporate & holding

*excluding Contract Logistics US



GEODIS

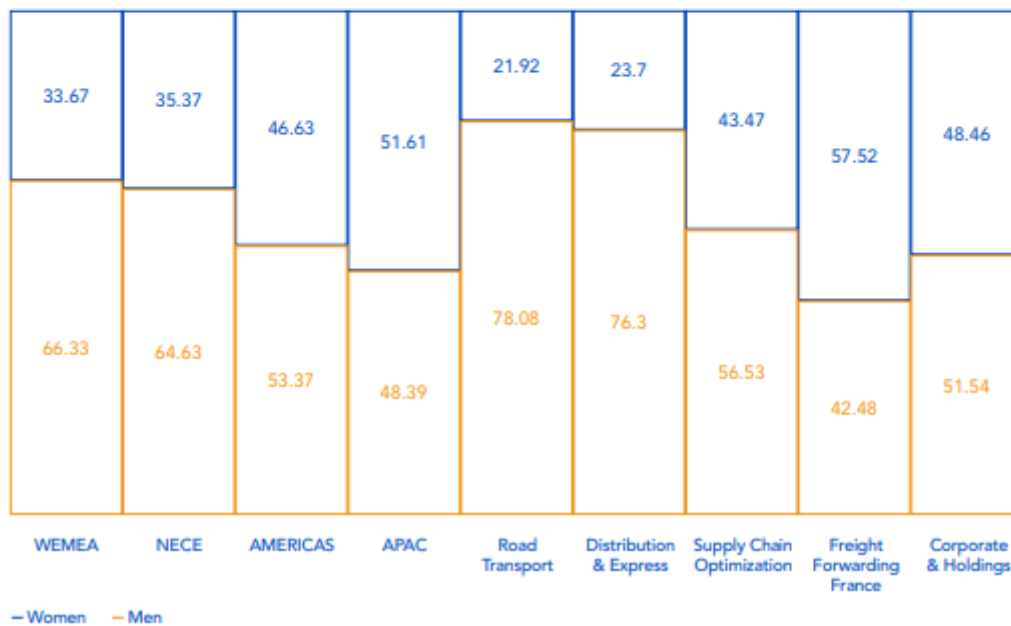
Share of disabled workers

(FTE share, full-time equivalent)



Gender distribution by Region and Line of Business in 2018

(as a percentage of ETP - Worldwide)

