

## RULES OF PROCEDURE OF THE BOARD OF DIRECTORS DE LAGARDERE SA

*(Adopted June 30, 2021)*

Concerned with the application of corporate governance practices within Lagardère SA (the "**Company**"), the Board of Directors, acting as a collegial body, has adopted these rules of procedure, which are intended to:

- to specify and complete its organizational and operational procedures; and
- to recall certain ethical and legal rules which each member is individually bound to respect.

In the event of difficulty of interpretation between the provisions of these rules of procedure and those of the bylaws, the latter shall prevail, subject to the specific majority rules provided for in Article 3 of these rules of procedure.

It is solely internal in nature; it cannot be invoked against third parties. It may only be invoked by the Company with respect to its corporate officers or persons attending meetings of the Board of Directors or its specialized committees. It may not be invoked by third parties or by shareholders against the Company or its corporate officers.

### Article 1 - Duties of the Board of Directors

The Board of Directors deliberates on matters falling within its competence under the law and the by-laws and acts in all circumstances in the corporate interest of the Company.

The Board of Directors determines the direction of the Company's business and ensures that it is implemented in accordance with its corporate interest, taking into account, in particular, the social and environmental challenges of its business in accordance with the law (Article L. 225-35 of the French Commercial Code) and the Company's by-laws. Subject to the powers expressly attributed to shareholders' meetings and within the limits of the corporate purpose, the Board deals with any issue concerning the proper operation of the Company and settles matters concerning it through its deliberations.

It carries out the checks and controls it deems appropriate.

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In particular, and without this list being limitative, the Board of Directors, in accordance with the legal and regulatory provisions in force and under the conditions and according to the procedures set out in the present rules of procedure:

- is competent to convene the General Meeting of Shareholders of the Company and to set its agenda;
- examines and approves the parent company and consolidated financial statements and prepares the annual management report;
- authorizes the agreements referred to in Articles L. 225-38 et seq. of the Commercial Code;
- authorizes the guarantees, endorsements and undertakings, which guarantee commitments made by third parties, as referred to in Article L. 225-35 of the Commercial Code;
- chooses the method of exercising the general management of the Company, in accordance with Articles 15.1 and 15.2 of the by-laws;
- appoints, replaces or removes:
  - the Chairman of the Board of Directors;
  - Executive Director;
  - and if necessary, on the proposal of the Chief Executive Officer, the Deputy Chief Executive Officer(s);
- appoints, if necessary, on the proposal of the Chief Executive Officer, the Assistant Chief Executive Officer(s);
- approves any significant transaction that is not part of the company's announced strategy;
- determines the powers of the Chief Executive Officer and, if necessary, in agreement with the latter, those of the Deputy Chief Executive Officer(s) and the Assistant Chief Executive Officer(s);
- may co-opt a director;
- establishes the compensation policy for corporate officers (directors, Chairman of the Board of Directors, Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer(s)) and determines the elements of compensation in accordance with the applicable policy;
- appoints the members of the committees created in accordance with the provisions of the law, the bylaws and these Board of Directors' Rules of Procedure;
- authorizes the Chief Executive Officer of the Company, with the right to sub-delegate, to grant sureties, endorsements and guarantees, under the conditions he shall determine.

To this end, the Board of Directors shall meet as often as required in the interest of the Company and at least once every quarter.

The Board of Directors appoints a Chairman from among its members, who is a natural person, for a term that may not exceed his or her term of office as a director, and who may be re-elected. The Chairman organizes and directs the work of the Board of Directors and reports to the

General Meeting. He also ensures that the corporate bodies operate efficiently. He coordinates the work of the Board of Directors with that of the committees.

The Board of Directors appoints, if it deems it necessary, a Vice-Chairman from among its members. The Vice-Chairman is called upon to substitute for the Chairman in the event of his temporary incapacity or death. This substitution is valid: (i) in the event of temporary impediment, for the duration of the impediment; (ii) in the event of death, until the election of the new Chairman.

The Board may grant, with or without the right of substitution, all delegations of authority to its Chairman or to any other agent it designates, subject to the limitations provided by law.

## **Article 2 - Independent members**

The Board of Directors will endeavor, as far as possible, to include a proportion of independent members corresponding to half of the members of the Board in office, excluding members representing employees.

The independence of a director is determined by the Board of Directors on the recommendation of the Appointments, Remuneration and CSR Committee; the director concerned may, if he or she so wishes, take part in the deliberations concerning his or her qualification with respect to the criterion of independence, and in any event present any useful observations on this subject to the Board of Directors and the Appointments, Remuneration and CSR Committee.

The criteria to be used by the Board of Directors and the Appointments, Remuneration and CSR Committee to determine whether a director can be considered independent are the criteria set out in the AFEP-MEDEF corporate governance code in force.

Each year, the qualification of each director as independent is discussed by the Appointments, Remuneration and CSR Committee and examined on a case-by-case basis by the Board of Directors in light of this analysis grid.

The Board of Directors may consider that a director who does not meet these criteria is nevertheless independent.

The qualification of independent directors is also discussed when a new director is appointed and when directors' terms are renewed.

The conclusions of the Board of Directors' review of the independence of directors are disclosed to shareholders in the corporate governance report.

## **Article 3 - Meetings of the Board of Directors**

Each year, the Board of Directors decides on a schedule of meetings for the coming year, as proposed by its Chairman.

Meetings should be of sufficient duration to deliberate meaningfully on the agenda.

A member of the Board of Directors may give a written mandate to another member of the Board of Directors to represent him/her at a meeting of the Board of Directors.

Each member of the Board of Directors may hold only one proxy at one meeting received in application of the preceding paragraph.

The provisions of the two preceding paragraphs are applicable to the permanent representative of a legal entity.

