

▶ SUSTAINABLE DEVELOPMENT REPORT 2009



Lagardère
PUBLISHING

Lagardère
ACTIVE

Lagardère
SERVICES

Lagardère
SPORTS

Lagardère

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Foreword

Giving purpose

This year, Lagardère Group decided to publish a Sustainable Development report presenting all labour, social, environmental and ethics information in a single document. This information has previously appeared in the annual Reference Document.

This Sustainable Development report, published on-line, is intended for all stakeholders and demonstrates Lagardère Group's transparency concerning this information and its desire to share the improvement approach to which it is committed.

As part of this work, it seemed both helpful and essential to comply with the guidelines of the Global Reporting Initiative (GRI), along with the direction of the NRE Act and the Global Compact.

Lagardère Group is especially aware of the work begun within the GRI to identify indicators specific to the media industry and will include them in its upcoming reports as soon as these sectoral indicators have been validated.

Message from Arnaud Lagardère

On 21 January, I met with Lagardère Group's principal senior managers as well as experts to think about the challenges involved in Sustainable Development and to raise awareness among our employees.

During the course of the day, we reflected on the best way to take on our responsibilities as a media group and meet our stakeholders' expectations. The urgency of the climate and energy crises, growing regulatory constraints, increased consumer demand for ethical products and our employees' growing demand for societal values in the company were at the heart of our discussions.

Sustainable Development values are consistent with our Group's values and are a part of our history. These naturally include boldness, creativity and independence, but they also include sustainable viability, anticipation and solidarity.

The establishment of the Jean-Luc Lagardère Foundation, which last year celebrated its 20th anniversary, and the formation of the ELLE Foundation in 2004 along with the many social solidarity commitments of our various business activities demonstrate our longstanding commitment to the community.

But for us, Sustainable Development goes beyond our bond with society. Environmental issues (controlling our ecological footprint in both paper and digital media) and the social expectations of our various entities also play a day-to-day role in the Group's management and growth. Finally, as a media conglomerate, we must independently provide educational content to promote understanding of opinions on sustainability.

In recent years – especially in 2009 – our various businesses have undertaken a variety of actions. In terms of labour relations, our subsidiaries have continued to focus on promoting diversity and providing training. Carbon Audits demonstrated the environmental commitment of Lagardère Publishing and Lagardère Active. On the societal front, the Jean-Luc Lagardère Foundation initiated new supportive partnerships, in particular the Apprenti'Bus with the Sports en Ville association.

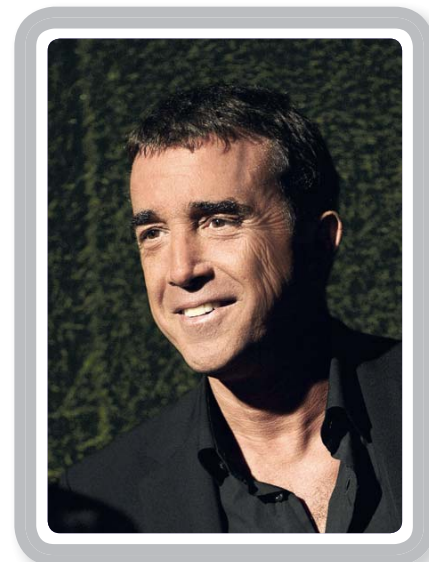
These achievements are based on the Code of Conduct as well as the commitments undertaken through the Global Compact, which we joined in 2003.

I am convinced that Sustainable Development is an important issue for Lagardère, and a potential engine for greater efficiency and performance.

For this reason, for the past several years we have been firmly committed to an improvement approach.

This is built around four priorities and twelve commitments developed in this Sustainable Development report.

This report, the first document fully dedicated to Sustainable Development within the Group, follows the Global Reporting Initiative's guidelines. Its main objective is to improve the dialogue we have undertaken with all stakeholders concerning our CSR approach. We aim to give meaning to our commitment.



A stylized, handwritten signature in black ink.

Arnaud Lagardère

General Partner, Lagardère SCA

▶ INTRODUCTION

1 AN APPROACH INCORPORATED INTO OUR GROWTH STRATEGY



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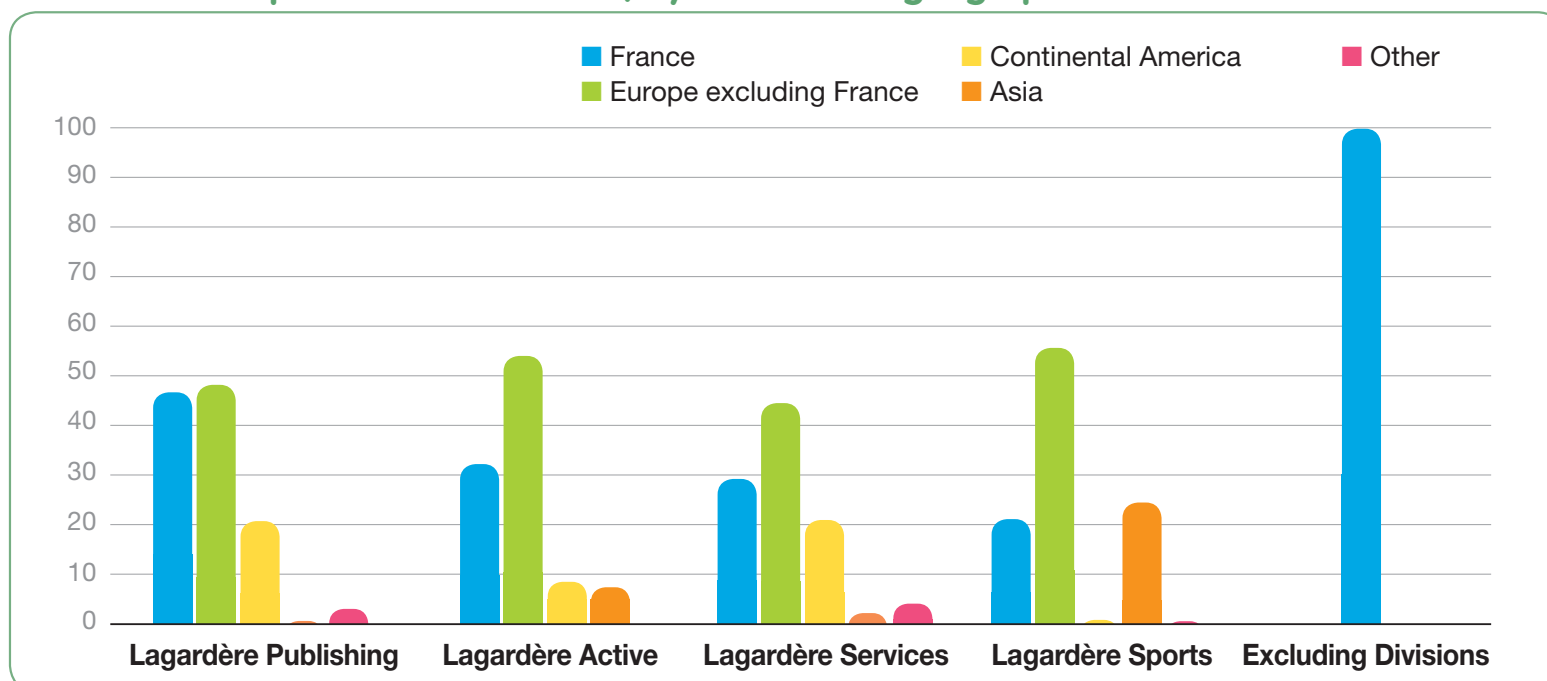
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1.1 A LEADING MEDIA GROUP

Divisions	Permanent Workforce	Total sales in 2009 (in €)
Lagardère Publishing	7,014	2,273 million
Lagardère Active	8,809	1,725 million
Lagardère Services	9,838	3,387 million
Lagardère Sports	714	507 million

Breakdown of permanent workforce, by division and geographical area



Operating in more than 30 countries throughout the world, Lagardère Group⁽¹⁾ is one of the world's leading media companies. As a group with a wide range of businesses, Lagardère is organised into four divisions: Lagardère Publishing, Lagardère Active, Lagardère Services and Lagardère Sports.

The plurality of our workforce reflects the Group's strong international growth. At the end of 2009, 66% of our employees worked outside of France, which nevertheless continues to have the largest percentage of the Group's workforce, with 34% of the total. Russia and Spain are the next most important countries in terms of workforce.

A LAGARDÈRE PUBLISHING

Lagardère Publishing or Hachette Livre, is the second largest publisher of general-interest and educational books worldwide. Number one in France, Great Britain and Australia/New Zealand, number two in Spain and number five in the United States, Lagardère Publishing is a federation of publishing houses (Hatier, Fayard, Grasset, Orion, Little Brown, Anaya, etc.), diversified across the editorial spectrum (education, general literature, illustrated, dictionaries, part-works, etc.) and strongly implanted in three major language groups (French, English and Spanish).

To support the expected growth of digital book sales in the United States and Europe, Hachette Livre intends to expand previously launched initiatives in the digital sector, ensuring the division's growth and sustained viability.

B LAGARDÈRE ACTIVE

Lagardère Active is one of the world's leading publishers of general-audience magazines: with 187 titles published (*ELLE* with 42 editions worldwide, *Paris Match*, *Première*, *Le Journal du Dimanche*, *Télé 7 Jours*, *Psychologies Magazine*, *Car and Driver*, *Woman's Day*, *Red*, etc.), it is present in a large number of countries. It is the top magazine publisher in France in terms of paid distribution.

(1) Whose Head office is located at 4 rue de Presbourg – 75016 Paris (France)

Lagardère Active also operates 29 radio stations (Europe 1, RFM, Virgin Radio, Radio Zet, Fréquence 1, etc.), which together have nearly 44 million listeners per day in seven countries. Lagardère is responsible for 10 special-interest television channels (Gulli, MCM, etc.) worldwide. Lagardère Entertainment is the second largest audiovisual production group in France and the leader in TV drama. With more than 16 million unique visitors (MUV) per year, Lagardère Active is one of the leading media groups on the Internet in France (Doctissimo.fr, ELLE.fr, etc.). Lastly, Lagardère Publicité represents more than 165 media brands.

C LAGARDÈRE SERVICES

Lagardère Services' growth is based on two business sectors:

- retail sales, which includes sales outlets dedicated to travellers as well as sales outlets in town centres and shopping malls;
- point-of-sale press distribution.

With a presence in 21 countries in Europe, North America and the Asia-Pacific region, Lagardère Services operates the world's top network of stores dedicated to press and convenience services, cultural leisure products, duty-free shops and specialised concepts under an international banner or one with a strong local identity. The subsidiary manages a network of 3,800 stores around the world (including 1,300 stores under the Relay banner in 17 countries serving a million customers daily) and over 50,000 press outlets in Europe and 180,000 in North America are supplied each day by Lagardère Services.

Lagardère Services' main standard bearers are the Relay and Aelia banners.

D LAGARDÈRE SPORTS

Established at the end of 2006, the sport division of Lagardère Group specialises in the sports market and is involved in three business sectors: media rights and TV production (production, management of sports broadcasting rights), marketing rights (sponsorships, stadium consulting) and event organisation (ownership and management of sporting events). In three years, the subsidiary has become a major player in its market through the integration in 2007 and 2008 of Sportfive, IEC in Sports, Upsolut, Pr Event and World Sport Group. Highly active in the football market, Lagardère Sports markets not only the rights to the African Cup of Nations (ACN), but is also the exclusive agent for the Asian Football Confederation. In addition, the subsidiary marketed the media rights to the Euro 2008 and manages the sale of media, marketing and event rights for approximately 200 clubs and 30 national federations. Lagardère Sports is also involved in all premium sports, such as the Olympics, cricket, track and field and golf among others.

OTHER ACTIVITIES

On 17 April, Lagardère SCA announced the creation of its Lagardère Unlimited subsidiary, which will help position the Company in the career management and image-marketing fields for athletes and artists, both in France and abroad.

Lagardère Group has also taken ownership interests in a variety of other entities for historic and/or strategic reasons.

Lagardère owns a 7.5% stake in EADS (number one in Europe and number two worldwide in the aeronautics, space and defence industry) over which it exercises joint control with the Company's other shareholders.

Lagardère also owns 17.27% of the capital of Le Monde SA (publisher of *Le Monde*, *Télérama* and *Courrier International*) and 20% of the capital of Canal+ France.

Finally, Lagardère Group owns 49% of Presstalis, formerly *Nouvelles Messageries de la Presse Parisienne* (NMPP) and as such manages the Company as its operator.

1.2 GOVERNANCE AND ETHICS

A GOVERNANCE STRUCTURE

The specific nature of Lagardère SCA's legal form of organisation (French limited partnership with shares), which does not operate on the same principle as most companies on the CAC 40, makes the Company a unique entity which best addresses two basic principles, namely a clear distinction between management and audit and shareholder association with control of the Company.

A French limited partnership with shares (SCA) includes two categories of partners:

- one or more general partners with unlimited liability for the Company's assets against their own;
- limited partners (shareholders) who are in the same situation as shareholders of a public limited company and which are represented by a Supervisory Board.

The SCA is managed by one or more Managing Partners (*Gérants*), who may be individuals or corporate entities. They are selected from among the limited partners or non-shareholder third parties.

All Managing Partners are unanimously appointed by the limited partners with the approval of the Supervisory Board or the General Meeting under the terms set forth in Article 14 of the bylaws.

Lagardère SCA is currently managed by two Managing Partners:

- an individual, Mr. Arnaud Lagardère;
- a legal entity, Arjil Commanditée-Arco, whose legal representatives are Arnaud Lagardère, Chairman and Chief Executive Officer, Philippe Camus, Deputy Chairman and Chief Operating Officer, Pierre Leroy, Deputy Chairman and Chief Operating Officer, Dominique D'Hinnin, Chief Operating Officer and Thierry Funck-Brentano, Chief Operating Officer.

The Supervisory Board, which assumes permanent and retroactive supervision of Company management, represents the limited partners (the shareholders). It is currently composed of fourteen members, appointed by the General Meeting of shareholders for a maximum term of six years. Nine of these fourteen members, namely two-thirds of the board, are "independent" within the meaning of the AFEP-MEDEF report on the corporate governance of listed companies as applied by the Company.

Within the Supervisory Board, an Audit Committee is tasked to prepare Board meetings for issues within its expertise. Its purpose is to:

- examine the accounts, to ensure the continuity of the methods, quality, exhaustiveness and fairness of the financial statements;
- ensure the existence of internal control procedures, in particular procedures concerning the assessment and management of risks;
- oversee the effectiveness of internal control and risk management systems;
- more specifically, and as regards the internal auditing system, examine its activities, its auditing programme, organization, operation and decisions;
- examine the agreements between the Group and the senior managers of Lagardère SCA.

The Audit Committee is made up of six members, more than half of whom are independent.

B ORGANISING THE ROLE OF SUSTAINABLE DEVELOPMENT

THE STEERING COMMITTEE

The Sustainable Development Steering Committee, led by the Sustainable Development Department (established in 2008 and reporting to the Group's Vice President of Human Resources and Communication, a member of the Group's Executive Committee) meets approximately every six weeks. Its missions are to:

- provide information, raise awareness and mobilise a network of division-level contacts on matters relative to the Group's labour, social and environmental responsibilities;
- to oversee ongoing improvement of the Group's initiatives;
- to promote and organise sharing of tried-and-tested best practices;

Lagardère Ressources

> Procurement Policy



Arnaud de Lamezan,

Chief Purchasing Officer,
Lagardère Group

Since 2008, Sustainable Development has been one of the eight principles of your Procurement Policy. How do you successfully reconcile the demands of Sustainable Development with the Company's economic requirements?

There is no conflict in principle between Sustainable Development and economic performance. We often see significant convergence between these two concepts. Take, for example, the case of respect for the environment or respect for suppliers. Concerning respect for the environment, we can cite reductions in energy expenses (electricity, gas, petrol) through careful choice of equipment, reduce the amount of packaging by using larger containers, and engage in waste recovery by selecting appropriate service providers. Each of these actions results in savings. Concerning respect for suppliers, this is a fundamental principle of our Procurement Policy, which is based on listening, fair treatment, respect for the confidentiality of offers, taking difficult situations into account, and so forth. It allows our partners to effectively monitor us over the long term at a very high standard.

How did the discussions on this issue proceed with Lagardère Group's main suppliers?

Our suppliers always want to show us their latest concrete actions in this regard, whether in their operating procedures or through the products they offer. They are very open to our expectations in these matters.

What have been the Group's main "sustainable procurement" operations carried out since that time?

They have been increasing in number, so let's look at two of them. First, as part of a worldwide call for tenders for PCs, we directly applied for the first time a Sustainable Development weighting factor to all bids received.

Second, concerning our partners, we have routinely extended end-of-contract notice periods beyond the contractually agreed terms, in order to help them bridge these transition periods.

- to reflect on ways to improve existing actions;
- to be a source of ideas for launching positive new initiatives;
- to encourage the creation of working groups for specific themes or situations;
- to implement, coordinate and improve reporting practices;
- to communicate with the CSR ratings organisations and respond to their queries regarding CSR issues.

In 2009, Lagardère Group decided to enter a new phase in structuring its approach and to publish a Sustainable Development report based on the GRI standard (G3). The Sustainable Development Committee also looked at the reporting methods and tools for labour, social and environmental issues and kept on its efforts to raise employee awareness throughout the Group. With the support of Arnaud Lagardère, in January 2010 it organised a retreat for the Group's senior managers to address strategic Sustainable Development issues.

SUSTAINABLE DEVELOPMENT AT THE DIVISION LEVEL

A steering committee was established at Lagardère Publishing in the spring of 2008. At the same time, similar committees were organised at national level in countries where the Group operates, such as the United States and the United Kingdom. They met in Frankfurt in October 2009 to harmonise methods of assessing carbon emissions and develop a "Sustainable Development" engagement project shared by all Group units.

At Lagardère Active, the Sustainable Development Division was created in 2008 in response to the issues facing the Press, Radio, Television and Digital business activities. 2008 was marked by the launch of a Carbon Audit process (*Bilan Carbone*) in all of the division's business sectors, so that priority projects could be determined. 2009 was devoted to defining projects, carrying out initial actions and establishing a company-wide organisation through reliance on division-level contacts.

At Lagardère Services, the Sustainable Development Department, which reports to the Division's Executive Committee, is also responsible for strategy and development. A working group with diverse profiles from both the Distribution and Travel Retail businesses was formed to propose actions for subsequent implementation by the Operational Units.

At Lagardère Sports, where recognition of this issue is more recent given the division's young age, the Sustainable Development Department is part of the organisation and embodied by the division's Chief Financial Officer and Legal Director.

OTHER COMPETENT DEPARTMENTS

The Human Resources Departments

The various entities' Human Resources Departments and their teams are responsible for human resources policies and labour reporting. The Group Human Resources Department and Human Resources Directors for each division tackle labour-related issues confronting the Group at their bimonthly meetings. Group strategy is discussed, deployed across various labour-related matters and formalised under the authority of operational managers from each division.

The Procurement Department

The Group Procurement Department covers some of the Group's environmental actions, specifically through Procurement Coordination which involves all of the divisions. More globally, Sustainable Development is becoming an increasingly important company-wide concern at the division level, and when applying the Group's Procurement Policy, which includes it as one of its eight fundamental principles.

C INTERNATIONAL COMMITMENTS (OECD, ILO, ETC.)

UNIVERSAL PRINCIPLES INSPIRING THE COMPANY'S ACTIVITY

Both in France and internationally, the Lagardère Group attaches great importance to:

- the principles of the Universal Declaration of Human Rights;
- the Declaration of Fundamental Principles and Rights at Work issued by the International Labour Organisation (ILO) and its eight fundamental conventions;
- the OECD guidelines for multinational corporations;
- the United Nations' Global Compact.

Lagardère joined the United Nations' **Global Compact** in 2003, marking its attachment to universal values. In so doing, the Group undertook to promote respect of the Compact's ten principles of good governance.

With a presence on every continent, Lagardère Group is one of the global leaders in the media industry. As a multinational company, it is our duty to rigorously and honourably promote some universally-recognised rights and principles that have been adopted consistent with globalisation that is more respectful of humanity and the environment. This international commitment is demonstrated through our Group's adherence since 2003 to the United Nations' Global Compact. The Compact invites companies to commit to a socially responsible approach.

