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NON-FINANCIAL STATEMENT AND DUTY OF CARE PLAN

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Items appearing in the Annual Financial
Report are cross-referenced
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2.1 THE LAGARDÈRE GROUP BUSINESS MODEL

AFR

Section 1.3 of this Universal Registration Document provides detailed information on the Group's strategy, business lines and model, key figures, markets, and more.

The Lagardère group's overarching objective is to develop the loyalty of its audiences and consumers worldwide through powerful brands that deliver content publishing, production, broadcasting and distribution. The key features of this integrated model of value creation are presented in the chart below.

Business model

A sustainable value creation model

INPUTS AND RESOURCES⁽¹⁾

HUMAN CAPITAL

27,383 employees
45% of women top executives
43% of top executives and managers with more than ten years' service

FINANCIAL CAPITAL

€387 million in business investment
€1,893 million in available liquidity
Leverage ratio⁽²⁾ of **2.9x**

ENVIRONMENTAL AND SOCIETAL CAPITAL

265 GWh tertiary power consumption⁽³⁾
177 kilotons of paper purchased and supplied
21,011 audiobooks available in the Lagardère Publishing catalogue at year-end

BUSINESSES

Lagardère is an international group with operations in more than 40 countries worldwide. It ranks among the world leaders in publishing (Lagardère Publishing) and travel retail (Lagardère Travel Retail)

Lagardère Publishing

Books
e-Books
Board Games and Mobile Games

Lagardère Travel Retail

Travel Essentials
Duty Free & Fashion
Foodservice

Other Activities

Press, Radio and the Elle brand licence
Live entertainment production and venue management
Sports club

VALUE CREATION⁽¹⁾

EMPLOYEE VALUE

14,481 permanent recruitments
307,423 training hours Group-wide
45% of employees with a portion of variable remuneration
69% of workforce with employee representation

FINANCIAL VALUE

€6,929 million in revenue
€438 million in recurring operating profit (recurring EBIT)
€294 million in free cash flow before changes in working capital
€1.30 per-share dividend⁽⁴⁾

ENVIRONMENTAL AND SOCIETAL VALUE

99% of paper purchased and supplied certified or recycled
10.9 tCO₂eq. of emissions per €m of revenue
Lagardère is a member of the S&P Global Sustainability Yearbook 2023

(1) Data at 31 December 2022.

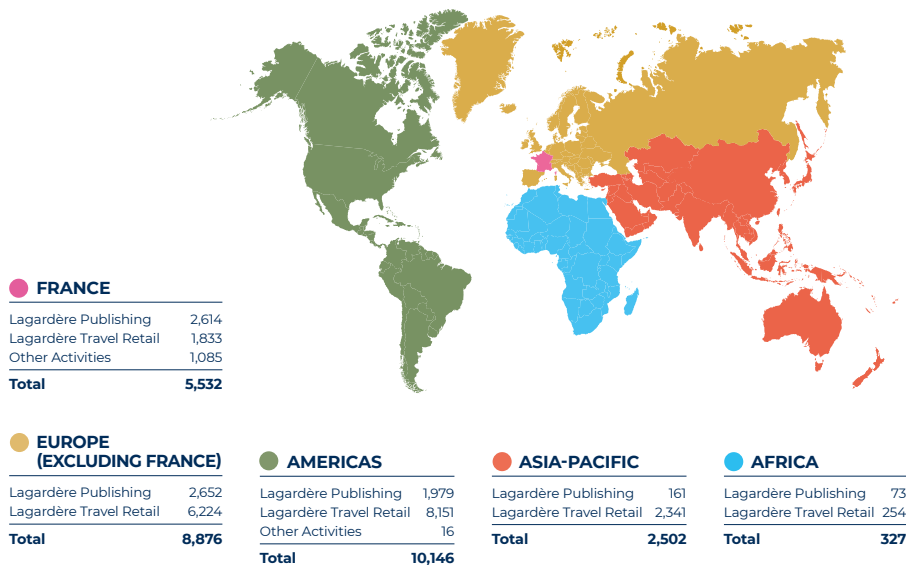
(2) Leverage ratio: net debt/recurring EBITDA.

(3) Oil, gas, electricity and district heating.

(4) Dividend subject to shareholder approval at the Annual General Meeting to be held on 18 April 2023.

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

Workforce by geographic area at 31 December 2022



2.2 CSR POLICIES, STAKEHOLDERS AND GOVERNANCE

AFR

Create purpose. Foster personal fulfilment at work. Combine professional excellence with respect for the planet. Anticipate the needs of a changing society. These challenges are reflected in the Lagardère group's CSR commitments, without compromising on

three internal objectives: comply with increasingly stringent regulatory requirements, make responsibility an integral part of the development strategy and maintain strong stakeholder relations.

2.2.1 CSR POLICY OBJECTIVES

2.2.1.1 ADAPTING CSR TO GROUP STRATEGY

The Lagardère group applies its CSR policy across the Group's various businesses. The CSR roadmap reflects:

- ▶ changes in the Group's activities. The development of activities offering growth potential, as well as changes in the business models of the more historical activities, to the extent that innovation is an essential component that affects the social, environmental and societal impacts of the Group's activities,
- ▶ the Group's increasingly international footprint. The international expansion of the Lagardère group's activities, entry into new emerging markets and the objective of ensuring that growth becomes less centred on France are also factors to bear in mind since they alter the contours of the Group's CSR strategy (inclusion of issues with an international reach, impacts on local communities, promotion of cultural diversity, etc.).

2.2.1.2 COMPLYING WITH INCREASINGLY STRINGENT REGULATORY REQUIREMENTS

The CSR reference framework applies internationally.

In France, non-financial disclosure requirements have become more stringent over the years. This section represents the Group's non-financial statement, published pursuant to articles L. 225-102-1 and R. 225-105 of the French Commercial Code. It also contains the duty of care plan, which is obligatory for parent companies and contracting entities (see section 2.7), as well as Regulation (EU) 2020/852 of the European Parliament, known as the Taxonomy Regulation (see section 2.8).

Internationally, Lagardère applies a number of core CSR documents and principles, such as the International Bill of Human Rights, the ILO's Fundamental Principles⁽¹⁾, the OECD Guidelines for Multinational Enterprises, and the Guiding Principles on Business and Human Rights.

The Lagardère group draws on other guidelines in carrying out its business activities, including ISO 26000, Unesco's Convention on the Protection and Promotion of the Diversity of Cultural Expressions and Unicef's Implementation Handbook for the Convention on the Rights of the Child.

Furthermore, the UN's Sustainable Development Goals (SDGs⁽²⁾) – formulated in 2015 and setting out the societal priorities for building a more sustainable society – have become the reference for CSR best practice. Accordingly, the Group endeavours to build a strategy consistent with those goals that are most relevant to its businesses. Broken out into 17 global development goals on wide-ranging topics including gender equality, climate action, quality education and innovation, the SDGs cover all of the core sustainability priorities for the period through to 2030. They set out a clear framework of standards and shared language for all stakeholders, ensuring synergy and consistency in actions and initiatives at all levels.

Lastly, as in previous years, Arnaud Lagardère, Chairman and Chief Executive Officer of Lagardère SA, has renewed his commitment to the principles of the Global Compact, which the Group has upheld since 2003.

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

(1) International Labour Organization.
(2) Sustainable Development Goals.

With operations on every continent, the Lagardère group is one of the world's leading publishing and travel retail businesses. As an international Group, we need to be rigorous and exemplary in promoting rights and principles that are universally recognised and adopted to ensure that globalisation is respectful of humankind and the environment. This international commitment is expressed through the Group's membership of the United Nations Global Compact, which we joined in 2003, and which encourages businesses to operate responsibly. To reaffirm our commitment, each year we report on the progress made by our Group in the ten principles.

HUMAN RIGHTS

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

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

LABOUR

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

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 5: Businesses should uphold the effective abolition of child labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

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

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

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

FIGHTING CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Arnaud Lagardère

Chairman and Chief Executive Officer of Lagardère SA

2.2.1.3 STRENGTHENING STAKEHOLDER RELATIONS

Authors and other artists, readers and listeners, employees and suppliers, concession granters and the travelling public, customers and investors, consumers and shareholders: Lagardère's various stakeholders – internal, external, general public and industry – are mapped out in the following chart. The Group maintains regular and constructive dialogue with its stakeholders at local and national level in each of the countries where it operates. Dialogue takes varying forms depending on the stakeholder, both at Group level and in each entity. The information provided herein mainly refers to dialogue structured at the level of the listed company, Lagardère SA.

A) EMPLOYEES AND REPRESENTATIVE BODIES

The Group recognises the importance of social dialogue at various levels (sites, entities, subsidiaries, Group) for regular discussion of the operational and/or strategic decisions that best reconcile the company's responsibilities to its employees with its economic interests.

Depending on local regulations and cultures, social dialogue is carried out with independent partners serving as employees' legitimate representatives. Occupational health and safety issues, working conditions and organisational changes impacting the professional environment are among the main topics dealt with.

At Group level, two committees have been formed to address strategic priorities and the overall management of operations in France and internationally: the European Works Council, set up in January 2003, and the Group Employees' Committee, set up in January 2002. Both bodies have regular exchanges with Management about the Group's activities and the changes required to ensure their sustainability.

The Group Employees' Committee comprises 30 employee members who represent the employees of the Lagardère group's French operations. The European Works Council also has 30 members, but drawn from employees of the Lagardère group in Europe. Since the committee's renewal in July 2019, French employees have held 15 seats, with the balance held by representatives from the nine other European countries in which the Group has operations – Austria, Czech Republic, Germany, Italy, Netherlands, Poland, Romania, Spain and the United Kingdom.

The articles of association of the Group Employees' Committee and the European Works Council stipulate that each of these bodies must hold an annual ordinary plenary meeting. In addition to these annual meetings, extraordinary meetings or meetings between committee members and these committees may be held if warranted.

In 2022, Vivendi SE's public offer for Lagardère SA meant that social dialogue was particularly intense and sustained at every level of the organisation.

For the most part, the procedures for informing and consulting employee representatives concerning the public offer and the resulting link-up project were fulfilled during the year through a series of extraordinary meetings of the Group Employees' Committee and the European Works Council. The Group Employees' Committee also appointed a new employee director to the Board of Directors of Lagardère SA, following the retirement of the previous incumbent.

In the subsidiaries, discussions between management and employee representatives focused on the repercussions of the upturn in business following the Covid-19 crisis, the various reorganisations under way and employee queries concerning the Group's planned link-up with Vivendi.

B) NON-FINANCIAL COMMUNITY

Since the creation of the Sustainable Development and CSR Department, Lagardère has maintained frequent and ongoing dialogue with non-financial investment analysts. This continuous engagement, in response to numerous requests from actors such as MSCI, CDP, VigeoEiris, Sustainalytics, ISS-Oekom etc., enables the Group to deliver steady progress in its outcomes with each new rating.

For the fifth year in a row, for example, the Lagardère group was selected for the S&P Global Sustainability Yearbook 2023, in recognition of its commitment, its level of maturity and its best sustainability and ESG practices in 2022. The Group ranked sixth in the "Media, Movies and Entertainment" category out of more than 200 global corporations assessed.

In respect to 2021, Lagardère also obtained the following outcomes:

- Sustainalytics: 2022 "ESG Industry Top-Rated" and "ESG Regional Top-Rated",
- VigeoEiris: ranked second (out of 21) in the Publishing industry.

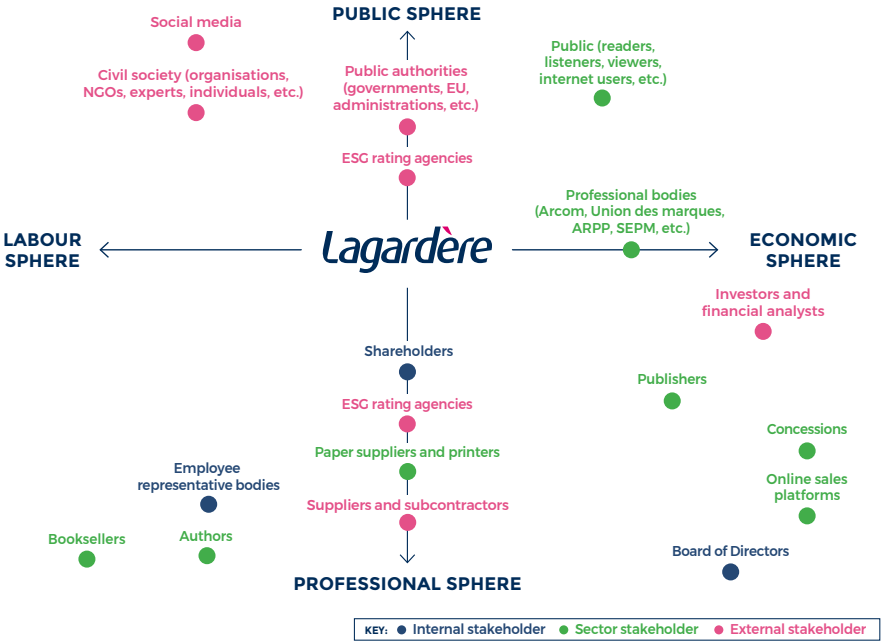
C) STAKEHOLDER PANEL

To take a more innovative approach to stakeholder dialogue, Lagardère set up a stakeholder panel in 2015. This advisory body comprises 13 members (including 12 from outside the Group) who represent the Group's main priorities, business lines and sectors. Chaired by the General Management and facilitated by the Sustainable Development and CSR Department, this panel's meetings have three objectives:

- establishing regular dialogue at Group level between Lagardère and its stakeholders,
- obtaining a better understanding of stakeholders' perception and expectations of the Group,
- supporting Lagardère's forward-looking strategy for its main social, environmental and societal priorities.

The panel has already met eleven times since it was first set up, with the 2022 meeting focusing on the Group's low carbon strategy and related emissions reduction action plans.

Discussions with the panel also enabled the Group to validate the materiality analysis conducted in 2017.



2.2.2 CSR PLAYERS AND GOVERNANCE

Updated in 2020, Lagardère's Code of Ethics is a collection of guidelines setting out the shared standards that all Lagardère employees must abide by. The Code of Ethics is one of the core documents used to define the Group's CSR approach. The Group also bases its strategy on three policies (a social policy, a human rights policy and an environmental policy) used to define its approach and determine its areas of commitment.

From an organisational and cultural perspective, three categories of players are involved in CSR governance within Lagardère: the Group Sustainable Development and CSR Department, the division CSR departments, and the operating entities.

At Group level, the Sustainable Development and CSR Department, which reports to the Secretary General, sets the framework for Lagardère SA's strategy and monitors its rollout and execution within the divisions. It also ensures that the Group's activities are compliant, carries out non-financial reporting campaigns, establishes a consolidated view of the Group's non-financial data, interacts with the rating agencies and investors, manages communication and relationships with stakeholders on all issues concerning Lagardère SA, and takes charge of the cross-divisional projects incumbent on a listed Group.

Within the divisions, the CSR departments propose and lead each division's strategy, in line with the Group's strategy, and coordinate implementation across all subsidiaries and regions. They help the operating entities to identify local challenges and roll out the resources needed to manage them.

The operating entities manage the action plans associated with their activities in order to meet the objectives set by the Group and the divisions. Within this framework, they roll out the systems and programmes provided.

At the same time, the Group Sustainable Development and CSR Department leads steering committees for each of the divisions (two meetings per year), plus an annual cross-division steering committee meeting.

CSR issues are also regularly reviewed by the Board of Directors and specifically addressed by its CSR Committee, which was set up in 2015 under the previous partnership limited by shares. In 2022, the Sustainable Development and CSR Department regularly appeared before the Committee and the Board to report on diversity and gender balance issues, the preparation of non-financial information, the tracking of social indicators and the Group's ESG ratings. In addition, in September, the Sustainable Development and CSR Department presented the Group's entire CSR strategy to the Board, with a focus on the low-carbon strategy and the findings of the climate risk analysis.

2.3 STRATEGY, DEPLOYMENT AND RESULTS

AFR

The CSR roadmap, updated following an initial materiality analysis carried out in 2017, is based on four pillars, including one concerning compliance and governance:

► **Limiting the environmental impact of our products and services**

The Group works towards a pragmatic, environmentally-driven commitment that is relevant to its business activities, focusing on three fronts: climate change, responsible resource management (especially paper and plastics) and an environmentally responsible approach to the food chain.

► **Placing people at the heart of our strategy**

The Lagardère group is committed to a policy of greater diversity and inclusion, and has made the fight against sexism in the workplace one of the major thrusts of its gender balance policy. Meanwhile, its day-to-day involvement in developing its employees' skills also plays a role in attracting and retaining talent.

► **Sharing the social and cultural diversity of our businesses**

The Lagardère group promotes access to education and knowledge while defending freedom of speech, pluralism of ideas and cultural diversity through the content it produces and distributes, as well as through its various partnerships and cultural and social solidarity programmes.

► **Ensuring ethical and responsible corporate governance**

The Lagardère group is committed to growing its business in accordance with the leading quality, compliance and ethical standards, while endeavouring to seize all the opportunities that arise in addressing the related issues.

The Group plans to update the materiality matrix in 2023 as part of the preparation for the Corporate Sustainability Reporting Directive (CSRD), which will come into effect in 2024.

In 2018, the Sustainable Development and CSR Department and the Risk, Compliance and Internal Control Department worked together to implement a methodology for identifying non-financial risks and integrating them into the Group's risk map.

After flagging up nearly 40 non-financial risk events and opportunities divided into four categories – labour impacts, environmental impacts, respect for human rights and fighting corruption – the risk and sustainable development teams analysed them against the materiality matrix.

This cross-analysis helped to narrow the list to 13 non-financial risks and opportunities. After the risks were assigned individual ratings depending on each Group business, they were ranked using the Group's risk scoring methodology and weighted according to revenue.

The map was reviewed and updated in 2020 following the Group's strategic refocusing. This process was additionally an opportunity to review the initial universe and to harmonise the level of granularity of the risks and opportunities identified in order to cast more light on some of them.

This work confirmed the following non-financial areas as carrying risks and opportunities:

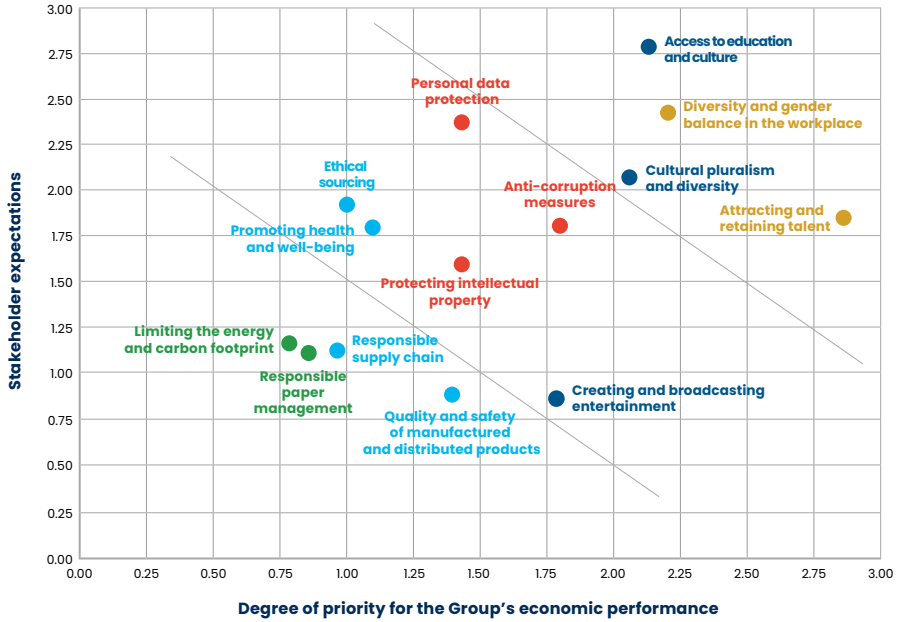
- management of skills and key talent,
- diversity and gender balance in human capital,
- access to and dissemination of education, culture and entertainment,
- fighting climate change,
- resource management, anti-waste measures and the circular economy,
- quality, compliance, hygiene and safety of the products sold,
- respect for privacy,
- respect for fundamental freedoms,
- fighting corruption.

