

CODE
of
CONDUCT

Lagardère



December 2005

SUBJECT: GROUP CODE OF CONDUCT

Dear Sir, Madam,

Please find enclosed our Group's Code of Conduct, which consolidates, completes and updates the basic principles that must serve as the frame of reference for our professional activities as employees of the Group.

This code, compliance with which represents a key part of our corporate culture, is not just a list of restrictions. Instead, it calls upon the responsibility of each person, and may, if required, provide help for taking decisions.

Yours sincerely,

Thierry FUNCK-BRENTANO

Head of Human Relations
and Communications



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INTRODUCTION FROM THE MANAGEMENT TEAM

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The Lagardère Group is a leader in all areas of activity in which it is involved. This success is based to a great extent on the integrity and professional conduct of all the members that make up the Group.

The Code of Ethics, in force within our Group since 1994, incorporates the main principles and general framework for all of the activities carried out by the men and women of the Group.

Over the last few years, the Lagardère Group and the world surrounding it have undergone a number of major changes, notably with the development of new laws, a stronger focus on financial security, new agreements and international practices. Thus the Code of Ethics has been updated not only to take these developments into account, and in this way meet the new requirements for the performance of our activities, but also to highlight certain principles for action, which, although they had not been expressly mentioned, had still been applied by our Group for some time.

The aim of this new version of the code, now entitled the “Lagardère Group Code of Conduct”, is therefore to clarify these principles which stem directly from the values on which our Group has built its legitimacy and its reputation: respect for others, team spirit, excellence, loyalty and independence.

We firmly believe that each one of you feels the need to implement the rules described in this Code. Those rules must not be interpreted as a collection of abstract principles, cut off from day-to-day practices, but as a concrete expression of the values that lie at the heart of the Group’s projects and form the basis for its ambition.

The Management Team

FOREWORD

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The Present Code of Conduct (the “**Code**”) sets out to establish a body of Group-wide guiding principles, resulting directly from the Lagardère values¹, compliance with which will make it possible to ensure that all the men and women of the Group share a common frame of reference (the “**Rules**”). As such, it is not intended to present an exhaustive and detailed list of all the rules governing the activities of Lagardère Group companies and their employees in the different countries in which the Group is present. This Code calls on the responsibility of each person and may, if need be, represent a means of support for decisions.

The present Code aims to incorporate the frame of reference into which our actions must fit on a day-to-day basis. It is under no circumstances intended to replace the national and international standards applicable in each country in which the Group does business, which must be stringently implemented, but rather to supplement them.

1. For the requirements of this Code, and unless indicated otherwise, the terms “Lagardère”, “Lagardère Group”, “Group”, “Group companies” concern Lagardère SCA as well as the companies that are considered to be consolidated subsidiaries of Lagardère SCA from an accounting point of view, i.e. all of the companies controlled or co-controlled by Lagardère SCA as per Article 233-16 of the French commercial code (Code de Commerce).

Lagardère values

The Lagardère values, which each one of us must uphold in the performance of our day-to-day activities, are those on which our Group has built its legitimacy and its reputation: respect for others, team spirit, the quest for excellence, loyalty and independence.

Respect for others, which notably aims to gain and keep the confidence of our contacts over the long term, represents a fundamental value for Lagardère. It can be applied in practice in all the Group's relations with its Employees, its external partners, its customers, its shareholders and, more generally, the community.

Team spirit, unifying and giving a sense of responsibility, forms the basis of the Group's relations with its Employees and its external partners, fostering dialogue and interactivity.

The **quest for excellence**, which is based on innovation, creativity, boldness, rigour and dedication, is primarily aimed at the satisfaction of Lagardère's customers and shareholders.

Loyalty enables the Group to build and develop transparent and high-quality relations with its stakeholders.

Lastly, **independence** makes it possible to free ourselves from external pressures (economic, political or any other kind) and contribute to the sincerity of relations with our stakeholders.

These values lie at the heart of our corporate culture.

