vivendi

Annual Report – Universal Registration Document

2021

CANAL+ GROUP · HAVAS GROUP · editis · PRISMA MEDIA · GAMELOFT · vivendi village · dailymotion

The Annual Report – Universal Registration Document in English is a translation of the French *Document d'enregistrement universel* provided for information purposes. This translation is qualified in its entirety by reference to the *Document d'enregistrement universel*.

The Annual Report – Universal Registration Document is available on the company's website **www.vivendi.com**

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Editorial

Yannick Bolloré
Chairman of the Supervisory Board

Arnaud de Puyfontaine
Chief Executive Officer

2021 was a year of strong acceleration for the Vivendi group against the backdrop of a persistently uncertain global context.

First, faster growth.

Vivendi's revenues for 2021 increased 10.4% on a reported basis and 8.6% on an organic basis compared with 2020. That is our highest level of organic growth since 2014. In addition, our EBITA more than doubled in 2021. All our businesses are enjoying growth, in particular Canal+ Group, Havas and Editis, which are experiencing very strong performance.

At the same time, our businesses continued their transformation. To name but a few examples, Canal+ intensified its digitalization, with myCanal, France's leading TV platform, becoming available in some 30 countries across Europe and Africa; Havas continued to develop offers inspired by emerging technological innovations; Editis embraced an array of innovative formats to promote its authors and books; Gameloft benefited from the diversification of its products into multiplatform and subscription services; and Vivendi Village leveraged its innovative spirit to create new live performance experiences.

We would like to thank our customers and recognize the contribution of our 36,000 employees around the world. It is to their commitment and tireless capacity to reinvent themselves that we owe this very good performance.

"All our businesses are enjoying growth, in particular Canal+ Group, Havas and Editis, which are experiencing very strong performance."

Then, an intensification of our strategic roadmap shaped by significant developments that have redrawn the contours of our group.

The first concerned Universal Music Group (UMG), with the distribution of nearly 60% of its share capital and its public listing. On the first day of trading on September 21, the company's valuation increased to approximately €45 billion, confirming both its extraordinary appeal and our capacity to transform our businesses. While many had predicted the demise of the recording industry, our enduring confidence in the incredible potential of UMG and its teams inspired us to continue investing in its growth and playing our part in the industry's revival.

The second was Vivendi's entry into a new business line that is a perfect fit with our other activities. Prisma Media, France's leading magazine publisher, was integrated into Vivendi in record time, and its extensive digital audience has already given the group a place in the top digital groups in France in terms of number of unique visitors (third only to Google and Facebook).

Lastly, Vivendi acquired Amber Capital's shares in Lagardère in December, taking its interest to 45.1%. On February 21, 2022, the group filed a public tender offer for Lagardère's share capital with the French securities regulator *(Autorité des marchés financiers)*. If it is successful, Lagardère's integrity will be preserved and Arnaud Lagardère will remain as Chairman and Chief Executive Officer. The offer for Lagardère's share capital is consistent with Vivendi's strategy of building a major player in European culture enjoying global reach in the creation, production and distribution of cultural content. The prospective combination aims to enable us to achieve compelling industrial goals and as such to contribute to better promotion of our editorial and cultural assets.

Changes and new challenges are happening at an accelerated pace across all our sectors, making our strategy even more essential and pertinent.

Global consolidation is on the increase in all our businesses. At the same time, we are witnessing a great migration of users to digital platforms, particularly the major American ones. To illustrate this, one need only look at how value has changed hands in the press in a decade: in France, in 2010, €3.5 billion in advertising investments went to the press and €658 million to the Internet; in 2020, the press accounted for just €1.5 billion while the Internet took €6 billion.

Today, no European players rank among the top 10 global media groups, nor among the world's top 10 Internet players, leaving them without a top position in either the old or the new channels of distribution and consumption of cultural content.

We believe Vivendi has a tremendous opportunity to become the leading European cultural player worldwide.

Our strengths and fundamentals are the building blocks we can leverage to achieve this goal.

We are known for our ability to attract and nurture the best talent: in 2021, several Studiocanal films were met with great success in theaters *(Bac Nord* in France, *Drunk* in the United Kingdom, and *Wrath of Man* in Australia, New Zealand and Germany); Havas agencies received 1,300 awards and honors worldwide; and Editis placed 10 of its authors among the Top 30 most widely purchased French-language authors in modern fiction.

We continued to invest massively in creation and content in 2021, and our substantial investments to modernize our businesses are helping transform and sustain the cultural and creative industries.

We are a key partner for players in the world of culture, as evidenced by the agreement signed with French film industry bodies or the support we provided for bookstores during the Covid-19 pandemic.

We also maintain a direct relationship with all our audiences and countless communities on social networks. *Gala,* for instance, is the most widely followed European media on TikTok, with 2.5 million subscribers.

We make our entities work and grow together in shared value-creating projects: in 2021, Havas, Editis and Prisma Media created the *Here* offer to support stakeholders in the recovering tourism industry.

The influence of its content also gives our group a major role to play in improving the world in which we live. At Vivendi, we promote open, diverse and responsible creation for the planet and for society.

That is the essence of our *Creation for the future* program, launched and rolled out across all our entities in 2021, and which deepens our Corporate Social Responsibility (CSR) commitments. This ambitious roadmap aims to further reduce our group's carbon footprint, to make culture and education accessible to as many people as possible, and to work towards a more inclusive world.

Lastly, we are fortunate to be able to implement our strategy in a long-term and stable perspective due to the support of our leading shareholder, the Bolloré Group.

It is for all these reasons that we are looking ahead to the coming months with confidence and enthusiasm, despite the troubled international climate. Indeed, as we write these lines, we have a special thought for our employees and partners affected by the tragic events in Ukraine.

2022 offers very exciting prospects for Vivendi and will allow us to cross new milestones in implementing our industrial project.

"We believe Vivendi has a tremendous opportunity to become the leading European cultural player worldwide."


UNE CREATION ORIGINALE CANAL+
VALIDÉ
UNE SÉRIE DE
FRANCK GASTAMBIDE
SAISON 2
CANAL
Champions
Club

1 PROFILE OF THE GROUP, STRATEGY AND VALUE CREATION, BUSINESSES, FINANCIAL COMMUNICATION

CHAPTER 1

SECTION 1. PROFILE OF THE GROUP

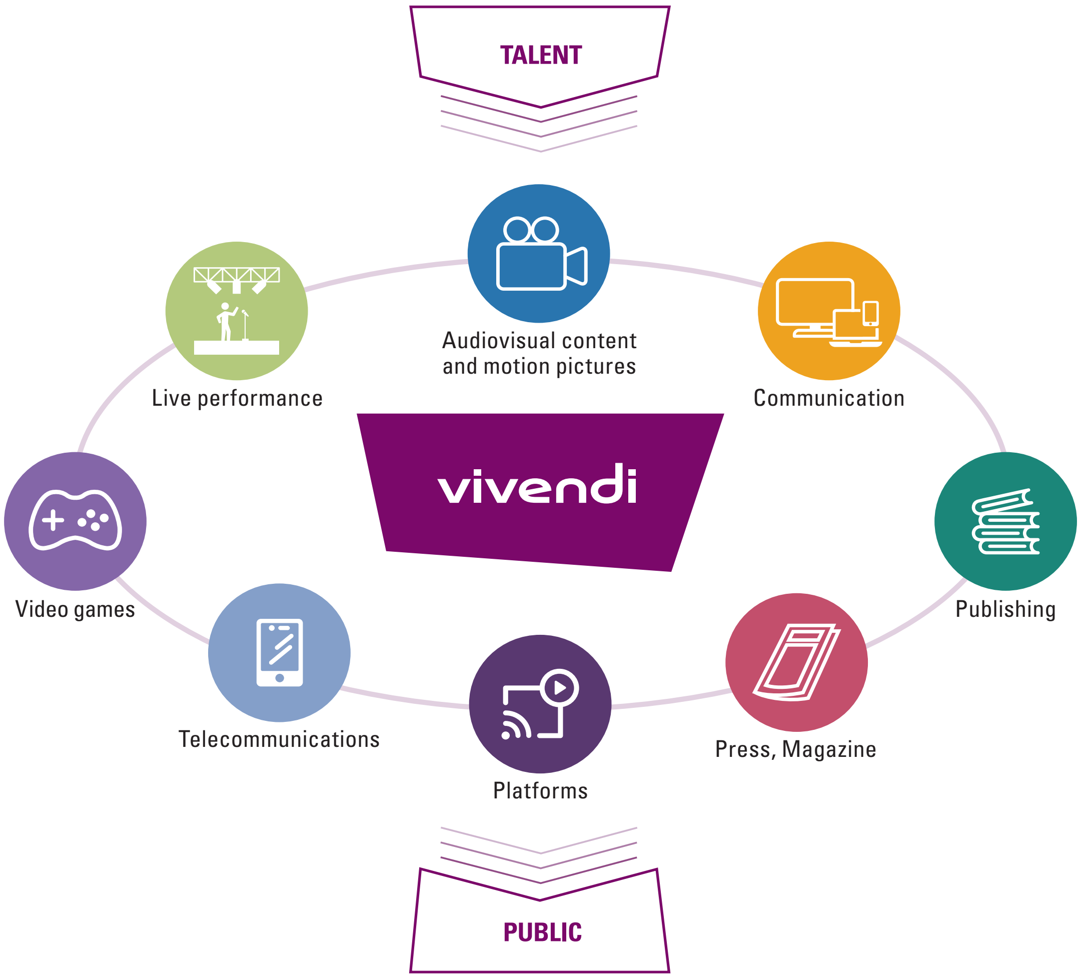
1.1. Creation, Production and Distribution

Since 2014, Vivendi has been building a large European cultural group with international reach in the content, media and communications sectors. Transformation, internationalization and integration of businesses are at the heart of its growth strategy, and all of its businesses contribute to this objective.

Today, the group holds leading and highly complementary assets in television and cinema (Canal+ Group), communications (Havas Group), publishing (Editis), magazine publishing (Prisma Media), video games (Gameloft), live entertainment and ticketing (Vivendi Village) and online video hosting (Dailymotion). The investments made in Lagardère, Telecom Italia, Banijay Group, MultiChoice and PRISA are all part of this drive to develop global leadership in media, content and communications.

Vivendi's various entities work closely together, evolving as an integrated industrial group. This organization facilitates creative exchanges and joint projects, and is a source of additional value creation.

The group also wants to play its part in creating a more sustainable and responsible world. Through the content it produces, it has real influence, and therefore a responsibility and incentive to help make the world a better place. Vivendi's commitments are reflected in its CSR program, *Creation for the Future*, which aims to strengthen its ability to make an impact. The program is organized into three pillars, *Creation for the Planet, Creation for Society and Creation with All.*



1.2. Governance

As of the date of this Annual Report – Universal Registration Document.

SUPERVISORY BOARD

Yannick Bolloré
Chairman

Philippe Bénacin (*)
Vice President, Lead independent member

Cyrille Bolloré

Paulo Cardoso
Member representing employees

Laurent Dassault (*)

Dominique Delport

Véronique Driot-Argentin

Aliza Jabès (*)

Cathia Lawson-Hall (*)

Sandrine Le Bihan
Member representing employee shareholders [2]

Michèle Reiser (*)

Katie Stanton (*)

Athina Vasilogiannaki
Member representing employees

NON-VOTING DIRECTOR
Vincent Bolloré

13 MEMBERS

55% INDEPENDENT [1]

55% WOMEN [1]

3 SPECIAL COMMITTEES

- Audit Committee
- Corporate Governance, Nominations and Remuneration Committee
- CSR Committee

MANAGEMENT BOARD

Arnaud de Puyfontaine, Chairman

Gilles Alix

Cédric de Bailliencourt

Frédéric Crépin

Simon Gillham

Hervé Philippe

Stéphane Roussel

7 MEMBERS

(*) Independent member.

(1) Excluding two members representing employees.

(2) Member appointed in accordance with Article 8-I.1. of Vivendi SE's by-laws

1.3. Key Figures

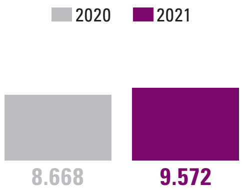
As from September 14, 2021, in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations*, Universal Music Group (UMG) was presented as a discontinued operation in Vivendi's Consolidated Financial Statements. On September 23, 2021, the payment date of the distribution in kind of 59.87% of the share capital of UMG to Vivendi's shareholders, Vivendi ceded control of, and deconsolidated its 70% interest in UMG. UMG's income and expenses were reported as follows:

- its contribution until September 22, 2021, if any, to each line of Vivendi's Consolidated Statement of Earnings (before non-controlling interests) is reported on the line "Earnings from discontinued operations";
- in accordance with IFRS 5, these adjustments were applied to all periods presented to ensure consistency of information; and
- the share of net income is excluded from Vivendi's adjusted net income. The adjustments to the data as published in 2020 are presented in the Appendix to the Financial Report for the year ended December 31, 2021, and in Note 31 to the Consolidated Financial Statements in Chapter 5 of this Annual Report – Universal Registration Document.

FINANCIAL INDICATORS

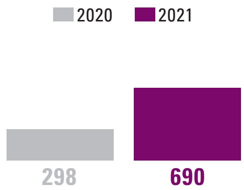
REVENUES

Year ended December 31
| in billions of euros |



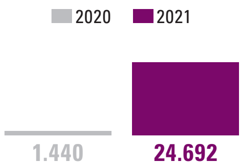
EBITA

Year ended December 31
| in millions of euros |



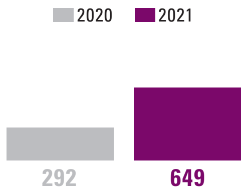
EARNINGS ATTRIBUTABLE TO VIVENDI SE SHAREOWNERS

Year ended December 31
| in billions of euros |



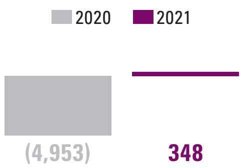
ADJUSTED NET INCOME

Year ended December 31
| in millions of euros |



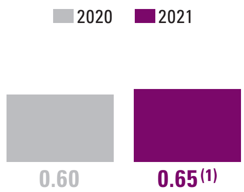
NET CASH POSITION (FINANCIAL NET DEBT)

As of December 31
| in millions of euros |



DIVIDEND

With respect to fiscal year
| in euros |



(1) Includes an ordinary dividend of €0.25 per share for 2021, subject to approval by the General Shareholders' Meeting to be held on April 25, 2022, and a combined dividend of €0.40 per UMG share with respect to UMG's 2021 earnings for those Vivendi shareholders who retained the UMG shares received in the September 23, 2021 special distribution. This €0.40 per share dividend includes an interim dividend of €0.20 paid by UMG in the fourth quarter of 2021 and a dividend of €0.20 to be paid in the second quarter of 2022 after approval by UMG's Annual General Shareholders' Meeting of its 2021 financial statements.

The non-GAAP measures of EBITA, Adjusted Net Income and Net Cash Position (or Financial Net Debt) should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance. Vivendi considers these to be relevant indicators of the group's operating and financial performance. Vivendi Management uses these indicators for reporting, management and planning purposes because they exclude most non-operating and non-recurring items from the measurement of the business segments' performances. In addition, it should be noted that other companies may have definitions and calculations for these indicators that differ from those used by Vivendi, thereby affecting comparability. Each of these indicators is defined in Section 1 of the Financial Report, in Chapter 5, or in Note 1 to the Consolidated Financial Statements for the year ended December 31, 2021, in Chapter 5.

NON-FINANCIAL INDICATORS

CARBON INTENSITY (2)

| in tons of CO_2 equivalent per million euros of revenue |

2020	2021
4.12	4.07

PERCENTAGE OF WOMEN IN THE HEADCOUNT (3)

2020	2021
52	53

PERCENTAGE OF EMPLOYEES TRAINED (4)(5)

2020	2021
74	74

PERCENTAGE OF EMPLOYEES TRAINED ON ANTI-CORRUPTION MEASURES (6)

2020	2021
76	83

HEADCOUNT BY GEOGRAPHIC REGION

Total headcount **35,911**

NORTH AMERICA
4,662

SOUTH AND CENTRAL AMERICA
2,894

EUROPE
20,950

ASIA-PACIFIC
4,932

AFRICA
2,473

REVENUES BY GEOGRAPHIC REGION

FRANCE	REST OF EUROPE	THE AMERICAS	ASIA AND OCEANIA	AFRICA
€4.863bn	€2.200bn	€1.264bn	€0.401bn	€0.844bn

(2) Carbon intensity corresponds to the amount of CO_2 emissions (Scopes 1 and 2) produced by the group compared to revenues generated. To ensure comparability with the 2021 data, 2020 data was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope. The data also excludes Prisma Media, an entity that will only be included in the environmental reporting from 2022, in accordance with the rules governing Vivendi's non-financial reporting (new entities are only included at N+1 of their entry within the Vivendi scope).

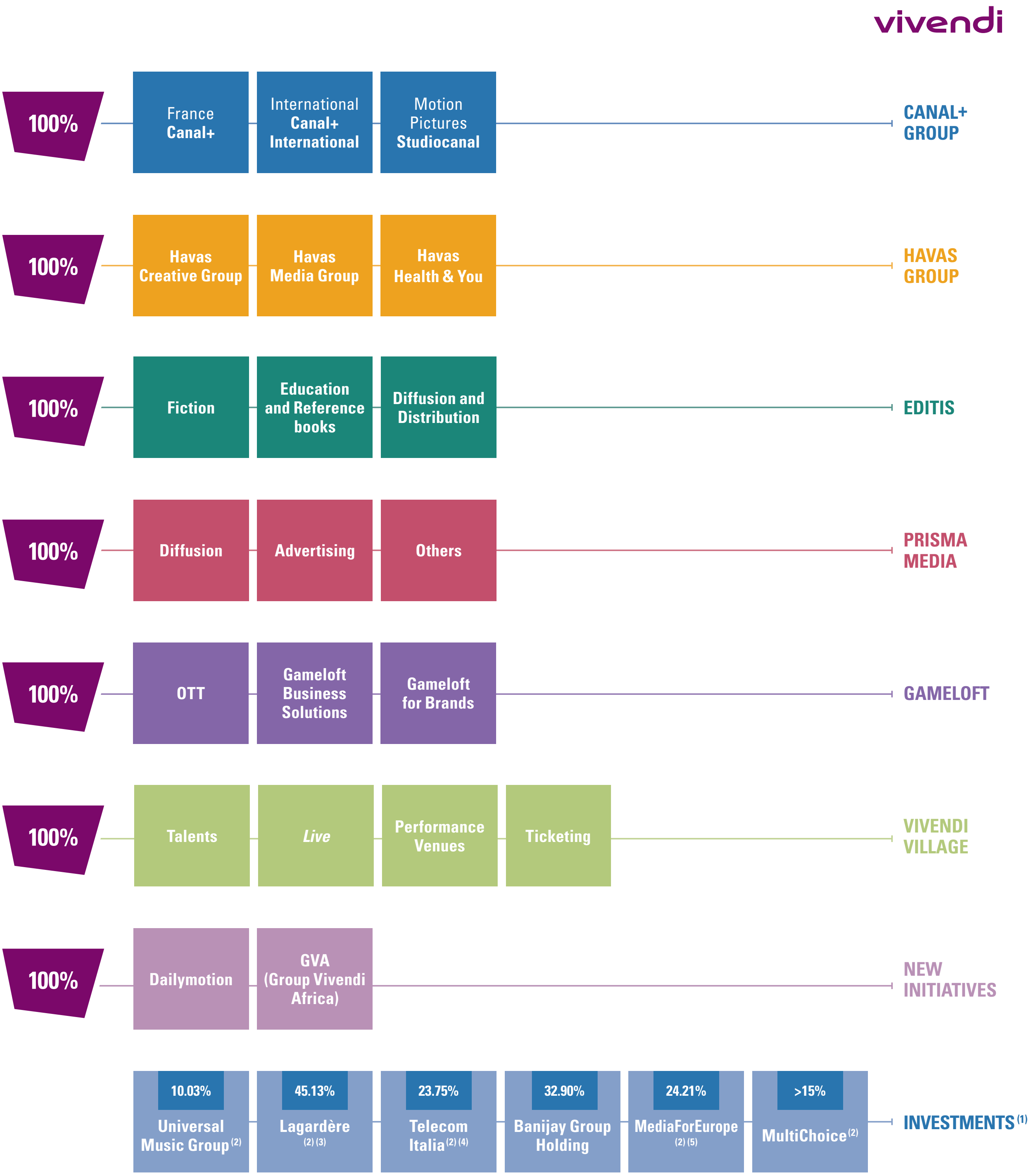
(3) To ensure comparability with the 2021 data, 2020 data was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope (see Note on non-financial reporting methodology in Section 7.1. of Chapter 2).

(4) As a percentage of the total reported headcount, i.e., excluding entities entering the scope of consolidation (notably excluding Prisma Media), and entities with a total headcount of less than 15 as of December 31, 2021 (see Note on non-financial reporting methodology in Section 7.1. of Chapter 2).

(5) To ensure comparability with the 2021 data, 2020 data relating to training was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the scope of reporting, and those entities with a total headcount of less than 15 as of December 31, 2020, in accordance with procedures set out for social reporting as of 2021 (see Note on non-financial reporting methodology, Section 7.1. of Chapter 2).

(6) Employees present as of December 31 and eligible for the training program.

1.4. Simplified Organization Chart of the Group



(1) Percentage of controlling interest as of December 31, 2021.

(2) Listed company.

(3) On February 18, 2022, as part of the proposed public tender offer for the shares of Lagardère SA announced on December 16, 2021, Vivendi announced that it would guarantee the price of €24.10 per Lagardère share until December 15, 2023 and increase the price of its tender offer, for those shareholders wishing to sell their shares immediately, to €25.50 per share, from which the 2021 dividend would be deducted.

