

vivendi

2015

EXTRA-FINANCIAL
INDICATORS HANDBOOK



S U M M A R Y

| | | |
|----------|---|-----------|
| 1 | Economic Indicators | 4 |
| 2 | An Integrated Reporting Process Promoting Value Creation | 5 |
| 3 | Corporate Governance Indicators | 20 |
| 3.1. | Independence | 20 |
| 3.2. | Involvement in Decisions | 21 |
| 4 | Societal Indicators | 23 |
| 4.1. | Vivendi's Four "Core" Issues Relating to Human Rights | 24 |
| 4.2. | Local, Economic and Social Impact of the Business Activity | 35 |
| 4.3. | Relations with Stakeholders | 37 |
| 4.4. | CSR Criteria as Part of Purchasing Policy and in Relations with Suppliers and Subcontractors | 38 |
| 4.5. | Fair Business Practices | 39 |
| 5 | Social Indicators | 43 |
| 5.1. | Employment | 43 |
| 5.2. | Organization of Work | 47 |
| 5.3. | Social Relations | 49 |
| 5.4. | Occupational Health and Safety | 50 |
| 5.5. | Training | 52 |
| 5.6. | Diversity and Equal Opportunities | 54 |
| 5.7. | Promotion of and Compliance with the Fundamental Principles of the ILO | 57 |
| 6 | Environmental Indicators | 58 |
| 6.1. | General Environmental Policy | 58 |
| 6.2. | Pollution and Waste Management | 60 |
| 6.3. | Sustainable Use of Resources | 61 |
| 6.4. | Climate Change | 63 |
| 6.5. | Information Categories Deemed Irrelevant with Regard to the Group's Businesses | 64 |
| 7 | Verification of extra-financial data | 65 |
| 7.1. | Note on Extra-Financial Reporting Methodology | 65 |
| 7.2. | Independent Statutory Auditors' Report designated as an Independent Third Party on Consolidated Societal, Social and Environmental Information Presented in the Management Report | 68 |

2015

EXTRA-FINANCIAL INDICATORS HANDBOOK

The data and indicators noted with a  were published in Vivendi's Annual Report 2015 (AR 2015) and have accordingly been subject to verification by one of Vivendi's Statutory Auditors.

The attestation and limited assurance report presented p. 68 relates exclusively to these matters.

NOTES AND LEGENDS

- ◆ Societal, social and environmental indicators are presented in compliance with the French Grenelle II law.
- ◆ Unless otherwise stated, data is consolidated as of December 31, 2015.
- ◆ Cross-referencing with the principal extra-financial reporting references is provided for each indicator. Under each indicator, the following references are used:
 - “GRI”: the Guidelines of the Global Reporting Initiative (G4 version), including the Media Sector Supplement (MSS);
 - “UNGC”: the principles of the United Nations Global Compact; and
 - “OECD”: the OECD Guidelines for Multinational Enterprises.

The complete table of cross-references to the GRI guidelines is also available in the CSR section of Vivendi's website, where the eight CSR priority issues of the group are listed.

- ◆ For 2015 and 2014, data is consolidated. 2015 data is broken down by subsidiary for certain indicators:
 - “C+G”: Canal+ Group;
 - “UMG”: Universal Music Group;
 - “SECP”: Société d'Édition de Canal Plus;
 - “Vivendi Village”: Vivendi Ticketing (Digitick and See Tickets UK), MyBestPro, Watchever, L'Olympia and, for social reporting, Radionomy and the Théâtre de l'Œuvre; and
 - “Corporate”: Paris headquarters for societal and environmental reporting / Paris and New York headquarters for social reporting.

Similarly, indicator charts are based on 2015 data.

- ◆ “na”: not applicable
- ◆ “–”: not available.

1

Economic Indicators

The economic indicators presented hereafter are extracted from Vivendi's Consolidated Financial Statements for the year-end December 31, 2015, prepared in accordance with International Financial Reporting Standards (IFRS).

SFR and Maroc Telecom group were sold in 2014; GVT was sold on May 28, 2015. In compliance with IFRS 5, their contribution, until their effective divestiture, is excluded from the figures presented below (see Vivendi's Annual Report 2015, p. 8).

REVENUES AND HEADCOUNT BY GEOGRAPHIC REGION

December 31 – in millions of euros

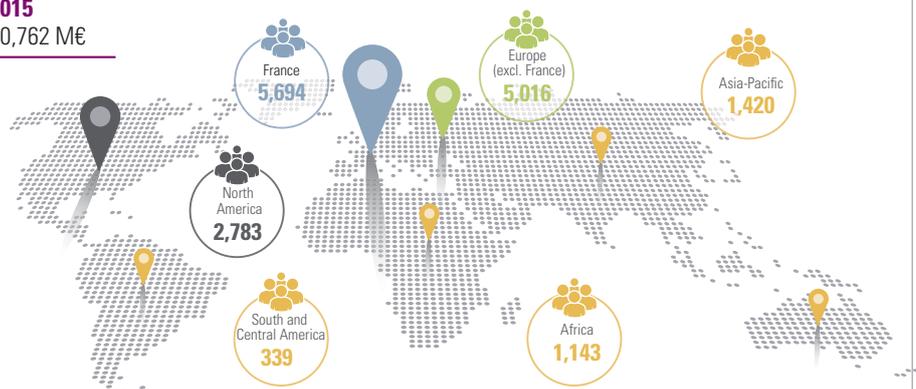
TOTAL REVENUES 2015
10,762 M€

USA
2,191 M€

FRANCE
4,464 M€

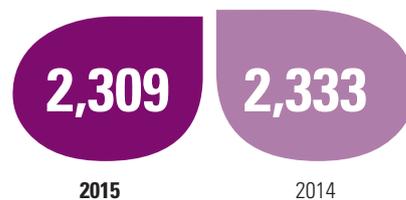
REST OF EUROPE
2,567 M€

REST OF THE WORLD
1,540 M€



GROSS INVESTMENTS IN CONTENT

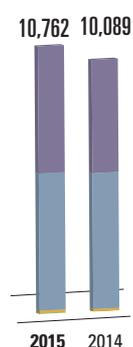
December 31 – in millions of euros



Gross investments in content represent the films, television and sports rights paid by Canal+ Group, the advances paid by Universal Music Group to artists, as well as the investments in content realized by Vivendi Village's entity Watchever and by Dailymotion and Vivendi Content.

REVENUES BY BUSINESS SEGMENT

December 31 – in millions of euros



| | 2015 | 2014 |
|--|---------------|---------------|
| Universal Music Group | 5,108 | 4,557 |
| Canal+ Group | 5,513 | 5,456 |
| Vivendi Village | 100 | 96 |
| New Initiatives | 43 | 0 |
| Elimination of intersegment transactions | (2) | (20) |
| TOTAL | 10,762 | 10,089 |

Some additional indicators are presented in Chapter 2 of this Handbook, under the section 2.10 "The Value Creation Circuit".

An Integrated Reporting Process Promoting Value Creation

2

This chapter includes Section 1.5 of Chapter 1 as published in the Annual Report 2015. The Annual Report's version prevails. This chapter's page and section references refer to the Annual Report 2015's paging.

2.1. An Integrated Reporting Process that is Part of Vivendi's Ongoing CSR Strategy

Vivendi highlights the materiality of its CSR (corporate social responsibility) issues as they are directly related to the activities of the group, which exerts an influence over millions of customers and citizens. Societal priorities are, in fact, a primary focus of the company's strategy.

In a very competitive international market, it is important for Vivendi to maintain high standards for innovation, not only in its ability to discover and promote talent and not only for the services and musical, cinematographic or audio-visual content it offers consumers, but also in its vision and its responsibility to society.

The media and cultural industries, which help revitalize the economy, also contribute to the harmonious development of the planet and to intercultural living together.

Driven since 2003 by the will to combine CSR and value creation through the choice of its strategic issues and its positioning, Vivendi has pursued this dynamic by involving the different functional divisions of its corporate headquarters and its subsidiaries.

The choice to experiment, in part, with the International Integrated Reporting Council (IIRC) framework and formalization proposed by it, is consistent with Vivendi's ongoing determination to integrate its corporate social responsibility (analysis of risks and opportunities, dialog with stakeholders, support for change) with a view toward overall performance.

In 2013, the launch of the integrated reporting pilot project, devoted to cultural capital, made it possible to involve the finance directors (headquarters and subsidiaries) more directly in this reflection process. Indicators establishing the link between investments in content diversity and profitability were selected, then

examined by analysts representing the investors (Amundi, Groupama AM, Oddo Securities). This pilot project showed that the production of musical, cinematographic and audiovisual content offering a rich cultural diversity satisfies general interest (societal value) and offers the group a competitive advantage over its competitors (financial value).

Expanded internationally in 2014 and presented in an integrated analysis of the strategy, this pilot project gave rise in 2015 to a more in-depth analysis.

The following pages detail the resources necessary for the development of Vivendi's business, the group's sphere of influence concerning the promotion of human rights in its business sector, the benefits enjoyed by the different stakeholders of the group and the interaction of these different factors that contribute to the creation of value.

This allows the group's stakeholders to have a grid that provides an overview of its missions, its performance, its growth drivers, its corporate social responsibility (CSR) commitments, its strategy, its risks and its opportunities.



The cultural diversity at the core of Universal Music Group's business and exceptional catalog: soprano Pumeza Matshikiza; DJ and electro music producer The Avener; songwriter, composer and singer Sam Smith; songwriter, composer and singer Barbara.

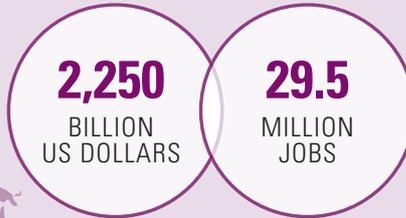


The societal, social and environmental indicators providing a detailed illustration of this value creation are presented in section 3 of Chapter 2 of the Annual Report 2015.

KEY FIGURES

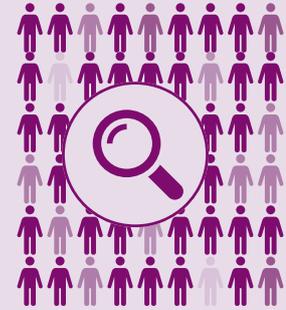
Cultural and creative industries figures

WORLD



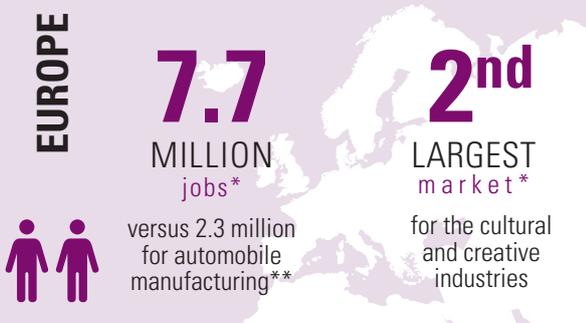
CREATED

by the cultural and creative industries



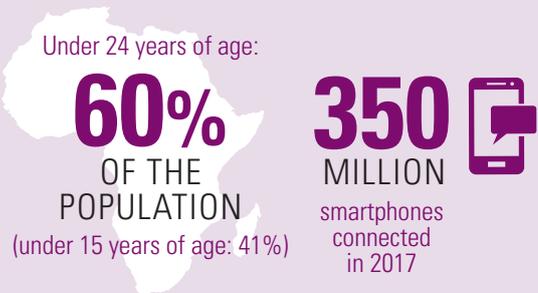
Source: Ernst & Young, Cultural Times - The first global map of cultural and creative industries, 2015

EUROPE



* Source: Ernst & Young, see above
 ** Source: Acea, 2012

AFRICA



Source: UN, World
 Population Prospects - 2015

Source: Deloitte,
 Africa TMT Predictions 2015

Vivendi

CANAL+

**PRIVILEGED
 PARTNER**

of French cinema and
 the Cannes Film Festival



FESTIVAL DE CANNES

STUDIOCANAL

**EUROPEAN
 LEADER**

in film and TV series production



UNIVERSAL

UNIVERSAL MUSIC GROUP

**WORLD
 LEADER**

in music



**CULT
 LOCATIONS**

for artists (L'Olympia,
 Abbey Road Studios)

L'OLYMPIA



**AWARDS AND
 NOMINATIONS**

Academy Awards,
 Cannes Film Festival,
 BAFTA, Victoires de la
 musique, Grammy Awards,
 Gramophone Awards...



**EXCEPTIONAL
 ARTISTIC
 CATALOG**

Jacques Tati, Jean-Luc Godard,
 Jean-Pierre Melville, David Lynch,
 Mstislav Rostropovich, Martha
 Argerich, ABBA, Louis Armstrong,
 The Beatles, Barbara, Amy Winehouse...

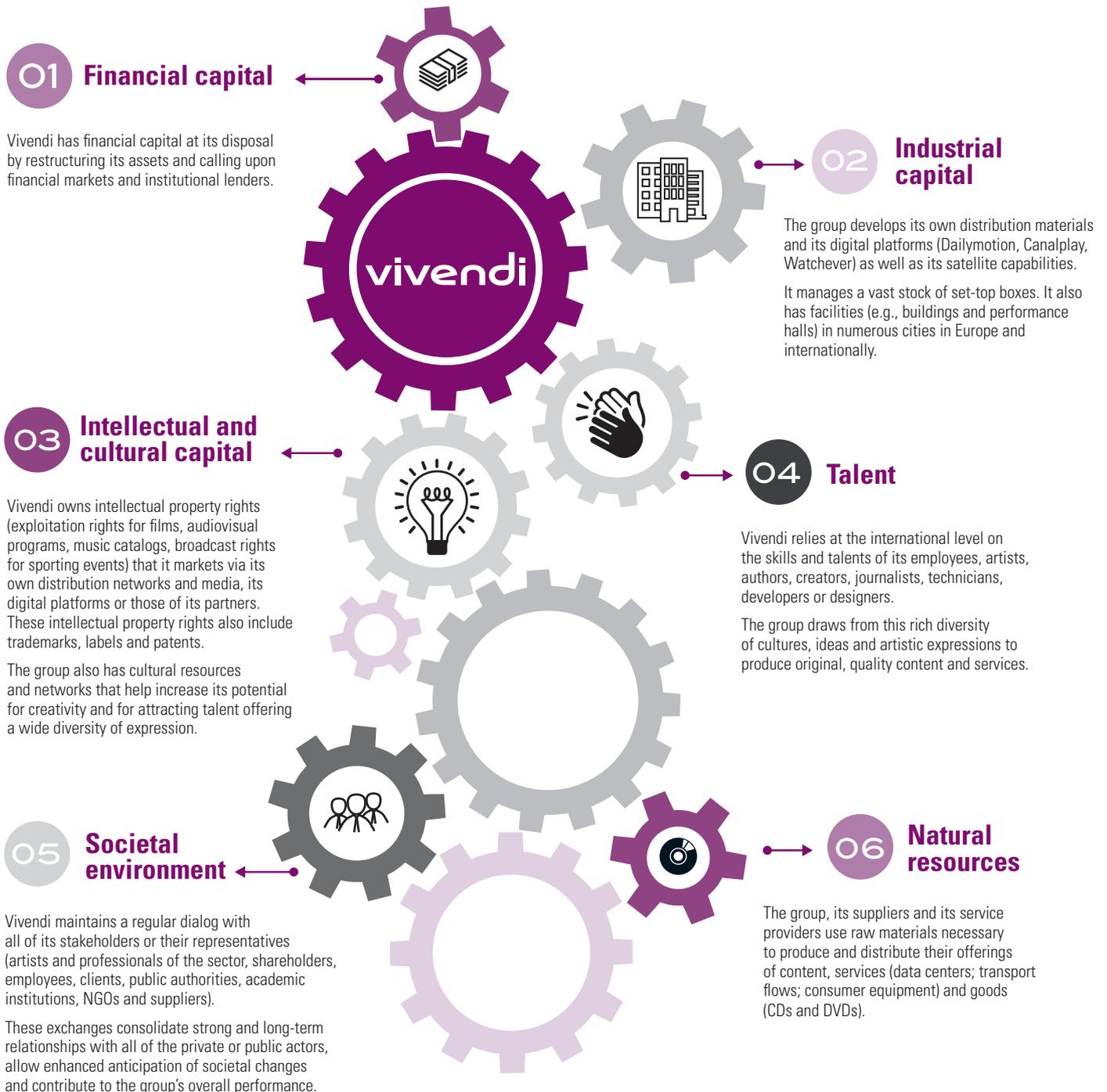
**2
 MILLION
 SUBSCRIBERS**

to the pan-African
 channel A+



2.2. Resources Necessary to Vivendi's Operations

To carry out its missions and its strategy (see "The Vivendi Business Model" on the next page), the group needs the specific human, cultural, financial, industrial and natural resources detailed below.



2.3. The Vivendi Business Model

VIVENDI, A GLOBAL INTEGRATED INDUSTRIAL GROUP IN MEDIA AND CONTENT

MISSIONS

- ◆ Discover and support talent in their creativity and their artistic expression.
- ◆ Produce and broadcast original, quality musical, cinematographic, audiovisual content.
- ◆ Promote access to this content to the largest audience.
- ◆ Contribute to intercultural living together and dialog.



GOVERNANCE

A dual structure with a Supervisory Board, a collective body that involves all of its members, and a Management Board.

Steering committees and cross-functional working groups bring together Vivendi's different skills and areas of expertise.

BUSINESSES

- Universal Music Group, world leader in music with strong positions in the recorded music market, music publishing and merchandising.
- Canal+ Group, the leading French audio-visual media group, present in France, Africa, Poland and Vietnam. Leading contributor to funding for French cinema and European leader in the production and distribution of films and TV series.
- Dailymotion, one of the world's largest video aggregation and broadcasting platforms.
- Vivendi Village, laboratory of ideas and developer of services that supplement the group's offerings.

PRODUCTS AND SERVICES

- Recorded music: the largest catalog with prestigious labels (e.g., Motown, Deutsche Grammophon, Polydor and Blue Note).
- Music platforms.
- Music publishing (Universal Music Publishing Group).
- Merchandising (Bravado).
- Partnerships with brands (Universal Music & Brands).
- Pay and general interest (Canal+) or special interest (e.g., Ciné+ and Planète+) channels.
- Free entertainment (D8), news (iTélé) and music (D17) channels.
- Multi-channel packages (Canalsat, nc+, K+).
- Films and TV series ("new" productions and works from one of the world's largest film catalogs).
- Film and series broadcasting platforms (Canalplay).
- Global video hosting and broadcasting service.
- Digital platforms of services offered to individuals (Vivendi Ticketing, MyBestPro, Watchever, Radionomy).
- Live performances (L'Olympia, Théâtre de l'Œuvre, CanalOlympia).

STRATEGY

- Innovate in a rapidly changing environment.
- Maximize the known potential of all the group's businesses to attract and develop the best creative talent.
- Mobilize employees around a shared corporate culture.
- Own equity interests in influential telecom operators to optimize the broadcasting of the group's content.

CSR

Ensure the implementation of the eight priority CSR issues, the first four of which are directly connected to Vivendi's business sector:

- Promotion of cultural diversity in content production and distribution.
- Empowerment and protection of young people in their use of digital media.
- Knowledge sharing (pluralism of content and access to media).
- Valuation and protection of personal data.
- Vigilance in conducting business.
- Social and professional empowerment of employees.
- Economic, social and cultural local development.
- Respect for the environment in the digital era.



OPPORTUNITIES & RISKS

- Seize and maximize opportunities, particularly those associated with know-how in identifying talent, with the pooling of resources of the content businesses, with knowledge of the French-speaking market or with the innovative CSR positioning of the group.
- Anticipate and control the principal risks: regulations, piracy, country governance, reputation, supply chain, competition from major international players in the digital market.

PERFORMANCE

- Measure achievement of the quantitative objectives: revenues, EBITA, cash flow.
- Evaluate the qualitative performance associated with achieving priority initiatives including those related to CSR.
- Value short-term performance (annual earnings) through bonuses and medium-term performance through performance shares.

2.4. Vivendi's "Sphere of Influence" in Human Rights at the Center of the Group's Value Creation

Vivendi is one of the rare multimedia groups to occupy a leadership position across the entire value chain of content business.

Aware of the human and cultural influence that the group exerts over millions of customers and citizens, Vivendi strives to define its specific contribution to the respect for human rights through a direct link with its

content production and distribution business, thus putting into practice one of the OECD Guidelines for Multinational Enterprises: "Enterprises should respect the internationally recognized human rights of those affected by their activities" or the preamble to the UN Global Compact, which encourages businesses to act in favor of human rights "in their sphere of influence" (see table below).

I THE "CORE" CSR ISSUES PERTAIN TO HUMAN RIGHTS



THE "CORE" CSR ISSUES

PROMOTION OF CULTURAL DIVERSITY IN CONTENT PRODUCTION AND DISTRIBUTION

| | | | | | |
|---|------------|--|-----------------|---------------------------------------|------------|
| Encourage creation in all its diversity | Article 27 | | Article 31 | Objectives A1, J1 | Article 22 |
| Support female artists and producers of cultural goods and services | | | | Objectives B4, F1, F2, J1, J2, L4, L8 | Article 23 |
| Promote local talent | | | | Objectives A1, B4 | |
| Promote cultural heritage | | | Articles 29, 30 | Chapter 2 | Article 22 |
| Ensure respect for intellectual property and support artists | Article 27 | | | | Article 17 |

EMPOWERMENT AND PROTECTION OF YOUNG PEOPLE

| | | | | | |
|---|--|--|-------------------------|-------------------|------------|
| Allow young people to exercise their creativity and their citizenship | | | Articles 13, 17, 29, 31 | Objectives L3, L8 | Article 24 |
| Raise the awareness of young people and their circle to the responsible use of goods and services | | | Articles 17, 29 | Objective J2 | |
| Encourage media literacy | | | Article 17 | Objective L8 | |

KNOWLEDGE SHARING

| | | | | | |
|--|------------|--|------------|-------------------|------------|
| Promote the quality and the pluralism of content | | | | | Article 11 |
| Facilitate access to offerings and services | Article 27 | | | Objective L8 | |
| Raise public awareness of the sustainable development issues | | | Article 29 | Objectives K2, J2 | |

VALUATION AND PROTECTION OF PERSONAL DATA

| | | | | | |
|--|------------|-----------|------------|-------------|-----------|
| Cultivate the digital trust of customers in a spirit of loyalty and transparency | Article 12 | Article 8 | Article 16 | Objective L | Article 8 |
| Exercise digital vigilance (employees, suppliers) | Article 12 | Article 8 | Article 16 | | |

Linking the "core" CSR issues to human rights allows the group to integrate this vigilance into its governance (extra-financial reporting, information verification work on the part of its auditors, inclusion of these issues in the variable compensation of senior executives) and its strategy (see Chapter 2, Section 1 of the Annual Report 2015). In 2015, this policy was entered on the agenda of the Vivendi Audit Committee.

This requirement of transparency for economic players is increasingly sought by the company's stakeholders and expected pursuant to ever stricter regulations and standards both at the national (Grenelle II), or international (UN Guiding Principles on Business and Human Rights; European directive on non-financial information of large companies; GRI guidelines including the Media Sector Supplement) levels.

Respect for all human rights is therefore a valuable corporate asset that contributes fully to companies' reputations and to their performance.

Whether this involves the increase in alerts issued by NGOs, controversies that are receiving more and more media coverage urging investors to exclude from their portfolios multinationals or States accused of failing to keep their commitments, reluctance on the part of public authorities to open markets to offenders in this area, potential boycotts by consumers or dissatisfied customers, or rankings selecting the most virtuous companies, human rights are at the core of the company's value creation for itself and for its stakeholders.

| UNESCO Universal Declaration on Cultural Diversity (2001) | UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005) | OECD Guidelines for Multinational Enterprises (2011) | UN Guiding Principles on Business and Human Rights – Reporting Framework Implementation Table (2011) | Children's Rights and Business Principles by UNICEF, UN Global Compact and Save the Children (2012) | UN Sustainable Development Goals (2015-2030) |
|--|--|--|---|--|--|
|  |  |  |  |  |  |
| Articles 5, 8, 9, 10 | Articles 1, 6, 7, 10 | | Page 106 | | Declaration; Objective 8.3 |
| | Article 7 | | | Principles 1, 6 | Objectives 4.2, 4.3, 4.7, 5.5, 5.a, 5.b, 5.c |
| Articles 6, 9, 10 | Articles 1, 2, 6, 7 | | | | |
| Articles 6, 7 | Articles 1, 7, 8 | | | | Objective 11.4 |
| Article 8 | Articles 6, 7 | | | | |
| | Article 10 | | Page 105 | Principle 1 | Objective 4.7 |
| | | Point VIII.8 Consumer interests | | Principles 5, 6 | |
| | | | | Principles 1, 6 | |
| Articles 8, 9, 10 | Articles 1, 6, 7, 8 | | Page 104 | Principle 5 | |
| Articles 6, 9 | Articles 2, 6, 7 | | Page 104 | Principle 5 | Objectives 9.c, 11.a |
| Article 2 | Articles 2, 13 | | | Principle 10 | Objectives 4.7, 12.8 |
| | | Point VIII.6 Consumer interests | Page 104 | Principles 1, 5 | |
| | | | | Principles 1, 5 | |

2.5. Creating Value for Artists

It is essential for Vivendi to create value for the artists and the talent that produce the cinematographic, musical and audiovisual content or the entertainment programs that the group offers its customers, its subscribers and its different audiences. Discovering creative sources, paying special attention to the contribution of women and their access to cultural life, identifying talent, supporting it, ensuring respect for intellectual property, providing this talent with exposure on a local and international scale are at the core of Vivendi's missions.

In this way, the investments of Universal Music Group, the world leader in music, contribute to musical creation by discovering and supporting artists in all the countries where this group has a presence. This mobilization of financial resources and employee know-how creates a continuous renewal of the repertoires that satisfies the diverse tastes of audiences on a global scale. It also favors the attraction of local talent eager to be signed by prestigious labels with an international reputation.

Finally, the investments made to digitize the catalog allow the artists to extend the life of their works while simultaneously ensuring that the group's profits continue to increase. In fact, the digitization of musical works no longer accessible on physical medium enhances the value of the assets making up the exceptional UMG catalog in all its genres, including pop, classical, jazz and rock.

Canal+ Group, the leading French audiovisual media group, established in France, Africa, Poland and Vietnam, is the main contributor of funds to French cinema and the European leader in the production and distribution of films and TV series along with its subsidiary Studiocanal. Cultivating the creativity of local talent and taking advantage of the pooling of the group's areas of expertise strengthens artists' exposure.

Thus, in 2015, Canal+ Group has remained a privileged partner of French cinema. It actively supported creation by financing 55% of the French-initiative films approved by the CNC (the French national centre for cinema and motion pictures) for 175 million euros, which represents a total of 129 films.

Studiocanal has developed an ambitious production policy for European works with important international potential, thus proposing an alternative and complementary offer to that of the major American production companies. With a direct presence in the three largest European markets – France, Germany, United Kingdom – Studiocanal thus secures its supply of projects and a durable link with some of the greatest European talent.

On the African continent, the investments of Canal+ Afrique in local content increased by 80% in one year. In 2015, 5.5 million euros were invested in African production (films, audiovisual programs, A+, Nollywood TV). The construction of the CanalOlympia movie theatres and performance venues in numerous countries of the continent is fuelled by the same determination: identifying and supporting local talent to give it the means to make itself known and to reach vast audiences.

In Vietnam, the subsidiary of Canal+ Group, K+ is attentive to the development of new talent to work for an ambitious and accessible Vietnamese movie industry. The study of scripts, prior to commitment, corresponds to this dual ambition. In 2015, for the first time, K+ co-produced five Vietnamese films.

Digital gives an additional impetus to this business expertise in the discovery and support of talent particularly through the effectiveness of social networks and easier access to works, allowing the group to meet the new needs of their customers, particularly as regards the conditions under which they choose to consume their content. Vivendi is also increasing its investments in different platforms including Dailymotion and Watchever to optimize the exposure of the artists signed by the group (see Chapter 2, Section 2.1.1 of the Annual Report 2015).

Vivendi pays close attention to the distribution of value and puts significant effort to ensuring respect for intellectual property, which is a necessary condition for the fair remuneration of rights holders.

