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CORPORATE GOVERNANCE REPORT

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Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

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Ladies and Gentlemen,

In accordance with the final paragraph of article L. 225-37 of the French Commercial Code (*Code de commerce*), we hereby present the report on corporate governance which contains all of the information required under articles L. 225-37-4, and L. 22-10-09 to L. 22-10-11 of said Code.

The additional information on the matters referred to in paragraph 2 of article L. 22-10-10 of the French Commercial Code is covered in section 2.4.3 – Diversity and gender balance in human capital.

This report was prepared with the assistance of the Board Committees, the Board Secretary and the Group Secretary General. It was approved by the Board of Directors on 14 March 2022, after review by the Board Committees.

2.1 GENERAL PRINCIPLES OF LAGARDÈRE SA'S GOVERNANCE

AFR

2.1.1 CORPORATE GOVERNANCE CODE

The Company has applied the corporate governance principles laid down in the Afep-Medef Corporate Governance Code revised in January 2020 (Afep-Medef Code).

The most up-to-date version of the Afep-Medef Code is available in the Governance section of Lagardère's website as well as on the website of the Association française des entreprises privées (Afep) in the section dedicated to governance.

In accordance with article L. 22-10-10 4° of the French Commercial Code, this report includes a summary table setting out the recommendations of the Afep-Medef Code that the Company has decided not to apply or which it has only partly applied to date, along with the reasons for those decisions (see section 2.2.5).

2.1.2 GOVERNANCE STRUCTURE

2.1.2.1 COMBINATION OF THE ROLES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

At the Annual Ordinary and Extraordinary General Meeting held on 30 June 2021, the Company's General Partners and Limited Partners approved the conversion of the Company into a joint-stock company (*société anonyme*) with a Board of Directors.

At the first Board of Directors' meeting held after the Company's conversion, as had been previously announced to the Company's shareholders when the conversion project was presented, the directors decided that the Company's general management would be assigned to the Chairman of the Board of Directors and that he would therefore hold the position of Chairman and Chief Executive Officer. The Board appointed Arnaud Lagardère – who up until the Company's conversion had been Managing Partner of Lagardère SCA – as Chairman and Chief Executive Officer of the Company for the six-year term of his directorship, and appointed Pierre Leroy as Deputy Chief Executive Officer for the same term.

The Board believes that combining the roles of Chairman of the Board of Directors and Chief Executive Officer is in the Company's best interests. This means that the Group can be administered and managed in a more agile manner, particularly during this period of transformational change that the Group is currently experiencing, and in view of the health crisis. This form of governance also fits with the Board's aim of maintaining a stable management structure by enabling Arnaud Lagardère and Pierre Leroy to continue the executive management duties that they exercised in the Company when it was a partnership limited by shares, with added focus on operational excellence and cash generation.

Lastly, this type of governance structure makes strategic decision-making more effective and will help optimise the Group's economic and financial performance, while creating a direct link between management, shareholders and the Board of Directors.

2.1.2.2 DISTRIBUTION AND BALANCE OF POWERS

The new governance rules put in place after the Company was converted are the result of constructive dialogue between its main shareholders. The governance rules applied meet all of the relevant legal requirements and are in full compliance with governance best practices, as illustrated by the fact that:

- the majority of the Board's members are independent directors and there are two employee directors;
- the proportion of women on the Board exceeds the legal requirements;
- the Board has two standing Committees – the Audit Committee and the Appointments, Remuneration and CSR Committee – as well as an *ad hoc* Committee set up specially to examine the proposed public tender offer for Lagardère announced by Vivendi SE (see section 2.2.3 for a presentation of the membership structure and main roles and responsibilities of the Board Committees);
- the three Board Committees are chaired by an independent director;
- an employee director sits on the Appointments, Remuneration and CSR Committee; and
- the Board of Directors' membership reflects the Company's shareholding structure, as all of the directors apart from the employee directors elected by the Group Employees' Committee, put forward by the Company's main shareholders and appointed at the 30 June 2021 Annual General Meeting.

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

Chairman and Chief Executive Officer

In accordance with French law, the Company's Articles of Association and the Board's Rules of Procedure, the Chairman and Chief Executive Officer chairs Board meetings, organises and directs the Board's work and reports thereon at the Annual General Meeting. In this capacity, he also ensures that the Company's administrative and management bodies operate efficiently and that the members of the Board are able to effectively fulfil their duties.

The Chairman and Chief Executive Officer has the broadest powers to act in any circumstances in the name of the Company. The Chief Executive Officer exercises these powers within the limit of the corporate purpose and subject to the powers expressly attributed by law to the General Meeting and to the Board of Directors. He represents the Company in its relations with third parties.

On 30 June 2021, the Board of Directors appointed Arnaud Lagardère as Chairman and Chief Executive Officer for a six-year term.

Deputy Chief Executive Officer

The Company's Articles of Association provide that, on the recommendation of the Chief Executive Officer, the Board of Directors may appoint one or more individuals to assist the Chief Executive Officer, who would hold the title of Deputy Chief Executive Officer.

On 30 June 2021, on the recommendation of Arnaud Lagardère, the Board of Directors appointed Pierre Leroy as Deputy Chief Executive Officer for a six-year term.

The Deputy Chief Executive Officer has the same powers as the Chief Executive Officer.

The Board of Directors

In accordance with the applicable laws, the Company's Articles of Association and the Board's Rules of Procedure, the Board of Directors determines the Company's overall business strategy and ensures that it is implemented in the best interests of the Company, taking into consideration the social and environmental aspects of the Company's operations. Subject to those powers expressly attributed to the General Meeting, and within the limits of the corporate purpose, the Board addresses all matters concerning the smooth running of the Company and, through its deliberations, controls all matters concerning it.

The Board of Directors proceeds with such controls and verifications as it deems appropriate.

In particular, in accordance with applicable laws and regulations and under any terms and conditions set out in the Rules of Procedure, the Board of Directors, inter alia:

- convenes General Shareholders' Meetings and draws up the agenda;
- reviews and approves the parent company and consolidated financial statements, and prepares the annual management report;
- authorises the agreements referred to in articles L. 225-38 *et seq.* of the French Commercial Code;
- authorises the deposits, endorsements and guarantees undertaken by third parties and referred to in article L. 225-35 of the French Commercial Code;
- chooses the method of General Management organisation, in accordance with articles 15.1 and 15.2 of the Articles of Association;
- appoints, replaces or removes from office the Chairman of the Board of Directors, the Chief Executive Officer and, on the recommendation of the Chief Executive Officer, the Deputy Chief Executive Officer(s);
- appoints, where applicable, the assistant managing director(s) on the recommendation of the Chief Executive Officer;
- approves any major transactions falling outside of the Company's strategy;
- determines the powers of the Chief Executive Officer and, where applicable, and in agreement with the latter, those of the Deputy Chief Executive Officer(s) and the assistant managing director(s);
- appoints members of the Board subject to the shareholders subsequently ratifying the appointment;
- draws up the remuneration policy for corporate officers and sets the components of their remuneration packages in accordance with the policy concerned;
- appoints the members of the Board Committees set up pursuant to the applicable laws, the Company's Articles of Association and the and the Board's Rules of Procedure;
- authorises the Chief Executive Officer to grant sureties, endorsements and guarantees.

More specifically, in light of the announcement and future filing of Vivendi SE's public tender offer for the Company's shares, the Board of Directors is responsible for:

- generally defining the Company's policy concerning the offer;
- setting up an *ad hoc* Committee. This Committee was set up on 17 December 2021;
- appointing an independent expert, based on a recommendation of the *ad hoc* Committee. The firm Eight Advisory was appointed on 21 December 2021 by the Board of Directors;
- authorising any related-party agreements entered into as part of the offer, such as the Clean Team confidentiality and cooperation agreement signed on 20 December 2021 with Vivendi SE, previously authorised by the Board of Directors on 17 December 2021, and subject to shareholder approval at the General Meeting on 22 April 2022. For more details on this agreement, see the Statutory Auditors' special report in chapter 5 of this Universal Registration Document;
- considering any questions/observations from the minority shareholders;
- ultimately, recommending or not recommending the offer to the shareholders.

2.1.2.3 RESTRICTIONS ON THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER'S POWERS

The Board's Rules of Procedure provide for certain restrictions on the powers of the Chairman and Chief Executive Officer, setting or enabling the Board of Directors to set thresholds above which the Board's prior authorisation is required. These restrictions concern:

- sureties, endorsements and guarantees in excess of an aggregate €10 million;
- any disposal of a subsidiary or business asset that individually or collectively represents, over any 12-month period, sales in excess of (i) €50 million for subsidiaries or business assets operating in the publishing business, (ii) €100 million for subsidiaries or business assets operating in the travel retail business or (iii) €10 million for subsidiaries or business assets operating in the media business (radio and written press).

2.2 GOVERNANCE BODIES AFR

2.2.1 THE SUPERVISORY BOARD (IN OFFICE BEFORE THE CONVERSION OF THE COMPANY AND UNTIL 30 JUNE 2021)

2.2.1.1 MEMBERSHIP STRUCTURE

A) PRESENTATION OF THE SUPERVISORY BOARD

The Supervisory Board, in office when the Company was in its previous form as a partnership limited by shares until 30 June 2021, comprised a maximum of ten members plus either one or two members representing employees.

At 30 June 2021, the Board had nine members:

	Personal information			Position on the Board			Member of a Board Committee		
	Age	Gender	Nationality	Independence	First appointed	End of term of office	Audit Committee	Strategy Committee	Appointments, Remuneration and CSR Committee
Patrick Valroff Chairman	72	M	French	Yes	27 April 2010	30 June 2021	Chairman	✓	
Jamal Benomar	64	M	British Moroccan	Yes	12 September 2018	30 June 2021			✓
Valérie Bernis	63	F	French	Yes	31 August 2020	30 June 2021			✓
Michel Defer Employee directors	60	M	French	N/A	4 November 2020	30 June 2021			
Soumia Malinbaum	59	F	French	Yes	3 May 2013	30 June 2021			✓
Guillaume Pepy	63	M	French	Yes	27 February 2020	30 June 2021	✓	Chairman	
Gilles Petit	65	M	French	Yes	10 May 2019	30 June 2021		✓	Chairman
Nicolas Sarkozy	66	M	French	Yes	27 February 2020	30 June 2021		✓	
Susan M. Tolson	59	F	American	Yes	10 May 2011	30 June 2021	✓		

B) CHANGES IN MEMBERSHIP STRUCTURE IN THE FIRST HALF OF 2021

Changes in the membership structure of the Supervisory Board and the Supervisory Board Committees in the first half of 2021

When the Company was converted into a joint stock company with a Board of Directors, the Supervisory Board was dissolved, as were the Supervisory Board committees. Consequently, all of the Supervisory Board members' terms of office ended on 30 June 2021.

2.2.1.2 WORK OF THE SUPERVISORY BOARD IN FIRST-HALF 2021

In the first half of 2021, the Supervisory Board met seven times with an average attendance rate of 98%. During these meetings, the Board was given a report of the work conducted by the Board Committees – the Audit Committee, the Strategy Committee and the Appointments, Remuneration and CSR Committee.

With the assistance of its Committees, the Board worked on the following main areas during the period:

Group business and finance:

- reviewing the annual financial statements and the Group's overall position and strategy;
- presenting the strategic roadmap adopted by the Managing Partners;
- presenting a planned acquisition in the United States.

Governance, appointments and remuneration:

- advisory opinion on the Managing Partners' remuneration policy;
- designing the remuneration policy for the members of the Supervisory Board;
- conducting the annual review of the Service Agreement, which remained in force during the year;
- preparing the 30 June 2021 Annual General Meeting (agenda, draft resolutions, corporate governance report and reports to the shareholders).

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

Conversion of the Company:

- reviewing and issuing an opinion on the plan to convert the Company into a French joint-stock company (*société anonyme*);
- authorising the settlement agreement with Amber Capital;
- reviewing the candidates proposed to the future Board of Directors in connection with the proposed conversion, including their independence status;
- drawing up the remuneration policies for the Chairman and Chief Executive Officer, Deputy Chief Executive Officer and the members of the Board of Directors;
- reviewing the accounting impacts of the Company's conversion.

Members' attendance at Supervisory Board and Committee meetings in the first half of 2021

Member of the Board	Supervisory Board	Audit Committee	Appointments, Remuneration and CSR Committee	Strategy Committee
Jamal Benomar	100%	-	100%	-
Valérie Bernis	100%	-	100%	-
Michel Defer	100%	-	-	-
Soumia Malinbaum	100%	-	100%	-
Guillaume Pepy	100%	100%	-	100%
Gilles Petit	100%	-	100%	100%
Nicolas Sarkozy	100%	-	-	100%
Susan M. Tolson	86%	100%	-	-
Patrick Valroff	100%	100%	-	100%

2.2.2 BOARD OF DIRECTORS (AS FROM 30 JUNE 2021)

2.2.2.1 MEMBERSHIP STRUCTURE

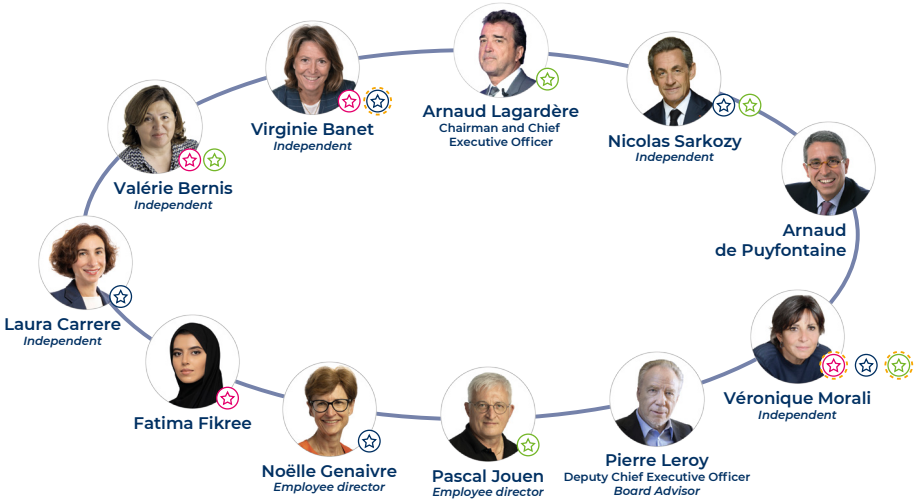
A) OVERVIEW OF THE BOARD OF DIRECTORS

In accordance with the Company's Articles of Association, the Board of Directors comprises a minimum of eight and a maximum of nine members, plus the employee director(s), and a Board Advisor that may be designated on the proposal of the Board of Directors.

Each director has a four-year term of office, apart from Arnaud Lagardère who was appointed for a term of six years as permitted in the Company's Articles of Association.

On 31 December 2021, the Board comprised ten members, including two employee directors and one Board Advisor.

MEMBERSHIP OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2021



55.8
Average age(**)

62.5%
Percentage of women on the Board(***)

5
Number of meetings(*)

98%
Attendance rate(**)

62.5%
Independence rate(***)

EXPERTISE OF THE BOARD(**)

International experience
7 members

Management and financial expertise
8 members

Business and other expertise
9 members

(*) Updated on 30 June 2021.
(**) Excluding Board Advisor.
(***) Excluding Board Advisor and employee directors.

List of members of the Board of Directors at 31 December 2021

At 31 December 2021	Personal information				Experience	Position on the Board				Member of a Board Committee		
	Age	Sex	Nationality	Number of shares	Number of directorships held in listed companies[1]	Independence[2]	First appointed	End of term of office (GM)	Board seniority	Audit Committee	Appointments, Remuneration and CSR Committee	*Ad hoc* Committee
Arnaud Lagardère *Chairman and Chief Executive Officer*	60	M	French	15,611,486	-	✗	30 June 2021	2027	Less than 1 year			✓
Virginie Banet	55	F	French	3,000	2	✓	30 June 2021	2025	Less than 1 year	✓	Chair	
Valérie Bernis	63	F	French	150	2	✓	30 June 2021	2025	Less than 1 year	✓		✓
Laura Carrere	44	F	French	150	-	✓	30 June 2021	2025	Less than 1 year		✓	
Fatima Fikree	29	F	Qatari	150	-	✗	30 June 2021	2025	Less than 1 year	✓		
Noëlle Genaivre, *Employee director*	62	F	French	-	-	N/A	19 May 2021	2025	Less than 1 year		✓	
Pascal Jouen *Employee director*	59	M	French	47	-	N/A	19 May 2021	2025	Less than 1 year			✓
Véronique Morali	63	F	French	150	-	✓	30 June 2021	2025	Less than 1 year	Chair	✓	Chair
Arnaud de Puyfontaine	57	M	French	150	2	✗	30 June 2021	2025	Less than 1 year			
Nicolas Sarkozy	66	M	French	1,301	1	✓	30 June 2021	2025	Less than 1 year		✓	✓
Pierre Leroy *Board Advisor*	73	M	French	105,135	-	N/A	30 June 2021	2025	Less than 1 year			✓(*)

(*) Pierre Leroy attends meetings of the *ad hoc* Committee in a non-voting capacity.
(1) Outside the Lagardère group.
(2) Under the Afep-Medef corporate governance independence criteria as applied by the Board of Directors.

B) LIST OF DIRECTORSHIPS AND OTHER POSITIONS HELD BY MEMBERS OF THE BOARD OF DIRECTORS

Nationality: French

Date of birth:
18 March 1961

Total number of Company shares held:

504,937 directly and 15,106,549 through Lagardère SAS, Lagardère Capital and Arjil Commanditée-Arco[1], which he controls

Arnaud Lagardère

Chairman and Chief Executive Officer

Member of the* ad hoc *Committee

Arnaud Lagardère holds a DEA post-graduate degree in economics from the University of Paris Dauphine. He was appointed Director and Chief Executive Officer of MMB (which became Lagardère SCA then Lagardère SA) in 1987. He was Chairman of the US company Grolier Inc. from 1994 to 1998. Arnaud Lagardère was appointed Managing Partner of the Company by way of a decision by Arjil Commanditée-Arco approved by the Supervisory Board on 26 March 2003 and his term of office was subsequently renewed in 2009, 2015 and 2020. On 30 June 2021, he was appointed Chairman and Chief Executive Officer of Lagardère SA.

Directorships and other positions held in other companies

In France:

- Chairman and Chief Executive Officer, Arjil Commanditée-Arco
- Chairman and Chief Executive Officer and Chairman of the Board of Directors, Lagardère Media
- Director, Hachette Livre
- Chairman of the Supervisory Board, Lagardère Travel Retail
- Chairman of the Supervisory Board, Lagardère Active
- Director, Lagardère Ressources
- Chairman, Fondation Jean-Luc Lagardère
- Chairman, Association des Amis de la Croix-Catelan (formerly Lagardère Paris Racing Ressources sports association) (non-profit organisation)
- Chairman, Lagardère Paris Racing sports association (non-profit organisation)
- Chairman, Lagardère SAS
- Chairman, Lagardère Capital (formerly Lagardère Capital & Management)
- Chairman, Lagardère Management
- Chairman, LM Holding
- Member of the Board of Directors, Société de Distribution Aéroportuaire (SDA)
- Member of the Board of Directors, Relay@ADP

Outside France:

- Chairman, Lagardère North America

Directorships and other positions expired during the last five years

- Chairman of the Executive Committee, Lagardère Sports and Entertainment
- General Manager, Europe 1 Digital (formerly Lagardère News)
- General Manager, Europe News
- Chairman, Europe 1 Télécompagnie
- Chairman, Lagardère Médias News
- Chairman, Lagardère Sports, LLC (formerly Lagardère Sports Inc.)
- Deputy Chairman, Lagardère Active Broadcast
- Chairman, Lagardère Sports US, LLC, formerly Sports Investment Company LLC
- Member of the Board of Directors, Lagardère Sports Asia Investments Ltd
- Member of the Board of Directors, Lagardère Sports Asia Holdings Ltd

(1) French joint-stock company (*société anonyme*) located at 4 rue de Presbourg, 75116 Paris, 99.92% owned by Lagardère Capital, which is controlled by Arnaud Lagardère (directly and indirectly, through the companies Lagardère and LM Holding).

Nationality: French

Date of birth:
18 January 1966

Total number of Company shares held:
3,000

Virginie Banet

Independent director

Chair of the Appointments, Remuneration and CSR Committee

Member of the Audit Committee

A graduate of the Institut d'Études Politiques de Paris, with a degree in Economic Science and a diploma from the SFAF (French Society of Financial Analysts), Virginie Banet began her career as a financial analyst at SBS, Warburg and then Deutsche Bank specialising in Capital Goods and Aerospace and Defence for Europe (1989-2003) before becoming an investment banker and Head of M&A Aerospace & Defence at Deutsche Bank and then at Airbus (2003-2008). From 2008 to 2010, she was a member of the Executive Committee of Lagardère Média, head of investor relations and financial market communications policy. From 2011 to 2014, she was a member of the Executive Committee of Natixis, Director of customer relations and advisory services, head of banking teams in France and abroad as well as traditional financing. In 2014, Virginie Banet joined Ondra as a Partner, and then joined Nomura as an investment banker in 2015. In September 2019, she founded her own financial consulting company Iolite Financial Consulting and became Senior Advisor at AlixPartners and Foncière Atland. She is currently a member of the Board of Directors and the Audit Committee of Netgem and a member of the Board of Directors of Mediobanca SpA.

Directorships and other positions held in other companies

In France:

- Chair, Iolite Financial Consulting
- Senior Advisor, AlixPartners
- Member of the Board of Directors and Audit Committee, Netgem (listed company)
- Senior Advisor, Foncière Atland

Outside France:

- Member of the Board of Directors, of the Remuneration Committee and of the CSR committee, Mediobanca SpA (listed company)

Directorships and other positions expired during the last five years

- Member of the Supervisory Board and the Finance and Audit Committee, Vallourec (listed company)

Nationality: French

Date of birth:
9 December 1958

Total number of Company shares held:
150

Valérie Bernis

Independent director

Member of the Audit Committee

Member of the* ad hoc *Committee

Valérie Bernis is a graduate of the Institut Supérieur de Gestion and the Université de Sciences Economiques in Limoges. Having spent two years as Press and Communications Officer for the French Prime Minister's Office, in 1996 she joined Compagnie de Suez as Executive Vice-President – Communications, and then in 1999 was appointed Deputy CEO in charge of Corporate Communications and Sustainable Development. During that time, she also served for five years as Chair and CEO of Paris Première, a French TV channel.

Directorships and other positions held in other companies

In France:

- Member of the Board of Directors, Chair of the CSR Committee and member of the Remuneration Committee, Atos (listed company)
- Member of the Board of Directors, Chair of the Remuneration and CSR Committee and member of the Strategy Committee and the Commitments Committee, France Télévisions
- General Secretary of the Board of Directors, AROP (Opéra de Paris)
- Member of the Board of the French Alzheimer's Research Foundation

Outside France:

- Member of the Board of Directors and member of the Appointments Committee, the CSR Committee and the Audit Committee of L'Occitane International SA (listed company)

Directorships and other positions expired during the last five years

- Member of the Supervisory Board, Euro Disney SCA (listed company)
- Member of the Board of Directors, Suez SA (listed company)

Nationality: French

Date of birth:
22 March 1977

Total number of Company shares held:
150

Laura Carrere

Independent director

Member of the Appointments, Remuneration and CSR Committee

A graduate of the École Polytechnique and the École Nationale des Ponts et Chaussées, Laura Carrere has over 16 years of experience in investment banking at Société Générale, where she was Vice President in structured finance for technology, media & telecoms (from 2003 to 2007), then Managing Director of equity transactions for large companies (from 2008 to 2016), before being promoted to Managing Director, responsible for coverage for Family offices & Holdings at the Investment Bank (from 2017 to 2019). From 2018 to 2019, Laura Carrere was a member of the Board of Directors of ALD, the European leader in car leasing solutions. Laura Carrere also served as Commercial Director Southern Europe at EcoAct from 2020 to 2021.

Directorships and other positions held in other companies

In France:

- Assistant Managing Director, Development and Investor Relations, Eiffel Investment Group
- Director, X-Environnement (non-profit organisation)

Outside France:

N/A

Directorships and other positions expired during the last five years

- Member of the Board of Directors, ALD
- Member of the Board of Directors, Blue Solutions

Nationality: Qatari

Date of birth:
13 April 1992

Total number of Company shares held:
150

Fatima Fikree

Director

Member of the Audit Committee

Fatima Fikree is a Director at the Qatar Investment Authority. She is a graduate of Carnegie Mellon University, the Tepper School of Business. Fatima Fikree began her career in the financial industry at Barclays plc and joined the Qatar Investment Authority in 2017. Fatima Fikree holds a Bachelor of Science degree in Business Administration and is a Chartered Financial Analyst.

Directorships and other positions held in other companies

In France:

- N/A

Outside France:

- Chair of the Supervisory Board, Northern Capital Gateway
- Chair and Director, Q West Holding LLC
- Chair and Director, Qure Holding LLC
- Director, F3 Holding LLC
- Director, Thalita Trading Limited

Directorships and other positions expired during the last five years

None

Nationality: French

Date of birth:
22 September 1959

Total number of Company shares held:
0

Noëlle Genaivre

Employee director

Member of the Appointments, Remuneration and CSR Committee

Noëlle holds a vocational training certificate and degree in Applied Foreign Languages and is an employee of the Lagardère group, where she serves as Administrative Manager for Hachette Livre's Youth Works division.

Noelle has held a number of different positions within the employee representative bodies of Hachette Livre and the Lagardère group.

Directorships and other positions held in other companies

None

Directorships and other positions expired during the last five years

- Elected deputy secretary of Hachette Livre's Economic and Social Committee
- CFDT union representative for Hachette Livre's Economic and Social Unit
- Secretary of the Group and European Works Councils of Lagardère
- SNLE-CFDT union representative

Nationality: French

Date of birth:
28 October 1962

Total number of Company shares held:
47

Pascal Jouen

Employee director

Member of the* ad hoc *Committee

Pascal is a graduate of the École des Beaux-Arts in Angoulême and has been a sales executive with Larousse since 1991.

He has held a number of different positions within the employee representative bodies of Larousse and the Lagardère group.

Directorships and other positions held in other companies

In France:

- Deputy Mayor of Saint-Martial de Valette
- Representative of the Périgord Vert group of municipalities

Directorships and other positions expired during the last five years

- CFDT union representative
- CFDT union representative on the Group Employees' Committee
- Deputy Secretary of Larousse's Economic and Social Committee
- Deputy CFDT union representative on the International Works Committee

Nationality: French

Date of birth:
12 September 1958

Total number of Company shares held:
150

Véronique Morali

Independent director

Chair of the Audit Committee

Chair of the* ad hoc *Committee

Member of the Appointments, Remuneration and CSR Committee

Véronique Morali holds a master's degree in business law and is a graduate of the Institut d'Études Politiques de Paris and the ESCP business school. She joined the ENA and the Inspection Générale des Finances (French Inspectorate of General Finances), which she left in 1990 to join Marc Ladreit de Lacharrière when he founded Fimalac. As a Board member and the General Manager of Fimalac from 1990 to 2007, she played a major role in defining the strategy and international expansion of this listed group with its founder. Véronique Morali is currently a member of the Executive Committee of Fimalac and Chair of Fimalac Développement.

Since 2013, she has been Chair of the Management Board of Webedia, Fimalac's digital division and a key player in the French media and digital landscape, building a unique global network of media, talent, events and services on the strongest themes in entertainment and leisure.

Alongside her activities at Fimalac, in 2005 she co-founded Force Femmes, a non-profit association, which she chairs, with the aim of accompanying and supporting women over 45 in their efforts to return to work and create their own business. From 2011 to 2014, Véronique Morali was Chair of the Women's Forum for the Economy and Society. She is also a co-founder of Women Corporate Directors Paris (a network of women board members) and a member of Siècle.

Directorships and other positions held in other companies

In France:

- Chair of the Management Board of Webedia
- Member of the Executive Committee and Director of Development, Fimalac
- Member of the Supervisory Board, the Audit Committee, the Risk Committee and the Remuneration Committee, Edmond de Rothschild SA (France)
- Member of the Board of Directors, Fondation Nationale des Sciences Politiques
- Chief Executive Officer, Webco
- Chair, Force Femmes
- Member, Le Siècle association

Outside France:

- Chair, Fimalac Développement
- Member of the Board of Directors, Edmond de Rothschild SA (Switzerland)

Directorships and other positions expired during the last five years

- Permanent representative of Fimalac Développement on the Board of Directors, Groupe Lucien Barrière SAS
- Member of the Board of Directors and Chair of the Compensation Committee, Edmond de Rothschild SA
- Member of the Supervisory Board, the Audit Committee, and the Compensation Committee, Publicis Groupe (listed company)
- Member of the Board of Directors, the Human Resources and Remuneration Committee, CCEP (formerly Coca-Cola Entreprises Inc.) (listed company)
- Vice-Chair of the Board, Directors, Fitch Group, Inc.
- Chair and CEO, Ring Média SAS
- Member of the Supervisory Board, Edit Place SAS
- Member of the Supervisory Board, Tradematic SA
- Member of the Strategic Committee, Pour de Bon
- General Manager, Webedia International Sarl (Luxembourg)
- Member of the Board of Directors, SNCF Mobilités (EPIC)
- Director, Melberries
- Representative of Multi Market Services France Holding on the shareholders' committee, Wefcos
- Chair, Clover SAS
- Co-Managing Partner, Clover Morel SARL
- Chair, Clover MDB SAS
- Member of the Board of Directors, Edmond de Rothschild SA

Nationality: French

Date of birth:
26 April 1964

Total number of Company shares held:
150

Arnaud de Puyfontaine

Director

Arnaud de Puyfontaine is a graduate of ESCP Business School (1988), Institut Multimédias (1992) and Harvard Business School (2000). He started his career as a consultant at Arthur Andersen and then in 1989 worked as a project manager at Rhône-Poulenc Pharma in Indonesia. In 1990, he joined *Le Figaro* as Executive Director. In 1995, as a member of the founding team of the Emap Group in France, he headed *Télé Poche* and *Studio Magazine*, managed the acquisition of *Télé Star* and *Télé Star Jeux*, and launched the Emap Star Division, before becoming Chief Executive Officer of Emap France in 1998. In 1999, he was appointed Chairman and Chief Executive Officer of Emap France, and, in 2000, joined the Executive Board of Emap plc. He led several M&A deals, and concomitantly, from 2000 to 2005, served as Chairman of EMW, the Emap/Wanadoo digital subsidiary. In August 2006, he was appointed Chairman and Chief Executive Officer of Editions Mondadori France. In June 2007, he became General Manager of all digital business for the Mondadori group.

In April 2009, Arnaud de Puyfontaine joined US media group Hearst as Chief Executive Officer of its UK subsidiary, Hearst UK. In 2011, on behalf of the Hearst group, he led the acquisition from the Lagardère group of 102 magazines published abroad, and, in June 2011, was appointed Executive Vice President of Hearst Magazines International. In August 2013, he was appointed Managing Director for Western Europe. He has also been Chairman of ESCP Europe Alumni. From January to June 2014, Arnaud de Puyfontaine was a member of the Vivendi Management Board and Senior Executive Vice President in charge of its media and content operations. Since 24 June 2014, he has been Chairman of the Management Board of Vivendi.

Directorships and other positions held in other companies

In France:

- Chairman of the Management Board, Vivendi (listed company)
- Member of the Supervisory Board, Canal+ Group
- Director, Havas
- Chairman of the Board of Directors, Editis Holding
- Chairman of the Board of Directors, Prisma Media
- Member of the Advisory Committee, Innit
- Honorary Chairman, French-American Foundation

Outside France:

- Director, Telecom Italia SpA (Italy) (listed company)

Directorships and other positions expired during the last five years

- Chairman of the Supervisory Board, Universal Music France
- Director, Universal Music Group, Inc.
- Chairman of the Board of Directors, Antinea 6
- Permanent representative of Vivendi on the Supervisory Committee, Banjay Group
- Chairman, French-American Foundation
- Executive Chairman, member and Vice Chairman of the Board of Directors, Telecom Italia SpA
- Non-executive Chairman, Gloo Networks Plc
- Director, Schibsted Media Group

Nationality: French

Date of birth:
28 January 1955

Total number of Company shares held:
1,301

Nicolas Sarkozy

Independent director

Member of the Appointments, Remuneration and CSR Committee

Member of the* ad hoc *Committee

Nicolas Sarkozy was the 6th President of France's Fifth Republic (2007-2012).

Mayor of Neuilly-sur-Seine (1983-2002), National Assembly Representative for Hauts-de-Seine (1988-2002), President of the General Council for Hauts-de-Seine (2004-2007), Minister for the Budget (1993-1995), Minister for Communications (1994-1995), Government spokesman (1993-1995), Minister of the Interior, Internal Security and Local Freedoms (2002-2004), Minister of State, Minister for the Economy, Finance and Industry (2004), Minister of State, Minister of the Interior and Town and Country Planning (2005-2007). He was also the elected leader of French political parties UMP (2004-2007) and Les Républicains (2014-2016).

A trained lawyer, Nicolas Sarkozy is married and has four children. He is the author of several books, including *Libre, Témoignage, La France pour la vie, Tout pour la France, Passions, Le Temps des Tempêtes* and *Promenades*. He also provides consulting services to several international groups (Member of the Natixis International Advisory Network, Chairman of the Advisory Board of Corsair (listed company), as well as to the Management Committee of the Marietton group. Nicolas Sarkozy sits on the advisory boards of Axian, Chargeurs (listed company) and SPAO Reso Garantia.

Directorships and other positions held in other companies

In France:

- Director and Chairman of the International Strategy Committee, Accor (listed company)
- Director and member of the Strategy Committee, Lucien Barrière group SAS
- Member of the Supervisory Board, LGI – Lov Group Invest

Outside France:

N/A

Directorships and other positions expired during the last five years

- Chief Executive Officer, CSC SELAS

Nationality: French

Date of birth:
8 October 1948

Total number of Company shares held:
105,135

Pierre Leroy

Board Advisor

Deputy Chief Executive Officer

Pierre Leroy is a graduate of the École Supérieure de Commerce de Reims business school and holds a degree in law. He has spent his entire career with the Lagardère group.

He was appointed Director and Chief Executive Officer of MMB (which became Lagardère SCA and then Lagardère SA) in 1987, then Chairman and Chief Executive Officer of Lagardère Sociétés in 1988 and Secretary General of the Lagardère group in 1993.

He was appointed Co-Managing Partner of Lagardère SCA in March 2004, and then Deputy Chief Executive Officer of Lagardère SA on 30 June 2021.

He has also served as Chairman and Chief Executive Officer of Hachette Livre since March 2021.

Directorships and other positions held in other companies

In France:

- Chairman and Chief Executive Officer of Hachette Livre
- Permanent representative of Hachette Livre at the Board of Directors, Librairie Arthème Fayard
- Permanent representative of Hachette Livre at the Board of Directors, Calmann Levy
- Permanent representative of Education Management at the Board of Directors, Librairie Générale Française
- Permanent representative of Hachette Livre at the Board of Directors, Audiolib
- Director, Société des Éditions Grasset & Fasquelle
- Director, Deputy Chairman and Chief Operating Officer, Lagardère Media
- Chairman and Chairman of the Board of Directors, Lagardère Ressources
- Member of the Supervisory Board, Lagardère Travel Retail
- Member of the Supervisory Board, Lagardère Active
- Chairman of the Supervisory Board, Société d'Exploitation des Folies Bergère
- Chairman, Lagardère Participations
- Chairman, Lagardère Expression
- Chairman, Dariade
- Chairman, Sofrimo
- Chairman, Lagardère Live Entertainment
- Deputy Director, Fondation Jean-Luc Lagardère
- Chairman and Chairman of the Board of Directors, Lagardère Paris Racing Ressources
- Director, Secretary General and Treasurer, Association des Amis de la Croix-Catelan (non-profit organisation) (formerly Lagardère Paris Racing Ressources sports association)
- Secretary General and member of the steering committee, Lagardère Paris Racing sports association (non-profit organisation)
- Chief Operating Officer, Lagardère Capital SAS (formerly Lagardère Capital & Management)
- Executive Vice President and Director, Arjil Commanditée-Arco
- Chief Executive Officer, Lagardère Management
- Chairman, IMEC (Institut Mémoires de l'Édition Contemporaine)
- Chairman, Mémoire de la Création Contemporaine Endowment Fund

Directorships and other positions expired during the last five years

- Representative of Lagardère Participations, Chairman of Hélios
- Director, Ecrinvest 4
- Chairman, Holpa

	▸ Chairman of the jury for the Prix des Prix literary awards ▸ Chairman of the jury for the Prix de la littérature arabe literary awards ▸ Director, Bibliothèque nationale de France Endowment Fund ▸ Member of the Board of Syndicat national de l'édition, the French publishing union *Outside France:* ▸ Director, Lagardère Active Broadcast ▸ Director, Lagardère UK Ltd. ▸ Director, Hachette UK (holdings) Limited (UK) ▸ Chairman and Chief Executive Officer, Hachette Livre España (Spain) ▸ Chairman of the Board and Director, Hachette Livre USA (USA)	

C) CHANGES IN MEMBERSHIP IN 2021

Changes in the membership of the Board of Directors and the Board Committees in the second half of 2021

At 31 December 2021

	Departures	Appointments	Re-appointments
Board of Directors	Joseph Oughourlian (15 Dec. 2021)	_	_
Audit Committee	_	_	_
Appointments, Remuneration and CSR Committee	_	Noëlle Genaivre, employee director (17 Dec. 2021)	_
***Ad hoc* Committee**	_	Véronique Morali (appointed Committee Chair on 17 Dec. 2021) Valérie Bernis (17 Dec. 2021) Nicolas Sarkozy (17 Dec. 2021) Pascal Jouen (17 Dec. 2021) Arnaud Lagardère (17 Dec. 2021) Pierre Leroy (17 Dec. 2021)(1)	_

(1) Pierre Leroy, Board Advisor, also sits on the *ad hoc* Committee in a non-voting capacity.

At its meeting on 16 February 2022, the Board of Directors co-opted René Ricol to fill the seat vacated by Joseph Oughourlian, by unanimous decision taken on the recommendation of the Appointments, Remuneration and CSR Committee, after confirming that he qualified as an independent director with the assistance of an external firm, and having considered that René Ricol's exceptional career achievements, distinguished expertise, especially in finance and strategy, and in depth knowledge of the Lagardère group and the industries in which it operates, would be assets for the Board of Directors and for the Group as a whole.

Other than this co-optation, which the Annual General Meeting of 22 April 2022 will be asked to ratify, no significant changes are currently planned in the membership of the Board of Directors.

In the context of the proposed tender offer filed by Vivendi SE on 21 February 2022, Vivendi SE has declared that it does not intend to request the appointment of additional directors until the takeover of the Company is cleared by the competent competition authorities, in the event that the offer is successful.

D) DIVERSITY OF DIRECTORS' PROFILES

In line with (i) the agreements entered into with the Company's main shareholders(1) on 27 April 2021 as part of the project to convert the Company's legal form, and (ii) the proposals put to the Company's shareholders in the presentation of that project, at the 30 June 2021 Annual General Meeting, the shareholders appointed the following nine directors:

- put forward by Arnaud Lagardère: Arnaud Lagardère and two independent directors: Véronique Morali and Nicolas Sarkozy;
- put forward by Vivendi: Arnaud de Puyfontaine and two independent directors – Virginie Banet and Laura Carrere;
- put forward by Qatar Holding LLC: Fatima Fikree;
- put forward by Amber Capital: Joseph Oughourlian;
- put forward by Financière Agache: Valérie Bernis, independent director.

From the date it was set up until Joseph Oughourlian resigned on 15 December 2021, the Board of Directors comprised 11 members, including two employee directors who were elected in advance by the Group Employees' Committee on 19 May 2021 and one Board Advisor (*Censeur*).

The Company is committed to promoting diversity and inclusion, and therefore has a zero-tolerance policy for all forms of discrimination. The Board of Directors pays particular attention to its membership and to the composition of its Committees.

To ensure that it has an optimal range of skills for the work it conducts, the Board has a policy of recruiting members with diverse profiles, in terms of managerial, financial, legal, governance or CSR expertise, or in terms of experience or knowledge of the Group's businesses.

The Board also seeks to recruit members with international experience and from varied cultures, so that its duties are carried out objectively, open-mindedly and in a collegial manner.

This fair representation of skills and profiles is essential for the Board to operate effectively and allows for full and open discussion.