Along with this basic commitment, Lagardère is a member of the "*Amis du Pacte Mondial en France*", which is the association that represents France in the National Global Compact Networks. To reaffirm our commitment, each year we report on the progress achieved by the Group for each of the Compact's ten principles:

Human rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

Labour standards

Principle 3: Businesses should uphold freedom of association and recognise the right to collective bargaining.

Principle 4: Businesses should help eliminate all forms of forced and compulsory labour.

Principle 5: Businesses should help to effectively abolish child labour.

Principle 6: Businesses should help eliminate discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should 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.



Arnaud Lagardère

General Partner, Lagardère SCA

D ETHICS AND PROFESSIONAL CONDUCT

Several documents have been prepared by the Company and are applicable internally and to outside partners.

THE CODE OF CONDUCT

The Code of Conduct draws inspiration from the fundamental values on which Lagardère has built its legitimacy and reputation: independence, daring and creativity.

The Code of Conduct specifically attests to the Group's commitment to respecting international standards by defending principles which include:

- freedom of association;
- prohibition of forced or compulsory labour and child labour;
- recognition of the right to negotiate company-wide agreements;
- equitable employment practices and equal treatment;
- respect for privacy;
- prohibition of corruption.

This Code (whose most recent version dates from 2005) covers a large part of our stakeholder engagement policy, describing Lagardère's relationships with its employees, outside partners and competitors, customers, shareholders and the community (see below).

Concerning employee relations, the Code notes the importance of fostering each employee's career development, since they are the Company's main source of creativity. To achieve this, the Code first reaffirms its commitments in terms of labour standards, health and safety. Next, the Code sets forth the Group's commitments to principles based on merit and recognition, skill development, internal transfers and promotion. Employee relations are also conducted with respect to fundamental labour laws as well as through the establishment of equitable employment practices, which is necessary to combat all forms of discrimination and harassment. Lastly, the principle of respect for employee privacy is also upheld.

With regard to its relations with outside partners and competitors, the Group reaffirms the principle of fair business practices and free competition. It prohibits all forms of corruption in France and abroad, as well as all political contributions by and on behalf of Group companies. The Code contains rules for giving and accepting business gifts. The principle of respect for ethical rules in relations with suppliers is repeated in the Procurement Policy implemented by the Group in 2008.

Concerning customer relations, the Group reaffirms the principles of honouring its commitments to customers and confidentiality of customer information. It aims to provide customers with high-performance products and services appropriate to their needs and expectations, along with information that it is as accurate and fair as possible.

In addition, the Group intends to act in the interest and in consideration of its shareholders. In this respect, the Code states that Lagardère Group will strive not only to achieve optimal asset valuation, but will also protect assets to the best of its ability. The company further intends to provide shareholders with intelligible, relevant and reliable information, and to be attentive to its shareholders, especially through its Shareholders' Committee.

Finally, concerning Group relations with the community, the Code sets forth the principle of strict compliance with applicable laws and regulations as well as its determination to contribute to Sustainable Development.

THE SUSTAINABLE DEVELOPMENT CHARTER

Written in 2005, the Sustainable Development charter conveys the Group's social, ethical and environmental principles to its partners, who undertake to defend and respect them. It is now incorporated into calls for tender and contracts, through the Procurement Policy implemented in 2008. Its criteria concern the following:

- respect for the principles defended by the International Labour Organisation (especially the prohibition of child labour and all forms of forced or compulsory labour);
- prohibition of illegal employment;
- anti-corruption measures;
- compliance with applicable social welfare regulations;
- the existence of risk prevention measures for work safety;
- implementation of a labour policy based on a quality approach;
- respect for the fundamental principles of environmental protection;

- compliance with the environmental legislation in force;
- control of the environmental impact of business activities through implementation of an environmental policy based on the principle of ongoing improvement;
- promotion of the principles stated above among business partners;
- agreement that Lagardère may conduct audits to verify the application of the charter's principles, either by its own means or through the services of a third party.

For example, Lagardère Active makes its suppliers aware of the need for long-term action on behalf of the environment. Lagardère Group's Sustainable Development charter obliges suppliers to respect the provisions of environmental laws in effect, and to agree not to use dangerous or toxic products in the manufacture of incentive products. Audits of suppliers and promotional and incentive product manufacturers are periodically conducted to verify that product standards are being applied.

CODES SPECIFIC TO CERTAIN ENTITIES

At **Lagardère Publishing**, a new charter was drawn up in 2007, covering the three components of Sustainable Development (social, environmental and economic); this charter has already been signed by approximately twenty of the Division's printers.

At Hachette Collections, a specific code of ethics has also been developed, which provides that compliance audits of certain suppliers can be carried out.

Accordingly, in 2009, Hachette Collections conducted 20 compliance audits. 70% of these audits confirmed the plant's compliance (14 plants). 30% of the audits revealed problem areas. For plants impacted by problems, they either agreed to correct their non-compliance, or Hachette Collections ceased working with them.

CHARTERS APPLICABLE TO EMPLOYEES

In addition to the provisions of the Code of Conduct concerning employees, the Group has implemented several **charters** that the employees have agreed to respect.

A "**charter for transactions carried out on Lagardère SCA shares by employees of the Lagardère Group**" contains a detailed description of the legal obligations incumbent on company employees in possession of "Inside Information" (they may not undertake transactions involving the shares concerned or disclose the corresponding information) as well as the corresponding administrative and/or criminal sanctions applied in the event of infringement of these obligations.

In accordance with the stock market legislation in force, a procedure was introduced to establish a list of persons with regular or occasional access to Lagardère SCA Inside Information. At the same time, the Managing Partners set up an Insider Committee comprising a representative from their ranks, the Group's Legal Director, the Group's Chief Financial Officer and the Human Resources and Communication Director. This Committee is responsible for preparing and updating the lists described above and proposing measures to reduce the risks of misdemeanours and failure to comply with the applicable legislation.

A **code of ethics** is given to each journalist upon arrival at Lagardère Active setting forth the fundamental values of the profession: critical thinking, impartiality, independence, respect for the public honesty and an open mind.

A charter on "**good corporate relations for companies within Lagardère Active group**" was drawn up during 2008 and distributed to all employees.

An **IT charter** specifying the rules governing the use of computer tools also applies to all Group employees.

1.3 THE OUTLINES OF OUR RESPONSIBILITY

A CHALLENGES, RISKS AND OPPORTUNITIES

RISKS

Like any corporation, Lagardère Group is exposed to a variety of risks in the normal course of its business. The principal risks identified are described in Chapter 3 (Risk factors) of the 2009 Reference Document.

In accordance with the Group's general organisation, operational managers are responsible for risks related to their respective areas of business. The head office pays specific attention to the supervision of risks. Risk management therefore takes place both at division and central levels, under the coordination of central management. The description of risk management procedures appears in Chapter 7 of the 2009 Reference Document.

Concerning environmental risk, note that Lagardère is a media conglomerate with business activities mainly in the service sector, which tends to reduce any direct industrial and environmental risks.

Following the sale of the Group's last remaining printing operations at the end of 2007 (sale of the regional daily press operations), only activities primarily related to the Group's warehouses (in the Press, Publishing, Distribution and Services divisions) and the Automobile spare parts business are potentially exposed to specific risks, which are limited and identified. Some of the sites concerned are operated subject to authorisation or a declaration to the administrative authorities, but none of the Group's sites are classified SEVESO 1 or SEVESO 2.

Management of industrial and environment-related risks is the responsibility of operational managers at the sites concerned, who ensure compliance with regulations and standards.

Operational managers at sites where particular environmental risks have been identified apply the various rules that concern them, and implement operational procedures, quality systems and a set of security measures specific to each business.

Given the industrial history of some of its sites, the Group remains alert to the environmental damage that may be discovered.

As for environmental risks over the much longer term – fossil fuel shortages (such as oil) or climate change – they are incorporated into the Lagardère Group's thinking, with the knowledge that they will have significant impacts on the nature of its business and that of its stakeholders.

OPPORTUNITIES

While streamlining the use of resources (paper, energy, etc.) clearly offers opportunities, there are others which include:

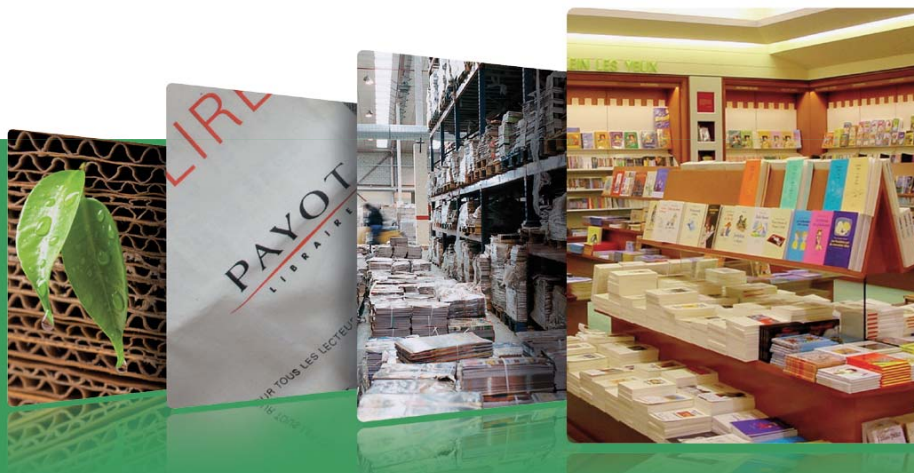
- **technological innovation**, which thrives on increasingly paperless content that drives creativity across our various divisions to propose new products and services;
- **development of new content and multimedia**, a consequence of growing consumer interest in Sustainable Development issues;
- **the ability to attract talented new employees**, who have greater awareness of the way companies are managed internally, of business processes and, with regard to their stakeholders, of the challenges of Sustainable Development;
- **the opportunity to create new products and open new markets** for certain Group divisions, such as Matra Manufacturing & Services, whose business is increasingly focused on clean technology.

Lagardère Services

> Sustainable Development, an opportunity for the Company

Pascal Vandenberghe,

Managing Director,
Payot SA



Why have you put sustainability at the heart of your business plan?

First, because of my own long-standing convictions, next because our employees are aware of the issue, and last because our clients have strong and growing expectations in this regard. With these three factors coming together, we have included a component in our strategy and business plan entitled “Corporate Social Responsibility: Payot, an ethical company” with three areas of “commitment”: environmental, labour/societal and cultural.

This gives greater weight to our company’s four values that were set forth and elaborated in 2005: “high standards”, “passion”, “openness” and above all “ethics”.

Is the partnership with *Nature & Découvertes* an illustration of this?

Yes, in a manner of speaking. This draws similarities between two principal and complementary commitments between our two banners, namely culture at Payot and the environment at *Nature & Découvertes*. This French banner’s presence in Switzerland – we opened our first retail outlet in Lausanne in September 2009 through an exclusive franchise agreement – will enable Payot to benefit from its extensive experience in the field. We can draw inspiration from this to make our stores more environmentally-friendly.

In your various entities, how do Payot employees experience this commitment to Sustainable Development?

In 2006, 74% of them supported the proposal to make Payot an “ethical company”, and this has grown even stronger over the past four years. This is a natural approach for them that strengthens their group pride and motivation. What is more, they had the opportunity to voluntarily join one of three working groups established to work on our three areas of commitment. These working groups “sold out” – we received far more applications to participate in a working group than we could accommodate! The first initiatives were intentionally concrete and practical, including placement of a “recycling chart” in all Branches and at the head office, and oversight of these issues by appointment of a volunteer “environmental contact” within each entity.

B PRIORITIES AND COMMITMENTS

Through restructuring its approach to Sustainable Development, the Lagardère Group has identified four priorities and twelve commitments which are developed in this report.

THE GROUP'S TWELVE COMMITMENTS

I ASSERT ITSELF AS A RESPONSIBLE EMPLOYER

Commitments	2009 Actions
1 - Ensure workforce balance and diversity	<ul style="list-style-type: none"> - Monitor the age pyramid - Balance recruitments/separations and monitor their type - Monitor breakdown of workforce by SPC and gender - Promote integration of disabled employees - Partnerships for young people in sensitive urban areas
2 - Promote harmonious working conditions	<ul style="list-style-type: none"> - Sign new collective agreements - Monitor absentee rates and measures intended to reduce them - Fair and balanced remunerations - Employee stake in Group earnings
3 - Encourage development of skills	<ul style="list-style-type: none"> - Develop "business" training - Provide on-line tools to promote internal transfers - Idea management tools

II DEVELOP OUR BUSINESS WHILE RESPECTING THE ENVIRONMENT

Commitments	Actions
4 - Efficient and responsible paper management	<ul style="list-style-type: none"> - Increase the share of certified paper - Lower paper wastage rates - Responsible management of unsold stock
5 - Streamline transport	<ul style="list-style-type: none"> - Store paper at the printers - Merge the various operations in the manufacturing process (paper supplier and printer) - Streamline press distribution routes
6 - Introduce environmental concerns into the organisation of our businesses	<ul style="list-style-type: none"> - Conduct Carbon Audits - Monitor energy consumption - Perform energy efficiency upgrades - ISO 14001 certification

III PROMOTE ACCESS TO INFORMATION AND KNOWLEDGE

Commitments	Actions
7 - Defend information pluralism and ensure diversity in our content	<ul style="list-style-type: none"> - Diversify contents and media - Responsible advertising - Protect young people - Ensure ethical journalism
8 - Make our content more easily accessible to fragilised people	<ul style="list-style-type: none"> - Activities to promote reading and writing - Make content accessible to people with disabilities - Reduce the digital divide
9 - Listen to our various audiences	<ul style="list-style-type: none"> - Establish systems for customer feedback
10 - Encourage discussion on Sustainable Development	<ul style="list-style-type: none"> - Organise internal events - Raise awareness through contents

IV BE A MEDIA CONGLOMERATE THAT CREATES SOCIAL COHESION

Commitments	2009 Actions
11 - Commit to the promotion of culture and sport	<ul style="list-style-type: none"> - Partnership Apprenti'Bus - Sciences Po Partner ship
12 - Show solidarity and promote the emergence of young talent	<ul style="list-style-type: none"> - <i>Nos quartiers ont des talents</i> - <i>Unis-Cité</i> - <i>Jean-Luc Lagadère Foundation's Talent Grants</i>

1.4 DIALOGUE WITH STAKEHOLDERS

A STAKEHOLDER MAP

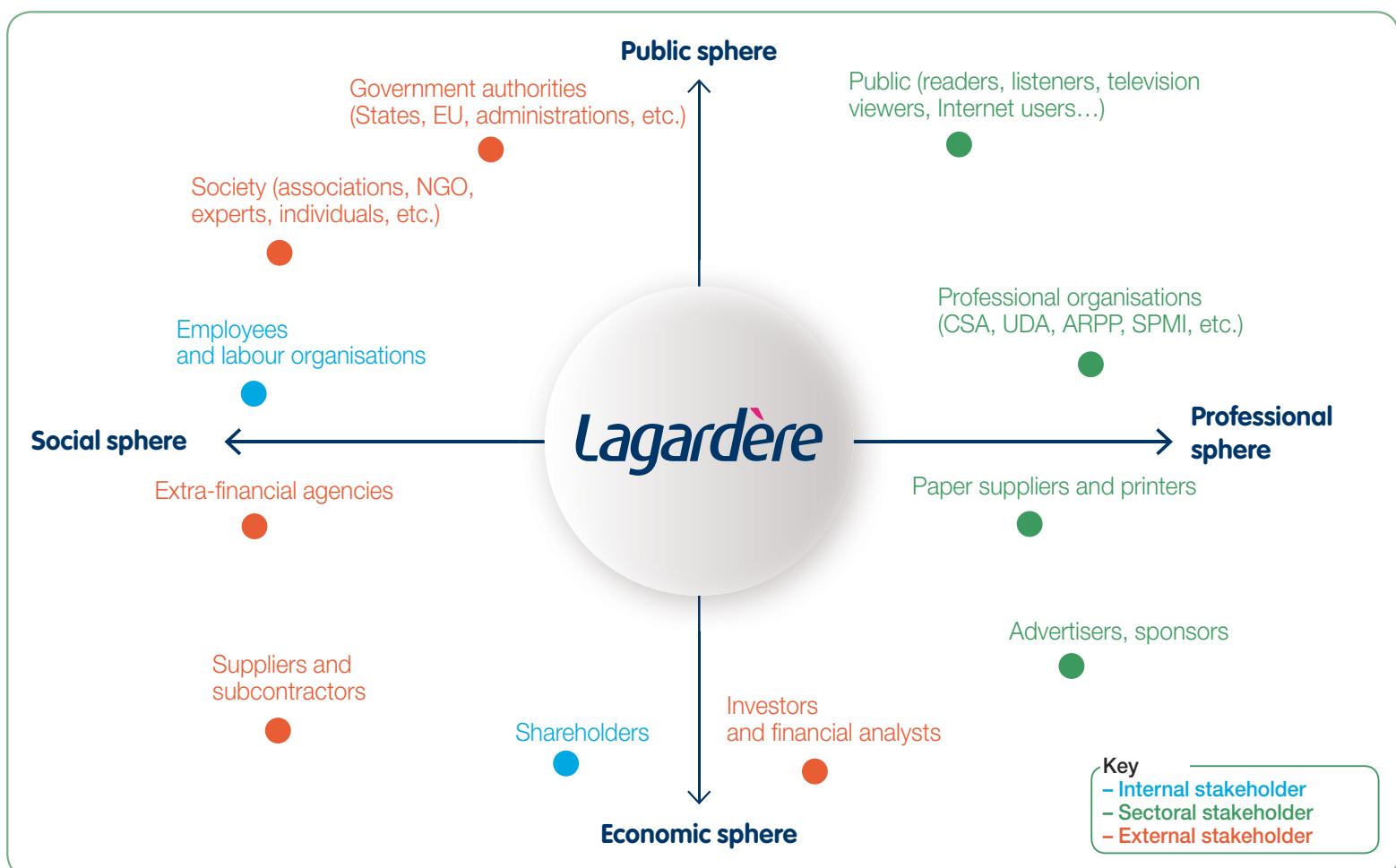
A stakeholder is viewed as a group (or an individual) representing a community of interests that may be affected by the accomplishment of company objectives, or that may impact the accomplishment of these objectives.

To come up with a relevant classification and only consider the most significant stakeholders, the Group based its thinking on a mixed approach: first by distinguishing between internal, external and sectoral stakeholders, then by dividing these stakeholders into social, public economic and professional spheres.

Internal stakeholders mainly include shareholders and company employees, and have a direct influence on the health of the Company.

External stakeholders are mainly organisations with no direct take on the Group's activities but which may have an influence (of variable strength) on the Group's decisions, strategic objectives or image, or on the financial contributions of third parties. Lagardère has identified five of these: government authorities, investors and financial analysts, extra-financial agencies, society, suppliers and subcontractors.

Sectoral stakeholders comprise organisations involved in the Group's business sectors, i.e. those affected by media-related activities. There are four of them: paper suppliers and printers, professional organisations, advertisers and consumers (the public).



Lagardère Sports Sustainable Development at Lagardère Sports

Fabienne Jouannet,

Financial Director,
responsible for
Sustainable
Development



Lagardère Sports is the Group's newest division. How are you incorporating Sustainable Development issues?

Lagardère Sports' link to Sustainable Development is not immediately obvious because we are caught between two apparently contradictory factors. The first is fairly positive: our business is mainly service-oriented, not product-based, and therefore generates little pollution. The second is more negative. Sporting activities in general, the heart of our business, do not model good environmental practices, with heavy energy use at some sporting competitions, massive use of resources (water, electricity, fuel) – and some players remain sceptical about the issue.

Nevertheless, awareness of sustainability has been gaining ground in the sports world for a long time. What are your margins for action?

In fact, there is an important standard in place concerning this issue. Agenda 21, established by the International Olympic Committee, is a commitment that mobilises both sponsors and the French National Olympic Committee's Charter to promote sustainable development in sport. I also think about the Carbon Audits carried out for the FIFA World Cup in 2006 and the Rugby World Cup in 2007. Local initiatives are growing in number, with federations and clubs demonstrating an ever-growing commitment.

For its part, Lagardère Sports has leverage in two significant areas: recommendations and awareness regarding beneficiaries and consumers, along with direct involvement in the events it organises.

What are your prospects for action and further reflection on this issue?

We are working to surpass our achievements in the three aspects of CSR (social and environmental responsibility): energy savings, especially through the use of videoconferencing, societal actions carried out at the local level and labour actions with special emphasis on diversity.