On October 2, 2015, Universal Music France signed a Memorandum of Understanding for the fair development of online music pursuant to which the parties "believe that it is indispensable, in the best interest of the entire industry, to re-establish trust by ensuring the most transparent and the most equitable sharing possible of all revenues generated by the digital exploitation of musical works." Producers in particular made the commitment within this framework to guarantee a minimum compensation to artist-performers. "All these provisions constitute considerable advances for artists." (source: French Ministry of Culture).

Furthermore, in May, Canal+ signed an agreement with all of the professional organizations of the film industry. This agreement defines in particular the investment commitments of Canal+ "in European and original French expression feature-length cinematographic works" in addition to commitments to a diversified film acquisition policy of French expression feature-length cinematographic works

KEY FIGURES *



31%
AMOUNT OF MARKETING AND RECORDING INVESTMENT OF UNIVERSAL MUSIC FRANCE
 dedicated to new talent (artists releasing their first album) as a percentage of total investment

Source: Universal Music France.



29%
ON AVERAGE OF UNIVERSAL MUSIC FRANCE'S REVENUE
 from the sale of new products, was generated by new talent (artists releasing their first album)

65%
OF UNIVERSAL MUSIC GROUP SALES
 generated by local artists in their own country

(scope of 59 countries)
 Source: UMG

20 first French-initiative films
 and
14 second French-initiative films
 financed by **CANAL+**

Source: Canal+

(representativeness of the different budget levels of the films selected, balance between newcomers and established directors, financing of a wide variety of genres). This agreement, which lasts 5 years, supports the historical and virtuous partnership between Canal+ and the professionals of the seventh art.

Supporting the contribution of women throughout the entire content production process is a component of Vivendi's performance. After launching its initial study on the role of women in cinema and music in Europe in 2013, Vivendi created a Steering Committee made up of several professionals of Canal+ Group and Universal Music in order to raise awareness and collect data. Thus, in 2015, 25% of the films bought up by Canal+ will be directed by women. Of the 19 films officially competing at the 2015 Cannes Film Festival, only two were by female directors. They were both supported by Canal+ Group: *Mon Roi* by Maïwenn was coproduced and distributed by Studiocanal, and *Marguerite et Julien* by Valérie Donzelli benefited from investment by Canal+. As part of its

policy of supporting the development of African production, the channel A+ encourages several magazine and series projects led by women like Akissi Delta, Yolande Bogui and Alexandra Amon. Alexandra Amon, discovered by Canal+ Afrique during the project *L'Afrique au féminin*, saw her first series, *Chroniques africaines*, receive the award for best TV series at the 2015 Pan-African Film and Television Festival. Furthermore, of the 50 best-selling Universal Music Group albums in the world in 2015, 28% were by female artists and 40% were by male artists (excluding groups, film scores and compilations).

The subject of the role of women in artistic creation fuelled in particular the partnership between Vivendi and Sciences Po (see Chapter 2, Section 2.1.2.1 of the Annual Report 2015). Vivendi is also a member of the Ministerial Committee for gender equality set up by the French Minister of Culture. Finally, the site *Culture(s) with Vivendi* and the CSR webradio *Vivoice* highlight the careers of women who have become famous as orchestra conductors, screenwriters, film producers or directors.



Canal+ Group, privileged partner of the seventh art and of the cinematographic heritage: *Mon Roi*, Maïwenn (Cannes Film Festival, 2015); *Timbuktu*, Abderrahme Sissako (Césars, 2015); *The Imitation Game*, Morten Tyldum (Academy Awards, 2015); *Ran*, Akira Kurosawa (4K restoration by Studiocanal, 2015).



Source : Studiocanal



Source: Canal+ Overseas



Source: Canal+ Overseas



Source: Canal+

2.6. Creating Value for Shareholders

Creating shareholder value is central to Vivendi’s strategy, with a long-term view. This created value is measured in particular through the group’s financial and extra-financial performance. It is accompanied by an active communication policy that is essential for establishing a regular dialog with Vivendi’s management, sharing the strategy and commenting on the achievements of the group’s subsidiaries. The integrated reporting process illustrates this dynamic.

In a context in which the economic models of its businesses are in transition, Vivendi has achieved financial performances consistent with the objectives announced in early 2015. Sales grew by 6.7% (1.4% at constant currency and perimeter), the current operating margin is 10.2% (at constant currency and perimeter) and adjusted net income reached 697 million euros, up 11.3%.

As of December 31, 2015, the group had a net cash position of €6.4 billion compared to €4.6 billion at year-end 2014. This position is primarily the result of finalizing the group’s restructuring with the sale of its remaining 20% interest in Numericable-SFR, as well as the sale of GVT in Brazil and the payment in April of a dividend of €1 per share, and the payment in June of an interim dividend of €1 per share.

Vivendi shares are listed in compartment A of Euronext Paris, code ISIN FR0000127771. As of December 31, 2015, Vivendi was the seventeenth weighted stock of the CAC 40 index and the second weighted stock on the Stoxx Europe 600 Media index.

The Vivendi stock market price ended 2015 at €19.86, down 4.0% compared to 2014, and up 4.4% based on reinvested dividends. By comparison, the Stoxx Europe Media index was up 12.2% (+15.3% reinvested dividends) and the CAC 40 index grew by 8.5% (+11.9% reinvested dividends).

Vivendi’s financial communication is based on the principle of providing precise, transparent and fair information concerning the group’s position to all shareholders, analysts and investors. The group ensures that it complies with all the laws, regulations, standards and procedures in force in France: the French financial security act, IFRS (International Financial Reporting Standards) and the standards defined in the COSO (Committee of Sponsoring Organisation of the Treadway Commission) report. It also reports on the implementation of French laws and regulations (Grenelle II) or international standards that frame its social responsibility.

The Vivendi Investor Relations department maintains a close and ongoing dialog with the analysts of brokerage firms and investment funds. It also continuously adds to and updates the Investors/analysts section of the corporate web site, which is intended in particular for institutional investors. In cooperation with the Corporate Social Responsibility (CSR) department, it organizes meetings with analysts and investors interested in the group’s CSR policy.

Vivendi’s financial communication to institutional investors also translates into the organization of meetings about the world’s main financial markets, and the participation of executives from corporate headquarters and from the group’s subsidiaries at investor conferences.

In all, in 2015, 546 “events” (including roadshows, investor conferences, meetings at Vivendi corporate headquarters or at its subsidiaries and analyst contacts) were organized in Europe and in the United States. They allowed the management teams of Vivendi or of its subsidiaries to meet with the representatives of 382 financial institutions to present to them the group’s results and outlook.

Furthermore, Vivendi is engaged in a close dialog with its individual shareholders who hold 4.9% of the group’s capital (the employee shareholders own 3.3%). They benefit from communication dedicated specifically to them. Staying close to them, keeping them informed and understanding their expectations are the priorities of the group’s Individual Shareholders Information department.

On the group’s website, there is a section specifically aimed at individual shareholders, which includes “General meeting,” “In pictures,” “Audio news,” “Letters to the shareholders,” “Shareholders’ Committee,” “Agenda,” “Press releases,” “Shareholders’ club,” “Shareholder’s passbook,” “Market prices” and “Contact us” pages. A toll-free telephone number and a Twitter account have been created specifically to best meet their expectations.

At the 12th edition (2015) of the Grands Prix for corporate governance organized by the AGEFI (*Agence économique et financière*), Vivendi was awarded 3rd place for “Shareholder democracy, information transparency and communication quality.”

KEY FIGURES *



10.2%
INCOME FOR OPERATIONS
MARGIN IN 2015
(at constant currency
and perimeter)



11.3%
GROWTH OF ADJUSTED
NET EARNINGS
IN 2015



0.51 euro
ADJUSTED NET INCOME
PER SHARE 2015



3 euros
DIVIDEND PER SHARE
FOR 2015

* Source: Vivendi.

2.7. Creating Value for Customers

Vivendi's capacity to offer its customers original, quality content while at the same time facilitating the options for enjoying it at will, is one of the main sources of value creation for them. To satisfy this demand, the group nurtures the curiosity and the diversity of its customers' tastes, cultivates their digital trust in a spirit of loyalty and transparency, welcomes their creativity and ensures it protects and empowers its younger audience.

Diversity of artistic expression, pluralism of content and editorial innovation are all criteria for satisfying customers 75% of whom feel that "Canal+ is a channel that offers programs that you cannot see anywhere else" and who, through their purchases, give Universal Music Group a better than 30% share of the world's music market.

This sharp difference characterizes the offers of Canal+ Group whether this involves films, TV series or entertainment programs. The same is true for the documentary channels that cover a diversity of themes and genres (history, science, civilization, society, investigation, adventure, escape, wildlife) and which, in 2015, offered 1,135 hours of programming to Canal+ subscribers. News is not to be outdone, as witnessed by the success of *Le Petit Journal*. This televised news program of the new generation, hosted by young journalists, attracts new audiences who want to understand the world's current events and are interested in a national and international news format that mixes humour, audacity and a taste for investigation. In December 2015, *Le Petit Journal* reached its second best audience of the season with 1,666,000 viewers.

Canalplay and myCanal broadcast this rich and original content package by allowing subscribers to access thousands of films, complete series, digital series, comedy and programming for a younger audience, at a time and place of their choosing.

Committed to expanding its content on the Internet, in 2015, Canal+ created a Digital Creation hub. This centre offers young talent in particular the opportunity to expand their audience and benefit from assistance with the production and promotion of short formats and original productions developed specifically for the web. In Africa, in November 2015, Canal+ launched the MDR! (Mort de rire, or Dying of laughter) project in partnership with CFI, the French media cooperation agency, to identify and train the African talent of tomorrow to participate in the creation of new, short comedy programs.

The diversity in the cultures of audiences is satisfied by the richness and the variety of the Universal Music Group labels (which include Capital Music Group, Island Records, Def Jam Recordings, Polydor, Blue Note Records,

Decca and Deutsche Grammophon). The digitization of UMG's exceptional catalog promotes heritage and encourages different generations to share musical emotions. The artists signed by UMG in close to 60 countries express themselves in 44 different languages. In 2015, the best UMG sales were not only achieved by established international artists but also by new musical discoveries and local artists.

UMG is increasing its initiatives for attracting talent in the countries where the group has a presence. To this end, Abbey Road Studios in London, owned by UMG, launched the Abbey Road Institute in 2015. Since September 2015, this institute has offered a year of training aimed at students who will earn a sound engineering and musical production diploma when they complete their studies. In Africa, UMG partnered with the British director Richard Curtis to organize a competition for young people to involve them in writing the lyrics to the song "Tell Everybody" in connection with the campaign to raise awareness of the new United Nations sustainable development goals. Almost 6,000 young people sent their proposed lyrics via their mobile phone.

Vivendi's strategic choice to bet on the growth opportunities offered by digital technology must be supported by a rigorous policy concerning the collection and management of personal data that preserves respect for customers' privacy. Vivendi has established instruments, such as the Data and Content Protection Charter, adopted in 2008, or the best practice guide concerning sensitive data. Vivendi takes care to verify that its partners comply with the group's values and rules of conduct in the countries where the group has a presence. The protection and valuation of personal data are the subject to certain reporting requirements based on precise indicators by the subsidiaries of the company, which are then examined by the Company's Auditors. CSR (corporate social responsibility) criteria, associated with this issue, are also included in the variable compensation of Vivendi executives. This compliance creates value for the group's customers, who are increasingly better informed concerning the protection of their personal data and more inclined to disclose aspects of their identity to companies that have a clear and comprehensible policy.

Concerning this subject, special attention is paid to young audiences, with a taste for musical, cinematographic or online video offers. At the request of the CSR department, monitoring is conducted to obtain better knowledge of the methods for processing the personal data of children and teenagers on the web sites of the group's subsidiaries offering media content intended for this audience. This sustained vigilance makes it possible to anticipate the measures for protecting minors included in the future European regulations and to limit the potential reputation risks.

KEY FIGURES *



CANAL+
REFERENCE CHANNEL
FOR FILMS FOR

86%
of subscribers

Source: Canal+



CANAL+ GROUP:
STREAMING OFFERS
PER SUBSCRIPTION

8 MILLION
"STREAMS"
EACH MONTH

Source: Canal+



CANAL+ GROUP:
RETENTION OF THE NF
CUSTOMER SERVICE
CERTIFICATION

(NF is the main French
quality mark certification
delivered by AFNOR)

Source: Canal+ Group



44
NUMBER OF
LANGUAGES
sung by UMG artists

Source: UMG



51% OF UMG DIGITAL SALES
and 28% of UMG physical sales generated
by the catalog (works marketed for more
than two years)

(scope of 59 countries)
Source: UMG

* Figures as of 12/31/2015.

2.8. Creating Value for Employees

Vivendi, an integrated industrial group with international ambitions, involved in media and the production and distribution of cultural or entertainment content, invests in men, women, ideas and creativity.

This is the condition of its success and of its ability to innovate in a constantly changing environment. The group must also provide for the excellent management of its employees to attract them, retain them and support them. Involving the employees in the company's strategies and results and satisfying their expectations regarding employability and the quality of their work environment life are both priorities for the group.

The year 2015 was marked by the desire of Vivendi's management to involve the employees of the group's different entities in a joint and participatory reflection process to define together the group's strategic developments and the new business opportunities.

This dynamic was carried forward through the organization of three international seminars that brought together some fifty operational and headquarter managers, who sought to facilitate the cross-functional mobilization of employees. Several campaigns were selected and some have already been deployed. Thus some forty young, recently hired employees under the age of thirty were asked to develop a "welcome and teamwork program" for new employees, based on four major focuses: the discovery of the group's different businesses, the development of internal networks, the pooling of ideas and the building of bridges between entities. Another pilot program intended for more senior managers will allow them to discover the best practices (offering of goods and services, technological innovations, team management, corporate social responsibility initiatives) through training cycles that bring them together for several weeks. Finally, certain occupations, such as web developers or designers, have already been organized into networks to foster synergies within the group.

Seeking to establish a fair distribution of the fruits of the employee's labor, Vivendi set up a profit sharing system that strongly encourages the development of employee share ownership. In 2015, a capital increase reserved for employees was carried out.

This operation was a great success in terms of employee participation (4,659, or a 43% increase compared to the previous capital increase

carried out in 2013) and in terms of the amounts to which the employees subscribed, which increased by close to 75 million euros. As of December 31, 2015, employees of the group held 3.3% of Vivendi's capital.

Helping employees adjust to changes in their business is a central focus of the training programs deployed in the group. If Canal+ Group puts a premium on collective initiatives, Universal Music Group has opted for individualized methods. In 2015, more than 10,000 employees benefited from training campaigns.

In addition to employability, parenthood is an important issue for social dialogue considering the employee age pyramid. Close to 70% of employees are under the age of 44. Several agreements or charters provide for a certain career flexibility and leave of absence by the employee (maternity leave or parental leave). In order to foster gender equality, the agreements include measures for identifying and correcting pay gaps. Canal+ Group therefore disregards periods of maternity leave in the annual evaluation, and identifies pay gaps for equal jobs and the associated corrective actions. More globally, Vivendi seeks to achieve parity in succession and promotion plans. Women represent 42% of management staff and, on average, 20% of them sit on the management committees of the entities (Vivendi, Universal Music Group, Canal+ Group, Vivendi Village, Dailymotion).

Finally, all employees carry out their mission in compliance with the group's rules of conduct listed in the Compliance Program adopted in 2002. Compliance with these rules is a condition for being a part of Vivendi. These rules are applicable to each employee regardless of his or her level in the group's hierarchy and his or her duties. They cover the rights of employees, the accuracy and protection of information, the prevention of conflicts of interest, business ethics and compliance with the rules of competition, the use of property and resources belonging to the group, financial ethics and environmental awareness. To guarantee the best standards in conducting the group's business activities, the Management Board monitors the application of this Program, on the initiative of the General Counsel of Vivendi and the *Compliance Officers* of the principal operational units. An activity report is submitted annually to the Audit Committee, which reports to the Supervisory Board.

KEY FIGURES *



TOTAL NUMBER OF EMPLOYEES:
16,395



3.3%
OF VIVENDI'S CAPITAL
held by employees



2 EMPLOYEES ON THE SUPERVISORY BOARD:
one director representing the employee shareholders
and one director representing the employees



68% OF EMPLOYEES are between the ages of 25 and 44
and **65%** of them **WORK IN EUROPE**



42%
OF MANAGERS
ARE WOMEN



42% OF EMPLOYEES COVERED
by the collective bargaining agreements (worldwide)
and **23 AGREEMENTS SIGNED** with labor representatives (France)

* Figures as of 12/31/2015 - Source: Vivendi.

2.9. Creating Value for Suppliers and Business Partners

Vivendi contributes actively to the local economic fabric of the territories in which it conducts business, particularly through the business contracts that it signs with its different partners in compliance with the group's rules of conduct. To assess the creation of value, economic results and fairness of practices must go hand in hand. As the Vivendi Compliance Program states: "The desire to strive for economic performance cannot in any circumstances justify breaching the rules of business ethics. On the contrary, this requirement for performance requires everyone to act in a way which favors commercial relationships which are lasting and based on loyalty and integrity".

The Vivendi business units make sure to integrate the group's commitments based on the Compliance Program and the principles of the United Nations Global Compact in their tender calls and their contracts with their principal suppliers. In 2015, to assess the risks associated with the Vivendi supply chain, an evaluation of the purchases made from suppliers and subcontractors accounting for at least 75% of the total expenditures of each of its subsidiaries was updated. This study shows that 85% of the group's purchases comprise the purchase of content and professional services and that 84% of these purchases are made in Europe.

Canal+ Group pays particular attention to ensuring that its suppliers and service providers are economically independent. Thus, the proportion of the sales of these suppliers and service providers attributable to Canal+ Group is audited regularly using ERP (Enterprise Resource Planning) purchasing management software. When this proportion becomes significant and reaches 30%, assistance may be offered to the service provider who is then alerted and invited to diversify its clientele. The Purchasing department ensures, as far as possible, not to sign contracts for more than three years. At the end of this period, the supplier must compete in requests for proposals.

In 2015, in six African countries (Burkina Faso, Cameroon, Congo, Gabon, Ivory Coast and Senegal), Canal+ Group maintained business relations with 76 local producers for the purchase and pre-purchase of rights and the coproduction of shows, films and productions. The group created close to 4,500 indirect jobs through its distribution network, its purchases of communication services and the technician services that it used to install the equipment necessary for subscribers to receive the packages.

In its main business regions, Universal Music Group requires its suppliers, through its calls for tender, to sign the Universal Music Group Supplier Corporate Responsibility Policy. In the United Kingdom, the UMG Purchasing department has been made aware of the new regulatory framework of the Modern Slavery Act adopted in 2015 requiring companies to detail the measures that they have taken to ensure that their suppliers do not engage in modern slavery practices or in human trafficking.

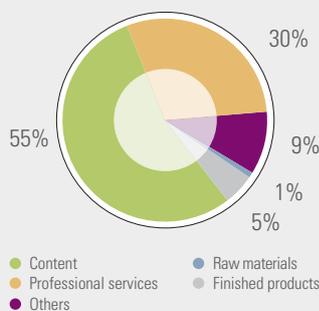
Bravado Australia, UMG's Australian merchandising subsidiary, requests its suppliers to provide evidence of international accreditation (WRAP, BSCI and SEDEX) certifying that they comply with the ethical requirements prior to any contractual commitment. They are also asked to sign a Manufacturing Agreement that reminds them of their commitments in relation to respect for human rights, and compliance with those commitments is verified by the company through annual audits.

In connection with the renewal of its EMAS environmental certification, Vivendi SA includes environmental protection clauses in its contracts and its business relationships with its suppliers and subcontractors.

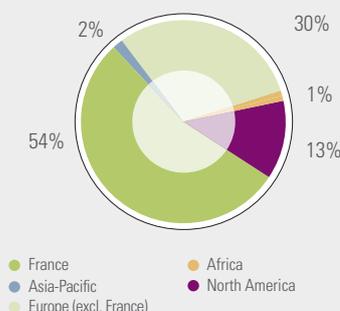
In 2016, Vivendi will continue its work to consolidate the commitments it has made to making progress on its purchasing operations with the operations staff of its business units and in order to better anticipate increasingly demanding regulatory changes.

KEY FIGURES *

PURCHASES BY CATEGORY



PURCHASES BY GEOGRAPHIC REGION



CANAL+ GROUP:
renewal of
THE SOCIAL RESPONSIBILITY LABEL FOR CALL CENTERS



78% of purchases
MADE FROM LOCAL SUPPLIERS

Scope:

- Universal Music Group limited to a focus group of nine countries (Australia, Brazil, France, Germany, Japan, the Netherlands, South Africa, the United Kingdom and the United States);
- Canal+ Group: entities located in France, in Africa (a focus group of six countries: Canal+ Burkina Faso, Canal+ Cameroon, Canal+ Congo, Canal+ Gabon, Canal+ Ivory Coast, Canal+ Senegal), in Poland and in Vietnam; and
- Vivendi Village: Vivendi Ticketing, MyBestPro, Watchever, L'Olympia.

* Figures as of 12/31/2015. Source: Vivendi.

2.10. The Value Creation Circuit

The following two pages illustrate as a summary the sharing of financial and extra-financial value produced by Vivendi with its main stakeholders. The page references refer to additional information detailed in the Reference Document.

Total workforce
16,395
Wages and salaries
€1,138M

Attractiveness of the businesses pp. 12-14, 59
Development of skills pp. 59, 84-87
Cross-functional mobilization of employees pp. 12-13, 26, 59
Employee share ownership pp. 26, 58
Employee representation on the Supervisory Board pp. 26, 86, 117

Amounts distributed to artists, suppliers and service providers (distribution, purchase of programs, royalties, subscriber management...):
€7,751M

Human rights and business relationships pp. 20-21, 27, 48, 52, 57-58, 73-74, 165
CSR as part of the purchasing policy and in relations with suppliers and subcontractors pp. 27, 53, 57-58, 73-74
Percentage of purchases made from local suppliers pp. 27, 70
Breakdown of purchases by main categories and geographic regions pp. 27, 73



Investment in local creation and talent pp. 15, 17, 20, 22-23, 48, 53, 55, 62-65, 70-71
Support for new talent pp. 13-14, 20, 22-23, 55, 63-67
Respect for intellectual property pp. 17, 20, 22-23, 65-66
Promotion of heritage pp. 20, 25, 55, 63-65
Dialog with the professional associations pp. 22-23, 53, 72
Role of female artists and producers of cultural goods and services pp. 20, 23, 53, 56, 63

Development of business activities
Investments in content
€2,309M

Contribution to economic, social and cultural local development pp. 14, 27, 56, 70-71
Solidarity programs and sponsorship initiatives pp. 66-67, 71
Development of infrastructures, particularly performance venues in Africa pp. 14, 17, 56, 70, 263
Respect for the environment pp. 17, 27, 60-61, 89-94, 160

Promotion of cultural diversity pp. 20, 25, 55-56, 62-65
 Empowerment and protection of youth pp. 20, 25, 52, 57-58, 66-68, 70
 Pluralism of content, access to media and awareness raising of sustainable development issues pp. 20, 25, 56, 68-70
 Valuation and protection of personal data pp. 20, 25, 57, 69-70
 Dialog with consumer associations pp. 25, 72



State and local authorities

Taxes on production and income: **€1,216M**
 Payroll taxes on wages and salaries: **€310M**

Dialog with national and international institutions pp. 22, 53, 55-56, 75
 Responsible lobbying p. 75
 Respect for intellectual property and fight against piracy pp. 20-21, 65-66, 72, 75



Shareholders*
 Dividends paid to shareholders in 2015, for fiscal year 2014: **€1,363M**⁽¹⁾
Financial institutions
 Interest paid to banks: **€30M**

Financial communication policy pp. 24, 41-42



Regular and constructive dialog through partnerships pp. 17, 53, 56, 66-67, 70-71
 Two innovative digital tools: *Culture(s) with Vivendi* and *Vivoice* pp. 23, 52-53, 56-57, 90
 Involvement of young citizens pp. 20, 49, 53, 56
 Role of women in cultural life pp. 20, 23, 26, 52-53, 56, 59, 76, 81, 85-86, 131

* Employees and former employees hold 3.3% of the share capital.
 (1) See also Chapter 4, note 15 to the consolidated financial statements for the year ended December 31, 2015 "Shareholder dividend distribution policy" (Annual Report 2015).

3

Corporate Governance Indicators

FISCAL YEAR 2015

| | | |
|-------------|--------------------------|----|
| 3.1. | Independence | 20 |
| 3.2. | Involvement in Decisions | 21 |

Vivendi fully adheres to AFEP and MEDEF Corporate Governance Code of listed corporations (further referred to as AFEP/MEDEF Code). For more information on corporate governance, please refer to Chapter 3 of the Annual Report 2015 (p. 102-166).

3.1. Independence

3.1.1. INDEPENDENCE OF THE MEMBERS OF THE SUPERVISORY BOARD

PRESENCE OF AT LEAST 50% INDEPENDENT MEMBERS ⁽¹⁾ ON THE SUPERVISORY BOARD ⁽²⁾, AT LEAST 50% ON THE REMUNERATION COMMITTEE ⁽²⁾ AND 66.66% ON THE AUDIT COMMITTEE ⁽²⁾

| GRI | UNGC | OECD |
|--------------|------|-----------------|
| G4-38, G4-41 | - | II.6 and 7, III |

| | 2015 | 2014 |
|--|-----------------------------|----------------------|
| Supervisory Board | 83.3% ⁽³⁾ | 83.3% ⁽³⁾ |
| Audit Committee | 83.3% | 66.7% ⁽⁴⁾ |
| Corporate Governance, Nominations and Remuneration Committee | 66.7% | 87.5% |
| Human Resources Committee ⁽⁵⁾ | - | 71.4% |
| Corporate Governance and Nomination Committee ^{(5) (6)} | - | 66.7% |

MAXIMUM AVERAGE TERM OF OFFICE OF FIVE YEARS FOR MEMBERS OF THE SUPERVISORY BOARD ⁽²⁾

| GRI | UNGC | OECD |
|--------------|------|-----------------|
| G4-38, G4-41 | - | II.6 and 7, III |

The term of office of the members of the Supervisory Board is set at four years (Article 7 of the by-laws).

⁽¹⁾ Definition in the AFEP/MEDEF Code: not to be or have been an employee or corporate officer of a group company during the previous five years; not to be under the control of the executive of another company; not to have had commercial relations with one of the Group's customers or suppliers; not to have close family ties with the CEO, not to be a member of the board of the company for more than twelve years. Beyond the recommendations of the AFEP/MEDEF Code, the extended definition takes into account common university and professional origins, frequently encountered among French board members.

⁽²⁾ AFEP/MEDEF Code.

⁽³⁾ Excluding the employee representative and the employee shareholders representative.

⁽⁴⁾ Since June 24, 2014. Until June 24, the Audit Committee comprised 80% independent members.

⁽⁵⁾ Since June 24, 2014, only two specialized committees have been assisting the Supervisory Board in fulfilling its duties: the Audit Committee and the Corporate Governance, Nominations and Remuneration Committee.

⁽⁶⁾ In 2014, nominations to the Supervisory Board were examined by the Corporate Governance and Nomination Committee.

⁽⁷⁾ Other issues put forward by stakeholders.

3.1.2. INDEPENDENCE OF MEMBERS OF THE SUPERVISORY BOARD TOWARDS EACH OTHER

PUBLISH THE PROPORTION OF MEMBERS OF THE SUPERVISORY BOARD WHO HAVE NO CROSSHOLDINGS, WHO DO NOT SIT ON THE SAME BOARDS AND WHO HAVE NO COMMON ORIGINS (TRAINING, CAREER, FAMILY) ^{(1) (7)}

| GRI | UNGC | OECD |
|---------------------|------|-----------------|
| G4-38, G4-40, G4-41 | - | II.6 and 7, III |

| | 2015 | 2014 |
|------------|-------------|------|
| Proportion | 100% | 100% |

3.1.3. INDEPENDENCE OF AUDITORS IN RELATION TO MANAGEMENT

PUBLISH A BREAKDOWN OF THE AUDITORS' AUDIT AND CONSULTING ASSIGNMENTS

| GRI | UNGC | OECD |
|--------------|------|-----------------|
| G4-33, G4-41 | - | II.6 and 7, III |

| | 2015 | 2014 |
|---|----------------------------------|---------------------------|
| Information published in the Consolidated Financial Statements of the Annual Report | Note 25 (AR 2015, p. 277) | Note 28 (AR 2014, p. 289) |

PUBLISH THE NUMBER OF MEETINGS BETWEEN AUDITORS AND MEMBERS OF THE SUPERVISORY BOARD WITHOUT PRESENCE OF THE MANAGEMENT BOARD ⁽¹⁾

| GRI | UNGC | OECD |
|-------|------|-----------------|
| G4-41 | - | II.6 and 7, III |

| | 2015 | 2014 |
|--------------------|----------|------|
| Number of meetings | 0 | 0 |

3.2. Involvement in Decisions

3.2.1. INVOLVEMENT IN DECISIONS OF THE MEMBERS OF THE SUPERVISORY BOARD

MAXIMUM OF FIVE TERMS OF OFFICE CUMULATED PER MEMBER OF THE SUPERVISORY BOARD (EXCLUDING NON-FRENCH COMPANIES)

| GRI | UNGC | OECD |
|-------|------|-----------------|
| G4-41 | - | II.6 and 7, III |

In compliance.