People concerned by this Code

The Rules described in this Code apply to all Lagardère Group companies, their managers² and their employees – including any other employees made available to them and temporary staff – as well as the agents and representatives of Lagardère (collectively referred to as “Employees”).

Similarly, the Group expects its co-contractors, consultants or independent workers to uphold the Rules set forth in this Code.

Employee responsibilities

One of the main obligations for each Employee is to respect, within the context of his or her function, the laws and regulations applicable to the activities of the company employing him or her (including the company’s internal regulations),

2. The term “manager” refers to any member of the administrative, executive, management or supervisory bodies of Lagardère Group companies.

as well as the Rules described in this Code. Employees are, therefore, expected to familiarise themselves with the Rules of this Code and to apply them in the daily performance of their functions.

Employees are also expected to behave in a way that is adapted to their working environment and to be sensitive and respectful of other people, the Group's values, and differences in others.

Lastly, to ensure that they have the most recent version of this Code, Employees may get in touch with their manager or a member of their company's Human Resources or Legal Departments or, failing that, the company manager. The most recent version of the full text of this Code is also available on the Group web site (www.lagardere.com) and its Intranet (<http://net.lagardere.com>).

People to contact with questions on how to apply this Code

Lagardère Group companies carry out their activities in numerous countries around the world, in a commercial, legal and regulatory environment that is specific to them. As such, this Code may only be used as a simple code of general conduct and is not intended to define a uniform set of rules or penalties to be applied in the event of failure to comply with the Rules. It cannot take the place of your personal integrity and it is not intended to provide a solution to all the problems that you might encounter.

If, in a very specific situation or in the day-to-day performance of your functions, you have any questions or doubts regarding the interpretation or application of the Rules of this Code, or you are concerned about a possible breach of a Rule described in this Code or a request that is likely to result in a breach of any of these Rules, please consult your manager or a representative of your company's Human Resources or Legal Departments or, failing that, your company's manager. These people are best placed to provide quick answers to your questions.

Linking the Rules of this Code with existing principles adopted by certain Group companies

Certain Group companies might have already adopted, or may be in the process of adopting, rules of professional conduct or principles that are more detailed and/or better adapted to their specific activities and/or regulatory, deontological and commercial environments for the countries in which they do business ("**Subsidiary Rules of Professional Conduct**").

In terms of "best practices", Lagardère encourages all Group companies to maintain these Subsidiary Rules of Professional Conduct. This Code has therefore been drawn up with a view to supplementing these subsidiary Rules of Professional Conduct rather than replacing them.

In this way, where relevant, when they concern issues covered in this Code, you should continue to uphold the specific Subsidiary Rules of Professional Conduct adopted by your company in addition to the Rules defined in this Code.

In addition to the Rules set out in this Code, the Group may occasionally adopt and distribute specific rules of conduct for issues that it considers to be important and for which General Management considers that a rule needs to be put in place Group-wide.

CODE of CONDUCT

Lagardère aims to perform its activities in complete honesty, impartiality and compliance, not only with the laws and regulations in force in the various countries in which the Group is present, but also with the Rules described in this Code.

The Rules contained in this Code must be applied at all times in connection with our relations with Employees, the Group's external partners and its competitors, its customers, its shareholders and, more generally, the community.

1 THE GROUP'S RELATIONS WITH EMPLOYEES

The Lagardère Group's performance is, to a great extent, dependent on its Employees, whose motivation represents a source of creativity which is essential in our media activities. That is why Lagardère works to ensure the professional fulfilment of each one of its Employees in their working lives thanks to working conditions that are respectful of the human person and a management style that aims to foster responsibility based on a sense of initiative.

Lagardère aims to encourage teamwork, which unites the Group and contributes to the creation and maintenance of a high-quality, productive working environment. In this way, teamwork represents one of the essential components of its corporate culture.

All Employees, irrespective of their activities and responsibilities, must work to uphold these principles.