In addition, the membership of the Board of Directors and the Board Committees is reviewed each year by the Appointments, Remuneration and CSR Committee, which reports its findings to the Board of Directors and puts forward recommendations in this regard.

Furthermore, the Board will perform a review of its composition, organisation and operations, as well as those of its Committees, for the first time in 2022, after a full year of operation, and then once a year, through a periodic assessment conducted with the assistance of an external consultant.

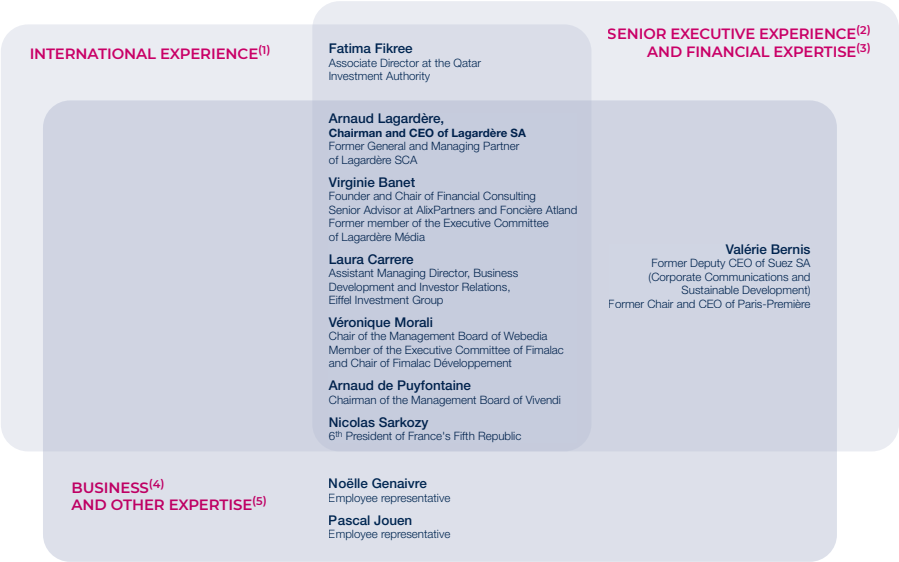
(1) Arnaud Lagardère, Vivendi, Qatar Holding LLC, Amber Capital and Financière Agache.

A formal description of the diversity policy for Board members is provided below pursuant to article L. 22-10-10 of the French Commercial Code:

Criteria	Objectives	Basis for implementation and 2021 results
Size of the Board	Maintain a reduced number of Board members, including appointments required by law (employee director) to ensure efficient operations in line with the Company's shareholding structure.	On 30 June 2021, it was decided that the Company's Articles of Association in its new form as a joint-stock company would specify that the Board should comprise a minimum of eight and a maximum of nine members plus the employee director(s). From the date it was set up, the Board comprised nine members (not including employee directors). On 31 December 2021, following Joseph Oughourlian's resignation, the Board reached the minimum number of members required, i.e., eight members (not including employee representative members).
Age limit	Pursuant to article 11 3.) of the Articles of Association, no more than one-third of the members of the Board of Directors in office may be over 75 years old.	No member of the Board of Directors in office was aged over 75.
Gender balance	At least 40% of members are women. For Board of Directors comprised of eight members, gender balance is reached when the gap between the number of members of each gender is not more than two, in accordance with article L. 22-10-3 of the French Commercial Code.	From the date it was set up, the Board comprised four men and five women (not including employee directors), i.e., 55%(1) are women. On 31 December 2021, following Joseph Oughourlian's resignation, the proportion of women on the Board increased to 62.5%(1) but the gap between the number of female members (five) and male members (three), equal to two, remains consistent with the law.
Availability	The availability of members of the Board of Directors must be sufficient to allow the Board and its Committees to operate effectively.	In 2021, the average attendance rate of members at meetings of the Board of Directors was 98%(2). (100% for the Audit Committee and 91.75%(2) for the Appointments, Remuneration and CSR Committee and 80%(2) for the *ad hoc* Committee*).
Qualifications and professional experience Nationality, international experience	The Board must have diverse profiles with senior management experience; financial, managerial, legal, social or CSR expertise; and knowledge of the Group's businesses. They must have international experience and knowledge of the countries in which the Group conducts its business, or in which it wishes to develop.	The diagram below reflects this diversity.
Independence	At least half of members must be independent pursuant to the Afep-Medef Corporate Governance Code.	From the date it was set up, 55%(1) Board members are independent. On 31 December 2021, 62.5%(1) of Board members are independent.
Employee representation on the Board	In accordance with the French "Pacte law" of 22 May 2019, two employee representative members must be appointed to the Board as Directors when the number of the other Board members (appointed by the shareholders) exceeds eight, and one employee director must be appointed as Director when the number of the other Board members is equal to or less than eight.	Election in advance by the Group Employees' Committee of Noëlle Genaivre and Pascal Jouen on 19 May 2021 who entered in office on 30 June 2021. The Board was reduced to eight Directors following Joseph Oughourlian's resignation on 15 December 2021. This reduction does not affect the directorships of the Board's two employee directors

(1) Excluding the Board Advisor and employee directors.
(2) Excluding the Board Advisor.

In view of the above, the Board of Directors has a combination of expertise, experience and valuable skills that enable it to fully carry out its roles and responsibilities wholly independently of the Company's Executive Management.



(1) Any significant work carried out in France or elsewhere, which has, or has had, an extraterritorial nature/any function carried out abroad/any person of foreign nationality.
(2) Significant experience in executive management (Chief Executive Officer, Deputy Chief Executive Officer, Vice-Chairman, etc.) or as a senior manager within the meaning of article L. 3111-2 of the French Labour Code (or its equivalent outside France) or as a member of a management body (Executive Committee, Management Committee , etc.) within the meaning of article L. 23-12-1 of the French Commercial Code (or its equivalent outside France).
(3) Significant experience in the financial sector (banking, accounting, financial markets), capital management or risk management.
(4) Publishing/Media/Distribution/Travel Retail.
(5) Legal/Governance/Labour relations/Diversity/CSR.

E) DIRECTOR INDEPENDENCE

In accordance with the Afep-Medef Code, it is important for the Board to have a significant proportion of independent directors.

Once a year, therefore, the Appointments, Remuneration and CSR Committee assesses the independence status of each Board member, based on an analysis matrix containing the independence criteria set out in the Afep-Medef Code. Qualification as an independent director is also reviewed when a new director is appointed or a serving director is re-appointed.

The Board of Directors may however deem that a director who does not meet the applicable independence criteria is nevertheless independent, in which case it must explain why.

A director is independent when he or she has no relationship of any kind with the Company, the Group or its management that could compromise the exercise of their freedom of judgement or that could place him/her in a situation of conflict of interest.

The Board of Directors assessed the independence status of its members based on the following criteria set out in the Afep-Medef Code:

- not to be or not to have been in the previous five years:
  - an employee or executive corporate officer(1) of the Company;
  - an employee, director or executive corporate officer of an entity that the Company consolidates;
  - an employee, director or executive corporate officer of the Company's parent company, or of a company consolidated by that parent company.
- Not to be an executive corporate officer of an entity in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive corporate officer of the Company (currently in office or having held such office within the last five years) holds a directorship.
- Not to be a customer, supplier, investment banker, commercial banker or consultant(2):
  - that is significant to the Company or the Group,
  - or for which the Company or the Group represents a significant proportion of its activities.

  The question of whether or not the relationship a director may have with the Company or the Group is significant is reviewed by the Appointments, Remuneration and CSR Committee and then debated by the Board.
- Not to be related by close family ties to a corporate officer.
- Not to have been a Statutory Auditor of the Company within the previous five years.

(1) In accordance with the Afep-Medef Code, for joint stock companies with a Board of Directors, the term "executive corporate officer" refers to the Chairman and Chief Executive Officer, the Chief Executive Officer and the Deputy Chief Executive Officer(s).
(2) Or to have direct or indirect links to such persons or entities.

- Not to have been a director of the Company for more than 12 years.
- Not to be a non-executive corporate officer receiving variable remuneration in cash or in the form of securities or any remuneration linked to the performance of the Company or the Group.
- not to be or represent a shareholder holding more than 10% of the Company's share capital or voting rights, alone or in concert.

The Appointments, Remuneration and CSR Committee reviewed the independence status of each Board member at its meeting on 11 February 2022.

This review included an assessment of whether or not any business relationships that may exist between the Company and certain directors are significant. For this purpose, the Committee examined the nature of the relationships concerned (type of services, exclusivity, etc.) as well as the amounts of the transactions carried out with the groups in which the directors held management positions during the year, which it compared to the revenue of the entities concerned.

The Board considered that the business relationship between Lagardère Ressources, a subsidiary of the Company, and the Realyze law firm – of which Nicolas Sarkozy is a founding partner (it being specified that the contract was entered into well before Nicolas Sarkozy's appointment to the Board and that he himself does not, directly or indirectly, provide any legal advisory services to the Group), in light of the volume of business assigned to the law firm and the attendant fees paid to that firm – was not material to the Group or to Realyze, and that, accordingly, Nicolas Sarkozy qualifies as an independent member.

In addition, the Board of Directors noted the qualification as non-independent members of Fatima Fikree and Arnaud de Puyfontaine, representing Qatar Holding LLC and Vivendi SE, respectively, both major shareholders of the Company holding more than 10% of the share capital and voting rights, as well as Arnaud Lagardère, executive corporate officer of the Company, and on this basis alone, not independent within the meaning of the Afep-Medef Code.

Accordingly, based on the analysis carried out by the Appointments, Remuneration and CSR Committee on the individual situation of each member of the Board of Directors in light of the independence criteria set out in the Afep-Medef Code and their own statement, at its meeting on 16 February 2022, the Board of Directors confirmed that five of its eight members (excluding employee directors), representing an independence rate of 62.5%, qualify as independent members: Véronique Morali, Laura Carrere, Valérie Bernis and Virginie Banet as well as Nicolas Sarkozy (see a summary of the independence criteria detailed in the table below).

Summary table of Board of Director members' compliance with the independence criteria set out in the Afep-Medef Code

Independence criteria set out in the Afep-Medef Corporate Governance Code	A. Lagardère	V. Banet	V. Bernis	L. Carrere	F. Fikree	N. Genaivre(*)	P. Jouen(*)	V. Morali	A. de Puyfontaine	N. Sarkozy
Not to be and not to have been in the previous five years, an employee or executive corporate officer of the Company	N/A	✓	✓	✓	✓	N/A	N/A	✓	✓	✓
Not to hold cross-directorships in the Company	N/A	✓	✓	✓	✓	N/A	N/A	✓	✓	✓
Not to have significant business relationships with the Company	N/A	✓	✓	✓	✓	N/A	N/A	✓	✓	✓
Not to have family ties within the Company	N/A	✓	✓	✓	✓	N/A	N/A	✓	✓	✓
Not to have been a Statutory Auditor within the previous five years	N/A	✓	✓	✓	✓	N/A	N/A	✓	✓	✓
Not to have been a member of the Board of Directors for more than 12 years	N/A	✓	✓	✓	✓	N/A	N/A	✓	✓	✓
Status of non-executive corporate officer	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Status of major shareholder	N/A	✓	✓	✓	✗	N/A	N/A	✓	✗	✓
Conclusion	Not independent	Independent	Independent	Independent	Not independent	N/A	N/A	Independent	Not independent	Independent

(*) Employee director.

2.2.2.2 BOARD OF DIRECTORS' RULES OF PROCEDURE AND OPERATION

The terms and conditions that apply to the organisation and operation of the Board of Directors and its Committees are set out in the Board's Rules of Procedure, which also define and specify the duties incumbent on each member, as well as the code of conduct that each individual member is required to respect. These Rules of Procedure were adopted by the Board of Directors on 30 June 2021 and are set out in full in Appendix A2 to this chapter.

The Rules of Procedure contain ring-fencing measures designed to prevent any disclosure of sensitive information and, more generally, any unlawful agreements between competitor companies within the Company's Board of Directors and its Committees.

In addition, pursuant to article L. 22-10-10, 6° of the French Commercial Code, an internal charter will soon be submitted for approval by the Board of Directors, designed to set out the methodology for (i) identifying and qualifying agreements subject to the procedure for related-party agreements at the level of the Company prior to entering into force, renewal or termination, and (ii) regularly assessing whether agreements relating to ordinary operations and entered into on arm's length terms meet these conditions.

In accordance with article L. 22-10-12 of the French Commercial Code, the criteria and procedure for assessing the terms and conditions of ordinary agreements entered into on arm's length terms will be reviewed periodically by the Board of Directors.

2.2.2.3 WORK OF THE BOARD OF DIRECTORS IN THE SECOND HALF OF 2021

The Board of Directors' work is prepared and organised within the legal and regulatory framework applicable to French joint-stock companies, the Company's Articles of Association, and the Board of Directors' Rules of Procedure which specify its operating procedure and that of the Board Committees.

During 2021, and since it was formed on 30 June 2021, the Board of Directors met five times with an average attendance rate of 98%. Each Board meeting lasted three hours on average.

The Board meets regularly to review the financial position and operations of the Company and its subsidiaries, the interim financial statements, the outlook for each business taking into account CSR goals and imperatives, and the Group's overall business strategy.

Between meetings, the Board members were regularly kept updated and informed of events that were significant for the Company or which represented material amounts. They also received press releases published by the Company and analysts' reports.

Between 30 June 2021 and 31 December 2021, the Board's work mainly focused on:

Group business and finance:

- implementing the share buyback programme approved by the General Meeting;
- reviewing the interim financial statements and the Group's general situation and strategy;
- approving the 2021 interim financial report and amendment to the Company's Universal Registration Document;
- receiving the presentation of the Group's 2021-2024 strategic plan;
- deciding on a bond issue and bond buyback;
- approving the 2022-2024 budget;

Governance, appointments and remuneration:

- adopting the Board's Rules of Procedure;
- defining the terms and conditions for the exercise of the Company's General Management and appointing the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer;
- selecting the members and Chairs of the Board Committees;
- appointing the Secretary of the Board of Directors and the Ring-fencing Officer;
- setting the criteria and objectives for the variable components of the remuneration of the Chairman and Chief Executive Officer and Deputy Chief Executive Officer for 2021, in accordance with the policies approved by the General Meeting;
- setting up free share and performance share plans in accordance with the authorisations given by the General Meeting;
- approving the implementation of a new supplementary pension plan for the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer in compliance with the policies approved by the General Meeting;
- reviewing the Group's investment and divestment process;
- appointing Noëlle Genaivre, an employee director, as a member of the Appointments, Remuneration and CSR Committee;
- selecting a new Statutory Auditor to be proposed at the 2023 General Meeting to replace Ernest & Young et Autres;

Corporate social responsibility:

- reviewing the Group's CSR roadmap.

Notices, authorisations and other duties:

- acknowledging Vivendi SE's proposed acquisition of Amber Capital's stake and launch of a public tender offer for the Company's shares;
- authorising the signing of a Clean Team confidentiality and cooperation agreement between the Company and Vivendi SE under article L. 225-38 of the French Commercial Code, aimed at controlling reciprocal exchange of information between the Company and Vivendi SE necessary for the preparation of the regulatory filings required under this transaction;
- appointing an *ad hoc* Committee in connection with Vivendi SE's proposed public tender offer; and
- appointing the firm Eight Advisory as independent expert for the same purpose.

The Board of Directors also regularly examined the Committees' reports on their work.

Members' attendance at Board of Directors and Committee meetings in the second half of 2021

Board Member	Board of Directors	Audit Committee	Appointments, Remuneration and CSR Committee	*Ad hoc* Committee (1 meeting in 2021)
Valérie Banet	100%	100%	100%	-
Valérie Bernis	100%	100%	-	100%
Laura Carrere	100%	-	100%	-
Arnaud de Puyfontaine	100%	-	-	-
Fatima Fikree	100%	100%	-	-
Noëlle Genaivre	100%	-	-	-
Pascal Jouen	100%	-	-	100%
Arnaud Lagardère	80%	-	-	0%
Pierre Leroy	80%	-	-	0%
Véronique Morali	100%	100%	100%	100%
Joseph Oughourlian	100%	-	-	-
Nicolas Sarkozy	100%	-	67%	100%

2.2.3 BOARD COMMITTEES

Some domains of the Board's work are prepared by specialised Committees, whose members are directors appointed to the Committee by the Board for the duration of their directorship. These specialised Committees examine the matters falling within their remit or any issues referred to them by the Board, report regularly to the Board of Directors on their work, to whom they submit their observations, opinions, proposals and recommendations. The Board relies on the work of its Committees throughout the course of the year.

The Board has set up three Committees: the Audit Committee, the Appointments, Remuneration and CSR Committee and more recently, further to the announcement of Vivendi SE's proposed public offer for the Company's shares, the *ad hoc* Committee.

The main organisational and operational procedures of the first two Committees are set out in the Board of Directors' Rules of Procedure.

A) AUDIT COMMITTEE

Members	▸ **Véronique Morali (Chair)** ▸ **Valérie Bernis** ▸ **Virginie Banet** ▸ **Fatima Fikree** Audit Committee members are appointed for their financial and/or accounting skills, assessed with particular regard to their past career (positions held in general or financial management or in an audit firm), academic background or specific knowledge of the Company's business. At 31 December 2021, three-quarters of the Audit Committee members were independent (see table above). Between 30 June and 31 December 2021, the Audit Committee met three times with a 100% attendance rate
Main tasks	The duties of the Audit Committee are described in the Board of Directors' Rules of Procedure provided in Appendix A2.
Main work in 2021	▸ reviewing the half-year and third quarter 2021 financial statements; ▸ reviewing the 2021 Interim Financial Report; ▸ reviewing the 2021-2022 financial communication calendar; ▸ reviewing the financial reporting processes; ▸ reviewing the cash management policy; ▸ reviewing the organised oversight of risk and internal control within the Group, the Group's risk map and internal control systems, the results of the internal control self-assessment and the progress of the compliance programs; ▸ reviewing the work of the internal Audit Department and the 2022 audit plan; ▸ reviewing information systems security: the 2021 status report and the programme progress report; ▸ review of summary of financial commitments analysis approved by the Financial Committee for Lagardère Publishing; ▸ reviewing the Group's litigation/disputes; ▸ recommending to the Board the selection of a Statutory Auditor to replace Ernst & Young et Autres; ▸ reviewing the 2022-2024 budget/business plan. In addition, at each of its meetings, the Audit Committee followed up on financing issues, savings plans, key performance indicators of the Group and of the divisions, analyst consensus and pre-approved non-audit services. The Audit Committee meetings were attended by the Group Secretary General and Committee Secretary, the Chief Financial Officer, the Head of Risk Management, Compliance and Internal Control, the Internal Audit Director, the Accounting Director, the Group Management Control Director and the Statutory Auditors. Depending on the issues discussed, other executives were asked to provide input on an as-needed basis, including the Group IT Director, the Head of the Legal Department, the Head of Financing and Investor Relations, and the divisions' management, as well as certain members of their teams.

B) APPOINTMENTS, REMUNERATION AND CSR COMMITTEE

Members	▸ **Virginie Banet (Chair)** ▸ **Laura Carrere** ▸ **Véronique Morali** ▸ **Nicolas Sarkozy** ▸ **Noëlle Genaivre**
	At 31 December 2021, all of the members of the Appointments, Remuneration and CSR Committee were independent directors (see table above). The employee director also sat on this Committee during the year. Between 30 June and 31 December 2021, the Audit Committee met three times with a 91% attendance rate.
Main tasks	The duties of the Appointments, Remuneration and CSR Committee are described in the Board of Directors' Rules of Procedure set out in Appendix A2.
Main work in 2021	▸ reviewing the Group's CSR policy, the main CSR risks and opportunities and the key lines of CSR communication; ▸ reviewing the Group's carbon footprint report and carbon trajectory; ▸ review of the ESG reporting processes; ▸ reviewing and following up on the Company's ESG ratings; ▸ reviewing the remuneration policy for executive corporate officers with the assistance of an external advisor; ▸ preparing the 2021 free share and performance share; plans; ▸ reviewing a new supplementary pension plan for the Company's executive corporate officers; ▸ reviewing D&O insurance policies covering the Group's corporate officers; ▸ reviewing the proposed appointment of Noëlle Genaivre to the Committee. These meetings took place in the presence of the Group Secretary General and Committee Secretary and, when discussions fell within their areas of expertise, the Head of Sustainable Development and CSR and the Deputy Director of Non-Financial Reporting and Environmental Responsibility, as well as the divisions' CSR correspondents.

C) *AD HOC* COMMITTEE

Members	▸ **Véronique Morali (Chair)** ▸ **Valérie Bernis** ▸ **Nicolas Sarkozy** ▸ **Pascal Jouen** ▸ **Arnaud Lagardère** ▸ **Pierre Leroy**
	Pierre Leroy, Board Advisor, also sits on the *ad hoc* Committee in a non-voting capacity. At 31 December 2021, 80% of the *ad hoc* Committee members were independent (see table above). Between 17 December 2021 – when it was formed – and 31 December 2021, the Committee met once with an 80% attendance rate.
Main tasks	▸ recommendation from the independent expert appointed by the Board of Directors; ▸ following up on the independent expert's work; ▸ review of the terms and conditions of Vivendi SE's proposed public tender offer; ▸ assistance from the Board of Directors in drafting the reasoned opinion on Vivendi SE's proposed public tender offer; ▸ follow-up of Vivendi SE's proposed acquisition of the Company, review of any questions and/or comments from the shareholders, recommendations regarding any important Company decision in relation to the offer and/or procedures with the competition authorities and the French broadcasting regulator (Autorité de régulation de la communication audiovisuelle et numérique, Arcom, resulting from the merger of the CSA and Hadopi).
Main work in 2021	▸ selecting the firm Eight Advisory appointed by the Board of Directors as independent expert in relation to the proposed public tender offer.

2.2.4 ASSESSMENT OF THE MEMBERSHIP STRUCTURE AND OPERATING PROCEDURES OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

In accordance with the Afep-Medef Code, the Board of Directors will carry out an annual assessment of its composition, organisation and operations, as well as those of its Committees, notably in order to evaluate the preparation and quality of their respective work. Individual assessments will also be conducted for each director in order to appraise their individual contribution to the work of the Board and any Committee of which they are a member.

As the Board of Directors was set up on 30 June 2021, it was decided that the first assessment of the operations of the Board and its Committees should take place during the second half of 2022 after a full year of operation.

2.2.5 COMPLIANCE WITH THE AFEP-MEDEF CODE

The Company has applied the corporate governance principles currently laid down in the Afep-Medef Corporate Governance Code for listed companies and revised in January 2020. This code is available in the Corporate Governance section of Lagardère's website. The only recommendation not followed by the Company as at 31 December 2021:

Provision of the Afep-Medef Corporate Governance Code set aside or partially applied	Explanation
Directors' terms of office: **"The duration of directors' terms of office [...] should not exceed four years"**	Arnaud Lagardère has been appointed as Chairman and Chief Executive Officer for a six-year term in order to maintain a stable and sustainable management framework within the Company.

2.3 ADDITIONAL INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS

AFR

2.3.1 DECLARATION OF NON-CONVICTION AND COMPETENCE

To the best of Lagardère SA's knowledge:

- no member of the Board of Directors has been convicted of fraud in the last five years;
- no member of the Board of Directors has been associated with any bankruptcy, receivership or liquidation proceedings in the last five years;
- in legal proceedings, Nicolas Sarkozy was sentenced by a court ruling dated 1 March 2021 to three years' imprisonment, two of them suspended, for corruption and influence-peddling. Nicolas Sarkozy has appealed this ruling and accordingly, the presumption of innocence continues to apply in all respects. This first-instance ruling in no way affects Nicolas Sarkozy's capacity to fulfil his duties as member of the Company's Board of Directors. No other member of the Board of Directors has been subject to charges or official public sanction by statutory or regulatory authorities (including designated professional bodies);
- no member of the Board of Directors has been barred by a court from acting as a member of a governing, management or supervisory body or participating in a company's business management or governance in the last five years.

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

2.3.2 AGREEMENTS BETWEEN A MEMBER OF THE BOARD OF DIRECTORS AND LAGARDÈRE SA OR ANY OF ITS SUBSIDIARIES

To the best of Lagardère SA's knowledge, no member of the Board of Directors has entered into a service agreement with Lagardère SA or any of its subsidiaries, with the exception of (i) the legal advisory services contract between the Realyze law firm, of which Nicolas Sarkozy is a founding partner, and the Group, and (ii) the service agreement signed between Lagardère Management (a company entirely owned by Arnaud Lagardère and managed by Arnaud Lagardère, Chairman and Pierre Leroy, CEO) and Lagardère Ressources, a subsidiary of Lagardère SA. For more details on the agreement, see section 2.7 of the Universal Registration Document.

2.3.3 CONFLICTS OF INTEREST

To the best of Lagardère SA's knowledge, there are no potential conflicts of interest between the duties of the members of the Board of Directors of Lagardère SA and their private interests and/or any other duties, except for the situation of Arnaud de Puyfontaine, Chairman of the Management Board of Vivendi SE, holding company of the Vivendi group, which competes with the business of the Lagardère group, mainly in the publishing sector and, marginally in the sectors of the press, live entertainment production, venue management and video games on mobile devices. Arnaud de Puyfontaine is subject to the ring-fencing mechanism provided for in the Lagardère SA Board of Directors' Rules of Procedure which is designed to prevent any disclosure of sensitive information and, more generally, any unlawful agreements between competitor companies within the Lagardère SA's Board of Directors and its Committees.

In addition, in the context of the proposed public tender offer announced by Vivendi SE, Arnaud de Puyfontaine refrained from participating in the deliberations at the meetings of 17 December 2021 and 21 December 2021, concerning (i) the appointment of an *ad hoc* Committee, (ii) the authorisation for the signing of a Clean Team confidentiality and cooperation agreement between the Company and Vivendi SE, in accordance with article L. 225-38 of the French Commercial Code (see the Company's release of 20 December 2021 relating to this agreement), and (iii) the appointment of the firm Eight Advisory as an independent expert. Similarly, Arnaud de Puyfontaine will refrain from participating in the deliberations on the reasoned opinion of the Board of Directors on the proposed public tender offer filed on 21 February 2022.

2.3.4 RESTRICTIONS ON THE SALE BY MEMBERS OF THE BOARD OF DIRECTORS OR SENIOR EXECUTIVES OF THEIR INTEREST IN LAGARDÈRE SA

- To the knowledge of Lagardère SA, no restriction has been accepted by the Board of Directors concerning the sale of their shares in the Company's capital after a certain period of time, except for:
  - the rules for holding shares provided for in the provisions of Lagardère SA's Articles of Association and the Board's Rules of Procedure (holding of 150 shares during the term of office), which are nevertheless not applicable to employee directors;
  - the rules for trading in Lagardère SA shares defined in the laws and regulations in force (black-out periods of 30 calendar days preceding the publication dates of the annual and interim results press releases and any period in relation to the possession of inside information);
  - in the case of Arnaud de Puyfontaine, restrictions on trading in Lagardère SA shares and applicable reporting obligations during the pre-offer and offer periods, in connection with the proposed public tender offer announced by Vivendi SE, in accordance with articles 231-38 *et seq.* of the AMF's General Regulations.
- to the knowledge of Lagardère SA, no restriction has been accepted by the executive corporate officers concerning the sale of their shares in the Company's capital after a certain period of time, except for:
  - the rules for trading in Lagardère SA shares defined in the laws and regulations in force or in the Confidentiality and Market Ethics Charter Applicable to Lagardère group Associates;
  - in the case of Pierre Leroy, the mandatory holding period for performance share awards, pursuant to the rules set by the General Meeting and the Board of Directors in accordance with the French Commercial Code and the recommendations of the Afep-Medef Code.

2.3.5 TRANSACTIONS IN LAGARDÈRE SA SHARES BY THE CORPORATE OFFICERS DURING 2021

The following transactions in the Company's shares were disclosed in 2021 by the persons falling within the scope of article L. 621-18-2 of the French Monetary and Financial Code (information disclosed pursuant to article 223-26 of the AMF's General Regulations):

Person involved	Office	Type of transaction	Type of securities	Date of transaction	Volume	Price per share	Total amount
Arnaud Lagardère	Chairman and Chief Executive Officer	Allocation of new shares issued(i)	Shares	30 June 2021	5,000,000	0	0
		Contribution of shares to Lagardère Capital	Shares	27 August 2021	4,500,000	22.4727	101,127,150
Arjil Commandité-Arco	Legal entity related to Arnaud Lagardère, Chairman and Chief Executive Officer	Allocation of new shares issued(i)	Shares	30 June 2021	5,000,000	0	0
		Pledge	Shares	9 July 2021	5,000,000	0	0
Lagardère Capital	Legal entity related to Arnaud Lagardère, Chairman and Chief Executive Officer	Contribution in kind of shares by Arnaud Lagardère	Shares	27 August 2021	4,500,000	22.4727	101,127,150
		Disposal of shares as part of an unequal capital reduction(ii)	Shares	13 October 2021	3,910,139	22.7619	89,002,192.90
Vivendi SE	Legal entity related to Arnaud de Puyfontaine, Director	Acquisition(iii)	Shares	15 September 2021	25,305,448	24.10	609,861,296.80
		Disposal	Shares	15 September 2021	150	24.10	3,615
		Acquisition(iii)	Shares	16 December 2021	24,685,108	24.10	594,911,102.80
Arnaud de Puyfontaine	Director	Acquisition	Shares	15 September 2021	150	24.10	3,615
Amber Capital UK LLP	Legal entity related to Joseph Oughourlian, Director (until 15 December 2021)	Disposal(iii)	Shares	15 September 2021	25,305,448	24.10	609,861,296.80
		Disposal(iii)	Shares	16 December 2021	24,685,108	24.10	594,911,102.80
Joseph Oughourlian	Director (until 15 December 2021)	Acquisition	Shares	20 September 2021	150	23.20	3,480

(i) Allocation to the General Partners, Arnaud Lagardère and Arjil Commanditée-Arco, as compensation for the loss of their financial and non-financial rights, in connection with the conversion of the Company into a joint-stock company with a Board of Directors, approved by the General Meeting of the General Partners and the shareholders on 30 June 2021, of a total of 10 million new Company shares (each with a par value of €6.10), allocated in equal proportions.

(ii) Allocation by Lagardère Capital to Financière Agache of 3,910,139 Lagardère SA shares, for a price of €89,002,197.25, against the cancellation of Financière Agache's entire stake in Lagardère Capital by way of an unequal capital reduction.

(iii) Under the sale agreement of 14 September 2021, approved by the Vivendi SE Supervisory Board on 15 September 2021, Vivendi SE agreed to acquire 25,305,448 Lagardère SA shares held by Amber Capital UK, Amber Italia SGR SpA and Amber Capital UK LLP (referred to collectively as "Amber Capital"), at a price of €24.10 per share, starting from that date until 15 December 2022. By exception, Vivendi SE acquired, directly and without condition, 620,340 Lagardère SA shares held by Amber Capital. On 16 December 2021, Vivendi SE acquired 24,685,108 Lagardère SA shares held by Amber Capital.

2.4 OTHER GOVERNING BODIES AFR

2.4.1 EXECUTIVE COMMITTEE

The Executive Committee is chaired by Arnaud Lagardère in his capacity as Lagardère SA's Chairman and Chief Executive Officer, and includes Pierre Leroy, Deputy Chief Executive Officer of Lagardère SA and Chairman and Chief Executive Officer of Hachette Livre, the heads of the divisions and the heads of the Group's major central management functions.

The role of the Executive Committee is to assist the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer in performing their duties.

It enlists the help of any of the Group's senior executives whom it considers to be of use in the accomplishment of its duties.

2.4.2 EXECUTIVE BODY GENDER BALANCE POLICY

With women making up 65% of its workforce at 31 December 2021, the Lagardère group has strong female representation and having a balanced representation of men and women in senior management positions is one of its priority commitments.

For this purpose, the Group has signed up to the UN's Women Empowerment Principles and to the StOpE initiative which aims to combat casual sexism in the workplace.

In line with this commitment and with the recommendations of the Afep-Medef Code to which the Company adheres, the General Management has adopted a diversity policy for the Group's managing bodies, which is regularly reviewed by the Board of Directors and its Appointments, Remuneration and CSR Committee.

Since the proportion of women executives of the Group reached 51% in 2020, the General Management decided to focus its efforts going forward on a smaller scope that is more representative of the Group's top management in 2021. This scope chosen takes into account the Group's specific characteristics, notably its significant decentralised structure and international exposure and corresponds to: (i) members of the Group's Executive Committee and their direct reports, (ii) members of the enlarged Executive Committees and Management Committees of Lagardère Publishing, Lagardère Travel Retail and Lagardère News, (iii) management teams of independent entities for Lagardère Travel Retail and (iv) senior executives in France for Lagardère Publishing.

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

Within this new scope of just over 300 people, the General Management set a **target of women making up 45% of the population by the end of 2024**. This will be achieved through several action plans, including:

- looking for an appropriate gender balance when recruiting for managerial positions, up to the short-list phase;
- preparing succession plans as part of talent reviews with a greater emphasis on gender balance;
- promoting work-life balance, including parenting;
- focusing on equal opportunity in remuneration, training and career development policies;
- providing training and awareness-raising on diversity issues and on bias caused by stereotypes for all those involved in the recruitment process;
- raising the awareness of all employees to casual sexism in the workplace through self-assessment and training campaigns;
- incorporating gender balance targets within the CSR criteria used to determine components of short- and long-term variable remuneration for the members of the Executive Committee and senior executives of the Group;
- rolling out measures via the LL Network, in particular the internal mentoring program.

Each year steering committees comprising Human Resources and CSR Directors of the divisions and Corporate Divisions review the implementation of these action plans along with the changes brought about. The Human Resources Committee is responsible for supervising action plans for the full Lagardère group scope, under the authority of the Secretary General of the Lagardère group, member of the Executive Committee.

These action plans were successful in 2021, although gender diversity remained stable in 2020 and 2021 (65% of women for 27,359 employees), the percentage of women increased significantly compared to the other populations, i.e.:

- from 56% in 2020 to 58% in 2021 for managers (6,737 people);
- from 51% in 2020 to 54% in 2021 for executive managers (547 people);
- from 42% in 2020 to 44% in 2021 for top executives (348 people), therefore ahead of the target set.

The presence of women in the Group's management bodies also increased in 2021 with:

- 43% of women on the Group's Executive Committee (versus 20% in 2020);
- 31% of women on Lagardère Travel Retail's Management Committee (compared to 18% in 2020); and
- an equal number of men and women on the Executive Committees of Lagardère News and Hachette Livre.

In accordance with French law 2021-1774 of 24 December 2021, aimed at accelerating gender balance, known as the Rixain Law, Group companies, employing each at least 1,000 employees for the third consecutive financial year, published for the first time in 2022, gaps in gender representation among (i) the population of senior managers defined in article L. 3111-2 of the French Labour Code and (ii) the members of management bodies within the meaning of article L. 23-12-1 of the French Commercial Code. These companies will also have to ensure that they reach the minimum percentage of persons of each gender for these two populations, i.e., 30% in March 2026, increasing to 40% in March 2029.

2.4.3 HUMAN CAPITAL POLICY AND SKILLS MANAGEMENT - PREPARING SUCCESSION PLANS

The Lagardère group's performance depends directly on the skills of its employees and the suitability of its resources. The Group's divisions manage their human resources independently, under shared principles and commitments (including the Group talent management policy) defined and formally established at Group level jointly with the divisions' Human Resources Directors.

This point is discussed in more detail in chapter 4 – Non-financial statement and duty of care plan of this Universal Registration Document.

Succession planning for the Group's main executives is essential to the Group's future success, as it guarantees continuity of leadership in case of a planned or unforeseen change in a key position, and, more generally, builds an internal team of managers capable of steering the Group through its long-term growth strategy.

In accordance with best corporate governance practices, succession planning and review processes have been implemented to better address these needs.

Succession plans are designed to cover different time frames:

- unforeseen situations (resignations, incapacity, death);
- planned medium-term situations (retirement, expiry of term of office);
- longer-term plans focused on identifying, partnering and training high-potential employees within the Group.

In accordance with the Board of Directors' Rules of Procedure, it is the responsibility of the Appointments, Remuneration and CSR Committee to ensure that a succession plan is drawn up for the Company's executive corporate officers.

The succession plans of the Executive Committee members proposed by the General Management are thus reviewed by the Appointments, Remuneration and CSR Committee.

In the context of this review, the Committee ensures that the plans are consistent with market practices, assesses the relevance of the proposals made and the appropriateness of the preparatory measures put in place and reports its findings to the Board of Directors.

Similar processes are put in place in the divisions to prepare succession plans for members of the Executive Committees and other key positions. These processes are also presented to the Appointments, Remuneration and CSR Committee, which carefully reviews them and reports its findings to the Company's Board of Directors.

The Appointments, Remuneration and CSR Committee conducted this first periodic review of the succession plans of the Group Executive Committee and the divisions' Committees at its meeting on 11 February 2022 and reported on its findings to the Board of Directors at its meeting of 16 February 2022.

2.5 REMUNERATION AND BENEFITS OF EXECUTIVE CORPORATE OFFICERS

AFR

Articles L. 22-10-8 *et seq.* of the French Commercial Code provide for a strict legal framework for the remuneration of corporate officers. The purpose of this section is to present (i) **the remuneration policies for the Company's executive corporate officers for 2022** and (ii) **the components of the total remuneration and benefits paid during or allocated in respect of 2021 to these corporate officers.**

These remuneration policies and components will be submitted for shareholder approval at the Annual General Meeting to be held on 22 April 2022.

2.5.1 REMUNERATION POLICIES FOR THE EXECUTIVE CORPORATE OFFICERS

2.5.1.1 UNDERLYING PRINCIPLES OF THE REMUNERATION POLICIES FOR EXECUTIVE CORPORATE OFFICERS

In accordance with the legal framework set out in articles L. 22-10-8 *et seq.* of the French Commercial Code, the remuneration policies for the executive corporate officers for 2022 were approved by the Board of Directors on the recommendation of the Appointments, Remuneration and CSR Committee at the Board's meeting on 14 March 2022.

The same procedure will be followed for any subsequent revision of the remuneration policies.

The role of the Appointments, Remuneration and CSR Committee, comprising only independent members and the employee director, is to ensure that there are no conflicts of interest when preparing, reviewing and implementing the remuneration policies.

Most of the main principles governing the remuneration policies for the Company's executive corporate officers were established in 2003, but have been regularly amended to reflect the rules of good governance.

The aim of these remuneration policies for executive corporate officers is to achieve – through their various components – a fair balance, commensurate with the work performed and the level of responsibility, between a lump-sum, recurring portion (**annual fixed remuneration**), and a portion directly related to the operating environment, strategy and performance of the Group (**annual variable remuneration and performance shares**).

Within the variable portion, a balance is also sought between the portion based on short-term objectives (**annual variable remuneration** contingent on performance for the year concerned) and the portion based on long-term objectives (**free shares** subject to performance conditions assessed over a minimum period of three consecutive years, with the vesting period followed by a holding period of no less than two years). The aim of these performance share awards is to closely align the executive corporate officers' interests with those of the Company's shareholders in terms of long-term value creation.

The underlying performance criteria applicable to both the annual variable remuneration and the performance shares are mainly **quantitative financial criteria**, which are key indicators of the Group's overall health. These criteria are a way of assessing the Group's intrinsic performance, i.e., its year-on-year progress, based on internal indicators that are directly correlated with the Group's strategy.

The variable remuneration of the executive corporate officers is also contingent on **quantitative non-financial criteria** related to the Group's key commitments under its **Corporate Social Responsibility** policy, which apply both to the short-term portion (annual variable remuneration) and the long-term portion (performance shares). The inclusion of these non financial criteria is designed to encourage a model of steady, sustainable growth that mirrors the Group's corporate values and respects the environment in which it operates.

The annual variable remuneration of the executive corporate officers also includes a portion contingent on **qualitative criteria**, based on a set of specific priority targets assigned each year.

In addition, executive corporate officers have a conditional right to receive **a supplementary pension** in addition to benefits under the basic state pension system. This benefit is taken into account when calculating their overall remuneration.

Lastly, **on a very exceptional basis**, **bonuses** may be awarded, under terms and conditions that always comply with best corporate governance principles and practices.