(4) Based on the total number of ordinary shares with voting rights.

(5) Following the settlement agreement between Vivendi, Fininvest and Mediaset finalized on July 22, 2021, Vivendi has undertaken to sell on the market, over a period of five years, the entirety of the 19.19% stake in Mediaset held by Simon Fiduciaria. Fininvest acquired 5% of Mediaset's capital, held directly by Vivendi, which remains a Mediaset shareholder with a remaining interest of 4.69%, which it can keep or sell at any time.

SECTION 2. STRATEGY AND VALUE CREATION

2.1. Strategy

Since 2014, Vivendi has pursued a strategy to become **a large European cultural player with international reach in the fields of content, media and communications**, that can:

- offer an alternative to powerful North American and Asian entertainment groups;
- adapt to rapid changes in its industry and new forms of content distribution; and
- encourage its entities to work and grow together in a more integrated corporate culture.

Vivendi's goal is to provide **a creative "third option"** that offers an alternative to American and Asian blockbusters. There is strong demand for distinct content that celebrates cultural diversity and strengthens Europe's influence worldwide through its soft power. Vivendi's European outlook and integrated, multi-channel assets make it the only French group capable of playing this role.

Vivendi's European background goes hand in hand with its global ambitions. Certain high-potential markets have long been a major focus of development. These include French-speaking African countries, where the group has historically had a strong presence (for example, 6.8 million subscribers to Canal+ channels by year-end 2021) and more recently English-speaking African countries (acquisition of a stake of more than 15% in the South African group MultiChoice).

In 2021, Vivendi stepped up its strategic efforts. The year was marked by several major transactions for the group, particularly:

- In May, Vivendi acquired **Prisma Media,** France's leading print and digital magazine publishing group, which reaches more than 40 million French readers each month through some 20 iconic titles such as *Capital*, *Femme Actuelle*, *Gala*, *Geo* and *Télé-Loisirs*. This transaction allowed Vivendi to expand into a new industry whose activities complement its own. The integration of Prisma Media has already led to joint projects with other Vivendi entities. For example, in June, Havas, Editis and Prisma Media combined forces to create the *Here* offer, which supports stakeholders in the recovering tourism industry.
- In September, Vivendi successfully distributed 59.87% of the share capital of its subsidiary **Universal Music Group N.V.** (UMG) to Vivendi's shareholders and listed it on Euronext Amsterdam. This transaction was more than two years in the making and had two objectives: first, to meet the longstanding requests of certain institutional investors to reduce the conglomerate discount on Vivendi SE's share price and, second, to better reflect UMG's value. It validated the strategic choices made by Vivendi, which believed in UMG's potential despite years of decline in the music industry, and actively contributed to its revaluation. Vivendi retains 10% of UMG's share capital, while Bolloré Group holds 18%.
- In December, Vivendi acquired Amber Capital's shares in **Lagardère**, bringing its interest to 45.13% of Lagardère's share capital. On February 21, 2022, the group's Management Board approved the terms of Vivendi's tender offer and the draft tender offer documentation was filed with the French securities regulator *(Autorité des marchés financiers)* on that same day. According to the indicative timetable, the offer period will begin on April 14, 2022 and last for 25 trading days. In addition, Vivendi will notify Europe's antitrust authorities during the first half of 2022. The merger with Lagardère will create a powerful player in France's cultural industry with significant resources to expand internationally and invest in high-quality and diversified content.

Meanwhile, **Vivendi's businesses continued to adapt to an unprecedented health crisis while transforming to meet the needs of their constantly evolving sectors.** Their resilience and drive were reflected in the excellent annual earnings posted across the group's businesses.

Canal+ Group confirmed the growth of its international pay-TV audience (a total of +1.6 million subscribers worldwide compared to 2020). Its subsidiary Studiocanal, the leading European studio, released several films that topped the box office: *Bac Nord*, *Boîte noire* and *Le Loup et le Lion* in France; *Wrath of Man* in Australia, New Zealand and Germany; and *Another Round (Drunk)* in the United Kingdom. In France, Canal+ Group and French film organizations signed an agreement to extend a partnership lasting more than thirty years. It also acquired new sports rights and entered major distribution partnerships (ViacomCBS/Paramount in February 2022).

In a global advertising market that is clearly rebounding after 2020's pandemic-induced slump, **Havas Group's** performance improved significantly in 2021. The past year broke records both commercially (new clients gained) and creatively (the group's agencies won more than 1,300 awards and distinctions worldwide). Havas Group acquired majority stakes in four companies in 2021 and ramped up its acquisition policy in early 2022.

Editis once again experienced remarkable growth in 2021, confirming the public's renewed appetite for reading since 2020. Strongly rising sales pushed the publishing market to an all-time high, driven in particular by the youth segment and manga and comic books. Ten Editis authors ranked among the Top 30 bestselling French-language writers in modern fiction (versus nine in 2020). As for its third-party publishing partners, Editis distributed the latest Prix Goncourt winner, *La Plus Secrète Mémoire des hommes*, published by Philippe Rey.

2021 was also marked by record growth in **Prisma Media**'s digital revenues, which now account for more than 30% of its total revenues. Digital audiences grew substantially for titles such as *Télé Loisirs*, *Capital*, *Femme Actuelle*, *Gala* and *Voici*. Prisma Media also consolidated its position as a leader in the print TV guide market, through the acquisition of *TéléZ*.

After working to improve its cost structure and diversify its product offering (multiplatform games), **Gameloft** posted strong results in 2021. Meanwhile, **Vivendi Village,** which continued to demonstrate great inventiveness and flexibility in adapting to the constraints of the Covid-19 pandemic, enjoyed a substantial rebound in the second half of 2021.

Finally, because Vivendi's mission is also entwined with its social, societal and environmental goals, the group treated 2021 as an opportunity to move forward with the three pillars of its *Creation for the Future* CSR program:

- **Promoting open and diverse creativity:** this is the full meaning of Vivendi's tagline "Creation Unlimited", which was established in 2021 to express the group's raison d'être. It promises to unleash creation by revealing all talent, valuing all ideas and cultures, and sharing them with as many people as possible.
- **Fostering diversity and inclusion:** in 2021, the Create Joy solidarity program significantly increased the number of countries in which it supports organizations.
- **Fighting climate change:** Having set the goal of reducing its emissions by 30% and offsetting its residual emissions by 2025, Vivendi submitted its low-carbon trajectory to the Science-Based Targets initiative (SBTi) at year-end 2021.

2.2. 2021 Highlights

JANUARY

- **Vivendi** acquired 9.9% of PRISA, the Spanish-speaking leader in media and education (e.g., El País, Santillana, Cadena SER and Radio Caracol).
- *Junction 2:* Connections digital festival produced by U Live (**Vivendi Village**), in collaboration with **Gameloft**, attracted more than three million viewers in two days.

FEBRUARY

- The French Professional Football League and **Canal+** signed an agreement regarding the audiovisual rights for Ligue 1 Uber Eats and Ligue 2 BKT for the 2020-2021 season.
- **Canal+** began offering the StarzPlay subscription video-on-demand service as part of its packages.
- **Havas Group** acquired Israeli advertising agency, Inbar Merhav G, which specializes in marketing strategy, consulting and creative services, and purchased a majority stake in BLKJ, a Singapore-based agency with a solid reputation.
- **Dailymotion** qualified for the "Digital Ad Trust" label for the fourth year in a row. The label guarantees trustworthiness in digital environments and recognizes high-quality media.

MARCH

- **Canal+,** which has been a partner of the Top 14 for more than 35 years, won the call for tenders launched by the National Rugby League for broadcasting rights in France until the end of the 2026-2027 season.
- 32 **Havas Group** entities in France earned ISO 14001 certification, in addition to the 35 entities worldwide that have already received it.
- **Editis** launched a new publishing house, Le Bruit du Monde, and partnered with Rosie & Wolfe, the publisher founded by bestselling author Joël Dicker. In keeping with its ambitions in the audio sector, it created Empreinte Magnétique, a production studio for native audio content.

APRIL

- **Canal+ Group** entered the Ethiopian market, producing and providing culturally appropriate content in Amharic.
- Arcade racing videogame franchise **Asphalt** hit one billion downloads. Furthermore, *Asphalt 9: Legends* was released on Xbox Series X|S and Xbox One.
- **GVA** launched Canalbox in Brazzaville, Republic of Congo, after its national debut in Pointe-Noire in April 2019.

MAY

- **Vivendi** acquired 100% of Prisma Media, France's leading magazine publishing group.
- **Canal+** renewed its exclusive broadcasting rights deal with Sanzaar, which runs the southern hemisphere's flagship rugby tournament, for several seasons.

JUNE

- **Havas** Media International, Havas International Consulting, Gate One, CSA, **Editis** and **Prisma Media** created the Here agency to support stakeholders in the recovering tourism industry.
- *Minion Rush* (**Gameloft**), the mobile video game based on the *Despicable Me* franchise, crossed the threshold of one billion downloads. It is the first film-inspired mobile game to achieve this.
- Olympia Production (**Vivendi Village**) produced a new comedy festival called *Les Seigneurs du Château*, which ran for two nights and was the subject of a documentary broadcast on **Canal+.**
- To sell its advertising space, **Dailymotion** created an agency, Dailymotion Advertising, which was set up as a separate legal entity.
- **GVA** expanded its operations to a sixth country by launching its services in Ouagadougou, Burkina Faso.

JULY

- **Vivendi,** Fininvest and Mediaset finalized an agreement to end their legal disputes. Under the agreement, Fininvest acquired 5% of Mediaset from Vivendi at a cost of €2.70 per share, while Vivendi agreed to gradually sell its 19.19% stake in Mediaset held through Simon Fiduciaria SpA over the next five years.
- **Canal+** renewed its rights to the English Premier League in France for three more years, starting with the 2022-2023 season. The group also acquired football league rights for the Czech Republic and Slovakia.

AUGUST

- **Vivendi** sold a 7.1% stake in Universal Music Group N.V. (UMG) to Pershing Square for $2.8 billion, based on an enterprise value of €35 billion for 100% of UMG's share capital.
- **Canal+** signed an agreement for the exclusive broadcast rights to the increasingly popular Formula 1 World Championship until 2024.
- **Havas Group** launched Havas Sovereign Technologies, a comprehensive offer combining cryptocurrencies, NFTs, artificial intelligence and other technological innovations.
- **Editis** created Clique Edition, a publishing house headed by Mouloud Achour.

SEPTEMBER

- **Vivendi** sold an additional 2.9% of UMG to Pershing Square at the same share price used for the August transaction. This gave Pershing Square a 10% stake in UMG. On September 21, Vivendi distributed 59.87% of UMG N.V.'s share capital to Vivendi's shareholders and listed UMG on Euronext Amsterdam. Vivendi now owns 10.03% of UMG.
- **Canal+ Group** announced the acquisition of a 70% stake in SPI International, which operates 42 TV channels in more than 60 countries.
- **Canal+ Group** also announced that it would enter the Austrian market in the first quarter of 2022 through a partnership with A1 Telekom Austria, the leader in Austria's domestic telecommunications market.
- **Canal+ Group** and **Editis** launched Nathan TV, the first French-language educational TV channel in French-speaking Africa.
- **Editis** acquired a stake in Meet in Class, a startup specializing in small-group tutoring.
- **Prisma Media**'s advertising agency launched a major solidarity initiative by contributing €1 million in net media value to the digital campaigns of the French Ministry for Solidarity and Health.
- **Prisma Media** acquired EPM 2000, which owns *TéléZ*, Frances, second-biggest selling TV guide in terms of copies sold.

OCTOBER

- On **myCanal**, season 2 of *All the Way Up* was viewed a record 10 million times in less than a week, twice as many as season 1 for the same time period. Season 1 was rebroadcast free-to-air, hitting 40 million streams.
- **Havas Group** acquired Nohup, a leading agency in Italy for cloud services, digital transformation processes and system integration.
- **Havas Paris** bought Agence Verte, an agency founded in 1992 that is a pioneer in responsible communication.
- **Editis** entered into a partnership with Les Livres du futur, the publishing house founded and run by Riad Sattouf.
- See Tickets (**Vivendi Village**) acquired LiveBuzz, which specializes in trade exhibitions registration services.

NOVEMBER

- **Canal+** bought the broadcasting rights for the World Padel Tour, the fast-growing racket sports international circuit, across almost all of the group's territories until 2026.
- **Canal+** Myanmar reached 100,000 subscribers.
- In France, **Havas** Sports & Entertainment, Havas Paris Social and Socialyse Paris created Metaverse by Havas for brands that see the metaverse as a new space to address their challenges.
- *Dans ma rue y avait trois boutiques* by Anthony Palou (Presses de la Cité-**Editis**) won the Prix Renaudot in the essay category.
- **Gameloft**'s *Asphalt Xtreme*, a title in the popular arcade racing franchise, was released on Netflix's subscription gaming service.

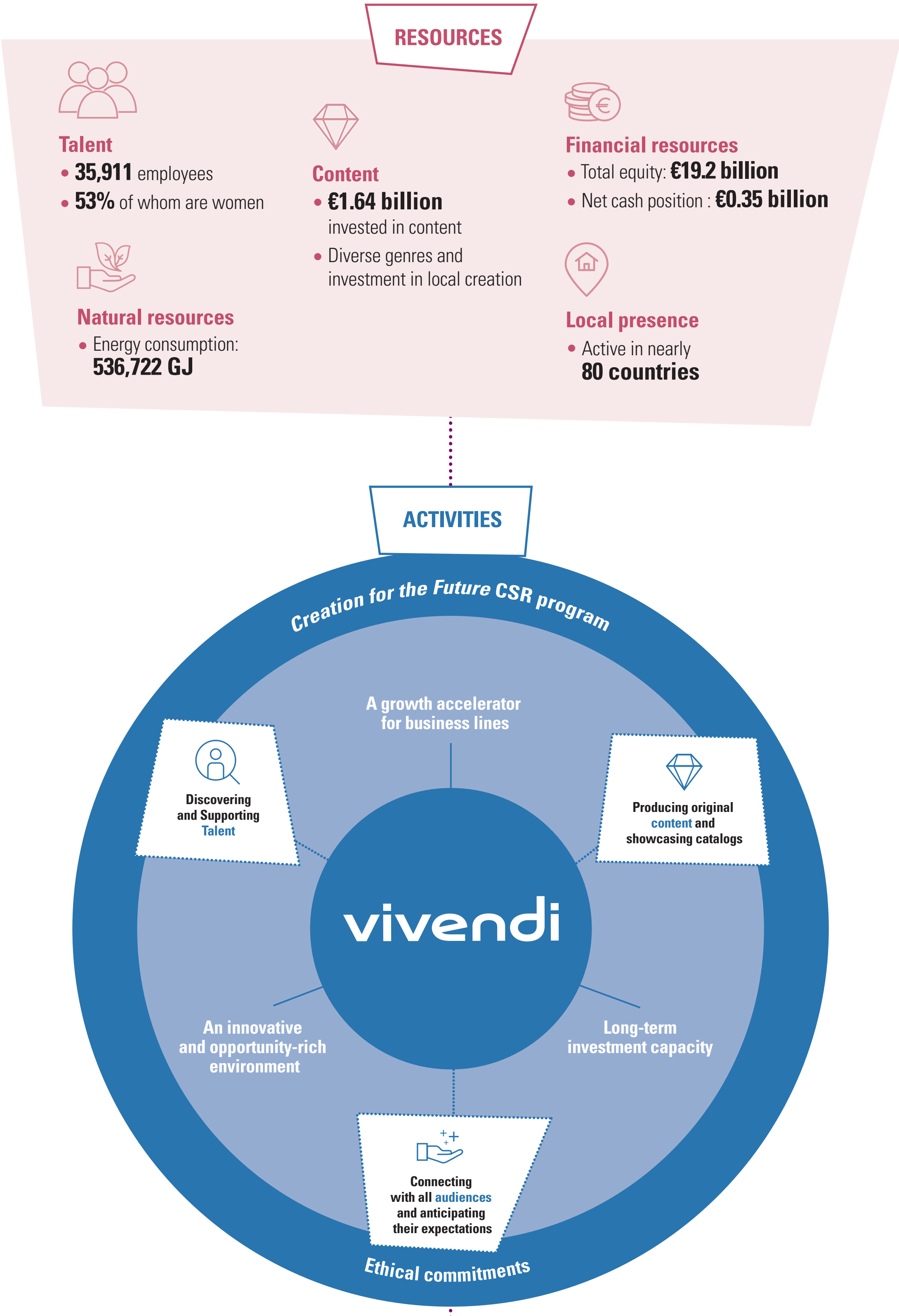
DECEMBER

- **Vivendi** acquired Amber Capital's stake in Lagardère at a price of €24.10 per share. The group now holds 45.13% of Lagardère's share capital. On February 21, 2022, Vivendi filed a draft tender offer document for all Lagardère shares.
- **Canal+ Group** and the French cinema industry signed a historic agreement that extends their thirty-year partnership to 2024.
- **Canal+** and the Académie des César renewed the broadcast rights for the César awards ceremony for three more years (2023, 2024 and 2025) on Canal+.
- **Canal+ Group** signed a multi-year contract with the Ultimate Fighting Championship (UFC), the world's leading MMA organization.
- In Oyo, Republic of the Congo, CanalOlympia (**Vivendi Village**) opened its 18th movie theater on the African continent.
- **GVA** expanded its operations to a seventh country by launching its services in Kinshasa, Democratic Republic of the Congo.

2.3. Global Performance

2.3.1. BUSINESS MODEL

This diagram is a concise, system-oriented representation of the group, its economic value creation, how this value is shared between its various stakeholders for 2021 and its contributions to society. It should be read in light of the detailed strategy set out in Section 2.1. of this chapter.



VALUE SHARED WITH OUR STAKEHOLDERS

Talent and skills development

€1.95 billion
in compensation

300,009
training hours

Supporting an ecosystem

€5.35 billion
paid to suppliers and service providers

Value shared with shareholders

€1.35 billion
in ordinary dividends and share repurchases

Contribution to fighting climate change

4.07 tCO_2e per € million
Carbon intensity (Scopes 1 and 2)

Value shared with governments and local communities

€718 million
taxes and social security contributions

CONTRIBUTION TO SOCIETY

Vivendi is helping build more open, inclusive and responsible societies:

- **supporting** diverse and inventive creative works that feed the mind and create connections
- **promoting, through its businesses,** broader access to culture and education
- **increasing** awareness of 21st-century challenges and opportunities

2.3.2. VALUE CREATION DRIVERS

2.3.2.1. Belonging to Vivendi group: A driver of global performance

Belonging to Vivendi group provides each business with a foundation that helps them better respond to customer needs and supports their strategy and development. The group's financing capacity and the backing of a stable shareholder are also key to delivering strong, sustainable overall performance.

A growth accelerator for business lines	**Center of expertise** Vivendi provides its businesses with the expertise they need to carry out acquisitions and establish commercial partnerships. The group guides them in assessing risks and making decisions **Development of new business lines** Business development, such as the acquisition of Prisma Media in the magazine industry, enhances Vivendi's range of activities and offers its entities opportunities for collaboration that foster further growth **An international group operating across multiple entertainment activities** Its entertainment-related businesses offer an edge when signing partnerships, especially with industry leaders
Long-term investment capacity	**Long-term support and role as a stable shareholder** Vivendi supports its businesses through their economic and technological growth phases, which can last several years. Meanwhile, a stable shareholder base promotes coherent group development **Substantial financing capacity** Vivendi has enough financial capacity to respond to internal and external growth opportunities for its businesses. As of December 31, 2021, the group had long-term credit facilities **(1)** amounting to €2.8 billion
An innovative and opportunity-rich environment	**Entrepreneurial initiatives built on diverse businesses** Encouraging businesses to launch joint projects is key to responding to market trends. These initiatives help differentiate the businesses from their competition. For example, in 2021, Editis, Havas, CSA and Prisma Media launched *Here*, a range of services to support the revival of responsible global tourism **Innovating for growth** Innovation is one of the key factors driving Vivendi's growth. This approach is based on its ability to: ► share information and expertise within the group while forging ties with the innovation ecosystem and investing in innovative companies ► establish the means to launch innovative projects within and between the businesses, or with the wider ecosystem

(1) See Note 22 to the Consolidated Financial Statements for the year ended December 31, 2021 in Chapter 5.

2.3.2.2. Shared drivers for global performance among the business lines

Discovering and Supporting Talent

Discovering and supporting talent is one of the key factors in Vivendi's performance. A diverse range of talent helps the group provide more original content and services and respond to the varying sensibilities of its audiences.

Internally, the group develops talented people so that they can adapt to today's complex and rapidly changing world, thereby creating the right conditions for individual and collective success.

That is why group entities create attractive work environments and new, more inclusive organization methods to encourage collaboration and enhance well-being. Vivendi also believes in the importance of recognizing the wide range of career paths people may choose and offering them opportunities to grow, learn and take initiative.

Externally, discovering and supporting talent is the focus of multicultural teams who analyze trends, build trusted relationships, support incubator programs and draw on multiple methods of talent detection. An important factor that inspires talent loyalty is the ability to offer a full range of services, such as content promotion, property rights management and brand partnerships.