We are also taking different strategic approaches to the issue, in particular raising employee awareness of Sustainable Development issues, as well as involvement in the creation and/or renovation of sports facilities that address environmental quality standards. And we must not forget suggestions and encouragement for sponsorship and "sustainable" partnerships, factors in stability, as well as expanding our activities to include "minor" sports.

B TOOLS FOR DIALOGUE

This is one of the key parts of Lagardère Group's Sustainable Development policy, which describes its relationship with each of its stakeholders.

The table below illustrates the type of dialogue selected and the type of tool prepared by the Group to communicate with its stakeholders.

To maintain long-lasting relationships with its stakeholders based on trust, Lagardère has diversified its methods of dialogue and tries to best adapt its approach to the environment and the applicable organisation.

For example, at Lagardère Active paper suppliers are key partners in manufacturing the division's magazines. They are questioned on issues concerning their use of environmental management systems, sustainable management of forestry resources, supply traceability, the use of chlorine-free technologies and the production of papers that incorporate recycled fibres.

Printers are specifically questioned on their health and safety policies, their use of hazardous products, their atmospheric emissions (such as volatile organic compounds from the evaporation of solvents in some inks) and waste management. Since 2009, French printers selected by Lagardère Active have received the Imprim'vert label and ISO 14001 certification.

Lagardère Active also maintains relationships with its customers, mainly through dialogue systems.

In addition, Lagardère Publishing maintains a policy to raise environmental and social awareness among its paper suppliers and printers in France and abroad by encouraging them to start the certification process.

Stakeholders	Example of implemented discussion tools
Social sphere	
Employees and labour organisations	<ul style="list-style-type: none"> - Group Committee - European Works Committee - Discussion and negotiated agreements with staff representatives and labour organisations - Code of conduct - Intranet, in-house newspapers
Public sphere	
Public (readers, listeners, television viewers, Internet users, etc.)	<ul style="list-style-type: none"> - Contents activities - Satisfaction surveys, opinion polls - Reader mail, blogs, forums, mediators
Society	<ul style="list-style-type: none"> - Actions and commitments supported by the Lagardère Foundation and the ELLE Foundation - Partnership with job placement associations and environmental NGOs
Public administration	<ul style="list-style-type: none"> - Sustainable Development report - Compliance with laws and regulations - Monitor political and legal news
Economic sphere	
Shareholders	<ul style="list-style-type: none"> - Shareholders' Consultative Committee - General Assembly - Website - Letter to shareholders - Reference Document - Sustainable Development report
Investors and financial analysts	<ul style="list-style-type: none"> - Meetings and conferences with analysts - Road shows at institutional investors - Website - Presentation of results
Extra-financial agencies	<ul style="list-style-type: none"> - Financial report - Sustainable Development report - Responses to extra-financial questionnaires - Website
Suppliers and subcontractors	<ul style="list-style-type: none"> - Social and environmental awareness through signing a Sustainable Development charter and a code of ethics - Labour relations audits - Introducing Sustainable Development criteria into calls for tender
Professional sphere	
Paper suppliers and printers	<ul style="list-style-type: none"> - Social and environmental awareness through signing a Sustainable Development charter and a code of ethics - Compliance audits - Environmental questionnaires - Introducing Sustainable Development criteria into calls for tender - Encouragement to implement certification processes
Advertisers, sponsors	<ul style="list-style-type: none"> - UDA member - ARPP member
Professional organisations	<ul style="list-style-type: none"> - Involvement in professional press and publishing federations - <i>États généraux de la presse</i> (Press general assembly) - Partnerships to defend freedom of the press - Member of SPMI - Dialogue with the CSA

2 GIVING MEANING TO OUR SUSTAINABLE DEVELOPMENT STRATEGY



2.1 FIRMLY ESTABLISHED AS A RESPONSIBLE EMPLOYER

- A - Ensure workforce balance and diversity _____ 23
- B - Promote harmonious working conditions _____ 26
- C - Encourage skills development _____ 29

2.2 DEVELOP OUR BUSINESS WHILE RESPECTING THE ENVIRONMENT

- A - Efficient and responsible paper management _____ 31
- B - Streamline transport _____ 36
- C - Introduce environmental concerns to the organisation of our businesses _____ 38

2.3 PROMOTE ACCESS TO INFORMATION AND KNOWLEDGE

- A - Defend information pluralism and ensure diversity in our content _ 46
- B - Make our content more easily accessible to fragilised people _____ 49
- C - Listen to our various audiences _____ 51
- D - Encourage discussion on Sustainable Development _____ 53

2.4 BE A MEDIA GROUP THAT CREATES SOCIAL COHESION

- A - Commitment to the promotion of culture and sport _____ 59
- B - Show solidarity promote the emergence of young talent _____ 59

2.1 REINFORCE OUR POSITION AS A RESPONSIBLE EMPLOYER

Lagardère Group is fully aware that its performance is directly linked to its employees' skills and its adaptation of resources. Accordingly, it chooses to make its mission as a responsible employer its top priority. It embodies this priority through specific efforts to support diversity and training (see below).

Beyond these two powerful issues, the Group intends to pursue three specific commitments out of concern for continued improvement:

- to ensure workforce balance and diversity;
- to promote harmonious working conditions;
- to encourage development of skills.

Although these commitments, which have been defined and formalised by Lagardère in consultation with the division-level Directors of Human Resources, are shared by all divisions, the operating entities manage their human resources independently.

The labour relations commitments presented above are described in more detail in the 2009 Reference Document.

A ENSURE WORKFORCE BALANCE AND DIVERSITY

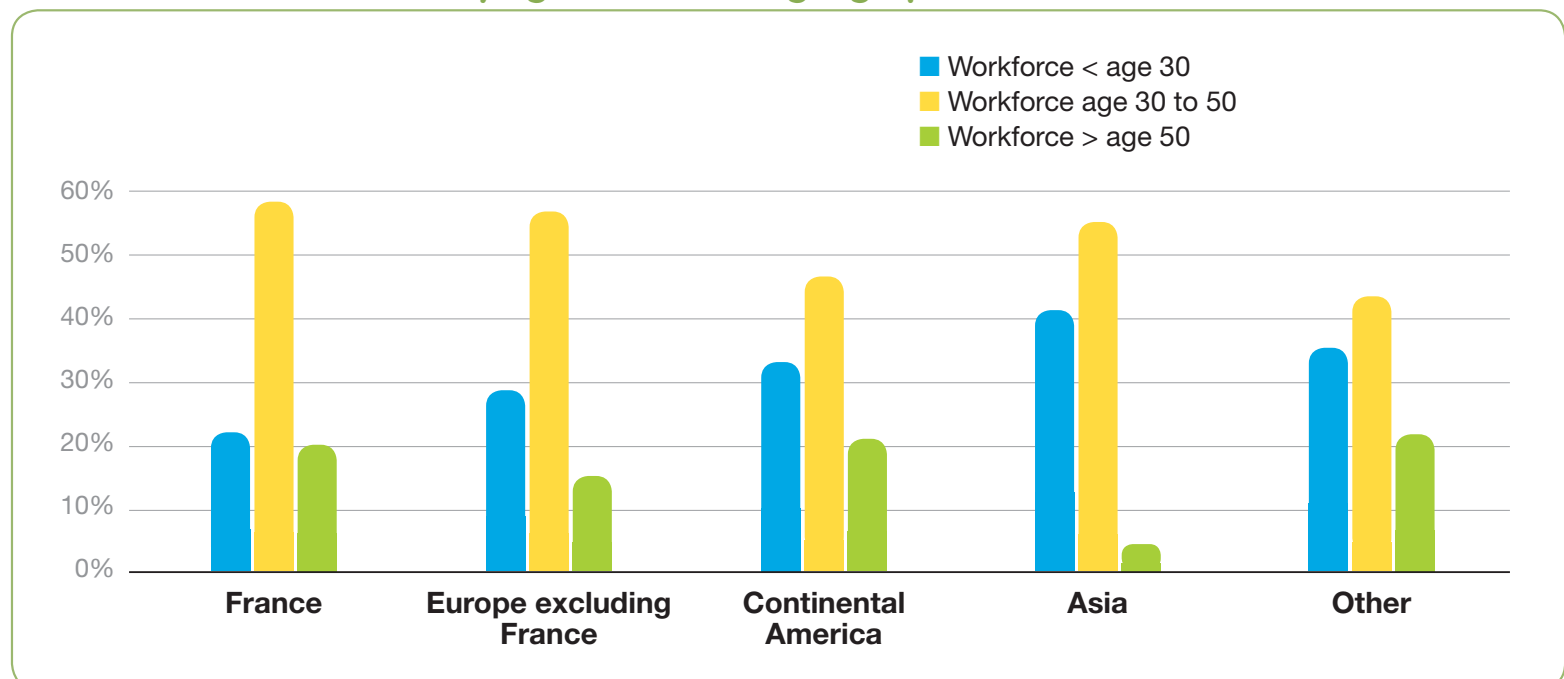
BALANCE THE WORKFORCE TO ADAPT RESOURCES TO THE ORGANISATIONS' NEEDS

Adapting the size of the workforce to the needs of the business while incorporating the economic and labour context into internal discussion is Lagardère Group's main objective, which must fine-tune recruitments and separations as much as possible according to current circumstances.

Group recruitments and separations are consistent with the relatively difficult circumstances of 2009. While employee turnover was balanced in past years, permitting consistent renewal of the overall workforce, 2009 was marked by a slight imbalance reflected by a larger number of separations than recruitments. The effects of restructuring have been clearly felt, with an almost 2% rise in redundancy for economic reasons as compared with 2008.

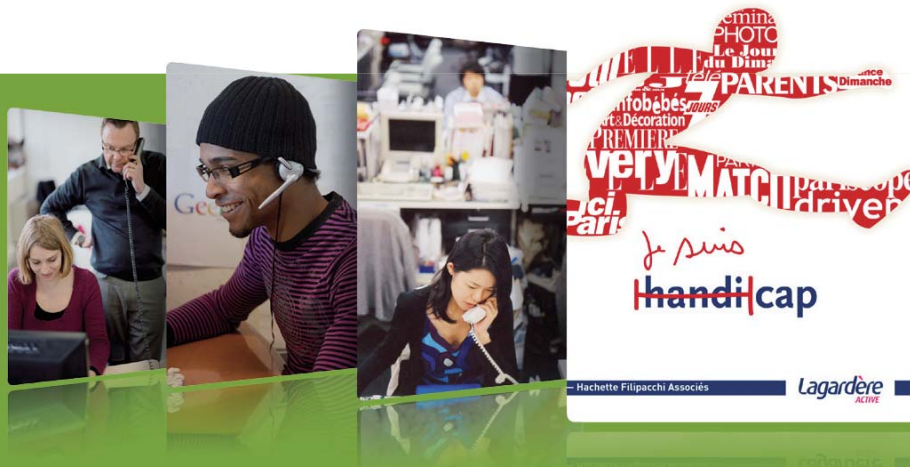
A balanced workforce also requires harmonisation in terms of age. The Group strives to create a positive dynamic between younger and more senior employees. There is a constant search for balance that permits smooth management of transitions along with a logical conveyance of knowledge and expertise.

Breakdown of workforce, by age bracket and geographical area



Lagardère Group

> Diversity – Equal Opportunity



**Christian
Guet,**

Deputy Director
of Human Resources,
Lagardère Group

What is your vision for diversity within the Lagardère Group?

Our vision for diversity fully incorporates the Group's values of creativity, boldness and independence. We intentionally refer to this not as "diversity", but as "equal opportunity". This clearly sets forth the Group's anti-communitarianist position in the corporate world. We seek to clearly distance ourselves as much as possible from this trend by promoting equal opportunity. Within the Group, the Human Resources Department implements this through an objective management process that it oversees in cooperation with the managers.

What are the main aspects of your policy?

We decided to be especially active in three areas (disability, integration of young people from at-risk areas, the place of women in the Company) without making this proactive approach synonymous with positive discrimination. For women, who represent the majority of the Group's workforce, this is also occurring through an increase of their number on the Group's Supervisory Board. With regard to disability, first and foremost are the actions taken by Lagardère Active through the Disability Team. But beyond this, we have also implemented a coaching and training structure for wheelchair tennis athletes, and more generally, we support sports for the disabled. This bold approach was also evident when the Group used its booth at a major event for 3,000 students to highlight disability issues. Since 2006, the Group has demonstrated its commitment to young people in at-risk areas through the association "*Nos quartiers ont des talents*", which applies a social, geographic and non-racial approach to diversity. Tutoring young people and supporting this association are two important ways that we can help remove barriers.

What types of action do you favour?

Concrete action and internal communications, rather than large displays and signing public charters. We are aware of the progress that we have yet to achieve. Our ambition is to improve step by step without going too far too fast.

PROMOTE DIVERSITY, A SOURCE OF WEALTH FOR THE COMPANY

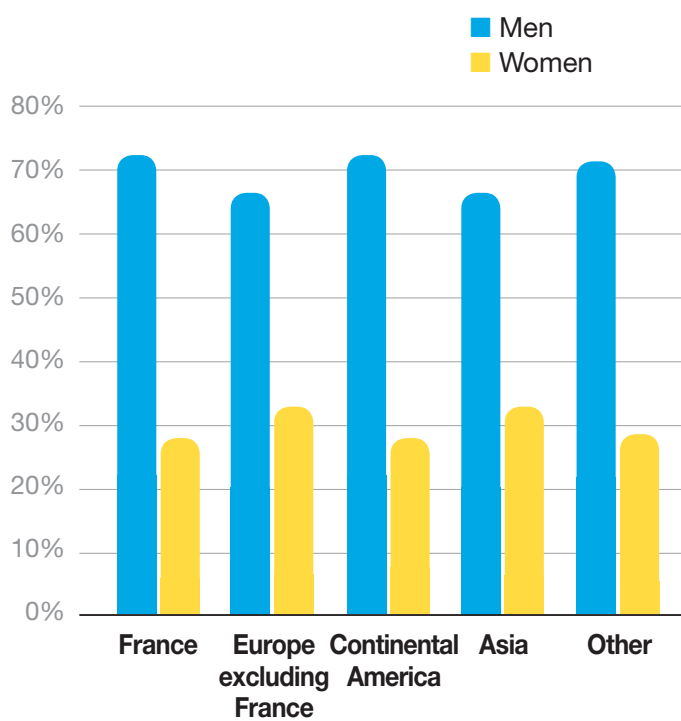
The Group's philosophy on diversity is characterised by its promotion of equal opportunity and diversity while combating all forms of discrimination (see below). On the strength of its many core businesses and its employees' skills, Lagardère specifically opted to focus on three aspects:

- the place of women in the company;
- people with disabilities;
- integration of young people from sensitive urban areas.

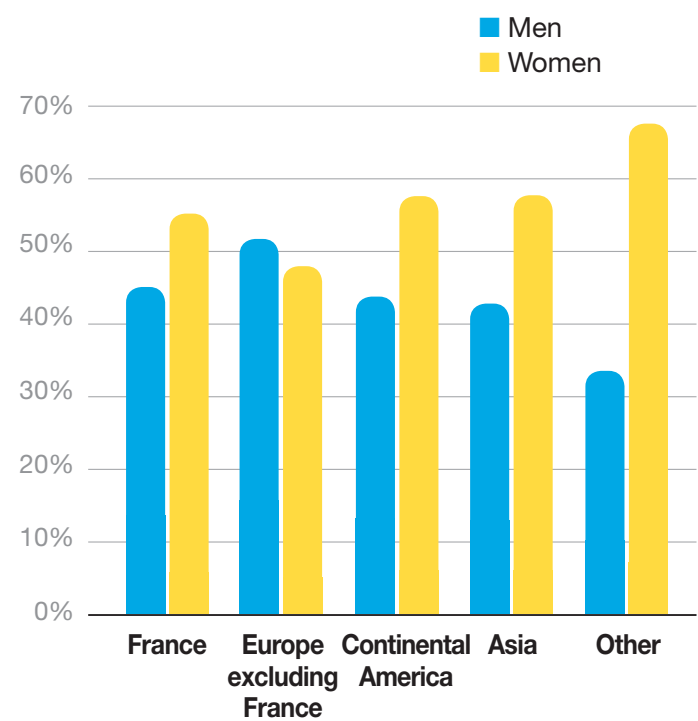
The place of women in the Company

Breakdown of workforce by SPC, gender and geographical area (in %)

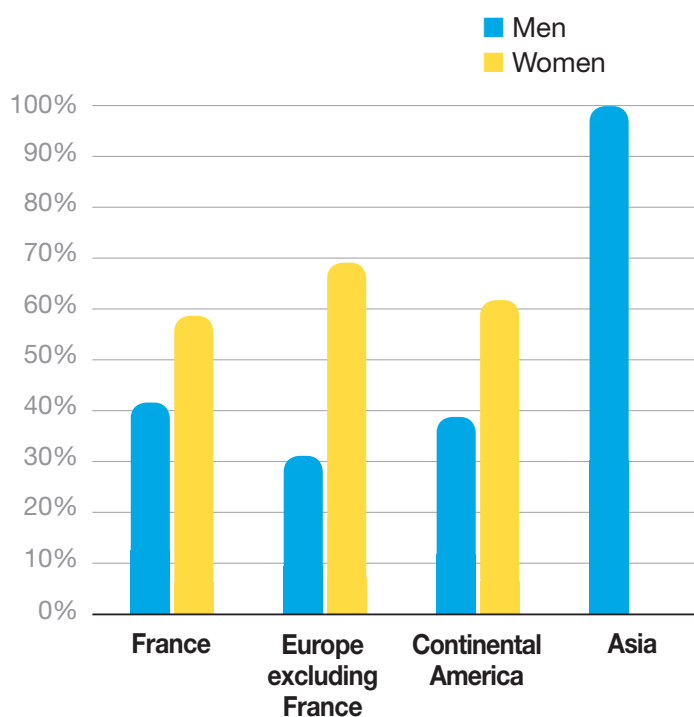
Breakdown of Senior Managers by gender according to geographical area



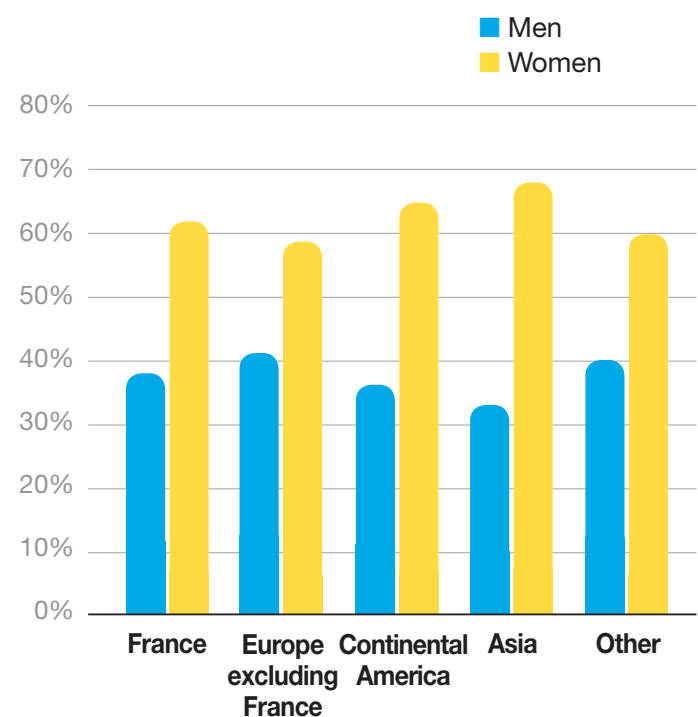
Breakdown of Managers by gender according to geographical area



Breakdown of Journalists and Photographers by gender according to geographical area



Breakdown of other employees by gender according to geographical area



Women represent 58% of the Group's total workforce. The challenge faced by the different divisions is less focused on achieving balance between the number of male and female employees, but rather on improving women's access to senior positions.

In 2009, women represented 63% of total recruitments within the group, up 2% as compared with the previous year.

Integration of disabled employees

During the past three years, the level of integration of people with disabilities into the Group has remained stagnant or has even decreased slightly depending on the business sector. For this reason, in 2009, the Human Resources Departments decided to reverse this trend by promoting and facilitating integration of disabled employees into the various Group entities. These efforts have borne fruit, with the level of integration for these employees markedly rising as compared with 2008.

For all that, the Lagardère Group is not satisfied with these results and believes that people with disabilities remain largely underrepresented within the Company. Thus, special attention will continue to be focused on this issue in the coming years, specifically under the Disability Team banner, successfully deployed at Lagardère Active under the "Je suis Handicap" logo.