Section 2.3 describes the Group's strategy, its implementation in the business lines and the indicators in place to track progress and areas for improvement. The strategy is also aimed at addressing the risks and opportunities identified in the mapping exercise.

Lastly, it should be noted that, given the nature of Lagardère's business activities, the issues of food insecurity, animal welfare or initiatives to encourage physical activity and sports do not represent major CSR risks for the Group. Nevertheless, they are mentioned in respect to dedicated programmes as part of the aspects described below.










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

Lagardère group materiality matrix



KEY:			
● Contribution to society	● Value of human capital	● Non-compliance costs	● Ethics and quality
● Environmental costs and risks			

Corporate social responsibility cross-reference table

ESG challenges	Non-financial risks and opportunities	Strategy and KPIs	SDG
Placing people at the heart of our strategy	Management of skills and key talent	Chapter 2.3.1.1 KPI: <ul style="list-style-type: none">• Resignation rates• Percentage of top executives and managers with more than ten years of service• Percentage of employees with a portion of variable remuneration• Average training hours per employee• Percentage of employees covered by an engagement survey• Number of work-study trainees and interns hired during the year	
	Diversity and gender balance in human capital	Chapter 2.3.1.2 KPI: <ul style="list-style-type: none">• Percentage of women top executives• Percentage of women managers• Percentage of managers to receive diversity awareness-raising or training during the year• Number of permanent employees classified as disabled at 31 December	 
Sharing the social and cultural diversity of our businesses	Access to and dissemination of education, culture and entertainment	Chapter 2.3.2.1 KPI: <ul style="list-style-type: none">• Number of audiobooks available in the Lagardère Publishing catalogue at year-end• Percentage of e-books available in ePub3 format among new textbooks (level 1 accessibility) in the Lagardère Publishing catalogue at year-end• Percentage of e-books available in ePub3 format among new textbooks that successfully passed the Level 2 Accessibility Check for Epub in the Lagardère Publishing catalogue at year-end	 
Limiting the environmental impact of our products and services	Fighting climate change	Chapter 2.3.3.1 KPI: <ul style="list-style-type: none">• Scopes 1 & 2 carbon emissions per €m of revenue (in tCO₂e)• Scopes 1 & 2 and business travel and commuting carbon emissions per FTE employee (in tCO₂e)	 
	Resource management, anti waste measures and the circular economy	Chapter 2.3.3.2 KPI: <ul style="list-style-type: none">• Total weight of paper purchased directly• Total weight of paper supplied• Total weight of paper purchased and supplied• Percentage of certified paper• Percentage of recycled paper• Percentage of Foodservice revenue in countries with food waste measurement systems or initiatives in place• Percentage of Foodservice revenue from countries that have phased out single-use plastic consumables for food products produced by proprietary brands	 
Ensuring ethical and responsible corporate governance	Quality, compliance, hygiene and safety of the products sold	Chapter 2.3.4.1 KPI: <ul style="list-style-type: none">• Number of countries audited for health and safety during the year• Percentage of countries audited for health and safety at year-end	
	Respect for privacy	Chapters 2.3.4.3 et 2.3.4.4 KPI: <ul style="list-style-type: none">• Number of formal disputes involving discrimination, forced labour, child labour and harassment• Proportion of workforce covered by employee representation at 31 December• Number of work accidents and days' absence due to sick leave• Frequency and severity rate and lost time related to work accidents• Percentage of the workforce at an entity with a health and safety committee• Percentage of the workforce at an entity with regular health monitoring• Percentage of training hours dedicated to health and safety	
	Respect for fundamental freedoms		
	Fighting corruption	Chapter 2.3.4.5	

2.3.1 PLACING PEOPLE AT THE HEART OF OUR STRATEGY

2.3.1.1 MANAGEMENT OF SKILLS AND KEY TALENT

Today's world is changing fast, with new growth models emerging all the time. To keep up, the Lagardère group must attract and support the career development of talented, creative and engaged employees to design innovative products and services and produce high-quality content. The Group's success is a direct result of the skills and expertise of its employees, these skills are valuable resources that are constantly being adapted to maintain the quality and diversity of the workforce.

A.1 STRATEGY

Operating entities manage their employees independently and locally to bring out the best in their human capital. To achieve this, they implement measures to respond to the specific needs of their activities, businesses and environments. In line with the Group's organisational approach, divisions must nevertheless adhere to a set of shared commitments, including an internal talent management policy, that are regularly monitored during the Group's Human Resources meetings held every month.

Developing the professional expertise and individual responsibilities of employees is crucial to the Lagardère group's success. It therefore focuses on developing employees, through **promotion, internal mobility and training**, to enhance their individual employability. Lagardère also provides **guidance and training for young people** by hosting interns and promoting work-study placements and programmes.

It is also Group **policy to use remuneration** and pay rises – contingent on the value employees bring to their position and on variable pay scales that reflect the measure of individual objectives – to recognise and reward employee performance levels, using quantitative and qualitative criteria defined by the subsidiaries.

Lastly, the issues of **engagement** and **quality of worklife** have become increasingly important in recent years, particularly in the wake of the health crisis. The Group's various divisions and entities are gradually structuring their processes by strengthening initiatives already under way for a number of years and by taking new approaches. Work-life balance, physical well-being and employee engagement are core drivers of the Group's strategy in this area.

A.2 APPLICATION TRAINING

In order to offer employees guidance throughout their career, the Lagardère group makes available a large selection of training options in a broad range of fields, including digital technologies, management, communication, health and safety, foreign languages, businesses, etc. Every year, the training hours data highlight the consistency of the Group's training commitment, with 65% of the total allocated to job skills or management practices. These courses are closely correlated to employees' current performance and development potential.

Lagardère Publishing offers employees in all its entities an array of ambitious training and motivational programmes.

Highlights of 2022 included the deployment of courses to support managers in addressing psychological and social risks and the development of new formats for collaborative sessions on engagement, innovation and the environment.

In France, for example, Hachette Livre rolled out a series of courses on inclusive management practices, open to all managers.

In addition, as part of an introductory eco-design curriculum, around 110 Group employees in France attended courses and co-construction sessions on best environmental practices.

Internationally, an innovation challenge was also opened to all Group employees worldwide. The format, which stimulated team creativity, was a huge success, with 170 employees taking part in every Hachette Livre Group host geography.

In France, a major effort was made to deploy an e-learning module that any employee can access to improve their efficiency by activating three interlocking levers: optimising communication, successfully disconnecting and managing priorities.

To enhance buy-in of its fundamentals by international employees, every year, Lagardère Travel Retail organises two motivational events for the Group's executive teams and talented employees. These events offer an opportunity to celebrate the success of Group teams:

- the two-day Hermès Leadership Forum, held in Paris in June, brings together the executive committee teams of every Group entity for a plenary session and issue-orientated breakout sessions,
- the online Global Digital Day enables Group leaders to address around 600 employees in 25 countries, sharing the latest news about the company and its CSR commitments and future projects.



Photo mosaic of Lagardère Travel Retail employees at the Hermès Leadership Forum.

At Lagardère Travel Retail in France, a major effort was made to roll out the skills development plan for head office employees, which featured a wide range of courses on topics ranging from job-specific skills (negotiation techniques, supply chain practices, etc.) to management and leadership skills (roll out of the feedback procedures to all employees), IT applications for the technical teams and personal skills development for employees (public speaking, etc.)

Some of Lagardère Travel Retail's entities also put together a "talent marketplace" enabling employees to share their skills, knowledge and know-how.

Lastly, Lagardère Travel Retail France leveraged its TOKNOW e-learning platform to expand access to training at any time and on a range of devices (smartphone, tablet, etc.). Lagardère Travel Retail France is using digital training to become more agile, productive and proactive. Since 2022, the blended learning approach, under which the best medium is chosen to suit the business and the trainees concerned, became the norm.

307,000 hours of training dispensed across the Group.

INTERNAL MOBILITY

Internal mobility is a key component of human resource management, building on the training and employee skills development initiatives.

Furthermore, the stark differences in the Group's business activities make mobility for operating staff between divisions very challenging. In France, however, the Lagardère group has developed a special process to assess mobility opportunities (mainly in the support functions) and the profiles of transfer applicants. Comprising HR mobility officers, this inter-division committee met five times in 2022, in addition to regular discussions among the members.

At Group level, 1% of vacancies for permanent positions were filled through internal mobility in 2022. While this figure may appear to be low, it was heavily impacted by the high level of employee turnover at Lagardère Travel Retail, mainly among retail sales staff for whom little internal mobility is possible. When adjusted for this factor (recruitments in the "Other employees" category at Lagardère Travel Retail), in 2022, the Group's internal mobility rate came out at 7.7% (versus 6% in 2021).

REMUNERATION

To take into account employees' skill levels, training and responsibility and the specific nature of the business sectors they work in, individual rather than collective pay rises are increasingly common. As such, most of the Group's entities have set up collective performance incentives such as bonuses and variable pay. These practices enable the Group to correlate employee remuneration to the achievement of individual and collective objectives at the level of the subsidiary concerned.

In return for these individually tailored pay measures, to ensure optimum transparency between staff and their management on remuneration, the Group encourages annual interviews, which give employees a better perception of their performance with regard to the requirements of their job.

The Group also seeks to build loyalty among key talent through regular awards of shares in the parent company, Lagardère SA. Every year since 2009, for example, the Group has granted free shares to a large number of managers and young talent (see the special report in section 3.8.9).

QUALITY OF WORKLIFE AND EMPLOYEE ENGAGEMENT

After spreading across every division during the health crisis, working from home developed into a standard procedure in 2022, with an average two days of remote work per week. The option is available to employees in any compatible position, which tends to exclude certain jobs like store sales staff, logistics operators and journalists.

At Hachette Livre, several initiatives to enhance quality of worklife and improve employee work-life balance, health and well-being (massage, coaching and relaxation methods, etc.) have been deployed in the various entities.

Introductory webinars are also regularly offered to employees on time management, disconnecting and the movements and postures that help to prevent musculoskeletal disorders (MSDs). Other courses raise manager awareness of communication challenges, the prevention of psychosocial risks and inclusive management practices. Lastly, Hachette Livre France worked closely with a panel of employees in 2022 to redesign meeting rooms and outdoor spaces in its two main office buildings, to enhance their appeal and encourage collaborative working and creativity.

In the United Kingdom, Hachette UK is also fostering physical well-being in the workplace with its Well-being Employee Network, which organises a number of activities open to all, including softball, netball, running, yoga, Pilates and walks in partnership with the Mental Health Mates network. In addition, the UK subsidiary offers an Employee

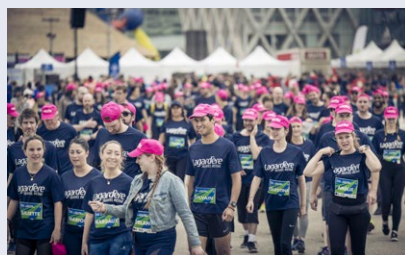
Assistance Programme telephone hotline, which any employee can call, free of charge and anonymously, to access psychological support, legal, financial or medical advice or elderly or child care advice. Lastly, events are regularly organised to raise employee awareness of mental health issues. During Stress Awareness Month and Mental Health Awareness Week, author conferences were organised and Group titles were featured. Hachette UK has also trained some of its staff as Mental Health First Aiders.

Lastly, Hachette Livre France has also deployed systems to address the most extreme situations. At Hachette Livre in 2016, a company-wide agreement introduced a leave donation scheme allowing employees to give paid time off to colleagues so that they could care for their seriously ill child without loss of pay. In 2022, the system was broadened to two new categories: employees who have lost a child under 25 and employees who are caring for a relative with disability or dependence.

During the year, every Lagardère Travel Retail subsidiary conducted an initial or repeat Gallup survey of employees, which measures engagement through 12 questions. Based on the findings, action plans were prepared to address each situation, in a commitment to fostering and encouraging employee engagement. For example, in response to the need for consideration made clear by the survey, Lagardère Duty Free Global, head office of the Duty Free & Fashion business line, encouraged employees to speak up through a "care interview" with their manager to identify sources of discontent and attenuate them with collective and individual action plans.

Lastly, Lagardère group operating entities are deploying a variety of local health and well-being at work programmes, aligned with their particular sensitivities, situation and challenges. In Italy, Lagardère Travel Retail provided cancer awareness training in partnership with LILT and offered women employees check-ups as part of the breast cancer prevention scheme. At the same time, a psychological support hotline was opened, with voice, video and online chat access and all managers were trained in psychological support.

Lagardère Travel Retail Spain and Portugal also nurtured employee well-being and health with such programmes as workshops open to all (healthy eating, health, sleep, stress management, etc.), participation in charity sports events, employee sports challenges, a flu vaccination campaign, access to reduced-rate medical insurance and free annual medical check-ups for every employee.



Lagardère Travel Retail employees during a team-building exercise to support the Action Against Hunger NGO.

A.3 PERFORMANCE**Resignation rates⁽¹⁾ (in %)⁽²⁾**

Division	2022			2021			2020		
	Top executives	Managers	Other employees	Top executives	Managers	Other employees	Top executives ⁽¹⁾	Managers	Other employees
Lagardère Publishing	3.7	8.5	18.9	2.9	7.6	13.5	-	5.1	10.0
Lagardère Travel Retail	15.0	13.3	54.9	8.7	8.8	19.4	-	9.4	21.7
Other Activities	4.1	11.8	14.3	4.2	7.4	10.3	-	8.0	6.3
Group	9.3	10.8	47.3	6.0	9.8	38.9	-	7.2	19.7

(1) Data reported for the first time in 2021.

The significant divergences in the percentage of voluntary departures by division and professional category in the table above mainly reflect local job markets and radically different approaches to work between countries. Stark differences are also found among the subsidiaries.

Voluntary departures are especially common at Lagardère Travel Retail, as retail employees are included in this indicator across a broad scope.

Other performance indicators

Indicator	2022	2021	2020
Percentage of top executives and managers with more than ten years of service	43	44	45
Internal mobility rate	7.7	6.0	7.4
Percentage of employees with a portion of variable remuneration	45	42	46
Average training hours per employee	12.3	13.3	8.6
Percentage of employees covered by an engagement survey ⁽¹⁾	63.0	-	-
Number of work-study interns and trainees hired during the year	989	910	823

(1) Data reported for the first time in 2022.

2.3.1.2 DIVERSITY AND GENDER BALANCE IN HUMAN CAPITALS

Discrimination based on gender, disability, sexual orientation, origin, religion or other factors is an obstacle to the implementation of diversity, which is a key to social harmony and performance. The Lagardère group believes that having a diverse workforce drives creativity and growth.

A.1 STRATEGY

Adapting to local cultures, the diversity of consumers and the increasing number of markets are strategic factors in the development of all Group businesses. Given its wide range of business activities and the broad array of expertise provided by its workforce, the Lagardère group promotes diversity in its subsidiaries, particularly through the commitment of its human resources departments.

First, as stated in its Code of Ethics, Lagardère is opposed to all forms of discrimination based on a person's origin, lifestyle, age, sex, political or religious opinions, trade union affiliation, disability or sexual orientation. It works to apply and promote the ILO's fundamental

principles on eliminating discrimination in respect of employment and occupation and stamping out forced and compulsory labour.

Lagardère's strategy to promote diversity and gender balance has translated these principles into three main focal points:

- gender balance in the Group,
- breaking down stereotypes based on race or social class,
- integrating employees with disabilities.

A.2 APPLICATION**GENDER BALANCE IN THE GROUP**

Women continue to occupy a central position in the Group's workforce. In 2022, for example, they represented **64% of the total permanent workforce** and 60% of managers. Not surprisingly, they also made up the majority of training participants (women took 65% of training hours and accounted for 65% of employees taking at least one training course during the year) as well as the bulk of promotions and pay rises (64% of promotions and 64% of pay rises).

(1) Calculated as (resignations plus recruitments) divided by 2 divided by the workforce at 31 December of the prior year.

(2) Due to the significant level of employee turnover during the year, this indicator is subject to a degree of uncertainty, despite controls conducted on the data representing in 2022 just over 1% of the workforce (versus just over 2% of the 2021 workforce).

The steady increase in the percentage of women in senior management prompted the Group, starting in 2021, to focus its efforts on a smaller number of “top executives”, representing a little more 350 people. Within this revised group⁽¹⁾, the proportion of women has risen from 42% in 2020 to 44% at end-2021 and 45% at end-2022, which was the target set in early 2021 for year-end 2024. The improvement target was therefore met very quickly, two years ahead of schedule

LAGARDÈRE RANKS FOURTH IN THE PROPORTION OF WOMEN ON EXECUTIVE BODIES

The Lagardère group’s commitment to promoting women to senior management positions was recognised in 2022 when it was ranked fourth among the SBF 120 companies in terms of the percentage of women on its executive bodies, thus confirming the very strong, steady pace of improvement in recent years. Introduced in 2013 to track compliance with the Copé-Zimmermann Act, the annual ranking of the 120 largest French corporations illustrates their commitment to the representation of women on their executive bodies and, more generally, to gender equality at work.

One of the ways the Group supports women is through a cross-division mentoring programme led by the LL Network, an employee advocacy group set up in 2018 dedicated to promoting gender balance for all employees in France. In 2023, the fourth class of mentees will benefit from the experience of executives from other subsidiaries. This network is also one of the vectors through which the Group demonstrates its commitment to a range of causes in support of women, such as its endorsement of Women’s Empowerment Principles and its commitment to the #StOpE initiative to put an end to everyday sexism in the workplace.

At Hachette Livre France, an awareness-raising and self-diagnosis web app available to all employees, addressing the fight against sexism and sexual harassment at work, was a resounding success at its 2021 launch. In 2022, a new implicit bias self-assessment application was enhanced with a more thorough range of diversity stereotypes, in addition to sexism. During the year, the subsidiary also reinforced its initiatives promoting gender equality in the workplace by signing a gender equality agreement with employee representatives, in which it undertakes to maintain the full salary of any employee with at least six months’ seniority throughout their entire second parent leave. Note that French law had lengthened this leave from 11 to 25 calendar days (or 28 days in the case of multiple births) but did not mandate payment of the employee’s salary over the period.

In the United Kingdom, Hachette UK has always endeavoured to foster a culture of openness and inclusion in the workplace. In line with this, a number of inclusion and support initiatives have been launched for women during pregnancy, child loss and menopause. These initiatives were rolled out alongside events featuring published authors in order to raise their profile. All these actions are designed to ensure that women have the support they need to sustain fulfilment in their work.

The Group’s weighted equal pay index as calculated based on the scope of its host geographies and the diversity of its customers and consumers.

45% of top executives are women.