The general meeting may, on the proposal of the Board of Directors, appoint an observer (“*censeur*”), who must be a natural person chosen from among or outside the shareholders, to assist the Board of Directors. The General Meeting may dismiss him or her at any time. The Board of Directors determines his or her remuneration. The observer is convened to all meetings of the Board of Directors under the same modalities as the members of the Board of Directors and takes part in the deliberations in a solely consultative capacity, without his or her absence affecting the validity of these deliberations. All the obligations of the directors hereunder are applicable to the observer.

The Deputy Chief Executive Officer(s), if they are not members of the Board of Directors, will participate in the meetings of the Board of Directors, unless the Board of Directors decides otherwise. To this end, the Deputy Chief Executive Officer(s) are convened to all meetings of the Board of Directors in the same manner as the members of the Board of Directors.

Meetings may be called by any written means (including e-mails) by the Chairman of the Board of Directors or, in his absence, by the Vice Chairman.

Notices of meeting are given within a reasonable time before the meeting (this time may be short in the event of a duly justified emergency), and mention the agenda for the meeting, which is set by the person giving the notice. However, the Board of Directors may meet without delay and without a pre-established agenda: (i) if all the directors in office are present or represented at such meeting, or (ii) if it is convened by the Chairman during a shareholders' meeting.

At least one third of the directors may at any time request the Chairman to convene the Board of Directors on a specific agenda. If the Chairman does not comply with this request within 7 calendar days, the directors who requested the convening of the Board of Directors will be entitled to convene the Board of Directors directly on the agenda initially communicated to the Chairman.

Meetings of the Board of Directors are held either at the registered office or at any other place indicated in the notice of meeting.

The meetings of the Board of Directors are chaired by the Chairman of the Board. If the Chairman is unable to attend, they are chaired by the Vice-Chairman of the Board. If the Vice-Chairman is unable to attend or is absent, the Board of Directors appoints its own Chairman of the meeting.

The participation of at least half of the members of the Board of Directors is necessary for the validity of its deliberations.

Decisions are taken by a simple majority of the members present or represented. As an exception, the following decisions are taken by the Board of Directors under the conditions of qualified majority stipulated below:

- sales of important assets: any transfer of any of the subsidiaries or business units representing, individually or in the aggregate over any twelve-month period a turnover in excess of (x) 50 million euros in the case of subsidiaries or business units included in the publishing business, (y) 100 million euros in the case of subsidiaries or business units included in the travel retail business, or (z) 10 million euros in the case of subsidiaries or business units included in the media business (radio and print media), may not be decided upon without the prior approval of the Board of Directors given by a majority of three-fifths of the members of the Board of Directors (regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken), it being specified that any amendment to the present by-laws resulting in a change in the decision-making method for such decisions must be approved by the same majority of three-fifths of the members of the Board of Directors (e.g. 7 members out of 11, regardless of the quorum, if the Board of Directors has 11 members);
- appointment of the Chief Executive Officer and the Deputy Chief Executive Officer(s): in accordance with the by-laws, for a period of six years from June 30, 2021, decisions to dismiss and replace the Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer(s), or to appoint a new Chief Executive Officer or Deputy Chief Executive Officer(s) or assistant managing directors, shall be taken by a majority of two-thirds of the members of the Board of Directors, regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken (it being specified that the Chief Executive Officer and/or the Deputy Chief Executive Officer, if they are Directors, may take part in the vote on these deliberations) (for example, 8 members out of 11, regardless of the quorum, if the Board of Directors has 11 members).
- remuneration of the Chief Executive Officer and the Deputy Chief Executive Officer(s): in accordance with the by-laws, for a period of six years from June 30, 2021, decisions relating to the determination of the remuneration of the Chief Executive Officer and, where applicable, of the Deputy Chief Executive Officer(s), if they concern a reduction in such remuneration or a tightening of its terms, must be taken by a majority of two-thirds of the members of the Board of Directors, regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken; it being specified that other decisions relating to the determination of such remuneration shall be taken by the Board of Directors by a simple majority of the members of the Board of Directors of the Company.

In the event of a tie, the Chairman of the meeting has the casting vote.

Members of the Board of Directors may, under the conditions permitted by law and applicable regulations, participate in meetings of the Board of Directors by videoconference or telecommunication means, including telephone conference calls (the "**Means of Telecommunication**"). The Chairman shall ensure that these means allow the identification of the members of the Board of Directors and guarantee their effective participation in the meeting of the Board of Directors, the deliberations of which must be broadcast continuously. In order

to guarantee identification and effective participation in the meeting of the Board of Directors, these Means of Telecommunication must transmit at least the voice of the participants and meet technical characteristics that allow for continuous and simultaneous transmission of the proceedings. Any person participating in the remote meeting must identify himself or herself, and the presence of any person from outside the Board must be indicated and approved by all the directors participating in the meeting.

Members of the Board of Directors attending meetings of the Board of Directors by Means of Telecommunication are deemed to be present for the purposes of calculating the quorum and majority, except for the adoption of decisions specifically excluded by law, in particular those provided for in Articles L. 232-1 and L. 233-16 of the French Commercial Code (preparation of the parent company financial statements and consolidated financial statements as well as the reports referred to in the said Articles).

The minutes shall state the identity of the directors who participated remotely in the meeting, the nature of the means of communication used and any transmission incident that occurred during the meeting and that disrupted the proceedings.

Documents enabling the members of the Board to carry out their duties are sent to them in good time. The members of the Board of Directors receive with the notice of meeting the agenda for the Board of Directors' meeting as well as the information necessary for them to make an informed decision on the subjects on the agenda.

An attendance register shall be kept, signed by the members of the Board participating in the meeting and which, if applicable, shall indicate the names of the members participating in the deliberations by Means of Telecommunication.

The deliberations of the Board of Directors are recorded in minutes, signed by the Chairman of the meeting and at least one director or, if the Chairman of the meeting is unable to attend, by at least two directors. The minutes are kept in accordance with the legal and regulatory provisions and the articles of association.

The minutes of each meeting shall indicate the names of the members present in person or by Means of Telecommunication, represented, excused or absent. The minutes shall indicate the presence or absence of persons summoned to the meeting by virtue of a legal provision and the presence of any other person who attended all or part of the meeting.