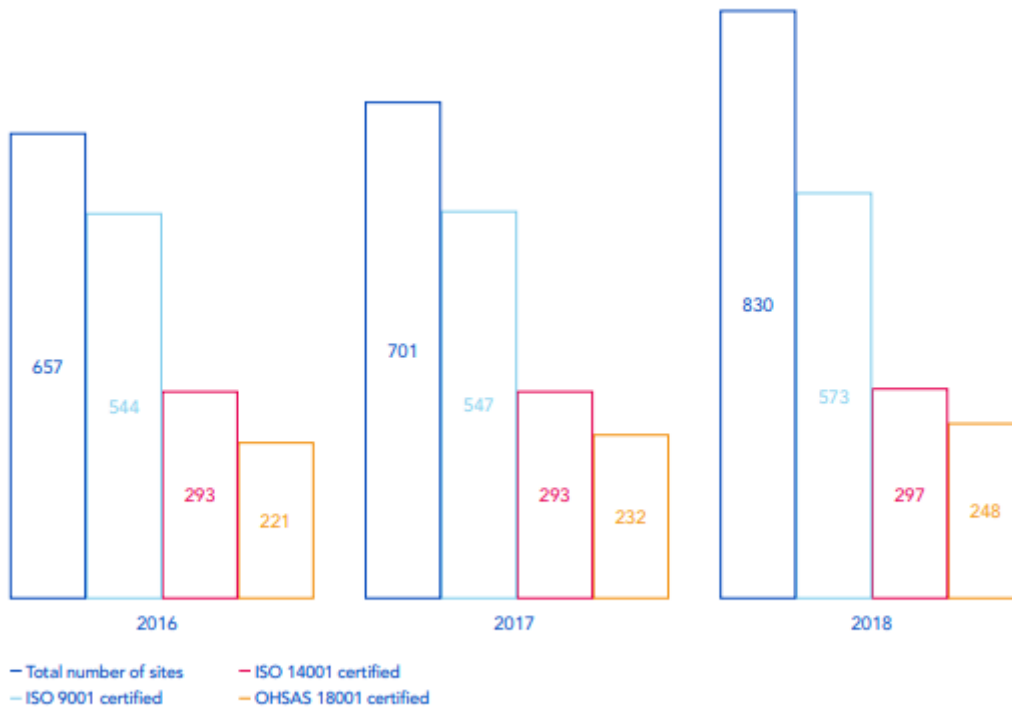




2. Evaluations

2.1. Certifications

Certifications of GEODIS' sites



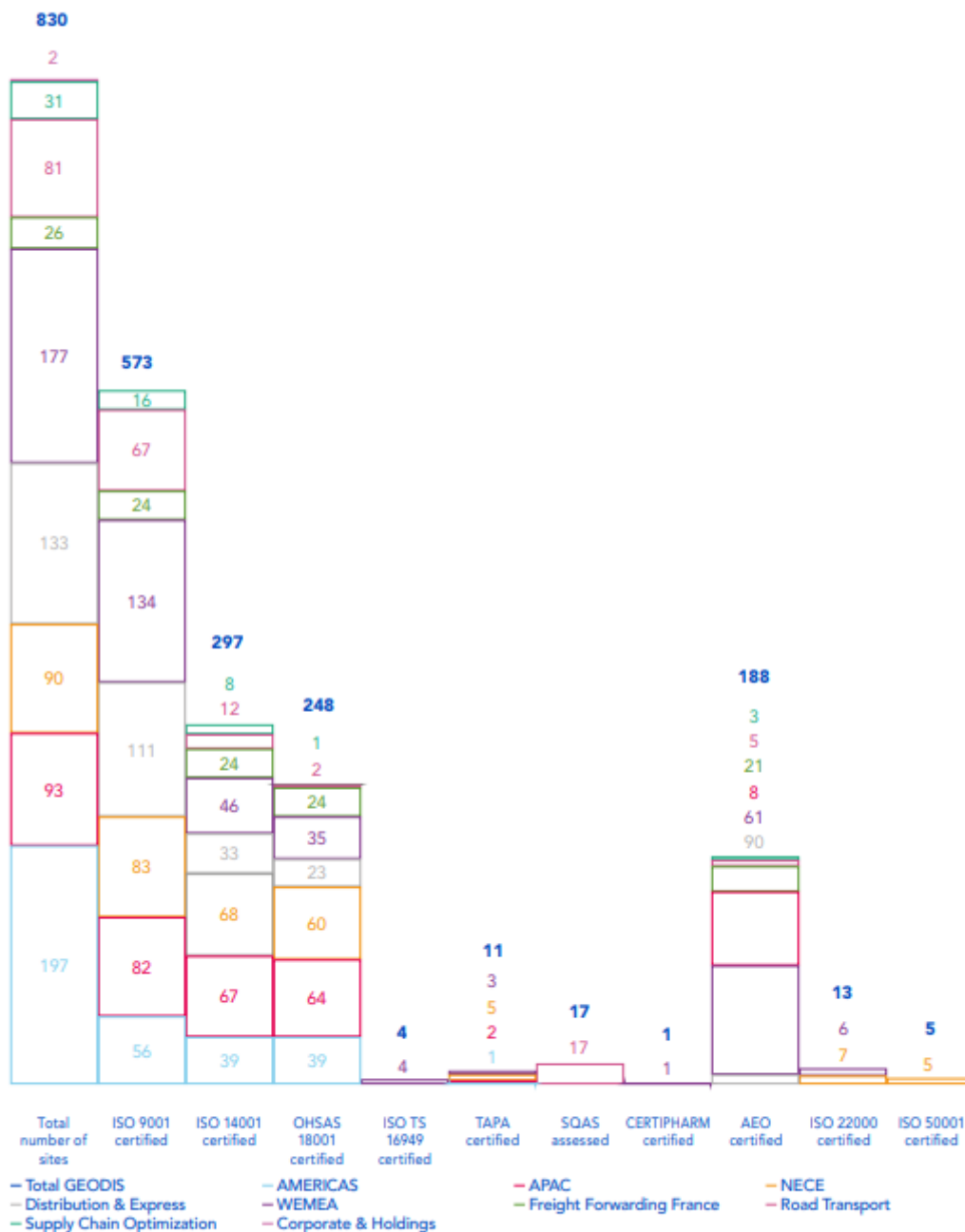


GEODIS

Region: GEODIS' certifications in 2018

(number of sites certified)

Corresponding to GRI4: EN31

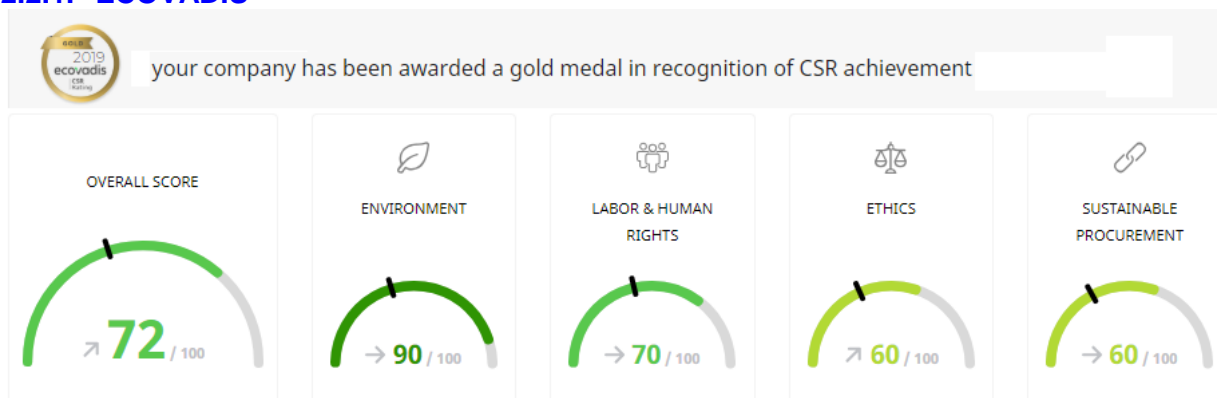


ISO 9001: quality, ISO 14001: environment, OHSAS 18001: safety, ISO TS 16949: quality in the automobile sector, TAPA (Transported Asset Protection Association): cargo security, SQAS (Safety and Quality Assessment Series): quality and safety in the chemical sector, Certipharm: quality in the health sector, AEO (Authorized Economic Operator): customs formalities, ISO 22000: food safety, ISO 50001: energy management



2.2. External assessments

2.2.1. ECOVADIS

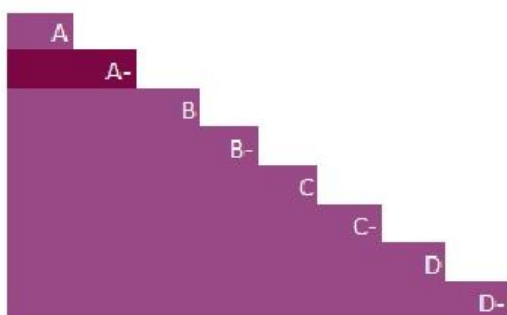


2.2.2. CDP



Your company is amongst 24% of companies that reached Leadership level in your Activity Group

UNDERSTANDING YOUR SCORE REPORT



Geodis received a A- which is in the Leadership band. This is higher than the Europe regional average of C, and higher than the Intermodal transport & logistics sector average of C.

- Leadership (A/A-):** Implementing current best practices
- Management (B/B-):** Taking coordinated action on climate issues
- Awareness (C/C-):** Knowledge of impacts on, and of, climate issues
- Disclosure (D/D-):** Transparent about climate issues

3. For more information

All GEODIS 2018 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'.