

Sustainable development / CSR



Elle Foundation,
Futur Au Présent charity.



Hachette Livre head office
(Vanves, France).



By making workforce-related, environmental and ethical issues a central part of its strategy, the Lagardère group intends to support the company's value-creation efforts along with its sustainable and inclusive growth. Its commitments in terms of environmental responsibility, education and promoting cultural diversity are intended to be performance drivers.

Corporate social responsibility as a performance driver

The Lagardère group's CSR strategy, supported by a materiality analysis carried out through a broad consultation of its stakeholders, now has five strategic "core business" priorities and five priority action areas.

At the core of the Group's business activities, the **first two workforce-related priorities** concern promoting diversity, equal opportunities and gender balance within teams, and strengthening employer attractiveness and talent retention.

The **next two social priorities** relate directly to the content produced by the Group through its focus on access to education, culture and entertainment, and its efforts to promote a wide range of ideas and cultural diversity.

Finally, responsible management of the paper cycle remains a strategic **environmental priority** for the Group's book and magazine publishing activities.

The five priority action areas concern efforts to combat climate change; a responsible supply chain; the quality, safety and ethical sourcing of content and products; responsible digital management; and efforts to fight corruption.

The implementation of this CSR policy addresses three objectives:

Adapting CSR to the Group's strategy and development, in growth areas such as Lagardère Travel Retail's Foodservice activities and in new territories.

Deepening stakeholder relations

These relations, in which the stakeholder panel plays an active role, exist both within divisions and at the corporate level.

Meeting increasingly stringent regulatory requirements regarding the nature of extra-financial information and its transparency.

Group HR seminar,
September 2017 (France).



Lagardère group integration day,
June 2017 (Paris, France).

Human resources: responsible management

Lagardère has 28,886 employees. It manages its human resources and relations through a network of local HR units, enabling it to address the diversity of the Group's businesses and locations as effectively as possible, and through a responsible and well trained management team.

The Group ensures that it manages human resources in a consistent way by creating the frameworks needed to fulfil its workforce-related obligations:

- determining the basic rules of its workforce-related commitment through its Code of Conduct;
- addressing workforce-related matters by launching a Group gender equality network and training managers on how to combat discrimination in 2017;
- providing training to managers, with more than 200 managers taking part so far;
- pursuing management-employee dialogue in relation to changes taking place within the Group;
- making it easier for staff to move between divisions.

The Group is also securing its future by setting up the procedures needed to:

- make the Group and its divisions more attractive, with the introduction of a new recruitment tool that improves both the candidate experience and makes our vacancies more visible;
- foster loyalty among its most talented staff members;
- prepare staff succession plans.

Lagardère

2017-2018 Milestones



LL NETWORK: AN INTERNAL NETWORK FOR PROMOTING GENDER EQUALITY



BÉATRICE COURTOT
CSR and LL Network
Adviser

The LL Network ("L pour elle, L pour lui, L pour Lagardère") was launched in November 2017. It has three aims: promoting gender balance as a performance driver within business lines, encouraging women to further their careers, and stimulating creativity within the Group through interaction between members from various business lines.

Members of this internal network can attend meetings and debates, network events and personal and professional development workshops. A pilot cross-divisional mentoring programme also got underway in 2017.

The LL Network is a testbed for new ideas and initiatives, and its aim is to help business lines achieve greater gender balance... and performance!

www.lagardere.com

Networking event, LL Network, March 2018 (Paris, France).



Involving Lagardère Travel Retail employees in supporting NGO Action contre la Faim, June 2017 (France).



Jean-Luc Lagardère Foundation, Studio 13/16 (France).

Listening to civil society

The Lagardère group shows its social responsibility in many ways. These include:

- the corporate philanthropy activities of the Jean-Luc Lagardère Foundation and the Elle Foundation;
- the Group's relationships and partnerships with civil society stakeholders;
- the Group's impact on employment in the various countries in which it operates;
- relations with partners and suppliers.

The Group's social responsibility is also focused on two key areas of action.

The first relates to its specific responsibility as a producer of cultural content.

The aim is to promote access to education, culture and entertainment, protect youth and defend cultural diversity and a wide range of ideas.

The second relates to the increasing role of digital technology

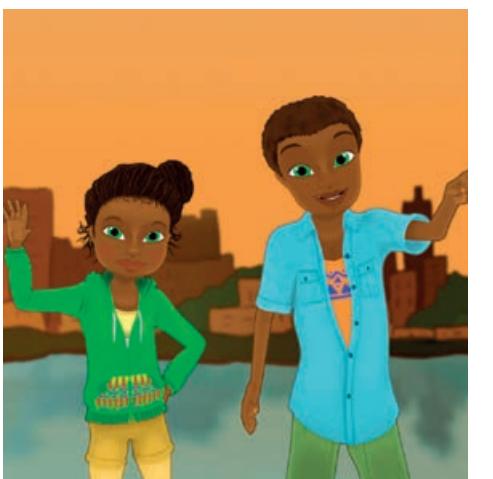
in all of the Group's activities, and is expressed through its attention to ethical issues involved in the development of social media, big data and artificial intelligence.