In light of all these elements, the executive corporate officers do not receive:

- **multi-annual variable remuneration in cash;**
- **benefits linked to taking up or terminating office;**
- **benefits linked to non-competition agreements.**

Furthermore, Arnaud Lagardère, who is a significant shareholder of Lagardère SA, does not receive any free share awards or other share options, as his stake in the Company automatically guarantees that his actions over the long term will be closely aligned with the interests of shareholders, of which he is one.

Beyond the application of market practices, the remuneration policy for executive corporate officers takes account of the remuneration and employment conditions of Company and Group personnel. Accordingly, 40% of Group employees have a variable component in their overall annual remuneration. Similarly, in accordance with best corporate governance practices, the Lagardère SA free share plans are not just restricted to executive corporate officers and senior managers. They also cover some 450 Group employees, notably young high-potential managers identified during the talent management process. In addition, for a portion of the beneficiaries of these plans, free shares are allocated subject to the achievement of the same performance conditions as those applicable to the Deputy Chief Executive Officer.

The overall policy implemented is designed to ensure **reasonable, fair and balanced remuneration**, and to create a **strong correlation between the interests of the executive corporate officers and the interests of the Company, its shareholders and all of its stakeholders,** tailored to the Group's strategy and its **performance objectives.**

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

In order to ensure continuity and stability in remuneration principles for both the Company and its shareholders, the initial remuneration policies adopted in 2021 to apply immediately to the Company in its new form as a French joint-stock company (*société anonyme*) as from 30 June 2021 have been structured in a strictly identical manner to the most recent policies previously applicable to the Company in its form as a French partnership limited by shares (*société en commandite par actions*) up to 30 June 2021.

As part of its duty to make recommendations to the Board of Directors on the remuneration of corporate officers, the new Appointments, Remuneration and CSR Committee appointed on 30 June 2021 nevertheless decided to review these remuneration policies, in order to assess their alignment with the rules of good governance (Afep-Medef Corporate Governance Code, AMF and HCGE recommendations on corporate governance, voting policies of proxy advisory firms, etc.), as well as with the market practices observed for various relevant panels (Next 40 index and *ad hoc* benchmark group composed of competitors from the publishing and travel retail industries). The purpose of this review was to enable the Committee to recommend to the Board changes to these policies that would also take into account the Company's new governance and the context of the public tender offer for the Company.

The Appointments, Remuneration and CSR Committee was assisted in this role by Boracay, an **external service provider** selected from among the most specialised and best-known players in the sector.

Based on this work, the following changes, detailed below, were made to the remuneration policies for executive corporate officers for 2022:

- increase in the benchmark and maximum amounts applicable to the annual variable remuneration of the Chairman and Chief Executive Officer;
- alignment of the annual variable remuneration structures for the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer, with qualitative criteria now included in the Chairman and Chief Executive Officer's annual variable remuneration and an adjustment to the respective weighting of financial and non-financial criteria; and
- adjustment of one of the criteria applicable to the performance share plans, in order to take into account the exceptional context of the public offer for the Company.

The Board of Directors may decide to make exceptions as to the application of the remuneration policies by adjusting, on the advice of the Appointments, Remuneration and CSR Committee, the objectives set and/or certain criteria applicable to the executive corporate officers' annual variable remuneration or long-term incentive instruments, provided that any such adjustment is justified by exceptional circumstances, such as a change in accounting standards, a material change in scope, the completion of a transformational transaction, a substantial change in market conditions, or an unexpected development in the competitive landscape. Any such modification of the objectives and/or criteria with the aim of ensuring that the actual performance of the Group and of the executive corporate officer continues to be reflected, would be made public and justified, notably with regard to the Group's corporate interests. In all circumstances, the payment of variable remuneration remains subject to the approval of the shareholders.

2.5.1.2 COMPONENTS OF THE REMUNERATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

2.5.1.2.A SHORT-TERM REMUNERATION COMPONENTS

A) Annual fixed remuneration

Annual fixed remuneration is paid in 12 equal monthly instalments over the year.

The amount of this fixed remuneration reflects the responsibilities, skills and experience of the executive corporate officer, and is reviewed at relatively long intervals in accordance with the recommendations of the Afep-Medef Code.

Arnaud Lagardère, as Chairman and Chief Executive Officer, receives **€1,140,729** in annual fixed remuneration, unchanged since 2009.

B) Annual variable remuneration

Annual variable remuneration is calculated as a portion of a **benchmark amount**, based on a **combination of specific criteria – both financial and non-financial – directly correlated with the Group's strategy**. Annual variable remuneration is also subject to a **cap expressed as a maximum percentage of fixed remuneration** for the same fiscal year.

In accordance with article L. 22-10-34 II of the French Commercial Code, the variable remuneration of the Chairman and Chief Executive Officer can only be paid following the approval of the General Meeting of shareholders.

Benchmark amounts, weighting of criteria and caps

For Arnaud Lagardère, who receives neither share options nor performance shares, annual variable remuneration is based on a **benchmark amount of €1,426,000 (i.e., 125% of his annual fixed remuneration)**.

The following are then applied to this reference amount:

- **quantitative financial criteria (70% weighting);**
- **quantitative non-financial CSR criteria (15% weighting);**
- **qualitative criteria (15% weighting).**

His total annual variable remuneration **may not exceed 200% of his annual fixed remuneration.**

The target and maximum amounts of the annual variable remuneration, previously set at 123% and 150% of the fixed remuneration respectively, were increased to 125% and 200%. This increase, recommended by the Appointments, Remuneration and CSR Committee, was decided by the Board of Directors – taking into account market practices observed for the Company's panels of comparable companies – with a view to encouraging the Chairman and Chief Executive Officer to outperform, and increasing the "contingent" portion of his remuneration.

Similarly, the Board of Directors decided to introduce a "qualitative" component into the annual variable remuneration and to adjust the respective weighting of the quantitative financial and CSR criteria in order to bring this component into line with observed market practices. However, financial criteria (70%) and quantitative criteria (85%) clearly remain predominant, in full compliance with the recommendations of the Afep-Medef Code and the rules of good governance.

Quantitative financial criteria

The quantitative financial criteria underlying the Chairman and Chief Executive Officer's annual variable remuneration correspond to **two internal criteria which have an equal weighting**. These criteria reflect key indicators of the Group's solidity:

- **recurring operating profit of fully consolidated companies (recurring EBIT) (35% weighting);**
- **free cash flow (35% weighting).**

For each of these two criteria, the Board of Directors validates, on the advice issued by the Appointments, Remuneration and CSR Committee, the "trigger level" and "target level" for the objectives, in line with the provisional consolidated budget adopted by the Board.

For each of these two criteria:

- if the target level is achieved, 100% of the benchmark amount allocated to the criterion will be awarded;
- if the level achieved is between the trigger and target levels, 0% to 100% of the benchmark amount allocated to the criterion will be awarded, as calculated on a straight-line basis;
- if the target level is exceeded, the award is proportionate to the outperformance, but cannot exceed the specified aggregate annual variable remuneration cap;
- if the trigger level is not achieved, 0% of the benchmark amount allocated to the criterion is awarded.

Quantitative non-financial CSR criteria

Three quantitative non-financial CSR criteria underlying the Chairman and Chief Executive Officer's annual variable remuneration, **each with an equal weighting**. The criteria are related to the Group's priority commitments under its Corporate Social Responsibility policy.

Each of the three criteria used must be **relevant** to the Group's CSR roadmap, **be measurable and monitored over time** using reliable systems, and **be subject to specific procedures** carried out by the independent third party in the context of its report on the Group's non-financial statement, except for external criteria based on assessments performed by an independent third party.

Each of the criteria is set by the Board of Directors on the advice of the Appointments, Remuneration and CSR Committee.

For each of the three criteria, trigger level and target level objectives are set under the same conditions. These objectives must be demanding and consistent in terms of both the Group's historical performance and changes in its operating environment.

For each of these three criteria:

- if the target level is achieved, 125% of the benchmark amount allocated to the criterion will be awarded;
- if the level achieved is between the trigger and target levels, 75% of the benchmark amount allocated to the criterion will be awarded;
- if the target level is exceeded, 150% of the benchmark amount allocated to the criterion will be awarded;
- if the trigger level is not achieved, 0% of the benchmark amount allocated to the criterion is awarded.

For 2022, the three criteria are:

- **environmental (5%): the reduction in Lagardère's carbon footprint, as measured by the rate of CO_2 emissions from Scopes 1 & 2 and part of Scope 3 as a ratio of the workforce**; As indicated in section 4.3.2. of this Universal Registration Document, in 2022 Lagardère will conduct a detailed analysis of its Scope 3 emissions with the aim of defining a path to reduce all such emissions. Pending completion of this necessary analysis, the Group nevertheless considered it appropriate to set a specific objective in 2022 targeting some of the indirect emissions corresponding to staff travel on which it can already take effective action;
- **social (5%): improving the gender balance in executive bodies and in positions of senior responsibility, as measured by the proportion of female "top executives";**
- **ethical (5%): promoting ethical and responsible governance, as measured by the Group's regular assessment of the environmental, social and ethical performance of its suppliers and subcontractors.**

Qualitative criteria

The Board of Directors decided to include qualitative criteria in the Chairman and Chief Executive Officer's remuneration based on the following two areas, each with equal weighting:

- **rollout of the Group's strategic plan (7.5% weighting);**
- **quality of governance and management (7.5% weighting),** covering (i) actions to motivate and retain talent and (ii) the effective engagement of General Management in the deployment of compliance, risk management and corruption prevention programmes.

The performance levels achieved in these two areas are assessed by the Board of Directors, based on the recommendations of the Appointments, Remuneration and CSR Committee. The performance levels as recorded by the Board can raise or lower the benchmark amount set, although the **qualitative portion** of annual variable remuneration **may not under any circumstances exceed 30%** of the Chairman and Chief Executive Officer's **fixed remuneration**.

Specific trigger and target levels for each criteria were set by the Board of Directors, on the recommendation of the Appointments, Remuneration and CSR Committee. However, as this information relates to the Group's budget and internal goals (themselves not public knowledge), it is not disclosed. The level of achievement of the financial and non-financial criteria will be reported to the Annual General Meeting to be held in 2023, the approval of which will be a condition for the payment of the annual variable portion in 2023.

SUMMARY OF THE ANNUAL VARIABLE REMUNERATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Arnaud Lagardère

	Weighting	Benchmark amount	Maximum amount (% of fixed remuneration)
Quantitative financial criteria	**70%**	**€998,200**	**30%**
Recurring operating profit of fully consolidated companies	35%	€499,100	
Free cash flow	35%	€499,100	
Quantitative CSR criteria	**15%**	**€213,900**	
CO_2 emissions	5%	€71,300	
Proportion of female top executives	5%	€71,300	
Ecovadis assessment	5%	€71,300	
Qualitative criteria	**15%**	**€213,900**	
Rollout of strategic plan	7.5%	€106,950	
Quality of governance and management	7.5%	€106,950	
Total	**100%**	**€1,426,000**	**200%**

Clawback clause

The remuneration policy applicable to the Chairman and Chief Executive Officer includes a clawback clause. This clause allows some or all of the annual variable remuneration paid to the Chairman and Chief Executive Officer to be "clawed back" under exceptional and serious circumstances.

The clawback clause is designed as an effective means of aligning the interests of management with those of shareholders. It can be activated in the exceptional event that, in the two years following payment of the annual variable remuneration, the financial data on which it was based are found to have been demonstrably and intentionally distorted. The amount clawed back in this case would represent the sums impacted by the fraud.

C) Remuneration as a director

Like the other members of the Board of Directors, the Chairman and Chief Executive Officer receives remuneration for his duties on the Board and its committees, in accordance with the rules set out in the remuneration policy described in section 2.6 below.

2.5.1.2.B LONG-TERM REMUNERATION COMPONENTS – PERFORMANCE SHARE AWARDS

Arnaud Lagardère, who is a significant shareholder of the Company, does not receive any free share awards or other share options, as his stake in the Company automatically guarantees that his actions over the long term will be closely aligned with the interests of shareholders, of which he is one.

2.5.1.2.C OTHER BENEFITS

A) Benefits in kind – business expenses

The Chairman and Chief Executive Officer is provided with a company car, the potential personal use of which corresponds to a benefit in kind.

The Chairman and Chief Executive Officer is also entitled to the reimbursement of business travel and business entertainment expenses incurred in connection with his executive duties.

B) Supplementary pension plan

The Chairman and Chief Executive Officer is eligible for a supplementary pension plan operated by Lagardère Management. This is a defined supplementary benefit plan as provided for in article 39 of the French Tax Code (*Code général des impôts*) and article L. 137-11 of the French Social Security Code (*Code de la sécurité sociale*).

In accordance with French Government Order no. 2019-697 dated 3 July 2019, which reformed the statutory supplementary pension plan regime in France, **this plan was closed to new entrants as from 4 July 2019, and benefits accrued under the plan were frozen as at 31 December 2019**. No further benefits will be accrued under the plan as from that date.

The plan is a conditional benefit plan, and the pension will only be payable if the beneficiary is still with the company at retirement age, except in the event of (i) termination (other than for serious misconduct) after the age of 55 providing the beneficiary does not take up another post, (ii) long-term disability, or (iii) early retirement. In addition, beneficiaries are required to have been members of the Executive Committee for at least five years at the date that they retire.

In the event of the beneficiary's death, 60% of the pension is transferable to the surviving spouse.

Before the plan was frozen at 31 December 2019, its beneficiaries accrued supplementary pension entitlements at a rate equal to 1.75% of the benchmark remuneration per year of membership of the plan.

The benchmark remuneration corresponded to the average gross annual remuneration over the last five years (fixed + variable up to a maximum of 100% of the fixed portion). In addition, each annual remuneration could not exceed 50 times the annual limit defined by the French social security system i.e., a maximum amount of €2,026,200 in 2019. Each beneficiary's benchmark remuneration was frozen at 31 December 2019.

As the number of years of plan membership used to calculate the benefit entitlements is capped at 20, the supplementary pension could not exceed 35% of the benchmark remuneration.

The pension entitlements were fully borne by the Company and this benefit was taken into account in determining the overall remuneration of the Chairman and Chief Executive Officer.

Under current social security laws (article L. 137-11 of the French Commercial Code), the Company is required to pay a contribution equal to 32% of the amount of the benefits, at the time that such benefits are paid.

In addition to the tax and social security contributions applicable to pensions (levied at a rate of 10.1%, of which 5.9% is tax-deductible), under current tax and social security laws, the annuities that will be paid to the beneficiaries will also be subject to the specific contribution provided for in article L. 137-11-1 of the French Social Security Code, before income tax withheld at source and any surtaxes on high incomes.

At its meeting on 17 December 2021, the Board of Directors decided, on the recommendation of the Appointments, Remuneration and CSR Committee, to set up a new "vested benefits" supplementary pension plan for 2020 and 2021 in accordance with the new legal framework introduced by article L. 137-11-2 of the French Social Security Code. The main features of this pension plan, as set out in the remuneration policy approved by the General Meeting of 30 June 2021, are described below.

This is an individual rather than collective plan and is "portable", in that the benefits will be attached to the employee and will be carried over even in case of a change of employer.

The characteristics of this supplementary pension plan fully comply with applicable legislation and with the recommendations of the Afep-Medef Corporate Governance Code.

Under this plan, the supplementary pension benefits will vest to the Chairman and Chief Executive Officer at a rate of 1.25% of the benchmark remuneration each year.

The benchmark remuneration corresponds to the gross annual remuneration (fixed + variable) and cannot exceed 50 times the annual ceiling used to calculate social security contributions.

Since the maximum vesting period is 20 years, the accumulated rights are capped at 25%.

In the event of the beneficiary's death, 60% of the pension is transferable to the surviving spouse.

In accordance with applicable legislation, vesting is subject to performance conditions that require an achievement rate of at least 75% for the annual financial and non-financial targets used to determine the Chairman and Chief Executive Officer's annual variable remuneration.

In accordance with the provisions of the instruction of 23 December 2020, this new plan applies with retroactive effect from 1 January 2020 and, exceptionally, the performance conditions were not applied to rights in respect of the 2020 fiscal year.

The new plan may be continued in 2022.

C) Termination benefit

The Company has not given any commitments to the Chairman and Chief Executive Officer in relation to granting him any termination benefits.

D) Extraordinary remuneration

Bonuses may be granted to the executive corporate officers in very specific and exceptional circumstances, notably in connection with one-off transactions requiring extensive involvement of the Chairman and Chief Executive Officer, particularly when the impacts of such transactions, despite being extremely significant for the Group, cannot be taken into account in determining the variable portion of their remuneration.

The conditions of any exceptional bonus awards and payments are determined in accordance with best corporate governance practices.

Any exceptional bonus award, which must be disclosed and justified in detail, may not in any case exceed 150% of the annual fixed remuneration of the Chairman and Chief Executive Officer.

2.5.1.3 COMPONENTS OF THE REMUNERATION POLICY FOR THE DEPUTY CHIEF EXECUTIVE OFFICER

2.5.1.3.A SHORT-TERM REMUNERATION COMPONENTS

A) Annual fixed remuneration

Annual fixed remuneration is paid in 12 equal monthly instalments over the year.

The amount of this fixed remuneration reflects the responsibilities, skills and experience of the executive corporate officer, and is reviewed at relatively long intervals in accordance with the recommendations of the Afep-Medef Code.

Pierre Leroy, as Deputy Chief Executive Officer, receives **€1,474,000** in annual fixed remuneration, unchanged since 2011.

B) Annual variable remuneration

Annual variable remuneration is calculated as a portion of a benchmark amount, based on a **combination of specific criteria – both financial and non-financial – directly correlated with the Group's strategy**. Annual variable remuneration is also subject to a **cap expressed as a maximum percentage of fixed remuneration** for the same fiscal year.

In accordance with article L. 22-10-34 II of the French Commercial Code, the variable remuneration of the Deputy Chief Executive Officer can only be paid following the approval of the General Meeting of shareholders.

Benchmark amounts, weighting of criteria and caps

The annual variable remuneration for Pierre Leroy is based on **an aggregate benchmark amount of €600,000 (i.e., 41% of fixed remuneration)**. This amount has remained unchanged for several years.

The following are then applied to this reference amount:

- **quantitative financial criteria (70% weighting);**
- **quantitative non-financial CSR criteria (15% weighting);**
- **qualitative criteria (15% weighting).**

The weighting formula has therefore been changed compared to the previous remuneration policy, in which quantifiable financial criteria had a weighting of 50%, quantitative non-financial CSR criteria 25% and qualitative criteria 25%.

This change, decided by the Board of Directors on the recommendation of the Appointments, Remuneration and CSR Committee, is designed to bring this component of remuneration into line with observed market practices.

With regard to the Deputy Chief Executive Officer, this change leads to a further increase in the financial criteria (70%) and quantifiable criteria (85%) components, both of which therefore become clearly predominant, in full compliance with the recommendations of the Afep-Medef Corporate Governance Code and the rules of good governance.

The Deputy Chief Executive Officer's annual variable remuneration is also subject to two caps: the total annual variable remuneration **may not exceed 75% of his annual fixed remuneration, and the amount of the qualitative portion is capped at 25% of the annual fixed remuneration**. The qualitative portion may not therefore represent more than 33% of his maximum annual variable remuneration.

Quantitative financial criteria

The quantitative financial criteria underlying the Deputy Chief Executive Officer's annual variable remuneration are identical to those applicable to the Chairman and Chief Executive Officer, and correspond to **two internal criteria which have an equal weighting**. These criteria reflect key indicators of the Group's solidity:

- **recurring operating profit of fully consolidated companies (recurring EBIT) (35% weighting);**
- **free cash flow (35% weighting).**

For each of these two criteria, the Board of Directors validates, on the advice issued by the Appointments, Remuneration and CSR Committee, the "trigger level" and "target level" for the objectives, in line with the provisional consolidated budget adopted by the Board.

For each of these two criteria:

- if the target level is achieved, 100% of the benchmark amount allocated to the criterion will be awarded;
- if the level achieved is between the trigger and target levels, 0% to 100% of the benchmark amount allocated to the criterion will be awarded, as calculated on a straight line basis;
- if the target level is exceeded, the award is proportionate to the outperformance, but cannot exceed the specified aggregate annual variable remuneration cap;
- if the trigger level is not achieved, 0% of the benchmark amount allocated to the criterion is awarded.

Quantitative non-financial CSR criteria

Three quantitative non-financial CSR criteria underlie the Deputy Chief Executive Officer's annual variable remuneration, **each with an equal weighting**. The criteria are related to the Group's priority commitments under its Corporate Social Responsibility policy.

Each of the three criteria used must be relevant to the Group's CSR roadmap, **be measurable and monitored over time** using reliable systems, and **be subject to specific procedures carried out by the independent third party in the context of its report on the Group's non-financial statement**, except for external criteria based on assessments performed by an independent third party.

Each of the criteria is set by the Board of Directors on the advice of the Appointments, Remuneration and CSR Committee.

For each of the three criteria, trigger level and target level objectives are set under the same conditions. **These targets must be demanding and consistent in terms of both the Group's historical performance and changes in its operating environment.**

For each of these three criteria:

- if the target level is achieved, 125% of the benchmark amount allocated to the criterion will be awarded;
- if the level achieved is between the trigger and target levels, 75% of the benchmark amount allocated to the criterion will be awarded;
- if the target level is exceeded, 150% of the benchmark amount allocated to the criterion will be awarded;
- if the trigger level is not achieved, 0% of the benchmark amount allocated to the criterion is awarded.

For 2022, the three criteria adopted are identical to those adopted for the Chairman and Chief Executive Officer, namely:

- **environmental (5%): the reduction in Lagardère's carbon footprint, as measured by the rate of CO_2 emissions from Scopes 1 & 2 and part of Scope 3 as a ratio of the workforce;**
- **social (5%): improved gender balance in executive bodies and in senior positions of responsibility, as measured by the proportion of female "top executives";**
- **ethical (5%): promoting ethical and responsible governance, as measured by the Group's regular assessment of the environmental, social and ethical performance of its suppliers and subcontractors.**

Qualitative criteria

The qualitative criteria that apply to the Deputy Chief Executive Officer's remuneration, which are identical to those applicable to the Chairman and Chief Executive Officer, are based on the **following two areas, each with equal weighting**:

- **rollout of the Group's strategic plan (7.5% weighting);**
- **quality of governance and management (7.5% weighting),** covering (i) actions to motivate and retain talent and (ii) the effective engagement of General Management in the deployment of compliance, risk management and corruption prevention programmes.

The performance levels achieved in these two areas are assessed by the Board of Directors, based on the advice of the Appointments, Remuneration and CSR Committee. The performance levels as recorded by the Board can raise or lower the benchmark amount set, although the qualitative portion of annual variable remuneration may not under any circumstances exceed 25% of the Deputy Chief Executive Officer's fixed remuneration.

SUMMARY OF THE ANNUAL VARIABLE REMUNERATION OF THE DEPUTY CHIEF EXECUTIVE OFFICER

Pierre Leroy

	Weighting	Benchmark amount	Maximum amount (% of fixed remuneration)
Quantitative financial criteria	**70%**	**€420,000**	25%
Recurring operating profit of fully consolidated companies	35%	€210,000	
Free cash flow	35%	€210,000	
Quantitative CSR criteria	**15%**	**€90,000**	
CO_2 emissions	5%	€30,000	
Proportion of female top executives	5%	€30,000	
Ecovadis assessment	5%	€30,000	
Qualitative criteria	**15%**	**€90,000**	
Rollout of strategic plan	7.5%	€45,000	
Quality of governance and management	7.5%	€45,000	
Total	**100%**	**€600,000**	**75%**

Clawback clause

The remuneration policy for the Deputy Chief Executive Officer includes a clawback clause. This clause allows some or all of the annual variable remuneration paid to the Deputy Chief Executive Officer to be "clawed back" under exceptional and serious circumstances.

The clawback clause is designed as an effective means of aligning the interests of management with those of shareholders. It can be activated in the exceptional event that, in the two years following payment of the annual variable remuneration, the financial data on which it was based are found to have been demonstrably and intentionally distorted. The amount clawed back in this case would represent the sums impacted by the fraud.

C) Remuneration as a board advisor (*censeur*)

The Deputy Chief Executive Officer may receive remuneration for his duties as a Board Advisor in accordance with the terms and conditions set out in the Articles of Association (see section 2.9 Appendices) and the rules outlined in the remuneration policy described in section 2.6 below.

2.5.1.3.B LONG-TERM REMUNERATION COMPONENTS – PERFORMANCE SHARE AWARDS

The Deputy Chief Executive Officer is awarded performance shares on a yearly basis.

These awards are decided after publication of the Group's results for the previous year. Their terms and conditions are set by the Board of Directors and the Appointments, Remuneration and CSR Committee. The terms and conditions in force are described below.

Number of performance shares awarded:

- the value of the performance share rights awarded each year to the Deputy Chief Executive Officer may not exceed one-third of that officer's total remuneration for the previous year;
- furthermore, pursuant to the authorisation given by the Company's shareholders, the performance shares awarded yearly to the Deputy Chief Executive Officer may not exceed 0.025% of the number of shares comprising the Company's share capital. This cap has not been revised since 2009.

Holding period for vested performance shares:

- 100% of the vested shares must be held in a registered account (*nominatif pur*) for a period of two years, although there is no legal obligation to do so. At the end of this two-year period:
- 25% of the vested shares must be held in a registered account (*nominatif pur*) until the beneficiary ceases his duties as an executive corporate officer,
- 25% of the vested shares must be held in a registered account (*nominatif pur*) until the value of the Lagardère SA shares held equals at least one year's worth of the executive corporate officer's gross variable remuneration. This value is assessed each year based on (i) the average Lagardère SA share price for the month of December of the previous year and (ii) the fixed and variable remuneration due in respect of the past year, with the theoretical maximum level being used for the variable portion;
- each executive corporate officer eligible to receive performance shares formally agrees not to enter into transactions to hedge risks associated with their performance shares during the holding period;
- at the close of the mandatory holding periods, the corresponding shares become transferable and can be traded under the terms and conditions established by law and regulations and in accordance with the black-out periods established by Lagardère SA in its Confidentiality and Market Ethics Charter.

Vesting conditions:

- ***Performance conditions***

The performance conditions are based on criteria representing **key indicators used for the Group's strategy**, which ensure that the beneficiaries' interests are closely aligned with those of the Company and its stakeholders.

The criteria are all quantitative criteria and are assessed over a minimum period of three consecutive fiscal years, including the fiscal year during which the performance shares are awarded (the "reference period").

In order to take into account the exceptional circumstances resulting from Vivendi SE's public tender offer for the Company, which includes a subsidiary tender offer guaranteeing a minimum price for the purchase of the Company's shares until 15 December 2023, likely to have an impact on the share price during this period, the Board of Directors, on the recommendation of the Appointments, Remuneration and CSR Committee, decided, for plans awarded in 2022, to remove the Total Shareholder Return (TSR) indicator provided for in the previous policies and to replace it by an additional internal financial criterion.

Accordingly, the performance criteria applicable in 2022 will be as follows:

- **For 25% of the performance shares awarded**: the achievement during the reference period of a pre-defined **return on capital employed (ROCE)**.

  ROCE, a criterion that has remained unchanged, is a relevant performance indicator reflecting the profitability of the Company's operating assets and its ability to create value.
- **For 25% of the performance shares awarded**: the achievement during the reference period of a pre-defined **cumulative amount of free cash flow**.

  This criterion, also unchanged, which reflects the Group's capacity to finance its investments and pay dividends, is also a key indicator of the Group's financial health.
- **For 20% of the performance shares awarded**: the achievement during the reference period of a pre-defined **operating margin percentage**.

  This indicator is calculated by dividing recurring operating profit of fully consolidated companies (Group recurring EBIT) by revenue, reflecting the profitability of the business, and is also a key indicator for steering the Group's strategy.

For each of these three objectives, the Board of Directors, on the advice of the Appointments, Remuneration and CSR Committee and in line with the provisional consolidated budget it adopted, approves the following:

- the "target level" to be reached for 100% of the shares allocated to the objective to vest; and
- the "trigger level", corresponding to the level (i) above which 0% to 100% of the shares allocated to the objective will vest (determined on a straight-line basis) and (ii) below which no shares will vest. The trigger level cannot be lower than 66% of the target level.
- **For 30% of the performance shares awarded**: the achievement of precise objectives based on three quantitative criteria related to the Group's key commitments under its **Corporate Social Responsibility policy**, each weighted equally (i.e., 10% for each criterion). This objective can for example concern gender equality, a reduction of the environmental impact of the Group's activities, employee working conditions, or overall non-financial performance.

As is the case for the variable portion of the annual remuneration, both the criteria themselves and the target and trigger levels set for each criterion are approved by the Board of Directors on the basis of recommendations put forward by the Appointments, Remuneration and CSR Committee. The criteria used must be relevant to the Group's CSR roadmap, measurable and monitored over time using reliable systems, and subject to verifications by the independent third party.

For each of the two 10% portions:

- 100% of the shares awarded vest if the target level is achieved;
- 0% of the shares vest if the trigger level is not achieved;
- between 0% and 100% of the shares vest on a straight-line basis if the achievement is between the trigger level and the target level.

For each annual performance share plan, further to discussion by the Appointments, Remuneration and CSR Committee, the Board of Directors sets all of the precise performance conditions and levels, in accordance with the principles described above. The performance objectives set must be demanding and consistent, both in terms of the Group's historic performance and changes in its operating environment.

Presence condition

In order for the performance shares to vest, the Deputy Chief Executive Officer must **still be an executive corporate officer of Lagardère SA** three years after the award date.

In respect of this presence condition, rights to performance shares are:

- forfeited if the executive corporate officer resigns, is dismissed or removed from office due to misconduct before the end of this three-year period;
- retained in full in the event his office is terminated ahead of term due to death or incapacity before the end of this three-year period;
- retained in part on a pro rata basis if the executive corporate officer retires or is dismissed or removed from office for reasons other than misconduct before the end of this three-year period.

Note that the performance conditions continue to apply in any event.

The rights to free shares are partly retained on a pro rata basis in the specific cases of retirement or forced departure for reasons other than misconduct, because they are an essential component of the executive corporate officer's annual remuneration and are awarded in consideration for duties performed in the year that the rights are awarded. The partial retention of these rights, which continue to be subject to achieving demanding long-term performance conditions, encourages the executive corporate officer to act in the long-term interests of the Group.

Consequently, all of the terms and conditions of the Company's performance share awards fully comply with the recommendations in the Afep-Medef Code. This is the case for (i) the applicable performance conditions, which are solely based on quantitative criteria and combine internal and comparative criteria, and financial and non-financial criteria, all corresponding to key indicators for the Company's strategy, and (ii) the other terms and conditions (number of shares, vesting period, holding period etc.). All of these terms and conditions combined ensure that the performance share awards are a way of retaining the beneficiaries concerned and closely aligning their interests with those of the Company and its stakeholders.

2.5.1.3.C OTHER BENEFITS

A) Benefits in kind – business expenses

The Deputy Chief Executive Officer is provided with a company car, the potential personal use of which corresponds to a benefit in kind.

The Deputy Chief Executive Officer is also entitled to the reimbursement of business travel and business entertainment expenses incurred in connection with his executive duties.

B) Supplementary pension plan

The Deputy Chief Executive Officer is eligible for a supplementary pension plan effective from 1 July 2005 and in force within Lagardère Capital & Management. This is a defined supplementary benefit plan as provided for in article L. 137-11 of the French Social Security Code (*Code de la sécurité sociale*) and article 39 of the French Tax Code(*Code général des impôts*).

In accordance with French Government Order no. 2019-697 dated 3 July 2019, which reformed the statutory supplementary pension plan regime in France, **this plan was closed to new entrants as from 4 July 2019, and benefits accrued under the plan**

were frozen as at 31 December 2019. No further benefits will be accrued under the plan as from that date.

The plan is a conditional benefit plan, and the pension will only be payable if the beneficiary is still with the company at retirement age, except in the event of (i) termination (other than for serious misconduct) after the age of 55 providing the beneficiary does not take up another post, (ii) long-term disability, or (iii) early retirement. In addition, beneficiaries are required to have been members of the Executive Committee for at least five years at the date that they retire.

In the event of the beneficiary's death, 60% of the pension is transferable to the surviving spouse.

Before the plan was frozen at 31 December 2019, its beneficiaries accrued supplementary pension entitlements at a rate equal to 1.75% of the benchmark remuneration per year of membership of the plan.

The benchmark remuneration corresponded to the average gross annual remuneration over the last five years (fixed + variable up to a maximum of 100% of the fixed portion). In addition, each annual remuneration could not exceed 50 times the annual limit defined by the French social security system i.e., a maximum amount of €2,026,200 in 2019. Each beneficiary's benchmark remuneration was frozen at 31 December 2019.

As the number of years of plan membership used to calculate the benefit entitlements is capped at 20, the supplementary pension could not exceed 35% of the benchmark remuneration.

The pension entitlements were fully borne by the Company and this benefit was taken into account in determining the overall remuneration of the Deputy Chief Executive Officer.

Under current social security laws (article L. 137-11 of the French Commercial Code), the Company is required to pay a contribution equal to 32% of the amount of the benefits, at the time that such benefits are paid.

In addition to the tax and social security contributions applicable to pensions (levied at a rate of 10.1%, of which 5.9% is tax-deductible), under current tax and social security laws, the annuities that will be paid to the beneficiaries will also be subject to the specific contribution provided for in article L. 137-11-1 of the French Social Security Code, before income tax withheld at source and any surtaxes on high incomes.

At its meeting on 17 December 2021, the Board of Directors decided, on the recommendation of the Appointments, Remuneration and CSR Committee, to set up a new "vested benefits" supplementary pension plan for 2020 and 2021 in accordance with the new legal framework introduced by article L. 137-11-2 of the French Social Security Code. The main features of this pension plan, as set out in the remuneration policy approved by the General Meeting of 30 June 2021, are described below:

This is an individual rather than collective plan and is "portable", in that the benefits will be attached to the employee and will be carried over even in case of a change of employer.

The characteristics of this new supplementary pension plan fully comply with applicable legislation and with the recommendations of the Afep-Medef Corporate Governance Code.

Under this plan, the supplementary pension benefits will vest to the Deputy Chief Executive Officer at a rate of 1.25% of the benchmark remuneration each year.

The benchmark remuneration corresponds to the gross annual remuneration (fixed + variable) and cannot exceed 50 times the annual ceiling used to calculate social security contributions.

Since the maximum vesting period is 20 years, the accumulated rights are capped at 25%.

In the event of the beneficiary's death, 60% of the pension is transferable to the surviving spouse.

In accordance with applicable legislation, vesting is subject to performance conditions that require an achievement rate of at least 75% for the annual financial and non-financial targets used to determine the Deputy Chief Executive Officer's annual variable remuneration.

In accordance with the provisions of the instruction of 23 December 2020, this new plan applies with retroactive effect from 1 January 2020 and, exceptionally, the performance conditions were not applied to rights in respect of the 2020 fiscal year.

The new plan may be continued in 2022.

C) Termination benefit

The Company has not given any commitments to the Deputy Chief Executive Officer in relation to granting him any termination benefits.

However, as the Deputy Chief Executive Officer is an employee, he may be eligible for benefits in certain cases of contract termination, pursuant to the applicable laws, regulations and collective bargaining agreements. In all circumstances, any benefits paid to the executive corporate officers may not exceed the cap of two years' worth of fixed and variable remuneration recommended in the Afep-Medef Corporate Governance Code.

D) Extraordinary remuneration

Bonuses may be granted to the executive corporate officers in very specific and exceptional circumstances, notably in connection with one-off transactions requiring extensive involvement of the Deputy Chief Executive Officer, particularly when the impacts of such transactions, despite being extremely significant for the Group, cannot be taken into account in determining the variable portion of their remuneration.

The conditions of any exceptional bonus awards and payments are determined in accordance with best corporate governance practices.

Any exceptional bonus award, which must be disclosed and justified in detail, may not in any case exceed 150% of the annual fixed remuneration of the Deputy Chief Executive Officer.

At its meeting on 14 March 2022, following the recommendation of the Appointments, Remuneration and CSR Committee, the Board of Directors agreed the principle of awarding an extraordinary bonus of this kind to the Deputy Chief Executive Officer in 2022 in recognition of his necessarily extensive future involvement in managing the combination with the Vivendi group within the context of the takeover of the Company in the event the public tender offer is successful. The amount of any such extraordinary bonus shall be determined by the Board of Directors of the Company based on its assessment of the Deputy Chief Executive Officer's performance for each of the specified criteria, with a particular focus on the social component and subject to the 150% ceiling mentioned above. Payment of any exceptional bonus will in any case be subject to the approval of shareholders at the 2023 General Meeting.

2.5.2 TOTAL REMUNERATION AND BENEFITS PAID DURING OR ALLOCATED IN RESPECT OF 2021 TO THE COMPANY'S EXECUTIVE CORPORATE OFFICERS

This section notably includes, with regard to the Company's executive corporate officers, the information referred to in article L. 22-10-9 of the French Commercial Code.

As a reminder, the Annual General Meeting of 30 June 2021 approved the conversion of the Company from a French partnership limited by shares into a French joint-stock company (*société anonyme)*.

Therefore, from 1 January 2021 to 30 June 2021, the Company operated in the form of a partnership limited by shares, with Managing Partners (Arnaud Lagardère, Pierre Leroy and Thierry Funck-Brentano) and a Supervisory Board chaired by Patrick Valroff, and then, from 30 June to 31 December 2021, in the form of a joint-stock company with a Board of Directors, a Chairman and Chief Executive Officer (Arnaud Lagardère) and a Deputy Chief Executive Officer (Pierre Leroy).

As a result of this conversion, the Annual General Meeting of 30 June 2021 also approved two sets of remuneration policies to be applied successively by the Company in 2021, first as a partnership limited by shares and then as a joint-stock company. In order to ensure the continuity and stability of remuneration principles for both the Company and its shareholders, these two sets of remuneration policies were nevertheless established in a strictly identical manner.

Accordingly, the fixed and variable remuneration awarded to Arnaud Lagardère and Pierre Leroy for 2021 was awarded first, up until 30 June 2021, in respect of their roles as Managing Partners and subsequently, from 30 June 2021, for their respective roles as Chairman and Chief Executive Officer and Deputy Chief Executive Officer, proportionate to the time spent in each.

The fixed and variable remuneration awarded to Thierry Funck-Brentano was determined on a proportionate basis until 30 June 2021, the date on which his term of office expired.

2.5.2.1 COMPONENTS OF REMUNERATION PAID OR ALLOCATED

A) ANNUAL FIXED REMUNERATION

The two sets of remuneration policies approved for 2021 did not modify the fixed remuneration amounts for executive corporate officers, which have therefore remained unchanged for the last decade.

Consequently:

Arnaud Lagardère, Managing Partner of Lagardère SCA until 30 June 2021 and then Chairman and Chief Executive Officer of Lagardère SA since that date, received fixed annual remuneration of **€1,140,729;**

Pierre Leroy, Co-Managing Partner of Lagardère SCA until 30 June 2021 and then Deputy Chief Executive Officer of Lagardère SA since that date, received fixed annual remuneration of **€1,474,000;**

Thierry Funck-Brentano, Co-Managing Partner of Lagardère SCA until 30 June 2021, the date on which his term of office expired, received fixed remuneration of **€603,000** for the period from 1 January 2021 to 30 June 2021.

B) ANNUAL VARIABLE REMUNERATION

Annual variable remuneration paid during 2021

As annual variable remuneration for a given year can only be calculated after the end of that year and is submitted for shareholders' approval as part of the ex-post "say on pay" vote (article L. 22-10-34, II of the French Commercial Code), it is only paid during the following year.

Consequently, the variable remuneration due to Lagardère SCA's executive corporate officers in respect of 2020 was only paid in 2021, following approval of the shareholders at the General Meeting of 30 June 2021 (under the ninth, tenth and eleventh resolutions, each approved by more than 99% of the votes).

The amounts of variable remuneration allocated in respect of 2020 and paid in 2021 were as follows:

- **For Arnaud Lagardère**: €393,750;
- **For Pierre Leroy and Thierry Funck-Brentano**: €362,500 each.

Annual variable remuneration allocated in respect of 2021

At its meeting on 14 March 2022, and on the advice of the Appointments, Remuneration and CSR Committee meeting on 9 March 2022, the Board of Directors analysed the level of achievement of the various criteria underlying the annual variable remuneration of the corporate officers for 2021.

Quantitative portion of annual variable remuneration

Financial criteria

For 2021, executive corporate officers' annual variable remuneration was based on two financial criteria: (i) r**ecurring operating profit of fully consolidated companies (recurring EBIT)**, and (ii) **free cash flow**, applied to a benchmark amount of €1,050,000 for Arnaud Lagardère and €300,000 for Pierre Leroy and Thierry Funck-Brentano.