The minutes of the meeting summarize the discussions and clearly state the deliberations of the Board of Directors. They must mention the questions raised, the reservations expressed and, if applicable, the identity of the members who voted against the deliberations.

Each member shall be provided with a copy of the minutes of the Board of Directors meeting in which he or she participated as soon as the minutes are prepared, and, to the extent possible, no later than fifteen (15) days after each meeting.

Each member of the Board shall be entitled to reimbursement of reasonable travel expenses incurred in the performance of his or her duties upon presentation of receipts.

Once a year, the Board discusses its operation (which involves a review of the Board's specialized committees), which is reported in the Company's corporate governance report, so

that shareholders are kept informed each year of the evaluations carried out and, where applicable, of the action taken.

In accordance with Article 12 of the Company's by-laws, in the cases exhaustively provided for by law, decisions of the Board of Directors may also be taken by means of written consultation at the request of the Chairman of the Board of Directors.

In the event of a written consultation, at the request of the Chairman, the Secretary of the Board shall send to each director and observer by any means of communication, including electronic, the text of the draft decision or decisions, the documents required to inform the members of the Board of Directors and the date by which the author of the notice must receive the director's vote. Unless the directors unanimously agree, this period for response may not be less than five (5) days from the date on which the written consultation is sent.

The vote is expressed by "yes" or "no" for each decision, it being recalled that the observer has a pure consultative vote. The reply is sent to the Secretary of the Board by any means, including electronically. Any director who does not reply within the time limit is considered to have abstained.

The Secretary of the Board consolidates the votes of the directors on the proposed resolution and informs the Board of the result of the vote. Where appropriate, this information includes the comments made by the directors. Decisions are formalized in minutes, signed and transcribed in the register of the decisions of the Board.

## **Article 4 - Duties of the members of the Board of Directors**

As indicated in its annual report on corporate governance, the Company has declared that it complies with the provisions of the AFEP-MEDEF corporate governance code in force.

The following rules apply to the members of the Board of Directors, as the case may be, natural persons and legal entities, as well as to the permanent representatives of legal entities that are members of the Board of Directors.

### **4.1 General obligations**

Before accepting his duties, each member of the Board of Directors shall ensure that he is aware of the general or specific obligations incumbent upon him. Members of the Board of Directors have a duty to be familiar with the general and specific obligations incumbent on them by virtue of their office, as well as with the legal and regulatory texts, the Company's by-laws and the rules of procedure adopted by the Board.

Each member of the Board of Directors must ensure that he or she complies with the legal and regulatory provisions governing the duties of a member of the Board of Directors of a société anonyme, as well as with the provisions of the Company's by-laws and these internal rules of the Board of Directors, and in particular with the rules relating to:

- the definition of the powers of the Board of Directors;
- to the accumulation of mandates;

- incompatibilities and disabilities;
- agreements entered into directly or indirectly between a member of the Board of Directors and the Company; and
- the possession and use of privileged or confidential information.

The members of the Board of Directors shall inform the Board of Directors and the Appointments, Remuneration and CSR Committee of any situation of financial and/or commercial conflict of interests, even if it is potential, and shall abstain from attending the debate and voting on the corresponding deliberations.

#### **4.2 Obligation of confidentiality and reserve**

Directors must respect the rules of confidentiality that apply to members of a board of directors in accordance with the laws.

If a third party who is not a director is invited to a meeting of the Board of Directors or to the preparatory work for such a meeting, the Chairman of the Board reminds him of his confidentiality obligations with regard to the information gathered during or prior to the meeting in question.

#### **4.3 Duties of care - Multiple mandates**

The director must devote the necessary time and attention to his duties.

Each member of the Board of Directors is committed to attendance:

- by attending, to the extent possible, all meetings of the Board, by Means of Telecommunication if necessary;
- by attending, as far as possible, all General Meetings of Shareholders;
- by attending meetings of committees established by the Board of Directors of which he or she is a member.

The Corporate Governance Report provides shareholders with all relevant information on the participation of individual directors in these sessions and meetings.

The Chairman of the Board of Directors or the Chief Executive Officer is required to provide each director with all documents that are useful or necessary for the performance of his duties.

In addition, the directors may, through the Chairman of the Board of Directors, request that the Company transmit certain documents to which they have access by law and which they consider useful; these documents must be transmitted by any means that ensure their confidentiality.

Each member of the Board of Directors is required to comply with the legal rules governing the plurality of offices applicable to public limited companies. Any member of the Board who is or may become in breach of these rules must rectify the situation within three (3) months. Each director must keep the Board of Directors informed of the offices held in other companies, including participation in the Board committees of these French or foreign companies.

#### 4.4 Ownership of the Company's shares

The members of the Board endeavor to hold a relatively significant number of shares. Thus, each member of the Board of Directors (other than members representing employees or employee shareholders) is required to hold 150 shares of the Company in a pure registered account.

### Article 5 - Audit Committee

In accordance with the law, the Board of Directors has set up an Audit Committee with the following tasks:

- monitoring the financial reporting process and, where appropriate, making recommendations to ensure its integrity;
- examining the draft annual and half-yearly parent company and consolidated financial statements of the Company and its subsidiaries (together referred to as the "**Group**" or the "**Lagardère Group**") before they are submitted to the Board;
- ensuring the relevance and consistency of the accounting methods and principles adopted for the preparation of the Company's consolidated and parent company financial statements, and the quality, completeness, accuracy and fairness of the financial statements;
- monitoring the effectiveness of the internal control and risk management systems, and where appropriate the internal audit, with respect to procedures relating to the preparation and processing of accounting and financial information;
- ensuring the existence and reliability of internal control procedures, particularly with regard to risk exposure, including social and environmental risks;
- to issue a recommendation on the statutory auditors proposed for appointment by the general meeting or for renewal, as well as on their remuneration;
- ensure that a corruption prevention and detection system is in place;
- to examine the agreements between Group companies and the Company's managers;
- to ensure the independence of the statutory auditors.