CANAL+ GROUP	More than **1,000** co-financed and prepurchased works Support for over **130** debut and second films More than **100,000** hours of training provided for talent outside mainland France, particularly in Africa
HAVAS GROUP	**79%** of employees say they feel a sense of belonging to their agency or group (*HavaSay* survey – January 2022) **3** talent programs and **3,963** participants *(Femmes Forward On Air, Havas Emerge, Be Kind to Your Mind)* European Agency of the Year at the Effie Awards Europe
editis	**10** Editis authors among the top 30 bestselling writers at year-end 2021 (compared to 9 in 2020): Franck Thilliez, Michel Bussi, Marc Levy, Bernard Minier, Agnès Martin-Lugand, Françoise Bourdin, Mohamed Mbougar Sarr, Nicolas Beuglet, Olivier Norek, Raphaëlle Giordano (GfK top authors – modern French-language fiction – at end-December 2021 – in volumes – paperback + large format – 111 Editis publishing houses + partners distributed out of 3,673 audited) **196** authors joined Editis's *Bureau des Auteurs,* an innovative service that helps authors speak to new audiences More than **80** literary awards for works by the group's publishing houses, including some of the most prestigious: Fauve d'or, Prix Astrid Lindgren, Grand Prix des lectrices de Elle (novel and non-fiction categories), Prix Renaudot (essay category), Prix Unicef de littérature jeunesse (6- to 8-year-old and 9- to 12-year-old categories)
PM PRISMA MEDIA	**113** interns and work-study participants hired throughout the year **57%** of positions are filled internally
GAMELOFT	**17** studios in the Americas, Europe, Asia and Australia **54** nationalities represented in the workforce **9%** of employees are under the age of 25
vivendi village	**95** shows held at the Olympia since they were allowed to resume in early September 2021, giving many talented new artists the opportunity to perform on stage again Olympia Production produced shows with **70** artists on stage (most of whom were emerging artists)

Producing original content and showcasing catalogs

Vivendi's production resources – including video game development studios, film, video and TV studios, and writing workshops – are instrumental in helping artists make their projects a reality. The catalogs built from these efforts are among the group's prime assets. The content of these catalogs reflects the diversity of Vivendi's audiovisual, literary and video game collections. They are crucial for developing the loyalty of existing audiences and for attracting new audiences. Maintaining this wealth, quality and originality of content is a constant challenge.

Vivendi provides a number of new formats and environments for distributing content that extend its life and leverage intellectual property rights. The group also protects the rights attached to creative works and implements measures to safeguard them against piracy and counterfeiting.

CANAL+ GROUP

€3.4 billion devoted to financing programs, of which over **50%** is spent on local programs

Nearly **€500** million invested in French and European cinema

120 films restored or digitized by Studiocanal

HAVAS GROUP

Over **1,300** awards received by Havas Group campaigns at festivals

78 pro bono campaigns

editis

Nearly **5,000** new works published by the group's publishing houses

Creation of native audio content, especially for streaming platforms

Creation of audio versions of the Bordas titles *"Mes années Bac"* and *"Mes années Brevet"* for Deezer (700,000 streams in two months)

6 "From the Book to the Screen" pitch sessions with more than **200** producers joining each session live

1 "Behind the Screen" master class bringing authors and producers together

A priceless catalog including **4** publishing houses that are over 100 years old: Gründ, Plon, Perrin and Nathan

PRISMA MEDIA

15 awards won by Prisma Media and its brands (out of 20 nominations)

3 new print magazines *, **6** new podcasts ** and **3** new programs *** launched by Prisma Media

** Bienvenue chez vous by Stéphane Plaza, Femme Actuelle Jeux Cocoon and Femme Actuelle Escapades*
*** Les calottes sont cuites, Secrets d'écriture, Simone écoute, Femmes de télé, Sexposé and Melody Makers*
**** Vivantes (Femme Actuelle), Jouir (Femme Actuelle) and Commerçant coup de coeur (Cuisine Actuelle)*

GAMELOFT

65% of the catalog represented by games under directly owned IP rights

38% of spending invested in production costs to develop the portfolio and improve game quality

vivendi village

20 festivals focusing on music, comedy, food and exchange of ideas produced by Olympia Production and U Live in new face-to-face and virtual formats

Connecting with all audiences and anticipating their expectations

The group has a wide-ranging audience that includes film lovers, gamers, fans of sports and TV series, spectators, readers of books and magazines, and even teachers. All of its businesses have set up organizational structures and teams serving different customers (retail consumers or businesses and brands) to better meet their needs, now and in the future. Furthermore, Vivendi has an expert understanding of shifting consumer expectations, which is a critical factor.

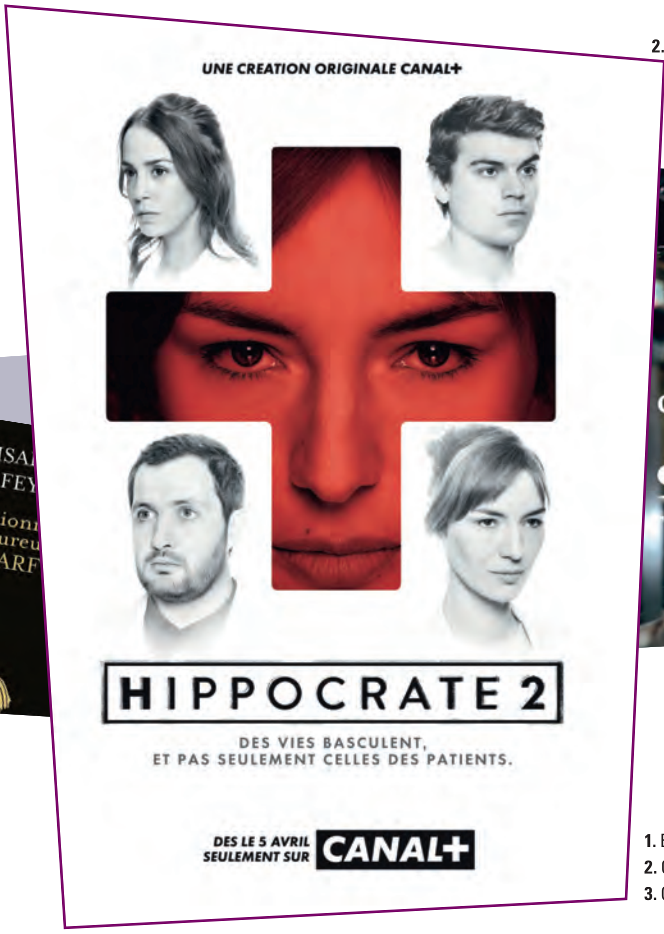
To connect with audiences effectively as their needs constantly evolve, Vivendi develops multiple methods of interaction and access points by leveraging its infrastructure (including digital platforms, TV channels and live performance venues) and partnerships with digital operators.

At the same time, since innovation is a key driver of performance, Vivendi brings together creative expertise and technical innovation to design the entertainment formats and experiences of the future. All of its entities work with startups in their respective ecosystems and invest in research and development. This means they design tools and services to give customers compelling, enhanced experiences in line with their interests.

CANAL+ GROUP	Over **220,000** training hours provided for partners (customer service representatives, distributors and installation technicians) in France and abroad **76%** of subscribers using the group's on-demand services in France (December 2021) More than **60** million titles viewed in press offerings Group channels broadcast in **46** countries
HAVAS GROUP	More than **60** Havas Villages on five continents where Creative and Media businesses can combine their skills to serve clients **207** competitions won thanks to the Route 66 program coordinating the integration of Havas activities **49** clients in the Top 100 shared with Creative, Media and Health & You activities generating **30%** of net income **22** clients in the Top 50 loyal clients since 2010 with net income up **33%**
editis	The Education and Reference division's websites and digital solutions drew **34** million teacher visits and **15** million visits from the general public Increased access to textbooks during the public health crisis **2,337** new works published by the group's publishing houses as e-books and **191** new works released as audiobooks (by Lizzie) Editis's general interest websites (the main sites being *lisez.com* and *lonelyplanet.fr*) attracted more than **12** million visits in 2021. The group also connects with its communities on social media. It has more than **1** million followers on Instagram and **1.2** million on its Facebook pages, while Pocket Jeunesse and Kurokawa had their first hits on TikTok and Twitch
PM PRISMA MEDIA	More than **8** million unique visitors per day on Prisma Media's brand sites. **40** million French people (i.e., 4 out of 5 people) read Prisma Media's mainstream media in various formats every month
GAMELOFT	**58** million active players monthly **74%** of revenue generated by OTT distributors (app stores), **12%** by telecom operators and **14%** from advertising
vivendi village	**8,000** See Tickets customers in Europe and the United States across a variety of sectors that became even more diverse in 2021: concerts, shows and festivals, museums, theaters, trade shows, exhibitions and other one-off events, as well as numerous sporting events

SECTION 3. BUSINESSES, FINANCIAL COMMUNICATION

1.



2.

3.

1. Book covers, Editis
2. Original Creation, *Hippocrate 2*
3. Camaïeu – Buzzman campaign

3.1. Businesses

3.1.1. TELEVISION AND MOTION PICTURES

2021 REVENUES	2021 EBITA	HEADCOUNT
€5,770m	€480m	7,535

MARKET TRENDS

The pay-TV and subscription video-on-demand (SVOD) market is growing in all of the group's geographies (more than 40 countries). The arrival of new global players contributes to momentum in the French market and internationally but intensifies competitive pressure for existing pay-TV platforms. Faced with increased competition from global streaming platforms, which are rolling out direct-to-consumer strategies, pay-TV players are stepping up the pace of their international development and implementing strategies combining content and service aggregation with increased investment in local and international content.

In 2021, the French free-to-air television market saw a drop in total daily viewing time compared to 2020, which was an atypical year (from 3 hours 58 minutes in 2020 to 3 hours 41 minutes in 2021 **(1)**), but increased compared with 2019: a sign of the continued importance of the entertainment and media industry in everyday life. After a bleak year hit by the pandemic, the advertising market for media groups bounced back in 2021.

(1) Médiamat annual 2021, Médiamétrie.

Movie theaters saw a recovery after significant events in 2020, although the health crisis continued to have a severe impact. The development of new streaming platforms offers new opportunities for the film industry, with a greater number of productions aired directly on those platforms in 2020 and 2021 (without theater release).

ACTIVITY

Canal+ Group is a major player in television and cinema in France and abroad. It is the leader in the production, bundling and paid distribution of premium content, applications and TV channels in France, Africa, Europe and Asia (Vietnam and Myanmar). It is also a leading operator in free-to-air television in France, with three national channels – C8, CNews and CStar – and an advertising sales agency. Through its Studiocanal subsidiary, Canal+ Group is also the European leader in the production and distribution of feature films and TV series, with a presence in France, the United Kingdom, Germany, Australia and New Zealand for feature films, and France, the United Kingdom, Germany, Spain and Denmark for TV series.

Canal+ Group is committed to offering subscribers the best content and services in terms of first-run exclusives, quality, mobility, consumer choice and customization.

It now has 23.7 million subscribers worldwide, including 14.7 million outside France.

In 2021, Canal+ Group continued the transformation of its business model that began in 2016: from French group to global group, from French content creator to international creator with a European focus, from linear television channel to key player across multiple digital platforms.

■ 3.1.1.1. Pay-TV in France

In 2021, Canal+ Group received several instances of external recognition: Canal+ was the first – and only – French brand in the Brand Finance 2021 ranking of the world's most valuable media brands; Canal+ was rewarded for its brand communication, winning the Effie d'Or award in the Culture and Leisure category for its brand campaign *C'est quoi les Codes ?,* as well as a Bronze Lion Award at Cannes Lions 2021 in the Film category for its *Biiip* campaign; Canal+ Group won five awards at the 2021 Grand Prix Stratégies for Media Innovation; Canal+ Group was ranked first among media employers in 2021 by business school and computer engineering students in the Universum ranking; and Canal+ Group ranked as the favorite company of students and young graduates in the Media category for the third consecutive year (Epoka and Harris Interactive).

In November 2021, Canal+ Group launched a new campaign, *On n'a pas fini de vous demander vos codes Canal!* Supported by a large-scale media plan, the campaign achieved excellent results in terms of reach, attribution and new subscriptions, and was particularly successful among young people: 68% of French people have seen it, 86% naturally associate it with the Canal+ brand and 65% say they enjoyed it – a figure that is even higher among 18-35-year-olds (75%).

3.1.1.1.1. Programming activities

Canal+ Channels

Canal+ Group produces seven channels offering exclusive, original and innovative programming:

- a general-interest channel (Canal+), which offers movies, sports, drama, documentaries and entertainment programs; and
- six specialized premium channels (Cinéma, Séries, Sport, Docs, Kids and Décalé), featuring their own programs.

In September 2021, Canal+ launched Canal+ Docs and Canal+ Kids, two new exclusive channels covering documentaries and children's programming, both popular themes among subscribers. They are the first new channels created in nearly ten years. Canal+ Docs is a contemporary channel that offers exclusive stories and complementary perspectives from big names in documentaries. Canal+ Kids is specifically designed for 4-12-year-olds, blending boldness, creativity and humor. Canal+'s DNA is reflected in general-interest programming combining the best in animation and drama, as well as original programs and innovative documentaries.

In 2021, Canal+ Group strengthened the main pillars of its editorial line: sports, series and cinema.

The group's channels broadcast a number of major sporting events, including the UEFA Champions League (the two best matches of each day of the UEFA Champions League and the best match of each day of the UEFA Europa League), the English Premier League in its entirety, the Ligue 1 Uber Eats matches (two matches per day, including 28 top picks), the Top 14, the Arkema D1, the Formula 1™ World Championship, the MotoGP™ World Championship, the WRC, golf, and boxing, with top international fights.

The UEFA Champions League made its comeback and experienced high ratings, particularly for the Paris Saint-Germain/Manchester City FC match, which attracted 2.2 million viewers.

The Formula 1™ and MotoGP™ World Championships delivered substantially higher audiences, driven by remarkable screenplays and the work of Canal+'s editorial teams. Formula 1 has had its best season in 2021 since its arrival on Canal+ channels, with an average of 1.14 million viewers for the Grands Prix™ in the afternoon, up 18% compared with 2020 and 50% compared with 2019. The season's closing Grand Prix™ in Abu Dhabi attracted 1.90 million viewers, setting a new record for a Grand Prix™ on Canal+.

The MotoGP™ World Championship, won by Frenchman Fabio Quartararo in 2021, also experienced a record season; races attracted 836,000 viewers on average, up 20% compared with 2020 and 103% compared with 2019. The average audience for the MotoGP™ World Championship has therefore doubled since its arrival on Canal+.

More than ever, Rugby remains an essential pillar of the sports offer, with all Top 14 and Pro D2 matches broadcast. Its exposure was reinforced by two prime-time broadcasts on Saturday and Sunday evenings on Canal+. The number of viewers reached outstanding levels, with the Stade Toulousain-Castres Olympique game on October 23, 2021 setting a new record for Rugby on Canal+ on a Saturday evening (626,000 viewers) and the Stade Toulousain-ASM Clermont game on September 26, 2021 doing the same on Sunday evening (718,000 viewers).

The extensive golf offer means enthusiasts can follow the European Tour and the PGA Tour, the World Golf Championships, the final of the Race to Dubai and the Evian Championship in full.

This plethora of rights comes with a superlative lineup of sports programs, including *Canal Football Club*, *Canal Rugby Club*, the *Late Football Club*, *Formula One*, *Match of ze Day* and *Canal Sports Club*. More major sports reports and documentaries continued to be aired in 2021, with a line-up of long formats such as *Papa*, the third critically acclaimed project co-produced by Olivier Dacourt. The Canal+ consulting roster now includes even more big names, including Romain Grosjean, Samir Nasri, Eric Abidal, Didier Drogba, Rudi Garcia, Xavier Garbojosa and Nicolas Karabatic.

In 2021, Canal+ secured key competitions for several years by renewing rights in numerous sports. As a result, its subscribers are guaranteed exclusive coverage of the MotoGP™ World Championship until 2029, the Formula 1™ World Championship until 2024, the Premier League until the 2024-2025 season inclusive and the Top 14 until the 2026-2027 season inclusive. In 2021, Canal+ Group also acquired the World Padel Tour until 2026, for virtually all of its territories worldwide.

Canal+ Group stood out for the quality of its dramas. Acclaimed by critics and subscribers alike, Canal+'s *Créations Originales* series confirmed their success and remained central to Canal+'s programming.

Canal+'s *Créations Originales* also dedicated a large part of programming comedy. Canal+ welcomed Melvil Poupaud, Michel Vuillermoz and Géraldine Pailhas in the fantasy series *Ovni(s)*; *On the Verge* following Julie Delpy and her friends – all middle-aged women – on the verge of a nervous breakdown in Los Angeles; Romane Bohringer and Philippe Rebbot in the quest of the perfect separation in *L'Amour flou*; Blanche Gardin in the throes of an existential crisis in *La Meilleure Version de moi-même*; and Alex Lutz with his tribute to 1980s soaps in *La vengeance au triple galop*.

Canal+'s *Créations Originales* also aired the new *Paris Police 1900* franchise and long-awaited new seasons of several series, including the return of Thomas Lilti's medical interns to their stretched-to-breaking-point hospital for *Hippocrates 2,* the discovery of female rapper, L'Alpha, in season 2 of *Validé* and the clash with aliens in season 2 of *War of the Worlds*.

Always on the lookout for radical projects, *Création Décalée* unveiled some true gems including: *Neuf meufs* by Emma de Caunes, the series *6 X Confiné.e.s* starring Vincent Cassel, the breathtaking thriller *VTC* with Golshifteh Faharani and the documentary series *Terrain*, in which rappers talk about their relationship with their neighborhood.

Canal+ continued to select exciting foreign series. The list of American series included *Your Honor*, *The Good Lord Bird*, *A Teacher*, *Impeachment*: *American Crime Story*, *American Rust* and *Dexter*: *New Blood*. European series were also showcased, with *It's a Sin, Time*, *Shadowplay* and the final season of *Gomorra*. Canal+ also upgraded its line-up of generational series, with *Genera+ion*, *Paraiso*, *Delete Me* and *Trickster*.

Lastly, the Canal+ Séries SVOD service consolidated its success. It still offers binge-watchers the best value for money in the market, with all the Canal+ series on offer (Canal+'s *Créations Originales* and international series in their entirety) for just €6.99 a month. Its rich, varied and curated catalog, based on the great strengths of Canal+'s series DNA, was enriched with the inclusion of StarzPlay in 2021.

Movies continued to play a major role on Canal+ channels, with 411 films broadcast on Canal+ and 560 on other formats in 2021. *Adieu les cons*, *1917*, *La Bonne Épouse*, *Antoinette dans les Cévennes*, *Fast & Furious Presents: Hobbs & Shaw*, *La Belle Époque*, *Greenland – Le Dernier refuge* and *La Daronne* chalked up some of the best ratings.

The "Canal+ Première" cinema label, dedicated to first-fun films in France, has already featured more than 30 films since its launch in late 2020. Hits with viewers included Australian thriller *The Dry* starring Eric Bana.

On December 2, 2021, Canal+ Group and film organizations, represented by BLIC, BLOC and ARP, announced the signing of a new agreement replacing the 2018 agreement, and extending the partnership between Canal+ and the French film industry until at least year-end 2024.

1.

2.

1. *Paris Police 1900,* a Canal+ Création Originale

2. Moto GP

Among other things, the agreement, which will only come into force after the adoption of the new media scheduling arrangements proposed by the film organizations and changes to regulations by the public authorities, including the new DTT and CABSAT orders mentioned in Section "3.1.1.5. Regulatory Environment", provides for:

- a guaranteed investment of over €600 million in French and European movies by Canal+ and Ciné+ over the next three years;
- an advancement of Canal+'s place in the media schedule to six months after theater release, in keeping with the confirmation of its status as the leading contributor to French and European film production;
- a minimum nine-month period of exclusive broadcast rights for Canal+, and as much as sixteen months with the second period; and
- better exposure and circulation of works on Canal+ Group's movie channels and on myCanal.

Canal+ Group signed the new media schedule on January 24, 2022. The agreement, which is consistent with that signed with French film organizations on December 2, 2021, brings Canal+'s first period in the media schedule forward to six months after theater release (as opposed to eight months previously) in keeping with the confirmation of its status as the leading contributor to French and European film production. It also brings forward the second period for pay-TV extending it by two months. Subscribers to Canal+ Group's film offers will be able to access French, European or international movies for a total of sixteen months.

In addition, in December 2021, Canal+ and the *Académie des César* announced the renewal of the broadcasting rights for the César awards ceremony for three years, ensuring that the 2023, 2024 and 2025 César ceremonies will be broadcast exclusively on Canal+.

Lastly, Canal+ announced the launch of a new movie channel known as Canal+ Grand Ecran on February 8, 2022. This third Canal+ movie channel will offer iconic and must-see films, targeting as many people as possible. The additional channel confirms Canal+'s dedication to French and international movies.

In addition to the programs only available to subscribers, Canal+ broadcasts free-to-air programs accessible to all viewers every day. The premium channel airs *En Aparté*, from Monday to Friday at 8:30 p.m., where host Nathalie Levy welcomes guests into an apartment for an interview. Saturdays are set aside for *Clique*, presented by Mouloud Achour, and Sundays for *Groland,* starring Michael Kael, Francis Kuntz, Gustave Kervern and Douilly.

Themed Channels

Alongside the premium channels, Canal+ Group produces about 20 pay-TV themed channels covering the main television genres, such as movies with the Ciné+ channels, discovery with the Planète channels (Planète+, Planète+ Crime Investigation, Planète+ Adventure & Experience and Seasons), sports with Infosport+ and children's programs with Piwi+ and Télétoon+.

Polar+, a police drama channel launched in 2017, offers the best selection of classic and original movies and series in the genre from around the world. It has set the standard in the crime fiction genre, with successful series such as *Thin Blue Line* and *La Caza Tramuntana* in 2021. The channel ranks first or second among entertainment channels in each successive Médiamétrie trend and is enjoying considerable growth in non-linear consumption.

In 2018, in cooperation with Universal Music Group, Canal+ Group created Deutsche Grammophon+, a channel based on the prestigious catalog of the classical music label, with high-resolution sound recordings and, for the first time, Dolby Atmos surround sound.