PUBLISH THE NUMBER OF MEETINGS AND AVERAGE ATTENDANCE RATE OF THE SUPERVISORY BOARD ⁽²⁾ AND THE DIFFERENT COMMITTEES THAT MAKE IT UP ⁽¹⁾

| GRI | UNGC | OECD |
|--------------|------|-----------------|
| G4-45, G4-47 | - | II.6 and 7, III |

| | 2015 | 2014 |
|--|---|---|
| Supervisory Board | 5 meetings Attendance rate: 97.2% | 10 meetings Attendance rate: 92.4% |
| Audit Committee | 5 meetings Attendance rate: 93.32% | 6 meetings Attendance rate: 81.1% |
| Corporate Governance, Nominations and Remuneration Committee | 4 meetings Attendance rate: 91.30% | 2 meetings Attendance rate: 92.8% |
| Human Resources Committee | - | 3 meetings Attendance rate: 69.8% |
| Corporate Governance and Nomination Committee ⁽³⁾ | - | 2 meetings Attendance rate: 100% |

(1) AFEP/MEDEF Code.

(2) Other issues put forward by stakeholders.

(3) In 2014, nominations to the Supervisory Board were examined by the Corporate Governance and Nomination Committee.

EVALUATE THE OPERATION OF THE SUPERVISORY BOARD EVERY THREE YEARS ⁽¹⁾

| GRI | UNGC | OECD |
|--------------|------|-----------------|
| G4-40, G4-44 | - | II.6 and 7, III |

| | 2015 | 2014 |
|----------------------|---|---|
| Last assessment date | February 2015 (please refer to Chapter 3, Section 3.1.1.12 of AR 2015, p. 130) | January 2012 (please refer to Chapter 3, Section 3.1.1.12 of AR 2012, p. 130) |

In addition, every year, one item on the agenda is dedicated to a discussion of the performance of the Supervisory Board.

Internal Regulations are in place for the Supervisory Board and for each of its Committees.

3.2.2. INVOLVEMENT IN DECISIONS OF THE MEMBERS OF MANAGEMENT BOARD

MAXIMUM OF FIVE TERMS OF OFFICE CUMULATED PER MEMBER OF THE MANAGEMENT BOARD (EXCLUDING NON-FRENCH COMPANIES)

| GRI | UNGC | OECD |
|-------|------|-----------------|
| G4-41 | - | II.6 and 7, III |

In compliance.

PUBLISH THE NUMBER OF MEETINGS AND AVERAGE ATTENDANCE RATE OF THE MEMBERS OF THE MANAGEMENT BOARD

| GRI | UNGC | OECD |
|--------------|------|-----------------|
| G4-41, G4-45 | - | II.6 and 7, III |

| | 2015 | 2014 |
|--|-----------|-----------|
| Number of meetings and attendance rate | 18 (100%) | 20 (100%) |

3.2.3. INVOLVEMENT IN DECISIONS OF SHAREHOLDERS

PUBLISH SHAREHOLDERS' ATTENDANCE RATE IN ANNUAL GENERAL SHAREHOLDERS' MEETING ⁽¹⁾, PUBLISH BALLOT RESULTS OF THE RESOLUTIONS SUBMITTED TO SHAREHOLDERS ⁽¹⁾

| GRI | UNGC | OECD |
|---------------------|------|-----------------|
| G4-26, G4-40, G4-53 | - | II.6 and 7, III |

Published the day of Annual Shareholders' Meetings on the website www.vivendi.com.

3.2.4. INVOLVEMENT IN DECISIONS OF OTHER STAKEHOLDERS

OPERATIONS ON COMPANY SHARES

| GRI | UNGC | OECD |
|-----|------|-----------------|
| - | - | II.6 and 7, III |

Operations on shares are prohibited for a period of 30 calendar days preceding and including the day of publication of the company's quarterly, half-yearly and annual financial statements, as well as in the case of awareness of information which, if made public, would have an impact on the company's share price. All hedging operations are prohibited.

(1) Within 15 days following the General Meeting (Article R.225-106-1 of the French Commercial Code).

(2) The company no longer grants stock options since 2013.

(3) Other issues put forward by stakeholders.

PERFORMANCE CONDITIONS RELATED TO PERFORMANCE SHARES ⁽²⁾

| GRI | UNGC | OECD |
|-----|------|-----------------|
| - | - | II.6 and 7, III |

| | 2015 | 2014 |
|--------------------|--|--|
| Performance shares | Please refer to Chapter 3, Section 3.4 of AR 2015, pp. 151-154 | Please refer to Chapter 3, Section 3.4 of AR 2014, pp. 140-142 |

The grant of performance shares is subject to internal and external criteria evaluated during three years.

REPRESENTATION OF EMPLOYEE SHAREHOLDERS AND EMPLOYEES AT THE SUPERVISORY BOARD

| GRI | UNGC | OECD |
|--------------|------|-----------------|
| G4-26, G4-40 | - | II.6 and 7, III |

The Combined General Shareholders' Meeting held on April 30, 2013 approved the appointment of an employee shareholding representative subject to the provisions of Article L.225-71 of the French Commercial Code and the Company's bylaws, which enable this kind of appointment when the employee shareholding reaches 3%.

Under the employment security law of June 14, 2013 providing for the appointment of an employee representative as a member of the Supervisory Board, Vivendi chose to have the employee appointed by the Works Council from among the possible methods for appointment under this law. The Vivendi Works Council issued an opinion in favor of this nominating procedure, which was then approved by the Shareholders' Meeting on June 24, 2014. In 2014, a representative of the employees was appointed by the Vivendi Works Council.

Two Vivendi employees sit on Vivendi's Supervisory Board: the employee representative and the employee shareholders representative.

PERCENTAGE OF QUESTIONS ON CORPORATE SOCIETAL RESPONSIBILITY AT ANNUAL SHAREHOLDERS' MEETING

| GRI | UNGC | OECD |
|---------------------|------|-----------------|
| G4-26, G4-27, G4-49 | - | II.6 and 7, III |

| | 2015 | 2014 |
|-------------------------|------|------|
| Percentage of questions | 40% | 26% |

Societal Indicators

4

| | | |
|------|--|----|
| 4.1. | Vivendi's Four "Core" Issues Relating to Human Rights | 24 |
| 4.2. | Local, Economic and Social Impact of the Business Activity | 35 |
| 4.3. | Relations with Stakeholders | 37 |
| 4.4. | CSR Criteria as Part of Purchasing Policy and in Relations with Suppliers and Subcontractors | 38 |
| 4.5. | Fair Business Practices | 39 |

Being aware of the human and cultural influence exerted by the group over millions of customers and citizens, and of the role it can play in promoting intercultural living together, Vivendi has defined four CSR strategic "core" issues relating to human rights:

- ◆ promoting cultural diversity in content production and distribution;
- ◆ empowering and protecting young people in their use of digital media;
- ◆ fostering knowledge sharing which includes pluralism of content, media access and awareness raising of sustainable development issues; and
- ◆ valuating and protecting personal data.

These issues, which have been the subject of vigorous reporting since 2004, are part of the societal component of French Grenelle II law, under the heading relating to action taken in support of human rights (see Chapter 2, Section 2.4 and Section 4.1 of this chapter).

Data on compliance with the fundamental conventions of the International Labor Organization (ILO) is discussed in the suppliers and sub-contractors section (see Section 4.4) and in the "Social Indicators" section of this Handbook (see Section 5.7).

The societal data is based on the following scopes of consolidation, which are detailed in the indicators and in the Methodology Note (see Section 7.1 of this Handbook):

- ◆ Universal Music Group, limited to a focus group of nine countries (Australia, Brazil, France, Germany, Japan, Netherlands, South Africa, the United Kingdom and the United States), accounting for 81% of UMG's total revenue. For some indicators, this scope is expanded to include other entities that show noteworthy initiatives;

- ◆ Canal+ Group (entities located in France, Poland and Vietnam and in a focus group of six African countries: Burkina Faso, Cameroon, Congo, Gabon, Ivory Coast and Senegal), apart from some indicators which are only relevant to France;
- ◆ Vivendi Village (Vivendi Ticketing, MyBestPro, Watchever and L'Olympia) for a selection of indicators; and
- ◆ Corporate (Paris headquarters).

The abbreviations or acronyms used under the title of the indicators are provided in detail on p. 3.

4.1. Vivendi's Four "Core" Issues Relating to Human Rights

4.1.1. PROMOTING CULTURAL DIVERSITY IN CONTENT PRODUCTION AND DISTRIBUTION

Since 2003, promoting cultural diversity has been one of Vivendi's strategic CSR issues. The group aims to encourage diversity in music catalogs and cinematographic expression, discover and empower new talent, promote local artists and showcase cultural heritage.

This promotion of cultural diversity creates both societal and financial value (see Chapter 1, Section 1.5.1 of the Annual Report 2015). Since 2010, this issue has been part of the CSR criteria which are taken into account in the variable compensation of the group's senior executives.

In 2012, to illustrate in a tangible manner the major role played by culture in stimulating economic growth, strengthening social cohesion, encouraging intercultural living together and promoting innovation, Vivendi launched the website *Culture(s) with Vivendi* (cultureswithvivendi.com). With a focus on cultural diversity, it provides unique insight into the cultural industries and the media sector. In 2015, the site featured more than 60 new videos, articles and artist portraits.

4.1.1.1. Cinematographic and Audiovisual Diversity

As the chief contributor to cinematographic expression in France (mainland France and the overseas departments and territories), Canal+ Group, through its subsidiaries, also plays a significant role in Europe and Africa. Cinematographic diversity is one of the pillars of the editorial line of the group's channels.

Driven by the belief that talent is the focal point of the growth of an international media and content group, in 2015, Vivendi launched its project to build the CanalOlympia movie theaters and venues in Central and West Africa, to offer a stage to a large number of local artists and encourage the development of African talent.

In the same way, Watchever, a subsidiary of Vivendi Village, gives diversity a prominent place in its SVoD offer.

◆ Supporting cinematographic creation in France

| PERCENTAGE OF CNC-APPROVED FRENCH-INITIATIVE FILMS FINANCED BY CANAL+ AND ASSOCIATED AMOUNTS | | | |
|--|----------------------------|--------|--------------------|
| GRI | UNGC | OECD | Scope covered |
| DMA HR MSS Cultural Rights aspect, MSS M3 | 1, 2 | II, IV | Canal+ |
| | 2015 | | 2014 |
| Canal+ | 55% (€175 million)* | | 45% (€128 million) |

* Subject to data consolidated by the CNC to be published in spring 2016, in the 2015 Report on Cinematographic Production.

In 2015, Canal+ remained the privileged partner of French cinema. It actively supported creation by financing 55% of French-initiative films approved by the CNC (the French national center for cinema and motion pictures) for €175 million, which represents 129 films in total. Through its subsidiary D8 Films, D8 co-produced four French films, including three first films and one directed by a woman.

Canal+ also renewed its agreement with professional cinema organizations (ARP, BLIC, BLOC and UPF) and has committed to devoting 12.5% of its revenue from sales to purchasing European and French films over five years. This agreement therefore extends the previous agreement of 2009, and strengthens Canal+ in its position as the major private source of finance for the French film industry (see also Chapter 1, Section 1.5.5 of the Annual Report 2015).

◆ Discovering new talent and empowering young filmmakers

The discovery of new talent is a particular focus of Canal+ Group. The channel empowers young filmmakers by financing their first and/or second films.

| NUMBER OF FIRST AND SECOND FRENCH-INITIATIVE FILMS FINANCED BY CANAL+ | | | |
|---|--|--------|---------------------------------|
| GRI | UNGC | OECD | Scope covered |
| DMA HR MSS Cultural Rights aspect, MSS M3 | 1, 2 | II, IV | Canal+ |
| | 2015 | | 2014 |
| Canal+ | 20 first films & 14 second films* | | 25 first films & 8 second films |

* Subject to data consolidated by the CNC to be published in spring 2016, in the 2015 Report on Cinematographic Production.

In 2015, Canal+ supported 20 first films, including *M* from Sara Forestier, *Rosalie Blum* by Julien Rappeneau, and *M. et Mme Adelman* from Nicolas Bedos, and 14 second films, including the film from director Hugo Gélin (*Demain tout commence*), who directed *Just Like Brothers*. The channel also bets on projects carried by young actresses such as Adèle Haenel or Soko and young scriptwriters like Etienne Comar, who co-wrote, as his first film, *Mon Roi* with Maïwenn. In addition, Ciné+ supplemented the financing from Canal+ by supporting 24 first films and 16 second films.

Studiocanal also supported the young talents – identified on the air or by Canal+ Group's talent-spotting team – in their first feature-length film, including Alex Lutz (*Thanks to My Friends*) and Igor Gotesman (*Five*). Studiocanal also co-produced the first French animated film from Franck Ekinci and Christian Desmares, inspired by the graphic world of Tardi, *April and the Extraordinary World*. The movie received the Cristal for Feature Film award at the 2015 Annecy International Animation Film Festival. The British subsidiary of Studiocanal co-produced Justin Kurzel's second film *Macbeth*, which was also nominated in several international film festivals, and the first film from Max Joseph, *We Are Your Friends*.

◆ Digital cinematographic and audiovisual diversity

Committed to expanding the broadcasting of its content on the Internet, Canal+ has created a Digital Creation hub offering talented individuals a chance to build up their audience and receive assistance in producing and promoting short formats and original productions developed specifically for the web. The hub thus brings together affiliations of young digital talents whose productions have included *Le meufisme*, *Internet*, *Lolywoods*, *La biscotte*, *Digital mum* and *Bonjour tristesse*.

Canal+ also showcases short-film talent. In 2015, a call for projects *Dessine toujours!* was launched with cartoonists and animators on the theme of freedom of expression. The eight animated short features selected were broadcast on the channel in late 2015. In addition, Canalplay launched a section dedicated to short films on its VoD interface. At the same time the platform continues to develop web series belonging to very different spheres, as a reflection of the diversity that the platform wishes to offer to its subscribers.

In 2015, Watchever, the subsidiary of Vivendi Village, renovated its SVoD service to diversify its offer. Watchever introduced content coming from independent productions through several dedicated channels, such as the specialty channel *Docusphère*. Temporary channels marking cultural events also appeared on the platform, such as *Films français*. This channel was intended to highlight French film works, in partnership with the French Embassy and the Berlin French Film Festival.

◆ Enhancing international audiovisual and cinematographic influence and showcasing cultural heritage

INITIATIVES BY CANAL+ GROUP AIMED AT ENHANCING INTERNATIONAL AUDIOVISUAL AND CINEMATOGRAPHIC INFLUENCE AND AT SHOWCASING CULTURAL HERITAGE



| GRI | UNGC | OECD | Scope covered |
|---|------|--------|---------------|
| DMA HR MSS Cultural Rights aspect, MSS M3 | 1, 2 | II, IV | Canal+ Group |

Canal+ Group has developed a number of initiatives aimed at enhancing the influence of audiovisual and cinematographic media abroad and showcasing cultural heritage. In 2015, Vivendi along with Canal+ became Grand Sponsor of the Paris-based film institute and archive *Cinémathèque française*, a hotspot of cinematographic culture. In signing this major partnership through 2020, Vivendi reaffirms its commitment to the film industry and its many talented professionals.

Studiocanal, which operates subsidiaries in France, the United Kingdom and Germany and is also active in Australia and in New Zealand, has established itself as the leading European player in the production, acquisition, and distribution of world-class movies and TV series. During 2015, Studiocanal broadcast 47 new feature-length films from 12 different countries in the five territories in which it operates. It also participated in the production of 19 feature-length films from filmmakers of five different nationalities.

In 2015, the films produced or distributed by Studiocanal were again selected at the major film festivals: the Academy Awards (17 nominations for *The Imitation Game*, *Foxcatcher*, *Selma*, *Song of the Sea* and *The Tale of Princess Kaguya*), the Golden Globes (16 nominations for the films *The Imitation Game*, *Selma* and *Foxcatcher*), the BAFTA (15 nominations for *Paddington*, *71*, *The Imitation Game*, *Under the Skin*, all four in the race in the Best British Film category), the BAFTA Children Awards (*Shaun the Sheep* nominated and *Paddington* recognized as Best Film 2015), and the BIFA (13 nominations for *Macbeth*, *Room*, *High-Rise*, *Carol* and *Legend*, for which Tom Hardy won the prize for Best Actor). At the 2015 Cannes Film Festival, films co-produced by Studiocanal were also well represented with two films, *Macbeth* and *Mon Roi*, in the official competition.

Studiocanal continued its particularly dynamic policy of promoting and preserving cinematographic heritage. With over 5,000 titles, Studiocanal holds one of the most important film catalogs in the world. In 2015, €1.1 million was invested to restore in 4k or HD, digitize and modernize 36 titles from the catalog. Studiocanal restored major works, including *The Third Man*, one of Orson Welles' greatest roles (it was also released in theaters in several regions to mark the one-hundredth birthday of the director and recorded the third-highest results for the year for a film rerun in France). *Léon Morin Priest*, a drama starring Jean-Paul Belmondo, or *Ran*, set in feudal Japan and directed by the legendary filmmaker Akira Kurosawa, were also restored. The restored copies of these films were shown at several international festivals (including the *Venezia Classici* section at the Venice Film Festival, Cannes Classics and the Lyon Festival of Lights).

nc+, the Polish subsidiary of Canal+ Group, is also committed to local productions. The film *Ida*, winner of the Academy Award and the BAFTA award for Best Foreign Film in 2015, was co-produced by nc+, and *Belfer*, a new television series now in post-production, will be broadcast in 2016. In Vietnam, K+, which wants to expand its audience to movie fans, co-produced five Vietnamese films for the first time in 2015. The partnerships established with the principal local production companies are an opportunity for K+ to support the country's film industry.



| INVESTMENTS BY CANAL+ AFRIQUE IN LOCAL AFRICAN CONTENT (EXCLUDING SPORTS RIGHTS) | | | |
|--|------|--------|---------------|
| GRI | UNGC | OECD | Scope covered |
| DMA HR MSS Cultural Rights aspect, MSS M3 | 1, 2 | II, IV | Canal+ Group |

| | 2015 | 2014 |
|-----|--------------|------------|
| GC+ | €5.5 million | €3 million |

A committed player and major investor in the African film industry, Canal+ Afrique contributes to the influence and development of the seventh art on the African continent. The group supports numerous African cinematographic productions: since 2005, more than 50 films have been co-produced or pre-purchased. The channel broadcasts twelve African films every year. In 2015, Canal+ Afrique supported, among other African films: *Dhalinyaro* by Lula Ali Ismail (Djibouti) and *Wallaye!* by Bernie Goldblatt (Burkina Faso). In addition, Canal+ Afrique has contributed to the development of African cinema by supporting major festivals like the FESPACO for the last several years. Of the awards given at the 24th edition of the festival, Canal+ Afrique awarded seven prizes in the categories of "Documentary", "African film school" and "TV Series".

A+, the African channel based in Abidjan and broadcast in more than 20 French-speaking countries in West and Central Africa, has confirmed its determination to develop African talent and committed to 23 productions, co-productions and innovative pre-purchases in 2015 in almost every country in which the group is present. These programs include 13 original series and French-speaking fictions, four talent shows or reality TV shows, four magazines, and two live event formats (including "Conakry, the great concert to fight Ebola"). For the *Le Parlement du rire* program in particular, Canal+ Afrique launched the production of twenty 30-minute shows that will highlight 26 comedians from 12 different countries. In addition to the programs, which will be broadcast in 2016 on Canal+ Afrique and A+ in France and in the overseas departments and territories, a tour is planned in Abidjan in October. A+ also offers its subscribers a number of dubbed series produced in other African languages (including in Senegal, Ghana, Angola and South Africa).

4.1.1.2. Musical Diversity

Cultural diversity sits at the heart of Universal Music Group's business; UMG offers an extensive catalog covering every musical genre. UMG's growth is based both on developing its roster of international artists and on spotting and promoting local talent, whether the artists are young and upcoming or best-selling acts. UMG maintains its leadership position in its different national markets. In 2015, UMG signed local artists in 59 countries, with albums recorded in 44 languages and released in 120 countries.

Investing in creation and local talent



| PERCENTAGE OF SALES ACCOUNTED FOR BY LOCAL REPERTOIRES IN THEIR OWN COUNTRIES | | | |
|---|------|--------|--------------------|
| GRI | UNGC | OECD | Scope covered |
| DMA HR MSS Cultural Rights aspect, MSS M3 | 1, 2 | II, IV | UMG (59 countries) |

| | 2015 | 2014 |
|-----|------|------|
| UMG | 65% | 60% |

In 2015, young UMG artists once again received numerous awards. At Victoires de la musique, the singer Indila's first album *Mini World* received the award "Victoire de l'album révélation de l'année", while Benjamin Clementine, a 27-year-old composer and performer originally from Ghana, received the award "Révélation scène".

At the Gramophone Awards ceremony in September 2015, UMG received distinctions again: notably, Deutsche Grammophon won the coveted Recording of the Year award for Anton Bruckner's Symphony No. 9, recorded by the Lucerne Festival Orchestra under Italian conductor Claudio Abbado. At the 57th Grammy Awards for classical music, American violinist Hilary Hahn, signed with Deutsche Grammophon, won the third Grammy of her career for her album *In 27 Pieces - The Hilary Hahn Encores*, named Best Chamber Music Album of the Year.

In addition, UMG continues to sign young talent around the world, including those making their debuts on the different national versions of *The Voice*, which now has 60 local productions and has extended the scope of its broadcasting to 180 countries. Twelve young artists from *The Voice Kids* and 45 artists discovered on *The Voice* have signed with a UMG label.

New artists and musicians were also discovered by UMG in 2015 through Spinnup. This platform allows musicians and artists who have not signed with a record label to put their compositions online for subsequent distribution by all the major global digital retailers. At the same time, they are offered assistance in developing their careers. This assistance consists of tutorials (training in marketing, social media, tour booking) and advice provided by a dedicated team of talent scouts — who also browse the platform in search of new talent. Since the platform was created in 2013, 15 artists have signed with a UMG label, including Albin, Vigiland and Alfons, whose albums have already reached multi-platinum sales in Scandinavia.

Finally, Digitick and Infoconcert, subsidiaries of Vivendi Village, also provide support to young artists and to various local festivals. In 2015 their teams launched the editorial mechanism Digilove which offers visitors a chance to discover a selection of young musical talents (*Jeune scène française, La scène féminine*) showcased on their respective media. With 20,000 events, Digitick has a diversified offer, representing more than ten musical genres and six major categories of live shows (concerts, festivals, theatre, humor, dance and circus).

◆ Showcasing musical heritage

Showcasing musical heritage is a priority for UMG's global business. Therefore, the group is developing platforms and applications in order to create access to its exceptional artists and to its unrivalled catalog, while continuing with investment in digitizing the unique music collection.

| INITIATIVES TAKEN BY UMG IN FAVOR OF PROMOTING MUSICAL HERITAGE  | | | |
|---|------|--------|---------------|
| GRI | UNGC | OECD | Scope covered |
| DMA HR MSS Cultural Rights aspect, MSS M3 | 1, 2 | II, IV | UMG |

In 2015, UMG pursued its goal of digitizing its musical and audiovisual catalog: a discography of 326 artists is now available in restored, digitized version. More than 2,500 hours of video from the UMG archives have been viewed and processed – most of it previously unreleased. Among the restored legacy works re-released in 2015 is the Beatles *1* compilation deluxe edition on DVD and Blu-Ray. The new *1+* version includes 23 additional clips, including alternative versions of the 27 original titles, for a total of 50 films. The album *Motown Unreleased 1965: Marvin Gaye* and the artist compilation *Motown Unreleased 1965* have also been re-released in digital format.

UMG launched uDiscover, a worldwide platform offering new ways to explore the comprehensive catalog and discover Universal Music artists. In 2015, a rich offering of playlists (uDiscover TV, uBYTES, uQuizzes) was made available through the site and a mobile app. With more than a million unique visitors every month, uDiscover aims to diversify its users' musical culture and help them discover legendary UMG artists.

The digitization of content is the means by which to offer younger audiences the opportunity to discover heritage works. Similarly, the website Sinfini Music, available in the United Kingdom, Australia and the Netherlands, intends to expand the audience for classical music. It continues to gain followers (250,000 unique visitors a month in 2015, compared to 100,000 in 2014). Its rich musical offerings include a variety of editorial content (feature articles, short animation programs), which facilitate access to the classical catalog. In 2015, the Deutsche Grammophon label launched an iPad application based on Prokofiev's classical music masterpiece *Peter and the Wolf*. Intended for the youngest audiences, the app guides them in discovering the Russian composer's work through an interactive experience extended by the album *Peter and the Wolf in Hollywood*. Available in two languages, this album revisits the original musical story, enriched with an added chapter that takes place in modern-day Los Angeles, narrated by singers Alice Cooper (in the English version) and Campino (in the German version).

4.1.1.3. Respect for Intellectual Property and Support for Artists

| INITIATIVES TAKEN AGAINST PIRACY AND SUPPORT GIVEN TO PUBLIC ADMINISTRATIONS' ACTIONS FOR THE SUSTENANCE OF ARTISTIC CREATION  | | | |
|---|------|--------|--|
| GRI | UNGC | OECD | Scope covered |
| DMA HR MSS Intellectual Property aspect | 1, 2 | II, IV | UMG Canal+ Group Vivendi Village |

Respect for intellectual property, on which the long-term financing of artistic works depends, is a major issue for Vivendi and is included in the group's Data and Content Protection Charter. The subsidiaries ensure respect for intellectual property rights while satisfying consumers seeking new usages.

As part of its risk management policy, Canal+ Group is developing action plans in the areas of innovation and technological monitoring in order to combat audiovisual piracy. The group is developing tools to identify illegal content in order to proceed to its immediate removal from the main digital platforms (known as the fast-track approach). Canal+ Group also uses fingerprint generation technologies to protect its content and detect illegal copies. In this area, Canal+ and Studiocanal are involved in a cross-company effort and are pooling their tools and resources. Canal+ Overseas uses fingerprint technology in Africa in particular, to identify and punish the use of smartcards shared illegally by the administrators of pirate cable networks.

Canal+ Afrique has intensified its actions to combat the piracy of its content in its broadcast territories, where the phenomenon is especially prevalent. Monitoring is one of the principal components of this fight against piracy, and allows the company to identify content broadcast without authorization, particularly major sports events, and to collect data in order to calculate the losses. This monitoring is backed by communication initiatives: for example, Canal+ Afrique launched an anti-piracy campaign during the ANC 2015 (African Nations Cup) with the broadcast of radio and TV spots (on a technical level, several pirate servers were also dismantled during the event). Canal+ Afrique is also initiating awareness campaigns. In Ivory Coast for example, in June 2015, the group's subsidiary participated in a panel to warn of the dangers of "spider" connections during the International Conference on Originality and Intellectual Property.

UMG acts on a number of fronts, often in co-operation with the rest of the music industry and the entertainment industry, to battle piracy and thereby protect the entire value chain. Industry level action is coordinated by global and national industry associations (such as the IFPI – the International Federation of the Phonographic Industry – and its national group affiliates) with whom UMG works very closely. Raising consumer awareness is a significant part of the effort against piracy, including through vehicles such as the "Why Music Matters" campaign which targets young people (see Section 4.1.2.2).

On the technical side, UMG uses tools to identify and remove illegal content both directly and via industry bodies such as the RIAA (Recording Industry Association of America) or the French HADOPI system. They also employ technical resources to monitor websites and issue automated takedown notices, takedown of Apps from App stores when they facilitate piracy, notification to users of pirated services, etc. Additionally, in combating piracy, UMG closely co-operates with public authorities and intermediaries (e.g., Internet access providers, advertisers, credit card companies and search engines).