BREAKING DOWN STEREOTYPES

The broad diversity of Lagardère’s employees reflects both the variety of its host geographies and the diversity of its customers and consumers.

Diversity and inclusion committees have been gradually set up in the subsidiaries, with a focus on diversifying recruitment channels.

At Group level, regular sensitivity and other training programmes on managing diversity and combating stereotypes are continuing apace, building on the hiring procedure diagnostics conducted until 2019. In France, the human resources departments and executive committees of each division were among the first employees to be given this training course, which has now been extended to all of the Group’s managers. In 2022, 125 managers were trained in France.

Following on from previous years, several initiatives conducted in partnership with non-profit organisations promoting diversity and inclusion were pursued across the Group in 2022. In France, the non-profit organisation Nos quartiers ont des talents (Our neighbourhoods have talent) was supported by sponsors at Hachette Livre and Lagardère News. During the year, Hachette Livre also renewed its three-year partnership with Sciences Po Paris, to provide financial support for the school’s Priority Education Contracts (CEP) and enable division executives to act as mentors to programme participants.

Hachette UK remains at the forefront on combating stereotyping thanks to the Changing the Story programme. For the past five years, it has been working on an increasing number of initiatives, partnerships and employee networks to promote all forms of diversity. In 2019, Hachette UK notably committed to raising the proportion of employees from ethnic minorities to 15% in 2024. This percentage rose to 13.3% in 2022, from 11.5% in 2021 and 7.7% in 2019.

In the United States, Hachette Book Group, which hired a Head of Diversity and Inclusion in 2021, is partnering with organisations to make publishing more inclusive, diverse and accessible to all (see next section for more details).

Lagardère Travel Retail continued its work in 2022 as the Diversity and Inclusion Committee at Paradies (United States), established in 2020, conducted numerous awareness-raising initiatives. Examples include sensitivity training programmes, monthly celebrations of major contributors to North American culture (Black History Month, Pride Month, etc.) and employee bonding events (mentoring, mystery lunches, book club, etc.).

(1) This group includes (i) members of the 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 country entities for Lagardère Travel Retail, and (iv) senior executives for Lagardère Publishing.

INTEGRATING EMPLOYEES WITH DISABILITIES

In France, Hachette Livre, which set up its own Mission Handicap programme in 2015, and was one of the first companies to sign the "Charter for the inclusion of people with disabilities in the workplace", was particularly active on the issue in 2022. After forming a network of Disability Officers in 2021, the entity organised several events including a successful online seminar with feminist author and lawyer Elisa Rojas.



Lagardère Travel Retail teams also took action to address disability issues in Italy, where a Charter for Equal Opportunities was signed in 2021, and in the United Kingdom, where participation in the Disability Confident programme, under way since 2019, was extended to all points of sale in 2022.

Lastly, in France, several Group entities once again took part in the DuoDay event, when people with disabilities can pair off with employee volunteers to visit the workplace for a day. Along the way, they learn about the business, participate in job activities and generally immerse themselves in the working environment.

A.3 PERFORMANCE

Indicator	2022	2021	2020
Percentage of women top executives	45	44	42
Percentage of women managers	60	58	57
Percentage of managers to receive diversity awareness-raising or training during the year ⁽¹⁾	30	16	-
Number of permanent employees classified as disabled at 31 December	406	342	339

(1) Data reported for the first time in 2021.

In addition to the indicators described above, for several years the Group has also closely followed a number of formal disputes

concerning discrimination alleged against one of its entities (see section 2.3.4.4 on respect for fundamental freedoms).

2.3.2 SHARING THE SOCIAL AND CULTURAL DIVERSITY OF OUR BUSINESSES

2.3.2.1 ACCESS TO AND DISSEMINATION OF EDUCATION, CULTURE AND ENTERTAINMENT

Sometimes referred to as the fourth pillar of sustainable development, culture plays a central role in the Group's businesses. As a world leading company fully engaged in society, mindful of social change, and deeply immersed in the worlds of reading, writing, travel and information, Lagardère bears a special social responsibility in this domain. Culture, in all its forms and all its diversity, is the driving force behind the Lagardère group. This is shown in the variety of books published by Lagardère Publishing and the reach of the Lagardère Travel Retail network.

The Group businesses aim not only to instil a love of reading, but also to foster critical thinking, knowledge, openness and learning through a range of content available on various media and in

brick-and-mortar retail spaces. They support people in their everyday lives, helping to satisfy their need to learn, discover, gain knowledge and open up to the world around them

A.1 STRATEGY

Promoting cultural diversity, a plurality of ideas, freedom of expression, critical thinking, the ability to analyse and understand the world, the accessibility of content and the transmission of knowledge are just some of the commitments demonstrated by the Group's operating entities, depending on their particular sensitivities, geographic locations and local situations. This involves, in particular, forming partnerships and deploying new systems.

Lagardère Publishing uses digital technologies to make books accessible to people with reading difficulties. By signing the

Accessible Books Consortium (ABC) Charter, the division has committed itself in France, the United Kingdom and the United States to increasing the number of books in accessible formats, especially those for the blind and visually impaired, or otherwise print disabled. Lagardère Publishing also contributes to democratising and promoting reading and culture through a host of programmes and partnerships.

Meanwhile, Lagardère Travel Retail relies on its store network to organise and/or support a large number of initiatives designed to promote reading and culture.

A.2 APPLICATION

ON ACCESSIBILITY, LITERACY AND THE PROMOTION OF READING AND ENTERTAINMENT

Lagardère Publishing promotes and develops audiobooks in France, the United States and the United Kingdom through its various brands. In the context of opening up the world of reading, audiobooks are especially helpful for visually impaired people, as well as for people who have difficulty reading, such as young people with dyslexia. However, they also have broader appeal in bringing the pleasure of reading to a wider audience, whether for the quality of the narrator's voice, simple convenience or education.

Furthermore, in France, publishing houses simultaneously release novels and essays in print form and in a "natively accessible" digital version (ePub 3 format) so that they are accessible to readers using a Braille keyboard or the text-to-speech audio transcription function on a compatible device. Publishers also submit their works to the Platon platform operated by France's national library (Bibliothèque Nationale de France – BNF) to allow the creation of files adapted by approved bodies.

Several of the Group's Children and Young Adult, Textbooks and Paperback publishers have also signed a partnership to make more than 150 titles (to date) from their catalogues accessible to readers with dyslexia or learning difficulties, in audio or digital formats. Some of them have also developed a print offer for these young audiences.

In addition to its daily activities and involvement via the French Publishers' Union (SNE) in every public event dedicated to combating illiteracy and encouraging reading, Hachette Livre leads many initiatives to promote reading. In France, the most emblematic is Le Camion qui Livre, which embarked on its ninth consecutive year of commitment in 2022. By going out in search of readers on the beaches and, above all, attracting people that might not otherwise have visited a bookshop over summer, this operation ties in with Le Livre de Poche's historical purpose of making reading and culture accessible to all.

In the United Kingdom, Hachette UK, which partnered with the Royal National Institute of Blind People (RNIB) in 2021 to make its entire back catalogue available on the RNIB Bookshare platform, is now a Disability Confident Committed employer and is seeking to earn level 3 Disability Confident Leader status by 2024.

In 2022, among other initiatives, its accessibility network (i) supported the launch of the Inklusion Guide, which summarises best-practice accessibility across hybrid, online and in-person literary events, and (ii) extended its partnership with Calibre, the only UK charity providing free audiobooks for life to anyone living with a print disability. As part of the latter, Hachette UK donated more than 10,000 books to the Calibre audio library.

In the United States, Hachette Book Group runs several initiatives aimed at facilitating access to reading among people with visual impairments or from underprivileged backgrounds and thereby promote a love of reading and writing. This is illustrated by the partnership with the National Library Service for the Blind and Physically Handicapped, through which the American subsidiary is making its entire catalogue of digital books (21,049 titles in 2022)

and audiobooks (7,030 titles in 2022) available free of charge to people with these disabilities.

Hachette Book Group also continues to be a key partner in a nationwide initiative (Book Rich Environments) providing children and whole families with quality books on a variety of topics. The goal of this programme, which is in place throughout the United States, is to foster a love of reading, promote culture and help young people build their own libraries at home. In 2022, Hachette Book Group donated around 15,000 books as part of this partnership.

The subsidiary also pursued, for the tenth year running, its partnership with the Read Ahead programme. This has led a number of employees to help pupils of a state school in New York to practise and improve their reading abilities over a full school year, and more generally to provide mentoring throughout their course.

The American subsidiary continues to support the New Jersey Law and Education Empowerment Project, a college access and success programme serving students and families in the greater Newark area. Specifically, Hachette Book Group contributed to College Bound through coaching and mentoring sessions, thereby providing middle and high school kids with the academic and social skills necessary to succeed in college and beyond.

Lagardère Travel Retail is running a number of campaigns to give reading and culture their rightful place, particularly in France via the Relay store network:

- for more than 40 years, the Relay Traveller Readers' Award has provided a high level of media coverage for the books entered during the year and forged a genuine community of "traveller readers",
- the Relay Magazine of the Year Award, in partnership with the Syndicat des Éditeurs de la Presse Magazine, selects the best magazines of the year and promotes them to a large audience through a major multichannel campaign,
- comics and graphic novels were celebrated at the Angoulême International Comics Festival, to help make these educational cultural products adored by readerships of all ages even more accessible,
- signing sessions were organised in the stores throughout the year,
- the division put a focus on publishers' advertising campaigns to encourage people to read books and magazines.

In 2022, Lagardère Travel Retail France also launched the first Relay Comic Book Award.

Lastly, in France, the Group's main divisions joined forces on two initiatives.

The first is the partnership in the Trophées de l'Édition awards, organised by the magazine *Livres Hebdo*. This exceptional event rewards publishing professionals who contribute to the influence of publishing through their excellence, boldness and creativity.

The second is a joint initiative which sees books, magazines and newspapers donated to hospitals. For more than ten years, during the year-end festive season, teams at more than 100 hospital-based Relais H stores in France have donated books and newspapers to hospital departments, specialised services and libraries, thereby enabling both children and adult patients to enjoy a dose of culture and entertainment, with hundreds of titles available.

At Lagardère Live Entertainment, employees based at the Arkéa Arena (an 11,300-seat multi-purpose venue located in Flourens near Bordeaux) are leading sensitivity initiatives to make culture accessible to all audiences by fostering equal opportunity, diversity and inclusion.

With this in mind, and in line with their participation in World Autism Awareness Day since 2018, the teams wanted to improve their ability to welcome and meet the needs of people with ASD⁽¹⁾ and sensory processing issues. They therefore defined effective reception protocols and tools by working with stakeholders (venue employees, non-profits, specialised educators, families and users) in collaborative workshops and awareness-building sessions (on-site visits, the spectator journey).

In this way, several needs were identified, such as planning ahead for the concert experience to reduce anxiety, encouraging suitable behaviour while waiting for the show to start, dimming noise/lighting in the event of discomfort, managing stress from feelings and emotions, and maintaining communication in all circumstances. In turn, this led to the deployment of a number of initiatives since 4 December 2022 for audiences with special sensory needs.

To improve their experience before the event, people can now book and organise their visit to Arkéa Arena by consulting important recommendations on a dedicated page and FAQs accessible online via computer, tablet or smartphone. To organise the visit and reduce anxiety, an easy-read social scenario can also be viewed and downloaded at any time.

To enhance their show-time experience, on the day of the event, people and their companions can also pick up free sensory kits at the Arena containing items such as headphones, dark glasses, a fidget spinner, a floor plan, a notebook and pencils, earplugs and a conversation card with essential pictograms.

In addition, there is a dedicated entrance next to the ticket office, as well as a rest area in the Infirmary for people in need of a time out.

ON EDUCATION, FREEDOM OF EXPRESSION, DIVERSITY AND PLURALISM

Hachette Livre is a founding member of the PEN International Publishers Circle. PEN International is an NGO formed in 1921 to protect freedom of expression, particularly that of persecuted writers, and to promote literature worldwide. In the three countries where it operates (France, the United Kingdom and the United States), Hachette Livre actively helps to finance PEN and countless other local and national initiatives that seek to protect freedom of expression and publication around the world, support authors and, more broadly, promote the added value of books and reading.

In October 2017, Hachette Livre became a founding investor in Educapital, a European investment fund dedicated to education and training. Educapital identifies and partners innovative start-ups in the education and training sectors, particularly in primary, secondary and higher education segments as well as in extra-curricular activities.

Education also involves raising awareness about the major issues facing society. As the publishing business is primarily driven by the diversity of the books it releases and the ideas it develops, Lagardère Publishing's primary responsibility is to help readers understand the major issues across the world today. In 2018, Hachette Livre bought La Plage, which publishes books by authors specialised in ecological issues. This acquisition has enhanced Lagardère Publishing's variety of catalogue and has provided La Plage with a broader platform for its authors to wave the environmental flag.

In its commitment to fostering cultural diversity, Lagardère Publishing has undertaken a multitude of initiatives in France and other countries.

One example is the JC Lattès "Voix d'Afriques" writing competition, launched in partnership with RFI and the Cité internationale des arts, the third edition of which took place in 2022. Intended for young authors, this prize aims to showcase new African novel-writing talent in French.

Hachette UK set up its Changing the Story programme as part of its objective to promote diversity, social inclusion, equality, accessibility, dissemination of culture, reading and writing. This 360-degree programme involves a range of initiatives (partnerships, workshops, mentoring, fundraising, donations, editorial choices, employee engagement, training, enterprise networks, etc.) designed to make Hachette UK the leading publisher in the United Kingdom. In 2022, Dialogue Books, founded in 2017 as part of Changing The Story, became a standalone division showcasing stories by, about, and for readers from LGBTQI+, disabled, working class, black, Asian and marginalised communities.

Among other initiatives, in 2022 Hachette UK also supported Index on Censorship, a non-profit organisation that defends freedom of expression worldwide, publishes works by censored writers and artists, encourages debate and monitors threats to freedom of expression.

MAKING PUBLISHING MORE INCLUSIVE, MORE DIVERSE AND MORE ACCESSIBLE TO ALL

In late March 2022, Hachette Book Group launched four new philanthropic partnerships to support emerging writers and publishing professionals from under-represented backgrounds. Through customised programmes established in close collaboration with the four partners (The City College of New York, Hurston/Wright Foundation, Lambda Literary and We Need Diverse Books), Hachette Book Group aims to further improve hiring, training, mentoring and support for diverse individuals with a passion for writing and publishing, in order to offer them meaningful careers in the industry.

The breadth of its nationwide network allows Lagardère Travel Retail France to promote the regional and local press through a policy of listing regional dailies and special issues, as well as through customised merchandising in dedicated displays. Over 150 regional press titles are available at Relay. As regards books, tourist guides sold in stores promote local culture. Lagardère Travel Retail France works with the largest national publishers to cover all regions of France, but also with more specific local publishers to offer micro-regional guides suited to a specific store or geographical area.

Perpetuating a tradition dating back nearly 30 years, Lagardère Travel Retail France contributes to freedom of expression. Through its network of Relay sales outlets, the division supports the work of Reporters Without Borders (Reporters Sans Frontières) by promoting the association's three annual publications, free of charge. Moreover, the amount raised from their sale is passed on to Reporters Without Borders in full. Relay also promotes the organisation on its website and in its stores, notably through free advertising space and support for the association's prospective events, for example.

For Lagardère News, 2022 was shaped by the signing of the "climate contract" for Europe 1, Virgin Radio, RFM and Lagardère Publicité News. Mandated by France's Climate and Resilience Act, the contract is designed to encourage and promote voluntary commitments and initiatives in the media and advertising industry concerning (i) the promotion of certain types of products, services, lifestyles and behaviours, (ii) employee awareness-building and training, (iii) editorial content, and (iv) production. However, Lagardère News wished to go beyond mere regulatory industry compliance by extending its commitments to all its business lines, with a focus on

(1) Autism Spectrum Disorder.

the press-related activities. As part of this process, Lagardère News has undertaken to list all the stories reported on air or in the print media dealing with environmental issues, environmental protection and the fight against climate change, as well as the environmental experts involved and the prizes offered on air.

Throughout the year, Lagardère News' media operations helped explain, through their content, opinions and/or partnerships, many topical issues to various audiences.



A.3 PERFORMANCE

Indicator	2022	2021	2020
Percentage of e-books available in ePub3 format among new textbooks in the Lagardère Publishing catalogue at year-end	99	89	72
Percentage of e-books available in ePub3 format among new textbooks that successfully passed the Level 2 Accessibility Check for Epub in the Lagardère Publishing catalogue at year-end ⁽¹⁾	71	-	-
Number of audiobooks available in the Lagardère Publishing catalogue at year-end	21,011	18,889	16,453

(1) Data reported for the first time in 2022.

2.3.2.2 ENGAGED CORPORATE FOUNDATIONS

A.1 STRATEGY

In keeping with its business lines, the Group's approach to corporate citizenship and social involvement in the fields of culture and education is mainly expressed through the Jean-Luc Lagardère Foundation, created in 1989, and the Hachette Foundation for Reading, created in 2022, under the auspices of the Fondation de France.

The Jean-Luc Lagardère Foundation was set up to implement Lagardère's commitment to culture, community and youth. In view of its mission, the Foundation also promotes social patronage in sports, and works in various other fields such as medicine and science – especially in research and through actions at the level of universities and business schools. The Foundation develops a number of programmes to promote cultural diversity, encourage creation and promote access to education and culture for all.

The Hachette Foundation for Reading is dedicated to encouraging reading, writing and, more generally, proficiency in French across every demographic, with particular attention paid to young people and the reading-adverse. In this way, Hachette Livre wanted to expand its role as a vector and enabler of culture – a commitment that is fully aligned with the publishing mission it has pursued for nearly 200 years.

The Lagardère group has also demonstrated a longstanding responsibility to the community and to society at large through its range of brands. As a creator of social ties and fully aware of society's expectations, the Group strives, through various partnership or sponsorship operations conducted directly by its operating entities, to make its philanthropic strategy consistent with the following pillars:

- culture, education, accessibility of content, freedom of expression,
- the fight against hunger and food waste,

- health and medical research,
- social inclusion through sport.

The programmes developed by the foundations and implemented at business divisions therefore address numerous UN Sustainable Development Goals (SDGs), especially 1 to 5, 8 to 12 and 16.

A.2 DEPLOYMENT AND PERFORMANCE

JEAN-LUC LAGARDÈRE FOUNDATION

At the heart of the Lagardère group's commitment to the creation of culture lie the prestigious awards presented by respected panels to talented young people under the age of 30 (or under 35 for certain categories) in the culture and media domains, in the following categories: Documentary Film-maker, Animated Film-maker, Writer, Print Journalist, Bookseller, Musician, Photographer, Film Producer and Television Scriptwriter.

Since the inaugural Jean-Luc Lagardère Foundation awards in 1990, 351 prize-winners (nine in 2022) have received a total of €7,250,000 including €170,000 awarded in 2022.

Several of the Foundation's prize-winners enjoyed great success in 2022. To cite two examples: Victor Castanet (2017 Print Journalist winner), who received the 2022 Albert Londres Book Prize for his major exposé of French care home abuse, *Les Fossoyeurs* (Fayard), and Alice Diop (2009 Documentary Filmmaker winner), whose first feature film, *Saint Omer*, was selected as the French entry for the Best International Feature Film at the 2023 Oscars. It also garnered two awards at the 2022 Venice Film Festival (Silver Lion Grand Jury prize and the Luigi De Laurentiis Award for a Debut Film) and the César for Best First Feature Film at the 2023 César Awards.