In November 2018, the group also launched Clique TV, a new-generation general-interest channel offering music, discussion, reporting, video games and comedy shows.

Ciné+ digital movie channels have been launched regularly since 2018. There are 11 of them on offer, namely Ciné+ MDR, Ciné+ Deneuve, Ciné+ Animé, Ciné+ Histoire, Ciné+ Crime, Ciné+ 90's, Ciné+ 80's, Ciné+ 70's, Ciné+ 60's, Ciné+ British and Ciné+ Horreur.

November 2019 saw the debut broadcasts of the Hello channel, which offers top original European and international LGBTQ+ creations. It was joined by the Olympia TV channel in January 2020. A guarantee of quality, the Olympia brand offers the best in live performance, with a different theme each evening: contemporary theater, pop/rock concerts, modern circus, magic, musical performances, humor, classical theater, legendary opera or ballet, cult or international concerts.

3.1.1.1.2. Distribution

In addition to its publishing business, Canal+ Group is a leader in the bundling and distribution of pay-TV offerings.

The bundles are marketed in France, with or without minimum subscription periods, and include Canal+ channels, themed channels produced by the Group, and the best of third-party channels and services. Subscribers build their bundles around Canal+, which serves as a gateway for the entire Canal+ range. Depending on their preferences, they can add themed packs, adding more sports or more movies and series.

myCanal brings together all Canal+ content and Canal+ offers in a single application. Films, series, sport, documentaries, entertainment and children's programs can be found live or on demand, and on all screens.

Canal+ distributes its packages through specific subscriptions delivered via satellite, ADSL, DTT, cable, fiber, mobile devices and the Internet. They are marketed directly by the group through a network of over 3,000 sales outlets operated with retail partners (big-box stores, specialty stores and telecom operator agencies).

Canal+ also markets some of its bundles and themed channels via ISPs, which include them in their own pay-TV or triple-play proposals. It has distribution agreements with Free, Orange, SFR and Bouygues Telecom.

Canal+ Group's aim is to build a gateway to the world's greatest applications and channels, based on the best of movies, sports, series, documentaries and children's programs. It holds a distribution license for the Disney+ streaming service. In 2021, its distribution (available since April 7, 2020 for Canal+ offers, November 19, 2020 for Orange TV offers and December 17, 2020 for Free TV offers) was extended to new operators: Disney+ has been available since June 22 for SFR TV offers and since November 8 for Bouygues Telecom TV offers.

In September 2021, Canal+ simplified and extended its offers. In an increasingly congested market, Canal+ aims to give its subscribers greater choice through three simple and comprehensive offers:

- an enhanced general-interest Canal+ offer; and
- two themed offers for fans of movies and series or sports, with Canal+ Ciné Séries and Canal+ Sport.

This was an opportunity for Canal+ to change its interfaces, adopting easily recognizable graphic codes to bolster its distinctive identity, and a quirky and impertinent tone to assert its personality.

With 9.1 million subscribers in mainland France as of December 31, 2021, Canal+ Group boasts the country's largest portfolio of pay-TV customers. This number includes 3.5 million customers from partnerships with telecom operators.

3.1.1.1.3. myCanal

Canal+ Group has become a key player in the digital world, led by its myCanal platform and its multi-screen delivery.

Today, myCanal ranks as the leading online TV/video media platform in the French market, with an average of 1.7 million visitors each day and nearly 12 million per month **(1)**. In 2021, two-thirds of Canal+ subscribers in France used the myCanal platform to view programs, a proportion that has doubled in five years.

Since 2020, the platform has also been rolled out in the French overseas territories and in 29 countries in Europe and Africa where Canal+ Group operates.

myCanal gives subscribers access to content from all Canal+ offers, live or on replay, together with the full package of related services through a single point of entry. It provides direct access to 200 channels. It also allows users to watch thousands of programs on demand at any time, in French or the original language. myCanal is accessible on a wide variety of devices and allows viewers with a single subscription to use several screens within the home, including Web, iOS apps, Android, Apple TV, Android TV, Windows, Xbox and Playstation game consoles, Amazon Fire TV, Samsung, LG and Hisense connected TVs, etc. In 2021, the myCanal experience was available on over 15 million connected TVs, notably via the latest generation of Canal+ connected satellite set-top boxes, Playstation 4, Playstation 5 and Smart TVs from Asian manufacturers.

(1) Source: Médiamétrie NetRatings.

Innovation-driven, this Over-The-Top (OTT) service focuses its developments on new user features together with image and sound quality. The viewer experience is simplified thanks a range of features such as "Start Over", which lets viewers go back up to eight hours before the broadcast, "Multi-Live", which lets them watch up to four shows at the same time and on the same screen, and "Expert Mode", which enriches the live experience (on sports) with additional camera angles, highlights, statistics and additional information. "Airplay" and "Chromecast" let viewers watch a show on a TV screen while the "Download" function allows them to watch programs offline. The user interface is now entirely customized, with "Playlist", "Personal recommendation" and "Profiles" functions where everyone can create their own viewing area. The Kids profile is dedicated to children, in a secure space.

The past two years have been characterized by robust commitments aimed at making myCanal a major eco-responsible platform. They included the creation of "*myCanal voit Green",* a dedicated digital channel, technological investments and new services to enable subscribers to consume content in a more eco-responsible way (to achieve a 30% reduction in carbon impact for one hour of consumption on myCanal by 2023).

■ 3.1.1.2. Free-to-air TV in France

3.1.1.2.1. Free Channel Division

Canal+ Group owns and directly operates three free-to-air channels: C8, CNews and CStar.

C8 is a general-interest channel that appeals to every generation and all types of viewers. In 2021, C8 chalked up numerous audience records, notably with *Face à Baba,* which set an all-time record for a prime-time program on DTT (2,362,000 viewers, or 10.4% audience share among the general public). *Touche Pas à Mon Poste!* logged its best annual performance since 2016, with an average of 1.4 million viewers, or 5.7% audience share among the general public.

CNews is the second most widely viewed 24/7 news channel in France. It reports the news as it breaks, produces around 20 daily news stories and stands out in a market of increasing competition. A large part of airtime is devoted to debates and roundups. Confronting points of view with clear-cut opinions, putting ideas forward and looking at information from original perspectives are central to the channel's editorial approach. 2021 was a great year for CNews, which continued to climb taking audience share to 2.0%, an increase of 43% compared with 2020. Indeed, CNews, whose audience has more than tripled in five years, was the only news channel to increase its audience share in 2021. Year-on-year, growth in its audience share was among the strongest of all French channels.

CStar, France's leading music channel for today's generation, is a showcase for musical artists, where they can fully express their talent.

These three channels, broadcast via DTT, are also included in the TV packages of satellite, ADSL, cable and other television operators. All of their revenue is derived from advertising.

Source: Médiamat annual 2021, Médiamétrie.

3.1.1.2.2. Advertising Sales Agency

Canal+ Brand Solutions is Canal+ Group's advertising sales agency for 34 media brands, including Canal+, C8, CNews, CStar, Eurosport, Discovery, RTL9, myCanal, UGC and the Grand Rex, and a wholly-owned subsidiary.

Canal+ Brand Solutions aggregates solutions for brands by leveraging the assets of Canal+ Group: creativity, talent, data and a wide range of premium content.

Canal+ Brand Solutions also has a Brand Content entity known as Canal Brand Factory, created in 2017. It assists brands in creating content specifically for them and in getting it into the media. Canal Brand Factory won four awards, including Gold and the Jury Favorite prize at the 2021 Grand Prix Stratégies in the Media category with "*Jonathan Cohen allume la flamme chez les jeunes de Meetic*."

Canal+ Brand Solutions has also launched numerous innovations:

- the Connect+ platform, allowing brands to use Canal+ Group data to measure and optimize their TV campaigns, based on their own business metrics;
- the first segmented television offers to meet the challenge of targeting customers; and
- the advertising market's first multimedia carbon calculator.

Canal+ Brand Solutions made considerable progress in 2021, achieving a market share of 10.7% in TV advertising **(1)** and consolidating its position as France's third-largest advertising sales agency.

In 2022, Canal+ Brand Solutions' challenge will be to create and market new communication solutions for advertisers across all of its media platforms (television, digital, cinema) and to strengthen its position in the market by developing innovative offers, including brand content, data and CSR.

(1) Source: Kantar.

■ 3.1.1.3. International Pay-TV

Canal+ Group's pay-TV operations outside France are being expanded via its Canal+ International subsidiary, which has a total of 14.7 million subscribers in more than 40 countries in Africa, Europe, Asia-Pacific, the Caribbean and the Indian Ocean. It also produces over 65 specific channels for the international market.

Africa

Canal+ Group has operated in Africa for close to thirty years. It operates in more than 25 countries, through 15 subsidiaries and more than 30 partners and distributors, and through a network of more than 7,500 outlets. It gives access to more than 200 channels, making it the leading pay-TV operator in French-speaking Africa, with over 6.8 million subscribers at year-end 2021. The new myCanal digital platform was launched in Africa in 2021 and is available to all subscribers across the continent.

Canal+ Group produces 32 channels specifically for Africa (20 premium Canal+ channels, five of which are Canal+ Sport channels offering an incomparable range of sports rights, including the five biggest European soccer leagues and the UEFA Champions League). It finances dedicated programs original series such as *Invisibles*, *Cacao*, *Mami Wata* and programs such as *Le Parlement du rire, Talents d'Afrique* and *Le Chœur des femmes.* It also produces the A+ channels (the African series channel), its A+ Ivoire offshoot (a free channel on DTT in Ivory Coast) and Nollywood TV, as well as local language channels such as Maboke TV, a drama channel in Lingala dedicated to Congolese culture, launched in 2021.

On September 21, Canal+ Group joined forces with Vivendi's subsidiary Editis to launch Nathan TV, the first French-language educational channel specific to Africa, offering homeschooling for children in elementary school.

Canal+ Group is also rolling out a DTT offer under the Easy TV brand name in several African countries.

In 2019, Canal+ Group acquired ROK Studios (taking over production activities, content distribution and delivery of the Rok and Nollywood TV channels), positioning itself as a major player in Nollywood, the Nigerian film industry.

In 2021, Canal+ Group launched a dedicated satellite platform in Ethiopia. It features over 70 channels, including eight Canal+ channels produced specifically in Amharic.

Canal+ Group owns more than 15% of South African company MultiChoice Group Ltd, the leading pay-TV operator in English- and Portuguese-speaking sub-Saharan Africa, becoming its second-largest shareholder.

Europe

With 2.8 million subscribers as of December 31, 2021, Poland is Canal+ Group's second-biggest market.

With its 12 premium Canal+ channels and seven themed channels, it offers the most comprehensive premium television experience in Poland, and one of the most innovative in terms of services, with its 4K set-top box, the OTT platform and multiplatform offerings such as Player+ and coupled TV, Internet and telephony services.

It is particularly well-known for its sports offer, broadcasting major competitions such as the Polish Football Championship, the English Premier League, the French Ligue 1, the Liga and the Champions League, together with some of the most popular sports in Poland, such as speedway (motorcycle racing on an oval track), tennis (notably women's tennis with the WTA), basketball with exclusive broadcasting rights for NBA matches, boxing and the World Padel Tour.

Movies are another core component, with nearly 300 first-run films shown exclusively on the Canal+ channels.

The acquisition of the Kino Swiat production studio in 2019 also made Canal+ Group the leading distributor of local films in Poland and owner of the country's largest film catalog. Canal+ is also involved in local production, with original creations including the hit series *Belfer, The Raven, The King of Warsaw, Klangor* and the successful Polish adaptation of *The Office.* Under the agreement signed by Canal+ Group, Canal+ Poland has launched the Netflix offer on its subscriber platform.

Canal+ Group has owned M7 since 2019, thereby accelerating its development in Europe. M7 is a bundler and distributor of local and international channels, over satellite and OTT platforms. It operates in Belgium, the Netherlands, Austria, Germany, the Czech Republic, Slovakia, Hungary and Romania. As of December 31, 2021, M7 had 2.5 million subscribers.

M7 has embarked on a transformation plan aimed at rounding out its distribution activity by making it a publisher of proprietary content as well. In September 2021, Canal+ Group signed a partnership agreement with A1 Telekom Austria to create a joint content offering tailored to the Austrian market in 2022 and to strengthen its penetration of that market.

1.

2.

1. *Antoinette dans les Cévennes*

2. *Shadowplay*

Over the past two years, M7 has benefited from group synergies in terms of both technical investments and content, via the acquisition of original French or Polish series (such as *Baron noir*, *Illegals* and *Hippocrate*). *Planet Single Eight Stories,* the first co-production between Canal+ Poland and M7, was screened in November 2021 in Poland, and will be aired in several European countries in 2022. In 2021, Canal+ Group has also entered into an agreement to acquire the broadcasting rights to the Premier League in the Czech Republic and Slovakia from the 2022-2023 season.

In 2021, Canal+ Group announced its intention to acquire a 70% interest in SPI International, a media group operating 42 television channels (including the FilmBox channel portfolio) and a range of digital platforms in over 60 countries. The transaction has received the approval of the antitrust authorities in Poland and is currently being reviewed by the antitrust authorities in Hungary. The acquisition is expected to be finalized in the first half of 2022.

Asia

Canal+ Group operates in Vietnam through K+, a package of local and international channels jointly owned with Vietnamese public television. It has operational control of K+, in which it holds a 49% interest.

The K+ package is broadcast via satellite and through the main Vietnamese telecom operator and cable networks, and in OTT via the new K+ app.

The package offers five premium K+ channels produced by the group, including two sports channels that broadcast the English Premier League, popular among with Vietnamese viewers, as well as Formula 1, UFC competitions – broadcast for the first time in more than 25 African countries in French, Vietnamese and Burmese – and tennis, with the ATP World Tour 1000 and the Australian Open. The other three channels are dedicated to movies, series and entertainment – and now to children too, with the launch of the K+ Kids channel in 2021.

K+ offers enjoy an extensive distribution network via 1,500 physical points of sale on top of the main digital and e-commerce platforms.

Since 2018, Canal+ Group has operated in Myanmar, in partnership with the Forever group, a major player in the country's TV industry. Canal+ offers nearly 80 channels covering all themes, including nine Canal+ channels developed in the Burmese language, which showcases local content (production of original series, broadcasting of Burmese cinema or the Lethwei Burmese boxing championship), as well as premium sports content including the UEFA Champions League, Formula 1 and the UFC. Canal+ Group has opened its own Canal+ Stores and works with an extensive network of 750 local distributors.

Canal+ Group is also developing successful original Asian series such as *Toxic* and *New Page* in Myanmar, and in late 2021 launched *Tiger Mom*, its first original series produced in Vietnam. Since 2019, the group has accelerated its development in Asia through strategic distribution partnerships with telecom operators, as well as cable and IPTV networks. As of December 31, 2021, the group had 1.3 million subscribers in the Asia-Pacific region.

Overseas Territories

The leading pay-TV group in France's overseas territories, Canal+ International operates through its subsidiaries in the Caribbean (French West Indies, French Guiana and Haiti), the Indian Ocean (La Réunion, Mayotte and Mauritius) and the Pacific (New Caledonia, Wallis and Futuna and French Polynesia). The Canal+ packages comprise the Canal+ channels and more than 200 themed channels, radio stations and services. Canal+ subscribers in the French overseas territories also have access to the Netflix and Disney+ offers included in their packages, giving them all the advantages of a comprehensive offer combining the best OTT content and services.

Through its Canal+ Telecom subsidiary, Canal+ International also markets Canalbox, a triple-play ADSL/fiber Internet offer coupled with fixed telephony and television. There were over 800,000 subscribers in the French overseas territories at year-end 2021.

■ 3.1.1.4. Production and distribution of feature films and TV series

Canal+ Group's Studiocanal subsidiary is the European market leader in the production and distribution of feature films and TV series. It operates in France, the United Kingdom, Germany, Australia and New Zealand for movies, and in France, the United Kingdom, Germany, Spain and Denmark for series.

Despite a year marked by the Covid-19 pandemic, in 2021, Studiocanal delivered its best performance since 2014. It has consolidated what was already a very strong footprint in all of its territories and increased its recognition worldwide. It derives nearly 80% of its revenues from international operations.

After a year impacted by the health crisis in 2020, 2021 stood out by virtue of exceptional successes for Studiocanal in France and internationally due to the reopening of theaters *(Wrath of Man* in Australia, New Zealand and Germany, *Drunk* in the United Kingdom and *Bac Nord* in France).

Moreover, Studiocanal's catalog continued to grow in the wake of new acquisitions bringing substantial portfolios (Mars Films, 2.4.7. Films and Romulus).

Lastly, television series also turned in robust performances due to a strong recovery in production – after a halt due to the Covid-19 pandemic in 2020 – as well as further acquisitions of production studios (Urban Myth Films and Lailaps Films).

1.

2.

1. TV show, *Le Parlement du rire*

2. Grand Prix™ in Abu Dhabi

In 2022, Studiocanal's aim is to step up the production and distribution of content in all of its territories, with at least 30 series and 50 films screened in theaters and made available on platforms (SVOD). Its content will stand out thanks to its great potential to cross-cultural borders, not to mention close working relationships between Studiocanal and the industry's greatest talents.

The 2022 line-up of films bears witness to that, both internationally *(Cat Person,* adapted from a New Yorker article by Susanna Fogel; *Baghead,* adapted by Alberto Corredor from his own short film; *Retribution*, with Liam Neeson; *What's Love Got to do with it,* with Lily James and Emma Thompson), and in France *(En attendant Bojangles*, by Regis Roinsard adapted from Olivier Bourdeaut's novel and starring Virginie Efira and Romain Duris; *Super héros malgré lui*, by and with Philippe Lacheau; *Plancha*, by Eric Lavaine; *Goliath*, with Gilles Lellouche, Emmanuelle Bercot and Pierre Niney; *En corps*, by Cédric Klapisch, with Muriel Robin, Pio Marmaï and François Civil).

In series, Studiocanal will distribute several Canal+ *Créations Originales*, including Xavier Dolan's debut series *(La Nuit où Laurier Gaudreault s'est réveillé),* as well as *Django* (a prestigious international co-production by Cattleya and Atlantique Productions starring Matthias Schoenarts, Nicolas Pinnock and Noomi Rapace), and *Infiniti* (a breathtaking thriller produced by Empreinte Digitale and Fédération Entertainment Belgium with an international cast led by Céline Salette).

Film releases

Each year, Studiocanal invests close to €300 million in film production and distribution. 2021 saw the release of 50 films in theaters and on platforms in France and internationally. Studiocanal's films reflect its ability to work with the industry's biggest names, whether established or emerging.

Examples of collaborations include *A Boy Called Christmas* (biggest budget in 2021, with €44 million), co-produced with Netflix, released in theaters in the United Kingdom (and at the same time on Sky Cinema), Germany, Australia and New Zealand, on Canal+ in France and Africa, and on Netflix in the rest of the world, *The Last Letter from Your Lover* (Netflix) and *The Electrical Life of Louis Wain* (Amazon Prime Video), also offered on Canal+ in France.

In France, Studiocanal stood out due to its three films being among the nine French films to top one million admissions in theaters in 2021. They were *Bac Nord* with 2.2 million admissions (sixth-biggest success in 2021 and second biggest in France), *Boîte noire* and *Le Loup et le Lion* with 1.2 million admissions each.

Catalog

Studiocanal holds Europe's largest film catalog, and one of the world's largest, with close to 6,500 titles from more than 60 countries spanning 100 years of motion picture history. It includes countless French and foreign classics, such as *Rambo*, *À bout de souffle*, *Belle de jour,* Apocalypse Now, *Les bronzés font du ski*, *Basic Instinct*, *La Cité de la peur* and *La grande vadrouille*.

Furthermore, Studiocanal has devoted more than €20 million over the past five years to restoring over 700 classic films, some of which have been re-released in theaters, shown at major international festivals, re-issued on DVD, Blu-ray and UHD (ultra-high definition), and broadcast on television channels and digital platforms. Studiocanal endeavors to preserve French and international cultural heritage and making it (re)discoverable for all generations.

In 2021, the following films were restored and distributed: *Mulholland Drive* to mark its 20th anniversary, *Bridget Jones's Diary* (20th anniversary), *Mr. Klein* (45th anniversary) and *Terminator 2* (30th anniversary).

Plans for 2022 include the restoration and distribution of *King Kong* (1976), Mike Nichols' *Carnal Knowledge* (40th anniversary), Orson Welles' *The Trial* (60th anniversary) and Jacques Becker's *Casque d'Or* (70th anniversary).

Series

Studiocanal is a major producer and distributor of series in Europe. It draws on the proven expertise and creativity of eight production companies in the United Kingdom, Germany, Spain, France and Denmark.

In the United Kingdom, Studiocanal owns Red Production Company (award-winning series *It's a Sin*, *Ridley Road*, *Finding Alice* and *Years and Years*) and has partnered with Benedict Cumberbatch's Sunnymarch TV *(Patrick Melrose).* In Germany, it owns Tandem Productions *(Shadowplay).* In Spain, it is a majority shareholder in Bambú Producciones *(Cable Girls, Gran Hotel, Alta Mar),* and of Studiocanal Original in France, a production studio belonging to Canal+ Group *(Neuf meufs, Narvalo, Mouche).* In Denmark, Studiocanal works with SAM Productions, founded by Søren Sveistrup and Adam Price *(Ride Upon the Storm, Ragnarok*).

In 2021, Studiocanal became the majority shareholder of two production companies, Urban Myth Films *(War of the Worlds, Extinction, The One)* in the United Kingdom, and Lailaps Films *(Wild Republic)* in Germany.