The Audit Committee reports regularly to the Board of Directors on the performance of its duties. It informs the Board without delay of any difficulties encountered.

The Audit Committee shall consist of between three and seven members, including its Chairman, of whom at least two-thirds, including the Chairman, shall be independent members. These members shall be chosen from among the directors, excluding those in management positions and Members Linked to a Competing company (as defined in [Appendix 1](#)). At least

one of the independent members of the committee shall have particular expertise in financial, accounting or auditing matters.

Its own rules of procedure are attached to this document ([Appendix 2](#)).

The Chairman of the Audit Committee reports or arranges for the reporting of the work of the Audit Committee to the members of the Board.

## **Article 6 - Appointments, Remuneration and CSR Committee**

The Board of Directors has set up an Appointments, Remuneration and CSR Committee, whose tasks include:

In terms of Board and committee membership:

- define the selection criteria for future candidates;
- make recommendations on the evolution of the composition of the Board of Directors and the profiles of the candidates.

With regard to the appointment of corporate officers:

- to give an advisory opinion to the Board of Directors on the proposed appointment or reappointment of the Chairman and Chief Executive Officer (or the Chief Executive Officer, as the case may be) and, where applicable, of the Deputy Chief Executive Officer(s);
- ensure that the composition of the Company's management bodies is prepared for the future, in particular through the establishment of a succession plan for executive directors.

With respect to compensation:

- to propose the amount of the total annual remuneration allocated to the members of the Board of Directors to be submitted to the General Meeting;
- to propose to the Board of Directors the compensation policy applicable to corporate officers (members of the Board of Directors and its committees, the Chairman of the Board, the Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer(s)), which is submitted to the General Meeting;
- propose to the Board of Directors the elements of compensation in accordance with the applicable policy.

In the area of governance :

- periodically review the independence of the members of the Board of Directors in light of the independence criteria set out in the AFEP-MEDEF Code;
- managing the annual evaluation process of the functioning of the Board and its committees;
- assessing the risks of conflicts of interest between members of the Board of Directors and the Group (in conjunction with the Ring Fencing Officer if the ring fencing mechanism is applicable) and make proposals to the Board of Directors, including any specific adjustments to this mechanism that may be appropriate to deal with particular cases;
- review the non-discrimination and diversity policy implemented by senior management, particularly with regard to the balanced representation of women and men in management bodies.

In terms of sustainable development (CSR):

- examine the main risks and opportunities for the Group in terms of social, societal and environmental issues and the CSR policy implemented;
- review the *reporting*, evaluation and control systems to enable the group to produce reliable non-financial information;
- review the main lines of communication to shareholders and other stakeholders regarding social and environmental responsibility;
- review and monitor the ratings obtained by the Group from non-financial rating agencies.

The Appointments, Remuneration and CSR Committee is composed of three to five members, the majority of whom, including the Chairman, are independent members. These members are chosen from among the directors, excluding those exercising management functions and Members Linked to a Competing company (as this term is defined in Appendix 1). The Committee's own internal rules of procedure are attached to this document (Appendix 3).

The chairman of the Appointments, Remuneration and CSR Committee reports or has reported to the members of the Board on the work carried out by the Appointments, Remuneration and CSR Committee.

## **Article 7 - Adoption - Amendment**

These Rules of Procedure shall enter into force on the day of their adoption by the Board of Directors by a simple majority of its members. Any amendments and/or additions to these Rules of Procedure shall be voted by the Board by a simple majority of its members, it being specified, however, that any amendment to these Rules of Procedure that results in a change in the qualified majority for decision-making on any transfer of any of the subsidiaries or business units representing, individually or in the aggregate over any twelve-month period a turnover in excess of (x) 50 million euros in the case of subsidiaries or business units included in the publishing business, (y) 100 million euros in the case of subsidiaries or business units included in the travel retail business, or (z) 10 million euros in the case of subsidiaries or business units included in the media business (radio and print media), as provided for in Article 3 of these Rules of Procedure, must be approved by a three-fifths majority of the members of the Board of Directors.

These rules of procedure shall be communicated to each director before he or she takes office.

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Appendix 1

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*Ring fencing measures*

## 1. Preamble

1. Competition law prohibits agreements and concerted practices between two or more companies which have as their object or effect the prevention, restriction or distortion of competition.
2. Exchanges of information between competitors may constitute an illicit agreement if they are likely to reduce, for the participants in the market, uncertainty about the competitive functioning of the market by artificially increasing its transparency or by facilitating the coordination of their behavior.
3. Exchanges between competitors involving sensitive and non-public information are prohibited. Sensitive information refers to the strategic information of companies operating on the relevant market, including, but not limited to, prices, costs, margins, sales volumes and market shares, suppliers and customers, detailed business plans, budgets, major investments or projects, performance and results (the “**Sensitive Information**”).
4. The measures set forth in this Appendix, referred to as “Ring fencing”, are intended to prevent the exchange of Sensitive Information and, more broadly, any unlawful agreement between competing companies within the Company's Board of Directors and committees.

## 2. Scope of application

5. This Appendix defines the restrictions and specific obligations which apply, in addition to the duties provided for in Article 4 of the Internal Regulations, to members of the Board of Directors appointed on a proposal of a company competing with the Lagardère Group.
6. The notion of competing company refers cumulatively to (i) any company which is directly involved in one or more product or service markets in which the Lagardère Group is involved, (ii) any company belonging to its group and (iii) any individual who directly or indirectly controls or is related to these companies (“**Competing company**”).
7. For the purposes of this Article, any person controlled by this company; any person who controls this company; and any person controlled directly or indirectly by the same person as the person who controls this company are deemed to belong to the same group as a company directly competing with Lagardère Group. The notion of control is defined in accordance with Regulation (EC) No. 139/2004.