Rate per thousand of disabled workers in the permanent workforce as of 31 December

Divisions	France	Europe excluding France	Continental America	Asia	Other
Lagardère Publishing	14.1	11.8	0.0	0.0	0.0
Lagardère Active	8.4	4.1	0.0	5.8	0.0
Lagardère Services	5.9	20.6	1.0	0.0	2.6
Lagardère Sports	0.0	5.1	0.0	0.0	0.0
Excluding divisions	25.1	0.0	0.0	0.0	0.0
2009	10.1	11.7	0.5	3.3	1.8
2008 Review	9.6	10.1	0.9	3.9	1.8
2007 Review	8.5	11.9	1.0	4.1	0.0

Integration of young people from sensitive urban areas

In 2009, the Lagardère Group continued its partnership with the non-profit organisation "Nos quartiers ont des talents" ("Our neighbourhoods have talent"), the first network of companies to promote equal opportunity. A local experiment launched in Seine-Saint-Denis in 2005, it now extends throughout Ile-de-France, the principal area in which the Group operates in France. This action is important to the Group's political diversity, enabling it to potentially find young talent in these areas (without any community-based positive discrimination) and, taking into account their training and background, to integrate them into management positions that later evolve into more senior positions.

There were no reports of discrimination within the Group in 2009.

B

PROMOTE HARMONIOUS WORKING CONDITIONS

While adjusting the Group's workforce allows operations to meet the needs of various businesses and address the current socio-economic climate, it is also important to establish labour standards that foster employee fulfilment and motivation, and accordingly support effective company operations.

SOCIAL DIALOGUE, AN ESSENTIAL COMPONENT OF HUMAN RESOURCES

Social dialogue at Lagardère Group takes place at various levels within the Company (entities, divisions, Group).

Percentage of permanent workforce covered by an agreement per field and per geographical area

Areas	Agreement on social security	Agreement on working hours	Agreement on training	Agreement on health, safety and labour standards	Agreement on pay	Other agreements
France	70%	95%	24%	66%	88%	82%
Europe excluding France	41%	50%	31%	51%	54%	5%
Continental America	55%	58%	10%	58%	55%	0%
Asia	22%	26%	0%	22%	49%	0%
Other	86%	86%	70%	85%	86%	70%
Total	53%	67%	25%	57%	66%	32%

Key indices reflect the vitality of social dialogue within a company. As of 31/12/2009, the Group had 493 collective agreements in place. 132 new agreements were signed during the year.

The graph above shows the disparities that may exist among employees, depending on geographical area and the type of agreement taken into account. There is a slight deficiency in Asia, which tends to gradually make up ground. For example, in 2009, 17 new agreements were established after Lagardère Publishing founded a publishing business in India.

Moreover, the Lagardère Group has not identified any activities during which the rights to free association or collective bargaining were threatened during 2009.

ABSENTEEISM, AN INDICATOR OF WORKPLACE HEALTH AND SAFETY.

Absentee rates are a relevant index for employee health, and therefore for the Group as a whole. Absenteeism is a heterogeneous phenomenon whose features are specific to a given company. It can be a source of conflict, loss of motivation and tension within a company. It is important to monitor this rate, which is a first step towards a more comprehensive analysis to determine and understand employees' expectations and dissatisfactions concerning their work.

Absenteeism

(days/person)	Divisions	Sickness - fixed amount	Maternity leave - fixed amount	Accidents - fixed amount
	Lagardère Publishing	4.9	2.9	0.5
	Lagardère Active	4.6	4.3	0.1
	Lagardère Services	6.2	2.4	0.7
	Lagardère Sports	2.8	1.1	0.3
	Excluding divisions	4.7	1.5	0.7
2009		5.2	3.1	0.4
2008		5.2	3.2	0.4
2007		5.2	2.6	0.5

In a difficult 2009, the Group's rate of absenteeism remained at the same level as 2008, a level considered standard by some experts who believe that a set level of structural absenteeism is unavoidable. Beyond this structural absenteeism, this issue would become symptomatic of one or more problems within the Company.

At Lagardère Group this rate, which falls within the standard, is explained by an appropriate health and occupational risk reduction policy that is adapted to the Group's various business lines.

During 2009, two key issues were the focus of efforts in the area of workplace health and safety: stress and management of the H1N1 flu.

Concerning stress-related risks and more generally "*malaise*" in the workplace, studies were carried out in 2009 with the Group's Health and Safety and Labour Standards Committees and those of Lagardère Publishing, to assess existing stress, identify any at-risk populations, and establish the primary causes related to the working environment.

Like many companies the Group launched a comprehensive plan to address health risks related to the H1N1 flu pandemic. Although at this time the risk appears to have been overestimated, all standard protective resources were deployed, and a campaign to raise awareness of personal hygiene measures was carried out for all Group employees.

WAGES AND BENEFITS, AN INDICATOR OF THE EMPLOYEES' STAKE IN COMPANY EARNINGS

In a highly competitive environment, the Group's approach to compensation means offering attractive packages that are in line with prevailing market practices (in terms of business activity and the economic and labour conditions for each country concerned).

While carefully controlling its labour costs, Lagardère is determined to maintain employee purchasing power and aims to encourage employee commitment and performance.

Average gross annual wage in euros for employees under permanent contract by SPC, gender and geographical area

Areas	Male Senior Managers	Female Senior Managers	Male Managers	Female Managers	Male Journalists and Photographers	Female Journalists and Photographers	Other Male employees	Other Female employees
France	217,474	174,735	59,256	47,692	71,273	56,747	24,447	22,649
Europe excluding France	129,177	90,855	49,863	38,532	34,512	54,189	26,766	20,838
Continental America	144,144	198,670	72,788	57,688	4,700	60,408	18,839	18,114
Asia	184,406	119,459	70,091	55,785	22,587	10,960	23,437	23,117
Other	90,093	51,703	39,698	38,488	-	-	21,272	21,329
Areas	162,719	127,120	57,664	46,568	40,304	55,859	24,720	20,986

The Lagardère Group strives to promote equal pay for men and women, under equal conditions of employment and qualifications. The discrepancies observed in the above table are mainly due to disparities in the nature of the positions and responsibilities held, as well as differences in age, seniority and qualifications between the two groups.

The salary scales implemented in some of the Group's subsidiaries are one way of achieving equality. 61% of all employees work in an entity which has defined salary ranges for each level.

In the medium term, the Group also aims to promote the notion of comprehensive remuneration (salaries, variable salary components, social security, savings schemes, etc.).

Accordingly, schemes that make it possible for employees to share in the financial results of their company are encouraged by the Lagardère Group. They mainly take the form of profit sharing and employee savings schemes.

24% of employees in France belong to an employee savings scheme, and 43% belong to a collective profit-sharing plan.

Workforce under permanent contract having established an employee savings plan as of 31/12, per division

Divisions	Share of workforce with an employee savings plan
Lagardère Publishing	64%
Lagardère Active	26%
Lagardère Services	29%
Lagardère Sports	37%
Excluding divisions	97%
Total	39%

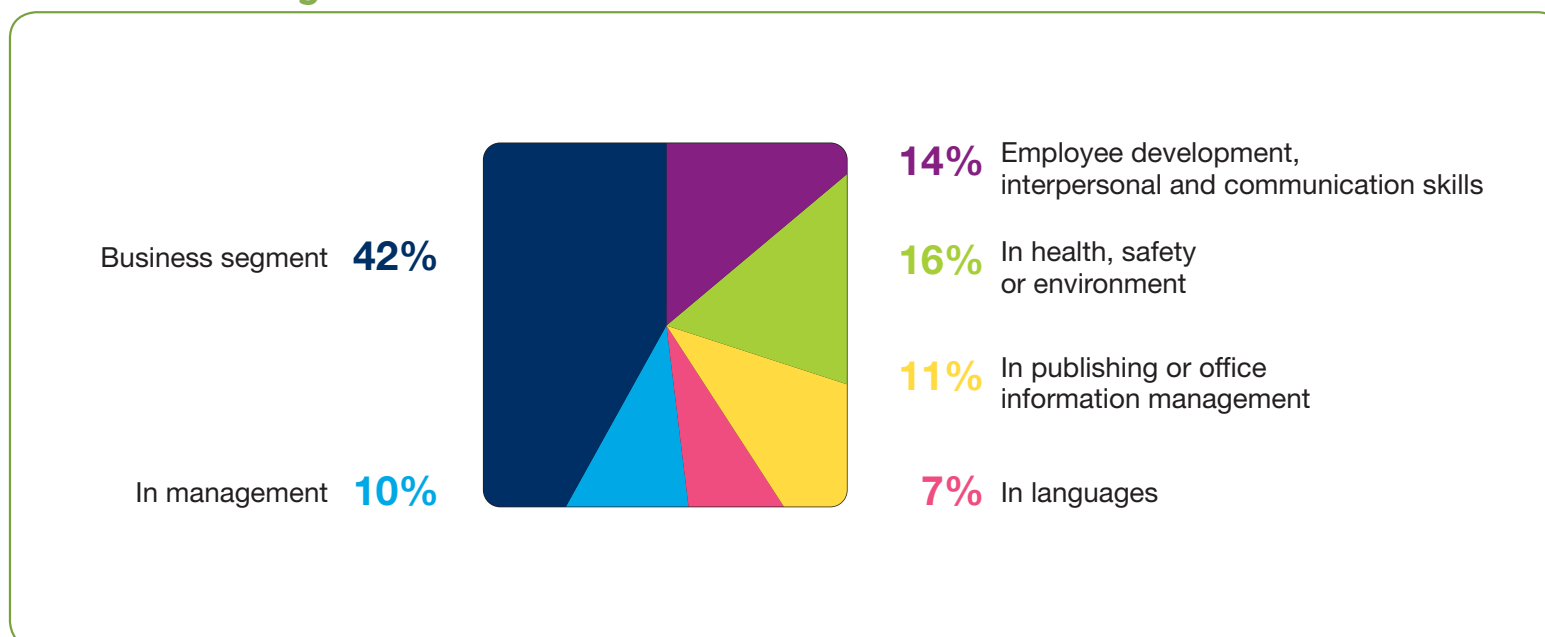
C ENCOURAGE SKILLS DEVELOPMENT

In accordance with the principle of autonomy within each the Group's divisions, measures for skill development and internal mobility are implemented within each entity. They illustrate Lagardère's commitment to investments which develop professional skills and individual employee responsibilities, and which foster fulfilling career development through increased internal mobility.

TRAINING

In 2009, 49.9% of Group employees under open-ended contracts attended at least one training session, with an average investment per trained employee of €705.

Theme of training sessions offered in 2009



With respect to training, our internal accounting methods are applied by the day and not by the hour (contrary to GRI recommendations), since this method allows more relevant comparisons between the different geographical regions.

Average number of training days for employees under permanent contract, by division and by geographical region

Scope	France	Europe excluding France	Continental America	Asia	Other
Lagardère Publishing	2.49	1.94	0.22	3.5	1.01
Lagardère Active	3.1	2.65	0.29	2.14	
Lagardère Services	2.53	2.32	0.73	1.69	1.32
Lagardère Sports	4.2	1.28		3.4	
Excluding divisions	3.1				

INTERNAL MOBILITY

With regard to **internal mobility**, the Group's Intranet contains tools for employees that provide information on potential transfers. In one space, employees can access available positions within the Group and are able to set up personalised alert messages to be notified of current internal vacancies that correspond to their needs.

Internal transfers represented 7.6% of recruitment in 2009. This rate rose slightly over 2008, when the rate was 5.9%.

Lagardère Services

> Initial training at Relay



Maurice Portes,

Director of Operations,
Relay

Why did you find it necessary to implement specific training at Relay?

The Relay network is made up of over 800 decentralised units. Its quality and effectiveness relies on well-trained, autonomous and motivated retail managers. Therefore, quality training and management methods are the keys to success.

What does the training specifically involve?

A store manager's initial training takes four months and takes place at an instructional retail outlet located at the Saint-Lazare train station in Paris. The store is only open during morning and evening rush hours, alternating practical training with theoretical instruction during closing hours. All aspects of the business are covered, including products, merchandising, accounting and reception.

Upon leaving the instructional outlet, the novice manager is assigned to a store and receives support from on-site trainers for approximately one year. Basic training is supplemented by continuing education sessions, some of which are highly specific such as "patient relations" training for managers assigned to hospitals and "conflict management" training for managers assigned to retail outlets in sensitive suburbs.

What are these managers' prospects for future growth?

Training provided by Relay makes this network a true "social ladder". 40% of managers are former sales staff, and some of them have achieved brilliant careers. For example, three retail stores that are emblematic of the network, the main Relay outlets in the Montparnasse, Paris-Est and Marseille-Saint-Charles train stations, are managed by former sales staff who, 10 years after becoming managers, rose through the ranks to earn the status and pay of senior executives. Successes such as these occur frequently in the Relay network and are the source of its dynamism.

Although the specific circumstances of various entities (business, geographic dispersal, etc.) may limit transfers between divisions, this modest improvement from 2008 to 2009 shows that mobility plays an important role in the Group's human resources policy. The progress made between 2008 and 2009 is not an end in itself. Efforts to organise, support and expand transfers will continue to move forward in the years to come.

EMPLOYEE MOTIVATION

Lastly, certain entities have implemented original management programmes to promote employee motivation. The idea management programme *Imaginations* was implemented by Aelia in 2007 (Lagardère Services), mainly intended for the 1,600 sales staff and managers of airport boutiques. The programme, which awards a trophy each year to the individual with the best idea, has the two-fold objective of enhancing dialogue between managers and their teams and placing employees at the heart of company life. In 2009, five ideas were pre-selected to be awarded the prize. Among these ideas were a proposed carpooling system, specifically suited to the shift work of sales staff that often prevents them from taking public transport. The idea involves placing a file on the Company Intranet that includes contact information for any person willing to drive other employees to their workplace, depending on their residence and working hours.

2.2 DEVELOP OUR BUSINESS WHILE RESPECTING THE ENVIRONMENT

The Lagardère Group has made three specific commitments which illustrate the Group's environmental challenges, which it intends to pursue year after year in an ongoing pursuit of progress: responsible and efficient paper management, streamlining transport and introducing environmental criteria into the day-to-day organisation of its business.

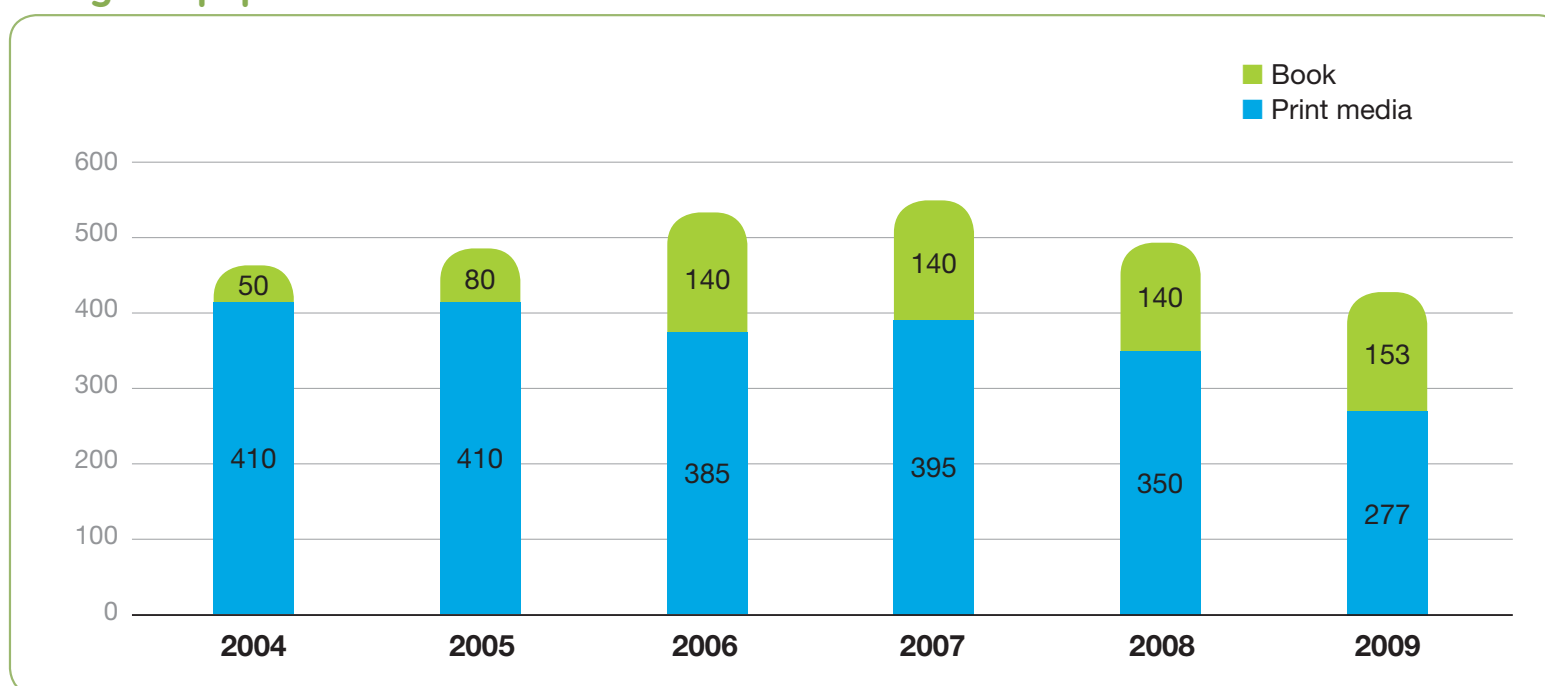
During 2009, the Lagardère Group was not sanctioned (fines or non-monetary penalty) for any failure to comply with environmental laws or regulations.

A EFFICIENT AND RESPONSIBLE PAPER MANAGEMENT

RESPONSIBLE SUPPLY MANAGEMENT

This responsibility applies from the purchase of paper through the management of unsold copies, and includes all the steps of manufacturing books, newspapers and magazines.

Weight of paper consumed in thousands of tonnes



Increasing the supplies of paper originating from certified forests is an objective pursued by both Lagardère Publishing and Lagardère Active

At Lagardère Publishing, the proportion of paper manufactured with pulp made from wood originating in FSC or PEFC-certified sustainably managed forests has continued to rise, from 35% in 2005 to 50% in 2006, reaching 65% in 2008 and 67% in 2009.

Lagardère Active ultimately intends to purchase only paper manufactured with pulp from sustainably managed forests from its paper suppliers (excluding Russia and China, currently under review). An action plan was implemented by Lagardère Active's Procurement Department to achieve this goal. At present, European paper suppliers selected by Lagardère Active are in a position to supply 100% certified paper. Italy already purchases 100% PEFC-certified paper. France will do the same in 2010, followed by other countries.

For example, since 2009, *Psychologies Magazine* has been printed exclusively on PEFC-certified paper.

In May 2009, *Infobébés* printed a special issue on 100% PEFC-certified paper on the theme "Organic products, eco-responsibility, Sustainable Development, a better world for my baby".

CERTIFIED FORESTS

The PEFC standard (Programme for the Endorsement of Forest Certification schemes) is an international system defining sustainable forestry rules in accordance with the specific circumstances of each country.

PEFC certification assumes certain commitments that ensure forest maintenance and operation that respects three major functions: economic (operation, etc.), environmental (preservation of biodiversity, of wildlife, etc.) and social (work safety in the forest, employee training, recreation, ensure hiker safety, etc.).

Certification can be obtained at different levels, i.e., the paper, or the magazine, provided the printer is also certified. Printers who wish to take advantage of this label are inspected by an independent organisation which issues PEFC certification according to criteria concerning traceability of the primary fibre throughout the paper control chain, from the forester to the printer.

The other forestry certification, issued by FSC (Forest Stewardship Council), is a way to ensure that the wood used in paper manufacture comes from responsibly managed forests. It intends to ensure that forests are operated in a manner and intensity that maintains their biological diversity, capacity for regeneration, vitality and ability to satisfy current and future ecological, economic and social needs that are relevant at the local, national and global level. Certification also aims to ensure that the forests do not harm other ecosystems.

About recycled paper

During 2009, several general interest works were printed entirely on 100% recycled paper, including *Le syndrome du Titanic 2* by Nicolas Hulot and the *Évasion* guide to *Corsica*.

Whenever possible, Lagardère Active favours the purchase of paper containing recycled fibres, in varying proportions depending on the quality of paper and type of printing required.