The Vivendi Village subsidiary Watchever is committed to protecting the content of its rights-holders, not only with respect to its users, but also vis-à-vis its service providers. Clauses describing the intellectual property of the rights-holders that prohibit unauthorized access to their content are included in the contracts with their technical partners. In addition, Watchever undertakes to its content suppliers to use DRM technologies. Finally, several functions have been created to limit the possibility of piracy: availability of videos in streaming and not for download, limit to number of devices that can access the service from a single user account, and accessibility of the service only on devices with technical features that prevent illegal copying.

The strategy for combating piracy also includes the delivery of compelling legal offers of music and audiovisual works (see Section 4.1.1), and a dialog with public authorities on the regulation and protection of intellectual property (see Section 4.5.2). Vivendi's subsidiaries are also active within associations that fight piracy (see Section 4.3).

| INNOVATIVE STRATEGIC PARTNERSHIPS ENABLING THE BROADCAST OF A LARGE SPECTRUM OF ARTISTIC CREATION | | | |
|---|------|--------|---------------------|
| GRI | UNGC | OECD | Scope covered |
| DMA PR MSS Content Distribution aspect | 1, 2 | II, IV | UMG Canal+ Group |

To help bring artists' work to wider audiences, Vivendi's subsidiaries have formed innovative partnerships with distributors, platforms and operators.

For Canal+ Group, digital technologies provide an essential tool with which to bring local content and new talents to an increasingly vast and diversified audience. The Canal+ Group's strategic partnerships with key players in digital distribution and brands help it work toward this goal.

One example is the partnership it formed with iROKO, the world's leading distributor of online African content, for the purpose of launching the first subscription-based video on demand (SVoD) service for mobile devices in French-speaking Africa. The offering is based in particular on the Canal+ Group's large catalogue of African programs, which thus gets wider exposure in these parts of the continent.

In 2015, in France, Canal+ entered into a partnership with Seat to produce *Détours*. This digital platform dedicated to lifestyle news offers a selection of upbeat and original inspirations to help viewers explore the world in new ways thanks in particular to daily articles and a weekly web series with Manuel Herrero and Alexandra Leroux (talents discovered by the Canal+ show *Les Nouveaux Explorateurs*).

Partnerships with global brands form part of UMG's determination to make its catalogue accessible to all music fans regardless of borders and

cultural barriers. Universal Music & Brands, the group's dedicated brand partnership division, manages a broad portfolio of partners operating in 60 countries. These partnerships create dedicated services and special opportunities that are free to consumers, particularly in emerging markets and areas experiencing rapid growth (Africa, India, the Middle East, Eastern Europe and Latin America) where music is not widely accessible.

In 2015, for example, UMG extended its partnership with HP to cover 22 countries compared to the initial deal's six, thus enabling the brand's customers to take part in private concerts and to have access to UMG's diverse catalogue via an HP branded streaming site. The group also renewed its partnership with Turkish Airlines, which provides passengers with an opportunity to learn about the heritage of the city they are flying to with music playlists and interviews with artists. In the UK, UMG also launched the fourth series of their talent-discovery show on Channel 4, in partnership with Red Bull.

4.1.1.4. Support Given to Innovative Entrepreneurship

| INITIATIVES TO SUPPORT INNOVATIVE ENTREPRENEURSHIP AND START-UPS IN THE CULTURE AND MEDIA SECTOR | | | |
|--|------|------|----------------------------------|
| GRI | UNGC | OECD | Scope covered |
| G4-26, G4-EC8, DMA PR MSS Content Creation and Distribution aspects | - | - | UMG Canal+ Group Corporate |

In April 2016, Vivendi teamed up with Paris&Co, the economic development and innovation agency of Paris, to launch The Cargo platform dedicated to cultural and creative digital industries. As a founding member, Vivendi will share its corporate social responsibility approach with the start-ups. The group will pay special attention to the young companies' ability to promote diversity of content and artistic expression in their projects, and to encourage more women into digital entrepreneurship.

In the UK, with Abbey Road Red, UMG launched Europe's first music tech start-up incubator. This program aims to help innovative young businesses expand their operations, get more exposure and refine their products. It allows them to work alongside Abbey Road Studios for a six-month period, thus benefitting from access to the studios' facilities, UMG's network, and to receive advice from music-industry professionals. Four start-ups joined the program in the fall of 2015.

Since 2011, Canal+ has been holding *Le Grand match de l'innovation*. This contest for young people encourages them to develop an innovative show concept for the television of tomorrow, based on interactivity and involving social media, applications for mobile devices and tablets, image processing and virtual platforms. For some, this contest will be an opportunity to join the staff of Canal+ for an internship, apprenticeship or job and to bring their show concept to life.

Similarly, Canal+ Afrique was a partner to the first edition of Land of African Business, which was held during COP 21 in Paris in December 2015. This event, held under the high patronage of the French Ministry of the Economy, Industry and Finance, was a place for sharing best practices for innovative companies in Africa and Europe. The group partnered with "L'Afrique au Féminin" (Africa by Women) round table, whose title was inspired by Canal+ Afrique's initiative aimed at identifying and empowering young African female filmmakers. This round table was an opportunity to discuss the role of art and culture production in Africa, as well as women's role in this production. The group has also supported young female entrepreneurs from Africa and the African diaspora by presenting the women's entrepreneurship award in the African Rethink Awards.

4.1.2. EMPOWERING AND PROTECTING YOUNG PEOPLE IN THEIR USE OF DIGITAL MEDIA

In a digital environment that is dramatically changing cultural practices and the way in which the media is used, Vivendi has a major role to play in assisting young people in their quest for self-fulfillment, in expressing their creativity, in accessing knowledge and media literacy. This is why, since 2003, Vivendi has defined the empowerment and protection of young people as a strategic "core" issue of its CSR policy (see Chapter 2, Section 1.1.1 of the Annual Report 2015). Since 2010, this objective has been part of the CSR criteria taken into account in the variable compensation of the group's senior executives.

4.1.2.1. Empowering Young Audiences

INITIATIVES FOR ENABLING YOUNG PEOPLE TO EXPRESS THEIR CREATIVE TALENT AND CIVIC ENGAGEMENT



| GRI | UNGC | OECD | Scope covered |
|--------|------|--------|----------------------------------|
| MSS M7 | 1, 2 | II, IV | UMG Canal+ Group Corporate |

Involving young citizens and students in discussions about the CSR of the media sector is fully integrated within Vivendi's approach. This is why, as part of its partnership with Sciences Po (see Chapter 2, Section 2.1.2.1 of the Annual Report 2015), Vivendi wanted to solicit the viewpoints of the students in the Europe-Africa program by inviting them to write an essay on the theme of cultural diversity and digital in Africa. The students, aged 17 to 19, who produced the best essays were awarded a prize during a ceremony at UNESCO celebrating the 10th anniversary of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Their essays were published on *Culture(s) with Vivendi*.

The *Culture(s) with Vivendi* site is included in the educational resources recommended by the MOOC "Do It Yourself - media and information literacy", directed by media sociologist Divina Frau-Meigs. The site appears in the section "Exposing students to intercultural dialog for intercultural living together and respect for cultural diversity".

In 2015, several programs on Canal+ Group's youth channels encouraged children to show their talents and skills. In addition to the *Le Club des super héros* show, Piwi+ offered workshops for craftwork on its channel

to encourage children to create things by themselves. On Télétoon+, *Kids Talents* from Kids 20 allowed young viewers to come and perform in the TV studio with short demonstrations of songs or dances. In Poland, after launching a call for contributions from young viewers, Télétoon Sport broadcast the videos created by the children on the theme of basketball.

In addition, Canal+ works to identify and bring out young, talented and promising journalists through its two *Grands matchs* on the theme of news and sports. The 2015 edition of these competitions, aimed at students in the final year of journalism school, offered the winners the possibility of joining the channel's editorial team for one year. In 2015, Canal+ also renewed the *Grand match de l'innovation*, which invites young people to develop an innovative program concept. This competition is an opportunity for the candidates selected, accompanied by coaches, to present their projects to channel executives, which will allow them, in some cases, to join the Canal+ teams or participate in the implementation of their project.

In November 2015 in Africa, Canal+ launched the *MDR!* project (Mort de rire, or Dying of laughter) in partnership with CFI, the French media cooperation agency, to identify and train the African talent of tomorrow who will participate in the development of new short comedy programs. The candidates selected will receive training in writing and series production. Canal+ will finance eight pilots and will broadcast the best on its channel.

UMG also pursues a number of initiatives to assist and promote a new generation of artists and professionals in the music industry. In 2015, Abbey Road Studios, owned by UMG, established the Abbey Road Institute. Since September 2015, this educational institution has offered one-year apprenticeship courses. After training under the studio's professionals, the students receive a diploma in sound engineering and musical production. This training is not only offered in London, the studio's historical home, but also in Australia, Germany and France.

For the release of the song "Tell Everybody", intended to raise awareness of the UN's global goals for sustainable development (see Chapter 2, Section 2.1.2.2 of the Annual Report 2015), UMG partnered with director Richard Curtis to organize a major contest for young Africans to write the lyrics to the song which features verses in English, French, Swahili, Pidgin and Zulu. Almost 6,000 young people from 24 countries sent their proposed lyrics by mobile phone.

In Australia, UMG teamed up in 2015 with the charitable association Musicians Making a Difference, which offers art therapy to tens of thousands of troubled youths. Together, they have launched the #MMAD4U campaign to support and promote the association's work, primarily through a major Instagram campaign. As part of this program, UMG accepted 10 young people to a six-month tutoring program. During the program, which was assisted by 10 managers from the record company, the participants were able to write and record their song, and participate in shooting the video and the press communication that accompanied it.

Additionally, UMG and its artists develop young music fans by providing many opportunities to exercise their creativity and share their passion for music. One example is British singer James Bay, who partnered with the Talenhouse platform and the British Film Institute to invite his fans to produce short videos as concepts for a short film to accompany his new album *Chaos and the Calm*. Following this project, James Bay selected a young director to enrich the concept and shoot a 15-minute video to be presented at the BFI Future Film Festival in London and SXSW in March 2016.

| EDUCATIONAL CONTENT OFFERING FOR YOUNG PEOPLE | | | |
|---|------|--------------|---------------------|
| GRI | UNGC | OECD | Scope covered |
| MSS M3 and M4 | 1, 2 | II, IV, VIII | UMG Canal+ Group |

Vivendi's subsidiaries ensure that they offer young audiences quality educational content to foster their creativity and help them learn.

The Canal+ Group's youth channels provide airspace for edutainment shows such as *Au Pays des Signes*, in France, which helps kids learn sign language, and *Detective Brunch*, in Poland, which raises young viewers' awareness of ecology. In 2015, Canal+ Group participated in the adaptation of the channel Gulli to create Gulli Africa, the first children's channel created specifically for kids in Africa. Included exclusively in the Canal+ package, the channel is broadcast in 22 African countries and aims to gradually introduce 15% to 30% African programming, mostly edutainment. In mainland France, Canalsat is the exclusive distributor of Disney English, a new on-demand service that helps young viewers to learn English through songs and special educational modules.

Canal+ is also continuing to expand its educational service Campus. Campus puts the quality and variety of Canal+ Group channel content at the service of education, making it possible to easily find all programs from 18 Canalsat channels that are related to educational curricula from the sixth through to the final grades, by level and subject. The offering is rounded out by content produced by partners of the service, such as French Audiovisual Institute INA, Pythagora, Nomad and Discovery Education. Special *Brevet* (higher secondary school qualification) and *Baccalauréat* (further education entrance qualification) programming supports pupils at the end of the school year. All told, around 2,000 videos are available to young people aged 11 to 18 via television, smartphone, tablet or computer.

UMG offers quality educational content aimed at putting all musical works and styles within young people's reach (see also Section 4.1.1.2 of this chapter). In this framework, UMG is the initiator of Sinfini for Schools, a website that provides free classical-music teaching resources for music teachers. Similarly, in 2015 in the United Kingdom, Decca Classics launched *The Classical 100*, a collection of 100 pieces of classical music developed in partnership with Classic FM and the Associated Board of the Royal Schools of Music (the UK's largest music education body) and supported by the Department for Education. *The Classical 100* is a free online resource intended first and foremost for use by primary school teachers.

UMG also actively helps young people learn about music creation and the professional world through numerous educational programs like *Utalks*, which bring UMG professionals into contact with young people, who are interested in the music industry, via universities, schools and partner charities.

4.1.2.2. Protecting Young Audiences

In 2008 Vivendi adopted a Data and Content Protection Charter, in which the group reaffirmed its commitment to respecting freedom of expression and to preventing the spread of illegal material, particularly with regard to children.

To achieve this balance, Vivendi commits to the following:

- ◆ promoting methods for choosing or controlling content (filtering tools and other selection methods);
- ◆ cooperating actively with the competent authorities in the fight against illegal content;
- ◆ promoting ethical standards in support of its activities; and
- ◆ raising the awareness of parents and children on the uses of new media.

This commitment includes a specific monitoring related to the information policy on personal data and youth protection that is published on the group's websites. In 2015, Vivendi reviewed how this commitment was implemented in Vivendi Village's entities that offer services via digital platforms. At MyBestPro, the Wengo site provides a Parents' Charter that offers advice to parents on increasing their children's awareness of the risks of using the Internet. Among the advice given to parents, the charter reminds them that there are technical tools available to them to control access to the Internet and to certain sites (e.g., filtering software).

| EXISTENCE OF A FORMAL COMMITMENT TO ETHICS COVERING CONTENT (PRODUCTION AND/OR DISTRIBUTION), PART OF WHICH SPECIFICALLY CONCERNS PROTECTION OF YOUNG AUDIENCES | | | |
|---|------|--------------|--|
| GRI | UNGC | OECD | Scope covered |
| G4-56, DMA PR MSS Content Creation and Distribution aspects | 1, 2 | II, IV, VIII | UMG Canal+ Group Vivendi Village |



| INITIATIVES AIMED AT RAISING THE AWARENESS OF YOUNG USERS AND THEIR ENTOURAGE ABOUT RESPONSIBLE USE OF PRODUCTS AND SERVICES | | | |
|--|------|--------------|--|
| GRI | UNGC | OECD | Scope covered |
| G4-PR3, MSS M4 | 1, 2 | II, IV, VIII | UMG Canal+ Group Vivendi Village |



Vivendi's subsidiaries provide their audiences with a number of tools to help them master the use of the group's products and services.

Canal+ Group's Ethics Charter stipulates that "the channels shall ensure the protection of children and teenagers, and to this effect shall apply a program classification reflecting the different degrees of appreciation and appropriateness of programs with regard to the protection of childhood and adolescence through the application of corresponding standards." This applies to all new media, including on-demand audiovisual media services.

The edutainment channel "Mon Nickelodeon junior" and Canalplay with Canalplay Kids offer a secure space for children. The Piwi+ channel dedicated to young viewers relies on an advisory ethics committee composed of pediatricians, educators and parents to ensure that its offer is in line with commitments to protect children and teenagers. At the same time, Télétoon+, whose offer includes free online games, videos and cartoons, is planning in 2016 to offer a magazine dedicated to digital media literacy for children aged 7 to 11.

In Poland, MiniMini Channel, the channel dedicated to young audiences, advises parents and children about safe use of the Internet. For this purpose, it dedicates a detailed page that provides information from youth experts and parents, advice about online games, as well as the web links of secure sites for children. In addition, nc+ ensures supervision of advertising communications targeting the youngest audience: commercials are assessed on the basis of an internal charter, the principles of which were established in compliance with national and international regulations (including the 1989 International Convention on the Rights of the Child). The charter details the principles that must be respected by commercial communications in order to comply with these regulations.

UMG also engages in activities to promote responsible use of its services. Thus, UMG invited its partners to consider the conditions for establishing an age rating system for its online videos to protect children from inappropriate content. In the United Kingdom, this is done in coordination with the British Board of Film Classification. The project involves the top five countries in terms of revenue (France, Germany, Japan, the United Kingdom and the United States) and is on the agenda for meetings of the industry associations such as the SNEP in France and the BVMI in Germany.

In the United States, UMG supports the RIAA's educational programs and campaigns to educate parents about digital media. It also raises the awareness of audiences – including those of youths – on the importance of the legal music offer by supporting initiatives such as "Why Music Matters" (a project started by artists and based on animated videos to show the importance of music in their lives) and the video "Music Remains" (www.musicremains.org) shot at Abbey Road Studios for the IFPI.

Within Vivendi Village, Watchever proposes "Kids", an offer which was developed with parents and is specifically designed for young children, both as regards the content available and its functions. Since 2015, it has also been possible to create several user profiles within one user account and to set age restrictions for each of the profiles. The mechanism for customizing profiles within a single account allows users to restrict access to certain content for certain family members, and therefore offers better protection for minors by blocking their access to inappropriate content.

Regarding the ticket business, See Tickets informs its customers about the age limit for concerts offered on its site. A clear and express notice about the age required to attend an event appears at the time of the online payment.

4.1.3. FOSTERING KNOWLEDGE SHARING: PLURALISM OF CONTENT, MEDIA ACCESS AND AWARENESS RAISING OF SUSTAINABLE DEVELOPMENT ISSUES

A third CSR strategic issue identified by Vivendi concerns pluralism of content, media access and awareness raising of sustainable development issues. Driven by the will to encourage intercultural living together and to promote access to its content by the largest number of users, the group has become part of various initiatives in order to expand the scope of its reflection and the actions it undertakes.

Some of the initiatives intended to raise awareness of sustainable development are described in Chapter 2, Section 2.1.2 of the Annual Report 2015.

4.1.3.1. Pluralism of Content

Vivendi ensures pluralistic expression of thoughts and opinions in accordance with the principle of equal treatment. Respect for freedom of expression is enshrined in Vivendi's Data and Content Protection Charter.

In Vivendi's Reporting Protocol, pluralism is defined as follows: "The goal of pluralism is to guarantee that customers, subscribers, consumers, viewers and listeners have diversified information, especially political information, which does not deprive them of the capacity to exercise their freedom of opinion and choice. A pluralistic media offering therefore results from a plurality of independent and autonomous media reflecting the broadest possible diversity of opinions and ideas."

Vivendi uses this shared definition to encourage and monitor the efforts of its subsidiaries in this area.

DESCRIPTION OF THE GOVERNANCE STRUCTURE, THE BUSINESS MODEL AND MECHANISMS USED TO GUARANTEE INDEPENDENCE OF EDITORIAL FUNCTIONS AND PLURALISM OF CONTENT



| GRI | UNGC | OECD | Scope covered |
|---|------|--------|---------------|
| G4-56, DMA HR MSS, DMA PR MSS Content Creation aspect | 1, 2 | II, IV | Canal+ Group |

Through the production of its documentaries, its round-the-clock television news channel iTélé and all the international channels comprising the Canal+ Overseas packages, Canal+ Group occupies a leading position in the audiovisual scene and therefore plays a major role in nurturing the critical mind of its audiences.

The principles of journalism ethics are enshrined in the group's Ethics Charter and in the collective agreement of Canal+ Economic and Social Unit (UES Canal+) for journalists. The collective bargaining agreement indicates the ethical rules that must be adhered to by journalists in their professional activities. Furthermore, after the commitments made by Canal+ Group at the hearing on September 24, 2015 before the CSA (the French broadcast media regulator), the group announced in January 2016 the setting up of an Ethics Committee at the Canal+ channel.

Mechanisms are in place for supervision of processing and disclosure of sensitive information. Some information programs (including iTélé programs, when necessary; *Spécial Investigation* on Canal+; *En Quête d'actualité* on D8) are viewed by lawyers from the Canal+ Group channels in collaboration with the editorial offices.

NUMBER AND DESCRIPTION OF INTERVENTIONS MADE BY THE CSA (WARNING – SUMMON – SANCTION) AND ACTION TAKEN IN RESPONSE 

| GRI | UNGC | OECD | Scope covered |
|----------------|------|--------|---------------|
| G4-PR7, MSS M5 | - | VIII.7 | Canal+ |

| | 2015 | 2014 |
|--------|------|------|
| Canal+ | 4 | 1 |

For all of its channels, Canal+ Group has received two warnings and two summons from the CSA.

iTélé received a summons from the CSA, like most of the French channels, for its coverage of the January 2015 attacks in Paris. The summons is being appealed in the *Conseil d'État*. The CSA also issued a summons against D8 in connection with a sequence broadcast during the program *Touche pas à mon poste* in which the CSA believed that one guest had made statements that might stigmatize a group of persons because of their disability.

EXISTENCE OF A FORMAL COMMITMENT GUARANTEEING BALANCED REPRESENTATION OF SOCIETY'S DIVERSITY

| GRI | UNGC | OECD | Scope covered |
|---|------|--------|---------------------|
| G4-56, DMA HR MSS, DMA PR MSS Content Creation aspect | 1, 2 | II, IV | UMG Canal+ Group |

By signing and implementing an Ethics Charter, Canal+ Group is committed to respecting diversity in its editorial offerings and within its teams. This commitment is reflected in a policy aimed at strengthening gender equality and social diversity on its channels, so that both on-air content and the women and men presenting it illustrate the diversity existing within society.

By entering into agreements with the CSA, the Canal+ Group's channels in France are committed to respecting the representation of diversity of genres, origins and cultures and gender equality. As the leading satellite pay-TV provider in Africa for over 20 years, Canal+ Overseas, a subsidiary of Canal+ Group, also contributes to promoting diversity of content due to the variety provided by its package of around 200 channels and radio stations, including some fifty local African channels.

Today's music business requires that UMG's catalog reflects the world's diversity of genres, origins and cultures. This is demonstrated by the signing of local artists in 59 countries and the exposure given to repertoire performed in 44 languages by UMG artists. Of the 50 best-selling UMG albums in the world in 2015, 28% were by female artists and 40% were by male artists (excluding groups, film scores and compilations).

For additional information about women in artistic creation, please refer to Chapter 2, Section 2.5 of this Handbook ("Creating Value for Artists").

4.1.3.2. Media Access

Vivendi aims to facilitate access to the group's products and services so that the most isolated audiences, regardless of where they live, their age or financial position, can share the benefits of this rich audiovisual, cinematographic and musical offer.

MEASURES TAKEN IN FAVOR OF ACCESS TO OFFERS, PRODUCTS AND SERVICES (INCLUDING ACCESS TO CUSTOMER SERVICE) 

| GRI | UNGC | OECD | Scope covered |
|----------------|------|--------|--|
| G4-EC8, MSS M4 | 1, 2 | II, IV | UMG Canal+ Group Vivendi Village |

The Canal+ Group's channels offer their subscribers the following two systems: close captioning for the deaf or the hearing impaired (100% of the Canal+ channel's programs in France) and audio description for the blind or the visually impaired (for 2015, the Canal+ channel made an undertaking to the CSA to make 70 unedited programs available in audio description that could be broadcast during peak viewing hours).

Satellite coverage allows access to content throughout the territories in which Canal+ Group operates; therefore the main challenge in terms of geographic accessibility lies in the establishment of points of sale. In Africa, the distribution network is now being rolled out more quickly in rural regions than in cities, and several points of sale were opened in 2015 in isolated areas to allow residents of these regions to access the content.

In conjunction with the rollout of a DTT offer in Congo, Canal+ Group plans to offer a monthly subscription to low-income households at a very low cost. In addition, in 2015 the group proposed a new package in all the African countries where it operates which gives access to the Canal+ channels at a more attractive rate.

The fact that UMG has digitized its exceptional catalog of musical works provides a unique way of accessing thousands of recordings that are unavailable in any physical medium. UMG is developing or partnering with digital music services in the territories where it is active, which makes its offers more accessible. Furthermore, UMG strives to give every music fan access to the full diversity of its catalog, whether it be through services that are free to the user or services offered at a reduced rate (like the Japanese service Line Music, which offers a discount to students, who make up 22% of subscribers).

In countries with poor infrastructures, UMG forms partnerships with telecom providers to create music bundles. These partnerships facilitate access to music content for geographically isolated populations. These partnerships also provide the opportunities to establish and promote music offers over the Internet through legal means. Thus a partnership with provider Smart gave birth to Spinnr, the first streaming music service in the Philippines. In Cambodia, British singer Jessie J performed in Phnom Penh for the launch of the partnership with Smart Axiata and raised public awareness of the need to give preference to the legal music offers.

The entities of Vivendi Village have also taken measures to promote accessibility. Watchever, for example, asks its suppliers to deliver video files in a German version and the original version. The user is then free to choose which version he or she prefers to view the content purchased in. See Tickets has a special telephone number that allows disabled customers who require an adapted space to reserve a seat that meets their needs. As far as possible, priority will be given to reserving a seat accessible without steps or stairs, close to the stage, or which allows the use of a sign language translator.

4.1.3.3. Awareness Raising of Sustainable Development Issues

CONTENT AND PROGRAMMING CONTRIBUTING TO RAISING PUBLIC AWARENESS OF SUSTAINABLE DEVELOPMENT ISSUES

| GRI | UNGC | OECD | Scope covered |
|--|------|--------|----------------------------------|
| DMA PR MSS Content Creation and Distribution aspects, MSS M3 | 1, 2 | II, IV | UMG Canal+ Group Corporate |

Be it through its audiovisual and musical content, or through its partnerships, Vivendi plays a leading role in raising audience's awareness on the major sustainable development challenges: human rights, protection of the environment, impact of new technologies on human development, dialog between cultures, and mutual understanding between peoples and generations. The sections below provide a summary of certain highlights of the year 2015 (please also refer to Chapter 2, Section 2.1.2 of the Annual Report 2015).

Vivendi has established an innovative partnership with Sciences Po to foster debate with different audiences at this prestigious university on corporate social responsibility in the media and cultural industries sector. In addition, for more than ten years, as part of its various contributions and thanks to the testimonials of personalities collected on the *Culture(s) with Vivendi* website and the CSR web radio *Vivoice*, Vivendi has actively argued for positioning culture as a pillar of sustainable development and for the inclusion of culture in the United Nations global goals.

Through the content it distributes and through the artists of the group who share the ambition of the United Nations, Vivendi is taking action. Universal Music Group has partnered with British director Richard Curtis to release "Tell Everybody", a song and a video clip specifically dedicated to the UN sustainable development goals. A contest was organized for African youth to participate in writing the lyrics to "Tell Everybody". Several African artists from various countries joined forces and lent their talents to the production of this work: Becca (Ghana), Diamond (Tanzania), Mafikizolo (South Africa), Sarkodie (Ghana), Sauti Sol (Kenya), Toofan (Togo) and Yemi Alade (Nigeria) – please see also Chapter 2, Section 2.7 and Chapter 4, Section 4.1.2.1 of this Handbook.

Canal+ Group continues to raise the general public's awareness of sustainability issues, as diverse as they are, through documentaries that it produces and broadcasts on its various channels. Some 1,135 hours of documentaries aligned with Vivendi's CSR issues were aired in 2015 on the group's three Planète+ channels (Planète+, Planète+ Crime et Investigation and Planète+ Aventure et Expérience).

The Planète+ channels set up special programming on the occasion of COP 21, the United Nations' 21st Climate Conference which was held in Paris from November 30 to December 11, 2015. The channels broadcasted 40 documentaries, including 16 original productions, in the framework of an initiative titled "La Planète Vous Dit Merci!" (The Planet Thanks You!). The channels chose a positive editorial message: to promote a society on the move, that acts both individually or collectively to provide real solutions to the environmental challenge. Several short videos in which celebrities speak about their commitment to the planet were also produced and broadcast in particular on a dedicated Dailymotion channel.

In addition to Planète+, the Canal+ Group's channels were closely involved in programming related to COP 21. Even before the beginning of the Conference, iTélé dedicated a number of reports on the impacts global warming has on the planet. iTélé followed the negotiations step by step and won an exclusive interview with the President of the United States, Barack Obama, during his stay in Paris. Various programs on Canal+ and D8 also covered ongoing news from COP 21.

Canalsat's educational service Campus also introduced special content around the time of COP 21. Over 40 documentaries (about biodiversity, the climate and ecological solutions) were selected and featured on the platform. Canalsat and myCanal also established a digital offering named "Canalsat Vous Donne à Réfléchir" (Canalsat Invites You to Reflect), including documentaries related to the event and an "eco-test" determining the programs best-suited for the subscriber depending on his or her responses to the questions.