For each of these two criteria:

- if the target level is achieved, 100% of the benchmark amount allocated to the criterion will be awarded;
- if the level achieved is between the trigger and target levels, 0% to 100% of the benchmark amount allocated to the criterion will be awarded, as calculated on a straight-line basis;
- if the target level is exceeded, the award will be proportionate to the outperformance, but cannot exceed the specified aggregate annual variable remuneration cap;
- if the trigger level is not achieved, 0% of the benchmark amount allocated to the criterion will be awarded.

At its meeting on 14 March 2022, the Board of Directors noted that the "target objectives" set for each of these two criteria in line with the budget plan in force that had been (i) approved by the Appointments, Remuneration and CSR Committee and the Supervisory Board of the Company operating in its previous form as a partnership limited by shares, at their meetings on 30 March and 26 April 2021 respectively, and (ii) subsequently confirmed by the Board of Directors which took office on 30 June 2021, had been amply exceeded owing to the exceptional performance of the two divisions in 2021, despite an environment still unsettled by the health crisis[1].

(1) See press release of 17 February 2022 on the full-year 2021 results.

Based on the achievement rates observed and validated by the Board of Directors at its meeting on 14 March 2022, the **amount of the quantitative financial variable portion alone equals the maximum amounts set for the overall annual variable remuneration**, i.e.:

- **for Arnaud Lagardère (150% of his fixed remuneration): €1,711,094** (1,140,729 x 1.5);
- **for Pierre Leroy (75% of his fixed remuneration): €1,105,500** (1,474,000 x 0.75);
- **for Thierry Funck-Brentano (75% of his fixed remuneration, calculated on a proportionate basis up to 30 June 2021): €452,250** ((1,206,000 x 0.75)/2).

Non-financial CSR criteria

The 2021 remuneration policy for the executive corporate officers included four quantifiable non-financial CSR criteria – each with equal weighting – based on the Group's priority CSR commitments, applied to a benchmark amount of €350,000 for Arnaud Lagardère and of €150,000 for both Pierre Leroy and Thierry Funck-Brentano.

For each of these four criteria, "trigger level" and "target level" objectives had been set (i) by the Appointments, Remuneration and CSR Committee and the Supervisory Board of the Company still operating in its previous form as a partnership limited by shares, at their meetings on 30 March and 26 April 2021, respectively, and (ii) had subsequently been confirmed by the Board of Directors which took office on 30 June 2021.

The objectives were designed to be demanding and consistent in terms of both the Group's historic performance and changes in its operating environment, notably in connection with its strategic refocusing.

For each of these four criteria:

- if the target level was achieved, 125% of the benchmark amount allocated to the criterion would be awarded;
- if the level achieved was between the trigger and target levels, 75% of the benchmark amount allocated to the criterion would be awarded;
- if the target level was exceeded, 150% of the benchmark amount allocated to the criterion would be awarded;
- if the trigger level was not achieved, 0% of the benchmark amount allocated to the criterion would be awarded.

At its meeting on 14 March 2022, and on the advice of the Appointments, Remuneration and CSR Committee, the Board of Directors noted that for 2021, applying the non-financial CSR criteria led to the application of a coefficient of 1.125 (arithmetic average of the achievement rates obtained for each of the criteria) to the associated benchmark amounts, resulting in a **non-financial CSR variable portion** equal to:

- **for Arnaud Lagardère: €393,750** (€350,000 x 1.125);
- **for Pierre Leroy: €168,750** (€150,000 x 1.125);
- **for Thierry Funck-Brentano: €84,375** ((€150,000 x 1.125)/2), determined on a proportionate basis up to 30 June 2021.

However, the Board of Directors decided that these quantitative CSR variable portions would only serve as "theoretical" amounts in 2021, as the maximum annual variable remuneration had already been reached based on the achievement of the financial criteria alone.

Criteria	Trigger level	Target performance level	Level achieved	Achievement rate
Proportion of female executive managers by end-2021	41%	43%	44%	1.50
Proportion of certified and/or recycled paper in 2021	95%	98%	99%	1.50
Reduced use of plastic in all proprietary restaurant concepts in 2021	95%	98%	48%	0
Percentile ranking in the Dow Jones Sustainability Index	82%	88%	93%	1.50
Average				**1.125**

The first criterion – concerning the proportion of female executive managers – is a key indicator for the Group's performance in implementing its strategy of promoting diversity. It is a growth and creativity driver and has been one of the priority objectives of the Group's CSR roadmap for many years. The target of 43% by the end of 2021 was set in line with the medium-term objective defined in the executive body gender balance policy approved by the Board, which aims to have 45% of women in executive positions by 2024. **This target was ultimately exceeded, with women representing 44% of the Group's executives, ahead of the roadmap objective.**

The second criterion – the proportion of recycled and/or certified paper purchased directly and/or supplied by printers out of the total weight of paper purchased or supplied within Lagardère Publishing – is a key indicator of the Publishing division's environmental policy measuring its supplies of paper from sustainably managed forests. **The target level was also exceeded, with 99% of paper certified and/or recycled.** In view of the excellence achieved in this area, this criterion will no longer be used in the Group's remuneration plans. However, it will obviously continue to be monitored as part of the Group's CSR strategy,

The third criterion – the proportion of revenue generated by the Foodservice activities (proprietary concepts) of the Lagardère Travel Retail division that have switched to eco-responsible consumables and have banned single-use plastics out of total revenue generated by Foodservice activities (proprietary concepts) – is also a key indicator of Lagardère Travel Retail's environmental policy, which measures the single-use plastics eliminated in its own Foodservice concepts. **The trigger level of the target was not met for this criterion due to raw material shortages in 2021 and the lack of alternative solutions. This forced countries to temporarily revert to the use of plastic for certain consumables such as cup lids.**

The final criterion – the percentile ranking in the Dow Jones Sustainability Index – rounds out the internal assessment based on the three other specific criteria by an objective overall external evaluation performed by a recognised expert in the sector, which also gives an insight into how the Group's stakeholders view its CSR approach. Additionally, in the same way as the first three criteria, it provides transparency and ensures that the Group's performance

can be tracked over the long term. **The target was exceeded, with the Company rated 93%.**

Qualitative portion of annual variable remuneration

The variable remuneration of executive corporate officers (with the exception of Arnaud Lagardère) also includes a qualitative portion based on a series of specific priority targets related to the areas listed below. These were applied to a benchmark amount of €150,000 for both Pierre Leroy and Thierry Funck-Brentano:

- rollout of the Group's strategic plan;
- quality of governance and management.

At its meeting on 14 March 2022, and on the advice of the Appointments, Remuneration and CSR Committee, the Board of Directors considered, in light of the achievement levels set out below, that the objectives set had been very satisfactorily met in 2021, with very strong personal input from the executive corporate officers.

In view of this assessment, and based on the recommendation of the Appointments, Remuneration and CSR Committee, the Board of Directors decided to apply a coefficient of **1.25** (identical to that applied in 2021 and 2020), resulting in a qualitative variable portion equal to:

- **for Pierre Leroy: €187,500** (€150,000 x 1.25);
- **for Thierry Funck-Brentano: €93,750** ((€150,000 x 1.25)/2), determined on a proportionate basis up to 30 June 2021.

However, the Board of Directors decided that these qualitative variable amounts would only serve as "theoretical" amounts in 2021, as the maximum annual variable remuneration had already been reached based on the achievement of the financial criteria alone.

Rollout of the Group's strategic plan

In 2021 amid a still-uncertain environment and a gradual easing of the Covid-19 pandemic, General Management continued its efforts to control costs across the Group and manage its strategic roadmap adapted to take into account the impacts of the crisis. This involved (i) implementing an ambitious operational performance plan for Lagardère Travel Retail with a continued focus on development opportunities and (ii) strengthening the market positions of Lagardère Publishing, our power engine and pillar of resilience.

In terms of investments in the two priority divisions, the major acquisition of Workman Publishing enhanced Hachette Book Group's catalogue in the United States and significantly strengthened its positions, particularly in the Lifestyle and Youth Works segments. At Lagardère Travel Retail, the signature of an agreement with JD.com and JIC to take a minority stake in Lagardère Travel Retail Asia within the scope of a strategic partnership has accelerated the division's development in Asia, particularly through digital distribution channels.

In line with its active and prudent financing policy, in autumn 2021 the Company successfully completed a €500 million bond issue, reflecting market confidence in the Group's solid financial profile. It also partly redeemed its €500 million bond issue maturing in April 2023 and repaid the full amount outstanding under its €465 million government-backed loan granted in December 2020.

Quality of governance and management

In the area of Compliance, the active involvement of General Management focused particularly on the fight against corruption, with the creation of a risk map for corruption and international economic sanctions risks and ongoing awareness-training initiatives for Compliance Correspondents.

In 2021, General Management also sought to frequently reaffirm the “sovereign” nature of risk management, notably by circulating a Group Risk Management Charter under its name, and strengthened its governance with the establishment of a second risk committee held within each division, in addition to the annual committee already in place.

Finally, following the announcement in September 2021 by Vivendi SE of a proposed public tender offer for the Company, General Management has also been actively involved in regularly communicating with the greatest possible transparency on the various stages of the planned offer to management, employees and employee representative bodies at the various levels of the Group.

Summary of variable remuneration allocated in respect of 2021

The application of the quantitative and qualitative criteria described above led to the allocation in respect of 2021 of the following variable remuneration, which will be paid in 2022 provided it is approved at the Annual General Meeting to be held on 22 April 2022.

	Weighting (% of benchmark amount)	Benchmark amount (in euros)	Maximum amount (% of fixed remuneration)	Achievement rate applied to the benchmark amount	Theoretical amount of variable remuneration to be paid	Variable remuneration	
						Amount to be paid (in euros)	(% of fixed remuneration)
Arnaud Lagardère							
Quantitative financial criteria	75%	1,050,000	**150%**	**Above the cap**	**Above the cap**	1,711,094	150%
Quantitative non-financial CSR criteria	25%	350,000		**1.125**	393,750		
Qualitative criteria	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total	**100%**	**1,400,000**	**150%**		**Above the cap**	**1,711,094**	**150%**
Pierre Leroy							
Quantitative financial criteria	50%	300,000		**Above the cap**	**Above the cap**	1,105,500	75%
Quantitative non-financial CSR criteria	25%	150,000		**1.125**	168,750		
Qualitative criteria	25%	150,000	**25%**	**1.25**	187,500		
Total	**100%**	**600,000**	**75%**		**Above the cap**	**1,105,500**	**75%**
Thierry Funck-Brentano							
Quantitative financial criteria	50%	300,000		**Above the cap**	**Above the cap**	452,250(1)	75%
Quantitative non-financial CSR criteria	25%	150,000		**1.125**	84,375(1)		
Qualitative criteria	25%	150,000	**25%**	**1.25**	93,750(1)		
Total	**100%**	**600,000**	**75%**		**Above the cap**	**452,250(1)**	**75%**

(1) Amount calculated proportionately for the period during which Thierry Funck-Brentano served as Co-Managing Partner, i.e., from 1 January to 30 June 2021.

C) REMUNERATION IN RESPECT OF OFFICES HELD

Like the other members of the Board of Directors, Arnaud Lagardère, Chairman and Chief Executive Officer, was awarded remuneration of €22,319 for 2021, in accordance with the allocation rules described in section 2.6 below.

Pierre Leroy, Board Advisor, was not awarded any remuneration for his attendance at the Board of Directors' meeting in 2021.

D) PERFORMANCE SHARE AWARDS

On 24 September 2021, under the new authorisation granted by the Company's shareholders in the forty-second resolution of the 30 June 2021 Annual General Meeting, Pierre Leroy was awarded 34,000 rights to free shares, representing 0.024% of the total number of shares making up the Company's share capital and a carrying amount of €627,640 under IFRS (corresponding to 34.18% of his fixed and variable remuneration for the previous year).

This award was made under the terms and conditions set out below, in accordance with the framework described above.

Vesting period: the shares will vest on 25 September 2024, provided that Pierre Leroy is still an executive corporate officers of Lagardère SA at midnight on 24 September 2024 (the "presence condition").

Performance conditions to be met for the period from 2021 through 2023:

Weighting (% of shares allocated to the objective)		Criteria	Trigger level	Target performance level	Vesting proportions
25%		**Internal financial criterion** **ROCE (Return on capital employed) = operating profit/(equity + debt) in 2023**	**Confidential**	**Confidential**	Vesting on a straight-line proportionate basis of 0% to 100% of the shares between the trigger level and the target level
25%		**Internal financial criterion** **Cumulative amount of free cash flow for the period 2021 to 2023**	**Confidential**	**Confidential**	Vesting on a straight-line proportionate basis of 0% to 100% of the shares between the trigger level and the target level
20%		**Relative financial criterion**	As this is a comparative criterion, the achievement rates of the objectives for each portion will only be known and disclosed at the end of the Reference Period.		0% if Lagardère's TSR is lower than the average annual TSR of the reference panel 50% if Lagardère's TSR is equal to the average annual TSR of the reference panel. 100% if Lagardère's TSR is at least 2% higher than the average TSR of the reference panel. Allocation on a straight-line basis between 50% and 100%
	10%	**Total Shareholder Return (TSR): Lagardère SA's average annual TSR** versus the average annual TSR of a panel of eight peer companies (Relx, Pearson, Mondadori, Bloomsbury, Dufry, Valora, WH Smith and Autogrill)			
	10%	**Lagardère SA's average annual TSR** vs. the average annual TSR of the other companies in the CAC Mid 60 index			
30%		**Non-financial CSR criteria**			Vesting on a straight-line proportionate basis of 0% to 100% of the shares between the trigger level and the target level
	10%	**Proportion of certified and/or recycled paper in 2023**	**95%**	**98%**	
	10%	**Reduction in the use of plastic in all proprietary concepts in 2023**	**95%**	**100%**	
	10%	**Proportion of female top executives at end-2023**	**42%**	**44%**	

In line with the remuneration policy, the specific trigger and target levels for the two internal financial criteria were set by the Board of Directors on the recommendation of the Appointments, Remuneration and CSR Committee to be both demanding and consistent. However, as this information relates to budget goals (themselves not public knowledge), it is not disclosed. The level of achievement of all financial and non-financial criteria will be reported in the Annual Report for 2024, the year in which the shares will vest.

E) BENEFITS IN KIND – BUSINESS EXPENSES

In accordance with the remuneration policy, the executive corporate officers each had the use of a company car in 2021.

The value of this benefit-in-kind is based on the executive corporate officers' potential personal use of their car, and corresponds to the following amounts:

- **For Arnaud Lagardère: €17,364**
- **For Pierre Leroy: €16,219**
- **For Thierry Funck-Brentano: €5,388** for the period from 1 January 2021 to 30 June 2021

F) SUPPLEMENTARY PENSION PLAN

In accordance with French Government Order no. 2019-697 dated 3 July 2019, which reformed the statutory supplementary conditional benefit pension plan in France governed by article L. 137-11 of the French Social Security Code, the plan available to the executive corporate officers was closed to new entrants as from 4 July 2019, and benefits accrued under the plan along with the officers' benchmark remuneration were frozen as at 31 December 2019.

No payments were made to Arnaud Lagardère or Pierre Leroy under this plan in 2021. At 31 December 2021, the estimated amounts of the future pension annuities were €686,490 for both Arnaud Lagardère and Pierre Leroy.

Thierry Funck-Brentano retired under this plan with effect from 1 July 2021. Since that date, he has been paid an annual non-reversionary pension of €660,408.

At its meeting on 17 December 2021, the Board of Directors decided to set up a new defined benefit plan for 2020 and 2021 in accordance with the new legal framework introduced by article L. 137-11-2 of the French Social Security Code. The main features of this plan for Arnaud Lagardère and Pierre Leroy are described in section 2.5 of this Universal Registration Document.

Vesting under this plan requires an achievement rate of at least **75%** for the annual financial and non-financial criteria used to determine the beneficiary's annual variable remuneration. Exceptionally, and in compliance with the regulations, vesting under this plan in 2020 was not subject to any performance conditions.

As the performance conditions were met, the benefits vested by Arnaud Lagardère and Pierre Leroy represented 1.25% of their respective benchmark remuneration for each of the years 2020 and 2021.

Contributions are paid in respect of the vested benefits to the insurer managing the plan. The amount of contributions paid in this respect is determined by an independent actuary. The contributions are excluded from the tax base for social security contributions, in return for the payment of an employer's contribution of 29.7%.

At 31 December 2021, the estimated amounts of the future pension annuities were €44,898 for Arnaud Lagardère and €48,660 for Pierre Leroy.

G) TERMINATION BENEFIT

In the context of his retirement with effect from 1 July 2021, Thierry Funck-Brentano received the following sums in respect of the performance of his employment contract:

- remuneration for paid leave, representing a total gross amount of €146,593;
- a contractual retirement indemnity of €957,388, corresponding to six months' remuneration based on his last remuneration, for service of over 40 years with the Group, in accordance with the applicable collective agreement.

H) EXTRAORDINARY REMUNERATION

At its meeting on 14 March 2022, the Board of Directors decided to award Pierre Leroy an extraordinary bonus for a gross amount of €800,000 for 2021, representing 54.27% of his fixed remuneration.

The Board of Directors decided to award Pierre Leroy this extraordinary bonus in recognition of his efficiency, perseverance and deep personal involvement, qualities that proved decisive in the process of transforming the Company into a joint-stock company, implementing its new governance arrangements and negotiating the settlement agreement that put an end to the various disputes that had mobilised the Company's General Management for several years against one of its shareholders.

The Board of Directors wanted to reward Pierre's remarkable contribution to these prolonged and complex operations, which have enabled a return to calm and constructive shareholder relations in the Group's best business interests.

In its decision to award this extraordinary bonus and in setting its amount, the Board of Directors also concluded that the impact of these operations – although very significant for the Company – had not been taken into account in the inputs used to calculate Pierre Leroy's annual variable remuneration for 2021, especially since a maximum amount of annual variable remuneration is payable due to the quantifiable financial criteria alone having been exceeded.

Arnaud Lagardère and Thierry Funck-Brentano did not receive any extraordinary remuneration for 2021.

2.5.2.2 SUMMARY TABLES

The information and tables provided in this section show the remuneration of the Company's executive corporate officers based on the presentation format recommended in the Afep-Medef Code and AMF recommendation no. 2021-02.

Arnaud Lagardère

Summary of gross remuneration and benefits (before deducting social security contributions)				
	Fiscal year 2020		**Fiscal year 2021**	
	Amounts allocated	Amounts paid	**Amounts allocated**	**Amounts paid**
Fixed remuneration	1,140,729	1,102,705(1)	**1,140,729**	**1,140,729**
Variable remuneration	393,750(2)	1,569,750(2)	**1,711,094(2)**	**393,750(2)**
Extraordinary remuneration	-	-	**-**	**-**
Remuneration allocated for offices held	-	-	**22,319**	**-**
Benefits in kind	18,616	18,616	**17,364**	**18,616**
Total	1,553,095	2,691,071	**2,891,506**	**1,553,095**

(1) Members of the Executive Committee decided to reduce their fixed remuneration for April and May 2020 by 20%.
(2) As the variable portion of annual remuneration for a given year can only be calculated after the end of that year, it is paid during the following year.

Arnaud Lagardère, who is a significant shareholder of the Company, has not been awarded any share options or free shares since 2003.

- **Share options granted during the year:** none.
- **Share options exercised during the year:** none.
- **Performance share rights granted during the year:** none.
- **Performance shares that became available during the year:** none.

Total remuneration and benefits, share options and performance shares granted		
	Fiscal year 2020	**Fiscal year 2021**
Remuneration allocated for the year (details in previous table)	**1,553,095**	**2,891,506**
Value of multi-annual variable remuneration allocated during the year	None	**None**
Value of share options granted during the year	None	**None**
Value of performance share rights granted during the year	None	**None**
Total	**1,553,095**	**2,891,506**

Pierre Leroy

Summary of gross remuneration and benefits (before deducting social security contributions)				
	Fiscal year 2020		**Fiscal year 2021**	
	Amounts allocated	Amounts paid	**Amounts allocated**	**Amounts paid**
Fixed remuneration	1,474,000	1,424,867(1)	**1,474,000**	**1,474,000**
Variable remuneration	362,500(2)	698,500(2)	**1,105,500(2)**	**362,500(2)**
Extraordinary remuneration	-	-	**800,000**	**-**
Remuneration allocated for offices held	-	-	**-**	**-**
Benefits in kind	16,281	16,281	**16,219**	**16,281**
Total	1,852,781	2,139,648	**3,395,719**	**1,852,781**

(1) Members of the Executive Committee decided to reduce their fixed remuneration for April and May 2020 by 20%.
(2) As the variable portion of annual remuneration for a given year can only be calculated after the end of that year, it is paid during the following year.

- **Share options granted during the year:** none.
- **Share options exercised during the year:** none.
- **Performance share rights granted during the year:** 34,000.

Performance share rights granted in 2021						
Authorisation of AGM	**Year/Month of plan**	**No. of share rights awarded**	**Carrying amount under IFRS**	**Vesting date**	**Date of availability**	**Performance conditions**
30 June 2021	24 Sept. 2021	34,000	627,640	25 Sept. 2024	25 Sept. 2026(1)	(2)

(1) Applicable to 50% of the vested shares. The shares corresponding to the remaining 50% are subject to additional holding requirements.
(2) For further details, see section 2.8.9 above.

- **Performance shares that became available during the year:** 11,795.

The mandatory holding period for the 23,590 performance shares which vested to Pierre Leroy on 10 May 2019 under the 9 May 2016 plan ended on 10 May 2021. According to the holding rules defined in accordance with the applicable laws and with the recommendations of the Afep-Medef Corporate Governance Code, half of these shares are still subject to holding periods based on the valuation of Pierre Leroy's share portfolio and the termination of his duties.

- **Performance shares that vested during the year:** none.

None of the 32,000 performance shares awarded to Pierre Leroy under the 16 April 2018 plan vested. This was due to the fact that on 19 April 2021 it was placed on record that the overall achievement rate for the performance conditions underlying this plan was 0%.

Achievement of the objective relating to growth in Group recurring operating profit:

- average annual growth rate for Group recurring operating profit between 2018 and 2020: (2.14% + 5.63% + 0%)/3 = 2.59%;
- achievement rate of objective = 0% (below the trigger level of 8.53%).

Achievement of the objective relating to net cash from operating activities of fully consolidated companies:

- average annual amount of net cash from operating activities of fully consolidated companies between 2018 and 2020: (480 + 513 + (-97)) = €298.8 million;
- achievement rate of objective = 0%;
- below the trigger level of €428.4m.

Total remuneration and benefits, share options and performance shares granted		
	Fiscal year 2020	**Fiscal year 2021**
Remuneration awarded for the year (see previous table)	1,852,781	**3,395,719**
Value of multi-annual variable remuneration awarded for the year	None	**None**
Value of share options granted during the year	None	**None**
Value of rights to performance shares awarded during the year	0	**627,640**
Total	1,852,781	**4,023,359**

M. Thierry Funck-Brentano

Summary of gross remuneration and benefits (before deducting social security contributions)				
	Fiscal year 2020		Fiscal year 2021	
	Amounts allocated	Amounts paid	Amounts allocated	Amounts paid
Fixed remuneration	1,206,000(1)	1,165,800(1)	**603,000**	**603,000(3)**
Variable remuneration	362,500(2)	698,500(2)	**452,250(2)(3)**	**698,500(2)**
Extraordinary remuneration			**-**	**-**
Remuneration allocated for offices held			**-**	**-**
Benefits in kind	13,644	13,644	**5,388**	**13,644**
Total	1,582,144	1,877,944	**1,060,638**	**1,315,144**

(1) Members of the Executive Committee decided to reduce their fixed remuneration for April and May 2020 by 20%.
(2) As the variable portion of annual remuneration for a given year can only be calculated after the end of that year, it is paid during the following year.
(3) The amounts indicated for 2021 have been calculated proportionately for the period during which Thierry Funck-Brentano served as Co-Managing Partner of Lagardère SCA, i.e., until 30 June 2021.

- **Share options granted during the year:** none.
- **Share options exercised during the year:** none.
- **Performance share rights granted during the year:** none.
- **Performance shares that became available during the year:** 60,499.

The mandatory holding period for the 23,590 performance shares which vested to Thierry Funck-Brentano on 10 May 2019 under the 9 May 2016 plan ended on 10 May 2021. According to the holding rules defined by the Supervisory Board of Lagardère SCA in accordance with the applicable laws, a quarter of these shares were still subject to a holding period until the termination of Thierry Funck-Brentano's duties on 30 June 2021.

Furthermore, since the valuation of Thierry Funck-Brentano's share portfolio is higher than one year of his fixed and variable remuneration, the holding period established in accordance with the recommendations of the Afep-Medef Corporate Governance Code and applicable to a quarter of the shares, ceased to apply with effect from 10 May 2021.

Finally, in light of his retirement on 30 June 2021, the 25% of free shares vested by Mr Thierry Funck-Brentano under the 2010, 2011, 2012, 2013 and 2015 plans and still subject to a holding requirement, became available as from that date (30 June 2021), representing a total of 36,909 shares.

Total remuneration and benefits, share options and performance shares granted		
	Fiscal year 2020	**Fiscal year 2021**
Remuneration allocated for the year (details in previous table)	1,582,144	**1,060,638**
Value of multi-annual variable remuneration allocated during the year	None	**None**
Value of share options granted during the year	None	**None**
Value of performance share rights granted during the year	None	**None**
Total	1,582,144	**1,060,638**

- **Performance shares that vested during the year:** 0.

None of the 32,000 performance shares awarded to Thierry Funck-Brentano under the 16 April 2018 plan vested. This was due to the fact that on 19 April 2021 it was placed on record that the overall achievement rate for the performance conditions underlying this plan was 0%.

Achievement of the objective relating to growth in Group recurring operating profit:

- average annual growth rate for Group recurring operating profit between 2018 and 2020: (2.14% + 5.63% + 0%)/3 = 2.59%;
- achievement rate of objective = 0% (below the trigger level of 8.53%).

Achievement of the objective relating to net cash from operating activities of fully consolidated companies:

- average annual amount of net cash from operating activities of fully consolidated companies between 2018 and 2020: (480 + 513 + (-97)) = €298.8 million;
- achievement rate of objective = 0%;
- below the trigger level of €428.4m.

Share options [1]

	Plans expired					
	2001 Plan	2002 Plan	2003 Plan	2004 Plan	2005 Plan	2006 Plan
Date of AGM	23 May 2000		23 May 2000 and 13 May 2003	11 May 2004		2 May 2006
Date of Board of Directors' or Executive Board meeting (as relevant)	Not relevant to Lagardère SCA, which was a French partnership limited by shares Grant date = date of decision by the Managing Partners					
Total number of shares under option[1]	1,271,740(*)	1,313,639(*)	1,453,451(*)	1,577,677(***)	1,736,769(**)	1,919,029(**)
O/w shares available for subscription or purchase by corporate officers [1]:						
Arnaud Lagardère	50,560	50,554	0	0	0	0
Pierre Leroy	30,336	30,333	40,444	50,433	62,345	62,350
Philippe Camus	20,224	20,222	30,333	30,336	50,000	50,000
Dominique D'Hinnin	30,336	30,333	40,444	50,433	62,345	62,350
Thierry Funck-Brentano	30,336	30,333	40,444	50,433	62,345	62,350
Start of exercise period	19 Dec. 2003	19 Dec. 2004	18 Dec. 2005	20 Nov. 2006	21 Nov. 2007	14 Dec. 2008
Option expiry date	19 Dec. 2008	19 Dec. 2009	18 Dec. 2013	20 Nov. 2014	21 Nov. 2015	14 Dec. 2016
Subscription or purchase price	€46.48(*)	€51.45(*)	51.45(*)	€41.64(***)	€45.69(**)	€44.78(**)
Number of shares vested at 28 February 2019	30,336[2]	-	-	-	-	-
Total number of share options cancelled or forfeited						
Arnaud Lagardère	50,560	50,554	-	-	-	-
Pierre Leroy		30,333	40,444	50,433	62,345	62,350
Philippe Camus	20,224	20,222	30,333	30,336	50,000	50,000
Dominique D'Hinnin	30,336	30,333	40,444	50,433	62,345	62,350
Thierry Funck-Brentano	30,336	30,333	40,444	50,433	62,345	62,350
Share options [1] outstanding at end-2018:						
Arnaud Lagardère	0	0	-	-	-	-
Pierre Leroy	0	0	0	0	0	0
Dominique D'Hinnin	0	0	0	0	0	0
Thierry Funck-Brentano	0	0	0	0	0	0

(1) Share purchase plans only.
(2) Exercised by Pierre Leroy on 20 December 2005.
(*) After adjustment on 6 July 2005.
(**) After adjustment on 20 June 2014.
(***) After adjustments on 6 July 2005 and 20 June 2014.

Historical information on performance share awards

	Plan 1	Plan 2	Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9	Plan 10	Plan 11
Date of AGM	28 April 2009	28 April 2009	28 April 2009	28 April 2009	3 May 2013	3 May 2013	3 May 2016	3 May 2016	3 May 2016	10 May 2019	30 June 2021
Date of grant(*)	31 Dec. 2009	17 Dec. 2010	29 Dec. 2011	25 June 2012	26 Dec. 2013	1 April 2015	9 May 2016	6 April 2017	16 April 2018	14 May 2019	24 Sept. 2021
Total number of free shares granted(**)	50,000	116,000	104,000	115,017	115,017	96,000	64,000	64,000	64,000	64,000	34,000
Of which granted to:											
Arnaud Lagardère(***)	-	-	-	-	-	-	-	-	-	-	-
Pierre Leroy	25,000	29,000	26,000	38,339	38,339	32,000	32,000	32,000	32,000	32,000	34,000
Philippe Camus	25,000	29,000	26,000	-	-	-	-	-	-	-	-
Dominique D'Hinnin	-	29,000	26,000	38,339	38,339	32,000	-	-	-	-	-
Thierry Funck-Brentano	-	29,000	26,000	38,339	38,339	32,000	32,000	32,000	32,000	32,000	-
Vesting date	2 April 2012 2 April 2014	2 April 2013	2 April 2014	1 April 2015	1 April 2017	1 April 2018	10 May 2019	7 April 2020	17 April 2021	15 May 2022	25 Sept. 2024
End of holding period(****)	2 April 2014	2 April 2015	2 April 2016	1 April 2017	1 April 2019	1 April 2020	10 May 2021	7 April 2022	17 April 2023	15 May 2024	25 Sept. 2026
Performance conditions	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of shares vested at 28 February 2022	42,310	59,547	72,054	104,253	111,036	96,000	47,180	11,712	-	Not yet vested	Not yet vested
Total number cancelled or forfeited	7,690	56,453	31,946	10,764	3,981	0	16,820	52,288	64,000		
Arnaud Lagardère	-	-	-	-	-	-	-	-	-	-	-
Pierre Leroy	3,845	9,151	1,982	3,588	1,327	0	8,410	26,144	32,000	-	-
Philippe Camus	3,845	29,000	26,000	-	-	-	-	-	-	-	-
Dominique D'Hinnin	-	9,151	1,982	3,588	1,327	0	-	-	-	-	-
Thierry Funck-Brentano	-	9,151	1,982	3,588	1,327	0	8,410	26,144	32,000	-	-
Performance shares outstanding at 2021(**)	-	-	-	-	-	-	-	-	-	64,000	34,000
Arnaud Lagardère	-	-	-	-	-	-	-	-	-	-	-
Pierre Leroy	-	-	-	-	-	-	-	-	-	32,000	34,000
Philippe Camus	-	-	-	-	-	-	-	-	-	-	-
Dominique D'Hinnin	-	-	-	-	-	-	-	-	-	-	-
Thierry Funck-Brentano	-	-	-	-	-	-	-	-	-	32,000	-

(*) Up until the 14 May 2019 plan, since the Company was a French partnership limited by shares (*société en commandite par actions*), performance share awards were the responsibility of the Managing Partners and were only supervised by the Supervisory Board. Performance share awards under the 24 September 2021 and subsequent plans are now the responsibility of the Company's Board of Directors.

(**) After adjustment on 20 June 2014.

(***) Arnaud Lagardère, Chairman and Chief Executive Officer, is not eligible for any performance shares, nor was he eligible when he was Managing Partner.

(****) Applicable to 50% of the vested shares. The shares corresponding to the remaining 50% are subject to additional holding conditions (see section 2.5.1.3.B above).

Other

Executive corporate officers	Employment contract[1]		Supplementary pension plan		Indemnities or benefits receivable or likely to be receivable due to a termination or change of function		Indemnities receivable under a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Arnaud Lagardère Position: Chairman and Chief Executive Officer Date of appointment: 30 June 2021 End of term of office: AGM to be held in 2027 to approve the financial statements for the year ending 31 December 2026 *NB: Prior to his appointment as Chairman and Chief Executive Officer of the Company, Arnaud Lagardère was Managing Partner of Lagardère SCA, having been re-appointed in this capacity on 17 August 2020 for a four-year term.*		X	X[2]			X		X
Pierre Leroy Position: Deputy Chief Executive Officer Date of appointment: 30 June 2021 End of term of office: AGM to be held in 2027 to approve the financial statements for the year ending 31 December 2026 *NB: Prior to his appointment as Deputy Chief Executive Officer of the Company, Pierre Leroy was Co-Managing Partner of Lagardère SCA.*	X[1]		X[2]			X[3]		X
Thierry Funck-Brentano Position: Co-Managing Partner of Lagardère SCA until 30 June 2021	X[1]		X[2]			X[3]		X

(1) The Afep-Medef Corporate Governance Code recommendations that company officers should not hold employment contracts with the company only apply to the following persons: Chairman of the Board of Directors, Chairman and Chief Executive Officer, Chief Executive Officer of companies with a Board of Directors, Chairman of the Executive Board, Chief Executive Officer of companies with an Executive Board and Supervisory Board, and Managing Partners of French partnerships limited by shares (*société en commandite par actions*). Accordingly, such recommendations do not apply to Pierre Leroy in his capacity as Co-Managing Partner and then Deputy Chief Executive Officer of the Company, nor to Thierry Funck-Brentano, Co-Managing Partner of the Company up to 30 June 2021, the date of his retirement.
(2) See section 2.5.1.2.C B)/2.5.1.3.C B)/ 2.5.2.1 F).
(3) See section 2.5.1.2.C C)/2.5.1.3.C C)/2.5.2.1 G).

PAY RATIOS

In accordance with article L. 22-10-9 of the French Commercial Code, the following are presented:

- the ratios between (i) the remuneration of the officer and (ii) the average and median remuneration, on a full-time equivalent basis, of the Company's non-executive employees;
- year-on-year changes in remuneration; the Company's performance; the average remuneration, on a full-time equivalent basis, of the Company's employees; and the above ratios, covering at least the past five years.

In addition to this legal requirement, the Afep-Medef Code recommends that listed companies with a low number of employees publish this information based on a scope that is more representative of their overall payroll or workforce in France. The Afep-Medef Code states that 80% of a company's workforce in France can be considered as a representative scope.

Lagardère SA has less than ten employees, not including the Company's executive corporate officers, who are employed by a third company.

Consequently, the tables below set out the required disclosures concerning (i) the scope corresponding to Lagardère SA, in compliance with the compulsory provisions of article 22-10-9 of the French Commercial Code, and (ii) the scope corresponding to all of the French companies exclusively controlled by Lagardère SA within the meaning of article L. 233-16, II of said Code, in accordance with recommendation 26.2 of the Afep-Medef Code.

The tables below show the remuneration paid or allocated **during each year from 2017 to 2021** (i.e., including variable remuneration allocated in respect of the preceding year).

The remuneration amounts presented include – for the executive corporate officers as well as employees – the fixed portions, variable portions, and extraordinary remuneration paid during the year stated, on a gross basis.

In accordance with Afep-Medef guidelines, they also include **free shares awarded during the year**, valued in accordance with IFRS. The value stated corresponds to their grant-date valuation and therefore does not actually represent the value of the shares that will effectively be delivered at the end of the vesting period, which will depend on (i) the Company's share price on the delivery date and (ii) the achievement rate of the applicable performance conditions. For the Company's free share plans awarded in 2016, 2017 and 2018, the average delivery rate of shares to executive corporate officers was 31%. In addition, the value of the shares at their delivery date still does not reflect an amount paid to executive corporate officers since the shares cannot in any case be sold before the end of a minimum period of two years, and one-half of the shares remains subject to further holding periods. It should also be noted that no free share plans were awarded in 2020.

The amounts shown below do not, however, include the valuation of benefits-in-kind or, for employees, the components of employee savings plans (statutory and discretionary profit-shares, etc.), as details of these components cannot be provided for all of the employees included in the French scope.

The performance criteria presented are the financial criteria applied for calculating the executive corporate officers' annual variable remuneration, i.e.:

(i) For 2017 to 2020:

- the growth rate for recurring operating profit of fully consolidated companies, determined based on the rules defined in the Group's market guidance; and
- net cash from operating activities of fully consolidated companies, which represents the cash generated by the Group's operations.

(ii) For 2021:

- recurring operating profit of fully consolidated companies (recurring EBIT); and
- free cash flow.

As the remuneration amounts shown for each year are the amounts actually paid, these performance indicators are given each time for year Y-1, i.e., the year in respect of which they were assessed for the purpose of calculating the executive corporate officers' variable remuneration for year Y.

For 2021, the ratios between Arnaud Lagardère's remuneration and the Company's average and median remuneration are significantly lower than in other years. This is mainly due to a substantial reduction in the amount of variable annual remuneration awarded to Arnaud Lagardère in 2020 and paid in 2021, it being specified that the financial objectives had not been met in 2020 against the backdrop of the pandemic.

However, the ratios between Pierre Leroy's remuneration and the Company's average and median remuneration are fairly stable compared to previous years. This mainly reflects the inclusion in the calculation of the value of rights to free performance shares awarded to Pierre Leroy in 2021, which partially offsets a sharp decrease in the variable annual remuneration awarded in 2020 and paid in 2021, it being specified that no free performance shares were granted in 2020 against the backdrop of the pandemic.

The value of these free shares awarded in 2021 also explains the residual increase in the ratio between Pierre Leroy's remuneration and the average remuneration of French Group employees compared to 2020, it being specified that no free share plan was granted in 2020. Similarly, the median Group remuneration ratio is lower than in previous years and, as for Arnaud Lagardère, can be explained by a substantial reduction in the amount of variable annual remuneration awarded to Pierre Leroy in 2020 and paid in 2021.

However, the average and median remuneration ratios for the French Group are lower both for Arnaud Lagardère and Thierry Funck-Brentano, which reflects the fact that neither officer received any rights to free shares in 2021 (no such award was provided for in the 2021 remuneration policy in the case of Arnaud Lagardère and Thierry Funck-Brentano was no longer a Group employee at the date of the free share award).

For 2021, the four ratios relating to Thierry Funck-Brentano are 50% lower compared to previous years. This is mainly due to the payment in 2021 of a proportionate amount of fixed remuneration, given that Thierry Funck-Brentano's duties as a Co-Managing Partner ended on 30 June 2021.

Arnaud Lagardère

	2017	2018	2019	2020	**2021**
Remuneration paid or allocated during the year (in €)	2,851,822	2,445,529	2,768,929	2,672,455	**1,534,479**
Average remuneration paid or allocated during the year to Company employees (in €)	415,095	328,974	352,018	277,431	**299,002**
Ratio versus the average remuneration of Company employees	7	7	8	10	**5**
Median remuneration paid or allocated during the year to Company employees (in €)	255,548	251,902	260,472	212,681	**221,728**
Ratio versus the median remuneration of Company employees	11	10	11	13	**7**
Average remuneration paid or allocated during the year to Group employees in France (in €)	57,659	56,468	56,098	52,338	**52,301**
Ratio versus the average remuneration of Group employees in France	49	43	49	51	**29**
Median remuneration paid or allocated during the year to Group employees in France(*) (in €)	51,771	50,535	50,745	50,675	**50,901**
Ratio versus the median remuneration of Group employees in France(*)	55	48	55	53	**30**
Year-on-year increase in Group recurring operating profit (in %)	+13.5	+6.74	+2.14	+5.63	**not applicable**
Net cash from operating activities of fully consolidated companies in the prior year (in €m)	457.9	318.2	482.5	513.6	**not applicable**
Recurring operating profit of fully consolidated companies in the prior year (in €m)	not applicable	not applicable	not applicable	not applicable	**(155)**
Free cash flow in the prior year (in €m)	not applicable	not applicable	not applicable	not applicable	**(256)**

(*) The median remuneration of Group employees in France and the corresponding ratio do not include the value of free shares as this component cannot be disclosed meaningfully for this extremely wide scope. No free shares were awarded in 2020.