## 3. Duties of the members of the Board of Directors appointed on a proposal of a company competing with the Lagardère Group

8. The duties of the members of the Board of Directors appointed on a proposal of a company competing with the Lagardère Group differ depending on whether they are (i) linked to the Competing company by an employment contract, an executive or director's term of office or a significant business relationship (“**Members Linked to a Competing company**”) or (ii) independent from the Competing company (“**Independent Members**”).

### **3.1. Duties of the Members Linked to a Competing company**

#### **3.1.1. Incompatibilities**

9. Members Linked to a Competing company may not hold any position whatsoever within a company that is a direct competitor of the Lagardère Group (i.e. a company belonging to the Competing company that itself carries out competing activities on the relevant market(s)).
10. In the event that a Member Linked to a Competing company holds such a position prior to his or her appointment as a member of the Company's Board of Directors, he undertakes to terminate such position prior to his actual appointment as a member of the Company's Board of Directors.
11. This incompatibility applies throughout their term of office as a member of the Board of Directors of Lagardère SA and for a period of one year following the end of said term of office.
12. At the end of their term of office as a member of the Board of Directors of Lagardère SA, Members Linked to a Competing company may, if they so wish, ask the Company's Board of Directors to lift, in whole or in part, the incompatibility defined in paragraphs 9 and 11 above.
13. The Board of Directors of the Company decides on this request by a simple majority, after receiving the joint opinion of the Ring Fencing Officer and an independent third party, taking into account the length of the term of office of the Member Linked to the Competing company, his effective participation in meetings of the Board of Directors of Lagardère SA and the information provided to him or her in connection with his term of office.

#### **3.1.2. Duties of Members Linked to a Competing company within the Board of Directors**

##### *a) Access to information*

14. Members Linked to a Competing company shall receive the documents given to the members of the Board of Directors (agendas of Board meetings, meeting files, data packs, minutes, etc.) in a version redacting all Sensitive Information with respect to the Competing company that proposed their appointment.
15. In the event that Members Linked to multiple Competing companies are recipients of these documents, they shall be prepared in as many versions as necessary to ensure that each Member Linked to a Competing company has access to a redacted version that only takes out the Sensitive Information relating to the Competing company that proposed its appointment.

##### *b) Participation of Members Linked to a Competing company in meetings of the Board of Directors*

16. Members Linked to a Competing Company shall receive invitations to meetings of the Board of Directors and may participate in its meetings, either physically or by means of Telecommunications, under the following conditions.

17. Members Linked to a Competing company may participate in discussions on any matter that does not involve the disclosure of Sensitive Information with respect to the Competing company that proposed their appointment.
18. Members Linked to a Competing company must leave the meeting (physically or, as the case may be, by disconnecting from the Means of Telecommunication used) when the matters discussed in the Board of Directors lead to the disclosure of Sensitive Information with respect to the Competing company that proposed their appointment.
19. The agenda of the meeting should identify such matters in advance, so as to allow the Ring Fencing Officer, as defined below in Section 4, or the Chairman of the meeting to indicate such matters at the beginning of the meeting and then to ask, when appropriate, the relevant Members Linked to a Competing company to leave the meeting.
20. When the agenda of the meeting does not allow for the identification of such matters in advance, the Ring fencing Officer, the chairperson of the meeting or any other member of the Board of Directors may intervene during the meeting to ask the Members Linked to a Competing company to leave the meeting if any Sensitive Information is discussed.
21. The minutes of the Board of Directors meetings shall indicate when Members Linked to a Competing company have left the meeting.
22. Minutes of Board meetings shall be provided to Members Linked to a Competing company with all items discussed in their absence redacted.
23. In the event that a meeting of the Board of Directors deals exclusively with sensitive matters relating to the business involving a competitive relationship with a Competing company, the Members linked to the said Competing company shall not participate in the meeting and the minutes of such meeting shall not be communicated to them. The dismissal and replacement of the Chief Executive Officer and the sale of a subsidiary or business representing, individually or in aggregate over any twelve-month period, sales in excess of (x) 50 million euros in the case of subsidiaries or businesses involved in the publishing business (y) 100 million euros in the case of subsidiaries or businesses involved in travel retail, or (z) 10 million euros in the case of subsidiaries or businesses involved in the media business (radio and print media), do not fall into this category.

*c) Participation in deliberations*

24. Members Linked to a Competing company shall refrain from voting on any matter that may influence the Company's strategy and business policy in the market(s) in which the Competing company that proposed their appointment is active.
25. It shall be noted, as the case may be, that if Members Linked to a Competing company are unable to vote pursuant to the previous paragraph on a decision for which a vote by a qualified majority of the votes available to the members of the Board of Directors is required in accordance with the Articles of Association or the Internal Regulations of the Board of

Directors (in particular Articles 12 of the Articles of Association and 3 of the Internal Regulations), their votes, that have not been cast, shall not be subtracted from the denominator, and shall therefore be treated as negative votes.

*d) Enhanced confidentiality obligation*

26. Members Linked to a Competing company shall not disclose to the Competing company, or to any person linked to the Competing company, any Sensitive Information with respect to the Competing company that proposed their appointment, which they have received prior to, at or following meetings of the Company's Board of Directors.
27. They are also prohibited from communicating to a company that is a direct competitor of the Lagardère Group, any information that they have received relating to the market(s) in which the Competing company that proposed their appointment is present, whether or not this information constitutes Sensitive Information.
28. Conversely, Members linked to a Competing company undertake not to communicate to the Company's Board of Directors any Sensitive Information relating to the Competing company that proposed their appointment of which they may have become aware as a result of their links with the Competing company.

3.1.3. Restrictions applicable to Members Linked to a Competing company within the committees of the Board of Directors

29. Members Linked to a Competing company may not exercise any function on committees established by the Board of Directors.

**3.2. Duties of the Independent Members**

*a) Notion*

30. The independence of a member of the Board of Directors with respect to a company competing with the Lagardère Group is assessed by the Appointments, Remuneration and CSR Committee in accordance with the applicable criteria set forth in the AFEP-MEDEF corporate governance code.
31. Independent Members are required to report without delay any factor likely to affect their independence with respect to the Competing company that proposed their appointment. They undertake, pending a decision on their independence by the Appointments, Remuneration and CSR Committee, to comply with the measures applicable to Members Linked to a Competing company, as defined in section 3.1 above.