Vivendi also supported the campaign launched by the Nicolas Hulot Foundation, *My Positive Impact*, that honors initiatives to fight climate change. The group made its various media available to the Foundation to relay this campaign and hosted the award ceremony at L'Olympia. The ceremony was attended by many artists, comedians and singers, several of whom were brought in by UMG.

4.1.4. VALUATING AND PROTECTING PERSONAL DATA

Personal data protection is a strategic issue for the group, which must build relationships of trust with its audiences. It is one of Vivendi's four "core" CSR issues. Since 2015, it has been included in the CSR criteria taken into account in the variable compensation of senior executives. The Data and Content Protection Charter adopted in 2008 and implemented in each of the subsidiaries, defines Vivendi's commitments in relation to the collection and management of customers' personal data and the protection of content. Vivendi and its subsidiaries have a designated officer responsible for the protection of personal data.



| POLICIES PUT IN PLACE TO PROTECT CUSTOMERS' PERSONAL DATA | | | |
|---|------|---------------|--|
| GRI | UNGC | OECD | Scope covered |
| G4-DMA PR Customer Privacy aspect, DMA HR MSS | 1, 2 | IV, VIII.6 | UMG Canal+ Group Vivendi Village |

Canal+ Group complies with the French Act on Information Technology, Data Files and Civil Liberties, which requires organizations engaged in the processing or handling of data files to guarantee the security of those files. Thus a dedicated team within the group's Legal department develops the personal data protection policy, monitors it, and manages relations with the CNIL (the French data protection authority).

The issue of personal data protection is taken into account specifically in the training provided to customer advisors. In 2015, for example, the "Customer Relations" certification (see Section 4.3) included a section on raising awareness of data confidentiality. Responsible use of personal data is also taken into account in the customer relationship itself. An intensity relations team ensures that during customer relations, communications are harmonious and personal information is treated respectfully.

The entities are also mobilized at an international level. The Polish subsidiary of Canal+ Group has a strict policy covering security of personal customer data, and in 2015 more than 500 of its staff were trained on this topic. In addition, Canal+ Afrique explicitly includes contractual provisions in its contracts with distributors and mobile operators that have access to subscribers' personal data that require them to agree to the confidentiality of that data.

In its Code of Conduct, used in every country where the group operates, UMG stresses the need to protect its customers' personal data. In 2015, UMG also appointed a Privacy Officer, whose mission is to ensure that the procedures established by UMG properly protect the personal data of its customers and employees and to review the data transfer provisions contained in contracts with upstream and downstream third parties.

At UMG, emphasis is also placed on staff training and in 2015 more than 2,300 staff underwent online training devoted to protecting personal data. Moreover, UMG is reviewing its customer data protection policies in order to receive TRUSTe certification which attests to the implementation of best practices in regard to confidentiality and protection of personal data.

Vivendi Village's entities, Watchever and See Tickets, each display on their website their policy in the area of personal data.



| DESCRIPTION OF ACTIONS FOR RAISING THE AWARENESS OF CUSTOMERS REGARDING PERSONAL DATA AND INFORMATION CONCERNING PRIVATE LIFE ONLINE | | | |
|--|------|---------------|---------------------|
| GRI | UNGC | OECD | Scope covered |
| G4-DMA PR Customer Privacy aspect, DMA HR MSS | 1, 2 | IV, VIII.6 | UMG Canal+ Group |

In order to ensure that customers are aware of the management of information collected from them, Canal+ Group defines clearly, in its General Subscription Conditions, the rules applying to the use of personal customer data. As regards services dedicated to young users, the General Conditions of Sale of the Canalplay Kids offer specify the details of personal data processing, and the website of nc+ (www.miniminiplus.pl), which offers audiovisual programs, video games and creative workshops for young children, also displays its confidentiality policy relating to the information it collects.

For its customers, UMG makes its policy on use of personal data available on the group's sites (privacypolicy.umusic.com). This helps customers better understand and manage information about themselves, and especially the option to authorize or refuse collection of their data. For young audiences, UMG requires consent by a parent or guardian when web users between the ages of 13 and 16 subscribe to its online music sites. Websites that are likely to appeal to children provide a Safe Surfing Guide to help parents and children control their Internet experience.

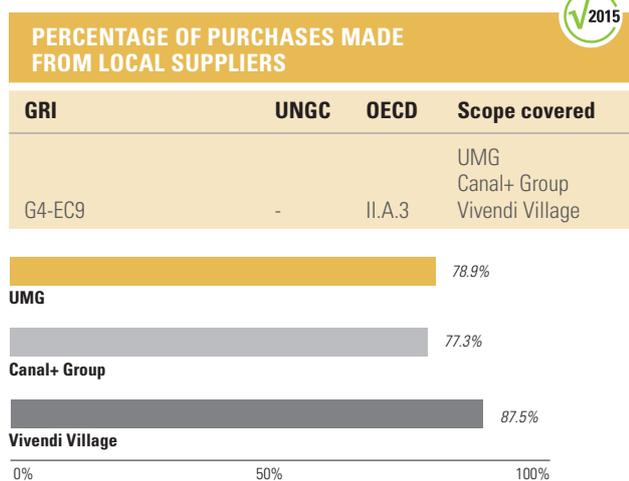
4.2. Local, Economic and Social Impact of the Business Activity

Vivendi plays a major role in the development of the territories in which it operates. Through its various subsidiaries, the group is a key partner of local economic players, as evidenced by the following:

- ◆ sharing the value produced by Vivendi with its principal stakeholders (see the chart in Chapter 1, Section 1.5.10 of the Annual Report 2015); and
- ◆ contributing to economic, social and cultural local development.

4.2.1. CONTRIBUTION TO LOCAL ECONOMIES

Vivendi contributes actively to the development of the territories where it has operations, not only through direct or indirect employment but also through the promotion of the local culture and by sharing its know-how. Whether through the empowerment of artistic talent, the professionalization of the local cultural sector, or the support given to NGOs, the group has chosen to assess its impact in a tangible way.



The group has analyzed the purchases made with suppliers and subcontractors, which account for at least 75% of the overall expenditure of each of the subsidiaries (see Section 4.4 of this chapter). On average, 78% of purchases made by Canal+ Group, UMG and Vivendi Village are made from local suppliers.

Through these purchases, Vivendi has a significant impact on the local economic fabric, and in particular by contributing to job creation. Thus, in the six African countries included in the 2015 scope of societal reporting, Canal+ Group generates nearly 4,500 indirect jobs, in particular through its distribution network, its purchases of communication services and of technical services used by the group to install the equipment

which is necessary for reception of the packages. In the same way, more than 750 indirect jobs have been created by Canal+ Group in Vietnam (primarily via the large distribution network of K+), more than 2,300 indirect jobs have been generated by the group in Poland, and more than 20,000 indirect jobs in France.

Moreover, through its activities Vivendi contributes to sustaining the local cultural industries.

In 2015, Vivendi continued its training program for sound engineers that was launched in Mali in 2006. The six trainees worked on techniques for studio recordings of titles performed by the koras orchestra of Ballaké Sissoko, an orchestra composed of eleven young Malian instrumentalists. In 2015, for the first time since the creation of the program, a female technician joined the training module. The 2015 edition of the training course was also the opportunity to assess the professional progress of the trainees and, for those who had been taking the training since it was initiated, to assess the development of their status and income since 2006. Despite an economic slowdown, the assessment of the training is extremely positive. Certain trainees have doubled the number of days worked between 2006 and 2012, and are now employed between 150 and 200 days a year.

Sharing skills was the centerpiece of another training program set up by iTélé in partnership with CFI, the French media cooperation agency. Between November 2014 and October 2015, the news channel conducted a total of seven training missions in Hanoi, Vietnam, to train journalists and technicians for the launch of a local news channel, VTV 24. The French journalists offered courses in the basics of journalism, and also offered workshops on reporting, studio work and interviews.

Vivendi also contributes to the economic and cultural fabric by collaborating with local professionals in its operations. The international entities of Canal+ Group in Africa and in Poland, for example, actively collaborate with many independent producers. In Africa, in 2015, the group entered into business relations with 76 local producers for the purchase and pre-purchase of rights as well as co-production of series, films and events. In Poland, 33 local producers worked with nc+. Due to the Canal+ Discovery channel launched in 2015 with the goal of broadcasting up to 120 hours of Polish programs developed exclusively for the channel each year, the opportunities to collaborate with local producers will increase even further.

For its part, UMG plays an important role in the development of the local music ecosystem through P&D (pressing and distribution) deals or joint ventures entered into with independent labels. These agreements allow the labels to benefit from UMG's expertise, infrastructure and distribution networks.

UMG has partnerships with music festivals in some countries. In addition, in France, Digitick has established close ties with local festivals that help nourish regional cultural life. Marsatac or Rockisland, for example, benefit from Digitick's financial and operational support.

4.2.2. PARTNERSHIPS WITH CIVIL SOCIETY

Since 2008, through its Vivendi Create Joy Fund, Vivendi has been committed to supporting young people that are marginalized, at risk, disadvantaged or suffering from sickness or disability. Each year, roughly thirty major projects aimed at the development of talent in musical, digital, journalism, cinema and television – the group’s businesses – are financed. The program has been implemented in the United States, in Europe (France and Great Britain) and in Africa.

Vivendi’s employees are involved with the NGOs supported through the Ambassadors Create Joy program. The volunteer skills provided by the Ambassadors assist in making the projects a success.



AMOUNTS SPENT FOR ENTERPRISE FOUNDATIONS, SOLIDARITY PROGRAMS AND SPONSORSHIP ACTION (IN €), AND A DESCRIPTION OF THREE INNOVATIVE PROJECTS

| GRI | UNGC | OECD | Scope covered |
|-----------------------|------|------------------------|--|
| G4-EC1, EC7, EC8, SO1 | 1 | II.A.3 and 4, IV, IX.5 | UMG Canal+ Group Vivendi Village |
| | | | 2015 2014 |
| UMG | | 1,897,680 | 1,002,688 |
| C+G | | 4,783,397 | 2,584,734 |
| Vivendi Village | | 23,750 | - |
| Total | | 6,704,827 | 3,587,422 |

The subsidiaries implement their own solidarity and philanthropic programs.

Canal+ Group, which maintains a unique connection with the seventh art, supports the French film industry through its Canal+ Foundation for cinema. The group in France gives financial assistance to training institutions such as the Cité du Cinéma film school and Femis. In addition, Canal+ has established a donation fund, “Kindia+”, to support projects and associations in Guinea. These projects were featured in the Canal+ documentary series *Kindia*, the last episode of which was broadcast in November 2015.

In Africa, Canal+ Group supports local cultural life by being a partner to many festivals and cultural events, such as FESPACO in Burkina Faso (see Section 4.1.1.1 of this chapter), the Clap Ivoire festival in Ivory Coast, the international choral festival in Gabon, CAL’U, and the Congolese film festival. The group also provides support to local television. In 2015 in Burkina Faso it signed a memorandum of understanding with the Ministry of Communication to provide financial support to the RTB, the local television. In Congo, it provides technical equipment to the national channel Télé Congo as part of an annual partnership.

Moreover, several local Canal+ branches offer associations free subscriptions to their packages. In Poland, 45 set-top boxes and subscriptions were offered to NGOs that care for children without access to media, in orphanages, hospitals or schools in isolated areas. In Gabon, Canal+ Group has offered free subscriptions to its package to four centers for young people at risk.

UMG conducts numerous initiatives to promote the development of young audiences through music (see also Section 4.1.2.1 of this chapter). In the United Kingdom, for example, UMG continues its support for the OnTrack program organized by the performance venue The Roundhouse. This program consists of six weeks of training to help 20 young people who are not in school, employed or in an apprenticeship to acquire professional skills in writing, performing and recording music. The success of this program has been remarkable: more than 50% of the young people who participated in 2014 are now in training or have found a job.

Also in the United Kingdom, UMG has extended its partnership with East London Arts and Music, a free school for those 16 to 19 years old. Its curriculum is based on music and the creative industries. In February 2015, 30 young people were involved in the UMG final weeks of preparation for the Brit Awards. Additionally, during the month of June, the students got UMG’s help in releasing their first piece on the Spinnup platform. Beyond this partnership, UMG also supports the hugely successful fundraising project Secret 7”. Graphic designers from around the world produced album covers for seven UMG artists (including the Rolling Stones and the Chemical Brothers). Proceeds from the sale of these valuable one-off covers were given to the Nordoff Robbins Music Therapy association.

In the United States, Universal Music supports the Global Poverty Project, an NGO that aims to eradicate extreme poverty by 2030. In particular, UMG participated in organizing the annual Global Citizens’ Festival, in September 2015.

4.3. Relations with Stakeholders

Dialog with stakeholders is at the heart of Vivendi's CSR policy (see Chapter 2, Section 1.2.4 of the Annual Report 2015).

| DESCRIPTION OF AT LEAST THREE DIALOG INITIATIVES WITH IDENTIFIED STAKEHOLDERS AND DESCRIPTION OF THE TOPICS ADDRESSED | | | |
|---|------|---------------------|--|
| GRI | UNGC | OECD | Scope covered |
| G4-26, G4-S01 and PR5, MSS M6 | - | II.A.3 and 14, VIII | UMG Canal+ Group Vivendi Village |

Canal+ holds a plenary consultation meeting in France with consumer associations every year. This meeting, attended by, among others, the Director of Customer Services and the Head of External Consumer Relations and Customer Dialog, is an opportunity to create a climate of constructive dialog with the representatives of the group's customers. The decline in the number of claims submitted by the associations to Canal+ continued in 2015, with 438 files, down from 471 in 2014.

In this context, in 2015, the Canal+ Group customer services set up, at the request of the consumer organization UFC-Que Choisir, an e-mail address for claims received by the association, in order to facilitate the communication of customer claims. A new customer process has also been offered since September 2015 following the establishment of mediation in French law. In the event of disputes, Canal+ Group refers to FEVAD (the French federation of e-commerce and remote sales), which acts as a mediator for the sector.

In addition, the audit conducted in October 2015 by AFNOR confirmed retention of the NF Service "Customer Relation" certification awarded to Canal+ in 2014, which certifies achievement of the best standards in the market for customer relations.

Dialog with the stakeholders of the Canal+ Group's international entities was largely focused on piracy in 2015:

- in Vietnam, K+ contributed to the formation of an alliance to fight piracy that includes rights-holders, film producers, content distributors and associations;
- by relying on two associations to which it belongs (Sygnał and Fota), nc+ carried out a number of initiatives and events in Poland to promote the legal offer of content, particularly with regard to sports rebroadcasts; and
- Canal+ Afrique is a member of the Convergence association, created in 2015. The aim of this association is to defend and protect the economic interests of the audiovisual sector and of creators in Africa, in particular by ensuring that copyright is respected and by combating piracy. The association represents the interests of all players in the African cultural industry, and in that capacity it brings together authors, producers and regulators, as well as television and mobile telephone operators.

UMG has identified its principal stakeholders (artists, artist managers, music retailers, digital partners, product suppliers, national and European

authorities, media, parent associations, consumer and industry bodies) and has instituted open and collaborative dialog.

In addition to the relationships the group maintains with the professional associations – especially the IFPI, of which it is an active member – UMG has regular discussions with artists and their managers.

For example, UMG's British affiliate has invited managers to a seminar, where participants could exchange ideas on trends in the music market and their impact on the company and the artist community. The week was a great success both in the rate of participation (90% of the managers were there) and in feedback from participants, who praised the dialog held by UMG as open and constructive.

In several countries, UMG has a web-based portal for access by artists and songwriters. This portal allows them to evaluate their promotional campaigns and provides them with up-to-date financial and marketing data relating to their releases. UMG Germany has a seat on the rate committee of GVL, an association for collecting artist royalties. This committee presents recommendations and suggestions for setting music royalties.

At Vivendi Village, dialog with industry professionals takes place in the context of professional associations to which the entities belong (such as FEVAD for Digitick, or PRODISS – the French union of producers and concert venues – for L'Olympia). In order to continue to offer an innovative approach to the customer experience, Vivendi Village is constantly searching for ways to improve responsiveness and to best meet the expectations of music, theatre, arts and sports fans. As a result, Digitick was elected Best Customer Service of 2016 in the "Event and Movie Booking" category by Viséo Conseil.

| RESULTS OF MEASURING CUSTOMER SATISFACTION | | | |
|--|------|---------------|---------------|
| GRI | UNGC | OECD | Scope covered |
| G4-26, and PR5, MSS M6 | - | II.A.14, VIII | Canal+ Group |

Canal+ Group regularly conducts customer satisfaction surveys, designed to measure the response to its offers and content by its subscribers. In 2015, all the group's subsidiaries conducted or commissioned a company to carry out at least one measurement of satisfaction of their customers.

In France, the satisfaction barometer for October 2015 demonstrated customers' attachment to the film offer provided by the channel. For 86% of subscribers, Canal+ is the reference channel for movies. 75% of the respondents also agreed that "Canal+ is a channel that offers programs you cannot see anywhere else."

nc + in Poland measured the satisfaction of its customers in the third quarter of 2015: 86% of customers were satisfied with the offer from nc+. Several surveys, posting very good results, were also conducted by Canal+ Afrique. With respect to A+, more specifically, the subscribers believe the channel reflects a modern and dynamic Africa, one which is a source of pride and creates a feeling of belonging.

4.4. CSR Criteria as Part of Purchasing Policy and in Relations with Suppliers and Subcontractors

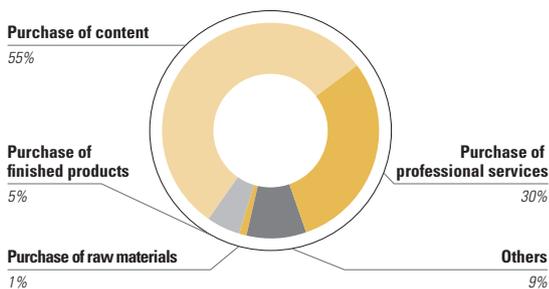
4.4.1 IMPORTANCE OF PURCHASING AND SUBCONTRACTING AT VIVENDI

To obtain a better overall view of the risks related to the supply chain, the group has carried out an analysis of its purchases made with suppliers and subcontractors that account for at least 75% of the total expenditure of each of the subsidiaries.

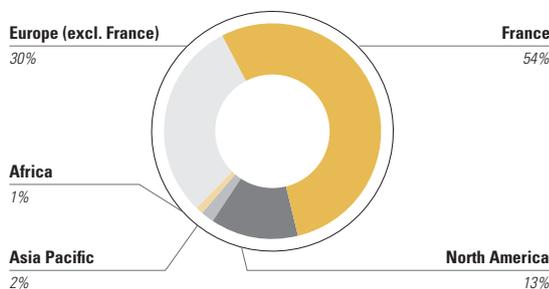
BREAKDOWN OF PURCHASES BY MAIN CATEGORIES AND GEOGRAPHIC REGIONS (AMONGST THE SUPPLIERS AND SUBCONTRACTORS WITH WHOM AT LEAST 75% OF TOTAL PURCHASING AMOUNT IS REALIZED)



| GRI | UNGC | OECD | Scope covered |
|---------------|------|--------------|--|
| G4-12, G4-EC1 | - | II.A.3 and 4 | UMG Canal+ Group Vivendi Village |



The group purchases mainly content and professional services. Most of these purchases are made from suppliers in Europe and North America. The five principal countries from which these purchases originate are, in descending order, France, Great Britain, United States, Poland and Germany.



4.4.2 A RESPONSIBLE PURCHASING POLICY ADOPTED BY THE SUBSIDIARIES

Vivendi is committed to increasing the awareness of its main suppliers and subcontractors to its social and environmental issues. In 2013, Vivendi signed the Charter of Responsible Supplier Relations, which defines a number of commitments designed to increase the awareness of economic players to the importance of responsible purchasing and the quality of customer-supplier relations. Vivendi's Compliance Program includes a rule that recalls the commitment of commercial partners to provide services in compliance with the group's commercial and social ethical standards.

EXISTENCE OF A FORMAL COMMITMENT WITH REFERENCE TO FOUNDING PRINCIPLES IN THE PURCHASING POLICY



| GRI | UNGC | OECD | Scope covered |
|--|------|-----------------------------|---|
| G4-56, G4-DMA Supplier Assessment aspects | 1-10 | II.A.13, III, IV, V.1, VI.6 | UMG Canal+ Group Vivendi Village Corporate |

The subsidiaries use subcontracting. They expect their suppliers and subcontractors to comply with the principles set out in Vivendi's Compliance Program and in the UN Global Compact, as well as with the values and rules of good conduct in their respective codes of ethics. A breach of any of these principles is potential ground for the group to terminate the contract with the supplier. Canal+ Group has two internal call centers for which it has obtained renewal of the "Integrated Centers" Social Responsibility Label, and also has outsourced call centers.

In 2015 the entities of Vivendi Village included in the scope of reporting were informed of the group's commitments on this issue during training sessions on reporting.

DEPLOYMENT OF THE RESPONSIBLE PURCHASING APPROACH AMONGST THE SUPPLIERS AND SUBCONTRACTORS WITH WHOM AT LEAST 75% OF THE TOTAL PURCHASING AMOUNT IS REALIZED



| GRI | UNGC | OECD | Scope covered |
|---------------------------------------|------|---------------------------------------|---|
| G4-DMA Supplier Assessment aspects | 1-10 | II.A.12 and 13, II.B.2, IV, V.1, VI.6 | UMG Canal+ Group Vivendi Village Corporate |

The subsidiaries were made particularly aware of the issue of human rights in business relationships at a dedicated CSR Committee meeting, during which experts gave clarifications on the group's corporate responsibility in its own sphere of influence (the media sector).

Purchases of audiovisual content (films, series, broadcasts, sports events and similar) which account for a substantial portion of the purchases made by Canal+ Group are made under terms and conditions defined with the rights-holders. For relations with its other suppliers, Canal+ Group has established contractual prerequisites which require compliance with the provisions of the United Nations Global Compact, through the systematic insertion of a CSR clause. These contractual prerequisites are included in Canal+ Group's bidding documents (calls for tenders) and in the contracts entered into with suppliers after the bidding process. In addition, the group regularly requires the following of its suppliers:

- ◆ the external call centers to which it assigns part of the management of its customer contacts must obtain and comply with the Social Responsibility Label;
- ◆ suppliers must follow its rules in relation to protection of the personal data of its customers (including external call centers, technical service providers with access to information systems and business partners); and
- ◆ manufacturers of set-top boxes must implement waste management procedures.

In its main business regions, through its calls for tender, UMG asks its suppliers to sign the Universal Music Group Supplier Corporate Responsibility Policy. In addition, suppliers who respond to a call for tender must provide information on the following:

- ◆ the selection and management of ethical and environmental practices in the supply chain;
- ◆ confirmation of adherence to the principles of the Universal Declaration of Human Rights;
- ◆ the use of paper, pulp or fibre coming from forests or resources declared legal by European and American standards; and
- ◆ the supplier's status with respect to the ISO 14001, EMAS and REACH standards.

Bravado Australia, UMG's Australian merchandising subsidiary, is particularly vigilant in relation to the ethics of its suppliers. Suppliers are asked to prove, before any contractual commitment with Bravado, international accreditation (WRAP, BSCI and Sedex) that guarantees they meet the ethical requirements. They are also asked to sign a Manufacturing Agreement that restates the principles in regard to human rights. Bravado Australia conducts annual audits to ensure that these commitments are adhered to.

Watchever also ensures that its contracts contain clauses that recall the obligations of the parties in relation to social and labor legislation, compliance with anti-corruption laws, and identification of age restrictions applying to content purchased.

Lastly, the subsidiaries have trained purchasing teams on responsible purchasing, with a view to strengthening their performance in this area.

Canal+ Group's purchasing teams in France, among others, have been made aware of issues linked to socially inclusive procurement practices, respect for workers' fundamental rights, fair practices with suppliers, the dependency of suppliers, and commitments in relation to payment terms.

In the United Kingdom, the UMG purchasing team has been made aware of the Modern Slavery Act, adopted in 2015. It requires greater vigilance and transparency by companies in regard to their suppliers. Companies must detail the measures they have in place to ensure that their suppliers are not engaged in slavery or human trafficking.

4.5. Fair Business Practices

Since 2002, Vivendi has had a Compliance Program setting out the general rules of ethics applicable to every employee in the group regardless of their role or seniority. These rules of conduct cover the rights of employees, truth and protection of information, prevention of conflicts of interest, commercial ethics and compliance with competition laws, the use of property and resources belonging to the group, financial ethics and respect for the environment. Compliance with these rules is a condition for belonging to Vivendi.

4.5.1. ACTION TO PREVENT CORRUPTION

| DEFINITION OF THE POLICY'S PRIORITY AXES CONCERNING THE STRUGGLE AGAINST CORRUPTION  | | | |
|---|------|---------|---|
| GRI | UNGC | OECD | Scope covered |
| G4-DMA SO Corruption aspect | 10 | II, VII | UMG Canal+ Group Vivendi Village Corporate |

The subsidiaries manage their own anti-corruption policies based on the Compliance Program and on the United Nations Global Compact, of which the group is a signatory.

Canal+ Group has formalized its commitments in its Ethics Charter and set up a structured governance procedure for all expenditures and contracts signed within the group. In addition, the Internal Audit department of Canal+ Group has defined a quarterly census procedure to highlight any fraud within the group, as well as defining the associated action plans. In accordance with the group's procedure for notifying fraud, established by the Internal Audit department, this information is transmitted by the operational departments.

All the employees of the Canal+ Group's Purchasing department, Legal departments and Audit department are made aware of the fight against corruption. Moreover, in 2015, the governance procedures were presented to the employees based in Paris during sessions held in April and June. In addition, in the Polish subsidiary of Canal+ Group, the topic of fighting corruption has appeared since November on the agenda of the training modules given to new employees. An e-mail restating the guidelines of this anti-corruption policy is also sent every year to operational executives and to the members of the executive committee of nc+.

UMG is committed to adopting a "zero tolerance" approach to fraud and corruption and to acting in a professional manner and with integrity wherever the company operates, in accordance with local regulations and with the 2010 UK Bribery Act. UMG has introduced a warning alert system available to its employees: the group maintains a compliance and ethics helpline number that can be called to anonymously report any suspected violations of the UMG Code of Conduct. The helpline is available twenty-four hours a day, seven days a week.

All the group's employees have been made aware of the company's Code of Conduct which includes its anticorruption policy and must agree to abide by it. UMG has also developed courses on the fight against fraud and corruption. After a 2014 session in Asia, colleagues in Mexico, Brazil and South Africa participated in training on the UK Bribery Act, the Foreign Corrupt Practices Act and the UMG Code of Conduct. A total of 279 employees participated in these training sessions (134 in Mexico, 101 in Brazil and 44 in South Africa).

In order to combat fraud and abuses in the ticketing black market, Digitick set up zePass, a trusted third-party service, unique in France, enabling the non-speculative resale of tickets between individuals on a secure platform. zePass also offers event organizers (including L'Olympia) the introduction of an official public market for ticket exchanges.

TOTAL NUMBER OF INCIDENTS HAVING RESULTED IN NON-RENEWAL OF CONTRACTS WITH COMMERCIAL PARTNERS DUE TO VIOLATIONS RELATED TO CORRUPTION

| GRI | UNGC | OECD | Scope covered |
|--------|------|---------|--|
| G4-S05 | 10 | II, VII | UMG Canal+ Group Vivendi Village |

In 2015, Canal+ Group, UMG and Vivendi Village did not record any incidents causing non-renewal of a contract with their business partners as a result of violations linked to corruption.

4.5.2. CONTRIBUTION TO PUBLIC POLICY/ RESPONSIBLE LOBBYING

Vivendi and its subsidiaries adopt transparent lobbying practices (disclosure of membership in professional associations, registration in lobbyist registers, and clear communication about the main positions taken).

UMG and Canal+ Group are registered in the European Parliament and Commission's Transparency Register. In the United States, as required by regulations, UMG declares its lobbying activities and related expenses in quarterly reports sent to Congress.