Pierre Leroy

	2017	2018	2019	2020	**2021**
Remuneration paid or allocated during the year (in €)	2,959,280(*)	2,702,440(*)	2,722,380(*)	2,123,367	**2,464,140(*)**
Average remuneration paid or allocated during the year to Company employees (in €)	415,095	328,974	352,018	277,431	**299,002**
Ratio versus the average remuneration of Company employees	7	8	8	8	**8**
Median remuneration paid or allocated during the year to Company employees (in €)	255,548	251,902	260,472	212,681	**221,728**
Ratio versus the median remuneration of Company employees	12	11	10	10	**11**
Average remuneration paid or allocated during the year to Group employees in France (in €)	57,659	56,468	56,098	52,338	**52,301**
Ratio versus the average remuneration of Group employees in France	51	48	49	41	**47**
Median remuneration paid or allocated during the year to Group employees in France(**) (in €)	51,771	50,535	50,745	50,675	**50,901**
Ratio versus the median remuneration of Group employees in France(**)	43	42	43	42	**36**
Year-on-year increase in Group recurring operating profit (in %)	+13.5	+6.74	+2.14	+5.63	**not applicable**
Net cash from operating activities of fully consolidated companies in the prior year (in €m)	457.9	318.2	482.5	513.6	**not applicable**
Recurring operating profit of fully consolidated companies in the prior year (in €m)	not applicable	not applicable	not applicable	not applicable	**(155)**
Free cash flow in the prior year (in €m)	not applicable	not applicable	not applicable	not applicable	**(256)**

(*) Including 34,000 performance share rights valued in accordance with IFRS. No free shares were awarded in 2020. The average overall delivery rate of shares awarded in 2016, 2017 and 2018 was 31%. After delivery, all of the shares are subject to a lock-up period of at least two years and 25% must be held for as long as Pierre Leroy is in office.

(**) The median remuneration of Group employees in France and the corresponding ratio do not include the value of free shares as this component cannot be disclosed meaningfully for this extremely wide scope. No free shares were awarded in 2020.

Thierry Funck-Brentano

	2017	2018	2019	2020	**2021**
Remuneration paid or allocated during the year (in €)	2,681,280(*)	2,434,440(*)	2,454,380(*)	1,864,300	**965,500**
Average remuneration paid or allocated during the year to Company employees (in €)	415,095	328,974	352,018	277,431	**299,002**
Ratio versus the average remuneration of Company employees	6	7	7	7	**3**
Median remuneration paid or allocated during the year to Company employees (in €)	255,548	251,902	260,472	212,681	**221,728**
Ratio versus the median remuneration of Company employees	11	10	9	9	**4**
Average remuneration paid or allocated during the year to Group employees in France (in €)	57,659	56,468	56,098	52,338	**52,301**
Ratio versus the average remuneration of Group employees in France	47	43	44	36	**18**
Median remuneration paid or allocated during the year to Group employees in France(**) (in €)	51,771	50,535	50,745	50,675	**50,901**
Ratio versus the median remuneration of Group employees in France(**)	38	36	38	37	**19**
Year-on-year increase in Group recurring operating profit (in %)	+13.5	+6.74	+2.14	+5.63	**not applicable**
Net cash from operating activities of fully consolidated companies in the prior year (in €m)	457.9	318.2	482.5	513.6	**not applicable**
Recurring operating profit of fully consolidated companies in the prior year (in €m)	not applicable	not applicable	not applicable	not applicable	**(155)**
Free cash flow in the prior year (in €m)	not applicable	not applicable	not applicable	not applicable	**(256)**

(*) Including 32,000 performance share rights valued in accordance with IFRS. No free shares were awarded in 2020. The average overall delivery rate of shares awarded in 2016, 2017 and 2018 was 31%. After delivery, all of the shares are subject to a lock-up period of at least two years, with 25% subject to a lock-up period that terminated when Thierry Funck-Brentano ceased to hold office, i.e., 30 June 2021.

(**) The median remuneration of Group employees in France and the corresponding ratio do not include the value of free shares as this component cannot be disclosed meaningfully for this extremely wide scope. No free shares were awarded in 2020.

2.5.2.3 APPROVAL OF THE COMPONENTS OF REMUNERATION PAID DURING OR ALLOCATED IN RESPECT OF 2021 TO THE EXECUTIVE CORPORATE OFFICERSS

The fixed, variable and extraordinary components making up the total remuneration and benefits paid during or allocated in respect of 2021 to the executive corporate officers are, in accordance with articles L. 22-10-77, II and L. 22-10-34 of the French Commercial Code, submitted to the approval of the Company's shareholders at the Annual General Meeting to be held on 22 April 2022.

These components, which are described in detail in the preceding sections, are summarised below in the format recommended in the Afep-Medef Code.

Arnaud Lagardère

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Annual fixed remuneration	€1,140,729	€1,140,729	▸ The amount of gross fixed remuneration awarded in 2021 has remained unchanged since 2009.
Annual variable remuneration	€393,750 (amount allocated in respect of 2020, approved by 99.65% of the votes cast at the 30 June 2021 Annual General Meeting – 9th resolution)	€1,711,094	▸ This annual variable remuneration is based solely on quantitative financial criteria (75% weighting) and non-financial CSR criteria (25% weighting). ▸ The financial criteria are related to the Group's 2021 performance (recurring operating profit of fully consolidated companies and free cash flow) (see section 2.5.2.1 of this Universal Registration Document). ▸ The non-financial CSR criteria are related to the Group's 2021 performance with regard to its priority commitments under its Corporate Social Responsibility policy (proportion of female executive managers, proportion of certified and/or recycled paper in 2021, reduction in the use of plastic in all proprietary concepts in 2021, ranking in the Dow Jones Sustainability Index) (see section 2.5.2.1 of this Universal Registration Document). ▸ The achievement rates are applied to a benchmark amount of (i) €1,050,000 for the financial criteria (75% weighting) and (ii) €350,000 for CSR non-financial criteria (25% weighting). ▸ Arnaud Lagardère's annual variable remuneration may not exceed 150% of his annual fixed remuneration. ▸ In light of the achievement rates attained in 2021, Arnaud Lagardère's annual variable remuneration was capped at 150% of his annual fixed remuneration for that year.
Multi-annual cash-settled variable remuneration	N/A	N/A	▸ Arnaud Lagardère does not receive any multi-annual cash-settled variable remuneration.
Share options, performance shares and other grants of securities	N/A	N/A	▸ Arnaud Lagardère has not received any share options, performance shares, or other grants of securities since his appointment as an executive corporate officer in 2003.
Extraordinary remuneration	N/A	N/A	▸ Arnaud Lagardère did not receive any extraordinary remuneration for 2021.
Remuneration for offices held	N/A	€22,319	▸ The amount due to Arnaud Lagardère for 2021 corresponds to two basic portions of fees based on an attendance rate of 80%.
Benefits in kind		€17,364	▸ This corresponds to Arnaud Lagardère's potential personal use of a company car.
Benefits linked to taking up or terminating office	N/A	N/A	▸ Arnaud Lagardère is not entitled to any benefits of this nature.
Benefits linked to non-competition agreements	N/A	N/A	▸ Arnaud Lagardère is not entitled to any benefits of this nature.

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Supplementary pension plan	€0	€0	▸ Arnaud Lagardère is a beneficiary of the defined benefit supplementary pension plan set up by Lagardère Management for members of the Executive Committee. ▸ In accordance with French Government Order no. 2019-697 dated 3 July 2019, which reformed these pension regimes, the plan was closed to new entrants as from 2019 and the benefits accrued under the plan along with the beneficiaries' benchmark remuneration were frozen as at 31 December 2019. ▸ The plan was a conditional benefit plan, and the pension will only be payable if the beneficiary is still with the Company at retirement age, except in the event of (i) termination (other than for serious misconduct) after the age of 55 if the beneficiary does not take up another post, (ii) long-term disability or (iii) early retirement. Arnaud Lagardère's pension benefit entitlements accrue at a rate of 1.75% of the benchmark remuneration per year of membership of the plan. The benchmark remuneration corresponded to the average gross annual remuneration over the last five years (fixed and variable up to a maximum of 100% of the fixed portion), and cannot exceed 50 times the annual ceiling used to calculate social security contributions. As the number of years of plan membership used to calculate the benefit entitlements was capped at 20, the supplementary pension could not exceed 35% of the benchmark remuneration. ▸ At 31 December 2021, the estimated amount of Arnaud Lagardère's future annuity, determined in accordance with the applicable regulations, is the amount calculated at 31 December 2019, i.e., €686,490, representing approximately 37.38% of his total gross remuneration (fixed and variable) paid in 2021. ▸ No benefits were due or paid to Arnaud Lagardère under this plan for 2021. ▸ A new "vested benefits" supplementary pension plan was set up for 2020 and 2021 in accordance with the new legal framework introduced by article L. 137-11-2 of the French Social Security Code. This is an individual rather than collective plan and is "portable", in that the benefits will be attached to the Chairman and Chief Executive Officer and will be carried over even in case of a change of employer. Under this plan, the supplementary pension benefits will vest to the Chairman and Chief Executive Officer at a rate of 1.25% of the benchmark remuneration each year. The benchmark remuneration corresponds to the gross annual remuneration (fixed + variable) and cannot exceed 50 times the annual ceiling used to calculate social security contributions. Vesting is subject to performance conditions and requires an achievement rate of at least 75% for the annual financial and non-financial targets used to determine the Chairman and Chief Executive Officer' annual variable remuneration. In accordance with the provisions of the instruction of 23 December 2020, this new plan applies with effect from 1 January 2020 and, exceptionally, the performance conditions were not applied to rights in respect of the 2020 fiscal year. ▸ As the performance conditions were met in 2021, the rights vested to Arnaud Lagardère represented 1.25% each for 2020 and 2021. ▸ At 31 December 2021, the estimated amount of Arnaud Lagardère's future annuity was €44,898. ▸ No benefits was paid to Arnaud Lagardère under this plan for 2021.

Pierre Leroy

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Annual fixed remuneration	€1,474,000	€1,474,000	▸ The gross fixed remuneration awarded in 2021 has remained unchanged since 2011.
Annual variable remuneration	€362,500 (amount allocated in respect of 2020, approved by 99.67% of votes cast at the 30 June 2021 Annual General Meeting – 10th resolution)	€1,105,500	▸ Pierre Leroy's annual variable remuneration includes: – a portion based on quantitative criteria, as follows • financial criteria (50% weighting) related to the Group's performance in 2021 (recurring operating profit of fully consolidated companies and free cash flow) (see section 2.5.2.1 of this Universal Registration Document), • non-financial CSR criteria (25% weighting) related to the Group's performance in 2021 with regard to its priority commitments under its Corporate Social Responsibility policy (proportion of female executive managers, proportion of certified and/or recycled paper in 2021, reduction in the use of plastic in all proprietary concepts in 2021, ranking in the Dow Jones Sustainability Index) (see section 2.5.2.1 of this Universal Registration Document); – a qualitative portion, corresponding to a set of priority targets related to two domains, each of which are given an equal weighting: the roll-out of the Group's strategic plan and the quality of governance and management (see section 2.5.2.1 of the Universal Registration Document). ▸ Pierre Leroy's annual variable remuneration is based on (i) a "quantitative portion" benchmark amount of €450,000 and (ii) a "qualitative portion" benchmark amount of €150,000, representing an overall benchmark amount of €600,000. Consequently, 75% of the annual variable remuneration (i.e., a clear majority) is based on quantitative criteria and 25% on qualitative criteria. ▸ Pierre Leroy's annual variable remuneration may not exceed 75% of his annual fixed remuneration, and the amount of the qualitative portion is capped at 25% of his annual fixed remuneration. The qualitative portion may not therefore represent more than 33% of his maximum annual variable remuneration. ▸ In light of the achievement rates attained in 2021, Pierre Leroy's annual variable remuneration was capped at 75% of his annual fixed remuneration for that year.
Multi-annual cash-settled variable remuneration	N/A	N/A	▸ Pierre Leroy does not receive any multi-annual cash-settled variable remuneration.

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Share options, performance shares and other grants of securities	N/A	€627,640	▸ In 2021 Pierre Leroy was awarded 34,000 rights to performance shares, representing 0.024% of the Company's share capital. ▸ These performance shares will vest after two years, in 2024, provided that (i) Pierre Leroy is still an executive corporate officer of the Company on the vesting date, and (ii) the following performance conditions have been met for the period from 2021-2023 (the "Reference Period": – **for 25% of the shares awarded**: achievement of a pre-defined return on capital employed (ROCE) in the last year of the Reference Period, with trigger and target amounts set by the Board of Directors, and proportional vesting on a straight-line basis of 0% to 100% of the shares between these two amounts; – **for 25% of the shares awarded**: achievement of a pre-defined cumulative amount of free cash flow during the Reference Period, with trigger and target amounts set by the Board of Directors, and proportional vesting on a straight-line basis of 0% to 100% of the shares between these two amounts; – **for 20% of the shares awarded**: Lagardère SA's average annual Total Shareholder Return (TSR) compared with (i) the average annual TSR of a panel of eight competitor companies (Relx, Pearson, Mondadori, Bloomsbury, Dufry, Valora, WH Smith and Autogrill) for 10% of the shares awarded, and (ii) the average annual TSR of the other companies in the CAC Mid 60 index for the other 10% of the shares. For each objective, the vested portion will be (i) halved if Lagardère's TSR is at least equal to the average annual TSR of the reference panel, will be (ii) the full amount if the TSR is at least 2% higher than the average annual TSR of the reference panel, (iii) calculated on a proportionate ranging from 50% to 100% of the shares allocated, if Lagardère's average annual TSR is between these two levels, and (iv) zero if Lagardère's average annual TSR is lower than the average annual TSR of the reference panel; – **for 30% of the shares awarded**: non-financial objectives linked to the Group's priority commitments, with (i) 10% of the shares contingent on the achievement of a proportion of certified and/or recycled paper of 98% or more, with the trigger level at 95%, (ii) 10% of the shares contingent on the achievement of a proportion of use of eco-responsible consumables of 100%, with the trigger level at 95%, and (iii) 10% of the shares contingent on the achievement by the end of 2023 of 44% of women "top executives" at Group level, with the trigger level at 42% and, for each objective, vesting on a proportionate basis ranging from between 0% and 100% of the shares allocated between these two levels. ▸ Vested performance shares must be held for at least two years. Subsequently, a quarter of the shares must be held until Pierre Leroy has built up a portfolio of Lagardère shares whose value is at least equal to one year's worth of his remuneration, and another quarter must be held for as long as he is with the Group. ▸ This performance share grant was approved by the Board of Directors at its 24 September 2021 meeting based on the recommendation of the Appointments, Remuneration and CSR Committee, using the authorisation given at the 30 June 2021 Annual General Meeting (42nd resolution). ▸ Pierre Leroy did not receive any share options in 2021 and was not granted any securities other than the above-described performance shares.
Extraordinary remuneration	N/A	€800,000	▸ The Board of Directors awarded Pierre Leroy extraordinary remuneration for 2021 in a gross amount of €800,000, in recognition of his efficiency, perseverance and deep personal involvement, qualities that proved decisive in the process of transforming the Company into a joint-stock company, implementing its new governance arrangements and negotiating the settlement agreement that put an end to the various disputes that had mobilised the Company's General Management for several years against one of its shareholders (see section 2.5.2.1 H of the Universal Registration Document).

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Remuneration for offices held	N/A	N/A	▸ Pierre Leroy was not entitled to and did not receive any remuneration in his capacity as a Board Advisor in 2021.
Benefits in kind		€16,219	▸ This corresponds to Pierre Leroy's potential personal use of a company car.
Benefits linked to taking up or terminating office	N/A	N/A	▸ Pierre Leroy is not entitled to any benefits of this nature.
Benefits linked to non-competition agreements	N/A	N/A	▸ Pierre Leroy is not entitled to any benefits of this nature.
Supplementary pension plan	€0	€0	▸ Pierre Leroy is a beneficiary of the defined benefit supplementary pension plan set up by Lagardère Management for members of the Executive Committee. ▸ In accordance with French "Pacte law" and Order no. 2019-697 dated 3 July 2019 reforming these pension plans, the plan in place within Lagardère Management was closed to new entrants as from 4 July 2019, with benefits accrued under the plan frozen as at 31 December 2019. ▸ The plan was a conditional benefit plan, and the pension will only be payable if the beneficiary is still with the Company at retirement age, except in the event of (i) termination (other than for serious misconduct) after the age of 55 if the beneficiary does not take up another post, (ii) long-term disability or (iii) early retirement. Pierre Leroy's pension benefit entitlements accrue at a rate of 1.75% of the benchmark remuneration per year of membership of the plan. The benchmark remuneration corresponded to the average gross annual remuneration over the last five years (fixed and variable up to a maximum of 100% of the fixed portion), and cannot exceed 50 times the annual ceiling used to calculate social security contributions. As the number of years of plan membership used to calculate the benefit entitlements was capped at 20, the supplementary pension could not exceed 35% of the benchmark remuneration. ▸ At 31 December 2021, the estimated amount of Pierre Leroy's future annuity, determined in accordance with the applicable regulations, is the amount calculated at 31 December 2019, i.e., €686,490, representing approximately 37.38% of his total gross remuneration (fixed and variable) paid in 2021. ▸ No benefits were due or paid to Pierre Leroy under this plan for 2021. ▸ A new "vested benefits" supplementary pension plan was set up for 2020 and 2021 in accordance with the new legal framework introduced by article L. 137-11-2 of the French Social Security Code. This is an individual rather than collective plan and is "portable", in that the benefits will be attached to the Deputy Chief Executive Officer and will be carried over even in case of a change of employer. Under this plan, the supplementary pension benefits will vest to the Deputy Chief Executive Officer at a rate of 1.25% of the benchmark remuneration each year. The benchmark remuneration corresponds to the gross annual remuneration (fixed + variable) and cannot exceed 50 times the annual ceiling used to calculate social security contributions. Vesting is subject to performance conditions and requires an achievement rate of at least 75% for the annual financial and non-financial targets used to determine the Deputy Chief Executive Officer's annual variable remuneration. In accordance with the provisions of the instruction of 23 December 2020, this new plan applies with effect from 1 January 2020 and, exceptionally, the performance conditions were not applied to rights in respect of the 2020 fiscal year. ▸ As the performance conditions were met in 2021, benefits vested by Pierre Leroy represented 1.25% each for 2020 and 2021. ▸ At 31 December 2021, the estimated amount of Pierre Leroy's future annuity was €48,660. ▸ No benefits was paid to Pierre Leroy under this plan for 2021.

Thierry Funck-Brentano

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Annual fixed remuneration	€603,000	€603,000	▸ The gross fixed remuneration awarded in 2021 has remained unchanged since 2011. As Thierry Funck-Brentano left the Company on 30 June 2021, this remuneration was paid to him on a pro rata basis.
Annual variable remuneration	€362,500 (amount allocated in respect of 2020, approved by 99.65% of votes cast at the 30 June 2021 Annual General Meeting – 11th resolution)	€452,250	▸ Thierry Funck-Brentano's annual variable remuneration includes: – a portion based on quantitative criteria, as follows: • financial criteria (50% weighting) related to the Group's performance in 2021 (recurring operating profit of fully consolidated companies and free cash flow) (see section 2.5.2.1 of this Universal Registration Document), • non-financial CSR criteria (25% weighting) related to the Group's performance in 2021 with regard to its priority commitments under its Corporate Social Responsibility policy (proportion of female executive managers, proportion of certified and/or recycled paper in 2021, reduction in the use of plastic in all proprietary concepts in 2021, ranking in the Dow Jones Sustainability Index) (see section 2.5.2.1 of this Universal Registration Document); – a qualitative portion, corresponding to a set of priority targets related to two domains, each of which are given an equal weighting: the roll-out of the Group's strategic plan and the quality of governance and management (see section 2.5.2.1 of the Universal Registration Document).. ▸ Thierry Funck-Brentano's annual variable remuneration is based on (i) a "quantitative portion" benchmark amount of €400,000 and (ii) a "qualitative portion" benchmark amount of €200,000, representing an overall benchmark amount of €600,000. Consequently, 66.66% of the annual variable remuneration (i.e., a clear majority) is based on quantitative criteria and 33.33% on qualitative criteria. ▸ Thierry Funck-Brentano's annual variable remuneration may not exceed 75% of his annual fixed remuneration, and the amount of the qualitative portion is capped at 25% of his annual fixed remuneration. The qualitative portion may not therefore represent more than 33% of his maximum annual variable remuneration. ▸ In light of the achievement rates attained in 2021, Thierry Funck-Brentano's annual variable remuneration was capped at 75% of his annual fixed remuneration for that year. ▸ As Thierry Funck-Brentano left the Company on 30 June 2021, this remuneration was determined on a proportionate basis.
Multi-annual cash-settled variable remuneration	N/A	N/A	▸ Thierry Funck-Brentano does not receive any multi-annual cash-settled variable remuneration.
Share options, performance shares and other grants of securities	N/A	N/A	▸ Thierry Funck-Brentano did not receive any other share options in 2021 and was not granted any securities other than the above-described performance shares.
Extraordinary remuneration	N/A	N/A	▸ Thierry Funck-Brentano did not receive any extraordinary remuneration for 2021.
Remuneration for offices held	N/A	N/A	▸ Thierry Funck-Brentano was not entitled to and did not receive any directors' fees for 2021.
Benefits in kind		€5,388	▸ This corresponds to Thierry Funck-Brentano's potential personal use of a company car.

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Benefits linked to taking up or terminating office	N/A	€1,103,981	▸ In the context of his retirement with effect from 1 July 2021, Thierry Funck-Brentano received compensation for paid leave in an amount of €146,593, as well as a contractual retirement indemnity of €957,388, corresponding to six months' remuneration based on his last remuneration, for service of more than 40 years with the Group, in accordance with the applicable collective agreement.
Benefits linked to non-competition agreements	N/A	N/A	▸ Thierry Funck-Brentano is not entitled to any benefits of this nature.
Supplementary pension plan	€0	€660,408	▸ Thierry Funck-Brentano is a beneficiary of the defined benefit supplementary pension plan set up by Lagardère Management for members of the Executive Committee. ▸ In accordance with French Government Order no. 2019-697 dated 3 July 2019, which reformed these pension regimes, the plan was closed to new entrants as from 2019 and the benefits accrued under the plan along with the beneficiaries' benchmark remuneration were frozen as at 31 December 2019. ▸ The plan was a conditional benefit plan, and the pension will only be payable if the beneficiary is still with the Company at retirement age, except in the event of (i) termination (other than for serious misconduct) after the age of 55 if the beneficiary does not take up another post, (ii) long-term disability or (iii) early retirement. Thierry Funck-Brentano's pension benefit entitlements accrue at a rate of 1.75% of the benchmark remuneration per year of membership of the plan. The benchmark remuneration corresponded to the average gross annual remuneration over the last five years (fixed and variable up to a maximum of 100% of the fixed portion), and cannot exceed 50 times the annual ceiling used to calculate social security contributions. As the number of years of plan membership used to calculate the benefit entitlements was capped at 20, the supplementary pension could not exceed 35% of the benchmark remuneration. ▸ Thierry Funck-Brentano retired under this plan with effect from 1 July 2021 and has since been paid an annual non-reversionary pension of €660,408.

2.6 REMUNERATION AND BENEFITS OF BOARD MEMBERS

AFR

Articles L. 22-10-8 *et seq.* of the French Commercial Code provide for a strict legal framework for the remuneration of corporate officers.

The purpose of this section is to present (i) **the remuneration policies for the members of the Company's Board of Directors for 2022** and (ii) **the components of the total remuneration and benefits paid during or allocated in respect of 2021** to Board members.

These remuneration policies and components will be submitted for shareholder approval at the Annual General Meeting to be held on 22 April 2022.

2.6.1 REMUNERATION POLICY FOR THE MEMBERS OF THE BOARD OF DIRECTORS

Pursuant to articles L. 225-45, L. 22-10-8 and L. 22-10-14 of the French Commercial Code, the members of the Board of Directors are paid an annual fixed fee whose amount is set by the shareholders at the General Meeting of shareholders. The allocation of this sum is then determined in the remuneration policy set by the Board of Directors and submitted for shareholder approval at the Annual General Meeting.

In order to ensure continuity and stability in remuneration principles for both the Company and its shareholders, the first remuneration policies adopted in 2021 to apply immediately to the Company in its new form as a French joint-stock company (*société anonyme*) as from 30 June 2021 have been structured in a strictly identical manner to the most recent policies previously applicable to the Company in its form as a French partnership limited by shares (*société en commandite par actions*) until 30 June 2021.

As part of its role of making recommendations to the Board of Directors on the remuneration of corporate officers, the new Appointments, Remuneration and CSR Committee appointed on 30 June 2021 nevertheless decided to review these remuneration policies in order to assess their alignment with the rules of good governance (Afep-Medef Code, AMF and HCGE recommendations on corporate governance, voting policies of proxy advisory firms, etc.) as well as with observed market practices. The purpose of this review was to enable the Committee to recommend to the Board changes to these policies that would also take into account the Company's new governance.

On the basis of this work, at its meeting of 16 February 2022 the Board of Directors decided, on the recommendation of the Appointments, Remuneration and CSR Committee, to amend the rules for allocating fees among the members of the Board and to recommend to shareholders at the Annual General Meeting to increase the amount of the overall annual fees awarded for this purpose accordingly.

This modification is intended to (i) take into account the conversion of the Company from a partnership limited by shares into a joint-stock company with a Board of Directors with different responsibilities from a Supervisory Board and accordingly, to align the Company's directors' remuneration with market practices, based on benchmark studies carried out against similar-sized SBF 120 index companies with boards of directors, and (ii) take into account in the 2022 remuneration policy the specific new duties of the Board of Directors in connection with the public tender offer launched by Vivendi SE, which resulted in a new *ad hoc* Board Committee being set up on 17 December 2021, tasked with monitoring the entire process, which is likely to extend over the whole of 2022.

The following changes were made to the 2022 remuneration policy for the members of the Board of Directors:

- members of the Appointments, Remuneration and CSR Committee are entitled to 2 portions of fees compared to 1.5 portions in the previous policy, in line with the remuneration of Audit Committee members;
- the overall amount of fees was increased from €700,000 to €760,000 to reflect this increase in the remuneration of members of the Appointments, Remuneration and CSR Committee;
- for 2022, additional fees of €237,500 are made available to remunerate the *ad hoc* Committee set up in the context of the planned public tender offer, with remuneration equivalent to the other two committees (no additional portion for the Chairman);
- the overall amount of fees submitted for shareholder approval at the Annual General Meeting is thereby increased to €997,500;
- no change in the other rules of the 2021 remuneration policy.

Accordingly, at the Annual General Meeting to be held on 22 April 2022, shareholders will be asked to set the overall annual amount of fees to be allocated to members of the Board of Directors at €997,500.

Under this new remuneration policy, the rules for allocating these fees are described below. These rules apply to all members of the Board of Directors, including the employee directors:

- each member of the **Board of Directors** is entitled to **1 basic portion**;
- each member of the **Audit Committee** is entitled to **2 additional portions**;
- each member of the **Appointments, Remuneration and CSR Committee** is entitled to **2 additional portions**;
- each member of the ***ad hoc* Committee** is entitled to **2 additional portions**;
- the **Chairs** of the Board and the committees (excluding the *ad hoc* Committee) are entitled to **1 additional portion**;
- in accordance with the Articles of Association, the Board of Directors may decide to transfer part of the remuneration that the Ordinary General Meeting has allocated to the members of the Board of Directors to the **Board Advisor.**

The basic portion of the remuneration is equal to the aggregate amount of the fees divided by the total number of portions to which Board members are entitled.

Sixty percent of these fees is paid based on each member's actual attendance at the Board of Directors meetings and the meetings of the Board(s) of which he or she is a member.

The fees are paid by Lagardère SA, on an annual basis at the start of each year for amounts due in respect of the prior year.

In accordance with the recommendations of the Afep-Medef Code, the members of the Board of Directors do not receive any further variable remuneration, share or performance share options, or any further benefits for their role as directors.

However, in accordance with the applicable legal provisions, the employee directors will hold employment contracts with the Company or one of its subsidiaries and therefore receive remuneration corresponding to their position (salary and, where applicable, any incentives, profit sharing, variable remuneration and/or free shares).

The policy applied takes into account members' actual attendance at Board and Board Committee meetings when determining the variable portion, which makes up **the majority of their overall remuneration**. The policy therefore ensures that the directors receive reasonable, balanced and fair remuneration that is fully aligned with the corporate and long-term interests of the Company.

The Board of Directors may decide to make an exception to the remuneration policy by modifying the criteria applicable to the overall fees or by allocating an additional portion to one or more members in consideration for the completion of specific *ad hoc* missions. Any such temporary exception would be made public and justified, notably with regard to the Group's corporate interests.

2.6.2 TOTAL REMUNERATION AND BENEFITS PAID DURING OR ALLOCATED IN RESPECT OF 2021 TO MEMBERS OF THE BOARD

This section notably includes, with regard to the members of the Board, the information referred to in article L. 22-10-9 of the French Commercial Code.

The tables provided in this section show the remuneration based on the presentation format recommended in the Afep-Medef Code and AMF recommendation no. 2021-02.

As a reminder, the Annual General Meeting of 30 June 2021 approved the conversion of the Company from a partnership limited by shares into a French joint-stock company (*société anonyme*).

From 1 January 2021 to 30 June 2021, the Company therefore operated in the form of a partnership limited by shares (*société en commandite par actions*), with Managing Partners and a Supervisory Board chaired by Patrick Valroff. From 30 June to 31 December 2021, it operated in the form of a joint-stock company with a Board of Directors chaired by Arnaud Lagardère, Chairman and Chief Executive Officer.

As a result of this conversion, the Annual General Meeting of 30 June 2021 also approved two sets of remuneration policies to be applied successively by the Company in 2021, first as a partnership limited by shares and then as a joint-stock company. In order to ensure the continuity and stability of remuneration principles for both the Company and its shareholders, these two sets of remuneration policies were nevertheless established in a strictly identical manner.

Accordingly, the total annual remuneration allocated to the Board of Directors by the Annual General Meeting was divided into two: one half to remunerate the Supervisory Board in office until 30 June 2021 and the other half to remunerate the Board of Directors in office as from 30 June 2021.

2.6.2.1 TOTAL REMUNERATION AND BENEFITS PAID DURING OR AWARDED FOR 2021 TO THE MEMBERS OF THE COMPANY'S SUPERVISORY BOARD (IN OFFICE UNTIL 30 JUNE 2021)

In accordance with legal provisions, the remuneration policy applicable to members of the Supervisory Board was drawn up by the Supervisory Board at its meeting on 26 April 2021, based on the proposals set out by the Appointments, Remuneration and CSR Committee at its meeting on 30 March 2021.

The components of remuneration for members of the Supervisory Board for 2021 were therefore determined and allocated in this context.

The Supervisory Board was allocated fixed annual remuneration of €700,000 by a resolution of the Ordinary and Extraordinary General Meeting of 10 May 2011, which was adopted by 98.25% of the votes.

As the terms of office of the members of the Supervisory Board expired on 30 June 2021, this amount was halved for their remuneration for 2021.

The allocation criteria for this remuneration were as follows. These rules applied to all members of the Supervisory Board, including the members representing Group employees:

- each member of the Supervisory Board was entitled to 1 basic portion;
- each member of the Audit Committee was entitled to 2 additional portions;
- each member of the Strategy Committee was entitled to 1.5 additional portions;
- each member of the Appointments, Remuneration and CSR Committee were entitled to 1.5 additional portions;
- the Chairs of the Board and the Committees were entitled to 1 additional portion.

The basic portion of the remuneration was equal to the aggregate amount of the fees divided by the total number of portions to which Board members are entitled.

Sixty percent of these fees was paid based on each member's actual attendance at the Supervisory Board meetings and the meetings of the Committee(s) of which he or she is a member.

In accordance with the recommendations of the Afep-Medef Code, the members of the Supervisory Board – including its Chairman – did not receive any further variable remuneration, share or performance share options, or any further benefits.

However, in accordance with the applicable legal provisions, the members of the Supervisory Board representing Group employees held employment contracts with the Company or one of its subsidiaries and therefore received remuneration corresponding to their position (salary and, where applicable, any incentives, profit sharing, variable remuneration and/or free shares).

MEMBERS OF THE SUPERVISORY BOARD

Pursuant to the allocation criteria described above, the members of the Supervisory Board received the following remuneration:

(in euros)	Amount allocated for 2020	Amount allocated for first-half 2021
Nathalie Andrieux	14,634.15	-
Jamal Benomar	47,500.00(1)	**28,225.81(1)**
Valérie Bernis	13,414.63	**28,225.81**
Martine Chêne	8,536.59	-
François David	15,853.66	-
Michel Defer	2,134.15	**11,290.32**
Yves Guillemot	13,658.55	-
Soumia Malinbaum	53,353.66	**28,225.81**
Hélène Molinari	13,109.76	-
Guillaume Pepy	109,146.34	**62,096.77**
Gilles Petit	103,658.54	**56,451.61**
Nicolas Sarkozy	49,939.02	**28,225.81**
Xavier de Sarrau	8,231.71(1)	-
Aline Sylla-Walbaum	39,024.39	-
Susan M. Tolson	57,926.83(1)	**32,903.23(1)**
Patrick Valroff	138,719.51	**73,387.10**
Total	**688,841.49(1)**	**349,032.27(1)**

(1) Withholding tax is deducted from this amount.

2.6.2.1.A Chairman of the Supervisory Board

Further to the Company's application of the legal provisions, the fixed, variable and extraordinary components making up the total remuneration and benefits paid during or allocated in respected of 2021 to the Chairman of the Supervisory Board will, in accordance with articles L. 22-10-77 II and L. 22-10-34 II of the French Commercial Code, be submitted to the approval of the Company's shareholders at the Annual General Meeting to be held on 22 April 2022.

In his capacity as Chairman of the Supervisory Board of Lagardère SCA until 30 June 2021, Patrick Valroff did not receive any remuneration other than the fees allocated in accordance with the allocation rules described above.

Patrick Valroff (Chairman of the Supervisory Board of Lagardère SCA until 30 June 2021)

Remuneration received				
	Fiscal year 2020		**Fiscal year 2021**	
	Amounts allocated	Amounts paid	**Amounts allocated**	**Amounts paid**
Remuneration	138,719.51(1)	63,926.94	**73,387.10(1)**	**138,719.51**
Other remuneration	N/A	N/A	**N/A**	**N/A**
Total	138,719.51	63,926.94		

(1) Amount corresponding to six and a half basic portions of fees based on an attendance rate of 100%.

PAY RATIOS

The methods used for calculating these ratios were the same as those used for the executive corporate officers (see section 2.5.2.2 above).

For 2021, the increase in the four ratios is slightly more significant compared to 2020 and mainly reflects the higher remuneration paid to Patrick Valroff in 2020 for his additional office as a member of the Strategic Committee, which was created in that year and which he chaired.

	2017	2018	2019	2020	**2021**
Remuneration paid or allocated during the year (in €)	55,263	55,629	58,721	63,926	**138,720**
Average remuneration paid or allocated during the year to Company employees (in €)	415,095	328,974	352,018	277,431	**92,883**
Ratio versus the average remuneration of Company employees	0.1	0.1	0.1	0.2	**1.5**
Median remuneration paid or allocated during the year to Company employees (in €)	255,548	251,902	260,472	212,681	**348,310**
Ratio versus the median remuneration of Company employees	0.2	0.2	0.2	0.3	**0.4**
Average remuneration paid or allocated during the year to Group employees in France (in €)	57,659	56,468	56,098	52,338	**52,301**
Ratio versus the average remuneration of Group employees in France	1	1	1	1.2	**2.7**
Median remuneration paid or allocated during the year to Group employees in France[1] (in €)	51,771	50,535	50,745	50,675	**50,901**
Ratio versus the median remuneration of Group employees in France[1]	1.1	1.1	1.1	1.3	**2.7**
Recurring operating profit of fully consolidated companies in the prior year (in €m)	N/A	N/A	N/A	N/A	**(155)**
Free cash flow in the prior year (in €m)	N/A	N/A	N/A	N/A	**(256)**

(1) The median remuneration of Group employees in France and the corresponding ratio do not include the value of free shares as this component cannot be disclosed meaningfully for this extremely wide scope.

2.6.2.1.B Approval of the components of remuneration paid during or allocated in respect of 2021 to the Chairman of the Supervisory Board

Further to the Company's application of the legal provisions, the fixed, variable and extraordinary components making up the total remuneration and benefits paid during or allocated in respected of 2021 to the Chairman of the Supervisory Board will, in accordance with article L. 22-10-77 II. of the French Commercial Code, be submitted to the approval of the Company's shareholders at the Annual General Meeting to be held on 22 April 2022.

These components, which are described in detail in the preceding sections, are summarised below in the format recommended in the Afep-Medef Code.

Patrick Valroff

Components of remuneration put to the shareholders' vote	Amounts paid in 2021	Amounts allocated in respect of 2021 (or accounting values)	Presentation
Annual fixed remuneration	N/A	N/A	▸ Patrick Valroff does not receive any annual fixed remuneration.
Annual variable remuneration	N/A	N/A	▸ Patrick Valroff does not receive any annual variable remuneration.
Multi-annual cash-settled variable remuneration	N/A	N/A	▸ Patrick Valroff does not receive any multi-annual cash-settled variable remuneration.
Share options, performance shares and other grants of securities	N/A	N/A	▸ Patrick Valroff does not receive any share options, performance shares or grants of other securities.
Extraordinary remuneration	N/A	N/A	▸ Patrick Valroff does not receive any extraordinary remuneration.
Remuneration for offices held	€138,719.51 (Amount allocated in respect of 2020)	€73,387.10	▸ This amount corresponds to the fees due to Patrick Valroff in 2022 for the duties he performed in 2021 as Chairman of the Supervisory Board and of the Audit Committee, and as member of the Strategy Committee. ▸ The aggregate amount of fees allocated among Supervisory Board members was set by the shareholders at €700,000 at the Annual General Meeting of 10 May 2011. For 2021, this amount was halved to reflect its period of activity, i.e., €350,000. In respect of 2021, each member of the Supervisory Board received a basic portion of fees. The following members also received an additional portion of fees corresponding to a multiple of the basic portion: members of the Audit Committee (twice the basic portion), members of the Strategy Committee and members of the Appointments, Remuneration and CSR Committee (1.5 times the basic portion) and the Chair of the Supervisory Board and the Committee Chairs (one basic portion). The basic portion of fees is equal to the total fees divided by the total number of portions to which Board members are entitled. The variable portion of the fees, which is determined based on actual attendance at meetings, represents 60% of the total amount received. ▸ The amount due to Patrick Valroff for 2021 corresponds to 6.5 basic portions of fees based on an attendance rate of 100%.
Benefits in kind	N/A	N/A	▸ Patrick Valroff does not receive any benefits in kind.
Benefits linked to taking up or terminating office	N/A	N/A	▸ Patrick Valroff is not entitled to any benefits of this nature.
Benefits linked to non-competition agreements	N/A	N/A	▸ Patrick Valroff is not entitled to any benefits of this nature.
Supplementary pension plan	N/A	N/A	▸ Patrick Valroff is not a member of a supplementary pension plan.

2.6.2.2 TOTAL REMUNERATION AND BENEFITS PAID DURING OR AWARDED FOR 2021 TO THE MEMBERS OF THE COMPANY'S BOARD OF DIRECTORS (AS FROM 30 JUNE 2021)

Concerning the members of the Board of Directors, the following section notably includes the disclosures required under article L. 22-10-9 of the French Commercial Code.

The total annual remuneration allocated to the members of the Company's Board of Directors was set by the General Meeting of 30 June 2021 at €700,000, and calculated on a proportionate basis at €350,000 for the period from 30 June 2021, the date of the conversion of the Company into a French joint-stock company (*société anonyme*), at 31 December 2021.