Studiocanal provides these local companies with access to the funds needed to develop international projects and sell their content worldwide. Studiocanal also sees its partnerships as a means of promoting *the Créations Originales* internationally (e.g., *War of the Worlds, Paris Police 1900*, *Engrenages*, *Possessions*, *Hippocrate*, *Validé* and *Shadowplay),* as well as its animated series *(The Adventures of Paddington* – awarded an Emmy Award – and *Les Cahiers d'Esther)* and the original Canal+ International series (e.g., *Raven).*

In 2022, Studiocanal plans to produce and distribute approximately 30 series. A number of international projects have already been presold, including *Now and Then* (Apple TV and Bambú).

■ 3.1.1.5. Regulatory Environment

For national digital terrestrial television broadcasting services, a single company may, either directly or indirectly, hold seven licenses. Canal+ Group has four licenses for pay-TV channels (Canal+ HD, Canal+ Cinéma, Canal+ Sport and Planète+) and three free-to-air channels (C8, CNews and CStar). The CSA has renewed Canal+ channel's DTT license until December 6, 2023.

Under its license to broadcast in France, Canal+ Group must comply with specific requirements relating to the broadcasting of programs and investments made in audiovisual and film production. 60% of the audiovisual works and films broadcast by the group's channels that are subject to these obligations must be of European origin, and 40% must be French.

With respect to the obligations governing investments in audiovisual production, the Canal+ channel must dedicate at least 3.6% of its total net revenue for the previous year to "heritage works" (drama, animation, creative documentaries, music videos and actual footage or reenactments of live performances). A portion of this investment (representing at least 3.155% of net revenue) is allocated to the development of independent production.

In the case of motion pictures, the Canal+ channel must dedicate 12.5% of its annual revenue to acquiring European films, including 9.5% for works in French.

The C8 channel must invest 15% of its net annual revenue from the previous year in the production of European audiovisual works or works originally broadcast in French, of which at least 9.25% must be invested in the production of "heritage works".

Under its obligations to invest in motion pictures, C8 must allocate at least 3.2% of its revenue from the previous year to European works, of which at least 2.5% must be invested in original French works.

The Canalplay subscription video-on-demand service was closed on November 26, 2019, in favor of a new alternative service known as Canal+ Séries. This offer (pay-per-view video-on-demand and subscription video-on-demand) is also subject to regulations governing on-demand audiovisual media services. A November 2010 decree sets forth specific requirements relating to investments in the production of audiovisual and film works, broadcasting those works, and advertising rules. Among these requirements is also a decision of the French broadcasting regulator, the CSA, dated December 2011 on the protection of young people and the ethics and accessibility of programming.

Pursuant to the agreement on media scheduling that prohibits the broadcasting of films within a certain period after theater release, signed on December 21, 2018 by Canal+ Group and extended by a decree dated January 25, 2019, the broadcasting schedule of cinematographic works is as follows:

- for films available via pay-per-view, video-on-demand and on DVD: a minimum of three months after theater release for films with fewer than 100,000 admissions after their fourth week at the box office and a minimum of four months after theater release for films with more than 100,000 admissions after their fourth week at the box office;
- for movie channels having signed an agreement with film organizations (as is the case for Canal+ and Ciné+):
  - for the first pay screening: a minimum of six months after theater release for films with fewer than 100,000 admissions after their fourth week at the box office and a minimum of eight months after theater release for films with more than 100,000 admissions after their fourth week at the box office,
  - for the second pay screening: a minimum of fifteen months after theater release for films with fewer than 100,000 admissions after their fourth week at the box office and a minimum of seventeen months after theater release for films with more than 100,000 admissions after their fourth week at the box office;
- for free-to-air television channels contributing at least 3.2% of their revenue to film production (as is the case for C8): a minimum of twenty-two months after theater release (or a minimum of nineteen months in the absence of a second pay screening); and
- for subscription video-on-demand films: there are three possible scenarios that depend on the level of contribution of the service to film production. The minimum period varies between fifteen to thirty-six months after theater release.

From 2022, the obligations of Canal+ Group's channels will be those set out in the new DTT and CABSAT government orders (Decree No. 2021-1926 of December 30, 2021 and Decree No. 2021-1924 of December 30, 2021, respectively), which came into force on January 1, 2022 replacing the previous DTT and CABSAT Decrees (Decree No. 2010-747 of July 2, 2010 and Decree No. 2010-416 of April 27, 2010, respectively), bearing on the contribution of television services to the production of cinematographic and audiovisual works, as well as the order (Decree No. 2021-783 of June 22, 2021) relating to on-demand audiovisual media services, which came into force on July 1, 2021, replacing the previous order relating to on-demand audiovisual media services (Decree No. 2010-1379 of November 12, 2010).

In particular, the new decrees impose (as of 2022) the following obligations contributing to cinematographic and audiovisual production:

- for cinematographic production, the Canal+ service will now have to allocate a minimum of 11.2% of its net resources (compared with 12.5% previously) while the C8 channel will allocate an unchanged minimum of 3.2% of its resources; and
- for audiovisual production, the Canal+ service will now have to allocate a minimum of 4.2% of its net resources (compared with 3.6% previously) while the C8 channel will allocate an unchanged minimum of 15% of its resources.

Canal+ Group has nevertheless negotiated the principle of a single package, the terms of which are set out above in section *"3.1.1.1.1. Programming activities"*.

Following the December 2, 2021 agreement signed with French film organizations, Canal+ Group signed a new agreement regarding the media schedule on January 24, 2022, extended to all broadcasters by the extension order published in the official gazette *(Journal officiel de la République française)* on February 4, 2022, which replaces the previous 2018 agreement. The new agreement acknowledges Canal+'s unique position in the film financing cycle and now provides for the following broadcasting schedule for cinematographic works:

- for films available via pay-per-view, video-on-demand and on DVD: a minimum of three months after theater release for films with fewer than 150,000 admissions after their fourth week at the box office and a minimum of four months after theater release for films with more than 150,000 admissions after their fourth week at the box office;
- for movie channels having signed an agreement with film organizations (as is the case for Canal+ and Ciné+):
  - for the first pay screening: a minimum of six months after theater release, and
  - for the second pay screening: a minimum of fifteen months after theater release;
- for subscription to video-on-demand films:
  - various scenarios are envisaged depending on the level of contribution of the service to film production and on whether or not an agreement has been signed with film industry bodies. The schedule varies from at least six months after theater release to a maximum (for free video-on-demand services) of thirty-six months after theater release. For clarification, no subscription video-on-demand service is at this stage eligible for screening earlier than fifteen months after release, as none of the services concerned meet the conditions for earlier positioning in the media schedule; and
- for free-to-air television channels contributing at least 3.2% of their revenue to film production (as is the case for C8): a minimum of twenty-two months after theater release (or a minimum of 19 months in the absence of a second pay screening).


1.

2.

1. Premier League Manchester United v Crystal Palace

2. *Canal Rugby Club*

▪ 3.1.1.6. Piracy

Canal+ Group has been actively combating audiovisual piracy for many years. To protect its commercial interests and those of its licensees in respect of its content, it endeavors to strengthen its technological capabilities and to develop cooperative antipiracy partnerships within the industry.

Law No. 2021-1382 of October 25, 2021 on the regulation and protection of access to cultural works in the digital era, on which Canal+ Group worked with sector rights holders alongside APP, a European organization for the protection of authors and publishers of digital creations, ushered in new provisions specific to the fight against the unlawful broadcast of sports events and competitions. They include new antipiracy tools, such as DNS blocking and IP blocking to make the applications suitable and effective for sports content. The system is based on the monitoring of the execution of judicial decisions by Arcom *(Autorité de régulation de la communication audiovisuelle et numérique),* the French audiovisual and digital communication regulatory authority, through its new power of dynamic injunction that allows it to enforce it in the proper timeframe attached to live content.

▪ 3.1.1.7. Competition

Acquisition of Mediaserv

On February 10, 2014, the French Antitrust Authority authorized the takeover by Canal Plus Overseas (now Canal+ International) of Mediaserv (now Canal+ Telecom), an Internet service provider in those territories, subject to commitments made for a period of five years, renewable once.

Following the Authority's review of those commitments, it handed down its decision on February 8, 2019 to reduce some of the obligations weighing on Canal+ International. Commitments that were maintained or modified have been extended for a five-year period expiring on February 10, 2024.

Competitive Environment in France

The French pay-TV market is highly competitive and is changing rapidly due to:

- the arrival of new players offering premium cinema and sports content on the market. This is the case for Orange (OCS channels), beIN Sports and the Altice Group (RCM Sport channels and Altice Studio). In August 2020, Mediapro launched the Téléfoot channel broadcasting Ligue 1, Ligue 2 and Champions League matches; in February 2021, Mediapro ceased broadcasting. On July 30, 2021, Amazon launched the "Pass Ligue 1" broadcasting the Ligue 1 matches acquired by the group;
- the increasing number of distribution platforms and technologies;
- DTT in France, pursuant to which viewers now have 26 free national channels offering the same technologies and associated services as pay-TV channels (e.g., HD and replay);
- the development, unparalleled in Europe, of television through IP (such as triple-play offers by Internet service providers);
- the surging growth in non-linear content. The arrival on the audiovisual markets of global players from the digital sector, such as Netflix, Amazon, Google, Apple and Facebook, has completely upended the competitive playing field with, among other things, the development of innovative media and distribution systems, such as Internet-delivered OTT content. With their global subscriber bases, these companies can in turn invest heavily in exclusive content that gives their offering a competitive edge;
- the position of gatekeeper occupied by the so-called "systemic" platforms, which are increasingly acting as gateways to content services and are implementing unfair practices in this regard;
- the fundamental shift in the behavior of audiovisual content consumers, who prefer the immediate reward of non-linear delivery. Faced with this change in viewing patterns, large content producers such as Disney are launching their own global streaming services. In April 2020, the Disney+ streaming service was launched in France; and
- lastly, the illegal consumption of content, notably via illicit IPTV and live streaming, which continues to generate a major shortfall for the sector as a whole.

▪ 3.1.1.8. Research and Development

Canal+ Group's Research and Development (R&D) policy primarily focuses on innovation in new services, uses and technologies.

The development of an idea or concept from the monitoring phase to the prototyping phase, and then to its final implementation, is controlled by a cross-disciplinary committee composed of the operations directors (Distribution, Programming, Technology and Information Systems).

Some of the projects implemented within this framework receive research tax credits.

3.1.2. COMMUNICATION AND ADVERTISING

2021 REVENUES	2021 EBITA	HEADCOUNT
€2,341m	€239m	19,942

MARKET TRENDS (1)

After a sluggish year in 2020 (characterized by a global economic recession resulting largely from the pandemic), the global advertising market experienced spectacular recovery in 2021, with growth of 22% to a new all-time high of $710 billion. The market at year-end 2021 increased 19% above its prepandemic level and is expected to grow by a further 12% in 2022.

While digital advertising revenues continued to climb, with an additional $105 billion raising their total by 31% to $442 billion, or 62% of total advertising revenues, 2021 also saw a resurgence of traditional advertising formats (TV, radio, OOH, print, film), with growth of 9% to $268 billion after a decline of 17% in 2020.

These strong performances came in the wake of a substantial recovery in global economic activity in 2021 (growth of 5.9% across all sectors). Coupled with increases in household and individual consumption, figures clearly confirmed the digital economy's resurgence over the year (particularly in e-commerce), well beyond a simple post-Covid-19 rebound.

Regionally, performances beat estimates in many key markets. For instance, the United States (+25%), the United Kingdom (+34%), Brazil (+30%), Canada (+27%) and Australia (+23%) all performed more strongly in 2021 than either China (+17%) or India (+14%), both of which fell below forecasts at year-end.

2022 is expected to see a continuation of the same trend, with steadily increasing vaccination rates potentially helping revive sectors including tourism and entertainment (including movies and mainstream entertainment) and three major events, namely the Winter Olympics, the US midterm elections and the FIFA World Cup, all on the schedule.

ACTIVITY

Havas Group is one of the world's largest communications groups. Founded by Charles-Louis Havas in Paris in 1835, the group today employs 20,000 people in over 100 countries and has three business units covering all communications businesses. Making a meaningful difference to brands, businesses and people is its *raison d'être*. To better anticipate and meet customer needs, Havas Group has opted for a fully integrated model embodied by more than 60 Havas Villages across the world. They are home to creative, media, and health and wellbeing communication teams working in perfect synergy and with great agility. The group works tirelessly to nurture its diversity so that everyone can feel part of a community – while also being themselves – and can grow both professionally and personally.

Havas Group is pursuing its goal of "Making a meaningful difference to brands, businesses and people" **(2)** by leveraging its exclusive Meaningful Brands survey, which analyzes changing consumer expectations around the world to help brands meet growing demand for meaningful content.

■ 3.1.2.1. Business Units

Havas Group has three main business units covering all communication disciplines:

- Havas Creative is dedicated to creation, a cornerstone of the group's activity. It brings together all the communication expertise needed to deliver tailor-made solutions to brands. It is made up of the Havas Creative global network, Havas Edge, BETC Group, AMO, Arnold, and many of the sector's other leading and innovative agencies, including Buzzman, Boondoggle, Camp + King, Conran Design Group, Host Havas, Havas Riverorchid, One Green Bean, Rosa Paris and W&Cie.
- Havas Media is the unit dedicated to media buying and planning. It consists of two iconic media brands: Havas Media and Arena Media. Operating in over 144 countries, Havas Media offers the best services in each of the areas in which it works, including programmatic purchasing, mobile devices, data, advertising and social media.
- Havas Health & You brings together a network of leading brands in health and wellness communication focused on "human" as its purpose. Its mission is to create, innovate and respond to the needs of its partners and clients positively impacting people's lives. Its main entities are Havas Life, Health4Brands (H4B), Havas Lynx, HVH and Havas PR, plus dozens of other specialized agencies. Havas Health & You is the world's largest health communication network.

■ 3.1.2.2. New Developments

In 2021, Havas Group continued to expand worldwide, attracting many new clients and working with prestigious brands in all areas of creation, media expertise and health communication, both on a local and global level.

The group launched several new offers during the year:

- Havas Media Group launched Meaningful Marketplaces to give more space to reliable and fair sources of information by prioritizing access to media run by humans rather than machines. This follows the group's membership of the Conscious Advertising Network (CAN) in the United States, the United Kingdom, Germany and France.

(1) Source: all data are from the December 2021 Magna Advertising Forecasts.
(2) Create meaningful content for brands, markets and society.

- Havas Sports & Entertainment, Havas Paris Social and Socialyse Paris have merged their expertise in a new solution known as Metaverse by Havas. It combines consulting, creation, media and commercial offers for brands that see metaverses as new spaces for addressing their branding, storytelling, experience, targeting and revenue generation challenges.
- Havas Group has launched Havas Sovereign Technologies, a comprehensive offer combining cryptocurrencies, NFTs, artificial intelligence and, more broadly, emerging strategic technological innovations.
- Havas Group also inaugurated a new entity, The Salmon Consulting, a strategy and innovation consulting firm. It has roughly 15 employees and has already won over a number of companies looking for a contrarian consulting model.
- Lastly, the group continued to analyze market and consumer behavior so as to better anticipate trends.

It unveiled its Meaningful Brands survey conducted among 395,000 people worldwide. The survey's most noteworthy findings include growing cynicism among consumers regarding brand survival (73%), an aspiration for greater transparency in respect of brand commitments (34%), a tendency to reserve their purchases for companies displaying strong values and pressing demand for brands to act for the good of society and the planet (75%).

In 2021, Havas Group published six Prosumer Reports:

- *Beyond Covid* aims to further understand the impact of the pandemic on consumer habits and pivotal moments observed in a large number of countries;
- *Future of Aging* analyzes this critical time as baby-boomers begin the struggle to stay "forever young" and millennials start aspiring to power;
- *Health and Hygiene* in the Post-Covid-19 Era addresses the impact of today's health environment on health and hygiene issues;
- *Tech Forward* explores behavioral changes in technology use in an era when most of the world's population is working, learning and shopping from home;
- *The Future of E-commerce* examines shifts in consumption patterns and the massive and rapid transformation of consumer habits and the e-commerce industry; and
- *Generation Covid* looks at how the global pandemic has robbed young people of the essentials for entering adulthood.

In 2021, Havas Group also continued its policy of targeted acquisitions in various countries around the world, with the aim of strengthening its position in strategic geographies and/or specific businesses:

- Nohup, an Italian agency specializing in cloud services, digital transformation and systems integration. It has joined Havas CX Italy, the entity belonging to the group's global customer experience network;
- Agence Verte, an agency founded in 1992 and a pioneer in responsible communication. It supports private and public companies, groups, NGOs, foundations and communities involved in transition, whether environmental, societal, digital, economic or territorial;
- BLKJ, a Singaporean creative agency founded in 2016, voted Creative Agency of the Year and Independent Agency of the Year at the 2018 Creative Circle Awards. It has been renamed BLKJ Havas and made part of the Havas Creative network to extend the group's footprint in Southeast Asia; and

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1. Campaign *Just a Wall* / Rosapark Paris

2. Campaign KFC et FFF / Havas Paris

- Inbar Merhav G, an independent Tel Aviv-based advertising agency founded in 1999 and specialized in marketing strategy, consulting and creation (offline and digital), as well as all media services. It is now known as Havas Inbar Merhav G Ltd.

In terms of CSR, Havas Group released its 2020 CSR report in June 2021. It sets out the progress and outcomes of its Havas Impact+ program, which was launched in 2020 and is built on three pillars, namely environment, talent and responsible communication. The group confirms its goal of becoming Net Zero by 2025, in line with the objectives set by the global Science-Based Targets initiative, to which Vivendi adheres. Lastly, all Havas UK and Havas New York agencies have been awarded the prestigious B Corp label.

3.1.2.3. Awards and Honors

2021 was a record year, with the group as a whole receiving over 1,300 awards and honors worldwide.

First, Havas Group is proud to note the excellent performance of certain local or international agencies and networks, such as Californian agency Camp + King, which topped the Ad Age Agency A-List and Creativity Awards, and Havas New York, which was voted Network Agency of the Year in The Drum Awards for Agency Business 2021 in the "500-999 employees" category. BETC came second in the annual Best and bravest agencies on the planet ranking in the Contagious Pioneer 2020 awards. Havas China was named Agency of the Year at the 2020 Digitaling 4A Agency of the Year Awards.

The agencies' creativity earned them accolades at some of the most prestigious festivals and ceremonies. The list starts with the Cannes Lions International Advertising Festival in June 2021, which this year combined the 2020 and 2021 editions. The group's agencies won no fewer than 38 Lions (one Grand Prix, five Gold, nine Silver and twenty-three Bronze), led by the BETC Paris *Crocodile Inside* campaign for Lacoste, which was awarded the coveted Grand Prix in the Film category as well as one Gold, two Silver and one Bronze prizes. Arnold Boston's campaign for the Red Cross took two Golds, a Silver and a Bronze, while the Havas Sports & Entertainment Paris *Undercover Avatar* campaign for L'Enfant Bleu won a Gold and a Bronze prize.

At the One Show, another major ceremony, the group's agencies took 20 awards, including four Gold, five Silver and ten Bronze, as well as the prestigious Green Pencil, the top prize in the Sustainable category, awarded to the Havas Turkey *Water Index* campaign for Reckitt's Finish brand. The campaigns that won the most prizes were *Undercover Avatar* by Havas Sports & Entertainment Paris for L'Enfant Bleu, with a Gold and a Silver, *Black Plaque Project* by Havas London for Nubian Jack Community Trust, with a Gold and a Bronze, and *Migrants on Amazon* by BETC Paris for L'Auberge des Migrants, with three Silver and a Bronze.

At the prestigious D&AD 21 ceremony, the group's agencies received 16 awards, including a Gold for the Rosapark *Just a wall* campaign for Innocence in Danger, and five Silvers, including two for *HerShe* by BETC/Havas Sao Paulo for Hershey's. The Havas London *Black Plaque Project* campaign for Nubian Jak Community Trust won one Silver and two Bronze.

In France, the group's agencies won no fewer than 75 awards at the Grand Prix Stratégies, which award the various advertising and communication businesses, including five Grand Prix: the Grand Prix Stratégies for Corporate and Local Authority Communication, the Grand Prix Stratégies for Craft & Production for the Havas Sports & Entertainment *Undercover Avatar* campaign for L'Enfant Bleu, the Grand Prix Stratégies for Digital for *Les Burgers de la quarantaine*, the Grand Prix Stratégies for Media Strategies for *Burger King & Friends* and the Grand Prix Stratégies for Advertising for the Buzzman *Commandez Chez MacDo* campaign for Burger King France.

At the LIA Awards, the group's agencies won 53 awards, including the Grand Prix in the Film category, two Gold and three Silver prizes for the BETC *Crocodile Inside* campaign for Lacoste, and three Gold and five Bronze distinctions for the Havas London *Black Plaque Project* campaign for Nubian Jak Community Trust. Other campaigns took a combined total of four Gold, 15 Silver and 19 Bronze awards. Lastly, British agency, Havas Lynx, was named Pharma Agency of the Year Europe.

At the Effie Europe Awards, Havas Group was named European Agency of the Year, while Havas Sports & Entertainment won a Gold and a Silver for its *Undercover Avatar* campaign for L'Enfant Bleu, and Havas Turkey won a Gold for its *Tomorrow's Water* campaign for Reckitt's Finish.

At the Epica Awards, they took 18 awards, including four Gold, five Silver and nine Bronze, led by the Havas Dubai *Liquid Billboard* campaign for Adidas (two Gold, one Silver and one Bronze).