Newsprint, which is a product with a relatively short life cycle, can be manufactured wholly from recycled fibres. Since 2009, *Le Journal du Dimanche* has been printed on 100% recycled paper and *ELLE* published a "green issue" on 21 February using 100% recycled paper.

In the production of magazines and books, however, use of papers incorporating a large proportion of recycled fibres is more difficult, due to considerable disparities in recycled paper's capacity to withstand the thermal and mechanical constraints of industrial printing and, more generally, the intrinsic characteristics of this type of paper (longevity, surface finish, colour). Use of 100% recycled paper remains low in the manufacture of magazines. Furthermore, 100% recycled paper of a quality suitable for magazines is not yet sufficiently available to cover the print run of our magazines.

EFFICIENT BOOK AND MAGAZINE PRODUCTION MANAGEMENT

Special attention is given to reducing the paper wastage rate during production.

Reducing the paper wastage rate at Lagardère Active

The paper wastage rate corresponds to the percentage of paper lost in the course of the manufacturing process. It is calculated by comparing the quantity of paper used during printing with the quantity of paper delivered in the form of magazines.

These losses are inherent to the manufacturing process, and correspond particularly to paper discarded during the printing phase (particularly “calibration”: adjustment of the inks, alignment, etc.), or when the magazines are shaped (trimming in the final formatting of the work, during binding and assembly). The rate of wastage varies depending on the printing technology used (types of machines, colours) and on the number of magazines manufactured (print run).

For the Production and Procurement departments of the French Press sector, improving the rate of wastage is a key factor in negotiations with printers.

For each magazine print run, in order to keep the rate of wastage to a minimum during the printing phase, the Press division determines the optimal choice of techniques and calculates the number of copies to be printed depending on sales statistics. On the basis of this data, precise print run instructions are given to the printer. This policy to limit paper wastage is primarily carried out through extensive printing press control procedures and optimised machine calibration (inking, size of paper cuts, unwrapping the paper reels on the unwinders, etc.).

The attention given to consumption and technical innovations enables editorial managers to suggest optimal formats and best address market demand.

The average rate of wastage has been constantly improving over the past eight years, although annual marginal gains have been diminishing.

Reducing the rate of wastage at Lagardère Publishing

As part of the policy of optimising the division’s rate of wastage, teams at Lagardère Publishing determine the best technical options and carry out detailed calculations of the amount of paper to be allocated to the printer. Wastage reduction is one of the objectives appearing on the trend chart for the Technical Departments at Lagardère Publishing in France. The amount of paper consumed internationally is also monitored regularly.

Regular reviews of material consumption and rates of wastage provide a basis to:

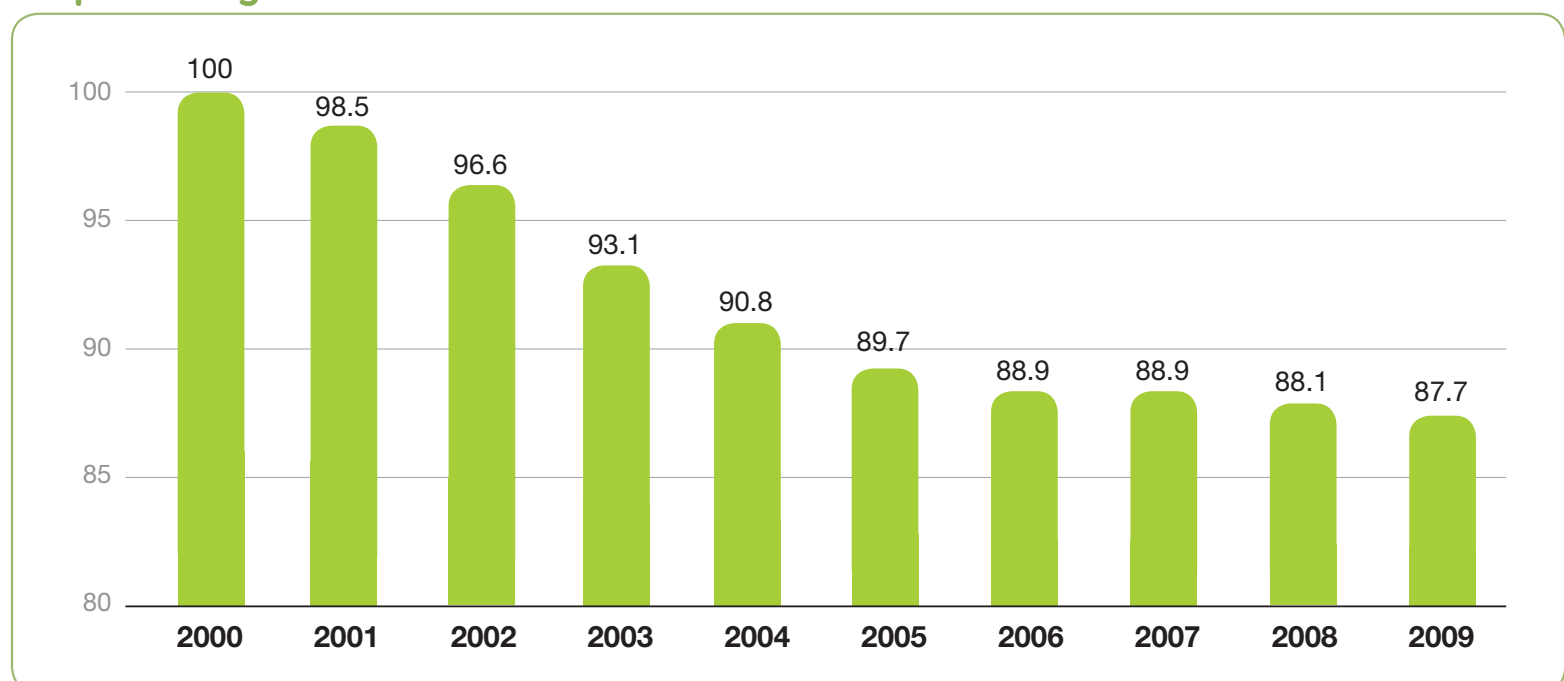
- validate selection of printers, printing techniques, types of paper, etc.;
- identify new technologies that can be used;
- inform the editorial managers of more economical formats, thus allowing them to better respond to market demand.

In France, a review of changes in overall rates of wastage shows the gains obtained through systematic tracking of paper consumption and the choice of more efficient printing methods.

The rate of paper wastage during manufacturing had already been reduced by more than 11% between 2000 and 2007 at Lagardère Publishing in France, and the actions undertaken in 2009 made it possible to continue the improvements achieved over the past eight years and achieve a reduction of more than 12%. This represents a decrease in paper wastage of several thousand tonnes a year compared to 2000, despite the reduction in average print runs designed to lower the number of unsold copies.

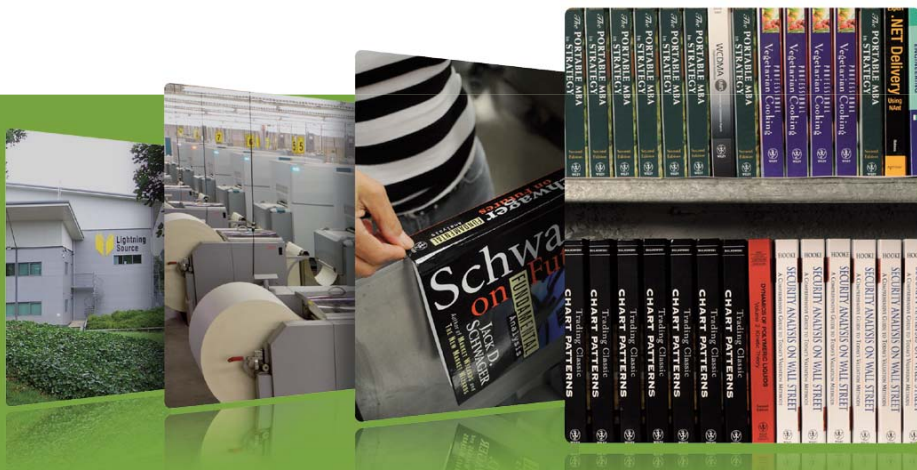
Outside France, this wastage rate indicator has not yet been consolidated through an information system.

Paper wastage rate for Hachette Livre France



Lagardère Publishing

> Printing on demand (POD)



Michèle Benbunan,

Director of
the Industrial and
Commercial Division

Why has Hachette Livre moved into printing on demand?

Printing on demand is a very useful technology for titles with sales below 100 copies per year, or for reviving out-of-print titles. It only takes two hours to manufacture a requested book, and the book purchased is brand new.

In 2009, Hachette Livre and Lightning Source (a subsidiary of Ingram) formed a joint venture to launch printing on demand in the French market. The idea arose from Hachette Livre's desire to enhance the services offered to publishers, and Lightning Source's desire to establish itself in the French market. The system should be operational in April 2010.

What are the next steps in developing this technology?

Current technology only allows us to produce books in black and white. For now, it mainly involves novels, essays, technical books and books for universities. But within a year or two we may have the technology to print books in colour on demand.

POD may also open the way to customised books. One of the technology's possibilities is the production of "tailor-made" books.

What effect does printing on demand have on Sustainable Development?

Hachette Livre currently has 135 million copies in stock. Storage, multiple transport – from the printer to the distributor, from the distributor to the customer – all of this consumes energy.

But books on demand are only printed once a customer order has been received, and are actually printed at the distribution centre. Therefore, there is no storage, no transfer from the printer to the distribution centre, and no unsold copies. So this business is very good for the environment.

This downward trend in book print runs could have an unfavourable impact on the rate of paper wastage by increasing the necessary calibrations, but conversely, it is expected to favourably impact the rate of unsold copies by limiting the initial number of copies printed.

In response to these issues, Lagardère Publishing uses digital printing methods for small print runs wherever possible to avoid wastage during calibration.

A programme to make Lagardère Publishing's publishers aware of the issue of optimising print runs was nevertheless implemented in 2007 and continued in 2008.

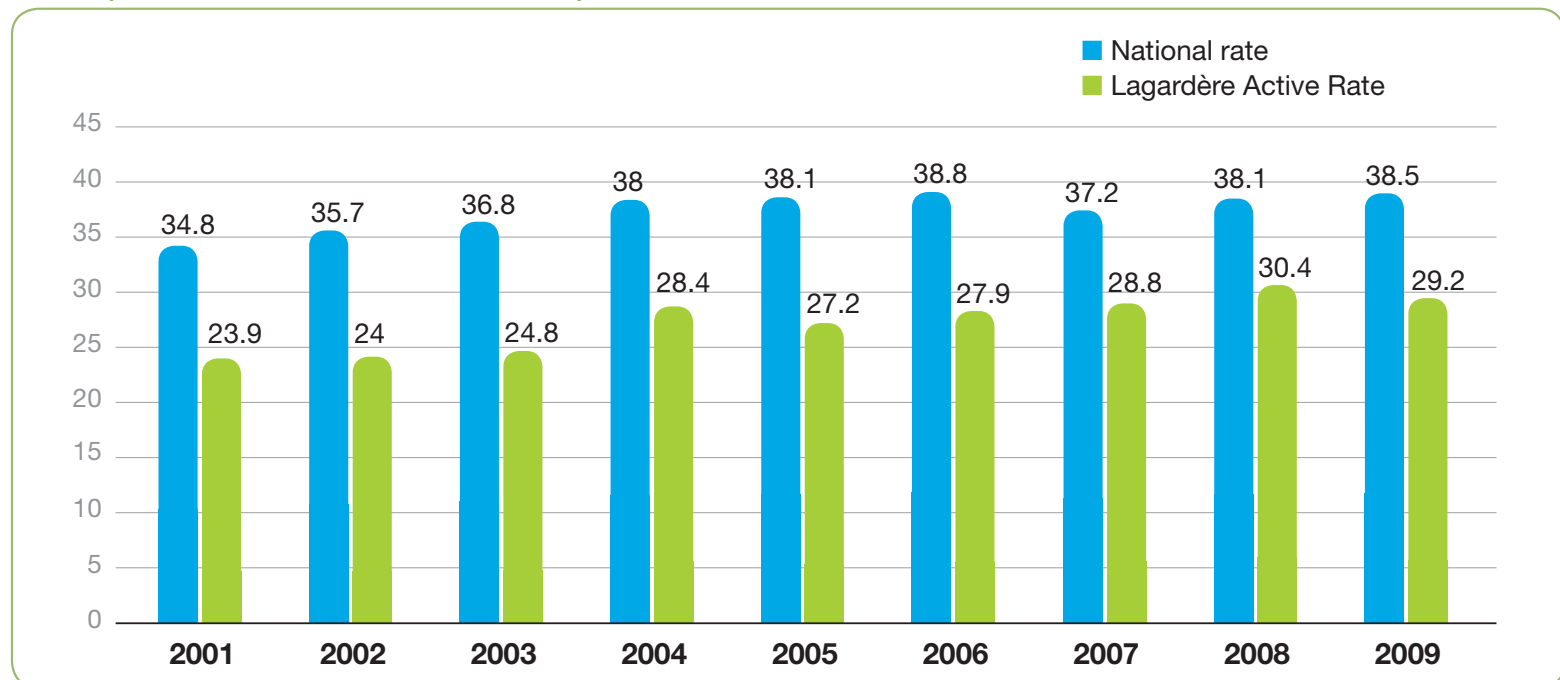
EFFICIENT AND RESPONSIBLE MANAGEMENT OF UNSOLD COPIES.

Lagardère Active pays considerable attention to reducing its rate of unsold copies. Managing sales and, consequently, unsold copies depends on how newspaper and magazine distribution is organised in each country.

Lagardère Active's press division in France takes action upstream to reduce the rate of unsold copies by optimising adjustments made (allocating the number of titles at retail outlets). To better manage unsold copies, whose existence is inherent in the sale of single issues, the French Press division regularly adjusts the size of its print runs and the number of copies delivered using specially developed software employed by the titles' Sales Directors. Through these operations, the Press division in France (where half of sales are made) has achieved rates of return well below average national rates for nearly ten years.

In 2009, Lagardère Active helped to implement an agreement between the publishers and Presstalis the new name of NMPP to cap the number of magazines distributed per retail outlet.

Comparison of rates of unsold copies



(1) Presstalis source: Presstalis survey, December 2009. Rates of unsold copies for single issue sales vary significantly depending on the press group or sub-group. For example, the national rates of return for the period between January 2009 and December 2009 were:

- 36.3% for news and current affairs press;
- 36.5% for women's weekly magazines;
- 55.0% for the "Home" category;
- 49.2% for the automobile/motorcycle category;
- 21.7% for television magazines.

In 2009, the national average rate of unsold copies was 38.5%, compared with 38.1% in 2008. During this same period, Lagardère Active's rate of unsold copies improved from 30.4% in 2008 to 29.2% in 2009. A comparison of the average rate of unsold copies for each of the titles published by the French Press division against the national rate of unsold copies in the relevant press group or sub-group shows that for more than three quarters of titles, adjustments made by Lagardère Active achieved average rates of unsold copies that were significantly lower than the national average in their category. For the period from October 2008 to September 2009, nearly 80% of the French Press division's publications had rates of unsold copies lower than the national average in their category.

In the press unsold copies processing cycle, press distributors collect the unsold copies from the retail outlets. Some publishers reclaim some or all of their unsold copies, and the rest are destroyed. In France, Presstalis outsources the destruction of unsold copies to collection firms located throughout the country and that commit to recycle these surplus copies. On average, 90% of unsold copies generated by the French press distribution system for single issue sales are destroyed and recycled, with the remaining 10% returned to the publishers at their request. At Lagardère Active, the recycling rate is higher, with approximately 97% recycled and only 3% returned to the publishers. Because most of our business involves weeklies, these magazines deal with current affairs and are less susceptible to “re-marketing” efforts.

Returns of unsold copies mainly relate to *Télé 7 Jeux* and Disney Hachette Presse magazines, which are repackaged into albums containing several issues and bound with a special cover. Other magazines are taken in their original condition and sold in plastic covers (“beach covers”). These products are then put back into the usual marketing cycle through Presstalis. Special interest magazines such as those on decor (*Art et Décoration, Maison et Travaux*), youth (Disney Hachette Presse) or games (*Télé 7 Jeux*, etc.) enjoy a “second life” through export sales.

Unsold copies are entirely recycled in most of the Group’s foreign subsidiaries.

In 2009, the SPMI (*Syndicat de la Presse Magazine et d’Information*) carried out an awareness-raising campaign among readers on sorting and recycling magazines, conducted through a one-page flyer distributed in the magazines with the theme “If you enjoyed me, sort and recycle me!”. Lagardère Active magazines were involved in this campaign. This action should continue in 2010.

HFM US also encourages readers to sort waste and puts the “*Please Recycle*” logo on its magazines.

An innovative initiative at Lagardère Publishing, printing on demand, contributes to reduce the rate of unsold copies.

B STREAMLINE TRANSPORT

This is the second environmental challenge faced by the Lagardère Group, which strives to reduce the impact of transport during manufacture of its books and magazines and during distribution.

DURING MANUFACTURE

Lagardère Active works in partnership with its subcontractors to limit the environmental impact of transporting its magazines and newspapers during the manufacturing and distribution process (paper, printing, binding, dispatching and distribution), while taking deadlines into account. The Press division in France undertook several initiatives during 2009, consistent with those launched in previous years:

- The French Press division asked its printers to store paper to be used in the manufacturing process, rather than having it pass through a dedicated warehouse;
- When possible, various operations in the manufacturing process are combined (paper suppliers and printers to limit the transport of paper reels) or concentrated at one site (binding carried out by the printer) in order to limit transport from one subcontractor to another. The printing of the *Télé 7 Jours* advertising insert was brought back to Corbeil from Mulhouse, meaning that 60 tonnes is no longer transported over 450 kilometres (i.e., 3,000 tonnes annually in 120 lorries).

DURING DISTRIBUTION

At Lagardère Active

A rigorous policy to streamline transport, aimed at reducing the number of trips and thus the distances travelled, was implemented both in France and abroad. In France, in accordance with regulations governing the magazine print media distribution system (the “Bichet law”), magazines are distributed either directly by the publisher or by the express delivery cooperatives (Presstalis – Transport Presse, MLP).

The significant reduction in the number of news agents, the diversification of print media products and the drive to optimise costs led Presstalis to streamline its publication distribution logistics, in order to reduce the number of kilometres travelled, fuel consumption and vehicle wear and tear. In cooperation with Presstalis, the Group simplified its magazine distribution circuit whenever possible, to directly transport magazines from the binder to regional warehouses without passing through the central warehouse. This reduces fuel consumption and limits the effect of transport on the environment.

Lagardère Active also seeks to limit air transport of its magazines to the greatest possible extent. For certain titles, air transport was replaced by maritime transport, which has lower CO₂ emissions.

Actions were also carried out in the United States during 2009:

- reduced air transport of magazines in favour of road transport;
- transporters selected based on government-imposed criteria;
- use of more fuel-efficient lorries.

At Lagardère Services

Transport is a major strategic challenge.

TRANSPORT AT LAGARDÈRE SERVICES

With the four main distribution companies having a wholesale business (AMP, SGEL, Lapker and Naville), more than 50 million kilometres per year are covered to transport print media to the highly capillary retail networks, mainly in lorries or small trucks.

Our companies constantly strive to reduce the environmental impact of this activity through three types of actions:

- streamlining delivery rounds to sales outlets from regional distribution centres (tertiary transport): specific software programmes have been developed to determine the best possible delivery schedules, taking into account the many constraints involved (opening hours, weight, stoppage time, average speed, etc.). Up to 10% reductions in the number of kilometres driven have been achieved in this way.
- optimisation of the lorry load rate: centralisation and pooling of flows is used to reduce the number of lorries required for primary transport (from the printer to the national distribution centre) and secondary transport (from the national distribution centre to the regional distribution centre). Many product manufacturers have need for a capillary logistical system. Our companies increasingly cooperate with these types of companies to provide them with our highly efficient logistical tool. Pooling of logistical flows enables all parties to significantly reduce their ecological footprint.
- optimisation of processing centre location; this also reduces the number of kilometres driven for secondary transport.

This work, by its very nature, requires repeated, continual application – the parameters vary consistently over time – and is absolutely necessary in order to keep Lagardère Services' carbon footprint to a minimum.