*b) Exemption from certain Ring fencing measures*

32. Given their independence from the Competing company that proposed their appointment, Independent Members are exempt from the restrictions and duties set forth in sections 3.1.2 a), b) and c) and 3.1.3. above. They may thus:

- access all information communicated to the members of the Board of Directors, including Sensitive Information;
  - participate in all meetings of the Board of Directors;
  - vote on all matters discussed by the Board of Directors;
  - serve on all committees established by the Company's Board of Directors, without limitation.
33. Independent Members are subject to the enhanced confidentiality obligation provided for in section 3.1.2. d) above. They must therefore refrain from communicating to the Competing company, and to any person related to it, any Sensitive Information concerning the Competing company that proposed their appointment, received before, during or after the meetings of the Company's Board of Directors.
34. They are also prohibited from communicating to a company competing directly with the Lagardère Group, any information that they have received relating to the market(s) in which the Competing company that proposed their appointment is present, whether or not this information constitutes Sensitive Information.

#### 4. Implementation and enforcement of Ring fencing measures

##### *a) Individual adherence to Ring fencing measures*

35. Each member of the Board of Directors appointed on a proposal from a Competing company shall, prior to their appointment, adhere to the Ring fencing measures provided for in this Appendix, by means of an individual written commitment, the model of which shall be provided to them by the Company.
36. In the event of a breach of the obligations provided for in this Appendix by a member of the Board of Directors appointed on a proposal of a Competing company, this member of the Board of Directors shall be deemed to have resigned automatically with immediate effect.

##### *b) Ring fencing Officer*

37. The Secretary of the Board of Directors is designated as the Ring fencing Officer. He or she shall ensure the proper application of this Appendix.
38. In this capacity, the Ring fencing Officer is responsible for:
- redacting the documents given to the members of the Board of Directors, before, during or after the meetings of the Board of Directors, of any Sensitive Information with respect to a Competing company;
  - ensure that Members Linked to a Competing company only receive versions with such Sensitive Information redacted with respect to the Competing Company that proposed

their appointment;

- ensure compliance with the obligation of Members linked to a Competing company to leave the Board of Directors meeting when Sensitive Information is discussed;
  - ensure that Members Linked to a Competing company do not take part in the vote on the deliberations referred to in article 3.1.2. c) above;
  - refer to the Appointments, Remuneration and CSR Committee whenever there is any doubt as to the independence from a Competing company of one of the Independent Members appointed on the proposal of a Competing company, and provide it with any information that may be useful for its assessment.
39. Any member of the Board of Directors may request that the Ring fencing Officer disclose to an independent third party bound by a confidentiality agreement the information that the Ring fencing Officer has redacted so that the independent third party can ensure that it does not go beyond what is necessary to comply with competition law.
40. The Ring fencing Officer will also answer any questions from the Company's officers, directors and employees regarding the implementation of the measures provided for in this Appendix.
41. In the event that one or more members of the Board of Directors fail to comply with the Ring fencing measures, the Ring fencing Officer will immediately alert the Chief Executive Officer of the Company so that all appropriate measures can be taken.

## Appendix 2

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### Internal rules of the audit committee

## **RULES OF THE AUDIT COMMITTEE**

*(Adopted June 30, 2021)*

### **1) Composition**

- The Audit Committee consists of three to seven members, including its Chairman, appointed by the Board of Directors.
- At least two-thirds (2/3) of the members of the Committee shall be selected from among the independent directors of the Company.
- The committee shall not include any executive officer or member otherwise holding a management position, nor any Member Connected to a Competing Company (as this term is defined in Appendix 1).
- In addition, at least one of the independent members of the committee must have specific expertise in financial, accounting or auditing matters, based on his or her training and experience.
- The members of the audit committee must also have the necessary financial and/or accounting knowledge.
- The term of office of the members of the Audit Committee coincides in principle with their term of office as directors, as the case may be; however, the Board of Directors may, if it deems it appropriate, terminate the term of office of a director on one or more committees on which he or she sits before the end of his or her term of office as director.
- The Board of Directors appoints the Chairman of the Audit Committee from among its independent members. The committee chooses a secretary from among or outside its members.

### **2) Missions of the Audit Committee**

In accordance with the law, the Audit Committee's main task is to monitor issues relating to the preparation and control of financial and non-financial accounting information, and the effectiveness of internal audit and risk management systems. Without prejudice to the powers of the Board of Directors, this committee is responsible in particular for the following tasks

- It monitors the process of preparing financial information and, where necessary, makes recommendations to ensure its integrity. It examines the draft annual and half-yearly company and consolidated financial statements of the Group before they are submitted to the Board. It ensures the quality of the information provided to shareholders.
- It ensures the relevance and consistency of accounting methods and principles, examines any difficulties encountered in applying accounting methods and endeavors to prevent any possible failure to comply with these rules. It examines the scope of consolidation and, where appropriate, the reasons why companies are not included. It examines major transactions in which a conflict of interest may have arisen. It makes recommendations to ensure the integrity of the transactions.