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1. Campaign *Undercover Avatar* / Havas Sports & Entertainement

2. Campaign *C'est quoi les codes?* / BETC

The work of the group's teams and talents also earned a great deal of praise. At the Campaign US Agency of the Year Awards, Vallerie Bettini, Chief Client Officer of Arnold Boston, was named Account Person of the Year. Jason Pope of Havas Media US was named Media Planner of the Year. Xavier Rees, CEO of Havas London, and Vicki Maguire, Chief Creative Officer of Havas London, were named Advertising Agency Head of the Year and Creative Person of the Year respectively by the prestigious Campaign magazine at the Campaign UK Agency of the Year event.

Lastly, Havas Creative and Havas Media were ranked first in their category in R3's Europe rankings, which distinguish industry players for their new business performance.

■ 3.1.2.4. Regulatory Environment

Havas Group operates in countries that have different regulations applying to the advertising, communications, advertising space sales and media consulting service industries.

The services that Havas Group entities provide to their clients must meet the local and/or sector regulations that govern the advertising and communications industry. New regulations and self-regulation rules are regularly introduced to ban or restrict advertising on certain products or services, or limit the type, content or form of media used. For example, advertising for alcohol, cigarettes and healthcare products and advertising using sustainability claims are subject to specific regulations in different countries. In some markets where Havas Group is active, especially the United States and the European Union, Havas Group clients and businesses run significant professional liability risks. They may be sued by consumers or consumer organizations, government or regulatory authorities, or by competitors for engaging in misleading business practices or unfair competition, for violating rules that restrict access to advertising in some sectors, rules relating to the processing of personal data, rules of professional ethics or breaching intangible rights (e.g., intellectual property rights or personality rights), or for infringing on the freedom of the press. Havas Group businesses are generally responsible with respect to their clients for complying with these regulations. To limit these risks, the group has introduced verification procedures on its main markets to ensure that its entities' creative works meet applicable regulations before being released. For instance, legal departments in France, whether internal or centralized, guide teams throughout the creative process. Training programs may also be implemented locally.

The services that Havas Group entities provide to their clients must meet the local and/or sector regulations governing the media consulting sector, the advertising space sales industry and lobbying.

To limit these risks, Havas Group has introduced procedures to ensure that the media consulting services and advertising space sales activities carried out by Havas Group entities comply with the regulations applicable to those activities and above all, for the French market, French Law No. 93-122 of January 29, 1993 (which provides for criminal sanctions). The procedures take the form of verification by the legal departments of compliance with this regulation by Havas Group entities.

For its lobbying activities with public officials, the group ensures compliance with the obligations governing the activity of interest representatives set out in French Law No. 2016-1691 of December 9, 2016, relating to transparency, the fight against corruption and the modernization of economic life.

In the course of their business activities, Havas Group entities may also deliver creative products involving works by third parties (e.g., illustrators, graphic designers, photographers, directors, models, artists and composers) to their clients. Their contribution to the end creation may give rise to intellectual property rights (e.g., copyrights, royalties and trademarks) and/or personality rights attributable to them.

Havas Group entities are responsible for ensuring that their creative works do not infringe on these third-party rights and that they have the required transfers of rights and/or authorizations for the planned use of these works by their clients. Agreements signed with clients generally guarantee that no legal action can be taken against them relating to these matters. Most group businesses that deal with this risk have teams specializing in managing, acquiring and checking these rights. These teams work with the group's legal departments or external consulting firms. Training programs may also be implemented locally.

Havas Group is a strong advocate of personal data protection, whether it involves the group's own data or the data managed on behalf of its clients. It has rolled out a compliance program serving as a comprehensive framework for all of its entities to help them comply with personal data protection laws, especially Regulation EU No. 2016/679 of April 27, 2016, known as the General Data Protection Regulation (GDPR).

This program, which includes policies, directives, procedures and practical guides, is led by the Group Data Protection Officer (DPO) in coordination with all the country officers, whose task is to assist the entities on a daily basis in implementing compliance actions and monitoring effectiveness.

■ 3.1.2.5. Piracy

Havas Group firmly believes in protecting its clients' data. Communication strategies, content and advertising campaign metrics may be subject to piracy attacks and theft. Havas Group has implemented systems to prevent data leaks and targeted attacks.

■ 3.1.2.6. Competition

The advertising and communication services industry is highly competitive. The group's main competitors range from major international firms to smaller agencies that only operate in a limited number of local markets, regions or countries.

Competition is also emerging from operators such as global tech giants with dominant positions and large consulting groups that are developing competing activities (e.g., marketing, media and data) and offering technological responses to the marketing and communication needs expressed by clients.

As it takes shape, the new competitive environment may result in the loss of current or future clients to competitors, with a potentially negative impact on the group's growth and business.

■ 3.1.2.7. Research and Development

Havas Group is not dependent on any particular patents or licenses to carry out its business activities.

3.1.3. PUBLISHING

2021 REVENUES	2021 EBITA	HEADCOUNT
€856m	€51m	2,455

MARKET TRENDS

The French publishing market showed great resilience in 2021 in spite of the pandemic, with readership numbers up. Books have enduringly cemented their status as an essential cultural asset and a safe haven, with sales enjoying record growth of 19% compared with 2019. However, the market's overall increase masks disparities: growth was confined mainly to mangas and comics, due to the Pass Culture scheme available to young people in France. Bookstores and e-commerce confirmed their strength, as did new commercial uses and practices, including click-and-collect systems in bookstores. A change in distribution circuits was also noted, despite the unusual backdrop of 2021, with growth in e-commerce for all sector players (e-commerce sites of retailers, bookshops and large cultural retailers), as well as a premium for convenience and small points of sale.

ACTIVITY

Editis is a leader in the French publishing market, serving its publishers, authors and partners, including bookstores. Uniting long-established publishing houses – some of them centuries old – and internationally renowned authors, the group's 50 houses publish nearly 5,000 new books each year and have a combined catalog of nearly 37,000 titles. Editis has a highly diversified portfolio (e.g., general-interest literature, children's books, non-fiction, illustrated books, mangas and paperbacks) and boasts considerable editorial variety in terms of genre, positioning and engagement.

Editis operates along the entire publishing value chain. Each individual publisher maintains fruitful and high-quality partnerships with its authors, thereby ensuring the optimal management of paperback, illustrated, audio, audiovisual and international rights. In marketing and distribution, the combination of logistics expertise and an experienced and committed sales force ensures that the publishers provide an efficient service across all distribution channels. Interforum, Editis's marketing and distribution system, aims to devote the same attention to each point of sale, from bookstores to large cultural retailers, as well as small newsagents and supermarkets.

Editis's aim is to discover and support authors, whether emerging or established, offering readers the very best and helping them find books that resonate with their lives. The group innovates by offering authors the opportunity to get involved in bringing their works to readers, via a comprehensive approach that is made possible by its affiliation to Vivendi. It delivers innovative services and events such as *Bureau des Auteurs*, *Studio des Auteurs* and From the Book to the Screen. Fruitful partnerships have been forged with other entities, such as the one between Canal+ Afrique and the Editis Education division for the launch of Nathan TV. Through this integrated approach, Editis seeks to give authors and its in-house and partner publishers access to the full range of Vivendi's expertise in terms of audiovisual production, digital marketing, events organization and communication, both in France and internationally.

■ 3.1.3.1. A Diverse Catalog

Editis covers all segments of the publishing market:

- large-format and paperback general-interest literature, with l'Archipel, Belfond, Bouquins, Le Bruit du Monde, Le cherche midi, Clique édition, La Découverte, Les Escales, Héloïse d'Ormesson, Fleuve Éditions, Julliard, NiL Éditions, Perrin, Plon, Pocket, Presses de la Cité, Robert Laffont, Seghers, Séguier, Sonatine, Télémaque, XO, 10/18 and 12/21;
- children's books, with 404 Éditions, Gründ, Hemma, l'Agrume, Langue au Chat, Les Livres du Dragon d'Or, Nathan, Nimba, PKJ, Poulpe Fictions, Slalom and Syros;
- non-fiction and illustrated books, with First (including the For Dummies collection), Hors Collection, Lonely Planet, Solar and Tana;
- mangas, with Kurokawa, and a foray into the comics market with Philéas;
- audiobooks, with Lizzie; and
- education, with Bordas, CLE International, Le Robert, Editions MDI, Nathan and Retz. This division is active in the field of textbooks, extracurricular works, children's literature, games and educational material, including material for teachers and training for adults.

The Editis catalog is rounded out by the extensive catalog of partner publishers marketed and distributed by Interforum.

■ 3.1.3.2. Diffusion and Distribution

Interforum Editis has been a key link in the publishing chain for more than 40 years, connecting publishers to sales outlets. Its teams market and distribute the catalogs of more than 220 French-language publishers, of the group or independent publishers. Operating in France, Belgium, Switzerland, Canada and nearly 90 other countries worldwide, Interforum Editis has more than 1,000 employees.

Diffusion

Broad and qualitative circulation is a means for Interforum Editis to offer its partner publishers access to all sales outlets, from bookstores to large cultural retailers, hypermarkets, supermarkets, online sales, specialized bookstores and export companies. Interforum Editis has a total of over 12,000 customers.

Distribution

Nearly 135 million books from 220 publishing houses are distributed each year. Automated storage, order preparation and shipping processes make Interforum Editis a leader in distribution in France.

■ 3.1.3.3. New Opportunities

In 2021, Editis continued its development and entered into major partnerships. The group has also established itself as an incubator for projects in the book industry, bringing together those giving free rein to creativity and disruptive approaches. It has accordingly reaffirmed its goal of giving new voices a platform, bringing in new audiences and offering new worlds.

- A genuine talent incubator, the group has continued to create new houses with unique editorial lines. This year saw the creation of two new houses: Le Bruit du Monde, based in Marseille and managed by two renowned figures in literary publishing (Marie-Pierre Gracedieu and Adrien Servières), and Clique édition, headed by Mouloud Achour and backed by Laurent Beccaria.
- The Audio division, comprising audiobook house Lizzie, was expanded with a native audio content production studio, *Empreinte Magnétique*.
- The group has formed partnerships with new independent houses headed by acclaimed authors, namely Rosie & Wolfe led by Joël Dicker, and Riad Sattouf's *Les Livres du Futur*.
- Editis has continued to create innovative formats for authors similar to Behind the Screen, From the Book to the Screen, the audiovisual rights site (which promotes the transfer of audiovisual rights) and *Bureau des Auteurs*, which gave nearly 200 group authors the opportunity to take part in conferences and share their expertise. The group launched two new formats in 2021. *Studio des Auteurs* helps authors bring their audiovisual projects to life by co-financing the development of selected projects with producers. *Portail Auteurs* provides French authors of new releases from the Literature Division with essential documents and information online.
- Editis has acquired a stake in Meet in Class to boost its development. Meet in Class is a specialist in home-tutoring for students aged 6 to 18, which has built its reputation on its model of classes split into mini-groups. The socially conscious startup's focus on meeting the expectations of families from all backgrounds has seen it progress in leaps and bounds since its creation in 2017.
- The group aims to be a pioneer in marketing (distribution-diffusion) at the cutting edge of the customer experience: the distribution system will soon be based on trailblazing and highly agile industrial technologies reflecting the challenges facing the sector in today's world. E-commerce players have revolutionized customer experience market standards. Consumers now invariably want immediate deliveries that can be easily traced in real time and in complete transparency.

Having a shareholder like Vivendi investing in the future will – following a modernization plan amounting to tens of millions of euros – provide access to the profession's leading logistics platform, ensuring that booksellers and supermarkets alike enjoy a service that allows them to compete with e-commerce players.

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1. Book covers, Editis
2. Logo Lisez engagé!

#lisez! engagé
www.lisez.com

2.

■ 3.1.3.4. Awards and Honors

Editis received two awards at the Grand Prix des Lectrices de Elle in the first half of 2021. *Apeirogon,* by Colum McCann (Belfond) received an award in the fiction category; *The Hunting Accident,* by David L. Carlson and Landis Blair (Sonatine), which also received the Fauve d'Or prize for the best album at the Angoulême International Comics Festival, won in the Non-Fiction category.

In the new literary season, *Mobylette,* by Frédéric Ploussard (Héloise d'Ormesson) won the Stanislas and *Angoulême se livre* awards for best debut novel. *Dans ma rue y avait trois boutiques,* by Anthony Palou (Presses de la Cité) received the Renaudot prize in the essay category. *Murnau des ténèbres,* by Nicolas Chemla (Le cherche midi) was a finalist for the Renaudot prize in the novel category. Three works featured in the long list for the Deux Magots prize: *Mourir au monde,* by Claire Conruyt (Plon), *Châteaux de sable,* by Louis Henri de La Rochefoucauld (Robert Laffont) and *Ne t'arrête pas de courir,* by Mathieu Palain (L'Iconoclaste).

Two of the group's works won the Prix Unicef de littérature jeunesse organized by Unicef France: *La maîtresse me stresse, et alors on fait quoi ?*, by Elisabeth Brami and Christophe Besse, published by Pocket Jeunesse, in the 6-8 years category, and *Je suis Camille,* by Jean-Loup Felicioli, published by Syros, in the 9-12 years category.

1. Book covers, Editis
2. *Le Petit Robert 2022*

Two works from our partner publisher Philippe Rey were also recognized: the Goncourt prize was awarded to *La Plus Secrète Mémoire des hommes,* by Mohamed Mbougar Sarr, and the Grand Prix de Littérature Américaine went to *Count the Ways,* by Joyce Maynard. Similarly, two works from our partner publisher L'Iconoclaste received prizes: *Mon mari,* by Maud Ventura won the Debut Novel Prize in French Literature and *Ne t'arrête pas de courir,* by Mathieu Palain won the France Culture-Télérama Student Prize.

■ 3.1.3.5. Regulatory Environment

Editis's activity is framed by two laws on book pricing: the Law of August 10, 1981 on the price of printed books and the Law of May 26, 2011 on the price of digital books. The publishing group is required to set a single price for the books it markets in France.

In addition, a floor price for book shipping costs was introduced by the Law of December 30, 2021 to level out the playing field with e-commerce websites, which were previously charging just one cent for shipping.

Editis entities also manage the intellectual property rights of third parties, authors and various contributors. They use standard contracts making them the assignees of the necessary publishing rights. Publishing contracts were the subject of major legislative reform in 2014, which caused significant modifications to the French Intellectual Property Code.

Intellectual property rights management specialists are available at all times to assist the teams.

Lastly, Editis takes personal data protection extremely seriously and has implemented the appropriate technical and organizational measures in accordance with the requirements of the EU's General Data Protection Regulation.

■ 3.1.3.6. Piracy

Editis works to combat the piracy of literary works whose rights it has been assigned. It uses the LeakID DMCA takedown solution and conducts targeted legal action in the event of major piracy.

■ 3.1.3.7. Competition

With five players accounting for nearly 70% of market revenues, the overall shape of the publishing sector in France was stable over the year. Printed books were able to hold on to their positions and demonstrate their resilience.

■ 3.1.3.8. Research and Development

Nathan has supported LaPsyDÉ, Sorbonne University's cognitive science laboratory, for the past four years, partnering with it to embark on ground-breaking collaborative research in educational neuroscience through the Lea.fr network, which brings together more than 155,000 teachers. Initial work aimed at strengthening inhibitory control in elementary school students resulted in the development of a new line of innovative products starting in 2020. Work on inhibitory control is continuing. Nathan and LaPsyDÉ have also jointly won a call for projects on fake news, which will lead to further collaborative research in 2022.

In 2021, the Lea.fr network created Lab' Lea to extend the reach of research work, strengthen the bond between researchers and teachers, and broaden the range of innovative resources published. Two new collaborations have been launched: one on coeducation with Pierre Périer, a sociologist and researcher at CREAD, University of Rennes-2, and the other on the development of counting skills through finger counting with Catherine Thévenot of LABCD (Lausanne Laboratory of Brain and Cognitive Development).

Lastly, alongside cognitive science (CNRS Paris-Descartes and University of Geneva) and artificial intelligence (LIP6 and Inria) research laboratories, and in partnership with Evidence B, Nathan, Daesign and Lea.fr have continued to develop Adaptiv'Math, an innovative elementary school math learning system as part of the Education component of the Investments for the Future program overseen by the French Ministry for the Economy and Finance. 2021 saw the extension of test systems into classrooms. The very positive feedback bodes well for the project's completion.

3.1.4. PRESS

2021 REVENUES*	2021 EBITA*	HEADCOUNT
€309m	€30m	1,236

MARKET TRENDS

2021 ended on a positive note for print and digital advertising, confirming the strong upturn in the advertising market in France. From January to September 2021, net advertising revenues across all media amounted to €10.285 billion, a considerable increase of 17.6% compared with the first three quarters of 2020 (up 5.1% compared to the first three quarters of 2019). The press as a whole delivered a robust 15.1% increase compared to the first three quarters of 2020 but was still down 11.6% on the first three quarters of 2019.

In 2022, Prisma Media could be marginally impacted by the commodities crisis, which has spread to the paper industry, applying pressure on supply costs.

ACTIVITY

Founded originally as Prisma Presse by Axel Ganz in 1978, the company was renamed Prisma Media in 2012. Today, Prisma Media is the leader in magazine publishing and online videos with an unmatched daily digital audience **(1)**. This leadership position ensures a potential monthly audience of more than 40 million people **(2)** across its various media each month (i.e., 80% of the French population). With a portfolio of leading brands, the group operates in each of the main general public segments. Driven by its goal of bringing joy to the lives of French people, Prisma Media is adopting an aggressive strategy of developing its brands, resources and new businesses in high-growth segments with the aim of always remaining one media platform ahead.

The essence of Prisma Media is in creating concepts and editorial content that reflect its history and expertise. Prisma Media’s success is built on the skills and professionalism of its teams and on four key values: Creation, Teamwork, Job Satisfaction and Performance. In 2021, Prisma Media sold over 123 million copies of its various titles.

With 500 million video views and 30 million video users each month, Prisma Media is also France’s preeminent online video media group. With eight integrated studios (500 m^2 of video production space) and more than 80 professionals (design, production, streaming and media coverage), Prisma Media produces over 5,000 videos each month.

After its successes in video, Prisma Media has moved into the world of podcasting with the aim of transforming its brands into discussion forums. In keeping with its innovation and business diversification strategy, Prisma Media has created Prisma Audio, the group’s digital audio business. Prisma Audio produces dozens of podcasts on a range of themes, from general interest and entertainment to the economy, history and celebrities.

(*) Based on twelve-month 2021 data. Subsequent to its consolidation within Vivendi on June 1, 2021, Prisma’s revenues were €194 million and its EBITA was €20 million.

(1) Source: Médiamétrie, July 2021.

(2) Source: One Next Global 2021 V3.

3.1.4.1. A Diverse Catalog

Its portfolio of leading brands makes Prisma Media a force in the main general public segments and the leader of cross-media groups (periodicals with print and electronic versions) in France.

Timeline of print launches:

- 1979: *GEO*
- 1981: *Ça m’intéresse*
- 1982: *Prima*
- 1984: *Femme Actuelle*
- 1986: *Télé-Loisirs*
- 1987: *Voici*
- 1989: *Cuisine actuelle* (acquisition)
- 1991: *Capital*
- 1993: *Gala*
- 1995: *Management*
- 1999: *National Geographic*
- 2003: *Télé 2 semaines*
- 2004: *TV Grandes Chaînes*
- 2012: *NEON* (last print version in December 2021)
- 2014: *Harvard Business Review France*
- 2015: *Serengo* renamed *Femme Actuelle Senior*, *Flow*
- 2021: *Bienvenue chez vous by Stéphane Plaza* and acquisition of *TéléZ*

Numerous offshoots, such as *Femme Actuelle Jeux*, *Femme Actuelle Escapades* and *GEO Histoire*, are published each year, along with an assortment of special issues. There is a digital version of all Prisma Media brands.

The group also owns pure players such as *Business Insider France* (licensed until December 2021 to terminate on December 31, 2021), *Gentside* and *Oh! My Mag* (acquired from Cerise in 2016), as well as *Simone,* a social media platform launched in 2018.

Prisma Media also releases more than 1,000 publications (books, collections, calendars, etc.) through its integrated publishing house, generating sales of over one million copies each year.

3.1.4.2. Diffusion and Distribution

With over 72 million copies sold in the newsagent network in 2021, Prisma Media is the French leader in magazine sales, with a market share of 33.3% in single-issue sales. Messageries Lyonnaises de Presse (MLP) distributes more than 800 publications to a network of over 21,000 press merchants including newsagents, Relay outlets, tobacconists, supermarkets and multimedia stores.

Diffusion

The 100 or so new book and magazine/mook titles published by Prisma Editions each year are distributed by MLP for the press network; Interforum Editis is responsible for the majority of distribution in the bookstore network. Some unsold items from the press network are also provided by La Sofédis for sale in bookstores.

Distribution

Distribution for Editions Prisma in the bookstore network is handled mainly by Interforum Editis. Sodis and MLP provide the remainder of distribution services for specific publications.

■ 3.1.4.3. New Opportunities

In 2021, Prisma Media continued its brand and audience development strategy:

- to expand its brand territories and explore new topics mirroring the concerns of French people, the group launched several magazines in the Women's *(Femme Actuelle Escapades, Femme Actuelle Cocoon)* and Premium *(Bienvenue chez vous, Ça m'intéresse Kids)* sections. It also launched *Vivantes* and *Jouir*, new online spaces on Femmeactuelle.fr centered on women's health and sexuality, reinforcing *Femme Actuelle*'s positioning in the health and sexuality verticals. Editions Prisma continued to develop its diversification activity based on content incorporation, editorial creation and collaboration with authors, and enjoyed a number of successes in multi-distribution (press, bookstores, e-commerce and subscription), such as the mooks *Tintin* and *Grand bien vous fasse* and the *Le Musée idéal* collection;
- to consolidate its position in the TV market, Prisma Media acquired EPM 2000, owner of weekly magazine *TéléZ*. France's second-biggest selling TV guide (788,000 copies – paid distribution in France in 2020), *TéléZ* is also the country's third-biggest TV magazine in terms of print audience, with 2.9 million readers. The acquisition provides an excellent opportunity for complementarity and increasing robustness in the weekly TV segment, creating a distinct offer in terms of both price point and the target age group;
- to step up the pace of its digital growth, the group drew up a digital and video acceleration plan in 2021. The new organization has significantly increased the production of videos and articles, as well as boosting traffic on the *Télé Loisirs, Voici, Gala* and *Femme Actuelle* websites, and allows the brands to adapt to Internet users' consumption habits (24/7 consumption, snack-sized mobile content and appetite for fresh content).