The Jean-Luc Lagardère Foundation's prize-winners also regularly participate in other programmes run by the Foundation:

- ▶ as part of the partnership with the French Academy in Rome, Villa Medici, and in particular support of its short-term residencies for artists and researchers from all disciplines (visual arts, photography, comics, screenwriting, etc.), three Foundation prize-winners were hosted for one-month residencies in 2022,
- ▶ as part of a partnership with Studio 13/16 at the Centre Pompidou, a venue dedicated to art and creation for and by young people, three Foundation prize-winners took part in the Studio's multidisciplinary, activist programming. Carolina Arantes (2015 Photographer winner) led a workshop on documentary photography based on highly personal portraits of and by teenagers. Cécile Bontron (2005 Print Journalist winner) and her Argos collective produced reports on overfishing, plastics and organic cotton to offer young people a thought-provoking exploration of our relationship with consumer society. Studio 13/16 also screened *The Real Thing*, a virtual reality film by Benoit Felici (2013 Documentary Author winner) that takes viewers on a tour of architectural copies of famous buildings. The Studio presented it as a possible alternative reality if the world should come to an end. With its sharp focus on youth and artistic endeavour, Studio 13/16 attracted nearly 8,000 young people eager to partake in new creative experiences in 2022,
- ▶ as part of the support for the non-profit organisation *Lire pour en Sortir*, the only national organisation that prepares inmates to re-integrate into society by improving their French language skills with personalised, volunteer-led reading programmes. Meeting with programme participants plays a critical role in helping inmates develop a connection with the outside world. Four times a year in each institution, the organisation offers a group of inmates a chance to meet with an author and discuss a book with him or her. The meetings are prepared in advance with the volunteers and/or teachers and the participants, who are offered the author's book. In 2022, Salomé Berlemont-Gilles (2021 Writer winner) spoke at the Arras prison about her novel *Le Premier qui tombera* (Grasset) and Stéphanie Kalfon (2007 TV Scriptwriter Award winner) met with inmates in the Saint Quentin Fallavier prison to discuss her book, *Les Parapluies* d'Erik Satie (Joëlle Losfeld Éditions). The Jean-Luc Lagardère Foundation provides equal support for the programme Lire en famille, which aims to combat the dislocation of family bonds. It involves detained parents choosing children's books that they practise reading aloud with a volunteer before passing them on to their children in the visiting room.
- ▶ as part of the Foundation's support for the Marathon des Mots festival, an annual event that honours hundreds of writers and artists from around the world, four Writer award winners were invited to participate. Jean-Baptiste del Amo (2011 Writer winner) offered a musical reading of his novel *Le fils de l'homme* (Gallimard) accompanied by a cellist, Marin Fouqué (2019 Writer winner) presented his latest novel *G.A.V.* (Actes Sud), which takes the form of a choral narrative, and Thomas Flahaut (2021 Writer winner) took part in a debate about his novel *Les nuits d'été* (Éditions de l'Olivier). The festival also welcomed the winner of the 2021 Goncourt Prize, Mohamed Mbougar Sarr (2018 Writer winner) for readings and tributes to René Maran and Yambo Ouologuem.

The Foundation also continued its efforts to promote literature and cultural diversity in 2022 by supporting literary events at the Institut du Monde Arabe (IMA). "Une heure avec..." (Entitled An hour with...) this event spotlights an Arabic or French language author around a discussion of the Arab world and the latest in Arabic literature. Since 2018, the IMA's literary events have hosted more than 90 well-known or emerging authors from 16 countries in the Arab world, such as Saudi Arabia, Kuwait, Oman and Sudan. In 2022, the year's rich and eclectic programme invited around twenty writers, including Mahi Binebine, Kaouther Adimi and

Kamel Daoud. In the run-up to the award of the tenth annual Arab Literature Prize, five exceptional meetings were organised with the 2022 finalists in the IMA library.

The support was fully in line with the collaborative spirit that has united the Foundation and the IMA for many years, in particular as regards the Arab Literature Prize. Created in 2013 by the Foundation and the IMA, and one of only a handful of French awards recognising new Arab literature, the 2022 prize went to Tunisian author Yamen Manai for his novel *Bel Abime* published by Elyzad. A special mention was also awarded to the Sudanese writer Hammour Ziada for his novel *Les Noyées du Nil* (Actes Sud).

The Foundation also very much honoured its commitment to promote **access to culture for all** in 2022, through several partnerships and support arrangements:

- ▶ the Divertimento orchestra and its academy, which supports hundreds of young beginners (mainly from priority education zones), as well as professionals, as they discover the symphonic orchestra,
- ▶ the Abbaye aux Dames, la Cité Musicale, and more specifically the Jeune Orchestre de l'Abbaye (JOA), which encourages the professional integration of young musicians at the end of their studies and at the dawn of their career. The JOA is a comprehensive programme combining instrumental training, research and stage experience. Each year sees the organisation of several symphonic workshops led by internationally renowned conductors. In 2022, the workshops were attended by more than a hundred young musicians of around twenty different nationalities. In 2022, the Abbey also welcomed soprano Adriana Gonzalez (2020 Jazz and Classical Music winner), who came to prepare her recording of a recital for two voices, and the rapper Fils Cara (2021 Modern Music winner) for a future musical project.

In addition, the Foundation supported the 11th edition of the Jules Rimet prize, which promotes sports literature. In 2022, it was awarded to British author Mick Kitson for *Featherweight*, whose French translation was published by Métailié. The prize is organised by the Jules Rimet Sports and Culture Association, which also offers creative writing workshops for young people in the Red Star, Olympique Lyonnais, Olympique de Marseille and other football clubs, creating a further opportunity to build bridges between sports and culture.

THE HACHETTE FOUNDATION FOR READING

MISSIONS OF THE HACHETTE FOUNDATION FOR READING:

- supporting projects that help prevent illiteracy and fight against school-leaving, aimed at small children, young people and their families, and enable a broader public to discover the pleasure of reading,
- supporting projects that use reading to foster the social integration, inclusion or acceptance of people who have been excluded or marginalised because they have disabilities, are incarcerated, are excluded from the workforce, are living in precarious conditions or are illiterate.

In 2022, the Hachette Foundation for Reading organised a call for projects, with the goal of selecting a number of initiatives to receive up to €100,000 in funding. The first call brought in nearly 150 applications that were then short-listed by the Foundation team for review by an in-house committee made up of Group employees. The committee interviewed 14 non-profits and selected

eight initiatives that facilitate access to reading and give a broad public a taste for the pleasure of reading.

The eight projects selected for 2022 were:

- ▶ "Jeunes en librairie," championed by Les Libraires d'en haut and deployed in the Hauts-de-France region, encourages young people to visit independent bookstores on their own,
- ▶ "Numook," led by the non-profit organisation Lecture Jeunesse, brings together young people who are at a disadvantage in learning to read and alienated from written culture. Over the school year, they become authors by working as a group on a digital book,
- ▶ "Les Petits Champions de la lecture," a national read-aloud competition for year 5 and 6 students that often lights the spark of reading, even in children who have never read before,
- ▶ the "Labo des histoires" writing workshops are helping to democratise the practice of writing, an important social issue for young people under 25 living in highly fragile social conditions,

- ▶ the "Lire pour en Sortir" programmes prepare inmates to re-integrate into society through reading programmes and group or individual cultural activities in their cells,
- ▶ "Mon sac de livres," run by the Bibliothèques Sans Frontières, offers young refugees enrolled in French schools, years 2 to 7, a bag of five books. Their schoolmates are also given the opportunity to deepen their understanding of mutual aid and support,
- ▶ "La classe ALPHA" at the Thot school enables illiterate young refugees to learn basic French to be able to fend for themselves in social situations.
- ▶ "Quais Solidaires," championed by the Quais du Polar association, seeks to improve accessibility of the Quais du Polar festival for people with disabilities, so that they can enjoy a bespoke experience.

2.3.3 LIMITING THE ENVIRONMENTAL IMPACT OF OUR PRODUCTS AND SERVICES

2.3.3.1 FIGHTING CLIMATE CHANGE

It has now been scientifically proven that increases in the volume and concentration of greenhouse gas emissions caused by human activities are clearly accelerating climate change and that a temperature increase of more than 2°C, compared to the pre-industrial era, could have catastrophic environmental, economic and social consequences. In a sign of the growing recognition of these risks, in December 2015, nearly 200 governments agreed to strengthen the global response to the threat of climate change by "holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels." This consensus is known as the Paris Agreement.

A.1 STRATEGY

CARBON FOOTPRINT

In 2021, the Lagardère group updated its carbon footprint in accordance with Greenhouse Gas Protocol guidance, based on all the direct and indirect emissions from its 2019 scope of reporting. Covering 71% of the Group's 2019 revenue, the update concerned (i) Lagardère Publishing's leading host geographies (France, Spain, North America, the United Kingdom, Australia and New Zealand) but not its Partworks or Board Games activities, and (ii) the three Lagardère Travel Retail business segments (Travel Essentials, Foodservice and Duty Free & Fashion) in France, Italy, the Czech Republic, Switzerland, North America and the Pacific. It also concerned all of Lagardère News activities.

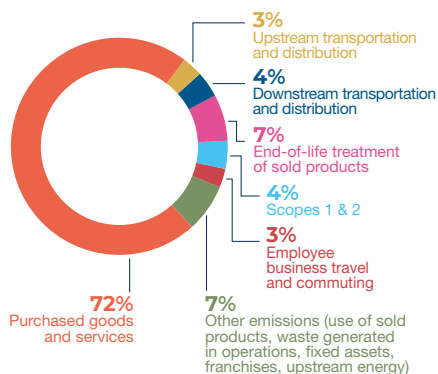
The 2019 footprint (calculated in 2021) was, for certain sources, based on estimates and monetary ratios. The results therefore contain a measure of uncertainty, notably in respect of the average emission factors used, the calculation assumptions applied, and the extrapolations and estimates made.

The update enabled us to estimate the Lagardère group's total emissions at just over 1,457,000 tCO₂e, broken down as follows by business line:

- ▶ 36% for Lagardère Publishing,
- ▶ 59% for Lagardère Travel Retail,
- ▶ 5% for Lagardère News.

Unsurprisingly, Scope 3 (indirect emissions from the supply chain) far outweigh the other sources, at 96% of the total. Scope 1

(direct emissions from fossil fuel combustion by vehicles or heating equipment) and Scope 2 (indirect emissions from the purchase of electricity, building heat and cooling) account for the remaining 4%.



REDUCTION PATHWAY

On the basis of these findings, the Lagardère group crafted an emissions reduction strategy and its supporting action plan.

Lagardère aims to place all its direct and indirect emissions (Scopes 1, 2 and 3) on a pathway in line with the Paris Agreement, i.e., compatible with the overall objective of reaching net-zero emissions (greenhouse gas emissions reduced to a level as close to zero as possible, with any residual emissions being absorbed, for example by oceans and forests) by 2050.

As a result, over the medium term, it is committed to reducing these emissions by almost 30% by 2030 compared with 2019. This is an ambitious objective in absolute terms and based on the latest scientific knowledge of climate change. It may be analysed as follows:

- ▶ a 46% reduction in emissions from operations, which include Scopes 1 & 2 emissions, but also a small portion of Scope 3 emissions, i.e., from employee business travel and commuting (or 7% of total Group emissions),

- a 28% reduction in all other Scope 3 emissions, i.e., emissions from the supply chains (93% of total Group emissions).

In parallel with this emissions reduction strategy, the Lagardère group is aiming to purchase all its direct energy from renewable sources by 2025.

ANALYSIS OF CLIMATE RISKS

Moreover, Lagardère will leverage assessments of the physical and transition risks of climate change to improve the definition of its strategic climate-related objectives. It was with this in mind that the Group performed its first climate risk analysis in 2022.

As a first step in assessing climate risks and opportunities, Lagardère chose the two climate scenarios on which to base the entire analysis process:

- a "Paris-aligned pathway" scenario, assuming global warming of less than 1.5°C in 2100. This scenario, based on the Representative Concentration Pathway (RCP) 2.6 issued by the Intergovernmental Panel on Climate Change (IPCC), requires an assertive commitment from governments and international institutions, high carbon prices (carbon tax, setting a per-ton price for carbon, etc.), keen consumer awareness of climate change and its impacts and, in general, aggressive action to reduce emissions to meet the objectives of the Paris Agreement. It is an ambitious scenario that calls for robust mitigation measures,

- a "continuous pathway" scenario, assuming global warming of around +4°C in 2100. This scenario, based on the IPCC RCP 8.5 scenario, assumes a business as usual approach, with limited commitment, low carbon pricing and a steady rise in carbon emissions without any change in current policies. This is a highly pessimistic scenario that will eventually require adaptation to the physical impacts of climate change.

The analysis was also conducted over two timeframes, 2030 (short term) and 2050 (long term).

Using these scenarios and timeframes, the Group screened all its business activities for the various categories of transition and physical risks identified by the Task Force on Climate Related Financial Disclosures (TCFD).

For the 2030-2050 period, this initial analysis resulted in the identification of **two transition risks, three physical risks and three major opportunities**.

The **two identified transition risks** concern an increase in paper prices and a downturn in air traffic.

The **three main identified physical risks** arise from possible climate hazards (heatwaves, high temperatures, floods, forest fires, extreme precipitation, drought, etc.) that could impact:

- paper supply,
- the supply chain (printing plants, warehouses, etc.),
- railway stations and airports.

All these risks were assessed in terms of their probability of occurrence (see tables below) and their potential financial impact was initially estimated.

Category	Description	Probability of occurrence in 2030	Probability of occurrence in 2030
		1.5°C scenario	4°C scenario
Transition risk	Higher paper prices	Possible	Possible
	Downturn in air traffic	Possible	Very unlikely
Physical risk	Paper supply	Possible	Possible
	Supply chain	Unlikely	Unlikely
	Railway stations and airports	Unlikely	Unlikely
Opportunities	Identifying new growth drivers	N/A	N/A
	Using our position as a content creator to raise awareness and make a difference	N/A	N/A
	Developing new low-carbon products and services	N/A	N/A

Category	Description	Probability of occurrence in 2050	Probability of occurrence in 2050
		1.5°C scenario	4°C scenario
Transition risk	Higher paper prices	Possible	Possible
	Downturn in air traffic	Possible	Unlikely
Physical risk	Paper supply	Possible	Possible
	Supply chain	Possible	Possible
	Railway stations and airports	Possible	Possible
Opportunities	Identifying new growth drivers	N/A	N/A
	Using our position as a content creator to raise awareness and make a difference	N/A	N/A
	Developing new low-carbon products and services	N/A	N/A

The risk of a lack of availability and higher prices for paper raw materials was deemed to be limited, even assuming a very steep increase in costs and a failure to adjust selling prices.

As for the risk of a downturn in air traffic, it was estimated that only a very sharp decline in the short to medium term would have an impact on the Group's earnings. Moreover, such an impact would be mitigated by the high responsiveness of the business lines. Longer term, the modal shift towards decarbonised modes of transport (i.e., the transfer of freight shipments from one transport mode to another or to some other form of locomotion) would enable profitability to remain on target.

With regard to physical risks, the financial analysis focused on heatwaves, which represent the main physical risk for the Group's business activities, particularly for paper supply and railway station and airport infrastructure. For paper, the analysis determined the annual amount of paper purchased from suppliers exposed to high levels of risk. For each railway station and airport, the financial impact was calculated by estimating the ratio between annual sales and the number of days impacted by the climate event.

Exposure to the risk of an increase in heatwaves is more pronounced for paper supply, as Lagardère Travel Retail's broad geographical footprint means that it is less sensitive to heatwaves in any particular location or facility. As such, it could be attenuated by:

- ▶ diversifying the paper supplier base,
- ▶ giving preference to local sourcing,
- ▶ negotiating appropriate rents with concession grantors.

These preliminary estimates of financial impacts are expected to be further refined in 2023.

Lastly, three opportunities were identified:

- ▶ Identifying new growth drivers,
- ▶ Developing new low-carbon products and services,
- ▶ Using our position as a content creator to raise awareness and make a bigger difference.

INFORMING AND EDUCATING ABOUT CLIMATE ISSUES: A PRESSING RESPONSIBILITY

Lagardère has long defended the idea that one of its major responsibilities on the issue of climate change lies in its ability to raise awareness, inform and educate the general public. Helping to improve the growth and sharing of knowledge about climate change, its origins, its causes and the options for reducing its impacts are all social issues that the Group's media outlets regularly cover throughout the year.

A.2 APPLICATION

SCOPES 1 & 2 EMISSIONS AND EMPLOYEE TRAVEL

To address energy use of buildings and employee travel (commuting, business travel and the vehicle fleet), which together account for around 7% of the Group's emissions as reported in its most recent carbon audit, Lagardère will activate cross-functional levers for action across its business base.

For buildings, the Group is seeking to minimise energy consumption in its leased or owned offices, warehouses and stores by undertaking initiatives to improve energy efficiency, including:

- ▶ opting for energy-efficient and/or environmentally certified facilities and upgrading energy management tools. For example, Hachette Livre's head office in Vanves, in the Paris suburbs, has earned HQE NF very high environmental standard certification for commercial buildings, as well as the BBC energy efficiency label, while Hachette UK's new London headquarters has obtained BREEAM certification. In the same vein, the Group will favour the use of buildings heated by electricity or biomass. The Group's office premises are also increasingly being configured for optimal daily energy consumption (LED lighting, occupancy sensors, labelled computer equipment, equipment sharing, etc.).
- ▶ rolling out energy optimisation programmes across the international network of stores operated by Lagardère Travel Retail, involving such actions as switching to LED bulbs and using refrigerators with doors and equipment that consumes less energy.

In continuation of these efforts, in recent years Lagardère has also carried out numerous energy audits on industrial and service sites and within its store network in France. The findings of this work serve to enrich the sites' energy efficiency action plans. Lastly, the gradual application of France's Tertiary Decree and its energy reduction targets will help to improve building energy performance.

The Group also seeks to promote the use of energy from renewable sources. In late 2018, the Group switched to clean electricity to supply all of the sites that it controls in France. The Group now intends to examine the feasibility of extending this approach internationally.

Whenever possible, the Group will also explore the feasibility of installing solar panels on certain sites to enable self-use of the resulting renewable power.

Business travel-related initiatives will focus on:

- ▶ transitioning the car fleet to electric vehicles,
- ▶ offering eco-driving training and optimising routes, mainly for sales staff,
- ▶ redefining travel policies (to limit travel, encourage the use of train and direct flights, etc.),
- ▶ offering employees sustainable mobility packages to encourage them to commute using soft mobility transport, car-pooling and public transit by offsetting part of the cost.

4.2 tCO₂e/FTE employee⁽¹⁾

SCOPE 3

At Lagardère Publishing, the main levers for action identified as part of the Group's emissions reduction strategy concern over-production, paper procurement, printing/binding processes and shipping.

To limit over-production, Lagardère Publishing's teams plan, in particular, to develop systems to optimise inventory visibility across the value chain and forecast sales, and to use the resulting data to set objectives. While reducing the percentage of books pulped each year, the division will lower emissions over the entire book life cycle and therefore in the key factors mentioned above (paper production, printing-binding, shipping and waste).

With regard to paper procurement and printing/binding operations, Lagardère Publishing is committed to applying stricter environmental criteria in selecting suppliers, systematically opting for suppliers with the lowest emissions and setting them annual carbon intensity objectives.