Frédéric Chevalier,

Director of Strategy, Innovation and Sustainable Development (Lagardère Services)

INTRODUCE ENVIRONMENTAL CONCERNS INTO THE ORGANISATION OF OUR BUSINESSES

In addition to responsible paper management and streamlining transport, the Group strives to introduce environmental concerns into the daily management of its business. This comes from the efforts of many divisions to lower energy consumption, recycle electronic waste and increase employee awareness of Sustainable Development issues.

But it also starts with measuring the ecological footprint of certain subsidiaries.

CARBON AUDITS

Lagardère Active and Lagardère Publishing were the first Lagardère divisions to carry out a Carbon Audit.

At Lagardère Publishing

After harmonising counting methods with the US subsidiary of Hachette Livre and their respective consultants, Carbone 4 and Green Press Initiative, in 2009 Lagardère Publishing adjusted its French Carbon Audit to better account for loss of CO₂ absorption capacity related to logging operations. The new Carbon Audit calculations for Hachette Livre in France, prepared by Carbone 4, showed a total of 210,000 tonnes of CO₂ equivalent per year. Nevertheless, the carbon footprint for retail sales (bookshops, hypermarkets, specialised mass retailers) is not taken into consideration in France.

This figure, related to its sales, places Hachette Livre in the centre of the chart in terms of emissivity, midway between the service sector (lawyers, banking) and heavy industry (chemical, metallurgy).

The cost in CO₂ of one book is approximately **1,3kg of CO₂ equivalent per copy sold** and is broken down as follows:

- paper: 630g;
- printing: 185g;
- freight: 340g;
- distribution: 32g;
- creation/administration: 128g.

Hachette Books Group also assessed its carbon footprint in the United States. It came to 390,000 tonnes of CO₂ equivalent using a different method than that applied in France. The two methods will be harmonised in 2010.

At Lagardère Active

During the last quarter of 2008 Lagardère Active carried out a Carbon Audit covering its entire business spectrum in France and abroad (including Press, Radio, Television and Digital). The method defined by the French Environment and Energy Management Agency ADEME and applied with the help of Carbone 4 includes all actors involved in the product production and consumption process.

This Carbon Audit takes an inventory of carbon dioxide emissions generated by Lagardère Active's business activities, forming a benchmark for actions undertaken in 2009 to improve the Group's carbon footprint.

The Carbon Audit of the Press division considers carbon emissions from publishing activities and advertising sales brokers, but also emissions by paper producers, printers, binders, routers, distributors and transporters for the magazines and newspapers manufactured, as well as those related to the publications' end-of-life cycle. The study showed that greenhouse gas emissions for a magazine sold in France range from 500 to 600 g of CO₂ equivalent, approximately half of which is generated during manufacturing.

In addition to the actual figures, the Carbon Audit's benefit lies in the volume of information gathered, which establishes an initial benchmark. Lagardère Active used this base to define areas for progress in the coming years, to pursue actions already undertaken – particularly in the Press sector – and schedule new improvement projects.

Lagardère Publishing

> Hachette Livre's Carbon Audit



**Ronald
Blunden,**

Director
of Communication
and Chairman of
the Sustainable
Development
Committee

How did you reach the decision to conduct the Carbon Audit of Hachette Livre?

The approach to Sustainable Development is not just a whim, or a fashion, or a sudden passion that takes hold of a few executives who are newly converted to environmentalism. It is about to become a legal requirement under the EU Climate and Energy Package as well as the draft Grenelle II act adopted by the Senate in October 2009, whose implementing orders have not yet been published. Grenelle II provides for systematic consumer information on the carbon footprint of products for sale.

When I took over my duties in September 2007, I suggested to Arnaud Nourry, Chairman of Hachette Livre, that I take responsibility for this issue. I already had some experience in the area having participated, along with many others, in drafting Nicolas Hulot's ecological pact.

How have you moved forward?

I first established a Sustainable Development Committee that includes a small number of executives. We then adopted an action plan and decided to prepare the Carbon Audit for the French publishing house. After issuing a call for tenders, we decided to work with the Carbone 4 consulting firm.

Six months later, significant work had been completed at all levels of the Company, looking at the business not only from an economic standpoint, but also from an environmental one, which required a highly specific mental exercise.

What lessons have you learned? What are the next steps?

We prepared our Carbon Audit, which totalled 210,000 tonnes of CO₂ equivalent per year and revealed significant emissions related to paper, printing and freight - which was in no way surprising.

The second phase began in the summer of 2009, which involved preparing a five-year action plan to reduce emissions in proportions parallel to the Climate and Energy Package recommendations. At the start of 2010, we are actively implementing the action plan. In other words, from here on the going gets tough. We'll soon realise that the easiest part is behind us...

ACTIONS TO REDUCE ENVIRONMENTAL IMPACT

Optimise energy consumption

Given the efforts to reduce and/or optimise energy consumption, a global approach to “Controlling Energy Expenditure” (CEE) has been implemented in partnership with the Group’s electricity supplier, with the aim of identifying all potential sources of energy savings, assessing potential gains and implementing corresponding actions.

The audits were used to identify specific areas for progress, and improvement efforts have been (and will continue to be) implemented on the sites concerned. The majority of measures applied relate to:

- lighting, chiefly the use of low-energy consumption light bulbs or metal iodide lamps to replace existing lamps;
- air conditioning or ventilation and heating, particularly the implementation of processes designed to reduce heat exchanges, as the Group’s sites are mainly tertiary service sites. For the past several years, Lagardère Ressources has used co-generation for heating. 40% of the steam produced by CPCU is produced using household waste. In 2009 it also installed a new air conditioning plant. This not only anticipates the prohibition on R22 gas expected in 2012, but these new systems also saved energy as follows:
 - 830 m³ of water per year;
 - 141,500 kW per year, a 50% electricity savings over the cooling unit.

As part of an **approach to using renewable energy sources**, the premises housing the head offices for the French Press division and Lagardère Publishing, among the largest in the Group, are heated by *Compagnie Parisienne de Chauffage Urbaine* (CPCU). 75% of the energy supplied by CPCU is produced through domestic waste recycling and co-generation, one of the most environmentally-friendly production processes.

At Lagardère Active, regular reporting on energy and water use at the Group’s buildings in Paris and Levallois gave rise to actions to reduce consumption, such as lowering the average temperature in owned buildings, reporting the date on which air conditioning was first used and constantly replacing lighting systems with low energy consumption light bulbs.

Consumptions 2009

Energy source	Year	Lagardère Publishing	Lagardère Active	Lagardère Services	Lagardère Sports	Excluding divisions	Total
Electricity (kWh)	2008	42,758,875	41,269,705	92,223,016	514,536	6,140,698	182,906,830
	2009	39,916,698	49,477,607	93,408,398	2,417,194	6,680,579	191,900,476
Gas (kWh)	2008	25,233,397	3,035,398	18,725,738	NA	8,419,294	55,413,827
	2009	26,018,376	5,269,118	18,432,080	569,494	8,130,104	58,419,172
Fuel oil (litres)	2008	692,674	405,239	1,131,838	NA	1,336	2,441,087
	2009	1,132,156	299,711	1,256,183	NA	1,957	2,690,007
Water (m ³)	2008	71,202	61,491	377,632	NA	190,609	700,934
	2009	73,982	69,324	424,156	8,177	172,774	748,413

CO₂ emissions in 2009

Energy source	Year	Lagardère Publishing	Lagardère Active	Lagardère Services	Lagardère Sports	Excluding divisions	Total
Electricity (teqCO ₂)	2009	14,104	17,483	33,006	854	2,360	67,807
Gas (teqCO ₂)	2009	4,818	975	3,413	105	1,505	10,816
Fuel oil (teqCO ₂)	2009	2,995	792	3,323	NA	5	7,115
Total	2009	21,917	19,250	39,742	959	3,870	85,738
Green energy (kWh)	2008	2,480,844	1,958,000	368,265	NA	2,475,100	7,282,209
	2009	2,046,098	1,948,000	371,948	NA	2,543,400	6,909,446

The increase in consumption recorded in 2009 did not result from an increase in consumption for each entity. Rather, it arose from better accounting for various measurement sources, especially outside of France.

Day-to-day initiatives within the divisions

The divisions prepared action plans or implemented concrete steps (energy savings, waste sorting, recycling, etc.) that demonstrated their concern with reducing the environmental impact of their daily activities.

At Lagardère Active

At the Group's radio stations, all documents intended for external communication (flyers, promotions, etc.) are printed on PEFC-certified paper.

Lagardère Publicité has paid great attention to the production of promotional inserts for French magazines, which represents a significant paper volume (approximately 5,000 tonnes per year). In 2009, printers of these promotional inserts reduced their rate of wastage from 3% to 2% for all such inserts.

Since 2009, production proofs (sent to magazine advertisers by magazines in which their advertisements appear to inspect their production) are now sent only twice. This initiative limits paper wastage, related waste products and transport.

We have digitised our oversight of regional supplement production. The advertising sales agency provides advertisers with a portal where they can retrieve their advertisements. This tool enables advertisers to make sure that the file meets professional standards and avoids the need to produce a paper document.

The main facilities in Paris and Levallois-Perret replaced all of their office automation tools during 2009. The "Sustainable Printing" initiative replaces individual desktop hardware with shared multifunction machines.

At Lagardère Services

Energy consumption at Lagardère Services' retail outlets in France was reduced by implementing a series of measures. In 2009, work was carried out to reduce energy consumption in stores with a focus on three approaches:

- working to improve insulation on the premises;
- installing LEDs and T5 light bulbs and promoting rational lighting use;
- installing new air conditioning systems and recycling the air.

Lagardère Active

> Sustainable Printing Project



Anne Chéret,
Director of Sustainable Development

What is the “Sustainable Printing” project?

This operation involves approximately 3,000 employees in France, with the deployment during 2009 of approximately 400 multi-function machines to replace more than 1,300 older office automation tools, photocopiers, fax machines, printers, scanners and other equipment.

What were the stated objectives?

“Sustainable Printing” means implementing a controlled printing policy, relying on fewer tools, less paper, less toner and other costly and polluting consumables. Equipment was selected mainly for its performance in terms of energy conservation (standby mode, etc.) and respect for the environment (non-polluting inks, recyclable cartridges, etc.). It is important that a Group such as ours acts each day as a steward of the environment. But it also means “changing our behaviour” and “printing differently”: avoid printing e-mails (especially not in colour), program default settings for double-sided and black and white printing, print several slides per page, etc.

Of course, sharing tools requires employees to move about, which requires a change of habit. But with everyone’s help, we sought out locations that were best suited to the various departments’ activities. We received a great deal of cooperation from our employees!

What lessons have you learned from this experience?

“Sustainable Printing” was an excellent cross-departmental project that brought a dedicated team together over the course of several months, made up of individuals from different Departments such as Procurement, General Services, Technology, Human Resources, Sustainable Development and Finance. An outstanding teamwork experience!

Lagardère Services

> The issue of plastic bags at Lagardère Services



Frédéric Chevalier,
Director of Strategy,
Innovation and
Sustainable Development

What is the significance of plastic bags for Lagardère Services?

Plastic bags are a nuisance to the environment, and retail companies are at the forefront of reducing this nuisance to the greatest possible extent. Lagardère Services, which operates a network of nearly 4,000 retail outlets throughout the world, is aware of its responsibilities. We are working to both reduce the number of plastic bags distributed, and lower the impact of bags that we continue to distribute.

What actions have you taken to date?

Several initiatives have been launched. They each aim to create a more responsible plastic bag distribution policy.

For example, in Romania during 2009 we established a policy to sell plastic bags at a modest price throughout the entire network (approximately 150 retail outlets throughout the territory). The impact has been spectacular; the total volume of bags was divided by 5 between 2008 and 2009 while maintaining customer satisfaction (for example, increase in the number of slips per store).

A similar approach has been implemented in other territories (Hungary, Australia) with comparable results to date.

In addition, when we operate “destination” retail outlets, we encourage the use of reusable bags (bags made from fair-trade cotton at Payot in Switzerland, reusable bags at Chez Jean and at some Aelia stores).

What actions are you planning for the future?

We plan to expand these practices as much as possible. They are consistent with our stakeholders’ expectations: customers are increasingly open to implementing responsible approaches such as these, franchisees prompt us to move in this direction, and environmental regulations are increasingly strict.

Lagardère Paris Racing

> Implementation of an Environmental Management System (EMS) at the La Croix Catelan site in accordance with the ISO 14001 standard

Christian Chaumier,

Manager of the Environmental Management System at the La Croix Catelan site.



What does sustainable development at Lagardère Paris Racing^(*) truly mean?

At Lagardère Paris Racing^(*), sustainable development mainly concerns the environmental aspects of this approach, and involves compliance with laws that apply to facilities open to the public (ERP) and regulations covering the *Bois de Boulogne* where *La Croix Catelan* is located.

This specifically involves registering our facilities (boiler room, transformer, swimming pool) and having them monitored by a supervisory body.

In addition, we are establishing waste storing and oversight procedures.

We are addressing how we handle hazardous products such as oils, solvents and fluorescent tubes. Finally and above all, the management team at Lagardère Paris Racing* is fully committed to a program to reduce consumption (especially water consumption).

What changes has ISO 14001 certification brought to the site's operation?

There have been two main types of changes.

First, from a technical standpoint, our delivery procedures must be even more rigorous. We are learning to store our products differently, to avoid any incidents that could harm the environment.

Next, from a human point of view, we must instruct our employees on the standard's requirements and establish an environmental management committee that sets environmental targets and objectives. Furthermore, administrative oversight of the EMS is both demanding and necessary.

How did your employees react to receiving the certification, and what are the possible implications for members?

Concerning our employees, we were pleased that their commitment was confirmed in the certifying team's audit report. Moreover, they were especially proud of our success after many weeks of work and investment in the process.

For our members, they will mainly be involved in waste sorting and reducing water consumption.

(*) Lagardère Paris Racing Ressources SASP

At Lagardère Sports

With regard to paper, packaging and electrical and electronic equipment, Lagardère Sports collects and sorts its waste for future recycling. This programme is especially active in France as well as in subsidiaries located in Switzerland, Germany, the United Kingdom, Israel and Singapore.

In addition, Lagardère Sports installed a videoconference system at its Paris facility to reduce employee travel overseas and to reduce greenhouse gas emissions associated with air travel.

In the United Kingdom, three Lagardère Sports subsidiaries are using recyclable materials when organising events, and a German subsidiary took care to install waste-sorting receptacles for spectator use at events it organises.

At Lagardère Paris Racing Ressources

After a long and rigorous process, the *La Croix Catelan* site implemented an Environmental Management System in accordance with ISO 14001 standards. Certification was granted at the end of 2009.

The environmental analysis conducted by Lagardère Paris Racing revealed the most significant impacts on which the club must focus its efforts, and enabled two key areas for improvement to be identified: waste management and water consumption.

Three objectives were then established:

- optimise waste sorting (a sorting system was implemented);
- reduce consumption, in particular water consumption;
- use environmentally-friendly practices and improve the living environment at an economically viable cost.

At Matra Manufacturing & Services

In addition to the policies to better control and reduce the environmental impact of its business activities, the Group became involved in 2006 in the development, manufacture and European distribution of electrically-driven vehicles (light electric bicycles and quadricycles) through its subsidiary Matra Manufacturing & Services. These electric bicycle, people carrier and light utility vehicle solutions change user behaviour and meet the needs of companies, local authorities, administrations and private individuals who are aware of the challenges facing the planet. In 2009, Matra Manufacturing & Services brought its e-MO electric scooter to market, equipped with a quickly rechargeable battery that provides a 40 km range.

In December 2009, the e-MO received the Innovation Oscar awarded by *LSA* magazine.

2.3 PROMOTE ACCESS TO INFORMATION AND KNOWLEDGE

A DEFEND INFORMATION PLURALISM AND ENSURE CONTENT DIVERSITY

DIVERSITY IN CONTENT AND IN MEDIA

As a major player in the media industry, the Group strives to provide its listeners, viewers, Internet users and readers contents that meets their expectations of quality and diversity.

Lagardère Services, which operates an international network of nearly 4,000 stores, distributes and sells newspapers and magazines in over 20 countries.

As a global media player intent on meeting the expectations of its audiences,

Lagardère Active is committed to producing a wide variety of contents (political, historical, sports, environmental, social, etc.) through various modes of production, distribution and consumption (magazines, newspapers, websites, radio stations, television channels, production companies, mobile phones), thus facilitating access to culture and information and promoting diversity in opinions and ideas, both in France and abroad.

Lagardère Publishing has historically aimed to publish, sell and distribute high-quality, innovative books which meet readers' expectations in terms of knowledge, understanding, culture and entertainment. The autonomy and independence of the publishing houses at Lagardère Publishing and Lagardère Active contribute to the extensive range of editorial contents produced by these two divisions.

VIGILANCE WITH RESPECT TO ADVERTISING

Like all advertisers in the sector, Lagardère Publicité adheres to the charter of commitments for responsible communication, which monitors advertising contents and condemns the practice of "greenwashing", among others. It also follows the recommendations of the advertising regulation authority ARPP (*Autorité de Régulation Professionnelle de la Publicité*, formerly BVP) and regularly submits advertising content to the Authority for prior verification that it complies with applicable standards.

In general terms, Lagardère Publicité is committed to self-regulation of the advertising it sells. It makes sure that regulations are respected in terms of advertising, with the support of Lagardère Active's Legal Department (especially concerning areas of advertising subject to regulation).

The Legal Department answers any specific questions from operational staff about the content of advertising messages broadcast on all media (television, radio, magazines and the Internet).

CHILD PROTECTION

The Group's broadcasters make sure that the legislation and regulations in force are respected, as are the conventions signed with the French broadcasting authority (*Conseil Supérieur de l'Audiovisuel - CSA*). The Group's television channels are rigorous in applying the provisions of the CSA concerning the protection of minors.

Each of the Group's channels has signed a convention with the CSA stipulating the permitted broadcasting times of programmes depending on their classification.

The youth channels are particularly attentive to journalism ethics and child protection, due to the age of the target audience. All programmes pre-purchased and co-produced for Lagardère Active's youth channels are carefully monitored by the division's General Management and its teams. This work is performed upstream, during development of characters, storylines, co-checks of dialogue, graphics and so forth. Gulli and TiJi have established an ethics committee made up of experts and child specialists qualified to give opinions on the channel's editorial lines and choices. Gulli has also set up a "Gulli Observatory", intended to monitor the relationship between children and the screen.

All programmes purchased for broadcast on Gulli are pre-screened by teams from the Procurement Department. There is also a viewing committee made up of several people from the station. Some programmes are also broadcast to inform and protect minors.

As part of its programming, music radio station management oversees application of the principles of respect for the individual and protection of children and adolescents. It is particularly attentive to preventing unplanned events or statements that could be disturbing for young listeners.

Radio stations and advertising brokerage companies also act in favour of child protection by broadcasting advertisements and placing advertising banners for French child protection associations on their websites.

- On the Doctissimo.fr website, a moderator's position dedicated to protection of minors was created in 2007.
- Lastly, Lagardère Services expressed its desire to contribute to youth protection, as it has for a number of years, through the Relay store network's support of a number of child protection organisations (UNICEF, Caritas, the Red Cross, etc.) in some ten countries during 2009.

ETHICS IN JOURNALISM, FREEDOM OF THE PRESS

With business activities generally focused on editorial contents publishing, Lagardère attaches particular importance to freedom of the press and actively fights for the right to inform and be informed.

At Lagardère Services, the Relay chain in France has supported Reporters Sans Frontières (RSF) for almost ten years by selling the association's annual photograph book in its stores and transferring all the proceeds to the association.

Other Group subsidiaries also support RSF through donations, allowing the use of their distribution network to promote the association's work and by allocating free advertising space.

PROMOTING READING

Three years ago at Lagardère Active, *Version Femina* established the "Version Femina/Virgin Megastore Awards". Every month from February to November, *Version Femina* proposes three novels to its readers. A panel of 150 readers, selected by lottery, choose ten books during the year. In December a panel of professionals made up of print journalists, television journalists and writers select the winner. In 2009 the panel, led by writer and director Philippe Claudel, awarded the Version Femina/Virgin Megastore Award to Agnès Desarthe for her novel *Le remplaçant*.

At Lagardère Publishing, Hachette and Hatier are involved in "Savoir Livre", an organisation which works with the French National Education authority and the Books and Reading Division of the Ministry of Culture to promote access to reading.