  Faced with evolving GDPR constraints, Prisma Media has introduced a cookie wall in compliance with France's data protection authority (Cnil) recommendations (acceptance of consent to the use of personal data or subscription to a paid service), with a consent rate close to 100%. Lastly, the group is preparing for the cookie phase-out in 2023 with the acceleration of Prisma Media Connect. This unique log-in system rolled out on its websites helps identify users directly – in compliance with Cnil regulations – increase return frequency and time spent on platforms, and improve user knowledge via more precise and more readily monetizable data. Prisma Media aims to offer its users personalized paid content and services via their Prisma Media Connect account; and

Prisma Media
Magazine covers

- to strengthen its leadership position, the group formed strategic partnerships with other publishers. The Video Impact initiative is a recent example of an alliance between magazine (Prisma Media Solutions), regional (366) and national (Media.Figaro) advertising networks to reach a critical mass of online video audience. Other alliances such as Food Brand Trust and Care Brand Trust bring together magazine groups Prisma Media, Reworld and CMI to leverage their differentiating strengths, namely their capacity to create trust and generate sales effectiveness through their campaigns in the food and beauty sectors.

In 2021, Prisma Media also embarked on an innovation strategy in paid content, with the launch of two paid newsletters (cryptocurrency investment advice in *21 Millions*, and stock-market investment advice in *Momentum*) and the digitalization of Club HBR, in e-commerce and paid services.

■ 3.1.4.4. Awards and Honors

Prisma Media and its brands received numerous awards and prizes in 2021. *Télé-Loisirs* received three ACPM *Étoiles* for the highest audience numbers in the Magazine Press category, for consistent success in the Consumer and Professional Sites, excluding news/info category, and for the biggest increase in the number of visitors to its website in absolute terms in the Consumer and Professional Sites, excluding news/info category.

The SEPM Relay Grands Prix awarded *GEO* with the "Editorial Prize for the Environment" for its report *Le cartel des succulentes*. *Jouir,* a digital space where women can speak freely about sexual pleasure, created by *Femme Actuelle*, also won the Digital Format Award. *Les Savoirs inutiles* by *NEON* received a distinction at the Grand Prix des Médias-CB NEWS in the Best Media Brand Offshoot 2021 category. Prisma Media and its brands won numerous awards at Le Grand Prix de la Vidéo Numérique.

They included Editorial Strategy Prizes awarded to *NEON* for *Les Savoirs inutiles*, to Simone for its societal commitment and to *Femme Actuelle* for *Jouir*. The Live Video Award went to *Gala* for its live strategy on TikTok. Lastly, the Social Media Video Campaign Award went to *Ganz x Amorelie*. Prisma Media also took the Grand Prix de l'Art, while Les Trophées Marketing 2021 recognized several of the group's brands, namely *Simone* in the "Great causes" category, Grand Prix *Cuisine actuelle* in the "Non-media" category and *Gala* in the "Social media" category.

3.1.4.5. Regulatory Environment

As a press company, Prisma Media is subject to the Law of July 29, 1881 on the freedom of the press and Law No. 86-897 of August 1, 1986 on publishers of press titles. To benefit from special economic conditions for publishers of press titles and online press services, press companies must meet the eligibility criteria laid down in Articles 72 of Appendix III of the French General Tax Code and D.18 of the French Postal and Electronic Communications Code. Compliance with these requirements is assessed by the *Commission Paritaire des Publications et Agences de Presse* (CPPAP – Joint Commission for Publications and Press Agencies).

The distribution of press titles is highly regulated in France through Law No. 47-585 of April 2, 1947 as amended (the last major amendment of which dates from 2019), which requires press publishers (i) to form a cooperative if they amalgamate their distribution and (ii) to go through accredited press distribution companies (SADP). Arcep has become the regulatory authority for press distribution.

The production of journalistic content involves the day-to-day management of journalists' copyrights. Pursuant to the provisions of the French Intellectual Property Code, Prisma Media has signed a collective agreement defining the conditions for the transfer of copyright on journalists' works to the publisher and third parties.

Prisma Media has expanded its media brands onto the Internet and publishes websites and online apps with large audiences. As such, it is subject to Law No. 2004-575 of June 21, 2004 for confidence in the digital economy.

As the business models of its sites and apps are based predominantly on advertising, its digital activity entails the collection and processing of large quantities of personal data. Prisma Media accordingly attaches particular importance to the protection of personal data and has established an internal organization to ensure compliance with the regulations in force, in particular Law No. 78-17 known as the "Data Protection Act" of January 6, 1978, as amended, and Regulation No. 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, known as the "General Data Protection Regulation" (GDPR).

3.1.4.6. Piracy

Prisma Media ensures enforcement of its intellectual property rights and takes any action necessary, including legal action, against any third party that it considers to be infringing its rights.

3.1.4.7. Competition

Paid Distribution in France (PDF 2020-2021)

The various eliminations made in 2020, as approved by the ACPM *(Alliance pour les Chiffres de la Presse et des Médias,* a French regulatory press association), render comparisons with 2021 figures difficult. The 2020-21 DSH (statutory declaration by publishers disclosing their circulation figures) has been compared with full-year figures for 2019.

The market saw significant declines in paid circulation in France *(Diffusion France Payée)* PDF (-9.4%), in single-issue sales (-18.8%) and subscription sales (-6.3%). Prisma Media (excluding *TéléZ)* lost 0.55 point of market share in terms of PDF but gained 0.05 point on single-issue sales. It lost 0.67 point on subscriptions. Including *TéléZ*, Prisma Media is the leading publisher in terms of PDF, single-issue sales and subscriptions.

Advertising (1)

The (cross-media) press advertising market grew by 26% in 2021 (on a favorable comparison base, which was partially eroded at year-end 2021).

Prisma Media's advertising revenues for the same period increased by 31%.

Prisma Media's market share (in its direct press ecosystem) gained 0.6 point to 16.2%.

3.1.4.8. Research and Development

At Prisma Media, innovation is seen as an integral part of the business in all areas by teams who work on a daily basis on the development of new growth drivers, brands and activities.

Launch projects and new editorial content are examined each year. In 2021, several new magazines were created: *Bienvenue chez vous by Stéphane Plaza*, *Femme Actuelle Escapades* and *Femme Actuelle Cocoon.*

In addition, Prisma Media acquired EPM 2000, owner of *TéléZ,* on September 15, 2021.

(1) Press advertising market *(SEPM-Syndicat des Editeurs de la Presse Magazine*, the French press magazine professional body).

3.1.5. VIDEO GAMES

2021 REVENUES
€265m

2021 EBITA
€8m

HEADCOUNT
2,805

MARKET TRENDS

The global mobile games market generated nearly $90 billion in revenue in 2021 (source: App Annie), driven by the success of several free-to-play titles, with strategy, simulation and role-playing games (RPGs) being the most successful genres.

ACTIVITY

Gameloft has world-renowned expertise, reflected in the 190 smartphone games developed in its 17 studios and an average 58 million monthly players in 2021. Its games are well received by the press and players, with its flagship franchise, Asphalt, having surpassed the one billion download mark. The Nintendo Switch version of the latest installment, *Asphalt 9: Legends*, ranked in the Top 20 most played games on the console in Europe in 2020. Meanwhile, *The Oregon Trail,* an Apple Arcade exclusive, was the most downloaded game on Apple's subscription service in 2021.

■ 3.1.5.1. Game Development and Production

Gameloft's performance is underpinned by the dynamic smartphone market, which is radically transforming the mobile gaming experience. Due to their touchscreens, powerful processors and motion recognition capabilities, smartphones offer a world of gaming options and substantially improve gamer immersion and gameplay.

At year-end 2021, more than 2,700 Gameloft developers were working on downloadable games. With this unique creative force in the industry, the company can develop a very broad catalog spanning all genres, from general and action games to sports, strategy, adventure games and more.

Its development business covers new game designs, regular catalog updates to extend the life cycle of games, and deployment to adapt each game to all existing platforms and smartphone models.

Game quality is of the utmost importance to Gameloft and, as such, is carefully managed throughout the creative process. The 17 internal studios based in the United States, Europe, Asia and Australia help to consolidate its leadership by localizing the games for each market, in doing so combining global vision with local delivery.

The group has a broad portfolio of proprietary brands, with franchises such as *Asphalt* (car racing), *Dungeon Hunter* (adventure), *Dragon Mania Legends* (simulation), *SongPop* (musical quiz), *Linda Brown* (interactive story), *Modern Combat*, *Gangstar* and *World at Arms* (action). These franchises cover every genre and are aimed at the widest possible audience. The acquisitions of FreshPlanet Studios in 2018 and The Other Guys in 2020 allowed it to strengthen its casual games portfolio.

At the same time, Gameloft is developing a wide variety of games through partnerships with major rights holders. It works with Disney, Hasbro®, Fox®, Universal, LEGO® and Sega, allowing it to associate some of its games with the biggest international brands, such as *Disney Magic Kingdoms, Minion Rush, Disney Getaway Blast, LEGO® Legacy: Heroes Unboxed* and *My Little Pony*. Inspired by popular culture heroes, these franchises lead to the creation of mobile games with a universe and characters that are familiar to players. *Minion Rush* has been a formidable success for Gameloft, and as at year-end 2021, had logged over one billion downloads since its release in 2013.

In 2021, 1.2 million Gameloft games were downloaded every day worldwide and Gameloft had an average monthly audience of over 58 million players.

■ 3.1.5.2. Mobile Game Marketing

The free-to-play model is the mainstay of Gameloft's business model. Games are downloadable for free, which significantly increases download volumes. They generate revenue both through the sale of in-game virtual goods that enable the player to make faster progress, and through advertising.

Gameloft has set up an internal digital advertising sales agency, Gameloft for Brands, which sells advertising space in its mobile apps, as well as in third-party partner applications, and provides brands with gamified solutions to strengthen the link with their audiences. Gameloft for Brands brought its expertise to Kinder for the development of *Applaydu*, an application that uses augmented reality to bring toys to life.

Advertising revenues generated by Gameloft for Brands accounted for 14% of the company's revenues in 2021. They supplement revenues from the sale of virtual goods in free games. The global mobile advertising spend totaled $276 billion in 2021 (source: Statista). In addition to conventional advertising (banners, interstitials and videos), Gameloft for Brands offers innovative formats such as mini-games and interactive videos that can be used to measure audience engagement. Proprietary ad servers enable the company to offer advertisers a brand-safe environment ensuring that their brand will always be displayed in the right context.

Building on Gameloft's expertise in video game design, Gameloft for Brands has also developed a gamification offer (video game mechanics and signals for non-game applications) allowing brands to communicate in a more engaging way and create a meaningful connection with their audience.

■ 3.1.5.3. Mobile Game Distribution

Gameloft has a wide range of distribution channels.

First, digital stores for smartphones and touch tablets (accessible from mobiles, tablets and PCs), represent a growing share of mobile application sales worldwide. Gameloft uses the Apple (App Store), Google (Google Play), Microsoft (Windows Store), Amazon (Amazon Appstore) and Nintendo Switch (Nintendo Switch eShop) portals, and, since 2021, the Xbox Series X|S and Xbox One (Microsoft) platforms. Since 2012, the group has also distributed its games via several Android platforms in China. All these online stores act as OTT distributors of games with the resulting revenues shared between the store and the company. In all, OTT services accounted for 74% of Gameloft's revenues in 2021.

1.

1. *Asphalt 9: Legends*

2. App Ipad Pro

2.

Second, Gameloft games are also distributed by over 300 telecom operators in nearly 150 countries through its commercial, business and development activity, Gameloft Business Solutions. This far exceeds the distribution network of any of the group's competitors. Telco customers can buy and download Gameloft games either from their phone's home screen when preloaded by the phone manufacturer (Gameloft Business Solutions works with Nokia, Samsung, LG, ZTE, Motorola, RIM and Huawei, among others) or from the telco's online store. Invoicing is generally managed by the telco, with the cost of the game charged to the customer's telephone bill or invoiced via text. In this case, the telcos act as distributors of Gameloft games and the associated revenues are shared between the telco and the company. These agreements with telecom operators and phone manufacturers accounted for 12% of Gameloft's revenues in 2021.

Gameloft is also well placed at the center of change in the video game industry, where it draws on its expertise to support the emergence of subscription-based distribution models for games. Gameloft Business Solutions is developing subscription-based game distribution applications for telcos TIM and SFR, and, in 2020, launched Blacknut by Gameloft, the first subscription-based on-demand game service leveraging Blacknut's cloud gaming technology. Gameloft has also developed five games available on the Apple Arcade subscription service – including *The Oregon Trail*, which has won several awards and was the most downloaded game on Apple Arcade in 2021 – and released its first game on the Netflix gaming platform, *Asphalt Xtreme*.

Lastly, Gameloft has adapted some of its successful mobile games to console format, with the release of *Modern Combat Blackout* for the Nintendo Switch, as well as *Asphalt 9: Legends* for the Nintendo Switch and the Xbox Series X|S and Xbox One consoles.

3.1.5.4. Regulatory Environment

Like any video game publisher, Gameloft must comply with a large number of complex and rapidly shifting national laws and regulations covering such areas as game content, consumer protection (particularly for minors), personal data processing and general business conduct. Gameloft maintains a permanent watch on regulatory developments in the various countries where it operates and takes care to comply with the prevailing rules and practices. Changes in current regulations and the emergence of new regulations are liable to have a significant impact on Gameloft, particularly with regard to game content and features, monetization, time spent playing games and related promotional operations.

To that end, Gameloft has introduced appropriate procedures to comply with applicable laws and regulations, including:

- informing consumers of the rules of use, and game content and features;
- implementing mechanisms for the protection of minors by referring to the age ratings of apps and games distributed on mobile platforms, making it possible to tell the age appropriateness of a given app (classifications may vary from one region to another); and
- sending notification, when players launch games, warning them that they may offer paid in-app purchases.

Gameloft is also a firm advocate of compliance with regulations on the collection, use, conservation and transfer of personal data, which are constantly changing. It takes care to comply with data protection laws, in particular Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data (the General Data Protection Regulation or GDPR, which came into effect on May 25, 2018).

The company also pays particular attention to the protection of minors in its privacy policies. Gameloft children's games, for example, comply with the Children's Online Privacy Protection Act (COPPA) guidelines covering the collection, use or disclosure of the personal data of children under 13 living in the United States, the principles specified by the Office of Fair Trading (OFT) in the United Kingdom and, more generally, the recommendations issued following studies conducted by the European Commission. Gameloft also integrates a Consent Management Platform (CMP) into its games for European players, allowing it to request, receive and store players' consent in relation to the processing of their personal data. The CMP also ensures that consent is provided to all partners who use the collected data and for whom the request for authorization has been submitted.

In general, Gameloft only collects the information strictly necessary for its activity and the company takes care to offer a protected environment to all players by guaranteeing responsible use of the personal data collected.

■ 3.1.5.5. Piracy

Piracy is a very harmful practice for the mobile video game industry. It can have a dramatic impact on sales, given that video games are traditionally one of the biggest revenue generators in the Apple, Google, and Microsoft app stores. The freemium business model remains the most successful defense against piracy.

Gameloft has a team of lawyers dedicated to defending and protecting its rights to combat all forms of counterfeiting and piracy as effectively as possible. To that end, Gameloft has deployed a permanent surveillance system enabling it to respond quickly as soon as illegal copies are uploaded.

■ 3.1.5.6. Competition

Competition in the mobile gaming industry has intensified in recent years, in the wake of the increase in financing rounds, IPOs and M&A activity. Hundreds of new games are submitted to Apple and uploaded to the App Store every day. Gameloft's ability to consolidate its current position as a market leader will drive the growth of its business.

Streaming, cloud gaming and subscription-based gaming services are industry trends on which Gameloft is positioning itself, and which, with the growth of new consoles, should continue to drive the video game market in the years to come.

■ 3.1.5.7. Research and Development

Gameloft allocates all of the human resources and infrastructure needed to develop its games and provides various development teams with telephony hardware to interact with the production teams in its subsidiaries more quickly.

For several years, the costs of developing mobile phone games have been expensed as incurred. Every year, the company develops and uploads to telco sites several thousand versions of its games to cover the hundreds of different mobile phone models and thousands of different smartphone models currently on the market, all in 17 languages.

This extreme fragmentation, the uncertainty of both the launch of a game – despite the completion of its development – and its future success, and the more comprehensive nature of the sales data received from distributor partners mean that Gameloft cannot accurately measure its mobile game development costs and the future economic benefits of each version, from either a technical or commercial point of view. On this basis, given that these costs do not meet all the criteria for being recognized as an intangible asset as defined in IAS 38, they are treated as an expense for the financial year in which they were incurred.

3.1.6. TICKETING, LIVE PERFORMANCE, TALENT COACHING AND OTHER ACTIVITIES

MARKET TRENDS

Vivendi is developing a set of activities linked to live performances to complement its main business lines. United under Vivendi Village, they include the production of shows and festivals, artist booking, ticketing, and the management of concert halls and movie theaters.

Vivendi Village's business enjoyed a substantial rebound in the second half of 2021 despite the prevalence of a number of health restrictions in public spaces. This positive trend reflects the strong and ever-increasing appeal of live shows among the public, from music concerts to comedy shows.

Vivendi Village's various entities continued to demonstrate great inventiveness and flexibility in adapting to the unprecedented situation resulting from the pandemic. At the same time, 2021 was used to optimize organizations and expand the range of offers. New multi-genre festival formats were devised for in-person as well as virtual events. The ticketing business expanded its scope of action by offering its services for all cultural and sporting events open to the public. Venues have expanded the variety of events they host, including private parties.

In 2021, Vivendi Village continued with and stepped up its policy of cooperation between its various components and with the group's other businesses. One of the many examples is the *Les Seigneurs du Château* comedy festival, which was funded by a combination of the proceeds from public ticket sales over the two evenings and the production of a prime-time show aired on Canal+.

ACTIVITY

■ 3.1.6.1. Ticketing

Operating in some ten countries, See Tickets is a major player in the ticketing industry in Europe, the United Kingdom and the United States. Marketing its services under a single brand, See Tickets works as closely as possible with its customers, organizers and producers, but also with the general public in some 15 cities.

Work aimed at pooling its technical platforms, offers and know-how, which began in 2019, enabled See Tickets to optimize its organization in response to the drop in business for live shows and other events with audiences in the first half of 2021, and then to manage a substantial upturn in purchases in the second half.

In addition to its traditional ticketing and legal resale activities, it has added fully integrated customer relationship management (CRM), access control (including contactless systems), data management and marketing solutions.

See Tickets continued to diversify its customer portfolio in 2021, adding services for a growing number of museums, theaters, fairs, exhibitions and other public events, including sporting events, to its core business of concerts, shows and festivals.

In 2021, the portfolio of approximately 8,000 producers and event organizers held by See Tickets was rounded out by numerous agreements with independent producers in the United States, several major French festivals and the ticket office of Winter Wonderland (an established Christmas event in London's Hyde Park, which attracts millions of visitors).

In late 2021, See Tickets acquired British company LiveBuzz, which specializes in trade exhibitions registration services. This B2B experience perfectly complements the B2C experience that has been See Tickets' bedrock for thirty years and brings know-how that can be transferred to the other countries where it operates.

■ 3.1.6.2. Festivals, Concerts and Artists

Vivendi Village currently organizes and produces some 20 festivals, mainly in France and the United Kingdom. Some of them could not be held in 2021 due to health restrictions, the cancellation of tours by international artists, or lack of staffing due to Covid-19 isolation measures. Others went ahead, such as the *Brive Festival,* which adapted by moving to a larger venue to host artists and audiences in optimal conditions.

While music remains the preserve of the big summer festivals, today's public is also looking for more diversified and original genre-mashing events.

In France, Olympia Production created two new festivals in 2021: *Les Seigneurs du Château,* revolving around French-speaking comedy, and *PelliculLive,* combining film and music, both held in Catalan country in southwest France.

Having proven its ability to organize events with a distinct regional identity, Olympia Production is to produce the *Bacchus Festival,* bringing together the worlds of wine, gastronomy and music in the same region in 2022.

Capitalizing on Vivendi's close ties with rugby, Olympia Production will also produce *Inversion Fest,* an international urban festival scheduled for June 2022 in Lyon, and has also partnered with L'Aviron Bayonnais Rugby Pro for a music festival kicking off in 2023.

At the same time, Olympia Production is involved in concert production, stand-up comedy and tour organization. It is organizing tours from international artists in France, starting with Ed Sheeran, who will perform at the Stade de France in Paris for two nights in July 2022.

In the United Kingdom, U Live, which has for several years been producing music festivals and countless electronic music nights in London clubs, continued its successful foray into virtual event organization. For example, the electronic music festival Junction 2 now has its own virtual version, known as *Junction 2: Connections.* Produced in January 2021, notably in collaboration with Gameloft, it reached a vastly larger global audience of more than three million unique visitors. U Live has also done a full 3D replica of East London's famous Tobacco Dock venue to stream concerts, the first of which was in April 2021.

Adapting to health restrictions, U Live is also innovating by broadening its scope of business to include a new camping concept, *Camp Elwood,* held in the summer in Norfolk, England. The event has a retro American feel, featuring workshops, outdoor activities, entertainment and street food. With *Mamma Mia The Party!,* U Live has been producing immersive shows since October 2021. Spring 2022 will see the inaugural edition of *Kite*, a new festival format combining music, talks and debates.