SIGNIFICANT THEMES AND POSITIONS TAKEN IN LOBBYING ACTIVITIES

| GRI | UNGC | OECD | Scope covered |
|-----------------------------------|------|------|---------------------|
| G4-DMA S0 Public Policy aspect | - | - | UMG Canal+ Group |

In 2015, Canal+ Group made its position known to French public authorities on the following three significant issues in particular:

- during debates on the draft bill for growth and economic activity proposed by the French Minister of Economy, Industry and Digital Affairs, the group defended the freedom of distributors of pay-TV to offer specific editorialized packages which are different from the numbering assigned by the CSA to the channels with a free-to-air DTT offer;
- with the arrival of new offers proposed by unregulated international groups, discussions with public authorities have focused on the status of these new players on the French market, and how this coexistence will affect competition. These discussions were an opportunity to recall the very onerous regulatory environment for pay-TV distributors in France and the obligations imposed on Canal+ Group to finance creation; and
- with regard to projects and goals in relation to content development, including original fiction, and in cooperation with public authorities, in 2015, Canal+ Group also contributed to discussions intended to continue the reform of relations between audiovisual broadcasters and producers and improve the balance between them in order to enable consolidation of the audiovisual groups and promote a better return on investment.

In Poland, Canal+ Group is a member of Sygnał and PIRS (Polish Chamber of Broadcasters), which work to protect intellectual property and which contributed in 2015 to the European debate on the single digital market and the revisions of the Satellite and Cable Directive. In Africa, in addition to its upstream positioning on calls for tenders, the group is making efforts to raise the awareness of authorities about combating piracy, particularly through its membership in the association Convergence (see Section 4.3 of this chapter).

Universal Music Group belongs to several industry associations (such as IFPI at the worldwide level and national affiliates including BPI in the United Kingdom and SNEP in France) through which it conducts many of its lobbying activities. These associations make their positions known

through various communications and written materials. UMG's lobbying efforts mainly concentrate on protection of intellectual property rights, recognition of the value of music and cultural diversity, the battle against illegal content and promotion of works' distribution and public performance rights – especially in countries where these rights currently have little or no protection.

Through these associations and on its own, UMG has been very active, including in Europe, in defending more equal distribution of the value generated by digital music services and consolidating the notice-and-take-down mechanisms. In France, the "Schwartz agreement" was signed in October 2015 by key stakeholders in the music industry. The French government promoted this voluntary code of practice to help govern relationships between digital platforms, record labels, publishers and artists, with the major labels being represented in France by their national union, SNEP (see also Chapter 1, Section 1.5.5 of the Annual Report 2015).

UMG has continued to work for the extension from 50 to 70 years of the period for protection of copyright-related rights. This measure encourages cultural diversity by allowing performers and studio musicians to be compensated for a longer period of time for their work and for the copyright owners to maintain a high level of investment in new talent. In 2015, this extension was adopted in Canada and ratified by the TransPacific partnership agreement for application in Japan and New Zealand.

4.5.3. RESPONSIBLE COMMUNICATIONS AND MARKETING

The Data and Content Protection Charter, adopted by Vivendi in 2008, establishes the principles applied by the group in the area of responsible communications and marketing. The principles in the charter must be complied with by all the subsidiaries in the countries in which the group operates. With this charter, Vivendi commits in particular to working to avoid advertising practices that mislead children, complying strictly with consumer protection legislation and obtaining the prior consent of Web users before sending advertising messages.

In the spirit of the Children's Rights and Business Principles established in 2012 by the UN Global Compact, Unicef and Save the Children, the group pays special attention to protecting young viewers. Principle 6 requires businesses to ensure that their marketing and advertising respect children's rights.

In 2015, in the framework of its dialog with media-sector stakeholders at the Forum RSE Médias, Vivendi contributed to the development of a "CSR and advertising" factsheet covering ethical issues related to advertising in content-based industries and proposing best practices.

EXISTENCE OF A FORMAL COMMITMENT IN FAVOR OF RESPONSIBLE COMMUNICATION AND MARKETING ON ANY COMMUNICATION MEDIUM

| GRI | UNGC | OECD | Scope covered |
|---|------|------|---------------------|
| G4-DMA PR Marketing Communications aspect | - | VIII | UMG Canal+ Group |

EXISTENCE OF MEASURES FOR ENSURING CONFORMITY OF COMMUNICATION AND MARKETING WITH THE COMMITMENTS MADE

| GRI | UNGC | OECD | Scope covered |
|---|------|------|---------------------|
| G4-DMA PR Marketing Communications aspect | - | VIII | UMG Canal+ Group |

Vivendi's subsidiaries promote responsible communications and marketing, under codes, charters or special provisions.

At Canal+ Group for example, this commitment is incorporated into several sections of the Ethics Charter (particularly those relating to business ethics and environmental protection). The agreement signed by Canal+ and the CSA also contains specific provisions on advertising communications.

The group is especially vigilant when it comes to messages to which children are exposed. In France, Canal+ has set up strict provisions for its youth channel Piwi+ and Télétoon+, stating for example that advertising sequences must last no longer than two minutes and that advertising slots must be clearly identified. The Canal+ Family channel does not run any adverts at all. In Poland, advertising communications aimed at children are evaluated according to an internal charter (see Section 4.1.2.2 of this chapter). More particularly, advertising messages for beverages and food the overconsumption of which could be considered as unhealthy are covered by a self-regulation deployed by nc+ in 2014 with the main broadcasters in the country.

Several measures have been taken to ensure compliance of communications and marketing with the commitments made. Adverts are reviewed internally by the legal departments. Externally, in France, radio and television adverts are submitted to the Autorité de Régulation Professionnelle de la Publicité (ARPP), the French authority for the professional regulation of advertising.

All of UMG's companies comply with its Code of Conduct. Most of the operating companies have set up an in-house committee in charge of approving communications and advertising campaigns before their launch. These committees meet regularly and are composed of marketing directors and project managers (who develop and implement communications plans in connection with the artists). This ensures that communications meet the requirements of the Code of Conduct and applicable local rules, such as those set forth by the ARPP in France and the National Council of Advertising Self-Regulation (CONAR) in Brazil.

Responsible communications and marketing also involve providing support for socially-responsible campaigns. Media have a key role to play as a sounding board for public-service announcements. In 2015, 57 associations received 503,597 seconds of free advertising on Canal+ Group channels for a total of 18,431 spots broadcast. Aware of the need to take action and committed to airing prevention messages, Canal+ also

supported the anti-jihadism awareness campaign created by families whose children or other relatives went to Syria or Iraq. This campaign, which is supported by the French Ministry of the Interior, was relayed by Dailymotion as well as the Canal+ website and during the show *La Nouvelle Édition*.

Headcount by Age

| HEADCOUNT BY AGE (%) | | |
|----------------------|------|------|
| GRI | UNGC | OECD |
| G4-10, G4-LA12 | 1, 6 | V |



| | 2015 | | | | | 2014 | | | | |
|-----------------|-----------|------------|------------|------------|-------------|-----------|------------|------------|------------|-------------|
| | Under 25 | 25-34 | 35-44 | 45-54 | 55 and over | Under 25 | 25-34 | 35-44 | 45-54 | 55 and over |
| UMG | 6% | 32% | 30% | 24% | 8% | 6% | 31% | 32% | 23% | 8% |
| C+G | 8% | 40% | 33% | 15% | 4% | 8% | 40% | 34% | 15% | 3% |
| of which SECP | 7% | 19% | 32% | 32% | 10% | 7% | 19% | 36% | 30% | 8% |
| Vivendi Village | 12% | 50% | 27% | 8% | 3% | 13% | 56% | 24% | 6% | 1% |
| Dailymotion | 9% | 65% | 24% | 2% | 0% | - | - | - | - | - |
| Corporate | 2% | 15% | 24% | 35% | 24% | 2% | 15% | 27% | 33% | 23% |
| Total | 7% | 37% | 31% | 19% | 6% | 7% | 36% | 32% | 19% | 6% |

| AVERAGE AGE (IN YEARS) | | |
|------------------------|------|-----------|
| GRI | UNGC | OECD |
| G4-10, G4-LA12 | 1, 6 | IV, V.I.e |

| | 2015 | 2014 |
|-----------------|-------------|-------------|
| UMG | 39.6 | 39.3 |
| C+G | 36.3 | 36.1 |
| Vivendi Village | 33.4 | 32.6 |
| Dailymotion | 31.5 | - |
| Corporate | 46.2 | 46.4 |
| Total | 37.8 | 37.6 |

| AVERAGE SENIORITY (IN YEARS) | | |
|------------------------------|------|------|
| GRI | UNGC | OECD |
| G4-LA1 | 6 | V |

| | 2015 | 2014 |
|-----------------|------------|------------|
| UMG | 8.8 | 8.6 |
| C+G | 7.4 | 7.6 |
| Vivendi Village | 3.9 | 3.4 |
| Dailymotion | 2.4 | - |
| Corporate | 14.6 | 15.2 |
| Total | 7.9 | 8.0 |

Average seniority in the Vivendi Group is stable.

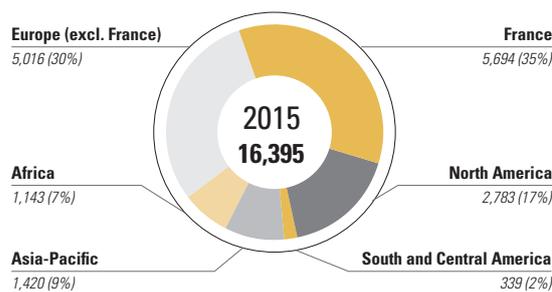
Headcount by Geographic Region

The table below shows the group's headcount by geographic region as of December 31, 2015. The heading "France" includes the headcount of companies in mainland France and its overseas departments and territories.

| HEADCOUNT BY GEOGRAPHIC REGION | | |
|--------------------------------|------|------|
| GRI | UNGC | OECD |
| G4-10 | - | V |



| | 2015 | 2014 |
|--------------------------|---------------|---------------|
| Consolidated data | 16,395 | 15,571 |



5.1.3. NEW HIRES AND DEPARTURES

New Hires

Vivendi operates in countries where the method of accounting for new hires and trainees is markedly different from the method used in France and other European countries. For example, in the United States, Canada and Brazil, summer jobs held by students and temporary positions are considered as new hires. To take into account these diverse methods, the table below accounts for all new hires, irrespective of the period of employment.

Temporary and Permanent New Hires

Outside of France, a permanent hire refers to persons continuously employed within the company for 18 months or more; employees with less than 18 months' continuous employment are considered temporary hires.

| TEMPORARY AND PERMANENT NEW HIRES | | |
|-----------------------------------|------|------|
| GRI | UNGC | OECD |
| G4-10, G4-LA1 | - | V |

| | 2015 | | | 2014 | | |
|-----------------|--------------|---------------------|---------------------|--------------|---------------------|---------------------|
| | Total | Permanent new hires | Temporary new hires | Total | Permanent new hires | Temporary new hires |
| UMG | 1,348 | 873 | 475 | 1,534 | 956 | 578 |
| C+G | 1,796 | 1,003 | 793 | 1,612 | 765 | 847 |
| of which SECP | 100 | 20 | 80 | 116 | 30 | 186 |
| Vivendi Village | 246 | 112 | 134 | 280 | 245 | 35 |
| Corporate | 38 | 22 | 16 | 11 | 2 | 9 |
| Total | 3,428 | 2,010 | 1,418 | 3,437 | 1,968 | 1,469 |

New Hires in France

This indicator covers the group's companies in mainland France and its overseas departments and territories. In the table below, the rate of permanent new hires is calculated as a ratio of the number of permanent new hires to total new hires in each business unit.

| NEW HIRES IN FRANCE | | |
|---------------------|------|------|
| GRI | UNGC | OECD |
| G4-10, G4-LA1 | 6 | V |

| | 2015 | | | 2014 | | |
|-----------------|--------------|-----------------|-------------------|--------------|-----------------|-------------------|
| | Total | Permanent hires | % permanent hires | Total | Permanent hires | % permanent hires |
| UMG | 116 | 38 | 33% | 119 | 44 | 37% |
| C+G | 906 | 316 | 35% | 832 | 240 | 29% |
| of which SECP | 100 | 20 | 20% | 116 | 30 | 26% |
| Vivendi Village | 106 | 81 | 76% | 124 | 90 | 73% |
| Headquarters | 37 | 21 | 57% | 11 | 2 | 18% |
| Total | 1,165 | 456 | 39% | 1,086 | 376 | 35% |

In the French companies, the average proportion of permanent hires increased to 39% in 2015, compared to 35% in 2014, or an increase of 21%.

| NEW HIRES IN THE GROUP | | |
|------------------------|------|------|
| GRI | UNGC | OECD |
| G4-LA1 | 6 | V |

| | 2015 | 2014 |
|-----------------|--------------|--------------|
| | UMG | 1,348 |
| C+G | 1,796 | 1,612 |
| of which SECP | 100 | 116 |
| Vivendi Village | 246 | 280 |
| Corporate | 38 | 11 |
| Total | 3,428 | 3,437 |

Departures from the Group

| DEPARTURES FROM THE GROUP | | |
|---------------------------|------|------|
| GRI | UNGC | OECD |
| G4-LA1 | 6 | V |

| | 2015 | 2014 |
|-----------------|--------------|--------------|
| | UMG | 1,374 |
| C+G | 1,716 | 1,428 |
| of which SECP | 131 | 118 |
| Vivendi Village | 292 | 255 |
| Corporate | 27 | 41 |
| Total | 3,409 | 3,312 |

The data in the above table illustrates all departures from the group's companies, regardless of cause. It can be compared to the table illustrating all new hires.

Reasons for Departures

| BREAKDOWN OF DEPARTURES BY REASON | | | ✓2015 |
|-----------------------------------|------|--------------|--------------|
| GRI | UNGC | OECD | |
| G4-LA1 | 6 | V | |
| | | | |
| | | 2015 | 2014 |
| Resignation | | 1,281 | 1,165 |
| Individual redundancy | | 392 | 400 |
| Redundancy on economic grounds | | 226 | 419 |
| End of temporary contract | | 1,224 | 1,188 |
| Retirement | | 26 | 22 |
| Other causes | | 260 | 111 |
| Total | | 3,409 | 3,305 |

The number of individual dismissals and redundancies on economic grounds was 618 in 2015: of which 35% in France and 65% internationally.

58% of departures resulting from the end of a temporary contract are attributable to France, and 42% are attributable internationally.

Departures for “other causes” include departures for personal reasons, departures under the contract termination procedure or termination by amicable agreement, voluntary departures, termination during or at the end of a trial period, departures for professional negligence, departures of casual staff (Australia), mobility between business units.

5.1.4. COMPENSATION

All of Vivendi’s business units are included in the compensation tables below. This includes those which entered the reporting scope during fiscal year 2015.

Personnel Costs

| PERSONNEL COSTS (IN MILLIONS OF €) | | | ✓2015 |
|------------------------------------|------|--------------|--------------|
| GRI | UNGC | OECD | |
| G4-EC1 | - | V | |
| | | | |
| | | 2015 | 2014 |
| Consolidated data | | 1,546 | 1,323 |

Payroll Costs

| PAYROLL COSTS (IN MILLIONS OF €) | | | ✓2015 |
|----------------------------------|------|--------------|----------------|
| GRI | UNGC | OECD | |
| G4-EC1 | - | V | |
| | | | |
| | | 2015 | 2014 |
| Consolidated data* | | 1,445 | 1,278.2 |

* After deducting capitalized personnel costs of 3 million euros.

Payroll Costs as a Ratio of Revenue

| PAYROLL COSTS AS A RATIO OF REVENUE | | | ✓2015 |
|-------------------------------------|------|---------------|---------------|
| GRI | UNGC | OECD | |
| G4-EC1 | - | V | |
| | | | |
| | | 2015 | 2014 |
| Consolidated data | | 13.42% | 12.52% |

Optional and Statutory Profit Sharing (France)

This indicator includes group companies in France, by type, that have entered into collective bargaining agreements relating to optional or statutory profit sharing.

| OPTIONAL AND STATUTORY PROFIT SHARING IN FRANCE (IN MILLIONS OF €) | | | ✓2015 |
|--|------|-------------|-------------|
| GRI | UNGC | OECD | |
| G4-EC1 | - | V | |
| | | | |
| | | 2015 | 2014 |
| Consolidated data | | 17.8 | 19.4 |
| Optional profit sharing | | 7.9 | 7.7 |
| Statutory profit sharing | | | |

5.2. Organization of Work

5.2.1. ORGANIZATION OF WORK TIME

Full-Time and Part-Time Employees

The ratio of part-time employees is calculated by comparing the number of employees working part-time to the total number of employees in the Vivendi group.

| FULL-TIME AND PART-TIME EMPLOYEES  | | | | |
|---|------------------------|--------------------|------------------------|--------------------|
| GRI | UNGC | | OECD | |
| G4-10 | - | | V | |
| | 2015 | | 2014 | |
| | Full-time | Part-time | Full-time | Part-time |
| UMG | 7,326 | 249 | 7,306 | 286 |
| C+G | 7,200 | 411 | 6,599 | 434 |
| of which SECP | 741 | 13 | 797 | 18 |
| Vivendi Village | 615 | 155 | 604 | 144 |
| Dailymotion | 228 | 2 | - | - |
| Corporate | 195 | 14 | 186 | 12 |
| Total | 15,564 (95%) | 831 (5%) | 14,695 (94%) | 876 (6%) |

The Vivendi group's staff make limited use of part-time contracts. For this reason, the number of part-time contracts slightly decreased in 2015.

Average Weekly Duration of Working Time for Full-Time Employees

The duration of working hours for full-time employees is defined as the working hours which are most common within the company.

| AVERAGE WEEKLY DURATION OF WORKING TIME FOR FULL-TIME EMPLOYEES (HOURS)  | | | | |
|---|-------------|--|------|--|
| GRI | UNGC | | OECD | |
| - | - | | V | |
| | 2015 | | 2014 | |
| Consolidated data | 37.9 | | 37.9 | |

This figure represents the average weighted working hours per week within the group. Working time varies according to country and company and varies between 35 hours, the legal working week in France and the overseas departments and territories, and 48 hours in some South American and Asian countries. The median duration within the group is 40 hours and average duration is 37.9 hours.

Average Yearly Duration, Full-Time Employees

| AVERAGE YEARLY DURATION, FULL-TIME EMPLOYEES (HOURS)  | | | | |
|--|--------------|--|-------|--|
| GRI | UNGC | | OECD | |
| - | - | | V | |
| | 2015 | | 2014 | |
| Consolidated data | 1,767 | | 1,753 | |

The table above shows the average weighted annual time worked by employees.

Overtime

| OVERTIME | | | | |
|--------------------------|---------------|--|---------|--|
| GRI | UNGC | | OECD | |
| - | - | | V | |
| | 2015 | | 2014 | |
| Consolidated data | 24,628 | | 26,505 | |
| France | 393,606 | | 218,581 | |
| International | - | | - | |

The use of overtime is closely related to the local culture, the specific needs of each company and the evolution of local legislation. The total number of overtime hours can vary considerably from year to year. In 2015 international subsidiaries represented 94% of overtime hours compared to 89% in 2014. Poland, Vietnam, Burkina Faso, Japan and the United States are among the countries resorting most often to overtime. These countries represent 97% of international overtime hours in 2015 compared to 94% in 2014.

Methods of Work Organization

Work organization practices have remained stable both in terms of length of time worked and proportion of employees working part-time.

Attempts to find a balance between the specific characteristics of some of the group's activities and the personal and professional lives of employees are the focal point of changes in ways of organizing work. To reflect their specific needs, which are often linked to the business of providing services, some of the group's entities make use of working arrangements such as telecommuting and flexible or staggered working hours, or being on call. This is true, for example, in the context of producing television programs or shows, in ticketing, which has to adjust to special events essential to their business (e.g., festivals, shows, sporting events) and at the call centers of nc+ in Poland (Canal+ Group).

- ◆ In 2015, Canal+ Group renewed its telecommuting agreement that was originally entered into in 2012, for a period of three years. Canal+ Group believes that telecommuting is an innovative way of organizing work, and has the goal of making work organization more flexible and adaptable by making each employee more responsible and independent.
- ◆ UMG encourages telecommuting and flexible working hours. This policy does not necessarily derive from signed agreements and, in light of the diversity of regulations in the numerous countries where UMG is present, tends to take the form of specific action plans.
- ◆ In 2015, an agreement on work organization and flexible working hours was agreed in the Watchever Group (Vivendi Village).

5.2.2. ABSENTEEISM WITHIN THE GROUP

Absenteeism by Reason

Absenteeism is defined as the total of working days not worked, excluding paid leave, training courses, trade union absences, exceptional and standard leave and additional days of leave. Contract suspensions are not counted in the table below. However, all cases of sick leave, including long-term disability leave, are included.

Days of absence are broken down by reason: illness, family reasons (maternity, paternity and adoption leave), workplace accidents and commuting accidents in countries where this concept is recognized.

The category of "absence for other reasons" recognizes reasons reflecting cultural differences and differences in local regulations within the group. In particular, it covers absences for personal reasons, unpaid vacation and unpaid leave, redundancies or unauthorized absence (whether paid or unpaid), absence due to a child's illness or a family event (excluding maternity, paternity and adoption leave), and absences for examinations, bereavements, relocating, and unjustified absences.

| ABSENTEEISM BY REASON (AVERAGE DAYS PER EMPLOYEE) | | |
|--|------|------|
| GRI | UNGC | OECD |
| G4-LA6 | - | V |



| Consolidated data | 2015 | 2014 |
|-----------------------------|------|------|
| Absences for illness | 4.35 | 4.61 |
| Absences for family reasons | 2.48 | 2.50 |
| Absences for accidents | 0.11 | 0.16 |
| Absences for other reasons | 0.79 | 0.74 |

Calculation method: the absenteeism rate is equal to the number of days of absence divided by the average annual number of employees for the year.

5.3. Social Relations

5.3.1. ORGANIZATION OF SOCIAL DIALOG

Social dialog takes place at all levels of the group. The Corporate Works Committee and the European Social Dialog Committee (ESDC) enable broad-ranging information and discussions on economic strategy and the main policy objectives of Vivendi's human resources policy (see Chapter 2, Section 2.2.2 of the Annual Report 2015).

Within the subsidiaries, dialog and social discussion are organized in line with the employment laws and regulations for each country, according to guidelines given to the human resources policy of each business unit.

5.3.2. COLLECTIVE BARGAINING AGREEMENTS

In 2015, 23 agreements or supplemental agreements were signed or renewed in France. Among these agreements, the following can be cited as representative of the ongoing social dialog within the group's different business units: the agreement on gender equality in Canal+ Group Guadeloupe and Universal Music France, as well as the Watchever flex-time agreement.

This year, the Canal+ Group delivered on its commitments to develop a dynamic social policy and a constructive social dialog by signing agreements on the subject of wellness linked to business performance (agreements on quality of life at work and on telecommuting).

Numerous agreements were also entered into dealing with other subject matters, such as compensation policy and profit-sharing, which reflect the desire to allow employees to participate in their company's performance (Canal+ Group, Canal+ Overseas, Universal Music France and Vivendi SA).

Lastly, as part of the planned reorganization of a sector of their business, Canal+ Group and Universal Music France entered into an agreement with respect to the implementation of such plan and its social impact. In both cases, the companies, together with their social partners, set up support mechanisms so that each affected employee could find an appropriate solution (e.g., training budget, financial assistance to create a company, mobility assistance, reclassification leave).

Collective Bargaining Agreements Signed in France

| COLLECTIVE BARGAINING AGREEMENTS SIGNED OR RENEWED | | |
|--|------|------|
| GRI | UNGC | OECD |
| G4-11 | 3 | V.8 |



| | 2015 | 2014 |
|-----------------|-----------|-----------|
| UMG | 4 | 2 |
| C+G* | 16 | 10 |
| Vivendi Village | 1 | 1 |
| Headquarters | 2 | 4 |
| Total | 23 | 17 |

* Includes SECP.

The scope selected for this table (France) is the area for which the group has comprehensive reporting. In numerous countries abroad, the notion of a collective bargaining agreement does not correspond to the definition in France. Agreements and supplemental agreements signed by the Vivendi group are included in this table; those signed in an SEU (Social and Economic Unit) are counted only once.

FORMAL COLLECTIVE LABOR AGREEMENTS AND BREAKDOWN BY THEME

| GRI | UNGC | OECD |
|---------------|------|------------|
| G4-11, G4-LA8 | 3 | V.8, V.4.c |

| | 2015 | 2014 |
|-------------------|------|------|
| Compensation | 55% | 65% |
| Social dialogue | 9% | 6% |
| Health and safety | - | 17% |
| Restructuring | 9% | - |
| Other themes | 26% | 12% |

In 2015, agreements and amendments to prior agreements concerning remuneration were still numerous. This category includes: mandatory or optional annual remuneration negotiations, various profit sharing programs (UES Canal+, Canal+ Caledonia, Dailymotion, Vivendi Headquarters), and a supplementary retirement program (UES Canal+). The category "Other themes" includes collective agreements covering work organization (Watchever France), tele-commuting, stand-by duty, the quality of work-life as well as a "generation" agreement (Canal+ Guadeloupe), a professional equality agreement (UMG France) and agreements relating to training policies (Vivendi Headquarters and MyBestPro).

NUMBER OF EMPLOYEE REPRESENTATIVES

| GRI | UNGC | OECD |
|---------|------|-------|
| G4-LA11 | - | V.1.b |

| | 2015 | 2014 |
|--------------------------|------------|------------|
| Consolidated data | 234 | 240 |

This indicator covers the French subsidiaries (Metropolitan France, the Overseas Departments and Territories) as well as the Canal+ international subsidiaries which have adopted the French judicial model.

5.4. Occupational Health and Safety

5.4.1. OCCUPATIONAL HEALTH AND SAFETY CONDITIONS AT WORK

Occupational health and safety are issues of concern addressed by the whole group and defined by each business unit by way of implementation of action plans and preventive measures.

With respect to workplace health, the methodology for identifying risks involves the following steps:

- ◆ identifying and assessing the professional risks related to the activity;
- ◆ assessing the degree of control exercised over the risks;
- ◆ identifying individual and collective preventive measures to eliminate or reduce each risk; and
- ◆ defining a safety management and workplace health program aimed at controlling any residual risks, or a training program.

Ad hoc Committees (CHSCT for French entities), which maintain a dialog between employees and management, address these issues and publish related documents, such as the Uniform Document for the Assessment of Occupational Risks, in the case of the French entities.

The objectives of these Committees include:

- ◆ improving the ergonomics of work stations, especially for people working with computer monitors, or diagnosing the rare situations where there is pain or discomfort;
- ◆ participating in and ensuring that a plan is created for prevention of conflict and stressful situations;
- ◆ measuring radiation from extremely low frequencies (e.g., 3G, 4G, cell phones, and Wi-Fi), verifying compliance with legal limits, identifying associated risks and promoting best practice;
- ◆ monitoring the implementation of action plans required in the event of serious incidents (including fire, breaches of security and natural disasters);
- ◆ promoting “best practices” in relation to business travel and identifying and analyzing the causes of commuting accidents;
- ◆ managing and updating the document outlining risks and prevention plans;
- ◆ supervising the safety of the premises and preventing illness, particularly occupational illnesses;
- ◆ providing transportation for employees to their workplace if public transportation is inadequate or unavailable; and
- ◆ taking into account the need for all employees to balance their personal and professional lives.

Vivendi continues to apply preventive measures related to managing stress and psychosocial risks. Counseling teams are available for all employees. The programs in question are specific to each entity and cover areas such as the training of local managers, a free helpline for employees, and information given to elected employee representatives by a specialist physician. These services are independent of the company and are completely anonymous, confidential and free.