(1) Scopes 1 & 2 emissions and a portion of Scope 3 emissions (from employee business travel and commuting).

Lastly, to reduce the carbon impact of freight, Lagardère Publishing is considering relocating the production of certain products, consolidating international deliveries, using stricter environmental criteria in selecting shippers and working with them to optimise deliveries.

All of these initiatives have already proven to be effective, particularly in the paper traceability and book manufacturing processes. In France, for example, Lagardère Publishing emissions have been cut by nearly 20% over the past 12 years. What's more, for almost ten years now, the initiatives under way have contributed to making it possible to display on every French language book its carbon footprint and the source (certified or recycled) of the fibres used in its paper.

At Lagardère Travel Retail, the primary lever of action concerns merchandise sourcing and the assortments offered across the store base. To activate it, the division will start by promoting a more sustainable merchandise assortment. A more detailed analysis of the merchandise portfolio, supplementing the one initiated during the carbon audit, will be performed in 2023 so that the related emission reductions can be tracked more accurately.

At the same time, the division is preparing a questionnaire for certain strategic suppliers that will help improve its understanding of their strategy and their low-carbon commitments, while encouraging them to take their actions to the next level, where appropriate. In addition, the questionnaires are expected to enable an examination of life cycle assessment issues and provide more accurate knowledge of carbon emissions per product to support merchandise selections.

The medium-term objective would be to roll out these questionnaires to all suppliers.

Lastly, Lagardère Travel Retail is working on purchasing guidelines to raise awareness and support teams so that they can make informed choices of low-carbon merchandise.

A.3 PERFORMANCE

The consumption shown in the table below covers all the activities of the Lagardère group.

The data factor in the direct (Scope 1) and indirect (Scope 2) energy consumption of all the offices, points of sale, stores, warehouses, server rooms, radio broadcasting sites, venues and sports academies used for the Group's activities in all the regions indicated above.

For Lagardère Travel Retail, there is some uncertainty over the exact amount of consumption. The division operates more than 4,800 points of sale worldwide and does not always have access to energy bills detailing the consumption of each point of sale, as energy costs are often included in the charges paid to licensors (airport/station owners).

As a result, operating staff responsible for reporting consumption data for the store network operated in each region are sometimes required to make estimates using average kWh/sq.m./month, data based on the surface area and type of point of sale.

Group tertiary energy consumption, worldwide (in GWh)

Division	Year	Scope 1	Scope 2	Total
Lagardère Publishing	2022	31	32	62
	2021	35	31	66
	2020	35	31	66
Lagardère Travel Retail	2022	12	174	185
	2021	11	149	160
	2020	9	139	148
Other Activities	2022	7	11	18
	2021	6	10	16
	2020	5	10	15
Group total	2022	49	216	265
	2021	52	190	242
	2020	49	180	229

Group GHG emissions, worldwide (in tCO₂eq)⁽¹⁾

Division	Year	Scope 1	Scope 2	Total
Lagardère Publishing	2022	5,679	7,194	12,873
	2021	6,587	7,047	13,634
	2020	6,625	6,765	13,390
Lagardère Travel Retail	2022	2,120	58,749	60,869
	2021	1,895	51,747	53,642
	2020	1,705	47,900	49,605
Other Activities	2022	1,170	787	1,957
	2021	1,080	818	1,898
	2020	854	613	1,467
Group total	2022	8,969	66,730	75,699
	2021	9,562	59,612	69,174
	2020	9,184	55,278	64,462

Indicator	2022	2021	2020
Scopes 1 & 2 carbon emissions per €m of revenue (in tCO ₂ eq)	10.9	13.5	12.8
Scopes 1 & 2 and business travel and commuting carbon emissions per FTE employee ⁽¹⁾ (in tCO ₂ eq) ⁽²⁾	4.2	-	-

(1) Employee travel includes both business travel and commuting.

(2) Data reported for the first time in 2022.

The increase in consumption and emissions in 2022, particularly at Lagardère Travel Retail, was attributable to a recovery in business over the period after two years impacted by the health crisis, which saw the closure of many stores in the Group's host countries. By way of illustration, from 2019 to 2022, energy consumption fell by 10% and GHG emissions by 13% based on a comparable scope of reporting.

In general, the changes in reported energy consumption and greenhouse gas emissions, depending on the division and type of energy, reflect:

- changes in organisational structure, with new entities and/or new buildings entering the environmental reporting scope,
- a better understanding within an entity of the various sources of energy consumption,
- internal organisational changes (often due to refurbishment or renovation works) that may be temporary or permanent, and lead to increases or decreases in energy consumption,
- a change in the emissions factors used to convert energy into CO₂.

The carbon intensity ratio refers to the Scopes 1 & 2 emissions presented above.

The year-on-year improvement in the ratio in 2022 was led by the recovery in business and the growth in revenue over the year.

The second intensity ratio was calculated for the first time in 2022, following the introduction during the year of a dedicated process for reporting carbon emissions from employee business travel and commuting, as well as the Scopes 1 & 2 emissions from mobile sources. Data used for this initial calculation concerned 93% of the Group's full-time equivalent employees.

2.3.3.2 RESOURCE MANAGEMENT, ANTI-WASTE MEASURES AND THE CIRCULAR ECONOMY

The manufacturing of certain products essential to the deployment and development of the Group's activities involve the use of many natural resources. This reliance requires the implementation of mitigation measures to limit the negative environmental impacts generated by these activities. The Group's vigilance on this issue must meet the growing expectations of customers, consumers and other stakeholders.

In this area, the Group's commitments cover three main items, namely paper, food waste and plastic.

Paper is historically the Group's predominant raw material. When produced from renewable sources, paper can be a quintessentially eco-friendly material – if the impacts of its production are managed properly. Like any product, paper leaves an environmental footprint throughout its life cycle, from the forest and purchase of raw materials to production and recycling unsold copies. Paper pulp is a globalised resource that is imported from many countries and transported worldwide. As a result, each of the steps in the paper manufacturing process can combine several sources. This complexity calls for special vigilance, particularly in managing supplies.

In view of the growing importance of the Foodservice business within Lagardère Travel Retail, and the financial, environmental and social challenges related to **food waste**, it is also imperative to take action to encourage production and consumption patterns to embrace more sustainable practices.

Lastly, the fight against **plastic pollution** has also become a priority for the Group's activities, which have begun making tangible progress on this issue since 2020.

(1) The 2021 emissions have been recalculated to take into account the changes made in 2022 to the emission factors used.

In addition to these three major priorities, the Group's subsidiaries are also committed to eco-design and refurbishments of its stores.

A.1 STRATEGY

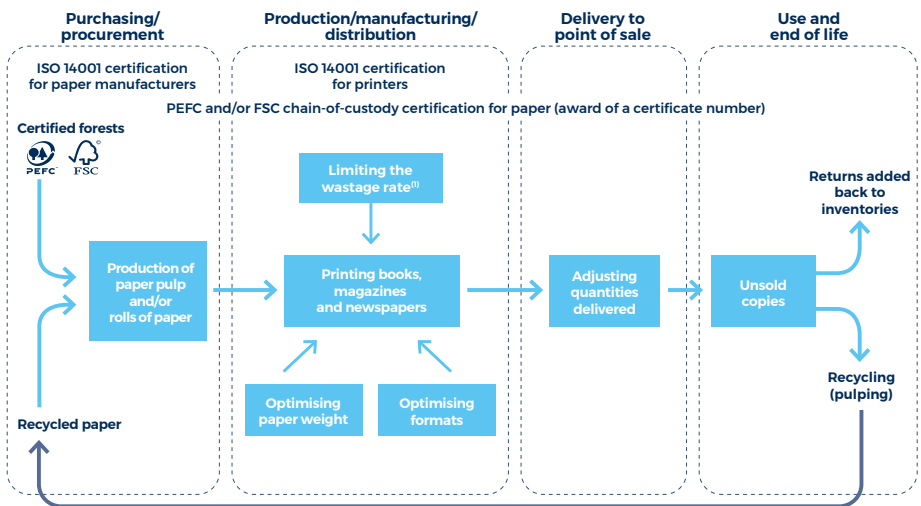
Through its book publishing and press activities, the Group has long led a policy of responsible paper management which applies throughout the paper life cycle. From supply to production to the management of returns, Lagardère works with all its trade partners involved at every stage.

The Group seeks first and foremost to increase from year to year the proportion of purchases of certified paper sourced from sustainably managed forests, in other words those where the amount of wood

cut each year does not exceed the amount of biomass that has grown that same year, thereby guaranteeing the maintenance of the carbon stock in the forest rather than allowing forests to be overexploited or entire areas to be deforested. It also endeavours to use recycled paper wherever possible. Whether paper is purchased directly from paper manufacturers or supplied by the Group's printers, the policy is to prioritise printing on paper certified by the Programme for the Endorsement of Forest Certification (PEFC) or the Forest Stewardship Council (FSC). Buying certified paper also has consequences for the preservation of biodiversity, since the sustainable approach involves controlling forest resources, and also takes into account criteria such as the productive and protective functions of forests, biological diversity, and forest health and vitality.

Paper cycle

The main raw material used to make paper is wood, which is a renewable resource. The wood is processed into a pulp which is used to make reels of paper. The reels are shipped to the printer to be made into books, magazines and newspapers. Once used, these products can be collected and recycled to be used as a raw material for the production of recycled paper pulp.



(1) Wastage rate: percentage of paper lost during the manufacturing process.

Meanwhile, Lagardère Travel Retail is rolling out five initiatives in its operating entities to combat food waste, an issue on which it has made a resolute commitment by implementing appropriate reduction measures.

To fight plastic pollution, Hachette Livre conducted an audit in 2020 and used the findings to devise and deploy an action plan in 2021, with targets for 2023. Meanwhile, Lagardère Travel Retail is working to gradually eliminate single-use plastic from all the outlets operated under its own brands.

At the local level, in each of the relevant business units, the technical teams in charge of paper manufacturing and/or procurement, as well as the operational teams in charge of the stores, support and embody this strategy on natural resources, thereby contributing to the gradual reduction of the negative impact of the Group's operations.

A.2 APPLICATION

PAPER PROCUREMENT

Over the years, initiatives focusing on traceability and monitoring of the quality of paper purchased directly or supplied by printers have made it possible to significantly reduce the proportion of fibres used for publications whose origin cannot be traced and/or to ensure that no fibres are used from forests that are not replanted.

Several measures are implemented alongside responsible paper procurement to control the quality of paper purchased.

Lagardère Publishing asks its suppliers in Asia to ban certain qualities of paper that do not meet the requirements (traceability, fibres from sustainably managed forests, etc.).

Since 2016, Hachette Book Group has run a programme to verify fibres sourced from Asia that are introduced into the paper it purchases. Each quarter, samples of the paper used for publications distributed by the US subsidiary are tested to obtain assurance that the paper purchased from Asian markets is from suppliers that respect their environmental commitments. To do this, Hachette Book Group has contracted a specialist laboratory to test the fibres

of inside pages, cover pages, sleeves and book covers which are selected at random from among the publications printed in Asia. The aim is to ensure that no precious exotic woods are mixed into the weave and that the paper meets the specifications of Lagardère Publishing.

Similar programmes have been implemented in every Lagardère Publishing entity in France, the United Kingdom and Spain. This represents a significant initiative that rounds out and reinforces the subsidiary's policy of purchasing certified and recycled paper.

In 2010, the Group's Press business committed to using only certified PEFC (or recycled) paper printed by certified suppliers, allowing it to place its printers' "PEFC certified" logo on mastheads and in credits.

Recycled paper is very well suited to the production of newsprint. *Le Journal du Dimanche* is printed entirely on recycled paper. However, as the supply of recycled paper for magazines remains limited due to the significant volumes required and small number of suppliers in the market, certified paper is preferred.

The Group's operating staff in charge of paper procurement have for some time run a policy to raise awareness of environmental issues with their paper suppliers and printers, both in France and abroad, by encouraging certification. Consequently, a large majority of the paper purchased by Lagardère Publishing is sourced from ISO 14001-certified suppliers.

MONITORING PAPER CONSUMPTION

Operating staff have adopted a number of initiatives to limit wastage (percentage of paper wasted) during the production process (printing and after-press). The wastage rate is calculated by comparing the amount of paper used in the printing process with the amount of paper delivered in the form of books, newspapers or magazines. This rate varies greatly depending on the printing technology used (type of machine, colours) and the number of books and magazines produced (print run).

As part of the policy for reducing the paper wastage rate, the teams concerned determine the best technical inputs and carry out detailed calculations of the amount of paper to be allocated to the printer. Improving wastage rates is a key factor in negotiations with printers.

Paper consumption and wastage rates are monitored regularly to:

- ▶ validate the choices of printers, optimal printing techniques and paper (optimisation of reel width and paper size),
- ▶ calculate the number of copies of magazines and newspapers to print according to sales statistics,
- ▶ identify new technologies that could be used (rotating rapid-calibration tools, automatic setting of ink devices),
- ▶ implement rigorous printing press control procedures and optimised machine calibration (inking, size of paper cuts, etc.),
- ▶ inform editorial managers of the most economical formats to help them best meet market requirements,
- ▶ define and validate the best paper allocation schedules in conjunction with each supplier,
- ▶ identify areas for continuous improvement in conjunction with suppliers.

Adjusting the format of publications is another way of optimising book and magazine production. Lagardère Publishing offers a large range of single-format textbooks by title that are optimised to reduce the paper wastage rate in production. Choosing a lower grammage can also help to reduce paper consumption. By switching from 80g to 60g paper in 2022, for example, Lagardère Publishing's Spanish subsidiary reduced the amount of paper used in its textbooks.

Print-on-demand technology also helps to reduce paper consumption while limiting greenhouse gas emissions for production, storage and transportation. **The Group has developed the use of this technology in France, the United States and the United Kingdom, and its catalogue continued to expand in 2022.**

In France, Hachette Livre is also using print-on-demand technology as part of a large-scale project launched in association with France's national library, to enable a selection of more than 270,000 works to be made available for purchase via Hachette Livre's network of bookstores. In all, including the national library titles, Hachette Livre's print-on-demand catalogue in France comprises 393,938 works.

WASTE PAPER

At Lagardère Publishing, returns are assessed on editorial, qualitative and economic criteria, after which a substantial proportion are sent back to the imprint's warehouse, so that they can eventually be returned to booksellers. All the others are destroyed **and the pulp reused to make recycled paper**. In the years to come, Lagardère Publishing will continue to encourage print runs that are as close as possible to sales.

The Group's Press activities take action upstream to reduce the rate of returns, optimising the number of copies of each title sent to stores. Returns are an inevitable part of newsstand sales, to manage them as effectively as possible, sales managers use specialist software to constantly fine-tune quantities printed and delivered. Over many years, these actions have reduced rates of returns to below the national average.

99% of purchased and supplied paper is certified or recycled.

FIGHTING FOOD WASTE

With the fight against food waste now a major public policy issue, Lagardère Travel Retail is striving to contribute to it across all of its operating regions by rolling out a certain number of complementary measures to reduce food loss. Optimising production, preserving food, preventing waste, processing uneaten food and transferring unsold products are the cornerstones of the subsidiary's strategy.

To support production optimisation, comprehensive training courses are offered in the country organisations to enable them to align production quantities more effectively with forecast traffic. The gradual deployment of a shared SAP information system is also designed to improve information systems, data reliability and production assumptions. In addition, the country organisations are increasingly featuring fresh, **seasonal and less perishable products**, and favour **on-site preparation** to remain aligned with demand and avoid overproduction. Products are produced regularly, but in quantities sized to match demand. For example, the products produced or purchased by Lagardère Travel Retail's Czech subsidiary are vacuum-packed to extend their shelf life.

Concerning food preservation, in the Netherlands, a product called Slowd – which absorbs ethylene contained in fresh produce, thereby slowing the ripening process and extending shelf life – is used to perfectly preserve fruit, vegetables, herbs and other fresh produce for up to 30 days.

To minimise waste production, a number of initiatives are being deployed:

- ▶ happy hours are organised at the end of the day to limit food loss (Bulgaria, Czech Republic, Poland, Romania, Austria and France). In some countries, customer awareness of the fight against waste is raised through online and in store communication campaigns,

- ▶ the Too Good To Go app enables customers to buy unsold meals online at reduced prices (Germany and France),
- ▶ the “Finì le Gaspi” (No More Waste) programme, which was developed in-house for hospital Relais H cafés in France, offers 50% off any sandwiches and pastries still unsold an hour before closing time. In 2023, the programme will be adapted for use in all the concepts in France,
- ▶ A milk dosing system for hot drinks has been set up at Costa Coffee in the Czech Republic to reduce wastage, as well as to improve food security in view of its short shelf life.

The country organisations have introduced a number of initiatives to reprocess food waste. In the Czech Republic, for example, the coffee grounds generated by Costa Coffee branches are made available to both customers and a gardening association. At UGO juice bars, unused fruit and vegetables are turned into compost.

At the end of the chain, the transfer of unsold goods is a particularly appropriate final link. Whether used for animal feed (unsold food unfit for human consumption) or to assist vulnerable people, the end of life of unsold food serves a social purpose. Operations in the United States, Italy and other countries cooperate with local food banks or non-profits to donate uneaten food. In the United States, “The Good Program” app also supports the distribution of unsold sandwiches to charities every day at close of business. In Romania and the Czech Republic, unsold food is donated to zoos, circuses and animal shelters.

Waste prevention best practices are regularly shared during the monthly meetings with the country organisations. In addition, in March 2022, the country organisations attended a co-construction workshop dedicated entirely to waste prevention, where they reviewed treatment definitions and procedures and discussed tracking tools and best practices.

PLASTIC REDUCTION

Driven by a constant determination to reduce their environmental footprint, the Lagardère group’s subsidiaries successfully made progress on plastic reduction in 2021, despite the persistent challenge of the health situation.

In 2020, Hachette Livre France launched a comprehensive review of its use of plastic throughout its processes. The aim is to obtain a precise measurement of the plastic footprint within the manufacturing and distribution chains. Detailed mapping was carried out to determine the various types of materials and volumes of plastics used in production (banners, lamination or protection for books or boxes, etc.) and logistics (film for securing pallets, packaging, etc.). A comparable review was also carried out on partworks, aligned with the specific nature of that activity.

In 2021, a plastic footprint reduction trajectory and a 2030 action plan were laid out, with the goal of shrinking Hachette Livre France’s plastic use by 25% by 2030. The action plan has four main thrusts: reduction in plastic volumes (elimination of non-essential uses, eco-design), improvement in the material mix (responsible purchasing, choice of plastics sourced from established circular channels), changes in structure to facilitate the rollout of the approach (installation of industrial innovations, involvement of all business lines), and commitment of the ecosystem (interprofessional initiatives, communication, etc.). The plan got under way in France in 2022. A diagnosis and action plan to reduce the use of plastics in operations outside France will be deployed from 2023.

In late 2019, Lagardère Travel Retail decided to eliminate all plastic consumables provided with food products manufactured by its proprietary Foodservice brands worldwide. The initiative was rolled out in France starting in July 2020 and has since been gradually extended to all the host countries.

This major change was possible thanks to rapid action by departments and countries to identify products and suppliers meeting the new specifications so as to facilitate the transition. In tandem with this approach, the division has reviewed the way it uses plastic consumables in order to reduce their volumes and optimise the impact of its commitment in this area.