- It monitors the effectiveness of the internal control and risk management systems, as well as, where appropriate, the internal audit, with regard to procedures relating to the preparation and processing of accounting and financial information, without prejudice to its independence. In this context:
  - it hears the heads of internal audit and risk control and gives its opinion on the organization of their departments. It is informed of the internal audit program and receives the internal audit reports or a periodic summary of these reports;
  - it regularly reviews the Group's financial situation and main risks, examines significant risks and off-balance sheet commitments, and assesses the importance of any malfunctions or weaknesses that are reported to it, and informs the Board if necessary;
  - more specifically, it examines, with regard to the internal audit: (i) its activities, and in particular the proposed assignments in the context of the audit plan; (ii) its organization and operation; (iii) its achievements.
- It ensures the existence of internal control procedures, and in particular procedures relating to (i) the assessment and management of risks, including those of a social and environmental nature, and (ii) compliance by the Company and its subsidiaries with the principal regulations applicable to them. The Audit Committee is informed at this meeting of any observations and/or suggestions made by the statutory auditors concerning these internal control procedures.
- It makes a recommendation on the statutory auditors proposed for appointment by the general meeting or for reappointment, and on their remuneration.
- It examines the agreements linking, directly or indirectly, Group companies to the Company's managers.
- It ensures that a corruption prevention and detection system is in place.
- It monitors the statutory auditors' performance of their assignment. It examines with the statutory auditors their intervention plans, their conclusions and their recommendations, as well as the follow-up given to them.
- It ensures that the statutory auditor complies with the conditions of independence laid down by law.
- It approves in advance any work that is ancillary or directly complementary to the audit of the accounts and decides on the provision of services other than the certification of the accounts requested from/by the statutory auditors, in compliance with the applicable legal provisions.
- It reports regularly to the Board of Directors on the performance of his duties. This report covers the performance of his duties, the results of the audit, the manner in which the audit contributed to the integrity of the financial information and the role it played in this process. It informs the Board without delay of any difficulties encountered.

The Audit Committee is kept informed of significant financial projects and/or decisions.

### 3) **Operating procedures**

- **Meetings**: The Audit Committee meets at least four times a year, with the power to hold additional meetings as required, at the call of its Chairman or at the request of the Chairman of the Board. In addition, any member of the Audit Committee may propose to the Chairman of the Audit Committee that a meeting be held if he or she deems it necessary to discuss a particular matter.
- **Convening**: Audit committee meetings may be convened by any written means (including e-mails).
- **Information for audit committee members**: documents relating to items on the agenda of the meeting must be sent to audit committee members within a reasonable time.
- Members of the Audit Committee may participate in meetings by videoconference or conference call.
- **Quorum**: A quorum of at least half of the members is required for an Audit Committee meeting.
- **Majority**: Recommendations, proposals, conclusions or opinions are taken by a simple majority of the members present at the meeting, each member having one vote. In the event of a tie, the chairman of the committee shall have the casting vote.
- As part of its work, the Audit Committee meets with the statutory auditors, the Chief Financial Officer, the Chief Accountant, the Director of Internal Audit, and any other senior manager of the Company that it deems useful.
- In the course of its work, the Audit Committee has access to all information made available to the Company's statutory auditors.
- The Audit Committee submits to the Board of Directors for approval any proposed amendments to its regulations.
- **Reporting on the work of the Audit Committee**: the Chairman of the Audit Committee reports to the members of the Board on the work carried out by the Audit Committee and informs it without delay of any difficulties encountered. In addition, each meeting of the Audit Committee is the subject of minutes drawn up by the secretary of the Audit Committee, sent to all members of the Audit Committee, insofar as possible, within fifteen (15) days following each meeting, submitted for approval by the members of the Committee and signed by its chairman and another member of the Committee. Each year the Committee prepares a summary of its activities during the previous year, which is communicated to shareholders in the management report and the corporate governance report.

**Appendix 3**

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**Rules of Procedure of the  
Appointments, Remuneration and CSR Committee**

**RULES OF PROCEDURE OF THE  
APPOINTMENTS, REMUNERATION AND CSR COMMITTEE**

*(Adopted June 30, 2021)*

The purpose of these rules of procedure is to specify the composition, powers and operating procedures of the Appointments, Remuneration and CSR Committee.

**1) Composition**

- The Appointments, Remuneration and CSR Committee is composed of three to five members of the Board of Directors, appointed by the Board for their term of office.
- The Board of Directors appoints one of the independent members thus appointed as chairman of this committee.
- The Appointments, Remuneration and CSR Committee must at all times comprise at least a majority of independent members. It must not include any executive corporate officer or any Member Affiliated with a Competing Company (as this term is defined in Appendix 1). The criteria for independence are determined by the Board of Directors in accordance with the principles of corporate governance.
- The Appointments, Remuneration and CSR Committee appoints a secretary who may be chosen from outside its membership.

**2) Tasks of the Appointments, Remuneration and CSR Committee**

Without prejudice to the powers of the Board of Directors, which it may not replace, the role of the Appointments, Remuneration and CSR Committee is to assist the Board of Directors, and thus prepare its work, in examining the following matters.

***2.1 -Tasks of the Committee relating to the composition of the Board of Directors and its committees, the appointment of corporate officers and compensation***

In terms of **Board and Committee membership**, the Committee is responsible for, among other things:

1. Define criteria for selecting future candidates for appointment to the Board of Directors to be proposed to the Shareholders' Meeting, including the desirable balance of the composition of the Board and its committees in light of the composition and changes in the Company's shareholder base, knowledge of the Group's main businesses, representation of the various functions that enable the Board to carry out its mission, diversity, etc.;
2. To consider all nominations for membership on the Board of Directors or for membership on any committee;

3. Select and propose candidates for Board and/or Committee membership;
4. Assess the appropriateness of renewing the terms of office of members of the Board of Directors and its committees.

With regard to the **appointment of corporate officers**, the committee is responsible for:

1. Giving an advisory opinion to the Board of Directors on the proposed appointment or reappointment of the Chairman and Chief Executive Officer (or the Chief Executive Officer, as the case may be) and, where applicable, of the Deputy Chief Executive Officer(s);
2. Ensuring that the composition of the Company's management bodies is prepared for the future, in particular by drawing up a succession plan for executive directors in order to be in a position to propose succession solutions to the Board in the event of vacancy.