Some of the preventive or training initiatives are described below:

- ◆ Canal+ Group:
 - France: the Canal+ Group’s CHSCT regularly uses the services of an expert to examine important projects, including, among others, the plan to modernize technical infrastructures and specialized units at the Customer Relations Centers;
 - United Kingdom: the health and safety policy is reviewed each year and every three years an outside consultant conducts an assessment of the company’s facilities and makes recommendations, where applicable. In addition, each new employee is required to read the health and safety policy on the day he or she is hired.
- ◆ UMG:
 - Germany: a Committee composed of an occupational physician, a safety engineer, members of the Works Council, a safety officer and an officer responsible for the employment of disabled employees meet with Management three times a year to report on the health and safety of employees in the workplace;
 - Australia: a Learning and Development Manager regularly reviews the agreements established; in 2016, the existing process will have new agreements added to it;
 - Canada: since health and safety is everyone’s responsibility, a partnership has been created between the Health and Safety Committee, the managers and the employees, with the goal of jointly ensuring compliance with health and safety conditions, a priority that guarantees quality service; each employee is required to undergo training to raise awareness of health and safety issues when he or she is hired;
 - Colombia: Disaster Preparedness Training (simulated events for readiness in the event of a disaster) was conducted;
 - South Korea: to encourage employees to stay in good physical shape, the costs for the Fitness Center membership are reimbursed by the company;
 - Norway: a campaign to raise awareness of the importance of physical exercise was implemented;
 - Sweden: all employees have been trained in CPR (cardio-pulmonary resuscitation) and undergo a medical and eye examination every year.
- ◆ Vivendi Village
 - Digitick: employees have access to the services of a masseur/physiotherapist once a month;
 - MyBestPro: on the recommendation of the CHSCT (health and safety Committee), a survey of psychosocial risks was conducted by the occupational physician; in addition, special monitoring is given to call center employees;
 - Watchever: an ergonomic specialist made employees aware of the correct posture to be adopted at their work stations.
- ◆ Corporate: to build upon the “Wellness and Performance” week offered in June 2015, monthly workshops or conferences conducted by specialists took place on topics such as “Access Full Consciousness” or “Neurosciences and Well Being”.

Severity Rate of Workplace Accidents (with Work Days Lost)

In 2015, the severity rate of workplace accidents (with lost work time) in the group decreased considerably.

Similar to the previous indicator, a slight difference in absolute data in the smaller structures can lead to a significant variation in relative values.

| SEVERITY RATE OF WORKPLACE ACCIDENTS (WITH WORK DAYS LOST)  | | |
|--|------|------|
| GRI | UNGC | OECD |
| G4-LA6 | 1 | V |

| | 2015 | 2014 |
|-----------------|-------------|-------------|
| UMG | 0.03 | 0.07 |
| C+G | 0.03 | 0.12 |
| of which SECP | 0.04 | 0.08 |
| Vivendi Village | 0 | 0.02 |
| Corporate | 0 | 0 |
| Total | 0.03 | 0.09 |

Calculation method: $\frac{\text{Number of days lost due to workplace accidents} \times 1,000}{\text{Average annual headcount} \times \text{annual hours worked}}$

Occupational Illnesses

In France, occupational illnesses are those officially reported and recognized by the French Social Security scheme. In other countries, occupational illnesses are defined in accordance with local laws or, if no such local laws exist, by the International Labor Organization (ILO) ⁽¹⁾. On the whole, the group's businesses have little exposure to occupational illnesses.

| OCCUPATIONAL ILLNESSES  | | |
|--|------|------|
| GRI | UNGC | OECD |
| G4-LA6 | 1 | V |

| | 2015 | 2014 |
|--------------------------|----------|----------|
| Consolidated data | 2 | 1 |

5.5. Training

5.5.1. TRAINING POLICIES OF THE BUSINESS UNITS

Each of the group's major subsidiaries implements a vocational training policy suited to the requirements of its businesses and the rapid changes experienced by them, making skills development a major component of its HR policy.

- ◆ Canal+ Group gives priority to collective initiatives to meet business challenges as quickly and as efficiently as possible.

In France, its training teams have developed a new program, EXPERT+, to strengthen the business unit expertise of employees through specific models (such as "Media and Digital Marketing", "From Belief to Measurement" and "From Analysis to Recommendation").

Special emphasis has also been placed on digital through three inter-company themes:

- sharing a minimum knowledge base (including familiarity with the players, the new digital economic models and the revolution in uses),
- putting new tools into practice (such as web analytics), and

- supporting business transformation (including written and oral versatility in the Call Centers and working with trendsetters).

Training tools have been developed for managers. These are aimed at helping every employee develop his or her skills so that they can attain their highest potential.

In Poland and the United Kingdom, the objective of the training policy is to adapt and develop the professional skills of employees and also their employability. The training plan is established each year on the basis of the needs identified.

- ◆ At UMG, training methods are often personalized in such a way that the bulk of training is done gradually and in the work context. This means that substantial numbers of training hours are not recorded. Therefore, an assessment of the number of hours of training does not reflect the reality of the training efforts actually undertaken by the music companies.

In certain countries, special focus may be given to a specific issue. This is the case in South Korea, where a leadership program for senior and junior managers was offered, but also in Italy and Poland where the emphasis was on languages, and in Hungary, which focused on accounting.

(1) For the complete list of these illnesses, please refer to the ILO website.

5.5.2. TOTAL NUMBER OF TRAINING HOURS

| TOTAL NUMBER OF TRAINING HOURS | | |
|--------------------------------|------|--------|
| GRI | UNGC | OECD |
| G4-LA9 | 6 | II.A.4 |

| | 2015 | 2014 |
|-----------------|---------------|----------------|
| UMG | 24,594 | 30,188 |
| C+G | 68,918 | 67,021 |
| of which SECP | 6,214 | 5,612 |
| Vivendi Village | 4,119 | 5,598 |
| Corporate | 1,011 | 842 |
| Total | 98,642 | 103,649 |

In 2015, the number of training hours received by the employees remained stable, despite a reduction in the number of training hours, among other things, which employees benefited from at UMG, where the range of training methods does not always allow for comprehensive reporting. This investment in human capital is especially noticeable at the Canal+ Group, Vivendi Village and Vivendi Corporate, where the employees enjoy exceptional training opportunities.

Total Number of Employees Trained

The table below shows the number of employees who participated in at least one training session in the year. If an employee participated in more than one training course, he or she is only counted once.

| NUMBER OF EMPLOYEES TRAINED | | |
|-----------------------------|------|--------|
| GRI | UNGC | OECD |
| G4-LA9, G4-LA10 | 6 | II.A.4 |

| | 2015 | 2014 |
|-----------------|---------------|--------------|
| UMG | 4,903 | 3,533 |
| C+G | 4,923 | 4,465 |
| of which SECP | 290 | 336 |
| Vivendi Village | 169 | 232 |
| Corporate | 45 | 50 |
| Total | 10,040 | 8,280 |

The increase in the number of employees trained at least once in the year underscores the commitment of Vivendi and its subsidiaries to developing skills and staff employability.

Hours of Training per Employee Trained

| HOURS OF TRAINING PER EMPLOYEE TRAINED | | |
|--|------|--------|
| GRI | UNGC | OECD |
| G4-LA9 | 6 | II.A.4 |

| | 2015 | 2014 |
|-----------------|------------|-------------|
| UMG | 5.0 | 8.5 |
| C+G | 14.0 | 15.0 |
| of which SECP | 21.4 | 16.7 |
| Vivendi Village | 24.4 | 24.1 |
| Corporate | 22.5 | 16.8 |
| Total | 9.8 | 12.5 |

Due to the ongoing focus on training at the group's subsidiaries, in most cases, except for UMG where the total number of training hours is not fully recorded (see above), the average number of training hours per employee remains high.

| BREAKDOWN BY TRAINING OBJECTIVE (%) | | | | |
|-------------------------------------|------|--|--------------|--|
| GRI | UNGC | | OECD | |
| G4-LA9, G4-LA10 | - | | II.A.4 and 8 | |

| | 2015 | | 2014 | |
|-----------------|-----------------------------------|--------------------|-----------------------------------|--------------------|
| | Training to do present job better | Skills development | Training to do present job better | Skills development |
| UMG | 87.1% | 12.9% | 82.7% | 17.3% |
| C+G | 75.1% | 24.9% | 73.4% | 26.6% |
| Vivendi Village | 89.3% | 10.7% | 95.1% | 4.9% |
| Corporate | 29.1% | 70.9% | 29.0% | 71.0% |
| Total | 79.0% | 21.0% | 76.9% | 23.1% |

Corporate training programs are broken down into two major categories. The first covers training to improve work station output. The objective of this type of training is to adapt the professional competencies of staff members to the occupied position. The second type of training concerns acquiring additional professional capacities in preparation for professional evolution in or outside of the company. Training sessions related to each objective are reported in the table above.

5.6. Diversity and Equal Opportunities

5.6.1. GENDER EQUALITY

Almost all of the group's French companies have signed innovative agreements on gender equality:

- ◆ collective agreement on professional equality of men and women, pursuant to the law of March 23, 2006 providing for the implementation of a comprehensive set of measures (recruitment, promotion, compensation and maternity leave) and indicators to monitor the mechanisms put in place;
- ◆ parent-friendly agreements calling for equal treatment of fathers and mothers; and
- ◆ agreements on working hours to facilitate a work / life balance, for men and women.

Among the measures taken to reinforce existing arrangements in favor of social progress, the following can be mentioned:

- ◆ improving parity in recruiting, especially in certain sectors, and respecting equality in terms of access to employment;
- ◆ ensuring a uniform and equal breakdown of men and women across the company's jobs and job classifications;
- ◆ promoting equal opportunities in career development;
- ◆ guaranteeing wage equality between men and woman performing the same jobs at the same skills level and with the same level of accountability and results;
- ◆ guaranteeing equality in terms of professional development and pay increases in the event of a career interruption for parental, maternity or adoption leave; and
- ◆ striving for improvement in terms of reconciling personal and professional life, taking parental issues into account.

Universal Music and Canal+ Group make their partner recruitment firms aware of the objective of increasing the number of women on its shortlist of applicants. In terms of internal mobility, Canal+ Group promotes mobility towards business units with a gender imbalance and allocates funding in its budget for on-the-job training.

Parental agreements provide for career flexibility by allowing for periods of absence (maternity or parental leave). Both Vivendi SA in Paris and the Canal+ Group hold pre- and post-maternity leave interviews.

More generally, Vivendi aims for gender parity in succession plans and promotions. These agreements include measures to identify and remedy any pay differentials. For example, Canal+ Group has eliminated periods of maternity leave from the annual assessment, has identified pay differentials for equivalent posts and taken remedial action.

Convinced that gender parity in positions of responsibility is a gauge of the group's success, in 2011, the Supervisory Board approved a networking program to encourage gender parity at the highest level. The ANDIAMO network set up in March 2012 made of approximately thirty upper management women from the group's French subsidiaries. This network aims to support women in their professional growth and help combat the glass ceiling.

Programs promoting changes in behavior and combating stereotypes have been introduced at all levels throughout the group:

- ◆ projects aimed at empowering individuals and training in female leadership;
- ◆ organization of networks with the participation of role models: meetings between experienced women and juniors; communication on successful career development of women working in male-dominated positions; and
- ◆ various tools requiring awareness on the part of employees: Code of Conduct, Compliance Program.

Proportion of Women in Management

In France, a *cadre* is an employee who has a significant level of responsibility and autonomy, and who is subject to certain performance obligations (operations, production, development and project management).

In other countries, this concept is not applied, and the closest equivalent is a manager who is paid a monthly salary rather than an hourly wage. Accordingly, in the table below, women managers (in other countries) and women *cadres* in France are both accounted for.

| PROPORTION OF WOMEN IN MANAGEMENT  | | |
|---|------|-------------|
| GRI | UNGC | OECD |
| G4-10, G4-LA12 | 1, 6 | V |
| | | |
| | | 2015 |
| | | 2014 |
| UMG | | 41% |
| C+G | | 45% |
| of which SECP | | 31% |
| Vivendi Village | | 38% |
| Dailymotion | | 23% |
| Corporate | | 52% |
| Total | | 42% |
| | | 42% |

Calculation method: number of women managers in relation to all managers.

Women on Vivendi's Supervisory Board

| PERCENTAGE OF WOMEN ON VIVENDI'S SUPERVISORY BOARD | | | ✓2015 |
|--|------|------------|-------|
| GRI | UNGC | OECD | |
| G4-34, G4-LA12 | 6 | IV, V.1.e | |
| | | 2015 | 2014 |
| Consolidated data | | 46% | 38% |

There are 14 members of the Vivendi Supervisory Board, including one female representative of the employee shareholders and a male representative for the employees.

Six women sit on the Supervisory Board, representing 46% of the Board. This does not include the employee representative in accordance with applicable legislation (Law 2001-103 of January 27, 2011).

Vivendi has surpassed the obligation for listed companies to meet a 40% quota for women on their boards.

Based on the percentage of women on its Supervisory Board, Vivendi ranks high among the 120 French companies that participated in the study⁽¹⁾ conducted by the Ministry of Women's Rights in October 2015.

5.6.2. EMPLOYMENT AND INTEGRATION OF DISABLED WORKERS

Workers with Disabilities in France

| WORKERS WITH DISABILITIES | | | ✓2015 |
|---------------------------|------|------------|------------|
| GRI | UNGC | OECD | |
| G4-LA12 | 1, 6 | IV, V.1.e | |
| | | 2015 | 2014 |
| UMG | | 10 | 10 |
| C+G | | 98 | 90 |
| of which SECP | | 17 | 19 |
| Vivendi Village | | 4 | 5 |
| Headquarters | | 0 | 0 |
| Total | | 112 | 105 |

In 2015, the number of workers with disabilities rose by 6% in Vivendi's business units in France. This increase was mainly due to certain commitments made by the Canal+ Group under its successive collective agreements.

Employment and Integration of Workers with Disabilities

The definition of a "worker with disabilities" used in this indicator is the one defined by national legislation or, failing this, by Convention 159 of the International Labor Organization (ILO): "any individual whose prospects of securing, retaining and advancing in suitable employment are substantially reduced as a result of a duly recognized physical, sensory, intellectual or mental impairment".

- ◆ In the context of its corporate social responsibility, the Canal+ Group has been committed to a sustainable policy of hiring employees with disabilities for several years. By implementing a series of agreements on the hiring of employees with disabilities and with an awareness program on this topic which goes by the name CanalHandi+, co-workers are reminded of the group's commitments in this area to hire, integrate and retain disabled workers in jobs, as well as its participation in training disabled youth through internships or work/study programs.

The agreement on employing workers with a disability currently in force was signed for a three-year period (2013 to 2015) by all the trade unions represented in the group, thus enhancing the commitments already made in previous years, such as:

- hiring 20 workers with a disability between 2013 and 2015, and a "discovery" policy for identifying young graduates with a disability through internships and work/study programs;
- participating in recruitment forums and maintaining specific partnerships such as *Handicafé*, *Forum Adapt*, *Tremplin* and the GESAT (national network of workers with disabilities)'s fair: *Osons Nos Compétences*;
- increasing business with the protected sector through increased communication starting with the Purchasing department and involving all employees;
- encouraging and assisting a significant number of employees to report their disability, with the help of a social worker to provide administrative support;
- empowering disabled employees and keeping them on the payroll through various forms of assistance that have been upgraded:
 - compensated authorized leaves of absence (as part of procedures recognizing disabled worker status, for medical care or a disabled child who is ill),
 - technical and material support,
 - disability Universal Employment Service Checks (*Chèques Emploi Service Universel – CESU*) funded mainly by the company,
 - mobility assistance,
 - financing assistance provided to disabled workers within the company;
- numerous communication initiatives carried out each year, during National Disabled Employment Week;
- information and awareness campaigns on the Intranet, and a disability referral agent network created among employees;
- disability awareness and training sessions held for employees and managers; and
- HR staff and managers trained in hiring disabled workers.
- ◆ nc+ in Poland allows ten additional days off per year to employees with a disability; they also benefit from special arrangements such as a working week that is shorter than that of the company's other employees;
- ◆ UMG Germany: a "Disabled Employee Officer" is in charge of handling the needs of disabled workers;

(1) Study available on the Ethics and Boards website.

- ◆ UMG Australia: the policy of employing persons with a disability is currently being studied by a "Learning and Development Manager"; it is expected that the policy will come into force in 2016;
- ◆ Digitick works closely with the association *Accompagner la Réalisation des Projets d'Études de Jeunes Élèves et Étudiants Handicapés* (ARPEJEH) and is committed to accepting young trainees;
- ◆ Devispresto (MyBestPro) adapts the job position of an employee with a disability by setting up telecommuting.

The integration of individuals with disabilities and non-discrimination are principles respected within every company in the group. In the recruitment process, the companies ensure equal treatment for applications and maintain strict respect for the individual. At the same time, the companies have developed specific training programs for employees and managers to raise awareness of disabilities.

5.6.3. PROMOTING DIVERSITY AND NON-DISCRIMINATION POLICIES

Diversity and Non-Discrimination Policies in the Business Units

In accordance with Vivendi's Compliance Program, the group's subsidiaries are committed to equal opportunities for all in recruitment, mobility, promotion, training and compensation, without distinction as to gender, religion, origin, age, personal life or disability.

Vivendi's Compliance Program states that, in each subsidiary, the Compliance Officer is in charge of responding to employees' concerns. Moreover, in the US and the UK subsidiaries, a hotline is available to employees, in accordance with applicable rules and regulations, to report any cases of discrimination or harassment.

The Vivendi group is aware of the issue of diversity and pursues a policy in favor of equal opportunities, as defined in various ways depending on the subsidiary:

- ◆ providing employee training on diversity issues;
- ◆ implementing agreements on employing disabled workers;
- ◆ negotiating and signing agreements on remote working arrangements;
- ◆ establishing inter-company nurseries to facilitate a balance between personal and professional life;
- ◆ continuing the commitment to select applicants exclusively from the standpoint of diversity; and
- ◆ contributing to the action plan, programs or collective bargaining agreements related to gender parity.

The Canal+ Group and Universal Music Group have long been involved in diversity issues. The Canal+ Group's global presence requires it to develop a territorial base for its business activities. Hence, for its growth, it is vitally important that its staff reflect this diversity. Universal Music encourages diversity in all of its activities and has committed itself to eliminating all forms of discrimination through its Equal Opportunity

policy which applies to all employees and also to temporary workers and job applicants as well as to the numerous contractors, suppliers and consultants⁽¹⁾.

Vivendi group managers receive regular awareness training on the group's hiring criteria, which are based on openness, difference and diversity. Social dialog and the signing of numerous agreements on issues such as professional gender equality, disability, employment of seniors, and the awareness policy pursued at all levels by the group on these issues are a reflection of this commitment.

Employment of Seniors

The term "senior" refers to an employee aged 55 or over.



| EMPLOYMENT OF SENIORS (NUMBER AND PERCENTAGE OF THE HEADCOUNT) | | |
|---|------|-----------|
| GRI | UNGC | OECD |
| G4-10, G4-LA12 | 1, 6 | IV, V.1.e |

| | 2015 | 2014 |
|-----------------|-----------------|-----------------|
| UMG | 617 (8%) | 585 (8%) |
| C+G | 278 (4%) | 240 (3%) |
| of which SECP | 72 (10%) | 70 (8%) |
| Vivendi Village | 20 (3%) | 9 (1%) |
| Corporate | 49 (24%) | 45 (23%) |
| Total | 964 (6%) | 879 (6%) |

The overall percentage of seniors at group level (6%) has remained unchanged over the last two fiscal years. Their presence is greatest at the corporate level (24%) owing to the level of expertise of employees working at corporate headquarters.

Employment of Youth

| NUMBER OF EMPLOYEES WITH WORK-STUDY CONTRACTS IN THE GROUP IN FRANCE EMPLOYEES WITH WORK-STUDY CONTRACTS IN THE GROUP IN FRANCE | | |
|--|------|-------|
| GRI | UNGC | OECD |
| G4-10, G4-LA11 | 6 | V.1.e |

| | 2015 | 2014 |
|--------------------------|------------|------------|
| Consolidated data | 225 | 230 |

Vivendi continues to pursue its engagement in employing young staff members through various types of work-study programs. The number of work-study contracts in 2015 is mainly due to the Canal+ Group's active investment (61% of contracts) and to Universal Music France (26% of contracts). Vivendi Village, Dailymotion and Vivendi Headquarters employed 13% of the work-study contracts in 2015.

(1) Equal Opportunities: Our Policy, UMG internal publication, circa 2013.

5.7. Promotion of and Compliance with the Fundamental Principles of the ILO

As a signatory of the United Nations Global Compact, Vivendi agrees to comply with the fundamental principles of the ILO. In the area of labor law, these commitments require compliance with the four fundamental principles of the ILO: freedom of association and recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labor, combating child labor, and eliminating discrimination in the area of employment and profession. Two of these four principles (freedom of association and combating discrimination) are of particular relevance to Vivendi.

5.7.1. RESPECT FOR FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

With its social partners, Vivendi promotes social dialog and consultation at all levels (see Chapter 2, Section 2.2.2 of the Annual Report 2015). All employees based in France and in its overseas departments and territories are covered by collective bargaining agreements. Internationally, this holds true for 57% of Canal+ Group's employees, 58% of Vivendi Village's employees, and 97% of Corporate employees.

5.7.2. ELIMINATING DISCRIMINATION IN EMPLOYMENT

Vivendi has affirmed its commitment to diversity in recruitment and combating discrimination in employment. The group's Compliance Program calls for active prevention of all forms of discrimination based on selection criteria such as gender, age, lifestyle, ethnic identity, nationality, disability, or religious, political or trade union opinions or involvement. These commitments are applied in practice through policies relating to gender (see Section 5.6.1 of this chapter), diversity and non-discrimination (see Section 5.6.3 of this chapter), and in the employment and job placement policies for workers with disabilities (see Section 5.6.2 of this chapter).

5.7.3. ABOLITION OF FORCED OR COMPULSORY LABOR AND CHILD LABOR

The Vivendi group complies with the ILO conventions and prohibits all forms of forced labor. Child labor is strictly prohibited in the group. In certain very specific cases, such as filmmaking or music recordings, where minors may be involved, all regulatory requirements are strictly complied with.

| ENVIRONMENTAL CERTIFICATIONS (NUMBER OF SITES) | | | √ 2015 | |
|---|------|------|----------|----------|
| GRI | UNGC | OECD | 2015 | 2014 |
| G4-DMA Environment | 7, 8 | - | | |
| UMG | | | 5 | 2 |
| C+G | | | 1 | 1 |
| Of which SECP | | | 0 | - |
| Vivendi Village | | | 0 | - |
| Corporate | | | 0 | 1 |
| Total | | | 6 | 4 |

The site where all of Canal+ Group's free-to-air channels are located has BREEAM (BRE Environmental Assessment Method) certification.

In the United States and England, UMG is focusing on managing its environmental impacts. The UMG headquarters in Santa Monica renewed its "Energy Star" label and was again awarded "Green Business" certification by the City of Santa Monica. The Woodland Hills sites received the LEED Gold certification (Leadership in Energy and Environmental Design) awarded by the US Green Building Council to buildings that meet high environmental quality standards.

In 2015, UMG US also opened a new site in California that has already been awarded LEED certification in the "Gold" category, a demonstration that UMG intends to continue its strict commitment to the environment.

In 2015, Universal Music UK (five sites) and Abbey Road Studios joined the Creative Industry Green Community after being awarded a "one star award". UMG UK is the first record company and Abbey Road is the first music recording studio to receive this award. Beginning in 2015, these two entities made a commitment to implementing a policy to reduce their carbon footprint, and they have continued their efforts to win the "two star award".

Vivendi's headquarters renewed its EMAS (Eco-Management and Audit Scheme) registration with the Ministry of the Environment, the Energy and the Sea, and defined a new action plan. For the 2015-2017 period, these goals focus, among other things, on reduction of the CO₂ emissions related to business travel (-20% compared to the 2009 level) and on control of energy consumption (10% reduction in electricity consumption and 5% drop in steam consumption compared to 2014).

| EMPLOYEE TRAINING AND INFORMATION ON ENVIRONMENTAL PROTECTION | | | √ 2015 | |
|--|------|------|--------|------|
| GRI | UNGC | OECD | 2015 | 2014 |
| G4-DMA LA Training and Education aspect | 8 | VI.7 | | |

The business units hold information and awareness sessions on environmental protection. These sessions may be educational in nature, or may be held in connection with certifications or may be held to assist the representatives of the subsidiaries in charge of reporting environmental data.

For example, UMG UK in London has formed the Team Green, composed of representatives from the different functions, dedicated to the development of an environmental policy common to all the sites. The Team Green and the communications department regularly inform the employees at the sites of measures taken to reduce environmental impacts.

At Vivendi's headquarters, the Green Team members raised employee awareness in 2015 through initiatives taken in relation to renewal of the EMAS certification. A "special EMAS week" was organized to raise the awareness of employees at headquarters about good practices and initiatives taken by the group's headquarters that reflect their commitment to the environment. Stories from members of the Green Team were broadcast on *Vivoice*, Vivendi's CSR web radio.

6.3. Sustainable Use of Resources

6.3.1. CONSUMPTION OF RAW MATERIALS AND MEASURES TO IMPROVE EFFICIENCY OF USE

| PURCHASE OF PAPER FOR EXTERNAL USE (KG) | | |
|---|------|--------|
| GRI | UNGC | OECD |
| G4-EN1, G4-EN27 | - | VI.1.a |



| | 2015 | 2014 |
|-----------------|----------------|----------------|
| UMG | 131,811 | 161,102 |
| C+G | 718,669 | 554,155 |
| Of which SECP | 0* | 0 |
| Vivendi Village | na | - |
| Corporate | 9,808 | 9,830 |
| Total | 860,288 | 725,087 |

* The data is not identified as such; it is returned consolidated with the "Purchase of paper for internal use" indicator.

Despite the efforts to reduce consumption of materials by the group's subsidiaries, the purchase of paper for external use (e.g., publications and marketing) rose 17% between 2014 and 2015. This change is related to better monitoring of this indicator by Canal+ Group, particularly by the African subsidiaries, and the launching of new communication campaigns conducted by certain entities of Canal+ Group. As an example, nc+ launched a major communication campaign in Poland to celebrate the Group's 20th anniversary with its customers.

At UMG, the awareness initiatives carried out with employees in 2014 were repeated in 2015, so that electronic mail is systematically given priority over postal mail (with a few exceptions), which explains the reduction observed for this indicator.

| PURCHASE OF PAPER FOR INTERNAL USE (OFFICE USE, KG) | | |
|---|------|--------|
| GRI | UNGC | OECD |
| G4-EN1 | - | VI.1.a |



| | 2015 | 2014 |
|-----------------|----------------|----------------|
| UMG | 182,425 | 198,281 |
| C+G | 103,065 | 99,570 |
| Of which SECP | 8,088 | 17,338 |
| Vivendi Village | 2,820 | - |
| Corporate | 14,650 | 15,128 |
| Total | 302,960 | 312,979 |

This indicator is used to assess paper consumption specifically intended for office use.

Awareness campaigns have been conducted with employees and steps taken to reduce consumption of paper for internal use have been introduced at many Vivendi group sites. In Poland, for example, nc+ has implemented a number of measures to reduce paper consumption, by introducing electronic validation (e.g., forms and contracts) and pull printing, which enables a reduction in printing costs. The consumption of paper is measured during site audits of companies that have committed to environmental certification.

| PURCHASE OF PLASTICS AND ACRYLICS USED IN THE MANUFACTURING OF PRODUCTS PUT ON THE MARKET (KG) | | |
|--|------|--------|
| GRI | UNGC | OECD |
| G4-EN1 | - | VI.1.a |



| | 2015 | 2014 |
|-----------------|-------------------|-------------------|
| UMG | 16,298,634 | 32,954,770 |
| C+G | 843,802 | 117,756 |
| Of which SECP | 0 | 0 |
| Vivendi Village | na | - |
| Corporate | na | na |
| Total | 17,142,436 | 33,072,526 |

Data on the consumption of plastics relates to UMG's products (CDs and DVDs) and those of Canal+ Overseas (set-top boxes sold to customers). The new models of set-top boxes placed on the market were designed on the basis of environmental criteria, which has made it possible to reduce the amount of plastic used.

Set-top boxes and other products rented to customers are not recognized in this indicator because this equipment is recycled by the subsidiaries concerned.

Digital development is making it possible to significantly limit the use of raw materials in the manufacturing of media content, which explains the year-to-year drop in the purchases of plastics and acrylics at UMG.

As regards Canal+ Group, the significant increase in plastic purchases for nc+ in Poland (64% increase), which represents more than half of the variation between 2014 and 2015, should be emphasized. Better tracking of this data by the entities of Canal+ Overseas has also had an impact on the variation observed.

It should be noted that the Vivendi Village entities do not report this indicator. The indicator is not relevant to these entities given that their activities are primarily marketed online.