In accordance with the rules for allocating directors' remuneration set out in the remuneration policy applicable in 2021, which was strictly identical to the policy applicable to members of the Supervisory Board described above (see also the Amendment to the Company's 2020 Universal Registration Document, published on 26 July 2021 and available on its website), the members of the Board of Directors were allocated the following remuneration for the period during which they held office in 2021, i.e., from 30 June 2021 to 31 December 2021:

	Total gross amount allocated for 2021 and paid in 2022
Virginie Banet	€69,746.38
Valérie Bernis	€38,043.48
Laura Carrere	€31,702.90
Fatima Fikree	€38,043.48
Noëlle Genaivre	€12,681.16
Arnaud Lagardère	€22,318.84
Pascal Jouen	€12,681.16
Véronique Morali	€69,746.38
Joseph Oughourlian	€7,608.70
Arnaud de Puyfontaine	€12,681.16
Nicolas Sarkozy	€27,898.55
Total	**€343,152.17[(1)]**

(1) Withholding tax is deducted from this amount.

2.7 TRANSACTIONS WITH RELATED PARTIES (MEMBERS OF THE BOARD OF DIRECTORS)

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2.7.1 SERVICE AGREEMENT

Lagardère Management provides the Group and its subsidiaries with a range of management resources and skills, with the following aims:

- over the long term, to guarantee that the Group's operating businesses have the best environment required for expansion;
- to supply the Group with strategic planning and operational services, coupled with high quality management services, including principally:
  - designing and developing economic and financial strategic scenarios; providing project monitoring skills;
  - providing research and follow-up concerning major markets and their development; assessing factors in different market environments that may create new opportunities for action;
  - monitoring and identifying potential investments and divestments;
  - managing business negotiations such as divestments, mergers and acquisitions;
  - orchestrating corporate operations, including state-of-the-art finance and capital management techniques;
  - establishing and maintaining relations in banking and finance, with particular attention to the characteristics of the various countries in which the Group does, or plans to do, business;
  - enhancing human resources by attracting high-potential management personnel;
  - ensuring the overall management of the Group's image.

To meet these aims, Lagardère Management employs the majority of the members of the Group Executive Committee, whose role is to assist General Management in performing its duties.

Lagardère Management carries out its activities within the framework of the Service Agreement, which was originally put in place in 1988. Since 2020, the parties to the Service Agreement have been LC&M and Lagardère Ressources, which is responsible for managing all of the Group's corporate resources.

Following an amendment in 2004, the remuneration paid under the Service Agreement is equal to the amount of expenses incurred in the execution of the Agreement, plus (in accordance with tax rules and customary market practices) a margin set at 10%, with an absolute upper limit of €1 million (an amount which, in practice, has been applied each year since 2004). After examination by the Audit Committee, these terms and conditions were approved by the Supervisory Board on 12 March 2004 and subsequently by the General Meeting of Shareholders on 11 May 2004.

The expenses incurred in the execution of the Service Agreement, which form the basis for the remuneration due under the Agreement, can be split into three main categories, which would in any event have been borne by the Lagardère group.

The first category, representing the majority of expenses (around 89% in 2021), includes remuneration payable to members of the Executive Committee, the associated payroll taxes and duties (tax on wages, levy on performance share awards) and the amount accrued to the provision for the supplementary pension plan.

In accordance with applicable regulations, details of remuneration are provided in the annual report published by the Company. In compliance with the recommendations of the Afep-Medef Code, since 2014 remuneration allocated to executive corporate officers has been submitted to the shareholders' vote and has always gathered high approval rates. Since 2020, shareholders have been asked to vote on the remuneration policy itself, in accordance with binding "say-on-pay" legislation.

The supplementary pension plan is also described in detail in the annual report. Like other components of remuneration, it is subject to a shareholder vote.

The second category (around 8% of the expenses in 2021) corresponds to the work environment of Executive Committee members and includes offices, equipment and furniture, meeting rooms, secretarial services, official vehicles and telecommunications.

As Lagardère Management has no resources of its own, these items are made available by the Lagardère group. The corresponding expenses are thus monitored by the Group Management Control Department, which determines the amount billed to Lagardère Management for use of the above items. For the past dozen or so years, this amount has been stable at €1.9 million, and Lagardère Management therefore bills the exact same amount to the Lagardère group.

The third category (around 3% of the expenses in 2021) includes miscellaneous other expenses incurred in connection with the Agreement. These expenses essentially consist of (i) fees for administrative and accounting services billed by the Lagardère group (following a similar scheme to the one for work environment costs), (ii) fees for consultants used by Lagardère Management, and (iii) taxes and duties inherent to Lagardère Management's activities (property tax, etc.).

Hence, this contractual framework brings together in a clear and transparent manner the expenses corresponding to the total cost of the Group's general management, and subjects them to the statutory monitoring procedure applicable to related-party agreements.

As part of this procedure, the Service Agreement is reviewed annually by the Audit Committee and by the Board of Directors and is also referred to in the Statutory Auditors' special report prepared in accordance with article L. 225-38 of the French Commercial Code.

The work of the Audit Committee on the precise conditions and costs related to the Service Agreement and any changes therein is presented to the Board of Directors as part of the review required under article L. 225-40-1 of the French Commercial Code.

* * *

In 2021, invoicing to the Group in respect of the Service Agreement amounted to €24.74 million, further to review by the Audit Committee on 9 March 2022 and by the Board of Directors at its meeting of 14 March 2022, versus €16.66 million in 2020. Total payroll costs recognised amounted to €21.96 million versus €13.1 million in 2020. These correspond to gross salaries, plus the related taxes, payroll taxes and pension provisions. The amount notably includes the provision accrued for variable and extraordinary remuneration. Payment of this variable remuneration plus, where applicable, its inclusion in the basis for calculating fees, will be submitted to the 2022 General Meeting for approval in accordance with "say-on-pay" legislation. The significant increase in total payroll costs compared

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

to 2020 results from several one-off items, representing 25% of payroll costs:

- the Covid-19 pandemic had a significant impact on 2020 remuneration, with zero variable remuneration linked to financial objectives in 2020 and a waiver by the members of the Executive Committee of part of their fixed remuneration, whereas the variable remuneration awarded for 2021 reached the maximum amounts set as a result of the 2021 performance (see chapter 2.5 above);
- the departure of two members of the Executive Committee gave rise to the payment in 2021 of severance in one case and a retirement indemnity in the other.

In light of the other expenses set out above (environmental costs invoiced by the Lagardère group that remained stable at €1.9 million and other miscellaneous fees in an amount of €0.6 million, also stable versus 2020, total payroll costs amounted to €24.54 million versus €15.66 million in 2020. A provision reversal for €0.8 million following the end of a dispute with a former employee reduces the €24.54 million in total payroll costs to €23.74 million, representing the final basis for invoicing. The contractual margin came out at €1 million, unchanged from 2020.

2.7.2 AGREEMENTS ENTERED INTO WITH MEMBERS OF THE BOARD OF DIRECTORS

None – see section 2.3.2.

2.7.3 OTHER TRANSACTIONS

The other transactions with related parties in 2021 undertaken in the normal course of business took place under arm's length conditions. In particular, Lagardère SA has not identified any agreements, other than those relating to routine business and entered into under arm's length terms that were signed in 2021, either directly or via an intermediary, between (i) the Company's Chief Executive Officer, Deputy Chief Executive Officer, a member of the Board of Directors or a Lagardère SA shareholder owning more than 10% of the Company's voting rights and (ii) any company controlled by Lagardère SA within the meaning of article L. 233-3 of the French Commercial Code.

2.8 SHARE CAPITAL

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2.8.1 AMOUNT AND CHANGES IN THE SHARE CAPITAL

2.8.1.1 AMOUNT

At 31 December 2021, the share capital amounted to €860,913,044.60, represented by 141,133,286 shares with a par value of €6.10 each, all ranking pari passu and fully paid up.

The General Meetings of the Company's General Partners and shareholders held on 30 June 2021 approved the conversion of the Company into a joint-stock company with a Board of Directors, as well as the allocation to the General Partners (Arnaud Lagardère and Arjil Commanditée-Arco) of a total of 10 million new Company shares (each with a par value of €6.10), allocated in equal proportions, as compensation for the loss of their financial and non-financial rights (hereinafter the "Operation").

This allocation was carried out through an increase in the Company's share capital by a total amount of €61 million by deducting this sum from the "premiums and other reserves" account. The new ordinary shares issued as a result give entitlement to dividends with effect from 1 January 2021, and rank *pari passu* as from their issuance with the ordinary shares existing at that date and like such shares, are subject to all the provisions of the Company's Articles of Association in its new legal form.

2.8.1.2 CHANGES IN THE SHARE CAPITAL OVER THE LAST SIX YEARS

Years	Type of transaction	Number of shares	Nominal amount (in euros)	Premium (in euros)	Total share capital (in euros)	Total number of shares
2017	Award of free shares to employees	250,992	1,531,051.20		801,444,095.80	131,384,278
	Capital reduction by cancelling shares	250,992	1,531,051.20		799,913,044.60	131,133,286
	Award of free shares to employees	172,365	1,051,426.50		800,964,471.10	131,305,651
	Capital reduction by cancelling shares	172,365	1,051,426.50		799,913,044.60	131,133,286
2018	Award of free shares to employees	384,440	2,345,084		802,258,128.60	131,517,726
	Capital reduction by cancelling shares	384,440	2,345,084		799,913,044.60	131,133,286
	Award of free shares to employees	97,800	596,580		800,509,624.60	131,231,086
	Capital reduction by cancelling shares	97,800	596,580		799,913,044.60	131,133,286
2019	Award of free shares to employees	59,000	359,900		800,272,944.60	131,192,286
	Capital reduction by cancelling shares	59,000	359,900		799,913,044.60	131,133,286
	Award of free shares to employees	522,012	3,184,273		803,097,317.80	131,655,298
	Capital reduction by cancelling shares	522,012	3,184,273		799,913,044.60	131,133,286
2020	Award of free shares to employees	289,188	1,764,046.80		801,677,091.40	131,422,474
	Capital reduction by cancelling shares	289,188	1,764,046.80		799,913,044.60	131,133,286
	Award of free shares to employees	157,830	962,763		800,875,807.60	131,291,116
	Capital reduction by cancelling shares	157,830	962,763		799,913,044.60	131,133,286
2021	Award of free shares to employees	133,867	816,589		800,729,633.30	131,267,153
	Capital reduction by cancelling shares	133,867	816,589		799,913,044.60	131,133,286
	Award of free shares to employees	348,050	2,123,105		802,036,149.60	131,481,336
	Capital reduction by cancelling shares	348,050	2,123,105		799,913,044.60	131,133,286
	Capital increase by issuing new shares in connection with the operation	10,000,000	61,000,000		860,913,044.60	141,133,286

As shown in the above table, all changes in the share capital over the last six years have arisen from (i) the vesting of free shares awarded to Group employees and from the resulting share capital reduction by cancelling treasury shares, and (ii) the completion of the Operation (as defined above).

2.8.2 TREASURY SHARES

2.8.2.1 AMOUNT

At 31 December 2021, the Company directly held 1,159,503 of its own shares, each with a par value of €6.10, representing 0.82% of the share capital at that date and a total cost of €23,210,783.18, or €20.02 per share, and a carrying amount of €28,268,683.13, or €24.38 per share (considering the unrealised capital gain amounting to €5,057,899.95 on an average weighted price).

2.8.2.2 SHARE BUYBACK PROGRAMMES: SHARES ACQUIRED, SOLD, CANCELLED OR REALLOCATED

A) TRANSACTIONS CARRIED OUT IN 2021

In 2021, the Company used the authorisations given by the shareholders at the 5 May 2020 and 30 June 2021 Annual General Meetings to carry out the following transactions for the objectives defined in the 2020/2021 and 2021/2022 share buyback programmes:

1. Market liquidity transactions

Under the liquidity agreement entered into with Kepler Cheuvreux on 7 October 2008, which has been renewed yearly since that date, in 2021 the Company:

- purchased 549,398 shares for a total price of €11,639,898.40 representing an average per-share price of €21.19;
- sold 490,592 shares for a total price of €10,240,796.99, representing an average per-share price of €20.87.

Since 16 September 2021 – the start date of the pre-offer period for the Company's shares (AMF notice 221C2405), and pursuant to article 5 of AMF decision 2021-01 of 22 June 2021 (the "AMF Decision"), the execution of the liquidity contract has been suspended.

On 27 September 2021, in accordance with article 4 of the AMF Decision, the Company reduced the amount allocated to the liquidity contract by €7,000,000.

In accordance with applicable regulations, on 10 January 2022, the Company published the half-year liquidity contract statement at 31 December 2021, which can be consulted on its website, at www.lagardere.com.

2. Award of shares to employees

The Company used 8,014 shares for the “award to employees” objective, in order to deliver fully-vested free shares and performance to beneficiaries under the free share plans set up on 6 April 2017, 16 April 2018 and 8 April 2019.

3. Capital reduction

The Company cancelled 481,917 shares within the scope of two capital reductions carried out concomitantly with capital increases through the issuance of new shares, in connection with the final vesting of free shares and performance shares for Group employees and senior executives.

4. Partial reallocation for other uses

The Company reallocated 481,917 shares from the “award to employees” objective to the "capital reduction" objective.

B) POSITION AT 31 DECEMBER 2021

At the end of 2021, the 1,159,503 shares with a nominal value of €6.10 directly held by the Company and representing 0.82% of the share capital were allocated as follows:

- 1,001,860 shares allocated to the "award to employees” objective, representing 0.71% of the share capital, for a total cost of €19,844,680.56;
- 157,643 shares allocated to the "promotion of market liquidity" objective, representing 0.11% of the share capital, for a total cost of €3,366,102.62.

C) TRANSACTIONS CARRIED OUT UNDER THE AUTHORISATION GRANTED BY THE ANNUAL GENERAL MEETING OF 30 JUNE 2021

The Ordinary and Extraordinary General Meeting of 30 June 2021 authorised the Board of Directors, with the power to sub-delegate under the conditions provided for by law, to purchase Lagardère SA shares representing up to 10% of the share capital (i.e., up to 14,113,328 shares), for a maximum amount of €500 million, and at a maximum per-share purchase price of €40, mainly for the following purposes:

- to reduce the share capital by cancelling all or some of the shares purchased;
- to award free shares to employees and officers of the Company and of entities or groups related to it within the meaning of articles L. 225-197-1 *et seq.* of the French Commercial Code;
- to tender shares upon the exercise of share options;
- to set up any company or group savings scheme (or similar plan) under the conditions provided for by law, notably articles L. 3332-1 *et seq.* of the French Labour Code (*Code du travail*), including by way of awarding the shares free of consideration as part of the employer's contribution and/or in replacement of the discount, in accordance with the applicable laws and regulations;
- to award or transfer shares to employees as part of a profit sharing scheme;
- to award shares to employees and corporate officers of the Company and of entities or groups related to the Company for any other purpose permitted by the applicable law and regulations;
- to remit shares upon the exercise of rights attached to securities giving access to the Company’s share capital in any way whatsoever;
- to promote liquidity in the Company’s shares under liquidity agreements that comply with a code of conduct recognised by the AMF and entered into with independent investment services providers;
- to hold the shares for subsequent exchange or payment as consideration for external growth transactions, merger, demerger or asset contribution;
- and more generally, to carry out any transaction in accordance with applicable laws and regulations and, in particular, with market practices accepted by the AMF.

This authorisation – which was given for a period of 18 months as from 30 June 2021 – superseded the authorisation given for the same purpose at the 5 May 2020 Annual General Meeting.

The corresponding share buyback programme was described in a notice issued on 2 July 2021 and available on the Group's corporate website at www.lagardere.com.

Under this authorisation, the Company carried out the following transactions between 1 July 2021 to 28 February 2022:

1. Market liquidity transactions

Under the liquidity agreement referred to above, and until its suspension, the Company purchased 226,445 shares for a total price of €4,840,875.63, i.e., an average per-share price of €21.38, and sold 178,802 shares for a total price of €3,754,337.56 on the market, i.e., an average per-share price of €21.

2. Award of shares to employees

The Company has not awarded any shares to employees.

3. Capital reduction

The Company has not cancelled any shares under this authorisation.

4. Partial reallocations for other uses

The Company has not reallocated any shares under this authorisation.

The Annual General Meeting of 22 April 2022 will be asked to renew this authorisation.

2.8.3 OTHER SECURITIES AND RIGHTS GIVING ACCESS TO THE COMPANY'S SHARE CAPITAL

MARKETABLE SECURITIES

None of the existing securities give or potentially give immediate or future access to the Company's share capital.

SHARE SUBSCRIPTION OPTIONS

At 31 December 2021, there were no subscription options outstanding which, if exercised, would result in the issue of an equivalent number of new shares, the last share subscription plan having expired in December 2007.

FREE SHARE AWARDS

The shares due to be remitted to employees and senior executives of the Company and of other companies related to the Company between 2022 and 2024 as a result of free share awards made in 2018, 2019 and 2021 will in principle be new shares created through a capital increase by capitalising reserves. The maximum number of shares to be created for that purpose would amount to 1,749,050 shares with a par value of €6.10 each, representing a maximum share capital dilution of 1.24% that will, in principle, be neutralised by cancelling an equivalent number of treasury shares, as has historically been the case.

2.8.4 AUTHORISED, UNISSUED SHARE CAPITAL

The Ordinary and Extraordinary General Meeting of 30 June 2021 renewed all of the financial authorisations previously granted at the Ordinary and Extraordinary General Meeting of 10 May 2019. In this context, the shareholders authorised the Board of Directors, for a period of 26 months:

- to issue, with or without pre-emptive subscription rights, securities giving immediate or future access to the Company's share capital, within the following limits:
  - maximum nominal amount of capital increases which may result from authorised issues without pre-emptive subscription rights and without priority rights: €80 million;
  - maximum nominal amount of capital increases which may result from authorised issues with pre-emptive subscription rights or with priority rights: €300 million;
  - maximum authorised amount for debt issuances: €1,500 million;
  - to increase the share capital by capitalising reserves, profits or issue premiums and award newly-issued free shares to shareholders (or increase the par value of existing shares) within the limit of €300 million;
  - to issue ordinary shares of the Company and/or securities giving access to the Company's share capital, without pre-emptive subscription rights, to be awarded to Group employees within the scope of corporate savings schemes and within an annual limit of 0.5% of the number of shares making up the share capital.

In 2022-2023 the Board of Directors, having noted employees' high expectations in this regard, will consider the most appropriate ways of developing employee share ownership within the Company.

The same General Meeting also authorised the Company's Board of Directors, for a period of 38 months:

- to award existing or new shares free of consideration and shares with performance conditions to Group employees and senior executives (other than the executive corporate officers of the Company) within an annual limit of 0.8% of the total number of shares making up the share capital;
- to award performance shares free of consideration to the executive corporate officers of the Company within the annual limit, for each executive corporate officer, of 0.025% of the total number of shares making up the share capital.

Shareholders at the General Meeting of 22 April 2022 will be asked to renew these two authorisations in order to increase the annual ceiling on free shares and performance shares that may be granted to employees and senior managers (other than the executive corporate officers of the Company) from 0.8% to 1.6%.

The Ordinary and Extraordinary General Meeting of 30 June 2021 also authorised the Board of Directors to issue, on one or more occasions, securities other than new securities giving access to the Company's capital, up to a maximum amount of €1.5 billion.

In 2021, only the authorisations relating to awards of free shares and performance shares were used.

Summary table of authorisations to increase the share capital granted by shareholders to the Board of Directors at the 30 June 2021 General Meeting

Type of authorisation	Term	Description
Free share awards	38 months	
Free shares (43rd resolution)		▸ **0.4% of the share capital per year** ▸ **Maximum nominal amount: approx. €3.4 million/year**
Performance shares (excluding ECOs[1]) (42nd resolution)		▸ **0.4% of the share capital per year** ▸ **Maximum nominal amount: approx. €3.4 million/year**
ECO performance shares (42nd resolution)		▸ **0.025%/ year/ECO** ▸ **Maximum nominal amount: approx. €0.2 million/year/ECO**
Capital increases	26 months	**Overall ceiling (maximum nominal amount) of debt securities: €1,500 million**
Capital increases with pre-emptive subscription rights[2] (32nd resolution)		**Overall ceiling (maximum nominal amount) of capital increases with priority rights: €300 million** ▸ Maximum nominal amount: €265 million ▸ Maximum nominal amount of debt securities: €1,500 million ▸ Possibility for shareholders to have a pre-emptive right to subscribe for any securities not taken up by other shareholders ▸ Possibility to limit a capital increase to 75% of the original amount and to offer all or some of the unsubscribed shares on the market
Capital increases without pre-emptive subscription rights[2]:		**Overall ceiling (excluding issues with priority rights): €80 million**
▸ Public offers with a priority right (33rd resolution)		**Overall ceiling (maximum nominal amount) of capital increases with pre-emptive subscription rights: €300 million** ▸ Maximum nominal amount: €160 million ▸ Maximum nominal amount of debt securities: €1,500 million ▸ Priority right for a minimum of five trading days ▸ Maximum discount of 5%
▸ Public offers without a priority right (34th resolution)		▸ Maximum nominal amount: €80 million ▸ Maximum nominal amount of debt securities: €1,500 million ▸ Maximum discount of 5%
▸ Private placements governed by article L. 411-2 1° of the French Monetary and Financial Code (35th resolution)		▸ Maximum nominal amount: €80 million ▸ Maximum nominal amount of debt securities: €1,500 million ▸ Maximum discount of 5%
▸ Public exchange offers (37th resolution)		▸ Maximum nominal amount: €80 million ▸ Maximum nominal amount of debt securities: €1,500 million
▸ Contributions in kind (37th resolution)		▸ Maximum nominal amount: €80 million ▸ Maximum nominal amount of debt securities: €1,500 million
Greenshoe option[2] (36th resolution)		▸ Issue of additional securities subject to the ceilings applicable to the original issue and not exceeding 15% of the original issue amount
Capital increases by capitalising reserves, profit and/or share premiums (39th resolution)		▸ **Maximum nominal amount: €300 million** ▸ Rights to fractions of shares neither transferable nor tradable
Issue of securities for employees who are members of a corporate savings scheme (40th resolution)		▸ **Annual ceiling: 0.5%** ▸ Maximum discount of 30% ▸ Possibility of awarding free shares in replacement of the discount and/or the employer's contribution

(1) ECO: Executive corporate officers of Lagardère SA.
(2) Subject to the overall ceilings applicable to capital increases and issues of debt securities (38th resolution adopted by the 30 June 2021 Ordinary and Extraordinary General Meeting).

2.8.5 PLEDGES OF COMPANY SHARES

2.8.5.1 PLEDGES OF REGISTERED SHARES OF THE COMPANY AT 31 DECEMBER 2021

- Number of shareholders: 61
- Number of shares: 14,580,106 (10.33% of the share capital).

2.8.5.2 PLEDGES OF COMPANY SHARES REGISTERED IN THE NAMES OF SHAREHOLDERS HOLDING MORE THAN 0.5% OF THE SHARE CAPITAL AT 31 DECEMBER 2021

- A total of 9,511,965 shares belonging to Lagardère Capital (formerly Lagardère Capital & Management), representing 6.74% of the share capital, are pledged to Crédit Agricole Corporate and Investment Bank under a financial instruments pledge agreement dated 28 September 2007, until reimbursement of the debt for which they serve as guarantee.
- A total of 5,000,000 shares belonging to Arjil Commanditée-Arco, a company controlled by Arnaud Lagardère, representing 3.54% of the share capital, are pledged to Crédit Agricole Corporate and Investment Bank under a financial instruments pledge agreement dated 9 July 2021, until reimbursement of the debt for which they serve as guarantee.

2.8.6 STOCK MARKET INFORMATION

2.8.6.1 GENERAL INFORMATION

- Number of shares making up the share capital at 31 December 2021: 141,133,286
- Number of shares listed on 31 December 2021: 141,133,286
- Compartment A
- Ticker symbol: MMB
- ISIN: FR0000130213
- Listed on: Euronext Paris

2.8.6.2 DIVIDENDS (OVER THE LAST FIVE YEARS) AND SHARE PRICES AND TRADING VOLUMES (OVER THE LAST FOUR YEARS)

Dividends per share

Year of payment	Number of shares entitled to dividend	Dividend (euros per share)	Tax credit (euros per share)	Gross dividend (euros per share)	Total dividend (in millions of euros)
2016	128,727,324	1.30	None	1.30	167.35
2017	129,438,203	1.30	None	1.30	168.27
2018	129,858,508	1.30	None	1.30	168.82
2019	130,566,820	1.30	None	1.30	169.74
2020(*)	0	0.00	N/A	0.00	0
2021(*)	0	0.00	N/A	0.00	0

(*) In light of the challenges of solidarity and corporate responsibility resulting from the unprecedented crisis linked to the Covid-19 pandemic, the Managing Partners, in agreement with the Supervisory Board, decided not to pay any dividends in 2020 or 2021 in respect of 2019 and 2020.

Any dividend not claimed within five years from the due date lapses and is paid to the French Treasury.

Trading volumes and changes in the Lagardère SA share price (source: Euronext Paris)

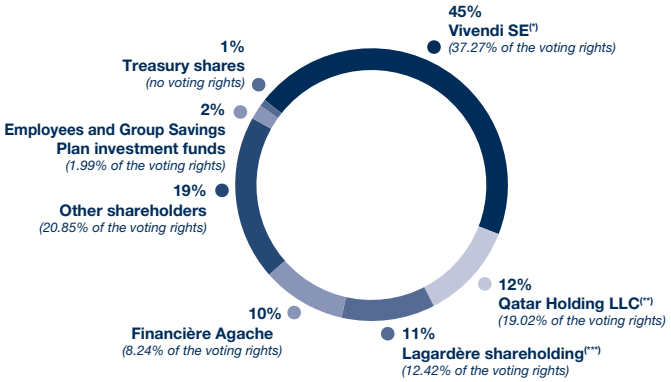
	High for month	Date of high	Low for month	Date of low	Closing price	Average opening price	Average closing price	Number of shares traded	Total amount traded (in millions of euros)	Number of trading days
2018										
January	27.17	8 Jan.	25.10	31 Jan.	25.12	26.06	26.00	8,327,735	216.27	22
February	25.32	1 Feb.	23.46	6 Feb.	24.20	24.52	24.49	7,702,237	188.13	20
March	24.38	8 March	21.99	9 March	23.20	23.33	23.28	13,283,797	306.42	21
April	23.84	26 April	22.76	3 April	23.68	23.32	23.31	10,087,545	235.04	20
May	25.43	3 May	22.17	29 May	23.10	23.16	23.10	23,863,192	552.32	22
June	24.22	12 June	22.61	29 June	22.61	23.44	23.40	13,330,581	312.67	21
July	25.24	30 July	22.35	9 July	24.99	23.48	23.49	9,969,012	235.27	22
August	25.85	28 Aug.	24.34	15 Aug.	25.40	25.08	25.10	6,824,824	170.86	23
September	26.81	20 Sept.	24.67	6 Sept.	26.51	25.78	25.83	6,956,966	180.03	20
October	26.79	1 Oct.	23.60	29 Oct.	24.19	25.37	25.21	9,139,992	230.89	23
November	26.33	8 Nov.	24.04	1 Nov.	24.98	25.00	25.01	7,026,313	175.97	22
December	25.38	3 Dec.	20.99	20 Dec.	22.02	22.75	22.63	6,953,260	157.30	19
2019										
January	23.74	28 Jan.	21.36	7 Jan.	22.83	22.53	22.60	7,068,807	159.31	22
February	23.51	1 Feb.	22.01	12 Feb.	22.75	22.69	22.65	5,138,861	116.30	20
March	24.93	15 March	22.35	26 March	22.92	23.15	23.15	6,844,119	159.84	21
April	25.26	23 April	22.96	1 April	24.26	24.03	24.04	5,164,539	124.53	20
May	24.66	7 May	21.34	23 May	21.80	22.69	22.61	7,477,238	167.88	22
June	23.70	13 June	21.76	3 June	22.90	22.93	22.96	6,006,637	137.78	20
July	23.16	4 July	20.48	31 July	20.50	22.29	22.22	5,551,338	122.78	23
August	20.56	1 Aug.	18.59	15 Aug.	19.37	19.48	19.43	7,016,800	136.63	22
September	21.56	20 Sept.	18.85	3 Sept.	20.30	20.27	20.31	8,804,948	180.09	21
October	20.66	29 Oct.	19.15	8 Oct.	20.02	20.11	20.09	7,357,319	147.44	23
November	21.06	12 Nov.	18.93	6 Nov.	19.83	20.29	20.24	6,156,268	124.17	21
December	20.26	13 Dec.	18.80	20 Dec.	19.43	19.61	19.54	6,940,069	135.06	20
2020										
January	19.76	2 Jan.	17.15	31 Jan.	17.15	18.87	18.71	7,886,283	146.93	22
February	18.70	12 Feb.	15.45	28 Feb.	15.66	18.04	18.00	11,909,045	210.55	20
March	16.12	2 March	8.14	17 March	11.50	11.50	11.26	21,897,214	246.08	22
April	18.20	20 April	11.20	1 April	14.80	14.65	14.85	12,278,459	184.92	20
May	15.73	26 May	10.91	22 May	12.62	13.32	13.16	9,749,560	128.73	20
June	14.48	8 June	11.60	15 June	12.67	12.85	12.83	10,827,157	139.64	22
July	14.70	23 July	11.61	31 July	12.85	13.66	13.69	11,606,984	155.09	23
August	16.74	31 Aug.	12.51	3 Aug.	16.62	14.84	15.04	6,010,770	89.42	21
September	21.46	30 Sept.	14.35	22 Sept.	21.12	17.36	17.60	11,271,281	203.67	22
October	28.48	8 Oct.	18.45	29 Oct.	18.77	23.16	23.20	8,692,122	204.41	22
November	22.40	26 Nov.	18.14	2 Nov.	19.67	19.92	19.90	4,784,290	94.59	21
December	21.36	29 Dec.	19.00	1 Dec.	20.48	20.24	20.32	2,788,041	56.52	22
2021										
January	20.94	4 Jan.	18.70	11 Jan.	19.20	19.49	19.40	2,838,832	55.16	20
February	23.98	23 Feb.	19.20	1 Feb.	22.28	21.60	21.77	2,608,524	57.04	20
March	24.28	10 March	21.58	25 March	22.42	22.93	22.98	2,134,195	49.16	23
April	24.62	26 April	22.02	30 April	22.38	22.74	22.74	2,108,882	48.40	20
May	22.62	3 May	19.20	13 May	20.92	20.31	20.24	3,235,404	65.81	21
June	21.58	8 June	19.92	16 June	20.84	20.96	20.96	1,922,604	39.99	22
July	23.68	30 July	20.10	19 July	23.54	21.30	21.37	2,442,230	53.33	22
August	23.96	2 Aug.	21.00	20 Aug.	23.40	23.01	23.07	1,326,679	30.65	22
September	23.90	16 Sept.	18.60	15 Sept.	22.84	22.16	21.97	8,500,819	18.91	22
October	23.08	4 Oct.	22.52	11 Oct.	22.84	22.67	22.70	1,763,166	40.06	21
November	23.50	25 Nov.	22.66	26 Nov.	22.86	22.96	23.01	1,886,300	43.44	22
December	24.50	29 Dec.	22.80	3 Dec.	24.38	23.91	23.99	3,059,152	73.35	23
2022										
January	24.56	5 Jan.	24.00	21 Jan.	24.14	24.28	24.25	1,341,912	32.49	21
February	25.00	22 Feb.	24.06	10 Feb.	25.38	24.51	24.59	3,390,020	83.92	20

2.8.7 OPTIONS GRANTED TO THIRD PARTIES ON SHARES MAKING UP THE SHARE CAPITAL OF CERTAIN GROUP COMPANIES

Certain investments included in Lagardère SA's consolidated financial statements are subject to put options whose exercise is conditional. These commitments are detailed in the notes to the consolidated financial statements set out in chapter 5 of the 2021 Universal Registration Document. At the date of this Universal Registration Document, there were no other put options concerning all or part of any significant investment held directly or indirectly by Lagardère SA.

2.8.8 SHARE OWNERSHIP STRUCTURE – PRINCIPAL SHAREHOLDERS

Breakdown of share capital and voting rights at 31 December 2021



(*) Based on the shareholding information provided in the latest legal threshold crossing declaration dated 21 December 2021.
The voting rights attached to the 25,305,448 shares acquired from Amber Capital are not exercisable until the approval by the competition authorities of the acquisition of Lagardère SA. Accordingly, Vivendi's effective stake amounts to 22.46% of the exercisable voting rights and 22.31% of the theoretical voting rights.

(**) Based on the shareholding information provided in the threshold declaration (pursuant to the Articles of Association) received by the Company on 3 November 2021.
In accordance with the Company's Articles of Association, shares held by Qatar Holding LLC carry double voting rights.

(***) Based on the shareholding information provided in the latest legal threshold crossing declaration dated 14 October 2021. The shareholding information covers Arnaud Lagardère, Lagardère Capital, Lagardère SAS, LM holding and Arjil Commanditée-Arco.

2.8.8.1 CHANGES IN SHARE OWNERSHIP STRUCTURE AND VOTING RIGHTS OVER THE LAST THREE YEARS

Shareholders	At 31 December 2021				At 31 December 2020				At 31 December 2019			
	Number of shares	% share capital	% of theoretical voting rights at General Meetings	% of theoretical voting rights	Number of shares	% share capital	% of theoretical voting rights at General Meetings	% of theoretical voting rights	Number of shares	% share capital	% of theoretical voting rights at General Meetings	% of theoretical voting rights
Vivendi SE(*)	63,693,239	45.13	37.27	37.02	38,296,855	29.20	22.62	22.41	-	-	-	-
Amber Capital UK LLP(**)	353,459	0.25	0.21	0.21	25,499,001	19.45	15.06	14.92	10,356,855	7.90	6.00	5.92
Amber Capital Italia SGR SpA	0	0	0	0	546,634	0.42	0.32	0.32	469,199	0.36	0.27	0.27
Sub-total – Amber Capital acting in concert	353,459	0.25	0.21	0.21	26,045,635	19.86	15.39	15.24	10,826,054	8.26	6.27	6.18
Qatar Holding LLC(***)	16,254,216	11.52	19.02	18.90	17,091,585	13.03	20.19	20.00	17,091,585	13.03	19.79	19.53
Lagardère shareholding(****)	15,611,486	11.06	12.42	12.34	9,521,625	7.26	11.25	11.14	9,521,625	7.26	11.03	10.88
Financière Agache	14,073,643	9.97	8.24	8.18	10,163,504	7.75	6.00	6	-	-	-	-
Agache	0	0	0	0	0	0	0	0	-	-	-	-
Sub-total – Lagardère/ Groupe Arnault acting in concert	N/A	N/A	N/A	N/A	19,685,129	15.01	17.25	17.09	N/A	N/A	N/A	N/A
Other shareholders	27,508,310	19.49	20.85	20.69	25,786,369	19.66	22.16	22.29	88,383,756	67.40	60.25	59.45
Employees and Group Savings Plan investment funds	2,479,430	1.76	1.99	1.98	2,637,085	2.01	2.69	2.34	2,967,170	2.26	2.66	2.63
Treasury shares	1,159,503	0.82	-	0.68	1,590,628	1.21	-	0.93	2,343,096	1.79	-	1.34
Total(*****)	141,133,286	100	100	100	131,133,286	100	100	100	131,133,286	100	100	100

(*) Based on the shareholding information provided in the latest legal threshold crossing declaration dated 21 December 2021.
The voting rights attached to the 25,305,448 shares acquired from Amber Capital are not exercisable until the approval by the competition authorities of the acquisition of Lagardère SA. Accordingly, Vivendi's effective stake amounts to 22.46% of the exercisable voting rights and 22.31% of the theoretical voting rights.
(**) Based on the shareholding information provided in the threshold declaration received by the Company on 20 December 2021.
(***) Based on the shareholding information provided in the threshold declaration (pursuant to the Articles of Association) received by the Company on 3 November 2021. In accordance with the Company's Articles of Association, shares held by Qatar Holding LLC carry double voting rights.
(****) Based on the shareholding information provided in the latest legal threshold crossing declaration dated 14 October 2021. The shareholding information covers Arnaud Lagardère, Lagardère Capital, Lagardère SAS, LM holding and Arjil Commanditée-Arco.
(*****) The total ownership interest of each shareholder or category of shareholders is presented in the table above, rounded to the nearest hundredth.

Of the 1.76% of capital held by Group employees at 31 December 2021, 0.38% is held via the Group Savings Plan investment funds or directly under employee profit-sharing and savings schemes pursuant to article L. 225-102 of the French Commercial Code.

At 31 December 2021, the share capital was held by 45,279 shareholders and intermediaries directly registered in the Company's register.

Changes in the Company's shareholding structure over the past three years and up to the date of the 2021 Universal Registration Document are presented above. These changes take into account (i) the allocation of ordinary shares to the General Partners in connection with the Company conversion into a French joint-stock company, and (ii) Vivendi SE's acquisition of 25,305,448 shares held by Amber Capital UK LLP, which occurred in 2021. In accordance with the rules applicable to the control of mergers, Vivendi will not exercise the voting rights attached to the shares acquired from Amber Capital or in connection with the public tender offer. It will therefore have 22.29% of the Company's theoretical voting rights until the competition authorities authorise the acquisition.

2.8.8.2 REGULATORY SHAREHOLDING THRESHOLD CROSSINGS

Date of AMF notice	Shareholder	Threshold crossed
9 March 2021	Amber Capital UK LLP	Above 15% of voting rights on 5 March 2021
8 July 2021	Amber Capital UK LLP/Amber Capital Italia SGR SpA acting in concert	Below 15% of voting rights on 5 July 2021
8 July 2021	Arnaud Lagardère, Lagardère SAS, LM Holding, Lagardère Capital and Arjil Commanditée-Arco/Agache and Financière Agache acting in concert	Above 20% of the share capital and voting rights on 30 June 2021
14 October 2021	Arnaud Lagardère, Lagardère SAS, LM Holding, Lagardère Capital and Arjil Commanditée-Arco/Agache and Financière Agache acting in concert	Below 20%, 15%, 10% and 5% of share capital and voting rights on 13 October 2021
14 October 2021	Arnaud Lagardère, Lagardère SAS, LM Holding, Lagardère Capital and Arjil Commanditée-Arco acting in concert	Below 15% of voting rights on 13 October 2021
14 October 2021	Lagardère Capital	Below 10% of voting rights on 13 October 2021
20 December 2021	Amber Capital UK LLP	Below 15%, 10% and 5% of share capital and voting rights on 16 December 2021
21 December 2021	Vivendi SE	Above 25% of voting rights, 30% and 1/3 of share capital and voting rights(*) on 16 December 2021

(*) Vivendi SE, as indicated in its press release of 9 December 2021, will not exercise the 25,305,448 voting rights attached to the 25,305,448 shares acquired from Amber Capital until the competition authorities have authorised the acquisition of Lagardère SA.

2.8.8.3 ACTIONS IN CONCERT WITH OTHER GROUPS

The following actions in concert have been disclosed to the Company:

- Action in concert by (i) Arnaud Lagardère and the four companies he controls: Lagardère SAS, LM Holding, Arjil Commanditée-Arco[1] and Lagardère Capital (formerly Lagardère Capital & Management).

  The concert formed by Arnaud Lagardère and his four companies mentioned above with the companies Agache and Financière Agache ended on 13 October 2021 when Financière Agache exercised its option to exit Lagardère Capital, in accordance with the stipulations of the partners' agreement they had entered into on 24 September 2020 (see AMF notification 221C2720 dated 14 October 2020).
- Action in concert by Amber Capital UK LLP and Amber Capital Italia SGR SpA, acting on behalf of funds that they manage.

2.8.8.4 VOTING RIGHTS

Including the double voting rights attributed to shares registered in the name of the same shareholder for at least four years (see article 17 of the Articles of Association) the total number of rights to vote at General Meetings at 31 December 2021 was 170,883,979.

However, in application of AMF regulations, the number of voting rights to be taken into consideration for assessing whether regulatory thresholds have been crossed is the gross number, which at 31 December 2021 amounted to 172,043,496.

Under the Articles of Association, the number of voting rights to be taken into consideration for assessing whether disclosure thresholds have been crossed is the total number of exercisable rights to vote at General Meetings, i.e., 170,883,979 at 31 December 2021.

The total number of voting rights (gross and net) is published every month at the same time as the amount of the share capital, in accordance with article L.233-8 II of the French Commercial Code and article 223-16 of the AMF's General Regulations.