With respect to **compensation**, the Committee is responsible for, among other things:

1. Making recommendations and proposals to the Board of Directors with a view to the latter's determination of the compensation policy for executive directors. These recommendations and proposals may concern: remuneration, pension and welfare schemes, supplementary pensions, benefits in kind, various pecuniary entitlements, and the granting of bonus or performance shares, stock options or stock purchase options to the Company's executive directors;
2. Defining the methods for determining the variable portion of the compensation of executive directors and monitor their application;
3. Reviewing the proposed grants of stock options and bonus shares to executive directors in order to enable the Board of Directors to:
  - determine the maximum percentage of the remuneration, according to market standards, that the value (according to IFRS standards) of the options and/or shares granted to each beneficiary may not exceed;
  - define the maximum percentage of options and shares that may be granted to executive directors in relation to the overall budget voted by the shareholders;
  - determine the number of shares definitively granted and/or obtained by the exercise of options that each of the beneficiaries must keep until the termination of his or her functions within the general management of the Company and/or the number of shares that each must acquire in addition to these shares,
4. Proposing the amount of the total annual remuneration allocated to the members of the Board of Directors and the Committees to be submitted to the General Meeting;
5. Making a recommendation on the amount and terms of distribution of the compensation allocated to the members of the Board of Directors and the members of the committees.

The Committee also assists in preparing the sections of the annual report relating to compensation policy and the report on the compensation of corporate officers before it is submitted to shareholders for approval. The Committee also ensures that the amount of fixed,

variable and exceptional compensation paid or awarded for the previous year is consistent with the policy approved by shareholders.

In addition, the Committee is informed of the compensation policy for the main non-corporate officers. On this occasion, the Committee involves the executive directors in its work.

## ***2.2 -Tasks of the Committee relating to governance.***

In terms of **corporate governance**, the Committee's mission is to give its opinion on any question relating to the governance of the Company or the operation of its corporate bodies. In this respect, it is notably responsible for:

1. Proposing, as necessary, an update of the rules of governance;
2. Periodically reviewing the independence of the members of the Board of Directors in light of the independence criteria set forth in the AFEP-MEDEF Code;
3. Leading the annual evaluation process of the functioning of the Board of Directors and its committees and following up on its conclusions;
4. Assessing the risks of conflicts of interest between members of the Board of Directors and the Lagardère Group (in conjunction with the Ring Fencing Officer if the ring fencing mechanism is applicable) and make proposals to the Board of Directors, including any specific adjustments to this mechanism that may be appropriate to deal with particular cases;
5. Ensuring that the internal rules of the Board of Directors and the recommendations of the AFEP-MEDEF corporate governance code in force are properly taken into account in the operation of corporate bodies;
6. Being informed of the recommendations issued by voting advisory agencies on governance issues;
7. Reviewing the non-discrimination and diversity policy implemented by the general management, particularly with regard to the balanced representation of women and men in management bodies;

## ***2.3 -Tasks of the committee relating to sustainable development (CSR).***

In terms of **sustainable development**, the committee's mission is to:

1. Examine the main social, societal and environmental risks and opportunities for the Group, in light of the issues specific to its missions and activities;
2. Review the CSR policy of the group;
3. Review the *reporting*, evaluation and control systems to enable the group to produce reliable non-financial information;
4. Review the main lines of communication to shareholders and other stakeholders regarding social and environmental responsibility;

5. Review and monitor the ratings obtained by the group from non-financial rating agencies. In particular, the Committee may be consulted by the Audit Committee on proposed audit assignments relating to its areas of responsibility.

The Committee may also be called upon to study any question that may be submitted to it by its Chairman, the Board of Directors or senior management in connection with any of the above matters.

### 3) **Operating procedures**

#### ➤ Convocations

The Appointments, Remuneration and CSR Committee meets at least twice a year and whenever it deems necessary. It meets in any event before each Board of Directors meeting with an item on the agenda that falls within its remit, and in particular whenever the composition of the Board of Directors is to be changed, either for re-election or for appointment.

Meetings of the Appointments, Remuneration and CSR Committee are called by its Chairman, either on his own initiative or on the initiative of the Chairman of the Board of Directors. Each member of the Appointments, Remuneration and CSR Committee may propose to the Chairman of the Committee that a meeting be held if he or she considers it necessary to address a particular issue.

Meetings of the Appointments, Remuneration and CSR Committee may be convened by any by any written means (including e-mails).

Members of the Appointments, Remuneration and CSR Committee may participate in meetings by videoconference or conference call.

#### ➤ Information for members of the Appointments, Remuneration and CSR Committee

Documents relating to items on the agenda of the meeting must be sent to the members of the Appointments, Remuneration and CSR Committee within a reasonable time.

#### ➤ Meetings

A quorum of at least half of the members present (in person or by videoconference or conference call) is required for a meeting of the Appointments, Remuneration and CSR Committee.

Recommendations, proposals, conclusions or opinions are made by a majority of the members present at the meeting, each member having one vote. In the event of a tie, the Chairman of the Committee shall have the casting vote.

In carrying out its duties, the Appointments, Remuneration and CSR Committee may interview the Chairman of the Board of Directors, executive directors or any other person designated by the Committee.

Members of the Committee shall refrain from participating in the deliberations of the Committee when these are intended to make recommendations concerning them.

#### ➤ External Advisors

The Appointments, Remuneration and CSR Committee may call on external advisors/service providers specializing in nominations, remuneration (such as recruitment firms), governance or CSR within financial envelopes validated by the Board of Directors and in line with usual practices in this area.

➤ Rules of procedure

The Appointments, Remuneration and CSR Committee submits any proposed amendments to its rules to the Board of Directors for approval.

➤ Report on the work of the Appointments, Remuneration and CSR Committee

Minutes of each meeting of the Appointments, Remuneration and CSR Committee are drawn up by its secretary and sent to all members of the Audit Committee, as far as possible, within fifteen (15) days of each meeting and submitted to the members of the Committee for approval, and then signed by its chairman and another member of the Committee.

The Chairman of the Appointments, Remuneration and CSR Committee reports regularly to the members of the Board on the work carried out by the Committee and, in particular, on the opinions and formulations it has issued to enable the Board to deliberate.

Each year the Committee prepares a summary of its activities during the past year, which is communicated to shareholders via the management report and the corporate governance report.