In 2022, efforts across the store base were focused on finding alternatives to plastic bags, depending on sourcing conditions, robustness and customer perception. In addition, internal and outside packaging experts were consulted to define worldwide guidelines for preferred, acceptable and banned bag materials. At the same time, Lagardère Travel Retail is striving to reduce the volume of bags handed out to customers. Sales people are now instructed to ask if a bag is needed, and if so, a fee will be charged in every country. **in this way, the division is committed to eliminating virgin plastic bags in its proprietary brand outlets by the end of 2023.**

Lastly, Lagardère Travel Retail is taking its fight against plastics in its stores to one of their best-selling products: the plastic water bottle. Discussions are under way with the leading bottled water suppliers in each country to assess the current and possible future composition of the bottles. Leveraging its extensive store network and its partnerships with such international bottlers and distributors as Evian, Nestlé Waters, Coca Cola and Pepsi, the division is strongly encouraging the sale of bottles made entirely of recycled plastic (RPET). Alternatives to plastic bottles are also being tested, including the installation of water fountains in Relay outlets. This initiative will continue to be expanded in future concepts. In the United States, SodaStream fountains will be tested.

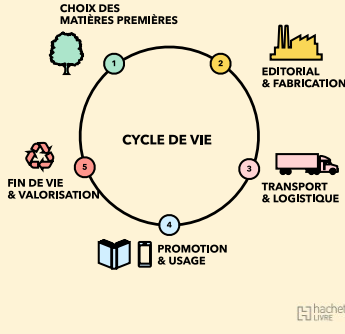
95% of Foodservice revenue in countries that have switched to responsible consumables and banned single-use plastic consumables in proprietary brands.

ECO-DESIGN

Defined as the systematic integration of environmental aspects into every stage of a product’s development process, so that it makes the lowest possible environmental impact throughout its life cycle, eco-design is gradually gaining importance across all the Group’s business activities.

Lagardère Publishing aims to provide all its employees with actionable pathways to eco-design. Each year in France since 2021, Hachette Livre has organised an Eco-design Week, with the goal of introducing or intensifying eco-design practices in its teams. The event resulted in the co-construction of to-do sheets enabling everyone to adopt best practices at each stage of a book’s life cycle from choice of raw materials to editorial, manufacturing, transport, distribution, end of life and recovery. Distributed throughout the division, they are intended to be collaboratively expanded and realigned to address a variety of issues (textbooks, plastics, etc.). In 2022, Hachette Livre France launched its first employee eco-challenge. Open to all, the event showcased eco-designed products and green processes developed by the teams. It also revealed a number of key challenges, such as skills-sharing, education, the deployment of best editorial practices, energy efficient logistics and circularity.

LES RÉFLEXES D'ÉCO-CONCEPTION CHEZ HACHETTE LIVRE



Cover of the Hachette Livre France eco-design card set.

Since end-2021, Lagardère Travel Retail has been working on eco-design solutions for fitting out its points of sale. This has resulted in the opening of two eco-designed stores, the first a Duty Free shop in Geneva, Switzerland, in December 2021 and the second a Travel Essentials store in Singapore in October 2022. This eco-responsible development requires an end-to-end assessment of the store's life cycle, from specifications and choice of materials to the merchandise offering and waste management. The number of fitting out materials used has been reduced, with renewed focus on easy-to-recycle metal and certified wood. This holistic approach helps to reduce the store's carbon footprint.



Eco-designed Aelia Duty Free store at Geneva airport.

STORE REFURBISHMENTS

The refurbishment of Relay stores at Lagardère Travel Retail in France regularly provides an opportunity to adopt anti-waste and circular economy principles. The process involves recovering equipment (coffee grinders, ovens, microwaves, LED projectors, cold cabinets,

ice machines, refrigerated display cases, dishwashers, glasswashers, etc.) or fittings (lockers, counters, consoles, gondolas, furniture, bins, tables, etc.) that are still in good condition, and reusing and reinjecting them back into the network. In the same vein, some Relais H table legs are cleaned and reused with new tops to make new tables. Lastly, the modernisation of all Lagardère Travel Retail stores launched in France in the second half of 2020 includes equipping them with sorting bins (liquid, plastic bottles, organic waste), particularly in its Foodservice units and Relais H outlets.

GO GREEN, THE LAGARDÈRE TRAVEL RETAIL FRANCE EMPLOYEE CHALLENGE TO SUPPORT THE CIRCULAR ECONOMY

The Lagardère group's eco-design commitment intensified in 2022, primarily demonstrated internally by employees and the projects they championed during the year, including the Eco Challenge at Hachette Livre and the Go Green competition at Lagardère Travel Retail. At Lagardère Travel Retail France, the winning project was the Huggy platform, which is designed to give new life to unused store furnishings and create a collaborative community around recycling. The project won over the jury with its threefold impact on employees, customers and concession grantors, as well as its feasibility by mid-2023.

WATER CONSUMPTION

Lagardère Publishing is very aware that paper production uses large amounts of water. As such, it carefully monitors how its paper suppliers and printers optimise water consumption and the release of clean water back into the environment.

Several initiatives (closed loop recycling, isolation transformers) have been taken by the main paper suppliers, resulting in marked progress over the past ten years. The total amount of water used in the paper manufacturing process has been substantially reduced, now standing at nearly half the amount recorded around 15 years ago. By continuously improving their paper manufacturing processes, paper suppliers also recycle most of their wastewater and release clean water back into their natural environment.

Printers have also taken an active approach to limiting water consumption and use all the advanced technology available to them (especially in closed loop rinse water systems) to reduce their consumption and release clean water back into the environment.

To maintain transparency, the Lagardère group monitors its tertiary water consumption. This refers to the amount of water used at all types of physical sites where employees from the different divisions work (offices, warehouses, retail stores, sports training academies etc.).

A.3 PERFORMANCE

Indicator	2022	2021	2020
Weight of paper purchased directly (in kilotons)	140.5	135.1	121.5
Weight of paper supplied (in kilotons)	37.0	44.4	38.5
Total weight of paper purchased and supplied (in kilotons)	177.5	179.5	160.0
Percentage of certified paper	95.5	95.0	94.7
Percentage of recycled paper	3.9	3.9	3.3
Percentage of Foodservice revenue in countries that have a waste measurement system and run waste reduction initiatives ⁽¹⁾	65	49	33
Percentage of Foodservice revenue in countries that have switched to responsible consumables and banned single-use plastic consumables in proprietary brands ⁽¹⁾	95	48	65
Water consumption (cu.m.)	501,684	432,301	503,147

(1) Implementation of initiatives at country level does not mean that they are applied in every point of sale.

2.3.4 ENSURING ETHICAL AND RESPONSIBLE CORPORATE GOVERNANCE**2.3.4.1 QUALITY, COMPLIANCE, HYGIENE AND SAFETY OF THE PRODUCTS SOLD**

All companies have a duty to ensure the health and safety of the people who use their products and services, as well as complying with applicable regulations. These priorities apply in different ways to every subsidiary and activity within the Lagardère group. As an example, both physical products delivered with books and partworks by Lagardère Publishing (accessories, household items, toys, etc.) and food products by Lagardère Travel Retail must be compliant.

Accordingly, Lagardère Travel Retail's Foodservice business requires a heightened focus on food hygiene and safety issues. An incident involving the quality of products sold would not only impact the health and physical safety of consumers but could also jeopardise the Group's credibility and reputation among both customers and partners.

A.1 STRATEGY

Lagardère Publishing works with suppliers possessing quality assurance systems that are generally certified in accordance with ISO 9000 requirements.

In addition, it monitors regulations to ensure that products marketed comply with regulatory requirements, such as those relating to marking, waste sorting information and materials.

Hachette Livre France relies primarily on its Product Safety Committee, which meets several times a year with members from the various divisions to share information on changes in applicable regulations and standards, and on product safety conditions encountered in the course of its business. Product development and manufacturing teams are also regularly trained on product safety issues.

In addition, suppliers select packaging and accessories based on criteria defined by the Group Purchasing Department. Suppliers are contractually committed to only delivering products that meet the applicable consumer health and safety standards.

Lagardère Publishing's international subsidiaries are also subject to the same stringent requirements.

Lagardère Travel Retail, which now offers food at more than 1,100 points of sale in 25 countries, is focusing more closely on food hygiene and safety issues, which are considered to be a priority going forward. Developed with the support of Bureau Veritas and its local network of health safety and brand compliance experts, Lagardère Travel Retail's strategy is based primarily on Food Safety Guidelines drawn up for circulation in all countries. These standards set out the policy along with strict rules that are sometimes more demanding than local hygiene regulations.

In addition to food hygiene and safety, another challenge for the Group is the opportunity to help drive progress on contemporary social issues such as healthy eating, health and healthy diets that are good for both people and the planet. That is why Lagardère Travel Retail is gradually committing to sourcing its products in a more ethical manner. In early 2018, Lagardère Travel Retail pledged that it would no longer sell eggs or egg-based products from caged hens as of 2025 throughout its network worldwide. Then in 2020 in France, Lagardère Travel Retail undertook to source chicken meat only from farms that meet the criteria of the European Chicken Commitment by 2026. This practice will be extended to other countries in the near future.

A.2 APPLICATION

At Lagardère Publishing, suppliers are contractually bound to deliver products compliant with the characteristics defined in the specifications provided to them. In addition, quality control is carried out by the supplier as well as by manufacturers at the various production stages (press slips, printing slips, binding slips, acceptance copies, etc.).

Acceptance copies provided by suppliers are also checked for compliance with defined requirements.

Since the end of 2012 in France, Lagardère Publishing has provided compliance certificates on a dedicated portal to retailers and booksellers for products requiring certification. This is the case for toys, articles suitable for contact with food or electrical and electronic articles.

The Product Safety Committee has also implemented incident and crisis management procedures for product safety which went into effect in early 2015.

Hachette Livre also asks its suppliers to formally commit to respecting the requirements of European regulations concerning chemical substances such as REACH (Registration, Evaluation and Authorisation of Chemicals), CLP (Classification, Labelling, Packaging) and POP (Persistent Organic Pollutants).

In addition, products subject to specific regulations, such as toys, kitchenware, electrical/electronic items and cosmetics, are screened for safety post-development and are controlled by independent laboratories before being marketed to the public. The aim is to verify that the concentration or migration limits of the substances present are well below the levels set by the regulations. Test reports are archived for a period of ten years.

Lastly, in France, as a representative of the French Publishers' Union (SNE), Hachette Livre participates in the deliberations of the toy standardisation committee and, as a result, in the development of European toy safety standards, such as the EN 71 series.

At Hachette Book Group, all products marketed comply with various US regulations, including the Consumer Product Safety Improvement Act (CPSIA) for children's products, in addition to regulations applicable in Canada, the United Kingdom, the European Union, Australia and New Zealand. If a product contains material not typically found in a regular book, safety tests are performed by a third-party testing agency accredited by the Consumer Product Safety Commission. For complex products, design evaluations and preliminary testing of components can take place throughout the product's development phase. For products subject to mandatory safety testing, Hachette Book Group adheres strictly to its testing programme, which requires safety testing of the applicable product at least once every 12 months if there are no changes to its composition. Further testing is required if the manufacturing or product specifications change (country of origin, factory, design, materials). If a recall is necessary, Hachette Book Group follows its quality procedure, under which it notifies the relevant departments and takes the necessary steps to halt the marketing of the product in question.

Similarly, Hachette UK has earned all the required certifications and fully complies with safety legislation in all its geographic markets.

The roll out of Lagardère Travel Retail's strategy is organised around five pillars:

1. Food Safety Guidelines include tools for implementing action plans as well as objectives. In every country, a HACCP⁽¹⁾ food safety management system is in place in the catering operations and packaged food sales. Daily food hygiene and safety checks are performed at each point of sale, following

strict and specific procedures, from the supplier delivery phase to final sale to the consumer,

2. an annual audit plan is conducted at each of the subsidiaries, including in-depth questionnaires for each point of sale and audits for the headquarters of each of the divisions. Eight countries were audited in 2016, ten in 2017, fourteen in 2018 and sixteen in 2019. In 2020 and 2021, the health crisis and the ensuing uncertainties (with in-store trading subject to the various waves of Covid-19 infection and local policies) prevented store audits from taking place. On the other hand, head office audit campaigns were again performed in first-half 2022, with 19 country organisations audited during the year. This work, led by headquarters in France, is rounded out by audits led by the countries themselves, most of which are conducted quarterly, adding up to more than 3,000 audits conducted annually in the Foodservice network,
3. awareness-raising programmes are conducted in all new Foodservice geographies. In 2022, an e-learning module was deployed in Senegal, Mauritania, Chile and the United Arab Emirates,
4. digitalisation of daily checks since 2018 using tablet-based online tools,
5. the WellDone platform (launched in 2019) enables 360° management of operational quality by including a food safety and hygiene section, the findings of all the in-store audits and customer comments on social media. In 2023, deployment of the platform will be completed in the Foodservice business line and pursued in the Travel Essentials segment.

Following the Foodservice business line's commitments on product sourcing and traceability, some countries have already changed their egg supplies in their entirety when local production volumes allow. This is the case in Italy and Austria, for example. Others, such as the Czech Republic, Germany, Spain and the United States have already succeeded in modifying a substantial part of their range and are on track to beat the target of 2025 for the change.

Lastly, alongside the food hygiene and safety issues, the Foodservice business line is becoming increasingly aware of growing demand from contractors and consumers for healthier foods that promote traveller well-being. This has given rise to partnerships with brands that are committed to improving the intrinsic quality of the products or providing locally sourced goods.

In addition, some of the company's own brands, such as Relais H Café (the leading brand in French hospitals) and Natoo (currently present in Italy, Austria, Germany, and Romania), are now spearheading the division's sustainable development strategy, with a very strong emphasis on features such as local products and vegetarian recipes.

A.3 PERFORMANCE

Indicator	2022	2021	2020
Number of countries audited for health and safety during the year	19	0	0
Percentage of countries audited for health and safety at year-end	70	0	0

As explained above, the 2021 and 2020 performance was impacted by the health crisis.

(1) HACCP: Hazard Analysis Critical Control Point.

2.3.4.2 INTEGRATING SOCIAL RESPONSIBILITY IN THE SUPPLY CHAIN

For nearly ten years, the Group has been formally committed to a continuous improvement process to bolster its sustainable procurement strategy and practices.

A.1 STRATEGY

The Group's strategy in this area is based on:

- procurement policies that promote issues such as respect for the environment, diversity and social inclusion, quality of governance and easier access to VSEs and SMEs for the Group's procurement specialists, encouraging them to consider the cash flow constraints of small suppliers and select sustainable suppliers,
- a Responsible Supplier Charter based on a certain number of international standards, such as the OECD Guidelines, the ILO Conventions and the UN Global Compact, which must be signed by new contractors working with a Group company,
- a joint project with EcoVadis to conduct regular assessments of the social, environmental and ethical performance of its suppliers and subcontractors.

A.2 APPLICATION

A map of the Group's risks associated with the activities of suppliers and subcontractors was defined in 2017 as part of the duty of

care plan. This map has strengthened the Group's sustainable procurement strategy by identifying seven major procurement categories that are most likely to generate risks involving personal health and safety, human rights or the environment (see the section on the Duty of Care Plan for further details on these seven procurement categories).

Throughout the year, the Group's operating entities implemented action plans designed to address specific business concerns, in line with the decisions made under the duty of care plan. They primarily focused on suppliers and subcontractors operating in procurement categories at the highest risk level and in countries considered to have the most exposure to CSR risks, and with which procurement spending was most significant.

At Hachette Livre, there are plans for the publisher to initiate on-site compliance audits at the supplier or subcontractor premises, or at any of their production sites, with penalties applied for any infringements. In 2022, for example, independent third party audits were performed at eight supplier production plants in Romania, Morocco, China and Bangladesh. They did not find any critical cases of non-compliance.

In 2021, an indicator was designed by Lagardère to track the assessment of high-risk suppliers, based on the percentage of expenditure relating to suppliers presenting high CSR risks, as assessed by EcoVadis.

A.3 PERFORMANCE

Indicator

Percentage of expenditure related to suppliers presenting high CSR risks as assessed by EcoVadis⁽¹⁾

2022	2021	2020
50	31	-

(1) Data reported for the first time in 2021.

2.3.4.3 RESPECT FOR PRIVACY

With the explosion in the amount of data available online and the surge in cyber-attacks in recent years, personal data protection is a major social issue that requires increased responsibility and vigilance.

Since the adoption of the General Data Protection Regulation (GDPR) applicable in France and all EU Member States as of 25 May 2018, this issue has been brought into the spotlight and to the public's attention, requiring the close involvement of the relevant authorities. Legal precedent has begun to be established, particularly concerning sanctions and the exercise of certain rights such as the "right to be forgotten".

A.1 STRATEGY AND APPLICATION

The Group's information systems contain personal data on Group employees and third parties, in particular, including magazine and partworks subscribers, the travelling public (duty free) and website visitors (media, education).

The Group has been actively implementing the GDPR since 2016 with the full support of General Management. After initial awareness-raising initiatives run by the Group in its divisions as from mid-2016, a dedicated task force was set up at Group level, comprising the Data Protection Officer (DPO), the Group IT Director and the Chief Compliance Officer.

A Steering Committee has also been set up with the divisions under the responsibility of the DPO, and a network of correspondents created in the divisions. This has made it possible to establish a Group policy and to validate the various applications, tools and policies for compiling information on data processed, ensuring that personal data are duly protected and that breaches are managed. On the latter point, the Group Chief Information Security Officer also proactively monitors the Internet to identify content leaks, particularly leaks of personal data.

The GDPR compliance programme is part of the Group's continuous improvement approach, alongside all other risk management and compliance programmes. In 2022, a specific indicator was introduced to better measure the level of IT security related to the processing of personal data. Internal audit assignments are regularly conducted on this programme, which is also regularly monitored by the Group's Audit Committee.

Issues related to the protection of personal data are also described in the Risk Factors chapter, under the heading "Risks associated with data security" (see section 4.1.4.3).

2.3.4.4 RESPECT FOR FUNDAMENTAL FREEDOMS

In an increasingly transparent world, companies are expected to address this issue, which is both an objective and a challenge. Companies exert a direct and indirect influence on the human rights of their employees and contractors, their suppliers' employees, their host communities and the end-users of their products and services. This multiplicity of stakeholders explains why a number of countries have already introduced legislation setting out protective measures to prevent human rights violations by companies, in such areas as labour relations, discrimination, the environment, and health and safety.

For the Lagardère group, human rights issues can be split into three categories.

First, activities in the areas of culture, education and knowledge are linked to and have a positive impact on a number of human rights (right to freedom of opinion and expression, right to education). This positive impact is described in detail in section 2.3.2.

Human rights issues also impact the corporate community and Group employees, with a particular focus on working conditions, employee health, safety and security, and discrimination. In addition to the information above, section 2.3.1.2 goes into further detail on the Group's policy on diversity and gender balance in human capital.

Lastly, the risk of human rights violations is also considered a priority in the supply chain and sustainable procurement, and in the relations that the Group's operating entities maintain with their suppliers and subcontractors. Section 2.3.4.2 describes the Group's policy on relations with its value chain in greater detail.

A.1 STRATEGY

Since it signed the Global Compact in 2003, the Lagardère group has pledged to make respect for human rights and fundamental freedoms a key focus of its sustainable development policy. Although the Group's businesses are service-oriented, which tends to limit its negative impacts, all Group employees take steps to ensure that business development and growth do not conflict with respect for human rights.