2.8.8.5 PRINCIPAL SHAREHOLDERS

Arnaud Lagardère, personally and via the companies he controls: Lagardère SAS, LM Holding, Lagardère Capital (formerly Lagardère Capital & Management) and Arjil Commanditée-Arco (which itself received five million new shares in connection with the Operation as its compensation as a General Partner) held, at end 2021, 11.06% of the Company's share capital and 12.42% of the voting rights at General Meetings at 31 December 2021. In accordance with the Company's Articles of Association (see section 2.9.1), a portion of the shares held by Arnaud Lagardère and by his companies, Lagardère Capital and Lagardère SAS, carry double voting rights.

To the best of the Company's knowledge, at 31 December 2021, Vivendi SE held 45.13% of Lagardère's share capital and 37.27% of the voting rights at General Meetings, it being specified that the rights attached to the 25,305,448 shares that Vivendi SE acquired from Amber Capital on 16 December 2021[2], representing 17.93% of the share capital and 14.81% of the voting rights, will not be exercised until the antitrust authorities authorise the Company's takeover. Consequently, Vivendi SE's exercisable voting rights at 31 December 2021 corresponded to 22.46%.

To the Company's knowledge, at 31 December 2021, Qatar Investment Authority (via its subsidiary Qatar Holding LLC) held 11.52% of the share capital and 19.02% of the voting rights at General Meetings. In accordance with the Company's Articles of Association, shares held by Qatar Holding LLC carry double voting rights.

(1) French joint-stock company (*société anonyme*) located at 4 rue de Presbourg, 75116 Paris, 99.92% owned by Lagardère Capital, which is wholly owned by Arnaud Lagardère (directly and indirectly, through the companies Lagardère SAS and LM Holding).
(2) Of which 620,340 shares had already been acquired by Vivendi SE in September 2021.

To the Company's knowledge, at 31 December 2021, no other shareholder held more than 5% of the share capital or voting rights directly or indirectly, alone or in concert.

2.8.8.6 SHAREHOLDER AGREEMENTS

1. The shareholder agreement entered into on 24 September 2020 between Arnaud Lagardère, Pierre Leroy, Lagardère SAS, LM Holding, Lagardère Capital, Financière Agache and Agache (formerly Groupe Arnault) and amended on 26 April 2021 – which related to Lagardère Capital and included stipulations concerning Lagardère SA shares – was terminated on 13 October 2021 and a notice thereof was subsequently published on the AMF website (notice 221C2720) in accordance with article L. 233-11 of the French Commercial Code.
2. The shareholder agreement relating to the shares of the Company entered into on 10 August 2020 between Amber Capital UK LLP and Amber Capital Italia SpA, acting on behalf of funds they manage, on the one hand and Vivendi SE, on the other hand, expired on 16 December 2021 and a notice thereof was subsequently published on the AMF website (notice 221C3549) in accordance with article L. 233-11 of the French Commercial Code.

2.8.8.7 GROUP TO WHICH THE COMPANY BELONGS

Lagardère SA is the ultimate holding company of the Lagardère group. See the simplified Group organisation chart at 31 December 2021 in section 1.3 of the Universal Registration Document.

2.8.9 FREE SHARE AWARDS BY LAGARDÈRE SA OR BY ITS RELATED ENTITIES

SPECIAL REPORT OF THE BOARD OF DIRECTORS ON FREE SHARE AWARDS

Pursuant to the provisions of article L. 225-197-4 of the French Commercial Code, please find below the required information related to transactions in free share awards carried out in 2021.

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The policy on free share awards is intended to give the Lagardère group's executives worldwide a stake in the Group's growth and consequent rise in value.

The policy enables the Group to single out and foster loyalty among those who have particularly contributed to its performance and whom the Group wishes to retain on a lasting basis in order to future-proof its growth as part of its long-term corporate strategy.

For Lagardère SA's executive corporate officers and the Group's other senior executives, free share awards – which are all subject to exacting performance conditions – are also an important way of incentivising and encouraging a long-term vision.

In accordance with best corporate governance practices, the Lagardère SA free share plans are not just restricted to executive corporate officers and senior executives. They also cover over 450 Group employees each year, notably young high-potential managers identified during the talent management process.

For some beneficiaries, there are no performance conditions attached to the vesting of their shares, although they must have formed part of the Group for at least three years at the vesting date. Free share awards are an important tool in the Group's human resources strategy, enabling it to recruit, incentivise and retain key talent. It is vital for the Group to retain their high-level expertise in diverse, and often highly competitive, fields, even though, due to the nature of their underlying jobs, not all beneficiaries may have a direct impact on the Group's financial performance.

In addition, as free share awards offer fiscal conditions that are more advantageous than cash-based remuneration, they are an effective way of containing payroll costs.

These plans thereby promote the close alignment of the beneficiaries' interests with those of the Company and of its shareholders.

GENERAL INFORMATION

Free shares awarded by the Company which vested in 2021

In the course of 2021, 489,931 free shares vested, of which 481,917 were issued through a capital increase carried out by capitalising reserves, with a share capital reduction carried out concomitantly by cancelling 481,917 treasury shares purchased under the Company's share buyback programme. The remaining 8,014 shares were taken from treasury shares allocated for “award to employees”.

- 141,531 free shares and performance shares were delivered to beneficiaries under the 6 April 2017 plan, of which 1,000 were delivered to the heirs of a deceased beneficiary;
- 345,650 free shares were delivered to beneficiaries under the 16 April 2018 plan, of which 2,500 were delivered to the heirs of two deceased beneficiaries;
- 2,750 free shares were delivered to the heirs of two beneficiaries of the 8 April 2019 plan.

Awards of free shares by the Company in 2021

On 24 September 2021, the Board of Directors used the shareholder authorisation given in the forty-second and forty-third resolutions of the 30 June 2021 Annual General Meeting to award 783,000 rights to free shares (representing 0.555% of the total number of shares making up the Company’s capital) to 445 beneficiaries, comprising employees and executive corporate officers of the Company and entities related to it, breaking down as follows:

- 374,600 rights to free shares (representing 0.265% of the total number of shares making up the Company’s capital) to 406 beneficiaries;
- 408,400 rights to free shares (representing 0.289% of the total number of shares making up the Company’s capital) to 39 beneficiaries.

Three-year presence condition

The free shares awarded under this plan will only vest for each of the 445 beneficiaries if, as at midnight on 24 September 2024, he or she has not resigned or been dismissed for serious or gross misconduct. In addition, for the Deputy Chief Executive Officer, as specified in his 2021 remuneration policy, if he retires or is removed from office for any reason other than for misconduct before the end of said three-year period, only a proportional number of his performance shares will vest.

Vesting period

The shares have a three-year vesting period, expiring on 25 September 2024.

Performance conditions

In addition to the presence condition, the 408,400 performance share rights are subject to four performance conditions. Three of these are financial criteria, representing a total weighting of 70%, and one is a non-financial criterion, representing a total weighting of 30%. These criteria – which will be assessed over the period from 2021 to 2023 (the "Reference Period") are as follows:

- **ROCE (Return on Capital Employed) objective**

25% of the performance shares granted are contingent on the Lagardère group achieving, in the last year of the Reference Period, a return on capital employed (ROCE) between a trigger level and a target level (with the target level corresponding to the level that must be reached in order to receive 100% of the shares contingent on this objective). ROCE is a relevant performance indicator reflecting the profitability of the Company's operating assets and its ability to create value.

If the ROCE for the last year of the Reference Period is below the trigger level, none of the shares contingent on this objective will vest.

If the ROCE for the last year of the Reference Period is between the trigger level and the target level, the number of shares that vest will be calculated proportionally on a straight-line basis and will represent between 0% and 100% of the shares contingent on this objective.

- **Free cash flow objective**

25% of the performance shares awarded will vest only if, during the Reference Period, the Lagardère group generates cumulative free cash flow ranging between a trigger level and a target level (with the target level corresponding to the level that must be reached in order to receive 100% of the shares contingent on this objective). This criterion, which reflects the Group's capacity to finance its investments and pay dividends, is also a key indicator of the Group's financial health.

None of the shares will vest if cumulative free cash flow during the Reference Period is below the trigger level.

If cumulative free cash flow generated during the Reference Period is between the trigger level and the target level, shares will vest proportionally on a straight-line basis (from 0% to 100% of the shares contingent on this objective).

- **Total Shareholder Return (TSR) objective**

Vesting for 20% of the shares awarded is subject to Lagardère SA's Total Shareholder Return (TSR) over the Reference Period relative to (i) the TSR of a panel of eight competitor companies (Relx, Pearson, Mondadori, Bloomsbury, Dufry, Valora, WH Smith, Autogrill), for 10% of the shares awarded, and (ii) the TSR of the other companies in the CAC Mid 60 index, also for 10% of the shares awarded. TSR incorporates both changes in share price and dividends paid, and therefore reflects the value delivered to shareholders as compared with the value created by other investments available to them. Consequently, TSR is also a key performance indicator for the Group.

As this is a relative criterion, the target rates for each portion of shares awarded will only be known and communicated at the end of the Reference Period.

For each of the abovementioned 10% portions:

- 50% of the shares awarded vest if Lagardère SA's average annual TSR during the Reference Period is at least equal to the average annual TSR of the reference panel;
- 100% of the shares awarded will vest if Lagardère SA's average annual TSR during the Reference Period is at least 2% above the average annual TSR of the reference panel;
- between 50% and 100% of the shares awarded will vest on a straight-line basis if Lagardère SA's average annual TSR during the Reference Period is between the average annual TSR of the reference panel and 2% above the reference panel's average annual TSR;
- 0% of the shares awarded will vest if Lagardère SA's average annual TSR during the Reference Period is below the average annual TSR of the reference panel.

- **Non-financial performance objective**

30% of the shares awarded are contingent on the achievement of precise objectives based on three quantitative criteria related to the Group's priority commitments under its Corporate Social Responsibility policy, each weighted equally (i.e., 10% for each criterion). These three objectives are as follows:

- for 10% of the shares awarded: for the proportion of Lagardère Publishing's certified and/or recycled paper purchased directly and/or supplied by printers (in relation to the total weight of paper purchased or supplied) to represent a percentage between a trigger level of 95% and a target level of 98% in 2023;
- for 10% of the shares awarded: for the proportion of Lagardère Travel Retail's revenue generated by catering activities (proprietary concepts) that have switched to environmentally-friendly consumables and outlawed the use of single-use plastics (as a proportion of total revenue generated by catering activities (proprietary concepts) to represent a percentage between a trigger level of 95% and a target level of 100% in 2023;
- for 10% of the shares awarded: for the proportion of women among the Group's top executives to represent a percentage between a trigger level of 42% and a target level of 44% at end-2023.

For each of the 10% portions:

- 100% of the shares contingent on the objective concerned will vest if the target level is achieved;
- 0% of the shares contingent on the objective concerned will vest if the trigger level is not achieved;
- between 0% and 100% of the shares for this objective will vest on a straight-line basis if the achievement is between the trigger level and the target level.

A summary of the performance conditions is provided in section 2.5.2 of this Universal Registration Document remuneration section).

Free share plans granted by the Company and in effect in 2021

The main characteristics of all the free share plans which expired in 2021 or were in effect at 31 December 2021 are summarised in the table below.

Date of the plan	Total number of shares awarded	Total number of awarded shares cancelled	Total number of awarded shares vested	Total number of outstanding awarded unvested shares
6 April 2017	817,660	381,941	435,719	-
16 April 2018	812,460	280,220	350,650	181,590
8 April 2019	474,990	15,650	2,750	456,590
14 May 2019	232,370	4,000	-	228,370
10 October 2019	100,000	500	-	99,500
24 September 2021	783,000	-	-	783,000
Total	**3,220,480**	**682,311**	**789,119**	**1,749,050**

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Awards of free shares by entities or groups related to the Company

In the course of 2021, no other free shares were awarded by entities or groups related to Lagardère SA within the meaning of article L. 225-197-2 of the French Commercial Code, or by entities controlled by Lagardère SA within the meaning of article L. 233-16 of said Code.

SPECIFIC INFORMATION ON THE EXECUTIVE CORPORATE OFFICERS AND EMPLOYEES OF LAGARDÈRE SA

1. In 2021, Pierre Leroy, an employee of Lagardère Management and Deputy Chief Executive Officer of Lagardère SA, was awarded 34,000 rights to performance shares under the 24 September 2021 plan described above (representing 0.024% of the total number of shares making up the Company's capital and a total value of €627,640 calculated in accordance with IFRS).

   In accordance with the recommendations of the Afep-Medef Code and the Company's Appointments, Remuneration and CSR Committee, this grant complies with the framework set by Lagardère SA's Board of Directors which, at its meeting on 24 September 2021, confirmed the terms and conditions governing the caps and lock-up conditions applicable to free shares awarded to the Deputy Chief Executive Officer and validated a new free share plan system.
2. In 2021, Lagardère SA's executive corporate officers were not awarded any free shares by the entities and groups related to Lagardère SA within the meaning of article L. 225-197-2 of the French Commercial Code, or the companies that it controls within the meaning of article L. 233-16 of said Code.
3. In 2021, three of Lagardère SA's employees were awarded a total of 8,400 rights to performance shares (representing 0.006% of the total number of shares comprising the share capital and a carrying amount of €155,064 under IFRS), i.e., an average of 2,800 rights to shares awarded per person (representing a carrying amount of €51,688 under IFRS).
4. In 2021, Lagardère SA's employees were not awarded any free shares by the companies and groups related to Lagardère SA within the meaning of article L. 225-197-2 of the French Commercial Code, or by companies that it controls within the meaning of article L. 233-16 of said Code.

2.9 ITEMS THAT COULD HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

AFR

Pursuant to article L.22-10-11 of the French Commercial Code, the items that could have an impact in the event of a public offer are set out below.

2.9.1 CAPITAL STRUCTURE AND DIRECT AND INDIRECT SHAREHOLDINGS IN LAGARDÈRE SA

In accordance with the disclosure requirements in articles L. 233-7 (disclosure thresholds) and L. 233-12 of the French Commercial Code, information of which the Company is aware relating to Lagardère SA's capital structure and direct and indirect shareholdings in the Company is provided in section 2.8 below.

2.9.2 RESTRICTIONS ON THE EXERCISE OF VOTING RIGHTS SET IN THE COMPANY'S ARTICLES OF ASSOCIATION AND SPECIFIC TERMS RELATED TO SHARE TRANSFERS PROVIDED FOR IN THE ARTICLES OF ASSOCIATION OR AGREEMENTS BROUGHT TO THE COMPANY'S ATTENTION

Lagardère SA's Articles of Association provide for:

- the allocation of double voting rights after four years of uninterrupted ownership (see article 17 of the Company's Articles of Association);
- a disclosure requirement when a shareholder increases or decreases its voting rights by 1%. If this disclosure requirement is not respected, the shares in excess of the relevant disclosure threshold will be stripped of voting rights. If the omission is remedied, the voting rights concerned will only be exercisable in General Meetings held after the expiry of a two-year period following the remedy date (see article 17 of the Articles of Association);
- the minimum shareholding of Board members at 150 shares, with the exception of the members representing employees (see article 11 of the Company's Articles of Association and article 4.4 of the Board of Directors' Rules of Procedure).

There are no other restrictions on, or specific conditions related to, share transfers provided for in the Articles of Association, nor have any agreements been brought to the Company's attention in accordance with article L. 233-11 of the French Commercial Code, except for those described in section 2.3.4 of this chapter.

2.9.3 HOLDERS OF SECURITIES WITH SPECIAL CONTROL RIGHTS OVER LAGARDÈRE SA

There are no holders of securities with special control rights.

2.9.4 CONTROL MECHANISMS UNDER A POTENTIAL EMPLOYEE SHARE OWNERSHIP SCHEME

In accordance with the internal rules of the company investment fund, FCPE Lagardère Actionnariat, the voting rights attached to the shares held by the employees or former employees of the Group are exercised by a representative appointed by the Supervisory Board of the said fund in order to represent them at the General Meeting.

In accordance with the tasks assigned to it pursuant to article L. 214-164 of the French Monetary and Financial Code, the Supervisory Board decides on the contribution of shares.

On 31 December 2021, FCPE Lagardère Actionnariat held 530,373 shares representing 0.38% of the share capital and 0.62% of the rights to vote at General Meetings.

2.9.5 SHAREHOLDER AGREEMENTS THAT LAGARDÈRE SA IS AWARE OF AND WHICH MAY RESULT IN RESTRICTIONS ON THE TRANSFER OF SHARES AND THE EXERCISE OF VOTING RIGHTS

There are no shareholder agreements of which the Company is aware that could result in restrictions on the transfer of shares and the exercise of the Company's voting rights.

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

2.9.6 RULES APPLICABLE TO THE APPOINTMENT AND REPLACEMENT OF MEMBERS OF THE BOARD OF DIRECTORS, AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The rules for appointing and replacing members of the Board of Directors are described in article 12 of the Articles of Association (see Appendix A1 of this document) and in the Board of Directors' Rules of Procedure (see Appendix A2 of this document).

The rules related to amending the Articles of Association are described in article 19 thereof.

2.9.7 POWERS OF THE BOARD OF DIRECTORS IN THE EVENT OF A PUBLIC OFFER

In accordance with article 231-40 of the AMF's General Regulations, the share buyback authorisation may not be used during a public offer for the Company's shares (see the fifteenth resolution subject to the approval of the General Meeting of 22 April 2022).

Furthermore, the Board of Directors may not decide to issue shares or other securities, with or without pre-emptive subscription rights, during the entire period of any public offer for Lagardère SA shares (see the authorisations granted at the 30 June 2021 Annual General Meeting in resolutions 31 to 35, 37 and 39).

2.9.8 MAIN AGREEMENTS ENTERED INTO BY LAGARDÈRE SA THAT WOULD BE AMENDED OR TERMINATED IN THE EVENT OF A CHANGE OF CONTROL OF LAGARDÈRE SA

To the best of the Company's knowledge and at the date of this Universal Registration Document, most of the financing agreements described in section § 1.8.2 of this Universal Registration Document, to which the Company is a party, provide for early repayment clauses in the event of a change of control.

2.9.9 AGREEMENTS PROVIDING FOR THE PAYMENT OF INDEMNITIES TO EXECUTIVE CORPORATE OFFICERS OR EMPLOYEES IF THEY RESIGN OR ARE UNFAIRLY DISMISSED OR IF THEIR EMPLOYMENT IS TERMINATED DUE TO A PUBLIC OFFER

To the best of the Company's knowledge, there is no specific agreement providing for the payment of indemnities to the Company's Chairman and Chief Executive Officer, Deputy Chief Executive Officer or six employees if they resign or if their employment is terminated due to a public offer.

2.10 APPENDICES AFR

2.10.1 ARTICLES OF ASSOCIATION OF LAGARDÈRE SA

I THE COMPANY

ARTICLE 1 LEGAL FORM

Lagardère (hereinafter the "**Company**") was incorporated on 24 September 1980 as a French joint-stock company (*société anonyme*) and subsequently converted into a partnership limited by shares (*société en commandite par actions*) on 30 December 1992 by decision of the Ordinary and Extraordinary General Meeting of Shareholders of 30 December 1992.

By decision of the Ordinary and Extraordinary General Meeting of 30 June 2021, and with the prior agreement of the General Partners, the Company was converted into a joint-stock company (*société anonyme*) with a Board of Directors.

The Company is governed by these Articles of Association and by the laws, decrees and regulations applicable to French joint-stock companies.

ARTICLE 2 COMPANY NAME

The name of the Company is "Lagardère SA".

ARTICLE 3 CORPORATE PURPOSE

The Company's corporate purpose is, in France or abroad:

1. to acquire any form of interests or investments in all types of company or business, whether French or foreign, by any appropriate means;
2. to manage any type of transferable security portfolio and to carry out any related spot or forward transactions, whether contingent or not;
3. to acquire and license any patents, trademarks, and commercial and industrial businesses;
4. and more generally, to carry out any commercial, financial, industrial, security and property transactions related to the above purposes or to any other purpose related thereto which would be likely to promote and develop the Company's business.

ARTICLE 4 REGISTERED OFFICE

The head office is located at 4 Rue de Presbourg, 75116 Paris, France.

It may be transferred to any other place, pursuant to the applicable laws and regulations.

ARTICLE 5 TERM OF THE COMPANY

The term of the Company is set at 99 years commencing on 16 December 1980, the date of its registration with the Trade and Companies Registry.

II SHARE CAPITAL

ARTICLE 6 SHARE CAPITAL

The share capital is set at €860,913,044.60, represented by 141,133,286 shares with a par value of €6.10, all ranking *pari passu* and fully paid up.

ARTICLE 7 CHANGES IN THE SHARE CAPITAL

The share capital may be increased or reduced by any method or means authorised by the regulations.

The General Meeting may, in accordance with the law and regulations, delegate all necessary authority and/or powers to the Board of Directors to decide to increase the share capital, issue any securities giving rights to shares, or reduce the share capital, set the amount and the terms and conditions thereof and take any action required to ensure that the operation is properly completed, or to perform all such operations directly.

ARTICLE 8 FORM AND TRANSFER OF SHARES

The shares are registered shares.

They are registered in a shareholder account under the terms and conditions provided by the applicable laws and regulations.

The shares are freely transferable and negotiable, under the terms and conditions provided by the applicable laws and regulations. The ownership of shares results from their registration in the share register under the conditions set by the applicable regulations.

ARTICLE 9 RIGHTS AND OBLIGATIONS ATTACHED TO SHARES

Each share confers the right to a share in the assets and profits of the Company and in the liquidation surplus in proportion to the amount of capital it represents.

The shareholders' liability for the Company's debts is limited to the amount of their contributions, namely, to the value of the shares they own.

Each share gives the right to take part in and vote at General Meetings under the conditions and subject to the exceptions provided for by the applicable laws and regulations and by these Articles of Association.

Any person owning one or more shares is bound by these Articles of Association and by the decisions taken by General Meetings.

Whenever several shares are required to be held for the purpose of exercising a right, shareholders are personally responsible for obtaining the required number of shares, with no right to take action against the Company in this respect.

Each share is indivisible with regards to the Company. Consequently, joint owners of shares must be represented vis-à-vis the Company by one or other of said owners or by a single representative.

Each of the shares gives the right to receive the same net amount in the event of distribution or repayment. Consequently, all the shares are equally subject to any tax exemptions and any taxes payable by the Company to which such distribution or repayment may give rise.

ARTICLE 10 DISCLOSURE OF HOLDINGS EXCEEDING SPECIFIC THRESHOLDS

Without prejudice to the provisions of article L. 233-7 of the French Commercial Code (*Code de commerce*), any person who holds, directly or indirectly, as defined in article L. 233-7, 1% or more of the voting rights at General Meetings, must, within five calendar days following the date the threshold was crossed and, as applicable, irrespective of the date on which ownership of the shares was effectively transferred, disclose to the Company, by registered letter with acknowledgement of receipt, addressed to

Items appearing in the Annual Financial Report are cross-referenced with the following symbol AFR

the registered office, the total number of shares and voting rights held. For registered shareholders and intermediaries not residing in France, this disclosure may be made by means of a procedure equivalent to that of a registered letter with acknowledgement of receipt in use in their country of residence. Such procedure must furnish the Company with proof of the date on which the disclosure was sent and received.

A further disclosure must be made in the conditions described above each time a threshold of a further 1% is exceeded.

Failing a disclosure in the conditions described above, all shares in excess of the threshold for which disclosure should have been made lose their voting rights in respect of any General Meeting that may be held within a two-year period following the date on which the disclosure is finally made, upon request of one or more shareholders holding 5% or more of the share capital, such request being duly recorded in the minutes of the General Meeting. In these same circumstances, voting rights attached to such shares for which proper disclosure has not been made may not be exercised by the shareholder in default, nor may said shareholder delegate such rights to others.

If necessary, the Company may, at any time, identify the holders of equity securities or bondholders, in accordance with the applicable legal and regulatory conditions.

III MANAGEMENT OF THE COMPANY

ARTICLE 11 MEMBERSHIP OF THE BOARD OF DIRECTORS

1. The Company is managed by a Board of Directors comprising at least eight and no more than nine members, individuals or legal entities, in addition to one or two members representing employees, appointed in accordance with the terms and conditions set out in article 11.6 below.
2. The term of office of members of the Board of Directors is four years. It terminates at the close of the Annual General Meeting called to approve the financial statements for the preceding year held during the year in which the member's term of office expires. Members of the Board of Directors may be re-appointed. However, by way of exception:
   - the Ordinary General Meeting may appoint or re-appoint members of the Board of Directors for a term exceeding four years, without however exceeding six years, it being specified that the Board of Directors may not, at any given time, have more than one member whose remaining term of office exceeds four years;
   - the Ordinary General Meeting may appoint or re-appoint one or several members for a term of less than four years for the sole purpose of ensuring the staggered re-appointment of the Board, such that subsequent re-appointments apply only to a portion of its members each time.
3. No more than one-third of the members of the Board of Directors in office may be over seventy-five years old. If this proportion is exceeded, the oldest member is automatically deemed to have resigned.
4. Each member of the Board of Directors (other than the members representing employees or employee shareholders) must own at least 150 shares of the Company and have three months from the date of their appointment in which to acquire such shares, if not already in their possession at the time of their appointment. Any member who ceases to own the required number of shares during their term of office will automatically be deemed to have resigned if this situation is not remedied within three months.
5. In the event of a vacancy following death, resignation or for any other reason, the Board may appoint one or more replacement members on a provisional basis. Provisional appointments are confirmed at the next Annual General Meeting.

   The replacement member's term of office is for the period remaining until the end of the predecessor's term of office.

   If a provisional appointment is not confirmed at the General Meeting, the Board of Directors' decisions nonetheless remain valid.
6. Where the provisions of article L. 225-27-1 of the French Commercial Code apply to the Company, the Board of Directors also includes one or two members representing Group employees and designated by the Group Employees' Committee.

   The Board of Directors will have two employee directors when the number of the other Board members as determined in accordance with article L. 225-27-1 of the French Commercial Code exceeds eight, and one employee representative member when the number of the other Board members as so determined is equal to or less than eight. When two employee directors are appointed, one must be a man and the other a woman.

   Subject to the provisions of this article and of the French Commercial Code, employee directors have the same status, powers and responsibilities as the other directors.

   The term of office of members of the Board of Directors representing employees is four years.

   If the number of the other members of the Board of Directors as referred to in article L. 225-27-1 of the French Commercial Code falls to eight or less, the terms of office of the sitting employee directors will not be affected and will remain in force until their scheduled expiry date.

   If the seat of an employee director falls vacant for any reason, it will be filled in accordance with the conditions set out in article L. 225-34 of the French Commercial Code.

ARTICLE 11 *BIS* BOARD ADVISOR (*CENSEUR*)

In addition to the members of the Board of Directors referred to in article 11, one Board Advisor (*censeur*) may be appointed to the Board of Directors by the shareholders on the Board's recommendation. The Board Advisor must be a natural person and may be chosen from among the shareholders. The General Meeting determines the duration of the Board Advisor's term of office, which may not exceed four years, and can remove the Board Advisor from office at any time.

The Board Advisor is invited to all meetings of the Board of Directors pursuant to the same procedure applicable to its members, and attends meetings in an advisory capacity only.

The Board of Directors determines the terms of the remuneration of the Board Advisor, and may decide to allocate to the Board Advisor a portion of the remuneration that the Ordinary General Meeting has allocated to the members of the Board of Directors.

ARTICLE 12 MEETINGS OF THE BOARD OF DIRECTORS

1. The Board of Directors elects from among its members a Chairman, who must be an individual, to exercise the duties provided for by law. The Chairman of the Board of Directors organises and leads the work of the Board, reports thereon to shareholders at the General Meeting and oversees the smooth functioning of the Company's governance bodies. He/she ensures that the directors are able to properly perform their duties.

   The Board of Directors determines the remuneration of the Chairman, in accordance with the applicable regulations, and sets the Chairman's term of office, which may not exceed his/her

term as a director. The Chairman may be re-elected. The age limit for the Chairman of the Board of Directors is 80 years.

If deemed useful, the Board of Directors may appoint a Vice-Chairman from among its members. The Vice-Chairman is subject to the same age limit as the Chairman. The Vice-Chairman has the duty of replacing the Chairman if he/she is temporarily prevented from fulfilling his/her duties, or in the event of his/her death. This substitution applies: (i) in the event of temporary unavailability, for as long as the Chairman is unavailable; (ii) in the event of death, until a new Chairman is elected.

The Board of Directors chooses a secretary, who need not be a member of the Board. The Vice-Chairman and the Board Secretary remain in post for the period determined by the Board of Directors. In the case of the Vice-Chairman, this period may not exceed his/her term of office as a director.

2. In the event of the unavailability of the Chairman and of the Vice-Chairman, where applicable, the Board of Directors appoints a chairman for each meeting from among the members present. In the event of the unavailability of the Board Secretary, the Board of Directors appoints a substitute from among its members or a third party.

3. Meetings of the Board of Directors are held at the registered office or at any other location as indicated in the notice of meeting. The Board of Directors meets as often as required by the interests of the Company.

Meetings may be called by any written means (including by e-mail) by the Chairman of the Board of Directors or, in the absence of the Chairman, by the Vice-Chairman. The agenda is prepared by the person calling the meeting. However, the Board of Directors may meet without advance notice and without a pre-established agenda: (i) if all of the sitting directors are present or represented at the meeting in question, or (ii) if the meeting is called by the Chairman during a General Meeting.

At least one-third of the directors may at any time request the Chairman to convene the Board of Directors with a specific meeting agenda. If the Chairman does not call the meeting within seven calendar days, the directors having requested the meeting of the Board of Directors may directly convene the Board of Directors to deliberate on the agenda initially sent to the Chairman.

4. At least half of the members must participate in order for the Board of Directors' decisions to be valid.

Decisions are made by a majority vote of the members present or represented and qualified to vote. In the event of a tied vote, the Chairman has the casting vote.

In calculating the quorum and majority, Board members attending the meeting via video conferencing or other telecommunications technology are considered to be present subject to the conditions provided for in the Rules of Procedure of the Board of Directors established by the Board of Directors.

The Board of Directors' deliberations are recorded in minutes entered into a special register and signed by the meeting chairman and secretary or by the majority of members present.

The Board of Directors may take decisions by way of a written consultation among its members under the conditions provided for in the applicable laws and regulations. The arrangements for such consultation are set out in the Rules of Procedure established by the Board of Directors.

5. By way of exception to article 12 4° above, the specific majority rules set out below will apply until 30 June 2027:

- decisions relating to the appointment or removal of the Chief Executive Officer are taken by a majority of two-thirds of all the votes of the Board of Directors, regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken;
- decisions relating to the appointment of the assistant managing directors (*directeurs généraux adjoints*) are taken by a majority of two-thirds of all the votes of the Board of Directors, regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken;
- decisions relating to the appointment or removal of the Vice Chief Executive Officers are taken by a majority of two-thirds of all the votes of the Board of Directors, regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken;
- decisions relating to the remuneration of the Chief Executive Officer and Deputy Chief Executive Officers are taken by a majority of two-thirds of all the votes of the Board of Directors, regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken, where these decisions concern the reduction of said remuneration or the toughening of the associated conditions.

ARTICLE 13 POWERS OF THE BOARD OF DIRECTORS

1. The Board of Directors determines the orientations of the Company's business and ensures their implementation in line with its corporate interest and taking into consideration the social and environmental issues surrounding its activities. Subject to those powers expressly attributed to the General Meeting, and within the limits of the corporate purpose, the Board addresses all matters concerning the smooth running of the Company and, through its deliberations, controls all matters concerning it.

The Board of Directors proceeds with such controls and verifications as it deems appropriate.

2. The Board of Directors may decide to create committees to study matters submitted for their opinion by the Board of Directors or its Chairman; the Board of Directors defines their membership, their terms of reference and, where applicable, the remuneration of their members in accordance with the applicable regulations and with the Rules of Procedure established by the Board of Directors. The Board of Directors may assign to one or more of its members any special duties for one or more determined purposes.

ARTICLE 14 REMUNERATION OF THE BOARD OF DIRECTORS

The Board of Directors may be allocated annual fixed remuneration, whose amount is fixed by the Ordinary General Meeting and remains unchanged until otherwise decided by a subsequent General Meeting.

The Board of Directors allocates the amount of this remuneration among its members, and allocates any other remuneration to its members, under the conditions provided for by the applicable regulations.

IV – GENERAL MANAGEMENT

ARTICLE 15 GENERAL MANAGEMENT

15.1 Choice between the two methods of General Management organisation

The Company's General Management is conducted, under his/her responsibility, either by the Chairman of the Board of Directors, who then has the title of Chairman and Chief Executive Officer, or by another individual appointed by the Board of Directors, in accordance with article 15.2° hereafter, with the title of Chief Executive Officer, according to the decision of the Board of Directors on the choice between the two methods of General Management organisation. The shareholders and third parties are notified of this choice under the conditions set by the applicable laws and regulations.

When the General Management of the Company is conducted by the Chairman of the Board of Directors, the provisions below concerning the Chief Executive Officer apply to the Chairman.

15.2 Chief Executive Officer and Deputy Chief Executive Officers

1. The Chief Executive Officer may be chosen from among the directors or otherwise.
2. On the recommendation of the Chief Executive Officer, the Board of Directors may appoint one or more individuals responsible for assisting the Chief Executive Officer, with the title of Deputy Chief Executive Officer. The Deputy Chief Executive Officer may also be a director. The number of Deputy Chief Executive Officers may not exceed five. In agreement with the Chief Executive Officer, the Board of Directors determines the scope and term of the powers granted to the Deputy Chief Executive Officer(s). With respect to third parties, the Deputy Chief Executive Officers possess the same powers as the Chief Executive Officer.
3. The age limit for persons occupying the position of Chief Executive Officer or Deputy Chief Executive Officer is 80 years. If the Chief Executive Officer or a Deputy Chief Executive Officers reaches this age limit during the course of his/her term of office as Chief Executive Officer or Deputy Chief Executive Officer, as the case may be, they are deemed to have automatically resigned on the date of their eightieth birthday.

   The Board of Directors sets the term of office of the Chief Executive Officer and the Deputy Chief Executive Officers.

   The term of office of a Chief Executive Officer or Deputy Chief Executive Officer who is a director may not exceed his/her term of office as a director.

   The Chief Executive Officer may be removed at any time by decision of the Board of Directors. The same applies to the Deputy Chief Executive Officers, following a recommendation by the Chief Executive Officer. If the removal from office is decided without just cause, it may give rise to damages, unless the Chief Executive Officer performs the duties of Chairman of the Board of Directors.

   When the Chief Executive Officer ceases to exercise his/her functions or is prevented from doing so, unless there is a decision to the contrary by the Board of Directors, the Deputy Chief Executive Officers retain their functions and their duties until a new Chief Executive Officer is appointed.

   If the Chief Executive Officer is temporarily prevented from performing his/her duties, the Board of Directors may delegate a director to perform the duties of Chief Executive Officer.

   The Board of Directors sets the remuneration of the Chief Executive Officer and the Deputy Chief Executive Officers, in accordance with the applicable regulations.
4. The Chief Executive Officer has the broadest powers to act in any circumstances in the name of the Company. The Chief Executive Officer exercises these powers within the limit of the corporate purpose and subject to the powers expressly attributed by law to the General Meeting and to the Board of Directors.

   The Chief Executive Officer represents the Company in its relations with third parties. The Company is bound by the actions of the Chief Executive Officer even if they do not fall within the corporate purpose, unless it can prove that the third party knew that the action in question went beyond the corporate purpose or could not have been unaware of that fact given the circumstances, on the understanding that the mere publication of the Articles of Association is not sufficient evidence of the foregoing.

   Any provisions in the Articles of Association or any decisions by the Board of Directors limiting the powers of the Chief Executive Officer are not binding on third parties.

   The Chief Executive Officer and the Deputy Chief Executive Officers may, within the limits set by the applicable laws, delegate any powers they deem appropriate, for one or more determined purposes, to any representatives, even from outside the Company, acting individually or as part of a committee or commission. Such powers may be permanent or temporary, and may include a right of substitution.

V STATUTORY AUDITORS

ARTICLE 16 STATUTORY AUDITORS

One or more Principal Statutory Auditors and, where necessary, one or more Substitute Statutory Auditors, are appointed for the duration, in accordance with the terms and conditions and with the roles and responsibilities provided for in the applicable laws and regulations.

VI GENERAL MEETINGS OF SHAREHOLDERS

ARTICLE 17 GENERAL MEETINGS

1. General Meetings are called in accordance with the conditions provided for by the applicable regulations.

   They are held at the registered office or at any other location as indicated in the notice of meeting. Notices of meeting are issued in the manner and within the time period provided by the applicable regulations.
2. The agenda of the General Meeting is prepared by the person calling the meeting. However, one or more shareholders representing no less than the proportion of share capital required by law and acting in compliance with legal requirements and time limits, may, by registered letter with acknowledgement of receipt, require draft resolutions to be placed on the meeting agenda.

   The General Meeting may not deliberate on any matter not on the agenda. The agenda may not be amended when a meeting is called for the second time. Notwithstanding the above, the General Meeting may, in any circumstances, remove one or several members of the Board of Directors and appoint their replacement(s).
3. Each shareholder has the right to attend General Meetings and to take part in the deliberations, either personally or through a proxy, subject to providing proof of their identity and to submitting evidence of the registration of their shares in the registered shareholders' accounts kept by the Company – either in their own name or in the name of the Authorised Intermediary acting on their behalf in accordance with the seventh paragraph of article L. 228-1 of the French Commercial Code – in the Company's share register under the conditions and within the deadlines provided for by the applicable regulations.

Subject to the conditions provided for by the applicable laws and regulations, the shareholders may, by a decision of the Board of Directors, participate in General Meetings by video conferencing and vote by means of electronic communication. The Board of Directors sets the practical arrangements for this method of attendance and voting. The technologies used must guarantee, as the case may be, the continuous and simultaneous transmission of the deliberations of the meeting, the security of the means used, the verification of the identity of those participating and voting and the integrity of the votes cast.

If a shareholder decides, further to a decision of the Board of Directors taken in accordance with the terms of the second paragraph of this article above, to cast a postal vote or vote online, give proxy to another shareholder or send a blank proxy form to the Company by returning the corresponding form electronically, the electronic signature on that form must:

- either take the form of a secure electronic signature as defined by law at that time;
- or result from the use of a reliable identification procedure guaranteeing the connection between the shareholder and the document to which his/her identity is attached or from any other procedure for identification and/or verification admitted by law at that time.

4. At each General Meeting, the shareholders each have a number of votes equal to the number of shares they own or represent. However, voting rights double those attributed to other shares as a proportion of the share capital they represent – two votes for each share – are attributed to all those shares which are fully paid up and which have been registered in the name of the same shareholder for at least four years. Shareholders entitled to double voting rights on the date at which the Company was converted into a joint-stock company retain their double voting rights.

Furthermore, where the Company's share capital is increased by incorporation of reserves, profits or share premiums, a double voting right is granted, from the date of issue, in respect of registered shares distributed free of charge to the holder of shares which originally carried double voting rights.

Transfer of title to a share results in the loss of the double voting rights.

However, transfer as a result of inheritance, the liquidation of commonly-held property between spouses or an inter vivos gift to a spouse or to a relative automatically entitled to inherit under French law does not cause existing double voting rights to lapse, nor does it interrupt the four-year period referred to above. Similarly, the merger or demerger of the Company has no effect on double voting rights, which may be exercised within the resulting company or companies if the articles of association of the said companies recognise such rights.

For pledged shares, the right to vote is exercised by the owner. For shares where beneficial ownership and bare ownership are separated, the right to vote is exercised by the beneficial owner (usufruitier) at Ordinary General Meetings, and by the bare owner (nu-propriétaire) at Extraordinary General Meetings.

5. An attendance register containing the information required by law is kept for each General Meeting.

The attendance register is signed by all shareholders present and by the proxy holders. The meeting officers may decide to append the powers of attorney given to each proxy holder and the postal voting forms to the register, in hard copy, electronic or digital format. On the basis of specifications provided by the establishment in charge of organising the General Meeting, the attendance register is certified as accurate by the meeting officers and signed by said officers and by the meeting secretary.

6. General Meetings are chaired by the Chairman of the Board of Directors or, in the absence of the Chairman, by the Vice-Chairman, or by a member of the Board of Directors appointed by the Vice-Chairman. If the person entitled or appointed to chair the Meeting fails to do so, the General Meeting elects its own chair.