Working conditions, health and safety

The Lagardère Group is particularly attentive to the working conditions of its Employees. In this way, it seeks to ensure a safe and healthy working environment for each person, as a minimum by implementing the legal provisions in force.

Similarly, with a view to preventing health-related and professional risks, Lagardère seeks to ensure that the right technical and organisational conditions are in place to make it possible to reduce such risks and encourages Employee training.

Training, promotion, fairness

The development of professional skills and individual responsibilities for Employees is a necessary condition of the success of Lagardère, which therefore strives to ensure:

- Equal opportunities and treatment, based on recognition of merit and performance;
- Employee development, notably through training, promotion and internal mobility.

Fundamental rights, discrimination and harassment

Lagardère undertakes to ensure compliance with the employment legislation and regulations applicable wherever the Group does business, notably those intended to safeguard the freedom of association, respect for privacy, recognition of the right to negotiate collective labour agreements, the banning of forced, obligatory or child labour; and the abolition of illegal discrimination on employment, in accordance with the rules set out by the International Labour Organisation.

In this way, Lagardère strives to apply fair employment and equal treatment practices, which notably involves avoiding (i) any form of discrimination due to the

origins, customs, gender, political or religious opinions, trade union membership or disabilities of individuals, as well as (ii) any form of harassment.

These rules also apply between Employees.

Privacy

Committed to respecting the privacy of its Employees, the Lagardère Group undertakes to ensure the confidentiality of any individual information relative to Employees collected or kept by Lagardère, which must be strictly restricted and the use of which must be limited. The Group's companies are responsible for putting in place procedures for the protection of confidential information relative to employees in accordance with the national legislation in force.

Confidentiality and transactions on financial instruments

i. Confidentiality

The confidential information available to Employees in connection with their professional activities and of which they are simply guardians must remain confidential if it has not been made public by the Group or by a third party. As such, Employees must not use or distribute such information (notably with a view to using it for a transaction on financial instruments – see below) unless express written authorisation has been granted by Lagardère or unless required by law and except for cases when:

- Other Employees, clearly informed of the confidential nature of the information, need to know this information within the context of their responsibilities, or
- People outside the Lagardère Group (such as auditors, lawyers or other consultants), subject to their having signed the appropriate confidentiality undertakings, either need to be informed in the context of a specific mandate or a mission given by the Group or have a valid commercial or legal reason to receive it.

The notion of confidential information includes all non-public information (or sets of information) that could either be used by Lagardère's competitors or could be harmful to the Group, its partners or its customers if it were disclosed. This concerns information explicitly identified as confidential and, more generally, although not restricted solely to this list: elements relating to the Group's intellectual property (notably know-how, brands, literary and artistic property, etc.), its activity, its financial data (notably strategic and financial plans, earnings forecasts), its marketing and sales plans, its databases, its files, is employee information, and its unpublished reports as well as any information with which its partners and customers have entrusted it. All Employees are required to safeguard the confidentiality of information, even after they have left their jobs within the Lagardère Group.

Information is considered as *non-public* if it has not been distributed in a public and generalised way to investors. In this way, notably, Employees should assume that information is not public until it has been disclosed in an official press release, by a press agency or press wire service, or in a general circulation daily news-

paper, in a public document filed with a supervisory body (such as Lagardère SCA's *reference document*, filed with the French securities regulator (*Autorité des marchés financiers*)), in a public audio-conference that investors can follow over the telephone or Internet, or in documents sent out to shareholders such as an annual report or prospectus, and until a sufficient period of time has passed for the information to have been taken on board by the market. On the contrary, for instance, information given to a journalist or during an external conference or during a meeting with financial analysts does not lose its privileged nature until the press release or financial notice has been made public.

ii. Transactions on financial instruments

Under certain circumstances, employees may know confidential information concerning one of the Group's companies or a company with which Lagardère has commercial relations, which is unknown to investors at that time. If this confidential information could have a significant impact on the stock price of an issuer's securities, then the Lagardère Group employee who has such information must not carry out any transactions (purchase, sale, exchange, subscription, etc.) on the financial instruments of this issuer or transmit this information to any other party likely to benefit from it.