In addition, the Lagardère group undertakes to uphold internationally recognised human rights set out in documents such as the International Bill of Human Rights (Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights), the fundamental conventions of the International Labour Organization, and the Guiding Principles on Business and Human Rights (implementing the United Nations "Protect, Respect and Remedy" Framework, or Ruggie Principles).

The Group's Code of Ethics also outlines a set of guiding principles which employees undertake to apply, including individual respect, working conditions and social dialogue – all issues to which the Group is strongly committed.

The Code formally prohibits discrimination and any form of harassment, capital punishment, or mental or physical coercion.

As regards working conditions, the Lagardère group is committed to applying the laws in force governing health, hygiene and safety at work, and to taking all necessary precautions to keep the working environment safe and secure for all. Where there is a risk to life and limb, the Group recognises employees' right to withdraw their labour in accordance with the law. The Group also strives to reduce occupational health risks, ensuring that all employees are sufficiently well-informed to carry out their duties, and committing to maintaining open social dialogue so that issues can be dealt with effectively at the local level.

For a detailed discussion of social dialogue, see section 2.2.1.3.A.

A.2 APPLICATION

Each of the divisions is not only deploying policies to attenuate health, safety and quality of worklife risks, but also a number of initiatives designed to improve employee working conditions through prevention practices, awareness building campaigns and training.

For the past several years, the Lagardère group has monitored indicators covering work-related accidents and their prevention. This has been supplemented by four indicators designed to track reports of possible violations of certain human rights in which one of the Group's operating entities may be directly or indirectly involved, thereby making it possible to measure the level of maturity of Group companies with respect to these issues.

A.3 PERFORMANCE

Indicator	2022	2021	2020
Number of formal disputes involving discrimination	6	9	10
Number of formal disputes involving forced labour	0	1	3
Number of formal disputes involving child labour	0	0	0
Number of formal disputes involving harassment	1	2	10
Percentage of workforce covered by employee representation at 31 December	69	69	72

Number of work accidents and days' absence due to sick leave⁽¹⁾

Division	Number of accidents	Number of days of absence due to work accidents
Lagardère Publishing	130	7,032
Lagardère Travel Retail	186	8,072
Other Activities	22	904
Group total 2022	338	16,008
Group total 2021	242	8,876
Group total 2020	221	10,980

Frequency and severity rate and lost time⁽²⁾ related to work accidents

Division	Frequency rate			Severity rate		
	2022	2021	2020	2022	2021	2020
Lagardère Publishing	10.43	9.29	8.30	0.56	0.32	0.40
Lagardère Travel Retail	5.89	3.35	3.89	0.26	0.13	0.19
Other Activities	13.62	15.77	8.76	0.56	0.67	0.47
Group	7.40	5.27	5.29	0.35	0.19	0.26

Social dialogue and health and safety

Indicator	2022	2021	2020
Percentage of the workforce at an entity with a health and safety committee	87	87	92
Percentage of the workforce at an entity with regular health monitoring	90	92	63
Percentage of training hours dedicated to health and safety	5	9	4

Given the unusual conditions prevailing in 2021, which remained impacted by the health crisis, the reported frequency and severity rates were likely underestimated. These rates are based on a theoretical number of hours worked, generally aligned with a legal framework. However, that theoretical calculation does not fully reflect the furlough measures resulting from the health crisis.

The frequency rate logically increased in 2022 compared with 2021, albeit in a reasonable manner.

Furthermore, several formal disputes⁽³⁾ involving harassment, forced labour and discrimination were recorded in 2022.

Of the seven reported disputes, six concerned discrimination in entities in the United States and the United Kingdom and one concerned harassment in an entity based in France.

Of the total number of discrimination disputes, three were decided in favour of the entity further to arbitration (complaint dismissed by the competent authorities), one was settled out of court and two are pending. The harassment case was still pending settlement at year-end.

2.3.4.5 FIGHTING CORRUPTION

The broad diversity of the business activities of both the Group and the outside organisations with which it interacts, as well as its international operations and/or expansion, exposes the Group to corruption and other risks (see section 4.1.4.2).

A.1 STRATEGY

The Group has adopted a zero-tolerance policy in respect of corruption. This policy is embodied in a dedicated compliance programme that has been gradually rolled out across the Group since 2013. In particular, it is built around an anti-corruption Code of Conduct setting out the Group's ethical standards applicable to everyone.

Overseen by the Group Compliance Department, this document is applied through specific procedures that provide a framework for business activities deemed at risk, as well as control processes to ensure procedures are followed. In addition, an ethics whistleblowing line, effective since 2020, can now be used by all Group stakeholders to report any acts of corruption.

(1) Reported work accidents and days of sick leave include commuting accidents deemed to have occurred in the course of work.

(2) Frequency rate = (number of work accidents resulting in lost time x 1,000,000)/theoretical number of hours worked. Severity rate = (number of days of lost time x 1,000)/theoretical number of hours worked.

(3) Formal dispute means any legal action or claim officially filed with competent authorities.

As such, the Group refuses to promise, offer, authorise, grant, solicit or accept illicit payments or other undue benefits with a view to winning or retaining contracts, illegally influencing the decision-making process, abusing any real or supposed influence on a third party to obtain a favourable decision or any other illegitimate advantage.

A.2 APPLICATION

The anti-corruption programme is designed and coordinated centrally by the Group Compliance Department. It is being deployed and applied by the operating entities.

On the ground, Compliance Correspondents communicate anti-corruption principles through training and provide operational staff with assistance and support in analysing risks, carrying out the necessary due diligence on future partners, taking appropriate measures to prevent the occurrence of acts of corruption and answering questions from employees.

Managers and employees are trained in anti-corruption issues. They are required to comply with regulations in force and to apply the anti-corruption policy in their relations with all third parties, including governments, quasi government bodies, and public and private customers and suppliers. When the Group embarks on external growth transactions, specific due diligence is conducted to identify any corruption risks. Furthermore, the Group prohibits political donations.

Issues related to business ethics are also described in the Risk Factors chapter of this document, under the heading "Business ethics" (see section 4.1.4.2).

A.3 PERFORMANCE

Anti-corruption performance is monitored at several levels:

- ▶ a dashboard is updated each quarter to monitor the implementation of anti-corruption procedures, training provided and actions identified,
- ▶ any significant issues are reviewed by the Financial Committee and undergo specific analysis to measure compliance risks, including corruption risk,
- ▶ internal control procedures cover compliance aspects,
- ▶ lastly, internal audit regularly checks the implementation of the anti-corruption programme at the different entities.

2.3.4.6 OTHER ETHICAL INFORMATION

To prevent tax evasion, the Group takes steps to identify and reduce tax risks, which are reviewed specifically as part of the Group's risk mapping exercise led by the Risk, Compliance and Internal Control Department. In addition, tax policy, risks and disputes are presented periodically to the Audit Committee.

The Group ensures compliance with the applicable regulations of the countries in which it operates as regards tax reporting, calculation and the payment of taxes, levies and duties of all kinds. It complies with its annual country-by-country reporting (CBCR) obligations as regards tax, and underlines the importance of transparency and cooperation with national and local authorities, particularly during tax audits.

The Group is also committed to complying with the principles set out in European directives and by the OECD as regards the fight against tax evasion and the arm's length principle. In particular, it does not transfer profits to countries with more advantageous tax systems. It refuses artificial arrangements or any that could result in tax evasion or avoidance, and establishment in non-cooperative states or territories with regard to French law and the OECD.

Tax issues are dealt with centrally by a Tax Department under the responsibility of the Group's Chief Financial Officer, a member of the Executive Committee. For complex issues or questions bearing on the interpretation and application of standards, as part of major transactions and during tax audits and litigation, it calls on recognised expert external advisors.

2.4 SUMMARY TABLE OF OTHER MONITORED INDICATORS **AFR**

	2022	2021
Employee indicators		
Headcount		
Permanent workforce at 31 December ⁽¹⁾	27,383	25,333
Lagardère Publishing	7,479	6,903
Lagardère Travel Retail	18,803	17,327
Other activities	1,101	1,103
Women	17,586	16,263
Men	9,797	9,070
Employees under 30	8,085	7,140
Employees aged 31-40	7,213	6,638
Employees aged 41-50	5,816	5,572
Employees aged 51 and older	6,269	5,983
France	5,532	5,471
Europe (excluding France)	8,876	8,196
North and South America	10,146	8,763
Asia-Pacific	2,502	2,730
Africa	327	173
Employees on fixed-term contracts ⁽²⁾ , full-time equivalents ⁽³⁾	2,613	1,312
Contract employees ⁽⁴⁾ , full-time equivalents	819	467
Number of temporary hours worked during the year on a full-time equivalent basis	1,012	628
Organisation of working hours		
Full-time employees	22,969	19,852
Part-time employees	4,414	5,481
Social dialogue		
Number of collective agreements in force at 31 December	497	469
Number of collective agreements signed during the year	115	95
% of employees covered by a collective gender equality in the workplace agreement	58	51
% of employees covered by a collective health, safety and working conditions agreement	61	61
% of employees covered by a collective agreement on the inclusion of people with disabilities	39	39
% of employees covered by a collective employee benefits agreement	54	54
% of employees covered by collective working hours agreement	68	70
% of employees covered by a collective training agreement	47	47
% of employees covered by a collective compensation agreement	63	67
Environmental indicators		
Natural gas consumption (in GWh)	47	48
Fuel-oil consumption (in GWh)	2	4
Electricity consumption (in GWh)	207	180
Steam consumption for heating (in GWh)	9	10

(1) Permanent workforce numbers set out here correspond to the number of employees on permanent contracts who were actually in service on the last day of the year concerned.

As employee turnover is high, particularly in Travel Retail, a consistent definition cannot be applied over time to determine the number of employees. This figure reflects some degree of uncertainty (just over 1%) despite the controls performed.

(2) Non-permanent employees = employees on fixed-term contracts.

(3) The FTE figure is obtained by adding together all the employees who worked for the Group over the course of the year, based on their standard working hours and the hours they actually worked over the twelve months concerned. For example, an employee who works half a week for six months of the calendar year is counted as 0.25 FTE (0.50 x 0.50). This measure is more appropriate for analysing the non-permanent workforce, given that a figure at 31 December would not reflect the actual situation over the year as a whole.

(4) Contract employees alternate between periods worked and not worked to meet the employer's specific requirements.

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

2.5 CSR METHODOLOGY AND SCOPE

AFR

2.5.1 SCOPE OF CONSOLIDATION

The reporting system used to collect social, environmental and societal information is deployed in all the consolidated subsidiaries⁽¹⁾ expenditure related to suppliers presenting high CSR risks whose operations are managed by the Group, with the exception of:

- entities sold or deconsolidated during the fiscal year,
- certain entities acquired during the year, for which the reporting system is being rolled out gradually,
- entities meeting certain size criteria: for energy data, premises hosting fewer than 15 employees.

Labour, social and environmental data presented in this document are reported using dedicated software covering all consolidated subsidiaries (subject to the previously-mentioned exceptions).

Taking the global footprint into account and factoring out the energy scope exclusions listed above, data on energy consumption and greenhouse gas emissions cover 99.4% of the Group's workforce at 31 December 2022.

Comparative data from one year to the next are on a like-for-like basis. As such, for 2022, the data for previous years have been recalculated using the scope of consolidation for the 2022 fiscal year as a reference.

2.5.2 REFERENCE LIBRARY FOR INDICATORS AND REPORTING METHODS

Labour reporting follows the Group's Human Resources policy, taking the specific needs of each business line and/or geographic area into account. It is based on a library of more than 150 indicators that have been regularly updated, initially in 2006 and again in 2010.

The library of social indicators was reviewed in detail in 2012 in order to make it easier to understand for contributors and more relevant for the Group's divisions and activities, as well as to take account of the provisions of the implementing order of article 225 of France's Grenelle 2 law.

In 2019, the library of social indicators was once again reviewed to streamline and align it with the changes in the Group's organisation.

Rather than using a Group average approach, frequency and severity rates and lost time due to work accidents are now calculated using the number of theoretical hours worked per year per FTE in each of the Group's entities. This calculation method enables the Group to take account of the business and geographical specificities of each subsidiary and thereby generate more representative results.

Environmental reporting follows the Group's sustainable development policy, also taking the specific needs of each business line and/or geographic area into account.

In 2012, specific work was carried out on the environmental indicator reference library to improve its reliability and especially to make it more relevant in view of the Group's many activities. In 2013, the library was reviewed for the purposes of harmonising the methods used for calculating the proportions of certified and recycled paper contained in paper purchases and supplies.

Data on energy consumption disclosed concern the energy used to produce and supply the goods and services related to the Group's activities in France as well as that used to heat and light the premises and sites where the Lagardère group's employees work (offices, storage warehouses and retail stores). Data on electricity consumption also include electricity used by the radio broadcasting sites that are directly managed by the Group. This information has systematically been reported on a per-building basis since 2015, and on a rolling 12 month basis from 1 October to 30 September since 2020.

With regard to Lagardère Travel Retail's store network, a common reporting line is defined at the level of each country to gather data on electricity consumption (as well as oil and gas, where applicable)

for all points of sale to be consolidated on a country-by-country basis. Energy consumption by equity-accounted entities is included proportionately to the Group's control.

The greenhouse gas emissions data only concern the above-mentioned energy consumption. The emissions are specified for each type of energy (gas, oil, electricity, district heating) and then grouped together by "Scope", i.e., by category of emissions.

Scope 1 includes direct greenhouse gas emissions, and notably direct emissions from fixed sources of combustion (oil and gas).

Scope 2 comprises indirect emissions related to purchases of energy, and notably consumption of electricity and district heating.

The emissions factors used by the Group in its calculations of greenhouse gas emissions and conversion into CO2 equivalents are determined by reference to the "Base Carbone", the French public database of emissions factors needed to establish carbon accounting. These factors are reviewed annually and are an integral part of the reporting procedure review process. As part of the carbon audit carried out in 2021 with the help of Carbone 4, the Group has updated all of its Scopes 1 & 2 emissions factors, in particular to take into account only the combustion portion of energy emissions (the upstream portion is included in Scope 3).

Greenhouse gas emissions are calculated directly by the Group Sustainable Development and CSR Department based on the energy data reported above and in accordance with the methodology set out in the environmental guidelines.

The reporting protocol for societal data, which is mainly based on qualitative questions, has been in place since 2015 and comprises around 15 indicators common to all of the Group's divisions and about 10 indicators specific to certain activities.

Updates to reporting guidelines broadly aim to simplify and facilitate the work of contributors.

The reporting method for social, environmental and societal data follows the same process. Data are entered by a contributor for each Group company included in the reporting scope. This information is then validated/verified by the subsidiary's management (Human

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

(1) The list is provided in note 38 to the consolidated financial statements in this Universal Registration Document.

Resources Department or Finance Department) before being sent to the Group Sustainable Development and CSR Department, which checks the consistency of the data.

Consistency checks aim to ensure the quality and fair presentation of reported data, including comparisons with prior periods, thereby improving the reliability of the reporting system.

Although the Group seeks to make contributors' work as easy as possible, by defining a clear reporting process and factoring in the international nature of its operations and activities (objectives that have been made easier to achieve since the reporting guidelines

were put in place), certain difficulties, sources of uncertainty, may arise during the reporting process:

- inaccurate assessments,
- calculation errors,
- poorly understood questions,
- data entry errors,
- problems defining an indicator,
- problems responding because of legal and/or political reasons.

2.6 REPORT OF THE INDEPENDENT THIRD-PARTY

AFR

Independent third party's report on the consolidated non-financial statement

To the General Meeting,

In our capacity as one of the Statutory Auditors of your Company (hereinafter the "Entity"), appointed as independent third party ("third party") and certified by COFRAC under number 3-1681 (whose scope is available at www.cofrac.fr), we have carried out work designed to provide a reasoned opinion expressing a limited assurance conclusion on the consistency of the consolidated non-financial statement for the financial year ended 31 December 2022 (hereinafter the "Statement") with the provisions of article R. 225-105 of the French Commercial Code (*Code de commerce*) and on the fairness of the historical information (observed or extrapolated) provided pursuant to article R. 225-105 I, 3 and II of the French Commercial Code (hereinafter the "Information"), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), presented in the management report pursuant to the provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

CONCLUSION

Based on our work, as described in the section "Nature and scope of our work", and the information collected, nothing has come to our attention that causes us to believe that the consolidated non-financial information statement is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly and in accordance with the Guidelines.

PREPARATION OF THE NON-FINANCIAL STATEMENT

The lack of a generally accepted and commonly used reference framework or established practice on which to base the assessment and measurement of the Information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities over time.

Therefore, the Information should be read and understood with reference to the Guidelines, the main elements of which are presented in the Statement.

LIMITATIONS INHERENT IN THE PREPARATION OF INFORMATION

As stated in the Statement, the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Certain information presented in the Statement is sensitive to methodological choices, assumptions and/or estimates made in its preparation.

ENTITY'S RESPONSIBILITY

It is the responsibility of the Board of Directors:

- to select or establish appropriate criteria for the preparation of information,
- pursuant to legal and regulatory requirements, preparing the statement, which must include a presentation of the business model, a description of the principal non financial risks, a presentation of the policies implemented in light of those risks, the outcome of said policies, including key performance indicators, and the information provided for in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy),
- to put in place such internal controls as it determines necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared in application of the Entity's above-mentioned Guidelines.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French Commercial Code,
- the fairness of the information provided in accordance with article R. 225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

As it is our responsibility to express an independent conclusion on the Information as prepared by management, we are not authorised to be involved in the preparation of the Information as this could compromise our independence.

It is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly the information required by article 8 of Regulation (EU) 2020/852 [Green Taxonomy] the French duty of care law and anti-corruption and tax evasion legislation),
- the fairness of the information required by article 8 of Regulation (EU) 2020/852 (Green Taxonomy),
- the compliance of products and services with the applicable regulations.

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

APPLICABLE REGULATORY PROVISIONS AND PROFESSIONAL STANDARDS

The work described below was performed in accordance with the provisions of articles A. 225-1 *et seq.* of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNC") applicable to such engagements, and with ISAE 3000 (revised)⁽¹⁾.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of article L. 822-11 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements, and the French professional standards for Statutory Auditors applicable to such engagements.

MEANS AND RESOURCES

Our verification work mobilised the skills of five people and took place between October 2022 and March 2023 over a total duration of intervention of seven weeks.

To assist us in our work, we called on our specialists in sustainable development and corporate social responsibility. We conducted three interviews with the people responsible for preparing the statement, representing the Sustainable Development and CSR, Human Resources, Technical and Purchasing departments.

NATURE AND SCOPE OF THE WORK

We planned and performed our work taking into account the risks of material misstatement of the Information.

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion:

- ▶ we obtained an understanding of all the consolidated entities' activities and the description of the principal associated risks,
- ▶ we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate,
- ▶ we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code as well as regarding compliance with human rights and anti-corruption and tax evasion legislation,
- ▶ we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of said Code,
- ▶ we verified that the Statement presents the business model and the principal risks associated with the activity of all entities included in the scope, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes

thereof, including key performance indicators associated to the principal risks,

- ▶ we referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1. Our work was carried out on the consolidating entity and on a selection of entities, as follows: Lagardère Travel Retail China, Lagardère Travail Retail Hong Kong, Lagardère Travel Retail Czech Republic, Hachette UK and Hachette UK Distribution,
- ▶ we verified that the Statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code,
- ▶ we obtained an understanding of internal control and risk management procedures the Entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information,
- ▶ for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
 - tests of details, using sampling techniques or other methods of selection, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 13% and 19% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (17% of the workforce, 13% of the tertiary energy consumption, 19% of the paper purchased and supplied),
- ▶ we assessed the overall consistency of the Statement based on our knowledge of all the entities included in the scope of consolidation.