The role of vote teller (scrutateur) is performed by the two shareholders in attendance having the greatest number of shares, either directly or by way of proxy, who must consent thereto. The meeting officers (chair and vote tellers) appoint a secretary, who need not be a shareholder.

The meeting officers verify, certify and sign the attendance register, ensure that the deliberations are properly held, settle any differences that may arise in the course of the meeting, ensure that the minutes of the meeting are prepared and, with the establishment in charge of organising the General Meeting, verify the votes cast and ensure their validity.

7. Minutes recording the deliberations of each General Meeting are entered in a special register signed by the meeting officers. The minutes, prepared and recorded in this form, are considered to be a genuine transcript of the General Meeting. All copies of, or extracts from, the minutes must be certified by the Chairman of the Board of Directors, by a director holding the position of Chief Executive Officer, or by the meeting secretary.

ARTICLE 18 ORDINARY GENERAL MEETINGS

1. Ordinary General Meetings may be called at any time. However, an Ordinary Annual General Meeting must be held at least once a year within six months of the close of each financial year.

2. The Ordinary Annual General Meeting examines the reports prepared by the Board of Directors and the reports of the Statutory Auditors. It reviews and approves the Company's financial statements for the previous year and the proposed allocation of profit, in accordance with the applicable laws and these Articles of Association. In addition, the Ordinary Annual General Meeting and any other Ordinary General Meeting may appoint or remove the members of the Board of Directors, appoint the Statutory Auditors and vote on all matters within its remit and included on the meeting agenda, with the exception of those matters defined in article 19 as being exclusively within the remit of an Extraordinary General Meeting.

3. All the shareholders fulfilling the conditions set by law are called to attend the Ordinary General Meeting.

The deliberations of an Ordinary General Meeting held at first call are valid only if the shareholders present, represented or having voted online or by post hold at least one-fifth of the shares carrying voting rights. At second call, the deliberations are valid irrespective of how many shareholders are present, represented or have voted online or by post.

4. These resolutions are passed by a majority vote of the shareholders present, represented or having voted online or by post at the General Meeting. The votes cast do not include those attached to shares for which the shareholder did not take part in the vote, abstained or cast a blank or void ballot.

ARTICLE 19 EXTRAORDINARY GENERAL MEETINGS

1. The remit of the Extraordinary General Meeting includes any amendments of these Articles of Association for which the approval by an Extraordinary General Meeting is required by law, including but not limited to, and subject to the provisions of these Articles of Association, the following:
   - an increase or reduction of the Company's share capital;
   - a change in the terms and conditions of share transfers;
   - a change in the corporate purpose, term or registered office of the Company, subject to the powers granted to the Board of Directors to relocate the Company's registered office pursuant to the law;
   - the conversion of the Company into a different corporate form;
   - the winding-up of the Company;
   - the merging of the Company;
   - and all other matters within the remit of the Extraordinary General Meeting, in accordance with the law.
2. All the shareholders under the conditions set down by law are called to attend the Extraordinary General Meeting.

   The deliberations of an Extraordinary General Meeting held at first call are valid only if the shareholders present, represented or having voted online or by post hold at least a quarter of the shares carrying voting rights. The deliberations of an Extraordinary General Meeting held at second call are valid only if the shareholders present, represented or having voted online or by post hold at least one-fifth of the shares carrying voting rights.
3. In all cases, the resolutions of Extraordinary General Meetings are passed by a vote in favour by at least two-thirds of the votes cast by shareholders present, represented or having voted by online or by post. The votes cast do not include those attached to shares for which the shareholder did not take part in the vote, abstained or cast a blank or void ballot.

ARTICLE 20 SHAREHOLDER INFORMATION

Each shareholder is entitled to have access to or, where applicable, receive documents relating to the Company under the terms and conditions provided by the applicable laws and regulations.

VII FINANCIAL STATEMENTS - ALLOCATION OF PROFIT

ARTICLE 21 FINANCIAL YEAR

The Company's financial year begins on 1 January and ends on 31 December of each year.

ARTICLE 22 FINANCIAL STATEMENTS

The Board of Directors draws up an inventory of the Company's assets and liabilities at the end of each financial year.

It also draws up a balance sheet describing the assets and liabilities and separately showing shareholders' equity, an income statement summarising income and expenses for the financial year, and notes to the financial statements supplementing and commenting on the information given in the balance sheet and the income statement.

All necessary depreciation, amortisation and provisions are recognised even if there is no or insufficient profit. A statement of the guarantees, endorsements and undertakings given and the sureties granted by the Company is appended to the balance sheet.

The Board of Directors prepares a management report which describes the position of the Company and that of its subsidiaries during the past financial year, foreseeable changes and any significant events occurring between the end of the financial year and the date on which the report was prepared, as well as any other information required under the applicable laws and regulations.

All of the above documents are submitted to the Statutory Auditors for comment prior to being submitted to the shareholders for approval.

ARTICLE 23 ALLOCATION OF PROFIT

The income statement, which summarises all the income and expenses for the year, shows, after depreciation, amortisation and provisions, the profit or loss for the financial year.

Out of the profit for the year, less previous accumulated losses if any, a certain amount must, by law, be set aside in priority and to the extent necessary to form the legal reserve.

Distributable profit is composed of the profit for the year less any accumulated losses and transfers to reserves required by law or by the Articles of Association, plus any unappropriated retained earnings.

The distributable profit is allocated to the shareholders in proportion to the number of shares held by each.

However, the General Meeting may, upon recommendation of the Board of Directors, decide to set aside from the balance of distributable profit such amounts as it deems fit to be carried forward, or to be allocated to one or more general, extraordinary or special reserves.

Dividends are distributed, by priority, out of the profit for the year.

The General Meeting may, in addition, decide to distribute any part of the reserves available to it by expressly indicating those reserves from which such distributions are to be made. To the extent that such reserves have been established by deduction from distributable profit allocated to the shareholders, the amounts paid out therefrom accrue to the benefit of owners of shares alone, in proportion to the number of shares held by each.

The General Meeting called to approve the financial statements for the year may, in respect of all or part of said dividend, offer each shareholder the option to receive payment in cash or in shares.

Similarly, the Ordinary General Meeting approving the distribution of an interim dividend under the terms of article L. 232-12 of the French Commercial Code, may, in respect of all or part of said interim dividend, offer each shareholder the option to receive payment thereof in cash or in shares.

The offer for payment in shares, the price and conditions under which the shares are issued, the request for payment in shares and the conditions of the resulting capital increase are governed by the applicable law and regulations.

The terms of payment of dividends are set by the General Meeting or, failing that, by the Board of Directors. However, dividends must be paid within a maximum period of nine months from the close of the financial year, save where this period is extended by court order.

The General Meeting may also decide at any time to distribute the profits, reserves and/or premiums at its disposal by means of any distribution method, directly or indirectly, for all or part of the distribution, of negotiable financial instruments or any other assets included on the Company's balance sheet. Shareholders must, where applicable, personally ensure that the shares are grouped in such a way as to obtain a whole number of financial instruments or other rights so distributed.

VIII WINDING UP AND LIQUIDATION

ARTICLE 24 LOSS OF HALF OF THE SHARE CAPITAL

In the event that the Company's annual financial statements show losses which result in shareholders' equity falling below half of the share capital, the Board of Directors must, within four months following the shareholders' approval of the financial statements in which such losses were disclosed, call an Extraordinary General Meeting in order to decide whether there is cause to wind up the Company ahead of term. If the Extraordinary General Meeting decides against winding up the Company and if the shareholders' equity has not been restored to at least half of the Company's share capital within the time period set by law, the share capital must be reduced by an amount at least equal to that of the losses that cannot be charged against reserves.

ARTICLE 25 WINDING UP OF THE COMPANY

The Company will be wound up in the cases provided for by law (including but not limited to, at the end of its term including any extension thereof) or by a decision to wind up the Company ahead of term made by an Extraordinary General Meeting.

ARTICLE 26 LIQUIDATION OF THE COMPANY

The Company will be in liquidation as soon as it has been wound up, irrespective of the reason therefor.

One or several liquidators will be appointed, either by the Extraordinary General Meeting deciding to wind up the Company, whose decision will be made under the same quorum and majority requirements as for Ordinary General Meetings, or by an Ordinary General Meeting called on an extraordinary basis.

The liquidator – or each of the liquidators if there are several – represents the Company and has the broadest powers to realise the Company's assets, even by private agreement, as well as the authority to pay creditors and to distribute the remaining balance.

The General Meeting may authorise the liquidators to continue the Company's current business and to undertake new business for the requirements of the liquidation.

The net proceeds arising on liquidation, after settlement of liabilities, is used to fully repay the paid up, non-redeemed share capital.

The balance, if any, is divided in proportion to the number of shares held by each shareholder.

ARTICLE 27 DISPUTES

Any disputes arising during the lifetime of the Company or its liquidation, either between the shareholders, the members of General Management, the members of the Board of Directors and the Company, or between the shareholders themselves and relating to the Company's business are submitted to the courts of competent jurisdiction and judged in accordance with French law.

2.10.2 RULES OF PROCEDURE APPLICABLE TO THE BOARD OF DIRECTORS

RULES OF PROCEDURE APPLICABLE TO THE BOARD OF DIRECTORS OF LAGARDÈRE SA (Adopted on 30 June 2021)

Out of a desire to implement corporate governance practices within Lagardère SA (the "Company"), the Board of Directors, by a joint decision of its members, has adopted the following Rules of Procedure, the purpose of which is to:

- clarify and supplement the Board's operating and organisational procedures; and
- restate those professional ethical and legal standards that each member is individually bound to observe.

In the event of interpretation difficulties between the provisions of these Rules of Procedure and those of the Articles of Association, the latter shall prevail, subject to the specific majority rules set out in article 3 hereof.

These provisions are for internal use only and are not binding on third parties. They may only be invoked by the Company with respect to corporate officers or persons attending meetings of the Board of Directors or of the Board Committees. They may not be invoked by third parties or by shareholders against the Company or its corporate officers.

ARTICLE 1 POWERS, AUTHORITY, AND FUNCTIONS OF THE BOARD OF DIRECTORS

The Board of Directors deliberates on matters falling within its remit pursuant to the law and the Articles of Association, and acts in the interests of the Company at all times.

The Board of Directors determines the orientations of the Company's business and ensures their implementation in line with the corporate interest, in particular taking into consideration the social and environmental issues surrounding its activities pursuant to the law (article L. 225-35 of the French Commercial Code) and the Company's Articles of Association. Subject to those powers expressly attributed to the General Meeting, and within the limits of the corporate purpose, the Board addresses all matters concerning the smooth running of the Company and, through its deliberations, controls all matters concerning it.

It performs the controls and verifications it deems appropriate.

In particular, in accordance with applicable laws and regulations and under any terms and conditions set out in these Rules of Procedure, the Board of Directors, inter alia:

- may call the General Meeting of the Company and set the agenda for said Meeting;
- reviews and approves the parent company and consolidated financial statements, and prepares the annual management report;
- authorises the agreements referred to in articles L. 225-38 *et seq.* of the French Commercial Code;
- authorises the deposits, endorsements and guarantees undertaken by third parties and referred to in article L. 225-35 of the French Commercial Code;
- chooses the method of General Management organisation, in accordance with articles 15.1 and 15.2 of the Articles of Association;
- appoints, replaces or removes from office:
  - the Chairman of the Board of Directors;
  - the Chief Executive Officer;
  - and, where applicable, the Deputy Chief Executive Officer(s) on the recommendation of the Chief Executive Officer;
- appoints, where applicable, the assistant managing director(s) on the recommendation of the Chief Executive Officer;
- approves any major transactions falling outside of the Company's strategy;

- determines the powers of the Chief Executive Officer and, where applicable, and in agreement with the latter, those of the Deputy Chief Executive Officer(s) and the assistant managing director(s);
- may co-opt directors;
- sets the remuneration policy for the corporate officers (directors, Chairman of the Board of Directors, Chief Executive Officer and, where applicable, Deputy Chief Executive Officer(s), and determines the components of remuneration in accordance with the applicable policy;
- appoints the members of the Board Committees created pursuant to the law, the Articles of Association and the Board of Directors' Rules of Procedure;
- authorises the Company's Chief Executive Officer, the latter having the power to sub-delegate if applicable, to grant deposits, endorsements and guarantees under the specified conditions.

To this end, the Board of Directors meets as often as required by the interests of the Company, and at least once every quarter.

The Board of Directors elects from among its members a Chairman, who must be an individual, for a term not exceeding the term of his or her term of office as director, and may be re-elected. The Chairman organises and leads the work of the Board of Directors, and reports thereon to shareholders at the General Meeting. He or she also oversees the effective operation of the management bodies. The Chairman coordinates the work of the Board of Directors with that of the Board Committees.

If deemed useful, the Board of Directors may appoint a Vice-Chairman from among its members. The Vice-Chairman has the duty of replacing the Chairman if he/she is temporarily prevented from fulfilling his/her duties, or in the event of his/her death. This substitution applies: (i) in the event of temporary unavailability, for as long as the Chairman is unavailable; (ii) in the event of death, until a new Chairman is elected.

The Board may grant, with or without a right of substitution, full powers to its Chairman or to other designated officers, subject to the limitations provided for by law.

ARTICLE 2 INDEPENDENT MEMBERS

As far as possible, the Board of Directors will endeavour to include a significant proportion of independent directors accounting for half of serving Board members, excluding employee directors.

Director independence is determined by the Board of Directors based on a recommendation of the Appointments, Remuneration and CSR Committee; the director concerned may, should he or she so wish, participate in discussions regarding the assessment of his or her independence, and in any case may make any appropriate observations in this regard to the Board of Directors, and to the Appointments, Remuneration and CSR Committee.

The criteria to be used by the Board of Directors and Appointments, Remuneration and CSR Committee in determining whether a director is independent are those set out in the applicable Afep-Medef Corporate Governance Code.

Each year, the Appointments, Remuneration and CSR Committee discusses whether or not each director meets the specified independence criteria, and their examination is reviewed by the Board of Directors on a case-by-case basis with respect to this framework.

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

Qualification as an independent director is also discussed when a new director is appointed or a serving director is re-appointed.

The findings of the Board's examination of director independence are brought to the attention of shareholders in the Corporate Governance Report.

ARTICLE 3 MEETINGS OF THE BOARD OF DIRECTORS

Each year, the Board shall prepare a meeting schedule for the coming year, on the recommendation of its Chairman.

Meetings must be of sufficient length to appropriately deliberate upon and make decisions regarding the agenda.

Members of the Board of Directors may instruct in writing another Board member to represent them at a Board meeting.

Each member of the Board of Directors may only represent one other member in this way at a given meeting in accordance with the previous paragraph.

The provisions of the two previous paragraphs apply to the permanent representative on the Board of Directors of a legal entity.

On the Board of Directors' recommendation, the General Meeting may appoint a Board advisor from among or outside the Group's shareholders, who must be an individual, in order to assist the Board of Directors. The General Meeting may remove the Board advisor at any time. The Board of Directors sets the Board advisor's remuneration. The Board advisor is invited to all meetings of the Board of Directors pursuant to the same procedure applicable to its members, and participates in deliberations in an advisory capacity only. The absence of an advisor shall not, however, affect the validity of the Board's deliberations. All of the obligations of the directors as stated herein also apply to the Board advisor.

Where the Deputy Chief Executive Officers are not members of the Board of Directors, they shall participate in Board meetings unless otherwise decided by the Board of Directors. To this end, the Deputy Chief Executive Officers are invited to all meetings of the Board of Directors pursuant to the same procedure applicable to its members.

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

Notices of meeting shall be issued with reasonable advance notice (short notice may be given if appropriate in the event of emergencies), and shall include the meeting's agenda, as prepared by the person calling the meeting. However, the Board of Directors may meet without advance notice and without a pre-established agenda: (i) if all of the sitting directors are present or represented at the meeting in question, or (ii) if the meeting is called by the Chairman during a General Meeting.

At least one-third of the directors may at any time request the Chairman to convene the Board of Directors with a specific meeting agenda. If the Chairman does not call the meeting within seven calendar days, the directors having requested the meeting of the Board of Directors may directly convene the Board of Directors to deliberate on the agenda initially sent to the Chairman.

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

Meetings of the Board of Directors are chaired by the Board Chairman. Should the Chairman be unable to attend, the meeting shall be chaired by the Vice-Chairman of the Board. If the Vice-Chairman is unable to attend, or is otherwise not present at the Board meeting, the Board appoints a Chairman for that particular meeting.

At least half of the members must participate in order for the Board of Directors' decisions to be valid.

Decisions are made by a majority vote of the members present or represented. Exceptionally, the following decisions may be taken by the Board of Directors under the majority conditions specified below:

- **disposal of major assets**: any disposal of a subsidiary or business asset individually or collectively representing, over any 12-month period, revenue of over (i) €50 million for subsidiaries or business assets operating in the publishing business, (ii) €100 million for subsidiaries or business assets operating in the travel retail business, or (iii) €10 million for subsidiaries or business assets operating in the media business (radio and written press), may not be decided without the prior approval of a majority of three fifths of all the votes of Board members (regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken, it being specified that any amendment to these Rules of Procedure that results in a change in how such decisions are taken must be approved by the same majority of three-fifths of all the votes of Board members (e.g., 7 out of 11 members, regardless of the quorum conditions, if the Board of Directors has 11 members);
- **appointment of the Chief Executive Officer and Deputy Chief Executive Officer(s)**: pursuant to the Articles of Association, for a period of six years starting 30 June 2021, any decisions to remove or replace the Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer(s), or to appoint a new Chief Executive Officer, Deputy Chief Executive Officer(s) or assistant managing directors, shall be taken by a majority of two-thirds of all the votes of Board members, 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 Deputy Chief Executive Officer, where these are directors, may take part in the vote on these deliberations) (e.g., 8 out of 11 members, regardless of the quorum conditions, if the Board of Directors has 11 members);
- **remuneration of the Chief Executive Officer and Deputy Chief Executive Officer(s)**: pursuant to the Articles of Association, for a period of six years starting 30 June 2021, any decisions relating to the remuneration of the Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer(s), shall be taken by a majority of two-thirds of all the votes of Board members, regardless of the conditions of quorum of the meeting or consultation during which these decisions are taken, if they concern a reduction in said remuneration or if they introduce stricter conditions in this regard, it being specified that other decisions setting such remuneration shall be made by a simple majority vote of the members of the Company's Board of Directors.

In the event of a tie, the Chairman of the Board will have the casting vote.

Members of the Board of Directors may, under the conditions provided for by applicable laws and regulations, attend the meetings of the Board of Directors via video conferencing or other telecommunications technology, including via a conference call ("**Telecommunications link**"). The Chairman ensures that the telecommunications link used enables the members of the Board of Directors to be identified and guarantees their effective participation in the Board meeting, along with the continuous transmission of its deliberations. To guarantee identification and ensure effective participation in the Board meeting, the telecommunications link must transmit at least the voice of the participants and meet the technical requirements for a continuous and simultaneous transmission of the deliberations of the meeting. Anyone joining the meeting remotely shall disclose their identity, and the presence of any person external to the Board must be reported and approved by all of the directors participating in the meeting.

Members of the Board of Directors participating in Board meetings via the accepted telecommunications link are deemed to be present for the purposes of calculating the quorum and majority, except when adopting decisions specifically excluded from such votes pursuant to the law, in particular those cases set out in articles L. 232-1 and L. 233-16 of the French Commercial Code (preparation of parent company and consolidated financial statements along with the reports mentioned in said articles).

The minutes of each meeting shall indicate the names of the directors participating in the meeting remotely, along with the type of telecommunications link used and any transmission issues that may have disrupted the meeting if relevant.

The documents enabling Board members to accomplish their mission shall be passed to them in due course. The notice of meeting sent to the members of the Board of Directors shall also include the agenda for that meeting along with any information or documentation necessary to deliberate thereon and to make an informed decision about the agenda items.

An attendance record shall be kept that is signed by Board members participating in the meeting and which, if applicable, must indicate the names of members participating in the deliberations remotely via a telecommunications link.

The Board of Directors' deliberations are recorded in minutes signed by the Chairman of the meeting and by at least one director or, in the event the Chairman is unable to attend, by at least two directors. The minutes of each meeting shall be kept in compliance with regulatory provisions and the Articles of Association.

The minutes of each meeting shall indicate the names of the members physically present or attending via Telecommunications, represented, excused, or absent. It shall indicate the attendance or absence of persons summoned to the meeting on the basis of a provision of law as well as the presence of any other person that attended all or part of the meeting.

Meeting minutes shall summarise discussions and clearly and precisely state the decisions of the Board. The minutes must indicate the issues raised, the qualifications and reservations stated, and, if applicable, the identity of members that voted against decisions.

Each member shall receive a copy of the minutes of the Board meeting in which he or she participated once the minutes are prepared and, where possible, at the latest within fifteen (15) days of each meeting.

Each Board member shall be entitled to the reimbursement of any travel expenses they incur in performing their duties, provided that these are reasonable and accompanied by receipts.

Once a year, the Board discusses its operation (which includes reviewing the Board Committees), which is then reported in the Company's Corporate Governance Report. In this way, shareholders can be kept informed each year of any assessments carried out, along with any corresponding follow-up measures taken.

Pursuant to article 12 of the Company's Articles of Association, in a few specific cases provided for by law, the decisions of the Board of Directors may also be taken by way of a written consultation at the request of the Board Chairman.

In the event of a written consultation at the request of the Chairman of the Board of Directors, the Board Secretary shall send each director and Board advisor, by any means, including electronically, the draft wording of any decision(s), along with the documents intended to serve as the basis for the directors' decisions and the date on which the person calling the meeting must receive the directors' votes. Except in the event of unanimous agreement by the directors, the deadline for voting may not be shorter than five (5) days from the date on which the written consultation is sent.

Directors should indicate either a "yes" or "no" vote for each decision, it being specified that the Board advisor votes in a consultative capacity only. Directors' responses are to be sent to the Board

Secretary by any means, including electronically. Any director who does not reply within the specified period is considered to have abstained from voting.

The Board Secretary consolidates the directors' votes on the motion and informs the Board of the outcome of the vote. Where appropriate, this information also includes any comments made by the directors. Decisions are formally recorded in the minutes of the meeting, which are signed and entered in a special register of Board decisions.

ARTICLE 4 DUTIES AND OBLIGATIONS OF BOARD MEMBERS

As indicated in its annual Corporate Governance Report, the Company uses the applicable Afep-Medef Corporate Governance Code as its corporate governance framework.

The rules set forth hereinafter shall apply to Board members, be they individuals or legal entities, as well as permanent representatives of legal entities that are members of the Board of Directors.

4.1 General obligations

Before accepting his or her position, each Board member makes sure that he or she has been informed of all general or special obligations. Members of the Board of Directors are required to be aware of the general and specific obligations applicable to their office, as well as of any legal and regulatory provisions, the Company's Articles of Association and the Board's Rules of Procedure.

Each member of the Board of Directors shall ensure that he or she complies with the provisions of laws and regulations governing the duties of members of the Board of Directors of a joint-stock company, as well as the provisions of the Company's Articles of Association and these Rules of Procedure applicable to the Board of Directors, and in particular, those laws and regulations concerning:

- the definition of the powers of the Board of Directors;
- the plurality of offices;
- conflicts of interest and incapacity;
- agreements between the Company and a member of the Board of Directors, entered into directly or indirectly; and
- the possession and use of insider or confidential information.

Board members shall inform the Board of Directors and the Appointments, Remuneration and CSR Committee of any actual or potential financial and/or commercial conflict-of-interest situation, and shall refrain from participating in the relevant deliberations and votes.

4.2 Duty of confidentiality and discretion

Directors shall comply with the confidentiality provisions applicable to Board members pursuant to the law.

In the event that third parties who are not directors are invited to participate in a Board meeting or in work carried out in preparation for such a meeting, the Chairman of the Board of Directors shall remind those third parties of their duty of confidentiality with regard to any information received during the Board meeting concerned or prior to that meeting.

4.3 Duty of diligence - Plurality of offices

Directors shall devote the necessary time and attention to their functions and duties.

Each member of the Board of Directors undertakes to exercise diligence in:

- attending, insofar as possible, all Board meetings, where applicable via a telecommunications link;
- attending, insofar as possible, all General Meetings of shareholders;
- attending meetings of any Board Committees on which the director serves.

The Corporate Governance Report gives shareholders all useful information about the individual attendance of directors at such meetings.

The Chairman of the Board of Directors or the Chief Executive Officer is required to provide each Board member with all of the documentation useful or necessary for the performance of his or her duties.

In addition, these members shall be allowed, through the Chairman of the Board of Directors, to ask the Company to transmit to them certain documents deemed appropriate by them, and to which they have access according to the law; these transmissions shall be carried out by all means ensuring confidentiality.

Each Board member is required to comply with the legal provisions regarding plurality of offices, which are applicable to joint-stock companies. A Board member who is or should come to be in violation of said provisions of the law has three (3) months to comply with the law. Each director must keep the Board informed of any offices held in other companies, including of his or her participation in committees set up by the board of directors of such French or international companies.

4.4 Holding of Company shares

Board members shall make efforts to hold a relatively significant number of shares. Accordingly, each Board member (other than members representing employees or employee shareholders) is required to hold 150 registered Company shares.

ARTICLE 5 AUDIT COMMITTEE

In accordance with the law, the Board of Directors has created internally an Audit Committee with the following specific roles and responsibilities:

- monitoring the process for preparing financial information and, where applicable, making recommendations to guarantee the reliability of that information;
- reviewing the draft annual and interim financial statements of the Company and the draft annual and interim consolidated financial statements of the Company and its subsidiaries (hereafter the "**Group**" or the "**Lagardère group**") before they are submitted to the Board;
- ensuring that the accounting policies and principles adopted are pertinent for the preparation of the Company's individual and consolidated financial statements, as well as the quality, completeness, accuracy, and fairness of those financial statements;
- ensuring the monitoring of the effectiveness of internal control and risk management systems and where applicable internal audit, as regards accounting and financial reporting procedures;
- ensuring that the Company has reliable internal control procedures, particularly with respect to risk exposure, including social and environmental risks;
- issuing a recommendation on the Statutory Auditors nominated for appointment or for re-appointment by the General Meeting, and on fees payable to those Statutory Auditors;
- ensuring the monitoring of the implementation of measures to prevent and detect corruption;
- reviewing the agreements between the Group and the Company's senior executives;
- ensuring the Statutory Auditors' independence.

The Audit Committee regularly reports to the Board of Directors on the performance of its duties, and promptly informs the Board of any difficulties encountered.

The Audit Committee shall consist of three to seven members, including the Chairman, a minimum of two-thirds of whom, including the Chairman, shall be considered independent members. Committee members shall be chosen from among the members of the Board of Directors, with the exception of those holding management positions and Members Related to Competitors (as defined in Appendix 1). At least one of the independent members of the Audit Committee must have specific financial, accounting or auditing expertise.

The Chair of the Audit Committee reports to (or instructs someone to report to) the members of the Board on the work conducted by the Committee.

ARTICLE 6 APPOINTMENTS, REMUNERATION AND CSR COMMITTEE

The Board of Directors has created internally an Appointments, Remuneration and CSR Committee with the following specific roles and responsibilities:

- Regarding Board and Committee membership:
  - defining the selection criteria for future members;
  - making recommendations as to changes in Board membership and candidate profiles.
- Regarding the appointment of executive corporate officers:
  - issuing an advisory opinion to the Board of Directors on the proposed appointment or re-appointment of the Chairman and Chief Executive Officer (or of the Chief Executive Officer, as appropriate) as well as of the Deputy Chief Executive Officer(s) where appropriate;
  - preparing for the future in terms of the membership of the Company's management bodies, particularly by drawing up a succession plan for the executive corporate officers.
- Regarding remuneration:
  - proposing the overall amount of annual remuneration allocated to members of the Board of Directors, which is submitted to the General Meeting for approval;
  - proposing to the Board of Directors the remuneration policy applicable to executive corporate officers (members of the Board of Directors and of the Board Committees, Chairman of the Board of Directors, Chief Executive Officer and, where applicable, Deputy Chief Executive Officer(s)), which is submitted to the General Meeting for approval;
  - proposing to the Board the components of remuneration in accordance with the applicable policy.
- Regarding governance:
  - regularly reviewing the independence of members of the Board of Directors in light of the independence criteria set out in the Afep-Medef Code;
  - managing the annual assessment of the operations of the Board and its Committees;
  - assessing the risks of conflicts of interest between members of the Board of Directors and the Group (in connection with the Ring-fencing Delegate if the ring-fencing system should be applied) and making suggestions to the Board, including as regards any specific ring-fencing arrangement deemed appropriate for handling specific cases;
  - reviewing the anti-discrimination and diversity policy implemented by General Management, notably as regards the principle of gender balance within the Group's managing bodies.
- Regarding sustainable development (CSR):
  - examining the main corporate, environmental and social risks and opportunities for the Group as well as the CSR policy in place;
  - reviewing the reporting, assessment and monitoring systems allowing the Group to prepare reliable ESG data;
  - examining the Group's main lines of communication with shareholders and other stakeholders regarding corporate social responsibility matters;
  - examining and monitoring the Group's rankings attributed by ESG rating agencies.

The Appointments, Remuneration and CSR Committee shall have between three and five members, the majority of whom – including the Chairman – must be independent. Committee members shall be chosen from among the members of the Board of Directors, with the exception of those holding management positions and Members Related to Competitors (as defined in Appendix 1).

The Committee Chairman shall report to or have a report made to Board members regarding the work performed by the Appointments, Remuneration and CSR Committee.

ARTICLE 7 EFFECTIVE DATE – AMENDMENTS

These Rules of Procedure shall enter into effect on the date of their adoption by the Board by a simple majority vote of its members. Any amendments and/or additions to these Rules of Procedure shall be made by a simple majority vote of Board members, it being specified however that any amendments to these Rules of Procedure that result in changes to the definition of the qualified decision-taking majority for any operations involving the disposal of a subsidiary or a business asset individually or collectively representing, over any 12 month period, sales of over (i) €50 million for subsidiaries or business assets operating in the publishing business, (ii) €100 million for subsidiaries or business assets operating in the travel retail business or (iii) €10 million for subsidiaries or business assets operating in the media business (radio and written press), as provided for in article 3 of these Rules of Procedure, must be approved by a majority of three-fifths of the votes of Board members.

These Rules of Procedure shall be communicated to each director prior to his or her taking office.

APPENDIX 1

RING-FENCING

1. INTRODUCTION

French 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.

Exchanges of information between competitors may constitute an illicit agreement when such exchanges reduce, for market participants, uncertainty as to the competitive environment of that market by artificially increasing its transparency or facilitating the coordination of their conduct on the market.

Exchanges of non-public sensitive information between competitors are prohibited. Sensitive information includes, but is not limited to, strategic information about companies active on the relevant market in terms of prices, costs, margins, sales volumes, market share, suppliers and customers, detailed business plans, budgets, major investments or projects, and their performance and results ("**Sensitive Information**").

The measures discussed in this Appendix, known as "ring-fencing", are designed to prevent the exchange of sensitive information and, more generally, any illicit agreements between competitors within the Board of Directors and/or the Board Committees.

2. SCOPE

This Appendix defines the specific obligations and restrictions – besides those provided for in article 4 of the Rules of Procedure, applicable to the members of the Board of Directors appointed on the recommendation of one of the Lagardère group's competitors.

A **competitor** means (i) any company operating directly on one or more product or service markets on which the Lagardère group is also present, (ii) any company belonging to that company's group, and (iii) any individuals who directly or indirectly control such companies or are related to them ("**Competitor**").

For the purposes of this article, companies or individuals are considered as belonging to the same group as a direct competitor of the Lagardère group if they control or are controlled by that company or individual, or if they are directly or indirectly controlled by the same individual as that which controls said company. Control is defined in accordance with Regulation (EC) No. 139/2004.

3. DUTIES OF MEMBERS OF THE BOARD OF DIRECTORS APPOINTED ON THE PROPOSAL OF A COMPETITOR OF THE LAGARDÈRE GROUP

The duties of the members of the Board of Directors appointed on the proposal of a Lagardère group Competitor differ depending on whether they are (i) related to the Competitor by an employment contract, corporate office or directorship, or a significant business relationship ("**Members Related to a Competitor**") or (ii) independent of the Competitor ("**Independent Members**").

3.1 Duties of Members Related to a Competitor

3.1.1 Conflicts of interest

Members Related to a Competitor may not hold any office whatsoever within a direct competitor of the Lagardère group (i.e., a company belonging to the Competitor which itself operates in the same market(s) as the group).

If the Member Related to a Competitor were to hold such an office prior to his or her appointment as member of the Company's Board of Directors, that Member undertakes to promptly terminate said office prior to his or her appointment as a member of the Company's Board of Directors.

This conflict of interests applies throughout the tenure of the Member Related to a Competitor as director on the Board of Lagardère SA, and for a term of one year after the expiry of said term.

At the end of their term of office as members of the Board of Directors of Lagardère SA, Members Related to a Competitor may, if they so wish, ask the Company's Board of Directors to wholly or partly remove the conflict of interest situation defined in sections 9 and 11 above.

The Company's Board of Directors can approve this request by a majority vote of its members, following the joint opinion of its Ring-fencing Delegate and an independent third party, taking into account the term of office of the Member Related to the Competitor, its effective participation in meetings of Lagardère SA's Board of Directors, and any information disclosed to the Member in connection with its office as director.

3.1.2 Duties of Members Related to a Competitor within the Board of Directors

a. Access to information

Members Related to a Competitor receive the documents provided to all members of the Board of Directors (agenda for Board meetings, meeting documentation, data packs, minutes, etc.) but all Sensitive Information with regard to the Competitor which proposed their appointment shall be removed.

In the event that several Members Related to a Competitor receive such documents, the documents are produced in as many versions as necessary for each Member Related to a Competitor to have access to a version where any Sensitive Information with regard to the Competitor which proposed their appointment has been removed.

b. Participation of Members Related to a Competitor in meetings of the Board of Directors

Members Related to a Competitor receive notices of meetings of the Board of Directors and may participate in those meetings, either physically or using a telecommunications link, in the conditions set out below.

Members Related to a Competitor may participate in discussions regarding all matters that do not result in the disclosure of Sensitive Information with regard to the Competitor which proposed their appointment.

Members Related to a Competitor must take leave of the meeting (physically or, where applicable, by switching off the telecommunications link used to participate in the meeting) when the matters discussed within the Board result in the disclosure of Sensitive Information with regard to the Competitor which proposed their appointment.

The agenda for the meeting must enable such matters to be identified prior to the meeting itself, so that the Ring-fencing Delegate, as defined in section 4, or the Chairman of the meeting, can mention it at the beginning of the meeting and then ask the Member Related to the Competitor to leave the meeting, at the appropriate time.

When the agenda for the meeting does not enable such matters to be identified prior to the meeting itself, the Ring-fencing Delegate, the Chairman of the meeting, or any other member of the Board of Directors may request, during the meeting, that the Members Related to a Competitor leave the meeting if Sensitive Information is to be disclosed.

The minutes of the meetings of the Board of Directors shall indicate in this case at what time the Members Related to a Competitor left the meeting.

Any matters discussed by the Board in their absence shall be removed from the minutes of a meeting of the Board of Directors provided to the Members Related to a Competitor.

In the event that a Board meeting deals exclusively with sensitive matters regarding business activities that compete with those of the Competitor, the Members related to that Competitor shall not take part in that meeting and will not be provided with the minutes thereof. The removal or replacement of the Chairman and Chief Executive Officer and the disposal of a subsidiary or business asset that individually or collectively represents, over any 12-month period, sales of over (i) €50 million for subsidiaries or business assets operating in the publishing business, (ii) €100 million for subsidiaries or business assets operating in the travel retail business or (iii) €10 million for subsidiaries or business assets operating in the media business (radio and written press), do not constitute sensitive matters.

c. Participation in discussions

Members Related to a Competitor shall refrain from any voting or deliberations that could influence the Company's strategy and sales policy on the market(s) on which the Competitor which proposed their appointment is present.

As far as necessary, if the Members Related to a Competitor cannot, in application of the above, vote on a decision for which a specified majority of votes of Board members is required in accordance with the Articles of Association or the Board's Rules of Procedure (particularly article 12 of the Articles of Association and article 3 of the Rules of Procedure), their uncast votes shall not be discounted and will be considered as votes against.

d. Duty of confidentiality

Members Related to a Competitor agree not to disclose to any Competitor, or to any person or entity related to that Competitor, any Sensitive Information with regard to the Competitor which proposed their appointment that they may have received upstream, in connection with or following meetings of the Company's Board of Directors.

They also agree not to disclose to any direct competitor of the Lagardère group any information received about the market(s) on which the Competitor which proposed their appointment operates, irrespective of whether or not that information is considered Sensitive Information.

Similarly, Members Related to a Competitor agree not to disclose to the Company's Board of Directors any Sensitive Information regarding the Competitor which proposed their appointment that may have come to their attention owing to their relations with the Competitor.

3.1.3. Restrictions applicable to Members Related to a Competitor within the Board Committees

Members Related to a Competitor may not hold any office within the Committees set up by the Board of Directors.

3.2 Duties of Independent Members

a. Definition of independent

The independent status of a member of the Board of Directors with regard to a Competitor of the Lagardère group is determined by the Appointments, Remuneration and CSR Committee based on the criteria set out in the applicable Afep-Medef Corporate Governance Code.

Independent Members shall promptly disclose any factors that may compromise their independence with regard to the Competitor which proposed their appointment. Pending determination of their independent status by the Appointments, Remuneration and CSR Committee, they undertake to respect the measures applicable to Members Related to a Competitor defined in section 3.1. above.

b. Exemption concerning certain Ring-fencing measures

Owing to their independence with regard to the Competitor which proposed their appointment, Independent Members are exempt from the restrictions and obligations set out in sections 3.1.2 a), b) and c) and in section 3.1.3. above. Accordingly, they may:

- access all of the information disclosed to members of the Board of Directors, including Sensitive Information;
- fully participate in all meetings of the Board of Directors;
- vote on all issues deliberated by the Board of Directors;
- serve as members of all Committees set up by the Company's Board of Directors, with no restrictions.

Independent Members are bound by the strict duty of confidentiality outlined in section 3.1.2. d) above. They shall refrain from disclosing to any Competitor, and to any person or entity related to that Competitor, any Sensitive Information with regard to the Competitor which proposed their appointment that they received upstream, in connection with or following meetings of the Company's Board of Directors.

They also agree not to disclose to any direct competitor of the Lagardère group any information received about the market(s) on which the Competitor which proposed their appointment operates, irrespective of whether or not that information is considered Sensitive Information.

4. IMPLEMENTATION AND SUPERVISION OF RING-FENCING MEASURES

a. Individual compliance with ring-fencing measures

Each member of the Board of Directors appointed on a proposal of a Competitor agrees prior to his or her appointment to comply with the ring-fencing measures provided for in this Appendix, with a personal written agreement, a template for which will be provided to Board members by the Company.

Where a member of the Board of Directors appointed on the proposal of a Competitor fails to comply with the obligations set out in this Appendix, said member shall be automatically removed from office with immediate effect.

b. Ring-fencing Delegate

The Secretary of the Board of Directors shall serve as the Ring-fencing Delegate, and will ensure that the provisions set out in this Appendix are duly applied.

The responsibilities of the Ring-fencing Delegate include:

- removing all Sensitive Information regarding a Competitor from documents provided to members of the Board of Directors, before, during or after Board meetings;
- ensuring that all such Sensitive Information with regard to the Competitor which proposed their appointment has been removed from documents provided to Members Related to a Competitor;

- ensuring that Members Related to a Competitor respect the requirement to leave a Board meeting when any Sensitive Information begins to be discussed;
- ensuring that Members Related to a Competitor do not vote on the matters referred to in article 3.1.2. c) above;
- consulting the Appointments, Remuneration and CSR Committee in the event of doubt as to the independence with regard to a Competitor of an Independent Member appointed on the proposal of a Competitor, and providing it with all useful information for this purpose.

All members of the Board of Directors may request that the Ring-fencing Delegate disclose to an independent third party bound by a duty of confidentiality any information he or she has removed so that the independent third party can ensure that the information removed is not excessive, but appropriate to ensure compliance with French competition law.

The Ring-fencing Delegate also answers any questions that the Company's senior executives, directors or employees may have about the implementation of the measures provided for in this Appendix.

In the event that one or more Board members fails to comply with the ring-fencing measures, the Ring-fencing Delegate shall promptly inform the Chairman and Chief Executive Officer of the Company so that the appropriate steps are taken.

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