LAGARDÈRE ACTIVE: THE CSA, DIVERSITY AND DTT CHANNELS

"The mission of the Conseil Supérieur de l'Audiovisuel (CSA) concerning diversity on television enabled Gulli DTT and Virgin 17 to demonstrate that diversity is among their publishing line's intrinsic values. The initial results of the Diversity Barometer launched by CSA in 2009 shows that Lagardère Active's channels have virtue, while the sector's average is relatively "weak" concerning a number of criteria. These include diversity (especially representation by gender), SPC, perceived ethnic origin and disability, depending on the various programming genres and the significance of the roles. At the end of 2009, Gulli and Virgin 17 amended their agreement with the CSA and agreed to make commitments for 2010 concerning diversity. They specifically agreed to provide a clause in all co-production, pre-purchase and executive production agreements requiring the Producer to ensure that, "the diversity of French society is represented in all editorial choices concerning the Programme, both for people presented on-screen (general public, candidates, hosts, actors, etc) and for the themes addressed during the programme". Gulli is also committed to maintaining an overall level of diversity in its entertainment programmes, especially in its game shows, to ensure that the contestants constitute a balanced representation of sociological diversity that reflects society. For its part, Virgin 17 is committed to maintaining the ethnic diversity it exhibits through its music programming. Lastly, Lagardère Active channels are committed to initiatives that raise team awareness of the need to improve programming diversity in its broadcasts."

Pierre Belaisch, Programme Manager for the Television division

Lagardère Active > Sustainable Development and Advertising

**Yannick
Lacombe,**
Chief Marketing Officer,
Lagardère Publicité



Is Sustainable Development a major issue for Lagardère Publicité?

Yes, because it concerns a complex ecosystem covering areas which seem disconnected, but which share many fundamental values, such as fairness, livability, viability and sustainability, whether talking about the environment, the economy or society.

How do consumers view the issue?

According to an exclusive study carried out by the Lagardère Publicité panel, the general public associates Sustainable Development with responsible consumption (27% of the French), preserving the planet (23%) and protecting the environment (16%).

91% of the French are aware of the term “Sustainable Development” and view it as a colloquial expression. 70% of them stated that they are adequately informed about the issue, and 91% feel completely concerned.

This idea increasingly resembles a label, an assurance of ethics and responsibility: we have the right to use the Earth’s resources, but we must ensure its continued viability.

Could you say that Sustainable Development has entered the world of advertising?

All business sectors are affected, and the brands certainly understand this.

And for good reason: 55% of the French stated that they pay closer attention to advertising that highlights the ethics of a brand or product. The brand image is positively reinforced for more than 80% of them.

So it is not surprising that in 2009, we have seen a nearly 10% rise in advertising that evokes this theme.

Major brands incorporate it into their corporate communications, and also apply a demanding approach to their business partners. As part of a tender offer for media brokerage, Lagardère Publicité had to commit to very specific ethical rules or be disqualified.

This is clearly a fundamental issue in the companies’ makeup. Lagardère Publicité has clearly incorporated this issue into relationships with its partners and into its approach to growth.

B MAKE OUR CONTENT MORE EASILY ACCESSIBLE TO FRAGILISED PEOPLE

DONATION OF BOOKS

Lagardère Publishing makes extensive contributions to various initiatives to promote reading across all continents: literary competitions and prizes, reading and writing workshops, donations of books to vulnerable audiences, combating censorship, etc.

MAKING CONTENT ACCESSIBLE TO PEOPLE WITH DISABILITIES (AUDIO BOOKS, SUBTITLING, ETC.)

Lagardère Publishing makes both fiction and non-fiction contents (especially personal development works) available to the visually impaired through Audiolib, its audio book brand established in 2008, whose catalogue currently has 96 titles, 54 of which were published in 2009.

Lagardère Active is particularly attentive to the need to provide people who are deaf or hard of hearing with access to audiovisual contents. Channels in the Group's Television division incorporate subtitles under agreements with the CSA.

But the Programming Department in the France and International Television division wanted to go further by producing instructional broadcasts on French Sign Language (LSF) along with original programming on Gulli, Canal J and TiJi in partnership with associations. This programming has a two-fold objective:

- to enable deaf and hearing-impaired youth to find their place in a world of sounds and words;
- to also give hearing children the chance to enter the world of the deaf.

Starting in 2010, Gulli and Canal J will offer two programmes that introduce sign language, sponsored by Emmanuelle Laborit, the first deaf actor to receive the *Molière de la révélation théâtrale* in 1993:

Fais-moi signe: a programme to teach young viewers phrases and expressions in sign language;

À qui veut l'entendre?: a programme that follows a young hearing girl's immersion into the world of the deaf over several days.

Two programmes were also proposed for TiJi:

Sur le bout des doigts: a short programme to introduce sign language to children;

Devine quoi?: The first animated series entirely interpreted in sign language, intended for children age 3 to 6.

REDUCING THE DIGITAL DIVIDE

The fight against the digital divide also concerns the Lagardère Group, as an operator both on the Internet and on Digital Terrestrial Television (DTT) which will totally replace analogue television by 2011. On 4 February 2009, the Gulli channel actively participated in France's first switchover from analogue television to all-digital television in Coulommiers, in the greater Paris area.

Furthermore, a major share of the research projects supported by the Jean-Luc Lagardère Foundation (especially within Supélec and the CEA) contribute to narrowing this divide.

For its part, Hachette Livre also helps to reduce the digital divide among disadvantaged populations. In 2009, Hachette Livre International lent its support to *Réseau éducation pour tous en Afrique* (REPTA), a NGO directed by Gabriel Cohn-Bendit that works to get children back to school. The association tests interactive whiteboards in Burkina Faso's most isolated villages. Hachette Livre International provided digital resources to enable teachers to truly measure the impact of these new instructional practices on children who have not been to school.

Lagardère Publishing

> Study of the impact of ecological criteria on book purchases

Ronald Blunden,

Director of Communications and Chairman of the Sustainable Development Committee

Why did you launch a consumer study on this issue?

When producing durable goods – and a book is certainly one – it is essential to consider consumer reactions while we plan sustainability initiatives. Knowing their expectations, assessing their inclinations, their resistance, evaluating any extra costs they would be willing to pay – or not – for a more environmentally-friendly product... we must address these issues before changing the inherent promise between us, especially with regard to something as “heavy with meaning” as a book. For this reason, we decided to launch a market study in parallel with our preparation of the action plan.

How have you moved forward?

After issuing a call for tenders, we hired the TNS Sofres Institute. We gave them 300 “novel” or “essay”-style books and 300 “illustrated” books (cookbooks) printed on recycled paper, and 300 copies of each of these two types printed on virgin paper. A blind test was carried out among professional booksellers and 360 end-consumers at FNAC and Géant-Casino retail stores throughout France.

What lessons did you learn? What are the next steps?

The information surprised us: all things otherwise equal, consumers seemed to overwhelmingly favour recycled paper for novels and essays, but they were less unanimous – which was expected – with regard to illustrated books.

The study also provides a wealth of vital information on carbon labelling of books and the price that consumers are willing to pay to purchase such labelled books. Publishers must still be persuaded to follow the path laid out in this study by gradually increasing the number of titles printed on recycled paper. Paper producers must also be convinced to increase production capacity in France for this type of paper. Each of them is separate; therefore, progress can only be achieved through persuasion and consultation.



C LISTEN TO OUR VARIOUS AUDIENCES**AT LAGARDÈRE ACTIVE**

Readers, listeners, television viewers and Internet users are stakeholders with whom Lagardère Active hopes to engage in close dialogue. Lagardère Active's various media listen to their audience and offer ways to interact and react to articles, broadcasts, and columns. This dialogue with the public takes many different forms, depending on the medium.

- Many magazines (*Version Femina*, *Infobébés*, *Parents*, etc.) provide space for discussion with their readers through reader mail, providing opportunities to react to articles in the magazine or pose questions that are answered by experts.
- During 2009, Europe 1 travelled several times to various regions, in order to be closer to its listeners (Lille, Marseille, Lyon, Nantes and Toulouse). Europe 1 launched the Europe 1 Listeners' Club at the end of 2009 in an effort to structure this dialogue and obtain better quality feedback from listeners.
- Lagardère Active's television channels offer programmes filmed before a live audience and entertainment programmes with candidate or guest participation.
- Lagardère Active's many websites provide space to express opinions, allowing the public to react through forums, blogs and on-line polls.

AT LAGARDÈRE SERVICES

In France, Relay sales outlets provide a toll-free telephone number for customer complaints, suggestions and comments. In addition, French subsidiaries conduct regular customer opinion surveys. Focus groups are also arranged, bringing together consumers in order to better determine their expectations in different situations.

AT LAGARDÈRE PUBLISHING

As part of its discussions on future actions in the field of sustainability at the end of 2009 Hachette Livre conducted a study of its readers on the impact of ecological criteria on book purchases.

> Seminar to raise awareness of Sustainable Development



Thierry Funck-Brentano,
Co-Managing Partner,
Lagardère SCA

What were the goals of the Sustainable Development seminar held on 21 January?

First, to demonstrate the commitment of Arnaud Lagardère and his top-level managers to sustainability by bringing together approximately 100 senior managers from the various Group entities.

Second, to share social, societal and environmental initiatives undertaken by Lagardère, recognising the importance of issues presented by the different Sustainable Development managers.

Finally, to open minds by offering accounts that help us understand the changes that are taking place in society at large, and among consumers in particular, on questions of corporate ethics and responsibility.

What were the main messages delivered during this meeting?

The idea was to compare differing viewpoints and expertise on Sustainable Development to arrive at the most comprehensive and thorough approach to the subject. Using both humour and in-depth analysis, Michel Serres shed light on the current “revolution” that requires collective awareness of the need to commit to sustainability, demonstrating this through a selection of paradoxes such as “*le mou dure plus que le dur*” “the wimp outlasts the tough”.

Other participants focused on the urgent need for political decision-making to avoid or limit the risk of catastrophes that threaten future generations.

A presentation on strategic sustainability issues for companies and stakeholders also showed that a Sustainable Development approach can be profitable in terms of economics as well as image.

Corporate and division representatives then summarised actions taken and set forth pathways to the future, lending credibility to our pursuit of progress.

What lessons did you draw from the seminar?

This first important step allows us to prepare a roadmap to make the Group a recognised leader in corporate ethics and commitment, to contribute to respecting the environment and to pursue its social and societal initiatives.

There remains much learning to do within the Company, especially concerning the potential profitability of investments in Sustainable Development. For this reason, we are thinking of organising an annual Group seminar on Sustainable Development to share best practices and record our progress.

D ENCOURAGE DISCUSSION ON SUSTAINABLE DEVELOPMENT

IN-HOUSE AND EXTERNAL INITIATIVES AND EVENTS

In-house

A variety of initiatives to promote Sustainable Development within the Group continued during 2009.

Each week approximately 200 Group employees requested and received in electronic format the latest information on Sustainable Development.

At Lagardère Ressources, Sustainable Development week provided an opportunity to organise various actions, one of which was carried out in cooperation with Sodexo: “*Bien se nourrir pour mieux agir*” (“Eating well for better performance”). This partnership aims to provide daily meals prepared with organic products in the Company restaurant. An idea tree was posted in the hallway (and sent electronically) to enable employees to exchange suggestions and good practices.

In addition, on 21 January Arnaud Lagardère brought together all of the Group’s senior managers for a seminar on the strategic challenges of Sustainable Development.

A management seminar in early 2010 included a focus on “Sustainable Development” topics. The plan to lower CO₂ emissions at Hachette Livre following the Carbon Audit was revealed and explained.

Externally

- In January 2009, the Gulli television channel organised a symposium at the Palais du Luxembourg on “The media’s responsibility regarding Sustainable Development” (see below).
- For World Earth Day on 22 April, Gulli invited children to become involved in a major rally for the planet on top of one of France’s most spectacular natural sites, the Pyla Dune at the entrance to Arcachon Bay. The purpose of this event (sponsored by Pascal Obispo) was both symbolic – bringing together as many people as possible on the Pyla Dune to create the largest ever “human” tree – yet very concrete. For each person who took part, Planète Urgence will replant a tree in the “Gulli children’s forest” in Indonesia, as part of a reforestation programme carried out in partnership with Gulli.
- In October 2009, Electron Libre produced the 5th edition of the *Concert pour la Tolérance*, a Franco-Moroccan event in partnership with M6. This major international music show, which embodies the values of peace, tolerance and intercultural dialogue, enjoys great success each year.
- On 24 January, Electron Libre, in co-production with DMLS TV, produced an extraordinary free concert in support of Haiti, which was broadcast live from Le Zénith in Paris with France Télévisions, Radio France, and in association with the Ministry of Culture and Communication.
- In 2009, RFM supported the *Concert climatique* on 22 November at *Le Zénith* in Paris, a continuation of its call to action for the “*Ultimatum Climatique*” (Climate Ultimatum) rally, launched by eleven NGOs in advance of the Copenhagen summit. The station’s website relayed plans to gather signatures for this appeal, to be sent to the President of France.
- *Télé 7 Jours* entered into a partnership with *Les Ateliers de la Terre*, an international forum that brings together those involved in Sustainable Development issues.

RAISE AWARENESS THROUGH CONTENTS

All of the Group’s various media (books, magazines, radio programmes, television, Internet) strive to raise awareness of important sustainability issues facing society, presenting independent and educational information that gives readers, listeners and viewers the keys to understanding.

Magazines

The Group’s newspapers and magazines raise public awareness of environmental, social and societal issues through their contents. During 2009 *Paris Match*, *ELLE* and *Le Journal du Dimanche* devoted nearly 600 pages to these issues. This figure reflects both the significant number of events which took place in 2009 (Grenelle, the carbon tax and Copenhagen), and the public’s growing interest in these issues.

Télé 7 Jours dedicates one issue per year to “green” television and features a well-known figure to present opinions on contents and the role of ecology in television programming.

In early 2008, *Psychologies Magazine* created a section called *Vivre ensemble* that addresses citizen action and solidarity, workplace harmony and involvement in the Earth’s future.



Lagardère Active

> Sustainable Development through contents

Emmanuelle Guilbart,

Chairman
of Lagardère Active's
television channels –
France and Worldwide

How do you incorporate sustainability into your mission?

Senior Managers within our various media have specific responsibilities towards the public through the contents they produce, whether for entertainment, information, knowledge, exchanges of ideas or discussion. As a result, they maintain a special bond with their readers, listeners, television viewers and Internet users. Informing and mobilising the public on behalf of a vital issue like Sustainable Development is part of their mission.

How do you concretely show your involvement in current discussions on sustainability?

In early 2009, the Gulli television channel organised a symposium at the *Palais du Luxembourg* on “The media’s responsibility regarding Sustainable Development”. More than 260 people attended and took part in this day of discussion including journalists, broadcasters, representatives of new media and government officials, along with well-known figures such as Erik Orsenna, Yann-Arthus Bertrand, Nicolas Vanier and Nathalie Kosciusko Morizet.

The Secretary of State opened the discussion, notably stating that, “there is a kind of chemical reaction between scientific action and public opinion that is communicated via the media and spurs action”. That same morning, a group of primary school pupils presented her with a Green Notebook created with help from Gulli and their sponsor, Nicolas Vanier.

The discussion then continued throughout the afternoon, with twelve participants addressing three different topics:

- the specific responsibility of the media at a time when urgent environmental action is needed;
- education, the government, the media: a shared responsibility;
- new media helping to educate and inform the public about the environment, to create a sense of “active” responsibility.

What conclusions did you draw from this day?

It confirmed the essential role that we, the media, have to play in conveying information and supporting the cause of Sustainable Development, as well as the public’s support and high expectations of the media.

In April 2009, a special “green” issue, printed on 100% recycled paper, devoted 50 pages to sustainability with Nicolas Hulot as guest editor-in-chief. It was one of the year’s best-selling issues.

Foreign editions of *Psychologies Magazine* were also involved. Italy and China each produced a special “green” issue as well (in November 2008 and May 2009 respectively).

In May 2009, *Version Femina* launched a new column, “*C’est ma planète*” (It’s my planet) dedicated to environmental issues.

Home decor magazines (*Le Journal de la Maison, Maisons et Travaux, Art et Décoration, Mon Jardin et ma Maison, etc.*) devoted an increasing number of articles to ecological and environmental subjects related to home and garden.

Infobébés and *Infocrèche Magazine* include a “*Béb’écolo*” (Eco-baby) column.

Radio stations

Each morning on **Europe 1**, Brigitte Béjean’s report addresses major environmental subjects and presents the latest ecological news.

The Copenhagen Climate Summit was covered through special reports, broadcast live from the city, presented by Emmanuel Renard at 6:10 and Brigitte Béjean at 7:10. The station maintained website space devoted to the Copenhagen summit.

Europe 1 also formed a partnership with Nicolas Vanier’s film, *Loup*.

Virgin Radio was the official sponsor of “Tck, Tck, Tck”, launched by Kofi Annan to raise awareness and mobilise world opinion on climate change before the Copenhagen summit.

During the two weeks of the summit, RFM’s news desk focused intensely on this event.

Television channels

Virgin 17 and MCM were the first TV channels to run the video clip *Beds Are Burning*, raising awareness of the 2009 Copenhagen conference on climate change. The clip was accompanied by a banner that linked to the petition.

Through its children’s channels, Gulli raises children’s awareness of the importance of sustainability on a daily basis. The channel broadcasts recurrent programmes on nutrition to prevent obesity (*C’est moi qui régale, Goûtez et Cuisinez*) and takes up governmental initiatives that promote the cause (promotional jingles: “*Bien manger, bien bouger*”) (“Eat well, move well”).

In 2008 the channel launched the *Gulli Ma Planète* label. The name of the ecology column on its website has also become “*Gulli Ma Planète*”, and includes specific content on Sustainable Development with the ability to access ADEME content. A special operation entitled “Greenquizz” was implemented in partnership with the NGO Planète Urgence to enable children to take part in a large-scale reforestation programme while learning about preserving our world. All of these initiatives were renewed for 2009.

In 2009, **Canal J** entered into a partnership with the Danone National Cup to encourage children to take up sports.

On TiJi, special broadcasts discuss the risk of obesity during the “*Semaine du goût*” (National Taste Week - 16 to 24 October) - “*À table T’Choupi*”, “*La cuisine est un jeu d’enfant*”.

Websites

Group **websites** convey information to Internet users. Much of their content is devoted to Sustainable Development issues.

Psychologies.com and Doctissimo.fr each have dedicated blogs and forums that regularly address these issues, through files and interviews.

With nearly 8 million unique visitors every month, Doctissimo.fr is an undisputed player in patient education and empowerment.

> Coverage of the Copenhagen summit

Lagardère Active

Didier Quillot,

Chairman and Chief Executive Officer

How did Lagardère Active's various media approach the Copenhagen summit in December 2009?

To cover every minute of this event, which is crucial to the future of our planet, we mobilised all our various outlets, including radio, print media, television and the web, in France and abroad. We ensured that the public benefited from all the professionalism of our editorial staff and audiovisual production teams.

What major approaches to editorial coverage were implemented for the event?

Each day the public could track events in Copenhagen on Europe 1 and Europe1.fr, with contributions from experts such as glaciologist Jean Jouzel, winner of the 2007 Nobel Peace Prize, and leading guests such as Jean-Louis Borloo and Chantal Jouanno.

Virgin Radio sponsored the "Tck, Tck, Tck" campaign launched by Kofi Annan to raise awareness and mobilise public opinion.

Lagardère Active Radio International's foreign radio stations and websites also covered the event.

Lagardère's various French (*Paris Match* and *Le Journal du Dimanche*) and international print media devoted numerous articles to the Copenhagen summit.

Finally, LNoA Productions, a Lagardère Entertainment company, produced an all-new documentary for Canal+, *Copenhague, chronique d'un accord inachevé*, which was broadcast during prime time in January 2010.

And beyond Copenhagen?

Lagardère Active's various media strive to respond to today's issues and the public's expectations, while anticipating new stakes for tomorrow's world.

2009 saw a strong surge in sustainability issues across all of our media. Due to their editorial lines, some of these are more specifically oriented to this issue, such as for example the children's channel Gulli, the Doctissimo portal and *Psychologies Magazine*.

In one way or another, all of our media have incorporated sustainability into their content to raise public awareness of the issue.



2.4 BE A MEDIA GROUP THAT CREATES SOCIAL COHESION

Lagardère Group has a variety of commitments. Although the Jean-Luc Lagardère Foundation and the ELLE Foundation are at the forefront of creating social cohesion, all of the Group's various media are committed to actions for solidarity. In 2009, Lagardère Group contributed a little over €3 million to various associations.