Lagardère
ACTIVE



GULLI COMMITTED TO TACKLING ANIMAL CRUELTY

In October 2017, we took the decision to stop broadcasting live entertainment involving wild animals on all of Lagardère Active's youth channels. From now on, our channels will show wild animals in their natural environment.



By asserting its stance against animal cruelty, Gulli intends to raise awareness of the issue as widely as possible and make today's children the citizens of tomorrow, with respect for the environment in which they live, by encouraging debate in their families and schools.

As a result of its announcement, Gulli won the animal welfare prize awarded by PETA (People for the Ethical Treatment of Animals).

www.gulli.fr



CAROLINE COCHAUX
Deputy head of Lagardère Active's TV channels and Chairman of Gulli



Signing the Paris Climate Action charter, October 2017 (Paris, France).



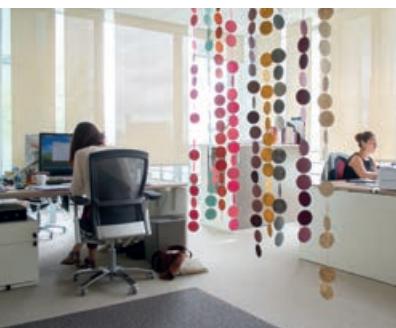
Lagardère Travel Retail store, Keflavik airport (Iceland).

Commitment to environmental responsibility

The Lagardère group is taking action against climate change. In 2017, it made particular efforts regarding its electricity suppliers in France, as well as signing the Paris Climate Action charter. It also maintained its strict paper management policy. For example, Lagardère Publishing extended to its other territories the programme it launched in 2016, consisting of double-checking fibres used to make its paper.

The Group's environmental responsibility efforts also included several other initiatives in 2017, such as the following:

- the Group mapped its supply chain's CSR risks as part of its responsible purchasing policy, and continued to assess suppliers in conjunction with Ecovadis;
- Lagardère Travel Retail adopted a commitment to stop using eggs from battery hens by 2025, and stepped up its policy regarding hygiene, quality and food safety in all of its Foodservice activities.



THE LAGARDÈRE GROUP SWITCHES TO GREEN ELECTRICITY IN FRANCE

Since 1 November 2017, for all electricity supply contracts under its control in France, the Lagardère group switched to green electricity in accordance with its policy of reducing its environmental footprint. Our electricity now comes from hydroelectric, wind, solar and biomass sources.



ARNAUD DE LAMEZAN
Group Purchasing and Real Estate Director

www.lagardere.com



Hachette Livre head office (Vanves, France).

Lagardère group stand
at CDMGE, June 2017
(Paris, France).Elle Foundation, École de
la 2^e Chance charity (France).

2017 KEY FIGURES

28,886
PERMANENT EMPLOYEES

67%
OF EMPLOYEES
based outside France

56%
OF EMPLOYEES
aged under 40

43% *WOMEN*
in executive management roles at the Group

290 *MEMBERS*
of the LL Network three months after its launch

1,909 *STUDENTS*
on internships and work-study programmes

94
COLLECTIVE AGREEMENTS
signed

36,693 *HOURS*
of management training at Group level

97%
Percentage of certified or recycled paper
used in books and magazines

409 *RESPONSIBLE*
supplier charters in force

505 *HOURS*
of programmes with an anti-obesity message
broadcast by Lagardère Active's youth channels

10 *COUNTRIES*
audited by Lagardère Travel Retail
as regards hygiene and food safety

85 *PARTNERSHIPS*
established by the Elle Foundation since
its creation in 2004

Leading the Group Innovation Network

Innovation is a focus of the Lagardère group's strategic development. It is with this in mind that the Group Innovation Network was created in September 2016.

Capitalising on the experience of previous structures dedicated to innovation created back in 2009, the Network helps to seize breakthrough innovation opportunities, in particular those stemming from the digital revolution.

The Network has been built on the basis of the firm belief that innovation depends on discussion and the sharing of experiences between Group employees.

Main aims of the Group Innovation Network

The Group Innovation Network interacts with divisions and corporate, as well as with innovators from outside the Group. It has three main aims:

1. Promote innovation within the Group

In order to reinforce the culture of innovation and create a community of innovators, the Group Innovation Network helps to disseminate innovation trends by means of discussion papers, networking events, conferences and even innovation competitions (the Innovation Awards).

2. Experiment with breakthrough innovations

Growth drivers are developed primarily by means of the analysis and exploitation of internal operating data. To do this, the Group Innovation Network is a forum for experimenting with new tools, methods and algorithms.

3. Tracking long-term transformations

This aim consists of tracking investments made at Group level in venture capital funds (Idinvest Partners, Magma Venture Partners, etc.), meeting potential new partners, playing a role in innovation ecosystems and anticipating new user practices.

First Innovation Forum organised
by the Group Innovation Network,
July 2017 (Paris, France).

ARTIFICIAL INTELLIGENCE

The Group Innovation Network has directed some of its experimentation resources towards machine learning and artificial intelligence. The aims are to find out the level of progress made in research, to be able to advise divisions and corporate on leading technologies and operators, and lastly to create prototypes in collaboration with the Lagardère group's business lines (data exploitation, image recognition, analysis of text from social media, spoken word transcription, etc.).

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