The procedures carried out for a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with professional standards in France, a higher level of assurance would have required us to carry out more extensive procedures.

French language original signed at Paris-La Défense, on 10 March 2023

Independent third party

EY & Associés

Thomas Gault

Partner, Sustainable Development

(1) ISAE 3000 (revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Appendix 1: information considered most important

Social Information	
Quantitative Information (including key performance indicators)	Qualitative Information (measures or outcomes)
<p>Overall voluntary departure rate, and the rate by socio-professional category.</p> <p>Number and percentage of women top executives.</p> <p>Average training hours per permanent employee during the year.</p> <p>Work-related accident frequency rate.</p>	<p>Actions implemented to ensure diversity and gender balance of human resources.</p> <p>Outcomes of the internal talent management policy.</p> <p>Work-related accident prevention measures.</p>
Environmental Information	
Quantitative Information (including key performance indicators)	Qualitative Information (measures or outcomes)
<p>Total weight and proportion of certified and recycled paper (Lagardère Publishing).</p> <p>Tertiary energy consumption.</p> <p>Scopes 1 & 2 carbon emissions per euro of revenue.</p> <p>Scope 3 carbon emissions related to business travel and commuting.</p>	<p>The certified and recycled paper purchase process (Lagardère Publishing).</p> <p>Structuring of the climate strategy, including analysis of significant greenhouse gas emissions and actions put in place to combat climate change.</p>
Societal Information	
Quantitative Information (including key performance indicators)	Qualitative Information (measures or outcomes)
<p>Proportion of e-books available in ePub3 format among new textbooks in the Lagardère Publishing catalogue at year-end (Lagardère Publishing).</p> <p>Percentage of Foodservice revenue in countries that have switched to responsible consumables and eliminated plastic consumables in proprietary brands (Lagardère Travel Retail).</p> <p>Percentage of Foodservice revenue in countries with food waste measurement systems or initiatives in place (Lagardère Travel Retail).</p> <p>Percentage of expenditure related to suppliers presenting high CSR risks as assessed by EcoVadis at 31 December 2022.</p>	<p>Actions implemented to improve access to and dissemination of education, culture and entertainment (Lagardère Publishing).</p> <p>Actions implemented to optimise waste management and reduce the use of plastic consumables (Lagardère Travel Retail).</p> <p>Assessments of the social, environmental and ethical performance of Group suppliers and subcontractors.</p>

2.7 APPLICATION OF THE DUTY OF CARE LAW FOR PARENT COMPANIES

AFR

2.7.1 MAIN POINTS OF THE DUTY OF CARE PLAN

For more than 20 years, the Lagardère group has striven to carry out its businesses while strictly adhering to a certain number of universal principles. The Group's first Code of Ethics dates from 1994 and was subsequently revised in 2005, 2012, 2016 and 2020. It sets out guidelines on integrity and professional conduct for all employees of the Lagardère group. The issues of human rights and fundamental freedoms, and of the health and safety of people and the environment are integral to the principles covered by the Code.

A cross-disciplinary working group was set up in the second half of 2017 to prepare the Group's compliance with French law 2017-339 of 27 March 2017 on the duty of care for parent companies and their contractors. Under the supervision of the Sustainable Development and CSR Department, this committee drew together representatives from all divisions, as well as representatives from the directly affected corporate departments, namely the Group's Legal Department and the Risk, Compliance and Internal Control Department.

The first step involved mapping out the risks linked to the Group's supply chain. At the end of this stage, seven procurement categories

were identified as being most likely to give rise to risks involving Lagardère group subcontractors or suppliers: printing activities and printing-related services, production of paper pulp, wholesale supply of accessories and household items, own-label products sold in stores, disposable items used in restaurants, energy supply (electricity, gas, steam, air-conditioning), and production of plastics.

After the risk mapping process, the operating entities ranked suppliers in order of priority for their supplier assessment plan, which will be implemented over the next several years.

The year under review was the fifth year of the plan's roll-out.

In parallel, the Sustainable Development and CSR Department and Risk, Compliance and Internal Control Department have also been working together more closely to identify any non-financial risks caused by the Group's businesses, using the same methodology used for the Group risk mapping exercise. The risk identification process is detailed in section 2.3.

2.7.2 MONITORING

All methods used to monitor measures taken in application of the Group's duty of care can be found in the following sections of this Universal Registration Document:

- ▶ regarding issues relating to human rights and fundamental freedoms, see section 2.3.2 on the challenges of access to and dissemination of education, knowledge and culture, as well as sections 2.3.4.3 and 2.3.4.4 on issues relating to privacy and fundamental rights,
- ▶ regarding issues relating to personal health and safety, see section 2.3.4.1 on the quality of products and services distributed and sold by the Group, and section 2.3.4.4 on health and safety in the workplace,

▶ regarding environmental issues, see section 2.3.3.1 on fighting climate change and section 2.3.3.2 on the issues of natural resource management, anti-waste and the circular economy,

▶ for relations with suppliers and subcontractors, see section 2.3.4.2 on integrating social responsibility in the supply chain.

A set of indicators is used to assess the effectiveness of measures taken for each of these topics, some of which have been in place for many years.

The whistleblowing tool has been in place within the Group since 2020.

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

2.8 IMPLEMENTING THE TAXONOMY REGULATION

AFR

REGULATORY FRAMEWORK AND COMPLIANCE

In accordance with European Regulation 2020/852 of 18 June 2020 on the establishment of a framework to encourage sustainable investment in the European Union (EU), the Lagardère group is obligated to disclose certain key performance indicators (KPIs) corresponding to the proportion of its revenue, capital expenditure (CapEx) and operating expenditure (OpEx) that is derived from products or services associated with economic activities that qualify as environmentally sustainable under the Regulation. This classification system, known as the European taxonomy for sustainable activities or the "green taxonomy," establishes a list of economic activities deemed to be environmentally sustainable based on scientific criteria and aligned with the EU's green deal objectives. For 2022, only those KPIs relating to the "eligibility" and "alignment" of a company's activities must be disclosed. Lagardère is therefore obligated to disclose these indicators, which show the proportion associated with potentially sustainable activities, while taking into account the Regulation's technical alignment criteria.

For this year, taxonomy-eligible activities must be listed and described with regard to their contribution to the Regulation's first two objectives, climate change mitigation and climate change adaptation (Annexes I and II of the Climate Delegated Acts⁽¹⁾). Over the next few years, this process should be extended to the other four environmental objectives – the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems. Annexes I and II provide definitions of the eligible activities, along with the corresponding NACE codes, and the technical screening criteria for determining whether they are effectively sustainable (i.e., "aligned" with the Regulation's objectives).

Any activities that are not included in the initial list of defined activities or which do not correspond to the definitions are considered to be undefined in the framework and as such "non-eligible."

PRESENTATION OF THE 2022 KEY PERFORMANCE INDICATORS

The financial data used in this analysis correspond to all the consolidated data for the year ended 31 December 2022. They have been prepared jointly by the Group's local and central teams based on the consolidated financial statements prepared under IFRS at 31 December 2021, and in accordance with guidance provided by applicable regulations⁽²⁾ for the definition of the revenue, CapEx and OpEx components to be disclosed. The results of the analysis are presented in detail below.

ELIGIBLE AND NON-ELIGIBLE REVENUE

As concerns revenue, based on the regulatory framework presented above, it appears that the majority of the Group's activities belong to industries that are not eligible with regard to the Taxonomy's two climate change objectives. This assessment, which was performed on the basis of a detailed analysis of the Group's activities and a strict reading of the texts, led to the following conclusions:

- the activities of Lagardère Publishing are not considered to be taxonomy-eligible. The assessment also found that the division's textbook publishing activities do not correspond to the definition of the Education industry (NACE code P85) given in the Annexes,
- the activities of Lagardère Travel Retail are not considered to be taxonomy-eligible,
- some of the activities in the Other Activities segment are taxonomy-eligible, i.e., Lagardère News' radio business and all the activities of Lagardère Live Entertainment. These activities are eligible with regard to the climate change adaptation objective (as identified in Annex II of Delegated Act concerning climate change objectives published in April 2021) and considered to be enabling activities. An activity qualifies as contributing to the climate adaptation objective and as an enabling activity if it directly enables other activities to reduce the adverse impacts of climate change and to maximise the positive impacts⁽³⁾.

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

(1) Delegated Regulation of 4 June 2021 and its annexes supplementing Regulation (EU) 2020/852 by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation.
 (2) Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology for complying with that disclosure obligation.
 (3) EU Regulation 2020/852 of 18 June 2020, article 11 and article 16.

The table below shows the correspondence between the eligible activities as described in the Regulation and the related Lagardère group activities.

NACE Code	Industry	Activity	Description of the activity	Corresponding Lagardère activity
J60	Information and communication	Programming and broadcasting activities	Programming and broadcasting include the activities of creating content or acquiring the right to distribute content and subsequently broadcasting that content, such as radio, television and data programmes of entertainment, news, talk, and the like. Also included is data broadcasting, typically integrated with radio or TV broadcasting.	Lagardère News' radio business (Europe 1, Europe 2, RFM)
R90	Arts, entertainment and recreation	Creative, arts and entertainment activities	Creative, arts and entertainment activities include the provision of services to meet the cultural and entertainment interests of their customers. This includes the production and promotion of, and participation in, live performances, events or exhibits intended for public viewing and the provision of artistic, creative or technical skills for the production of artistic products and live performances.	All the activities of Lagardère Live Entertainment.

In 2022, activities deemed eligible with regard to the two climate objectives represented 2% of the Lagardère group's revenue and activities considered to be aligned accounted for 0.004%⁽¹⁾.

Analysis of the substantial contribution to climate objectives, designed to calculate the aligned portion of revenue from the programming and broadcasting activities, was based on the climate agreement in place at Lagardère News since July 2022. Under it, Lagardère News has committed to promoting and reporting editorial content dealing with climate change and other environmental issues. In 2022, Europe 1 was the only Lagardère group radio station whose airtime devoted to these issues was tracked, and then only over the last four months of the year. Based on this data, the reporting teams estimated the airtime's monetary value by allocating to it the portion of the radio economic activity spent on "green" content. To do so, they calculated the amount of time spent on "green" content-related topics or discussions by considering only the airtime of certain programmes, without the music and evening airtime when the absence of guests makes it more complicated to discuss the issues in question.

In the case of the creative, artistic and entertainment activities, the substantial contribution was analysed by identifying, among all the shows and concerts programmed in 2022, the dates whose content could have generated aligned revenue.

The Lagardère group then performed an analysis (i) to ensure that the activities complied with the Does Not Significantly Harm (DNSH) principle concerning climate change adaptation, and (ii) to confirm that the company has assessed its climate risks and prepared a plan to mitigate them. The teams therefore performed a gap analysis to determine if and where the Group's climate risk assessments carried out in 2022 fell short of Green Taxonomy standards. While the climate risk exposure of eligible activities was effectively analysed and their climate risk and vulnerability assessed (see section 2.3.3.1 for more details), adaptation plans for the material risks have not yet been prepared. They will be defined and implemented in 2023.

Lastly, the final step was to ensure that the eligible activities are conducted in compliance with certain minimum safeguards. In practice, this means complying with certain standards of behaviour specified in a number of international texts, such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles and rights set out in the eleven fundamental instruments of the International Labour

Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights. The Group therefore performed a gap analysis to verify the compliance of its policies with the minimum safeguards. For this, the teams relied in particular on the Platform for Sustainable Finance's draft report on minimum safeguards published in October 2022, which identifies four substantive topics where compliance with minimum safeguards should be verified: human rights (including labour and consumer rights), corruption/bribery, taxation and fair competition. All these issues are covered in the Group's Code of Ethics (available on the website) as well as in section 2.3.4 below.

CAPITAL EXPENDITURE (CapEx) AND OPERATING EXPENDITURE (OpEx)

In accordance with the Regulation, the CapEx KPI denominator covers the increase in the gross balance sheet value of right-of-use concessions and leases (IFRS 16), property, plant and equipment (IAS 16) and intangible assets (IAS 38), as well as additions to property, plant and equipment and intangible assets resulting from business combinations (IFRS 3).

In 2022, the denominator, in an amount of €518 million, primarily included the increase in right-of-use assets under concession agreements at Lagardère Travel Retail. These assets are the counterpart of the present value of future fixed lease payments that the Group agreed to pay upon signature of a property lease or concession agreement enabling it to operate retail premises. Consequently, they do not correspond to the acquisition of property, plant or equipment but instead to the right of use premises that remain the property of the lessor or the concession grantor.

Among the denominator components reported in 2021, the following have been excluded because they were deemed to be immaterial:

- ▶ vehicle fleet leasing activities (included in activity 6.5 Transport by motorbikes, passenger cars and light commercial vehicles),
- ▶ freight transport services by road (activity 6.6),

(1) See note 5 to the consolidated financial statements in chapter 5 for a detailed presentation of financial information by reporting segment.

- ▶ non-current assets related to the storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres (activity 8.1).

Accordingly, CapEx, expressed in the numerator, comprises CapEx that is by nature aligned because it is associated with taxonomy-aligned economic activities, as well as any additions during the year corresponding to:

- ▶ the installation, maintenance and repair of energy efficiency equipment (activity 7.3.),
- ▶ the installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings (activity 7.5.),
- ▶ acquisition and ownership of buildings (activity 7.7).

The review found that 3% of Lagardère's CapEx is taxonomy-eligible in respect to 2022⁽¹⁾.

The analysis of CapEx eligibility and alignment was based on a selection of Group entities whose CapEx was considered to be material. The substantial contribution and DNSH criteria were then shared with the teams and applied to calculate the proportion of alignment. For the CapEx corresponding to activity 7.7, it was

assumed that all the buildings concerned were built before 31 December 2020, so that the priority was to find out whether they had at least an Energy Performance Certificate (EPC) class A. When the EPC was not available, the teams made appropriate calculations to determine if the building concerned was within the top 15% of the national building stock expressed as operational Primary Energy Demand (PED).

Taxonomy-eligible OpEx, as defined in the Regulation and expressed in the denominator, includes direct costs relating to:

- ▶ non-capitalised building renovation measures, maintenance and repair,
- ▶ short-term leases,
- ▶ maintenance and repair of buildings and vehicles,
- ▶ day-to-day servicing of assets.

This OpEx denominator for 2022 amounted to €26 million, representing less than 2% of the Group's total operating expenses (external charges, payroll costs, etc.), which is not representative of its business model. As a result, the review has concluded that this indicator is not material for the Group. Eligible and aligned OpEx was not therefore analysed and the numerator is considered to be zero.

Revenue at 31 December 2022 (in €m)

(in €m)	Denominator at 31 Dec. 2022	Total eligible	Total aligned	% alignment
Total revenue	6,929	107	0.3	-
Lagardère Publishing	2,748	-	-	-
Lagardère Travel Retail	3,927	-	-	-
Other Activities	254	107	0.3	-

CapEx and OpEx at 31 December 2022 (in €m)

(in €m)	Denominator at 31 Dec. 2022	Total eligible	Total aligned	% alignment
Total CapEx	518	161	15	3%
Intangible assets	112	-	-	-
Property, plant and equipment	157	-	-	-
Right-of-use assets under leases	249	161	15	3%
Total OpEx	26			

(1) See notes 17, 18 and 19 to the consolidated financial statements in chapter 5 for a detailed presentation of non-current asset data.

		Substantial contribution criteria							Does Not Significantly Harm (DNSH) criteria										
Economic activities	Codes	Absolute revenue	Currency (€m)	%	%	%	%	%	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of revenue, year N	Taxonomy-aligned proportion of revenue, year N-1	Category (enabling activity)	Category (transitional activity)

A. Taxonomy-eligible activities**A.1. Environmentally sustainable activities (Taxonomy-aligned)**

Programming and broadcasting activities		0	0%							Y	Y	N/A	N/A	Y	N/A	Y	0%	N/A		
Creative, arts and entertainment activities		-	0%							Y	Y	N/A	N/A	Y	N/A	Y	0%	N/A		
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1.)	N/A	0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	N/A	N/A	N/A

A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)

Programming and broadcasting activities		87																		
Creative, arts and entertainment activities		20																		
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)	N/A	107	2%																	
Total A (A.1. + A.2.)	N/A	107	2%	2%																

B. Taxonomy non-eligible activities

Revenue of Taxonomy non-eligible activities (B)	N/A	6,822	98%
Total A + B	N/A	6,929	100%

				Substantial contribution criteria							Does Not Significantly Harm (DNSH) criteria													
Economic activities	Codes	Absolute CapEx	Proportion of CapEx	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx, year N	Taxonomy-aligned proportion of CapEx, year N+1	Category (enabling activity)	Category (transitional activity)				
		Currency (€m)	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E/T					
A. Taxonomy-eligible activities																								
A.1. Environmentally sustainable activities (Taxonomy-aligned)																								
Installation, maintenance and repair of energy efficiency equipment	7.3	50	0%	100%	0%	0%	0%	0%	0%	N/A	Y	N/A	N/A	Y	N/A	Y	0%	N/A	N/A	N/A				
The installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5	21	0%	100%	0%	0%	0%	0%	0%	N/A	Y	N/A	N/A	N/A	N/A	Y	0%	N/A	N/A	N/A				
Acquisition and ownership of buildings	7.7	15,135	3%	100%	0%	0%	0%	0%	0%	N/A	Y	N/A	N/A	N/A	N/A	Y	3%	N/A	N/A	N/A				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)	N/A	15,205	3%	100%	0%	0%	0%	0%	0%								3%	N/A	N/A	N/A				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																								
Installation, maintenance and repair of energy efficiency equipment	7.3	-	0%																					
The installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5	-	0%																					
Acquisition and ownership of buildings	7.7	145,910	28%																					
CapEx of taxonomy-eligible but not environmentally unsustainable activities (not Taxonomy-aligned) (A.2.)	N/A	145,910	0%																					
Total A (A.1. + A.2.)	N/A	161,115	3%																					
B. Taxonomy non-eligible activities																								
CapEx of Taxonomy non-eligible activities ^(B)	N/A	356,865	69%																					
Total A + B	N/A	517,980	100%																					

		Substantial contribution criteria							Does Not Significantly Harm (DNSH) criteria																																
Economic activities	Code(s)	Category (enabling activity)		Category (transitional activity)		Taxonomy-aligned proportion of OpEx, year N-1		Taxonomy-aligned proportion of OpEx, year N		Minimum safeguards		Biodiversity and ecosystems		Pollution		Circular economy		Water and marine resources		Climate change adaptation		Climate change mitigation		Biodiversity and ecosystems		Pollution		Circular economy		Water and marine resources		Climate change adaptation		Climate change mitigation		Proportion of OpEx		Absolute OpEx		Currency (€m)	

A. Taxonomy-eligible activities

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Programming and broadcasting activities		0																		
Creative, arts and entertainment activities		0																		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)	N/A	0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A

A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)

Programming and broadcasting activities		0																			
Creative, arts and entertainment activities		0																			
OpEx of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)	N/A	0	0%																		
Total A (A.1. + A.2.)	N/A	0	0%															0%	0%	N/A	N/A

B. Taxonomy non-eligible activities

OpEx of Taxonomy non-eligible activities (B)	N/A	26,361	100%
Total A + B	N/A	26,361	100%