Free space donated by Lagardère Active in 2009 through various media (Press, Radio, Television, Internet) represented the equivalent of €3.1 million. This amount corresponds to the gross rate for the contributed space.

This free space was provided to important humanitarian, environmental and social causes: health, research, disability, environment, solidarity, child protection, road safety, etc.

Several of the Group's media are involved in solidarity actions and partnerships that embody Lagardère's social commitment.

For example, the magazine *Version Femina*, in partnership with 14 regional daily newspapers, awards the "Les Femmes *Version Femina*" prize each year. This prize awards women who take action in their regions to promote solidarity, education and defence of cultural heritage, who advance their respective regions and improve the human condition. Readers of each regional daily newspaper elect a local candidate to represent their region in the final. In 2009, three winners among 14 finalists were selected by a celebrity jury. The 9th edition of the prize was awarded to an attorney from Clermont-Ferrand, founder of *Six-Trois*, a job placement association/company.

Lagardère Sports supports sport activities within Paris.

In Israel, a subsidiary supports research into juvenile diabetes by collecting funds during sporting events.

In Germany, a subsidiary arranges donations for event participants in support of education in Germany.

In Singapore, a subsidiary makes donations to schools in Lebanon.

In Sweden, a subsidiary is involved in an anti-cancer programme as well as a child protection programme.

THE ELLE FOUNDATION

Established in December 2004, the ELLE Foundation is an extension of the magazine's fundamental concept: "Support the development, emancipation and place of women in society". It is a simple and enlightening fact: of every 100 children who do not attend schools in developing countries, 60% are girls. The Foundation supports innovative, sustainable initiatives promoting education for girls, social integration of women without qualifications through vocational training, and higher education scholarships for young women facing financial challenges.

The Foundation offers financial support to projects proposed and implemented by associations and NGOs under French law, submitted to and approved by its Board of Directors which meets two or three times a year.

The Foundation's mission is to serve as a partner. By mobilising assistance from companies and institutional partners, it magnifies its actions. For every approved project, the ELLE Foundation seeks a financial partner that enables it to at least double its investment. The financial grant is directly paid to the beneficiary.

In 2009, the ELLE Foundation continues to be active through associations it supports in Afghanistan, Morocco, Kenya, the Palestinian territories, China, Chechnya, India and France. New actions were initiated in 2009, specifically in Cambodia, Burkina Faso, Mexico and Colombia.

The Jean-Luc Lagardère Foundation

> Apprenti'Bus



Renaud Leblond,
Director of the
Jean-Luc Lagardère
Foundation

Why is the Foundation involved in Apprenti'Bus?

The Jean-Luc Lagardère Foundation supports numerous initiatives that enhance the role of sport in the city. It promotes programmes that create gateways to culture through sport. This openness lies at the heart of the Sport dans la Ville project, an association which covers the entire Lyon metropolitan area and is the number one French association for integration through sport. The 2,000 young people in the Sport dans la Ville association have little or poor mastery of basic reading, writing and communication skills. Yet future job prospects depend on mastery of these fundamental skills. This fact drove Sport dans la Ville to create the Apprenti'Bus programme.

What does this partnership specifically involve?

Since 2 November, a bus fitted out as a classroom travels around Lyon, Vaulx-en-Verin and Bron. Four evenings a week it hosts 100 children, ages 9 to 13, for reading, writing and communication workshops.

The Jean-Luc Lagardère Foundation co-funds this programme. With this support, Sport dans la Ville developed specific instructional content which is presented through games based on the world of sport.

What lessons have you already learned?

The first months have been very encouraging. The children have been diligently following the new programme with great enthusiasm, and academic improvement has already been observed. Once again, it shows that for young people at risk, sport – along with music – are the areas which best promote the desire to learn.

A

COMMITTED TO SUPPORTING CULTURE AND SPORT

The Jean-Luc Lagardère Foundation, which celebrated its 20th anniversary in 2009, aims to convey Lagardère's commitment to culture, research and sport, and strives to lend confidence, aim for excellence and create solidarity.

- **In the cultural arena**, in 2009 eleven writers including David Foenkinos – a Jean-Luc Lagardère Foundation award winner in 2003 – served as ambassadors for French literature at New York University's Festival of New French Writing. The French authors met with eleven American authors. They were able to talk, share their respective experiences with literary creation and compare their world views. In addition, thanks to the Foundation, the Visual System group was able to participate in Crossing in the Line, a contemporary art festival presented by FIAF (French Institute Alliance Française). The festival is an interdisciplinary event presenting the most recent works of French and American artists.
- **In the sports arena**, the Foundation pursued a number of commitments including a partnership with *Sciences Po*, which offers customised continuing education to top athletes who are preparing for a change of profession.

The Foundation also entered into a partnership with the Sport dans la Ville association in Lyon to support the Apprenti'Bus project.

B

SHOW SOLIDARITY AND PROMOTE THE EMERGENCE OF YOUNG TALENT**TALENT GRANTS FROM THE JEAN-LUC LAGARDÈRE FOUNDATION**

Every year since 1989, the Foundation has awarded grants to young talents under age 30 in the world of culture and the media. Awards are presented in twelve categories, selected by prestigious panels: Writer, Film Producer, Television Screenwriter, Musician, Bookseller, Print Journalist, Photographer, Documentary Filmmaker, Animation Filmmaker and Digital Designer.

Since its creation, 181 award winners (including 12 new winners in 2009) have received €4,130,000, of which €265,000 was awarded this year. In addition to the financial compensation, the grant presented to each winner serves as a springboard for their career.

PARTNERSHIPS IN SUPPORT OF YOUTH

Lagardère Group is involved in several partnerships that provide young people with opportunities.

The first is with the association Nos quartiers ont des talents, which assists young graduates (with a minimum of four years of higher education) from sensitive areas, who have a 50% lower chance of obtaining job interviews. A sponsorship system involving company employees has been set up to support them in their search for work.

In 2009, the Group developed a similar initiative with another association Unis-Cité to tutor young people in areas with less targeted profiles than Nos quartiers ont des talents. Founded in 1995 and already active in twenty-four metropolitan areas, Unis-Cité is a pioneering civil service association in France. It coordinates a wide range of public-interest missions for the benefit of the community in general, including programmes designed to reduce discrimination and social exclusion, provide support for the elderly and disabled, and encourage more ecologically responsible behaviour by the public. In addition to making financial contributions, the Jean-Luc Lagardère Foundation is setting up an individual support programme that offers sponsorship and training. In terms of sponsorship, the Group and its subsidiaries agreed to find 24 sponsors, most of whom are from Lagardère Services, to advise and offer support to these 24 volunteers. At the end of June, the mentees received their civil service certificates. In terms of training provided to Unis-Cité, a number of volunteer trainers (including Group employees) will make themselves available to the association to assist with this task. The partnership aims to give Lagardère employees an opportunity to individually work with Unis-Cité on special social solidarity projects.

Furthermore, as part of the partnership with the Ministry for Cities for the "Gateways to Excellence" operation via the Jean-Luc Lagardère Foundation, the Lagardère Group also tries to give talented young people from working class areas a chance to succeed through corporate internships.

Lagardère Services

> Partnership with Unis-Cité



**Frédéric
Renaud,**

Executive
Vice President
Human Resources
and Communications

Why Unis-Cité at Relay?

The involvement of Lagardère Services – and more specifically its Relay France subsidiary – in Unis-Cité simply stands for itself.

Present on most railway networks in France where it operates, our company – more than any other Lagardère Group entity – is in daily contact with outlying urban areas. It is easy for those who work there to observe the younger generation's intelligence and potential drive.

From this viewpoint, it seems especially appropriate and rewarding to support this approach that aims to give these young people a jump start. They are ready to live life to the full, but they lack the keys to prepare for their future.

How did this partnership operate?

We asked Relay France managers, and especially the Company's senior managers, to prepare a series of interviews with about 15 young people involved in the programme to offer advice and guide them as they prepare to find their first job.

The principale mission of these enthusiastic mentors was to reinforce sensible, well-founded decisions, affirm their beliefs, alleviate doubt and offer logistical assistance as need be.

What lessons have you drawn from this partnership?

A satisfactory outcome: we were pleased to recruit one of these young people whose profile, limited experience and level of study corresponded to an entry-level position in the Company.

One regret: not finding out what happened to most of them, though believing that what we offered enabled them to take off and be liberated from our brief guidance..

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3 SOME TOOLS



3.1 METHODOLOGY AND SCOPE

A - Scope of consolidation _____	63
B - Standards used for reporting _____	63

3.2 INDICATORS AND CROSS-REFERENCE TABLES

A - GRI Index _____	64
B - Indicators _____	66
C - NRE reference _____	68

3.1 METHODOLOGY AND SCOPE

A SCOPE OF CONSOLIDATION

The reporting system used to collect **labour and social** information has been deployed at all consolidated subsidiaries which are operationally managed by the Group, with the exception of:

- entities disposed of or deconsolidated during the financial year;
- certain entities acquired during the financial year, for which the reporting system will be implemented gradually as they are integrated into the Group;
- certain entities with fewer than 5 employees.

The labour and social data (with the exception of data pertaining to changes in the total number of Lagardère employees) covers 179 Group companies, representing more than 95% of Lagardère's total workforce. This coverage rate is almost 80% for Lagardère Services, 99% for Lagardère Publishing, 99% for Lagardère Active (print media, audiovisual) and 95% for Lagardère Sports. Geographic coverage varies from 90% to 100% of employees depending on the area.

Environmental information concerning water and energy consumption is integrated into the Group's financial data consolidation system. The corresponding data covers 100% of Lagardère's **consolidated** subsidiaries, representing about 550 companies. As reporting on **water and energy consumption** has been incorporated into the financial reporting system, changes in the scope of this reporting system is identical to changes in the scope of financial reporting. Companies acquired in the course of the year are included in the scope for the entire year in which the acquisition took place, and companies disposed of are removed from the scope at the disposal date. The relevant data is taken into account up to the actual disposal date.

B STANDARDS USED FOR REPORTING

- **Labour reporting** follows the Group's Human Resources policy while taking into account the specific needs of each business and geographical area. Labour and social reporting standards can be accessed through the Intranet by more than 200 staff contributors. They specify the procedures for data collection and reporting, defining the selected indicators and the calculation formulas used to ensure satisfactory, uniform comprehension by all contributors.

For reporting in France, Lagardère continues to apply the classification distinguishing between Executives/managers and other employees/non-managers rather than the statutory reference of "*Cadre/non-Cadre*" used for local labour reporting. Lagardère's workforce is therefore divided into four occupational groups: Executives (*Cadres Dirigeants*), Managers (*Cadres*), Journalists (including Photographers) and other employees.

- **The standards for reporting on water, energy and paper consumption** define the selected indicators and the procedures relative to data collection and reporting. This standard is sent to all the employees involved in reporting such information.

Other environmental indicators selected correspond to the specific environmental issues of each business division; the corresponding data is consolidated and verified at the level of the business divisions, on the basis of the information communicated by their subsidiaries.

The methodologies relative to certain labour and environmental indicators may present limitations due to:

- difficulties in interpreting the data by some contributors, due to the absence of internationally-recognised definitions;
- the necessary use of estimations, or the practicalities of data collection and entry.

3.2 INDICATORS AND CROSS-REFERENCE TABLES

A GRI INDEX

GRI Index and content	Report Heading	Pages
Strategy and analysis		
1.1 Statement from the most senior decision-maker	Message from Arnaud Lagardère	5
Organisational profile		
2.1 Name of the organisation	A leading media group	7-8
2.2 Primary brands, products and/or services		
2.3 Operational structure of the organisation		
2.4 Location of organisation's headquarters		
2.5 Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		
2.6 Nature of ownership and legal form	Governance and ethics	9
2.7 Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	A leading media group	7-8
2.8 Scale of the organisation		
Report Parameters		
3.1 Reporting period (e.g., fiscal/calendar year) for information provided.	Methodology	63
3.2 Date of the most recent previous report, if any		
3.3 Reporting cycle (annual, biennial, etc.)		
3.4 Contact point for questions regarding the report or its contents		
3.5 Process for defining report content		
3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)		
3.7 Specific limitations on the scope or boundary of the report		
3.8 Basis for reporting on joint ventures, subsidiaries, and other entities that can significantly affect comparability from period to period		
3.10 Explanation of the effects of any restatement of information provided in earlier reports and the reasons for such restatement (e.g., acquisitions, change of base years/periods, nature of business, measurement methods)		
3.11 Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report		
3.12 Table identifying the location of standard disclosures in the report	GRI Index	64
Governance, commitments and engagement		
4.1 Governance structure of the organisation, including committees under the highest governance body (Board of Directors or other) responsible for specific tasks such as setting strategy or organisational oversight	Governance and ethics	9
4.2 Indicate whether the Chairman of the Board (or other) is also an Executive Officer (and if so, their functions within the organisation's management and the reasons for this arrangement)		

GRI Index and content	Report Heading	Pages
Governance, commitments and engagement		
4.3 For organisations that have a unitary board structure (or similar structure), state the number of independent and/or non-executive members	Governance and ethics	9
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the Board of Directors (or similar body)		
4.14 List of stakeholder groups included in the organisation	Dialogue with stakeholders	19
4.15 Basis for identification and selection of stakeholders with whom to engage		
Performance indicators		
Labour practices and decent work indicators		
LA1 Total workforce by employment type, employment contract and region	Ensure workforce balance and diversity	23 & 66
LA2 Total number and rate of employee turnover by age group, gender and region		
LA4 Percentage of employees covered by collective bargaining agreements	Promote harmonious working conditions	27
LA7 Rates of workplace injury, occupational diseases, absenteeism, lost working days and total number of work-related fatalities by region		27 & 66
LA10 Average hours of training per year per employee by employee category	Encourage development of skills	29
LA13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other diversity indicators	Ensure workforce balance and diversity	25 & 66
LA14 Ratio of base salary of men to women by employee category		28
Human rights indicators		
HR4 Total number of incidents of discrimination and actions taken	Ensure workforce balance and diversity	26 & 66
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	Promote harmonious working conditions	27 & 67
Environmental indicators		
EN1 Materials used by weight or volume	Efficient and responsible paper management	31
EN4 Indirect energy consumption by primary source	Introduce environmental concerns into the organisation of our businesses	40
EN8 Total water withdrawal by source		
EN16 Total direct and indirect greenhouse gas emissions by weight		41
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Section 2.2 Develop our business with respect for the environment	31 - 45
EN28 Monetary value of significant fines and total number of non-monetary sanctions for failure to comply with environmental laws and regulations	Section 2.2 Introduction	31

B INDICATORS

Lagardère Group has identified certain indicators that appear in the following tables.

Some of them correspond to the principal standards (NRE Act, GRI, Global Compact). Others are sectoral indicators specific to the Group's business.

Summary of indicators

Indicators	Unit	Geographical area or scope	2008	2009	GRI		
Economy							
Amount of donated gifts	€	Group		3 million			
Amount of donated public space		Lagardère Active		3.1 million			
Social							
Workforce							
Total	No.	Group	29,889	29,519	LA1		
Open-ended contract	%		91	91			
Fixed-term contract			9	9			
Part time			12.2	12.07			
Temporary workers	No.		2,782	1,260	LA13		
Executives	%		2.6	2.5			
Managers			25.8	27			
Journalists and Photographers			9.2	8			
Other employees			63.4	62.5			
Workforce by geographical region	%		France	33	34	LA1	
		Europe excluding France	46.8	45			
		Continental America	15.4	15.5			
		Asia	2.8	3.4			
		Other	2	2.1			
Recruitments/separations							
Total recruitments	No.	Group	7,736	5,077	LA2		
Hires	%		79	77			
Merger			6	8			
Transfers			9	8			
Conversions			6	7			
Total separations	No.		7,231	6,475			
Resignation	%		55	42			
Redundancy			11	14			
Redundancy for economic reasons			7	10			
Termination of contracts			10	16			
Transfers			5	4			
Retirement			3	3			
Other			9	11			
Diversity							
Female Senior Executives	%		Group	0.8		0.8	LA13
Female Managers				13.4		14.2	
Female Journalists and Photographers		5.8		5			
Other female employees		38		38			
Total women		58		58			
Employees under age 30				27.5			
Employees between age 30 and 50				55.2			
Employees over age 50				17.3			
Disabled employees within permanent workforce	%	8.2	8.9	HR4			
Total number of incidents of discrimination	No.	0	0				
Labour standards: absenteeism							
Sickness	days/person	Group	5.2	5.2	LA7		
Maternity/paternity leave			3.1	3.2			
Accidents			0.4	0.4			
Accident frequency rate			1 per million	9.85		8.18	
Accident severity rate	%		0.32	0.29			

Indicators	Unit	Geographical area or scope	2008	2009	GRI
Labour relations					
Employees covered by collective agreement	%	France		71	LA4
		Europe excluding France		39	
		Continental America		39	
		Asia		20	
Collective agreements in force	No.	France		396	HR5
		Europe excluding France		43	
		Continental America		8	
		Asia		46	
Operations identified in which the right to exercise freedom of association and collective bargaining may be at risk		Group		0	
Training					
Average number of training days per employee	No.	Group	2.28	2.02	LA10
Percentage of permanent workforce that has taken at least one training course	%		47	49.9	
Average training expenses per employee under permanent contract	€		724	705	
Environment					
Materials					
Volume of paper consumed	tonne	Lagardère Active	350,000	277,000	EN1
		Lagardère Publishing	140,000	153,000	
Rate of wastage	%	Lagardère Publishing France	88.1	87.7	EN26
Percentage of paper from certified forests		Lagardère Publishing	65	67	
Average rate of unsold copies		Lagardère Active	30.4	29.2	
Rate of recycling for unsold copies		Lagardère Publishing France	-	97	
Tertiary consumption					
Electricity	kwh	Group	182,906,830	191,900,476	EN4
Gas			55,413,827	58,419,172	
Fuel oil			2,441,087	2,690,007	
"Green" energies			7,282,209	6,909,446	
Water consumption			m ³	700,934	
CO₂ emissions					
Total emissions	teqCO ₂	Group	80,346	84,749	EN16
CO ₂ electricity			64,654	67,807	
CO ₂ gas			8,743	10,816	
CO ₂ fuel oil			6,454	7,112	
Environmental management					
Percentage of paper suppliers certified ISO 14001	%	Lagardère Publishing	95	92	
Regulatory compliance					
Amount of significant funds for failure to comply with laws and regulations	€	Group	0	0	EN28
Total number of non-monetary sanctions	No.		0	0	

C NRE REFERENCE
Correspondence table with the NRE Act

Article R225-104	Labour information	Report heading
1.a	Total workforce, hirings (fixed term/open-ended contract), redundancies and reasons, overtime, etc.	Ensuring workforce balance and diversity
1.b	Workforce reduction and job protection plans, employee conversion schemes, etc.	Ensuring workforce balance and diversity
2	Organisation of working hours, absenteeism, etc.	Promote harmonious working conditions
3	Pay and changes in pay, social security charges, profit sharing, etc.	Promote harmonious working conditions
4	Relations between workforce and management and review of collective agreements	Promote harmonious working conditions
5	Health and safety conditions	Promote harmonious working conditions
6	Training	Encourage development of skills
7	Employment and integration of disabled workers	Ensuring workforce balance and diversity
8	Employee benefits	
9	Scale of subcontracting	Dialogue with the stakeholders
	The way the Company takes into consideration the territorial impact of its business activities on employment and regional development	Be a media conglomerate that creates social cohesion
	Relations with society	Be a media conglomerate that creates social cohesion
Article R225-105	Environmental information	Report heading
1	Consumption of water, raw materials and energy	Introduce environmental concerns into the organisation of our businesses
	Measures taken to improve energy efficiency and reliance on renewable energy	
	Conditions for use of soil, discharge, pollution and waste	
2	Measures taken to limit harm to the ecological balance, natural environments and protected animal and plant species.	
3	Company evaluation/certification processes	Introduce environmental concerns into the organisation of our businesses
4	Measures taken to ensure that company business complies with law	
5	Expenses incurred to avoid impact of company activities on the environment.	
6	Internal environmental management departments	Organising the role of Sustainable Development
	Employee training and information	Encourage discussion on Sustainable Development
	Resources dedicated to reducing environmental risks	
7	Amount of provisions and guarantees for environmental risks	
8	Amount of compensation paid during the financial year in execution of a court decision concerning the environment	
9	All items concerning goals the Company assigned to its foreign subsidiaries under Articles 1 to 6	

Lagardère

A French Limited partnership with shares
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divided into 131,133,286 shares
of €6.10 par value each

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