2 RELATIONS WITH EXTERNAL PARTNERS³ AND COMPETITORS

18 The Group's relations with its external partners must be based on mutual respect in order to facilitate dialogue and interactivity and promote a team spirit. Each Employee must act in a loyal and independent manner in relation to the Group's external partners and competitors and maintain with them trust-based relations in strict compliance with the laws and regulations applicable. Lagardère expects its partners to uphold these principles.

Loyalty in commercial practices and free competition

Regulations governing commercial practices, notably in terms of competition and transparency of prices, are intended to preserve a competitive economy and promote fair competition. The Lagardère Group aims to apply these regulations strictly across all the markets on which it operates and to found its success on the use of honest and legal means and on the quality of its products and services. All Employees must familiarise themselves with the regulations that are applicable to them in the performance of their activities.

3. The notion of "external partners" concerns the suppliers, distributors, subcontractors, franchisors and franchisees of the Group, States and local authorities.

Loyalty towards the Group's external partners notably implies (i) the fair treatment of competing companies, (ii) respect for the confidentiality of information concerning them, and (iii) the accuracy of information communicated to them.

The Group expects its Employees to negotiate with its external partners in a fair and transparent way and expects no one to act in an unfair way through manipulation, dissimulation, abuse of privileged information, deformation of the presentation of physical facts, or any other dishonest practices.

Ban on corruption in France and abroad

Lagardère is particularly sensitive to the fundamental principles of the OECD in terms of corruption. The Group therefore undertakes not to offer, promise, grant or solicit illegal payments or other undue benefits with a view to obtaining or keeping a market or any other illegitimate benefit. In this way, in its relations with governmental bodies or administrations (notably in connection with its activities subject to authorisation), customers or suppliers, the Group forbids any fraudulent practices or any corrupt actions of any kind. It is essential that Employees comply with the legislation and regulations in force in this respect, notably by fulfilling the specific requirements of public markets and other transactions with government bodies.

Readers are reminded that any breach of the present regulations may result in serious civil and penal penalties as provided for under applicable legislation.

Conflicts of interest

All Employees are likely to find themselves faced with situations in which their personal interests or those of individuals or entities to which they are linked or related (i.e. one of their relatives) could be considered as being against the best interests of the Group.

Employees must be vigilant with regard to any conflicts of interest that may arise in numerous situations despite the efforts of each party to avoid them. If such a situation cannot be avoided, it is up to the Employee to make a decision in all conscience in light of their duty of loyalty and in accordance with the Group's values.

For instance, conflicts of interest may arise when an Employee or one of their relatives:

- Performs an activity outside the Group that might call into question the loyalty or independence of the Employee's judgment, notably if the Employee or one of their relatives
 - Provides services, within the context of their functions or otherwise, to companies that are rivals, customers or suppliers of Lagardère,
 - Holds a position as a director, or partner or has any other significant responsibility in an external company working or looking to work with the Group or with one of its competitors;
- Has a significant financial interest in a company that has (or is looking to have) significant commercial relations with the Group or is in competition with it.

Gifts and other benefits

Business gifts or other benefits (e.g. entertainment, discount prices, services) are intended to create solid relations between partners.

However, accepting such benefits could bring into doubt the capacity of an Employee to make an independent judgment in the best interests of Lagardère.

As such, Employees have a duty of probity and are forbidden to solicit business gifts or any other benefits.

Business gifts or other benefits may only be accepted from or offered to third parties dealing with the company under strict conditions set by the rules applicable in each one of the Group's companies or, failing that, in accordance with the following two principles:

- a. The gifts must be of common use and must be worth less than 150 euros, and;
- b. If Employees are faced with a situation in which this threshold is exceeded, they must notify their manager, who will then decide whether to accept (or offer) the gift or benefit in question.