6.3.2. ENERGY CONSUMPTION AND MEASURES TAKEN TO IMPROVE ENERGY EFFICIENCY AND THE USE OF RENEWABLE ENERGY

| MEASURES TAKEN TO IMPROVE ENERGY EFFICIENCY AND THE USE OF RENEWABLE ENERGY | | |
|---|------|--------------|
| GRI | UNGC | OECD |
| G4-EN6 | 8, 9 | VI.6.b and d |

| TOTAL ENERGY CONSUMPTION (MWH) ⁽¹⁾ | | |
|---|------|--------|
| GRI | UNGC | OECD |
| G4-EN3 | - | VI.1.a |

| | 2015 | 2014 |
|-----------------|----------------|----------------|
| UMG | 428,118 | 278,809* |
| C+G | 58,565 | 59,498 |
| Of which SECP | 4,494 | 8,088 |
| Vivendi Village | 2,072 | - |
| Corporate | 3,587 | 4,129 |
| Total | 492,342 | 342,436 |

* Updated 2014 data.

This indicator takes into account consumption of the following:

- ◆ electricity;
- ◆ natural gas;
- ◆ fuel oil; and
- ◆ steam.

The increase in total energy consumption recorded between 2014 and 2015 is primarily due to a change in the conversion factors used for fuel oil.

For UMG, the significant change in the data reflects an increase in steam consumption, which alone represents 92% of UMG's total energy use.

| ELECTRICITY CONSUMPTION (MWH) | | |
|-------------------------------|------|--------|
| GRI | UNGC | OECD |
| G4-EN3 | - | VI.1.a |

| | 2015 | 2014 |
|-----------------|---------------|---------------|
| UMG | 27,236 | 45,171 |
| C+G | 55,201 | 49,594 |
| Of which SECP | 4,259 | 7,106 |
| Vivendi Village | 2,072 | - |
| Corporate | 2,648 | 2,760 |
| Total | 87,157 | 97,525 |

UMG's electricity consumption declined 40% between 2014 and 2015, primarily following the closing of nine sites in Europe, the United States and Asia. Moreover, certain UMG sites made a significant contribution to this change through measures to control consumption which were implemented in the context of deployment of the environmental management systems that resulted in certifications.

The drop in electricity consumption for Canal+ Group reflects the reduction in the headcount at certain sites in France and the initiatives that were implemented by the group's international entities to control consumption.

| NATURAL GAS CONSUMPTION (MWH GCV – GROSS CALORIFIC VALUE) | | |
|---|------|--------|
| GRI | UNGC | OECD |
| G4-EN3 | - | VI.1.a |

| | 2015 | 2014 |
|-----------------|--------------|--------------|
| UMG | 8,525 | 9,611 |
| C+G | 179 | 235 |
| Of which SECP | 0 | 0 |
| Vivendi Village | na | - |
| Corporate | 0 | 0 |
| Total | 8,704 | 9,846 |

The reduction in natural gas consumption is due primarily to the closing of certain UMG sites in 2015, which represented 9% of consumption in 2014.

| FUEL OIL CONSUMPTION (LITERS) | | |
|-------------------------------|------|--------|
| GRI | UNGC | OECD |
| G4-EN3 | - | VI.1.a |

| | 2015 | 2014 |
|-----------------|---------------|----------------|
| UMG | 31,802 | 88,238 |
| C+G | 14,505 | 13,863 |
| Of which SECP | 424 | 760 |
| Vivendi Village | na | - |
| Corporate | 0 | 0 |
| Total | 46,307 | 102,101 |

Within Canal+ Group, consumption of fuel oil, used to supply the generators acting as standby generators if electricity from the grid is cut, has remained largely unchanged.

At UMG, fuel oil is used primarily to heat buildings. The marked drop recorded between 2014 and 2015 is due to a drop in consumption of fuel oil at one of UMG's two sites in New York. This site is the main contributing entity representing 90% of UMG's total fuel oil consumption.

(1) To calculate total energy consumption, fuel quantities are converted from liters into MWh.

Environmental Indicators

Information Categories Deemed Irrelevant with Regard to the Group's Businesses

In 2015, total CO₂ emissions represented 114,891 tCO₂eq of which:

◆ Scope 1

| | |
|------------------------|--------------|
| Mobile sources | 3,802 |
| Fixed sources | 3,649 |
| of which refrigerants | 1,972 |
| of which domestic fuel | 121 |
| of which gas | 1,556 |
| Total | 7,451 |

◆ Scope 2

| | |
|----------------------|----------------|
| Fixed sources | 107,440 |
| of which electricity | 27,048 |
| of which steam | 80,392 |
| Total | 107,440 |

CO₂ emissions relating to consumption from fixed sources are 75% attributable to steam consumption.

The facility comprising all Canal+ Group's free channels renewed its BREEAM (BRE Environmental Assessment Method) certification in 2015

and is continuing with its plan to control consumption. This facility is also equipped with free cooling generators which use outdoor air to cool film sets and equipment.

Efforts have also been made in relation to the air conditioning systems used by Canal+ Group subsidiaries in Africa and Vietnam, thus assisting in reducing CO₂ emissions. Canal+ Senegal reinforced the insulation of offices and warehouses. Canal+ Congo installed an automatic cutoff system for its air conditioning and electricity at night, during the weekends and during holidays. K+ in Vietnam introduced a new air conditioning system that uses a less polluting refrigerant. Efforts made in relation to air conditioning have also been directed at improving the regulation of temperature in offices and at maintenance to optimize broadcasting equipment, which uses cooled air.

At some UMG facilities, such as those located in Germany, more than 74% of the electricity consumed comes from renewable sources. UMG Sweden uses biofuel to heat its site. As part of this effort to offset energy consumption, Universal Music France is diversifying its energy supply sources with the purchase of EDF "Équilibre+" contracts. Lastly, in Japan, UMG has also implemented measures aimed at reducing electricity consumption and better regulation of air conditioning systems during the summer period.

6.5. Information Categories Deemed Irrelevant with Regard to the Group's Businesses

Measures to Prevent Environmental Risks and Pollution

This information category was deemed irrelevant in relation to the group's activities, which do not present any risk in terms of pollution.

Financial Provisions and Guarantees for Environmental Risks

This information category was deemed irrelevant with regard to the group's activities: the major risks associated with the group's activities are not related to environmental issues.

Prevention, Reduction or Remedying of Emissions into the Air, Water and Soil

This information category was deemed irrelevant with regard to the group's activities, which do not present any risk of air, water or soil pollution (aside from CO₂ emissions, which are discussed in Section 6.4.).

Consideration shown for Noise Pollution and any Other Form of Pollution Specific to an Activity

This information category was deemed irrelevant with regard to the group's activities, which do not present any risk of noise pollution or of any other form of specific pollution.

Land Use

Information in that category was deemed irrelevant as the group's activities do not present any risk in terms of soil pollution.

Adaptation to Climate Change

Information in that category was deemed irrelevant with regard to the group's activities. The group's activities are subject to few constraints related to climate change.

Measures Taken to Preserve or Develop Biodiversity

Given the group's operations, biodiversity is not considered a major issue for which Vivendi must make specific investments.

Verification of extra-financial data

7

| | |
|---|----|
| 7.1. Note on Extra-Financial Reporting Methodology | 65 |
| 7.2. Independent Statutory Auditors' Report designated as an Independent Third Party on Consolidated Societal, Social and Environmental Information Presented in the Management Report | 68 |

This chapter includes the methodology note and the external auditor's report as published in the Annual Report 2015 (Chapter 2, Section 4). The Annual Report versions prevail. This chapter's page references have been modified accordingly the Handbook paging.

7.1. Note on Extra-Financial Reporting Methodology

REFERENCE FRAMEWORKS

The reporting of extra-financial indicators is based on internal references developed by Vivendi, which are in turn based on national and international references. The cross-referencing between the societal, social and environmental indicators defined by Vivendi and the provisions of the Decree of April 24, 2012 and the Order of May 13, 2013 pursuant to the Law of July 12, 2010⁽¹⁾ on the national commitment to the environment (the Grenelle II Law), the guidelines of the Global Reporting Initiative (GRI)⁽²⁾ and the Media Sector Supplement of the GRI issued on May 4, 2012⁽³⁾, the ten principles of the UN Global Compact, and the OECD Guidelines for Multinational Enterprises are indicated within each indicator.

The internal reference, the "Reporting Protocol for Environmental, Social and Societal Data of the Vivendi Group Companies" (the "Reporting Protocol") is updated annually, and allows consistent application of definitions and rules for data gathering, validation and consolidation across the group's companies.

In 2014, the Reporting Protocol was completely revised to take into account the group's shift in focus to content and media activities.

INDICATORS

The societal, social and environmental indicators are presented in Chapter 2, Section 3 of Vivendi's Annual Report 2015. The CSR section, which is available online on the Vivendi website, also provides a more comprehensive presentation of the societal, social and environmental indicators as well as indicators of corporate governance and economic performance.

In 2015, Vivendi presents the extra-financial indicators of the SECP (Société d'Édition de Canal Plus) in its Registration Document as required by paragraph 6 of Article L.225-102-1 of the French Commercial Code. This company, which holds the operations of the Publishing Division, meets the threshold criteria imposed by the Grenelle II Law. The SECP social and environmental data is presented separately from the data for Canal+ Group. The societal data is included in the Canal+ Group data, given the publication of qualitative information which relates to all entities of this group and which reflects its various businesses.

⁽¹⁾ Law establishing a national commitment regarding the environment, No. 2010-788 of July 12, 2010, Art. 225 (Grenelle II Law), Decree No. 2012-557 of April 24, 2012 and Order of May 13, 2013.

⁽²⁾ Launched in 1997 by the Coalition for Environmentally Responsible Economies (CERES) in partnership with the United Nations Development Program for the Environment (UNEP), the GRI is a long-term international multiparty initiative aimed at developing and distributing guidelines for the voluntary production of reports on sustainable development by multi-national corporations wishing to report on the economic, environmental and social implications of their activities, products and services. The GRI has not verified the content of this report or the validity of the information provided therein (www.globalreporting.org).

⁽³⁾ The media sector supplement of the GRI structures the reporting process specific to the media industry at international level. Several themes are included such as freedom of expression, pluralism and quality of content, the representation of cultures, independence, protection of personal data, accessibility and media education.

REPORTING SCOPE

The reporting scope was established in accordance with Articles L.233-1 and L.233-3 of the French Commercial Code and pertains to the subsidiaries and companies which are controlled, with the exception of certain companies (see details under each reporting scope).

It should be noted that changes in reporting scope are the result of acquisitions or disposals between January 1 and December 31 of year N by the consolidated companies:

- ◆ in the case of a sale during year N, the data for the company is not accounted for in the scope of year N; and
- ◆ in the case of the acquisition of a company during year N, the data from year N will be fully integrated into the reporting for year N+1, unless the company being added to the scope can gather its information for year N. A detailed account of the workforce headcount is however incorporated into the scope of year N.

Scope of Societal Reporting

The scope of societal reporting is linked to the group's business units, subject to the following indications:

- ◆ concerning Canal+ Group, the scope of reporting extends to the companies located in France, Poland, Africa (focus group of six countries: Canal+ Burkina Faso, Canal+ Cameroon, Canal+ Congo, Canal+ Gabon, Canal+ Ivory Coast, Canal+ Senegal) and Vietnam. For some indicators that specifically apply to the French entity the scope "Canal+" is then mentioned;
- ◆ concerning UMG, unless otherwise indicated, the scope of reporting extends to nine companies which account for 81% of the group's revenues (Australia, Brazil, France, Germany, Japan, Netherlands, South Africa, the United Kingdom and the United States).
- ◆ concerning Vivendi Village, the scope of reporting extends to Vivendi Ticketing (Digitick and See Tickets), MyBestPro, Watchever and L'Olympia.

For the indicators related to responsible purchasing (see Section 4.4), the data relates to suppliers and subcontractors with which at least 75% of total expenditure is realized, to facilitate feedback by the business units.

Scope of Social Reporting

For the "headcount" indicator, the scope of social reporting covers all group companies and 100% of the work force. In accordance with the Vivendi Reporting Protocol for Environmental, Social and Societal Data, companies newly consolidated within the reporting scope during the year appear only in the tables concerning employees. For 2015, this relates to (i) Canal+ Benin, Canal+ Haiti, Canal+ Mali, Flab (Flab Presse and Flab Prod), Studiocanal China, Studio+, Terra Terra Communications Inc., Thema, and Vivendi Content for Canal+ Group and (ii) Radionomy and the Théâtre de l'Œuvre for Vivendi Village and Dailymotion.

The heading "Corporate" refers to the Paris headquarters and the New York office, and the heading "Headquarters" refers to the Paris headquarters.

The heading "Vivendi Village" refers to L'Olympia, MyBestPro (Devispresto, Juritravail and MyBestPro Group), Radionomy (TargetSpot France, TargetSpot United States, Winamp SA Belgium), the Théâtre

de l'Œuvre, Vivendi Ticketing (Digitick and See Tickets) and Watchever (France and Germany).

The SECP data is identified separately from the Canal+ Group data.

Scope of Environmental Reporting

The scope of the environmental reporting is as follows:

- ◆ for Canal+ Group, the reporting scope applies to entities located in France, Poland, Africa (a focus group of seven countries: Canal+ Burkina Faso, Canal+ Cameroon, Canal+ Congo, Canal+ Ivory Coast, Canal+ Gabon, Canal+ Senegal, Canal+ Madagascar) and Vietnam. The SECP data is identified separately from the data of Canal+ Group;
- ◆ for UMG, the reporting scope covers nine entities representing 81% of the group's revenues (Australia, Brazil, France, Germany, Japan, Netherlands, South Africa, the United Kingdom and the United States);
- ◆ Vivendi Village.

The selection of sites which must carry out their own reporting is decided based on the type of site: e.g., offices, warehouses, technical centers and data centers, in accordance with the Reporting Protocol for the group's companies.

Following the group's shift in focus towards media and content, the decision was made to stop monitoring water consumption and quantities of toxic waste, since these indicators were no longer relevant following the sale of telecommunications entities. On the other hand, the monitoring of purchases of plastics and acrylics used in the manufacturing of products intended for sale was reinforced.

The indicator "Purchases of plastics and acrylics used in the manufacturing of products put on the market" (see Section 6.3) concerns only the quantities used for products and equipment placed on the market for sale. This concerns the DVDs and CDs marketed by UMG and the set-top boxes for Canal+ Overseas.

REPORTING PERIOD

Reporting of societal, social and environmental data is annual and concerns the period from January 1 to December 31, 2015.

METHODOLOGICAL DETAILS AND LIMITS IN RELATION TO INDICATORS

Societal, social and environmental indicators may generally reflect methodological limits due to the lack of harmonization of international and national definitions and legislation, or due to the qualitative and therefore subjective nature of certain data.

Societal Indicators

With regard to the indicators "Breakdown of purchases by main categories and geographic regions" and "Deployment of responsible purchasing approach amongst the suppliers and subcontractors" (see Section 4.4), the subsidiaries reported on tier 1 suppliers and subcontractors representing at least 75% of the total purchasing amount.

In relation to the indicator “Estimation of the number of indirect jobs” (see Section 4.2.1), only the data of Canal+ Group is published in this Annual Report. The methodology relating to indirect jobs generated by UMG will be defined during 2016. The estimate provided by Canal+ Group is a consolidation of the data for France, Africa (focus group of 6 countries), Poland and Vietnam:

- ◆ in France, the number of indirect jobs is an indication of the jobs generated by direct subcontractors and tier 1 content suppliers (direct suppliers). All the channels published and distributed in France as well as the cinematographic and sports segments are included;
- ◆ in Africa, the jobs counted as indirect are those generated by the sales network and by business service subcontractors (e.g., residential installations of satellite dishes, warehouse logistics and call centers);
- ◆ the Vietnamese subsidiary bases its estimate on the number of jobs generated by the sales network and by business service subcontractors (in particular call centers); and
- ◆ the Polish subsidiary has taken into account jobs generated by direct subcontractors and tier 1 content suppliers performing orders on behalf of the entity’s various departments.

For suppliers and subcontractors where Canal+ Group is not the main client, the number of indirect jobs was estimated pro rata to sales of the supplier made to the group.

Social Indicators

The methods used to calculate absenteeism rates, accident frequency and accident severity rates are specified in the section on social information. It should be noted that days absent are counted in respect of permanent employment contracts.

Calculations of work-related accident rates (frequency and severity) take into account the number of hours actually worked. They are based on weighted average annual employee data.

Environmental Indicators

For the environmental scope, the methodology used for data collection takes into account the nature of the site in terms of its contribution to electricity consumption. Data is collected on the basis of sites that contribute the most, in order to achieve a representation of over 90% of real data compared to total estimated electricity consumption.

Emissions are calculated based on emission factors, using the French Environmental and Energy Management Agency (ADEME) tool for calculating Carbon Footprint®.

Any missing data on indicators such as electricity, gas, fuel and steam are estimated using methodologies based on ADEME factors where these are applicable, or are based on available data (e.g., ratios of 10 months out of 12 or ratio per square meter, per person).

With regard to data on electricity consumption, the quantities reported reflect the quantities invoiced. In cases where data is not available (in particular, for certain sites not owned by the group), consumption is

estimated based on conversion factors (kW/m², kWh/ft²). The conversion factors used for the energy consumption indicators are standard values. They differ depending on the geographic location of the entities and come from recognized reference guides. Total energy consumption is broken down to obtain a clearer explanation of the composition of the energy consumed.

In relation to fuel consumption (gasoline, diesel and propane), the scope of the indicator “CO₂ emissions attributable to consumption from mobile sources (tCO₂eq)” covers directly-owned vehicles or vehicles used by the site under long-term leases.

CO₂ emissions are divided into two categories:

- ◆ scope 1 represents direct greenhouse gas emissions. Emissions associated with the consumption of natural gas, domestic heating oil and injections of refrigerant fluids during maintenance operations on air-conditioning installations at the sites are included. The emissions related to transport from consumption from mobile sources, for directly owned vehicles or vehicles on long-term leases over which the group has operational control, are also included; and
- ◆ scope 2 includes reports on indirect greenhouse gas emissions associated with the consumption of electricity and steam.

REPORTING TOOLS, CONSOLIDATION AND CONTROLS

Using the data gathering tools developed by Vivendi’s Information Systems department makes it possible for all data, consolidated and audited at different levels, to be reported:

- ◆ social data is gathered in the SIRIS tool and automatic coherency checks are made by the tool during data input. An initial validation is performed by each subsidiary. Coherency checks and a second validation are performed by each business unit. These indicators are then grouped together and checked at the group’s headquarters, where a third validation is performed during consolidation. Finally, a general review ensures the overall consistency of headcount flows between year N-1 and year N;
- ◆ in 2015, for societal and environmental data, the data was gathered using Word and Excel spread sheets, and a consistency check was made by the representative in charge of consolidation at the headquarters. The answers to the questions asked by headquarters were tracked.

Report by One of the Statutory Auditors

Since 2008, a selection of the group’s extra-financial data has been subject to verification at a limited level of assurance by one of Vivendi’s Statutory Auditors (see Section 4.2). In 2015, pursuant to Articles L.225-102-1 and R.225-105-2 of the French Commercial Code, the attestation and the report cover societal, social and environmental information presented in Chapter 2 of this Annual Report, as set forth in this report on p.68.

7.2. Independent Statutory Auditors' Report designated as an Independent Third Party on Consolidated Societal, Social and Environmental Information Presented in the Management Report

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the shareholders,

In our capacity as auditors of the Vivendi corporation and designated as the independent third party agency accredited by COFRAC⁽¹⁾ under number 3-1065, we present our report on the consolidated societal, social and environmental information for the year ended December 31, 2015, presented in Chapter 2 of the management report (hereinafter "CSR information"), pursuant to the provisions of Article L.225-102-1 of the French Commercial Code.

Responsibility of the Company

It is the responsibility of the Management Board to prepare a management report including the CSR Information referred to in Article R.225-105-1 of the French Commercial Code, in accordance with the reference standard used by the company, consisting of the "Reporting Protocol for societal, social and environmental data of the Vivendi group companies – 2015", in its version dated September 14, 2015 (hereafter "the Criteria"), a summary of which is included in Chapter 2, Section 4.1 of the management report which is available on request.

Independence and Quality Control

Our independence is defined by regulatory requirements, the Code of Ethics of our profession, and the provisions of Article L.822-11 of the French Commercial Code. In addition, we have implemented a quality control system that includes documented policies and procedures intended to ensure compliance with ethical standards, professional standards⁽²⁾ and applicable laws and regulations.

Responsibility of the Independent Statutory Auditor

It is our role, based on our work:

- ◆ to attest whether the required CSR Information is present in the management report or, if it is omitted, that an explanation has been provided in accordance with the third paragraph of R.225-105 of the French Commercial Code (Attestation of presence of CSR Information); and
- ◆ to express a conclusion of limited assurance that, overall, the CSR Information is fairly presented in all material aspects, in accordance with the Criteria (limited assurance on CSR information).

Our verification work was undertaken by a team of five persons between October 2015 and February 2016, over an estimated cumulative duration of 12 weeks. To assist us in carrying out our task we involved CSR experts.

We conducted the work described below in accordance with the professional standards applicable in France and the Order of May 13, 2013 which sets the conditions under which an independent third-party verifier performs its task and, in relation to the opinion on fairness, in accordance with international standard ISAE 3000⁽³⁾.

(1) Accreditation scope available on www.cofrac.fr.

(2) In particular the business practices standard applied to services related to social and environmental information that is part of the work directly related to the Auditor's engagement: NEP 9090.

(3) ISAE 3000 – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

1. ATTESTATION OF PRESENCE OF CSR INFORMATION

Based on interviews with the management of relevant departments, we were able to gain an understanding of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, and also, where appropriate, the resulting actions or programs undertaken.

We have compared the CSR information presented in the management report with the list provided in Article R.225-105-1 of the French Commercial Code.

In cases where certain consolidated information was absent, we have verified that the explanations were provided in accordance with the provisions in Article R.225-105, paragraph 3, of the French Commercial Code.

We verified that the CSR information covered the consolidated scope, namely the company and its subsidiaries, within the meaning of Article L.233-1 of the French Commercial Code, and the entities which it controls, within the meaning of Article L.233-3 of the French Commercial Code, with the limits specified in the note on methodology in Chapter 2 Section 4.1 of the management report.

Based on this work, and in consideration of the limits mentioned above, we confirm that the required CSR information is present in the management report.

2. REASONED OPINION ON THE FAIRNESS OF CSR INFORMATION

Nature and Scope of the Work

We undertook six interviews at the consolidated entity level, in the CSR and Human Resources departments, with the persons responsible for preparation of the CSR information, those in charge of the data collection process and, where applicable, with the persons responsible for internal control processes and risk management, in order to:

- ◆ assess the suitability of the Criteria for reporting, in respect of its relevance, completeness, reliability, neutrality, and comprehensiveness, taking industry standards into consideration where relevant; and
- ◆ verify implementation of the process of collection, compilation, processing and control to ensure completeness and consistency of the CSR information and to obtain an understanding of the procedures for internal control and risk management related to the preparation of the CSR information.

We determined the nature and extent of our tests and checks based on the nature and significance of the CSR information, taking into account the characteristics of the company, the social and environmental issues linked to its activities, its strategy in relation to sustainable development, and industry best practices.

For the CSR information which we considered the most important⁽⁴⁾:

- ◆ at the level of the consolidated entity and of a selection of business units⁽⁵⁾, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organization, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a sample basis, the calculations and the compilation of data, and also verified their coherence and consistency with the other information presented in the management report;
- ◆ at the level of a representative sample of business units and operational entities that we selected⁽⁶⁾ based on their activity, their contribution to the consolidated indicators, their location, and a risk analysis, we conducted approximately fifteen interviews to verify the correct application of the procedures, and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sample of the entities selected with respect to social information represented

36% of the total workforce and the one selected with respect to environmental information represented between 10% and 54% of the quantitative environmental information⁽⁷⁾.

For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided, where appropriate, in the partial or total absence of certain information.

We consider that the sample methods and sizes of the samples that we considered, exercising our professional judgment, allow us to express a conclusion of limited assurance; a higher level of assurance would have required more extensive verification work. Due to the necessary use of sampling techniques and other limits inherent to the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR information cannot be entirely eliminated.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR information, taken as a whole, has not been fairly presented, in compliance with the Criteria.

Paris-La Défense, February 19, 2016

Statutory Auditors

ERNST & YOUNG and Associates

Jacques Pierres
Associate

Eric Mugnier
CSR Expert

(4) Societal information:

- **Quantitative information:** actions taken to promote human rights (breakdown of generated value by stakeholder, percentage of CNC-approved French initiatives films financed by Canal+; number of first and second films financed by Canal+; number and description of initiatives focusing on raising the awareness of customers on personal data and providing information related to on-line privacy).
- **Qualitative information:** taking social and environmental issues into account in the purchasing policy (existence of a formal commitment related to the founding principles in the purchasing policy); importance of subcontracting and of taking into account the CSR of suppliers and subcontractors (deployment of the responsible purchasing approach amongst the suppliers and subcontractors with whom at least 75% of the total purchasing amount is realized); actions taken in favor of human rights (existence of a formal commitment to ethics related to content – production and/or distribution, part of which specifically addresses protection of young audiences; description of the mechanisms for implementing and monitoring this commitment; actions taken by UMG in favor of promoting musical heritage and local talent; initiatives taken by Canal+ Group for the promotion of cinema and audiovisual heritage and local talent; description of the governance structure, the business model and the mechanisms deployed to guarantee independence of editorial functions and pluralism of content; initiatives aimed at raising the awareness of young users and their entourage on responsible uses of products and services; initiatives for enabling young people to express their creative talent and civic engagement; description of interventions made by the CSA (warnings, summons, and sanctions) and responsive measures taken in response; initiatives in favor of accessibility of offers, products and services; Policies put in place to protect customers' personal data).

Social information:

- **Quantitative information:** total workforce and breakdown by gender, age and geographic region; total new hires and breakdown of departures by reason.
- **Qualitative information:** new hires and redundancies; health and safety conditions and workplace safety (business policy on health and workplace safety); diversity policy; social relations and work organization.

Environmental information:

- **Quantitative information:** quantities of business and household WEEE produced; total energy consumption (e.g., electricity, natural gas, and fuel oil); consumption of fuel (e.g., gasoline, and diesel fuel); CO₂ emissions attributable to fixed sources (scopes 1 and 2); CO₂ emissions attributable to consumption from mobile sources (scope 1).
- **Qualitative information:** preventive measures, recycling and elimination of waste (description of processes for recovering household EEEW); measures taken to improve energy efficiency and use of renewable energy; greenhouse gas emissions (Carbon Footprint®).

(5) Canal+ Group; Universal Music Group (UMG), Vivendi Village.

(6) For the environmental indicators, the sites entities include SECP (Canal+ Group), Canal+ Senegal (Canal+ Group), Canal+ Ivory Coast (Canal+ Group), UMG Inc. (UMG US), UMG UK (Beaumont House); for the social indicators: Canal+ Group (France), Canal+ Senegal (Canal+ Group), Canal+ Ivory Coast (Canal+ Group), ITI Neovision (Canal+ Group), UMG UK (UMG), UMG Inc. (UMG US), UMG Music, Publishing et Corporate Netherlands (UMG), Watchever France (Vivendi Village); for the societal indicators: Canal+ Group and Universal Music Group (UMG).

(7) The coverage rate of the chief quantitative environmental indicators is 54% for professional WEEE, 39% for electricity consumption, 11% for scope 1 CO₂ emissions and 10% for scope 2 CO₂ emissions.

Photo credits

Page 5:

Barbara: © Giancarlo Botti • Sam Smith: © All Rights Reserved • The Avenir: © Jim Rosenberg • Pumeza: © Simon Fowler

Page 13:

Mon roi © 2015 Les Productions du Trésor / Studiocanal • Timbuktu © 2014 Les films du Worso / Dune Vision / Arches Films / ARTE France Cinéma / Orange Studio • The Imitation Game © 2014 BBP Imitation LLC - All Rights Reserved • Ran © 1985 Greenwich Film Productions / Herald Ace / Nippon Herald Films

Design & published RR DONNELLEY

In accordance with the environmental commitments we made within the framework of our EMAS (European Management Audit Scheme) certification, we have ensured that this document is printed on paper from sustainably managed forests. The cover is printed on Rives Linear (FSC) 250g and the body of the report is printed on Royal Roto Mat (FSC) 90g.





vivendi

Registered Office
42, avenue de Friedland / 75380 Paris Cedex 08 / France
Tel: +33 (0)1 71 71 10 00

Individual Shareholders' Information
Tel: 0805 050 050 (*from a landline in France*)
or +33 (0)1 71 71 34 99 (*from a landline outside France*)

www.vivendi.com

 **@Vivendi**