Political contributions for or on behalf of Group companies

The Lagardère Group forbids itself from financing political parties or associations whose purpose is primarily political and/or contributing to campaigns by candidates for local or national positions.

As such, Employees are not authorised to make political contributions on behalf of the Lagardère Group.

Intervention by paid intermediaries

The intervention of paid intermediaries, necessary due to the contributions that their skills can make to the Group, is only justified if it results in real and effective services in strict compliance with the laws and regulations in force.

The intervention of such intermediaries may only take place within this context, subject to a formalised contract, under conditions such that the intermediary is not likely to commit the Group. Their compensation must represent fair payment for the services actually provided as stipulated in the contract.

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CUSTOMER RELATIONS

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Lagardère has founded its success on the respect and satisfaction of its customers. This desire to satisfy our customers must therefore be a major priority for the Group, whose long-term viability and growth depend on it. It notably requires all Employees to aim for excellence at all times and to show unfailing loyalty towards customers with a view to building and maintaining strong trust-based relations with them.

Performance of products and services

The Group aims to create close and lasting ties with its customers by providing them with high-quality products and services adapted to their needs and expectations. Each one of us must contribute to this performance through a constant search for excellence in the performance of our activities, which is notably reflected in:

- Listening to customer needs attentively, without any prior assumptions or prejudices, with a view to being able to anticipate their needs and expectations and offer them varied products and services; in this way, Lagardère contributes, more specifically, in a significant way to the diversity of the cultural offering.
- Ensuring an irreproachable follow-up on the products and services provided as well as a constant focus on innovation, quality improvement and the security of

the products and services offered; the Group therefore aims to constantly control, evaluate and improve its products, services and procedures in order to ensure quality, security and innovation at each stage in the process for the development, production and distribution of its products and services.

Loyalty for advertising and special offers

Lagardère aims to build relations with its customers based on respect and trust. To achieve this, the Group is particularly vigilant with regard to:

- Respecting any commitments made in relation to them, and;
- Providing them with the most honest and fair information possible. To this end, Lagardère is particularly sensitive about ensuring strict compliance with the regulations applicable in terms of advertising and special offers.

Within the specific context of advertising services offered by the Group to its customers, compliance with the regulations in force for transparency in the economic relation between Lagardère and its customers is essential.

Confidentiality of information on customers

Group companies must put in place procedures to ensure the protection of confidential information relative to its customers or data relative to their private lives in order to ensure that the latter is not disclosed or used in a prohibited or inappropriate way.



SHAREHOLDER RELATIONS

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The Group aims to act with respect for its shareholders and earn their trust. In this respect, Lagardère strives not only to achieve an optimum level of valuation for its assets but also to protect them effectively. All Employees must respect their duty of loyalty and transparency with regard to the Group's shareholders.

Valuation of company's holdings

The Lagardère Group aims to ensure the profitability of its shareholders' investments by seeking to regularly achieve one of the best levels of operational performance in its areas of activity while maintaining short, medium and long-term asset valuation objectives. Achieving a sufficient level of profit is vital for the sustainability and development of the company – since this notably enables it to meet its investment requirements – and, to this end, economic performance is a constant objective for all Employees.

Company's holdings and brands

Lagardère expects its Employees to act in a loyal way with regard to its shareholders, with strict respect for the Group's holdings and brands.

i. Safeguarding and appropriate use of the Lagardère Group's assets

In general, Employees are responsible for the safeguarding and effective and appropriate use of Lagardère's assets within the context of their functions. The Group therefore expects its Employees to take any necessary measures to safeguard its assets.

Intellectual property is one of Lagardère's most valuable assets and it has therefore set itself the objective of establishing, protecting, maintaining and defending its intellectual property rights. In this way, employees must pay particular attention to any project concerning the press, book or audiovisual fields in terms of confidentiality and the protection of intellectual property that is associated with them.

More generally, Employees must seek to avoid any cases of loss, damage, improper use, theft, embezzlement or destruction of goods, which are detrimental to the Group.

ii. Lagardère Group opportunities and resources

Employees (i) must use the Group's resources solely in connection with their functions and (ii) must not discredit the renown and good reputation of Lagardère. In this way, the Group's resources must not be diverted or used for personal purposes; Employees are therefore forbidden from (i) taking advantage of opportunities resulting from their job within the Group for personal purposes, (ii) using the Group's assets, information, resources or taking advantage of their position for personal purposes, or (iii) directly or indirectly competing with the Lagardère Group.

Transparency of financial information

Lagardère undertakes to provide its shareholders and the financial community with intelligible, pertinent and reliable information and to listen to them, notably through its Shareholder Committee. The Group is committed to ensuring compliance with stock market regulations and faithfully reflecting its transactions in its accounts.

i. Abusive influence during the certification of accounts

Employees, as well as any people working underneath their management, must cooperate in an honest manner with the statutory auditors and must not perform any action likely to exploit them within the context of their mission.

ii. Accuracy of publications

The laws and regulations, notably those applicable to listed companies, require Lagardère to publish information on a regular basis and require the Group to provide reports, financial information and other data to various supervisory and market bodies, notably the French securities regulator (*Autorité des marchés financiers*). The reports or information distributed in this way must comply with all the legal and regulatory provisions in force and must not contain any incorrect data or omit any significant facts.

In this way, as a rule, the Group's external press releases must be signed off by the managers concerned before any distribution. More specifically, press releases

on events whose importance is significant for the Group must be signed off by the Group Human Resources and Communications Departments, which, where relevant, may consult with the managers concerned.

Employees directly or indirectly involved in the preparation of reports or information to be distributed, or who communicate regularly with the press, investors and analysts with regard to the Lagardère Group, must ensure that the reports or information in question are (i) complete, fair, appropriate, accurate and understandable, and (ii) compliant with the requirements of the regulations in force. This obligation applies to all public distributions, oral statements, visual presentations, press conferences and media announcements relating to the Group, its financial results and other similar subjects.

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COMMUNITY RELATIONS

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Lagardère is committed to acting with the utmost respect for fundamental rights and the laws and regulations applicable in the countries in which it is carrying out its activities. In addition, the Group intends to implement actions which favour community development and limit, as much as possible, the environmental impact of its activities.

Fundamental rights

The Lagardère Group considers it vital to respect universal values and human rights. In this way, it aims to promote the principles set forth in the Universal Declaration of Human Rights, the principles of the International Labour Organisation, more specifically those relating to the rejection of child and forced labour, and the guiding principles of the OECD for multinational businesses.

The Group expects its external partners to ensure strict respect for these fundamental rights (notably the principles defined by the Universal Declaration of Human Rights and the International Labour Organisation) as well as the local regulations in force governing working conditions.

Commitment to uphold the laws of the country as a minimum and, in any case, the provisions of the present Code when they are more stringent

All Employees are responsible for ensuring that the Group's activities that depend on them are carried out in line with the laws and regulations in force locally and in accordance with the principles described in this Code, notably when the Rules are stricter than the legal and regulatory provisions of the country concerned.

Contribution to sustainable development

i. Economic, social and cultural development of communities where we are present

The Group wants its activities to contribute to the improvement of well-being and living conditions.

As such, it aims to participate in the economic and social development of the countries in which it carries out its activities.

Furthermore, Lagardère aims to participate in the life of the community, notably through educational, sporting and cultural actions intended to help local populations.

ii. Sponsoring and corporate philanthropy

The Group is in favour of sponsoring and corporate philanthropy actions, the choice of which is left to the discretion of senior management in the Group's subsidiaries, provided that the beneficiary of the request takes all the measures to ensure that the support of the Lagardère Group does not contradict the Group's communications policy, or redundant in light of support already given by another Group company or by the general management of Lagardère SCA.

iii. Environmental action

The Group is very attentive to the repercussions of its activities on the environment and aims to limit the environmental consequences of its activities, as far as possible, by managing them in a responsible way.