1.

2.

1. Ed Sheeran Tour

2. Fally Ipupa, live concert in Douala

■ 3.1.6.3. Performance Venues

L'Olympia reopened on June 10, 2021, after eight months of being closed, to host the two-day *Les Inrocks Festival.* The attendance limit imposed by the French government at the time was 65% of the venue's capacity, and attendees were required to remain seated. These measures were then gradually eased, with full capacity allowed from July, and a few months later the possibility of resuming standing-audience concerts, before new restrictions were introduced for venues in early 2022.

Despite these restrictions, and the fact that many international artists had not yet begun touring, l'Olympia had an occupancy rate close to its maximum during the fourth quarter of 2021. Demand for venues is high among show producers, and the 2022 schedule is back at prepandemic levels, with nearly 300 nights booked.

L'Olympia is also developing and promoting the Salle de Billard, an adjoining venue for smaller events, and taking numerous initiatives to expand the number of events on its premises, particularly those private in nature.

The Théâtre de l'Œuvre also reopened in June 2021, at reduced capacity, before a return to full capacity in September.

Le Petit Olympia, the brasserie adjoining l'Olympia, has adapted to health measures and has become a traditional post-show venue for the public.

■ 3.1.6.4. Movie Theaters in Africa

CanalOlympia is the leading network of movie and entertainment venues in Africa. Two new theaters were opened in 2021, in Pointe-Noire and Oyo in the Republic of Congo, bringing their number to 18 on the mainland and in Madagascar. CanalOlympia's teams have pursued their objective of turning these venues into genuine cultural and entertainment hubs playing a major role in society in their various host communities.

The movie theaters offer a balanced program of African and international films. In many cities, depending on health restrictions in place, concerts and other shows can be held outdoors. Escape games and mini-golf have also been set up, along with other activities.

■ 3.1.6.5. Other Activities

Paddington is the flagship brand of The Copyrights Group, which specializes in the acquisition and monetization of intellectual property. A second season of the animated series of the same name aimed at preschoolers, co-produced by Studiocanal in association with The Copyrights Group, debuted on Nickelodeon in the United States in February 2021. The first season won two Daytime Emmy Awards, along with other international awards.

Against the backdrop of the unprecedented health situation, in 2021, The Copyrights Group significantly stepped up its e-commerce activities and made some early forays into the NFT (non-fungible token) market. At the end of 2021, it also opened a Paddington Café in the train station of the same name in London, joining a store selling branded objects.

Vivendi Sports repositioned itself in 2021 as a consultancy and support firm for the organization of sporting events. It won a contract for the Africa Cup of Nations to be held in Ivory Coast in 2023.

3.1.7. NEW INITIATIVES

■ 3.1.7.1. Content Bundling

MARKET TRENDS

In 2022, Internet users will spend an average of 100 minutes per day watching videos online **(1)**, confirming the lasting presence of digital video in consumer habits.

Other emerging trends include the predominance of live video formats for both B2C and B2B markets, stricter user privacy requirements (with the strong comeback of contextualized ads as predicted) and the development of e-commerce on video-on-demand platforms.

Over-The-Top (OTT) streaming and connected TV are also set to see significant growth in 2022, increasing their appeal to advertisers, who are expected to continue investing their media budgets in these digital alternatives and will continue to require better quality, more traceability and more performance for their campaigns. They are also expected to continue encouraging players in the video industry to develop better measurement, targeting and attribution tools.

ACTIVITY

The Dailymotion ecosystem consists of a video hosting platform (dailymotion.com), a state-of-the-art video player, an international network of partner publishers and a programmatic video monetization platform. The complementary nature of its activities gives Dailymotion the capacity to enable publishers and advertisers to increase their revenues and the impact of their marketing campaigns by reaching a strategic audience (18-49 years old) in a premium environment.

Video Hosting Platform

Dailymotion is an online video discovery platform that connects more than 350 million Internet users worldwide to high-interest news, entertainment, music and sports content each month. It stands out from its competitors by mainly offering videos produced by professional editors in an environment that respects the user experience.

Dailymotion is now the leading French video player in terms of audience, with more than 7 out of 10 Internet users consuming videos via the Dailymotion player in France in 2020 **(2)**.

Video Player

The performance of Dailymotion's video player ensures an optimal streaming experience for publishers wanting to deliver their content online. Lean and fast to load, it was developed entirely by Dailymotion's engineering teams in HTML5 and is constantly optimized to allow the smooth streaming of live and high-definition videos on all devices. Free and customizable, the Dailymotion player offers numerous audience loyalty features (e.g., playlists and playback effects) to generate engagement on the publisher sites that integrate it, thereby improving video monetization on all platforms.

Publisher Network

Dailymotion currently boasts a network of more than 7,000 professional publishers around the world, including the Le Monde Group, Webedia, AS, Kicker, Condé Nast, Marmiton, the Hearst group, Meredith, Konbini and L'Équipe. Each year, Dailymotion extends its network to new countries, including, in 2021, in Asia and Latin America, where it experienced strong growth.

Monetization Platform

At the end of 2018, Dailymotion launched its own programmatic platform, which is now connected with the market's leading programmatic (demand-side) platforms, including Adobe, Google DV360 and The Trade Desk. This integrated monetization solution allows advertisers to run their marketing campaigns with the assurance that they will be effective (creative, innovative and engaging ad formats), while protecting their brand reputation (quality video context).

(1) Source: Zenith Media, 2021.

(2) Source: Médiamétrie, Global Internet audience measurement, October 2021.

Responsible Platform

To bring greater transparency and visibility to its partners, Dailymotion has made profound changes to its reporting system to effectively protect its audiences against potential illegal or harmful content and improve the detection of fraudulent traffic. To this end, Dailymotion was the first European platform to sign the European Code of Conduct on countering illegal hate speech online in 2018 and joined the Christchurch Call to Action to eliminate terrorist and violent extremist content online in 2019. At the same time, the platform signed new partnerships in 2020 with major brand safety players including MOAT, TAG and WhiteOps. In 2021, Dailymotion joined the Tech Against Terrorism initiative, which aims to combat online terrorist exploitation. By signing the Standing up for Children's Rights in the Digital Environment charter, Dailymotion has undertaken to protect young Internet users.

Moreover, to ensure the protection and confidentiality of its users' personal data, the platform is compliant with the General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA).

■ 3.1.7.2. Internet Service Provider

MARKET TRENDS

Groupe Vivendi Africa (GVA), the Vivendi group subsidiary that provides ultra-high-speed Internet access in Africa, anticipates very strong growth in the continent's ultra-high-speed broadband market in the coming years and, with Vivendi's financial and corporate support, will continue to extend its Fiber to the Home (FTTH) networks in several African cities.

ACTIVITY

GVA is an FTTH operator that has been operating in Sub-Saharan Africa for four years and has offices in seven countries (Burkina Faso, Ivory Coast, Congo-Brazzaville, Democratic Republic of Congo, Gabon, Rwanda and Togo). Specialized in providing ultra-high-speed Internet access under the CanalBox brand, GVA covers a market of more than a million homes and businesses.

GVA continued its strong growth in 2021, with the launch of CanalBox in Brazzaville, Ouagadougou and Kinshasa, bolstered by ever-increasing demand for ultra-high-speed broadband at home in Africa.

3.2. Investments in Equity Affiliates

3.2.1. UNIVERSAL MUSIC GROUP (1)

On September 21, 2021, Vivendi distributed 59.87% of the share capital of its subsidiary Universal Music Group N.V. (UMG) to its shareholders followed by its listing on Euronext Amsterdam.

(1) Please see Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021, in Chapter 5.

Following the sale of 20% of UMG's share capital to a consortium led by Tencent and 10% to Pershing Square, as well as the distribution of 59.87% of the share capital to Vivendi's shareholders, Vivendi holds a 10.03% interest in UMG. It will keep this interest for at least two years.

3.2.2. LAGARDÈRE

On April 21, 2020, Vivendi announced the acquisition of 10.6% of Lagardère SCA (Lagardère SA since June 30, 2021), a group specializing in travel retail (Lagardère Travel Retail), publishing (Lagardère Publishing), media (such as *Paris Match*, *Le Journal du Dimanche* and Europe 1) and entertainment venues. As of December 31, 2020, Vivendi held a 29.20% interest in Lagardère's share capital.

On December 9, 2021, Vivendi announced the acquisition in the following days (completed on December 16, 2021) of the Lagardère shares held by Amber Capital pursuant to agreements entered into on September 15, 2021. These shares, representing 17.5% of Lagardère's share capital, were purchased at a price of €24.10 per share. Following this transaction, Vivendi has a 45.1% interest in Lagardère.

The analyses conducted by Vivendi led to the conclusion that the acquisition could take place from December 2021, provided that, in accordance with merger control rules **(2)**, Vivendi refrains from exercising the voting rights attached to the shares acquired from Amber Capital or pursuant to the tender offer until Lagardère's takeover is authorized by the antitrust authorities. Vivendi's Management Board consequently decided to authorize the acquisition of the Lagardère shares held by Amber Capital in December 2021. Vivendi's interest in Lagardère during this period therefore represented 22.29% of the theoretical voting rights.

Vivendi will apply to the European Commission and other relevant antitrust authorities for approval of its acquisition of control of Lagardère in 2022. Approval of the change in the indirect shareholding of Lagardère's broadcasting subsidiaries will also have to be sought from Arcom **(3)**, depending on the outcome of the tender offer.

As a result of this acquisition, Vivendi filed a public tender offer with the *Autorité des marchés financiers* (AMF – the French Securities Regulator) for all of the Lagardère shares it does not hold. It offered Lagardère shareholders either, primarily, to tender their shares at a price of €25.50 per share (dividend attached), or, alternatively, to have the right to sell each Lagardère share tendered to a subsidiary offer and held up to and including the offer closing date, as such date may be extended, subject to a proportionate reduction, at a price of €24.10 per share, up to and including December 15, 2023. The draft tender offer document was filed on February 21, 2022.

Vivendi does not intend to implement a mandatory squeeze-out of Lagardère shares after its offer, should the underlying conditions for such squeeze-out be satisfied.

(2) In particular Article 7(2) of Regulation (EC) 139/2004 on the control of concentrations between undertakings.

(3) Arcom, the French regulatory authority for audiovisual and digital communication, assumed the duties of the *Conseil supérieur de l'audiovisuel* (CSA – The higher audiovisual council) and the *Haute Autorité pour la Diffusion des Œuvres et la Protection des Droits sur Internet* (HADOPI – High authority for the dissemination of works and the protection of rights on the Internet) as from January 1, 2022.

3.2.3. TELECOM ITALIA

On June 24, 2015, Vivendi became the core shareholder of Telecom Italia, Italy's leading fixed-line and mobile operator, which also operates in Brazil.

On November 21, 2021, the KKR fund announced plans to file a non-binding tender offer for Telecom Italia at a price of €0.505 per ordinary and/or savings share.

As of December 31, 2021, Vivendi's interest in Telecom Italia was 23.75% based on the total number of ordinary shares, representing 17.04% of its share capital based on the total number of ordinary shares and savings shares.

3.2.4. BANIJAY GROUP HOLDING

On July 3, 2020, Banijay Group Holding completed the acquisition of 100% of Endemol Shine Group's share capital. This transaction created the world leader in the production and distribution of audiovisual content. The new entity, operating in 22 countries, has a unique portfolio of non-scripted (including *Big Brother, Master Chef* and *The Wall)* and scripted (such as *Black Mirror, Humans* and *Tin Star)* programs, in addition to an unrivaled distribution network.

As of December 31, 2021, Vivendi held a 32.90% interest in the share capital of Banijay Group Holding.

3.3. Other Holdings

3.3.1. MEDIAFOREUROPE

On April 8, 2016, Vivendi announced that it had entered into a strategic and industrial partnership with Italian media group Mediaset for the acquisition of a 3.5% interest in the company and 100% of the share capital of pay-TV channel Mediaset Premium in exchange for 3.5% of Vivendi's share capital. This agreement was the subject of litigation.

As of December 31, 2016, Vivendi held 340,246 thousand Mediaset shares, representing 28.80% of its share capital and 29.94% of its voting rights. On April 6, 2018, in accordance with the commitments given to the Italian communications regulator, AGCOM, Vivendi transferred the portion of its Mediaset voting rights in excess of 10% to Simon Fiduciara, an independent Italian trustee **(1)**. On December 23, 2020, the AGCOM decision was overturned (a decision contested by Mediaset).

On July 22, 2021, Vivendi, Fininvest and Mediaset announced the finalization of a comprehensive agreement ending their disputes.

Fininvest accordingly acquired 5% of the share capital of Mediaset held directly by Vivendi at a price of €2.70 per share (taking into account the ex-dividend and dividend payment dates, which were July 19 and July 21, 2021, respectively). Vivendi also undertook to gradually sell on the market the entire 19.19% interest in Mediaset held by Simon Fiduciaria over a five-year period. Fininvest will have the right to purchase the shares not sold by Vivendi every 12 months at an established annual price. Vivendi will remain a 4.61% shareholder in Mediaset and will be free to hold or dispose of this interest at any time and at any price.

As of December 31, 2021, Vivendi had a 24.21% interest in MediaForEurope's share capital, of which 4.69% held directly (4.63% of voting rights) and 19.52% held indirectly through Simon Fiduciara.

(1) See Note 26 to the Consolidated Financial Statements for the year ended December 31, 2021 in Chapter 5.

3.3.2. MULTICHOICE

In September 2021, Canal+ Group increased its stake in South African company MultiChoice, the leader in pay-TV in English- and Portuguese-speaking sub-Saharan Africa, crossing the threshold of 15% of the share capital (from 12% previously).

3.3.3. PRISA

In January 2021, Vivendi acquired a 7.6% stake, then increased to 9.9%, of PRISA, the leader in media and education in the Spanish-speaking world, which owns El País, Santillana, Cadena SER, Radio Caracol, AS and Los 40 Principales. Vivendi already has a very strong presence in the Hispanic markets, notably through Havas Group, Gameloft and Vivendi Village.

This investment dovetails with Vivendi's strategy of strengthening its position as a global content, media and communications group, and expanding its access to Spanish-speaking markets in Europe, in Latin America and the United States.

3.4. Financial Communication

3.4.1. FINANCIAL COMMUNICATION

■ 3.4.1.1. Objectives of Vivendi's Financial Communication

Vivendi's financial communication is based on the core principle of providing fair and accurate information on the group's position to all shareholders, analysts and investors. The group ensures that it complies with all laws, standards and procedures applicable in France, including the French Financial Security Act, the French Monetary and Financial Code, the International Financial Reporting Standards (IFRS), the benchmarks set out in the report published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and the recommendations of the French securities regulator, the *Autorité des marchés financiers* (AMF).

Vivendi's Investor Relations Department maintains close and ongoing dialog with the analysts of brokerage firms and investment funds and provides a continuous stream of information and updates in the Investors/Analysts section of the www.vivendi.com website, which is aimed primarily at institutional investors.

Vivendi also provides financial information to institutional investors through face-to-face or videoconference meetings organized in the main global financial markets and through the participation of group executives and the heads of its businesses at investor conferences.

The Financing and Treasury Department is also in regular contact with the agencies that rate the group's debt.

In total, 238 events were organized with analysts and investors in 2021, mainly in Europe and the United States, providing an opportunity for the group and subsidiary management teams to meet with representatives from 100 financial institutions and shareholders to present the group's activity, major transactions (such as the distribution of Universal Music Group shares), results and outlook.

■ 3.4.1.2. Communication with Individual Shareholders

Vivendi has a specific team dedicated to individual shareholder communications that manages a toll-free number, the Shareholders' Club, the Shareholders' Committee, the Individual Shareholders' section on the group's website and a Twitter account.

Individual shareholders can call the toll-free number (0850 050 050) for any questions or suggestions they may have during normal business hours, Monday through Friday. They can also contact the department by e-mail (actionnaires@vivendi.com) or by post (Vivendi – Individual Shareholders' Information Department – 42, avenue de Friedland – 75380 Paris Cedex 08).

The department manages the Shareholders' Club. Created in 2010, the Club organizes events (film previews, shows and visits) and meetings (financial or themed) for shareholders, to keep them informed of Vivendi's activities, strategy and financial results. Twice a year, a program listing the various events is sent to members (it is also available on the website https://www.vivendi.com/en/shareholders-investors/individual-shareholders/shareholders-club/). The Club is committed to offering all of its shareholders access to meetings and shows, regardless of where they live in France. In 2021, the health crisis forced the cancellation or postponement of several events. About ten shows nevertheless went ahead. Videoconferencing events, which are not subject to health restrictions and allow all shareholders to watch the event wherever they may be, were prioritized.

In 2009, the group created a 10-member Shareholders' Committee (https://www.vivendi.com/en/shareholders-investors/individual-shareholders/shareholders-club/). It meets twice a year and at the General Shareholders' Meeting, and acts as a bridge between Vivendi's individual shareholders and its management.

The Individual Shareholders' department has also strengthened its digital communication. On the Individual Shareholders' section on the group's website, shareholders have access to shareholders newsletters and information on the Club, the committee, the main stock market definitions (Shareholders' Booklet) and financial meetings. Videos of different events are available. The website also provides access to information on Shareholders' Meetings and to press releases. Meanwhile, the Twitter account keeps shareholders informed of the latest news on the group and the financial markets, as well as Club events.

■ 3.4.1.3. Integration of ESG into Financial Communication

In 2021, the Investor Relations Department stepped up its communication with investors and ESG (environment, social and governance) analysts through an increase in the number of exchanges (64, compared with 23 in 2020) and its participation in several ESG conferences attended by Vivendi's management. These interactions have given it a better understanding of the priority issues for the group's ESG investors and served to enrich its discussions on its ESG approach.

The share of ESG investors in Vivendi's capital has continued to increase. They represented 36% **(1)** of the share capital at year-end 2021 (compared to 21% in 2020), above the European average (31%) **(2)**. This positive development illustrates a market trend in which the share of ESG funds in the capital of large companies is steadily increasing, while also reflecting Vivendi's appeal to ESG investors.

Vivendi joined the CAC 40® ESG, Euronext's first national ESG index, in March 2021. It comprises the 40 companies of the CAC® Large 60 index (CAC 40® + Next 20) with the best ESG practices. The group has also renewed its integration into the other existing ESG indices (see Section 1.3. of Chapter 2: Dialog with Group Stakeholders).

Moreover, the Investor Relations Department has continued its work to coordinate non-financial information for the financial community, with the support of the cross-functional Sustainability Team created in 2020. It has also taken part in numerous internal projects related to the development of the group's CSR policy (implementation of the green taxonomy, materiality matrices and CSR risks).

In 2022, the Investor Relations Department will continue to step up its exchanges with the group's ESG investors, while developing new dedicated supporting materials.

(1) Source: *Nasdaq January 2022 report:* compared with 21% at year-end 2020 and 15% at year-end 2019, Nasdaq-qualified *Core ESG and Broad ESG* institutional investors.

(2) Source: *Nasdaq January 2022 report.*


DRAGON
MANIA
Legends

2 NON-FINANCIAL PERFORMANCE

CHAPTER 2

SECTION 1. A CSR APPROACH AT THE HEART OF STRATEGY

1.1. A strategic vision

Having defined Corporate Social Responsibility (CSR) engagements specific to its businesses as early as 2003, Vivendi redefined its CSR commitments in 2020, as a natural offshoot of its *raison d'être, Creation Unlimited*: "unleashing creation by revealing all talent, valuing all ideas and cultures and sharing them with as many people as possible."

The new CSR program, *Creation for the Future,* was rolled out across the group in 2021. It reaffirms Vivendi's CSR commitments, sets a course and a framework for action common to all entities and unites the group's creative energies to actively contribute to building more open, inclusive and responsible societies.

This chapter reports on the main elements of this approach: the strategy, governance and execution of the program, the main non-financial risks and opportunities, and the initiatives carried out. Questions regarding this program can be addressed to the Vivendi group CSR Department: rse@vivendi.com.

1.1.1. A LONG-STANDING COMMITMENT

Below are key milestones in the CSR strategy and policy timeline that Vivendi has developed and nurtured for nearly 20 years:

2003

Definition of three strategic CSR commitments covering the production and distribution of content: promoting cultural diversity, empowering and protecting young people and sharing knowledge.

2004

Development of the protocol for reporting non-financial indicators, including specific indicators related to Vivendi's strategic CSR commitments.

2005

First investor survey to achieve a deeper understanding of their expectations regarding the group's CSR policy.

2006

First CSR investor roadshows organized jointly by the Investor Relations and CSR Departments.

2007

Integration of CSR issues into the agenda of the Risk Committee.

2008

Signing of the United Nations Global Compact.

Launch of the *Vivendi Create Joy* solidarity program, which supports initial and professional training projects in the group's businesses.

2009

Vivendi becomes a founding member of the media sector working group of the Global Reporting Initiative (GRI).

EMAS environmental certification awarded to Vivendi's headquarters for the first time.

2010

Integration of ESG criteria, based on the group's three strategic commitments, into the calculation of the variable component of senior executive compensation.

2011

Vivendi becomes a founding member of the CEO Coalition to Make the Internet a Better Place for Kids, a European Commission initiative.

Vivendi is the inaugural winner of the prize awarded by the Forum for Sustainable and Responsible Investment.

2012

Introduction of a CSR chapter in the Registration Document, after review by the Statutory Auditors.

First Vivendi-led research examining women's place in music and cinema in Europe (study in partnership with *Laboratoire de l'égalité*).

2013

Development of the integrated reporting pilot project.

Signing by Vivendi of the Diversity Charter promoted by the *Les Entreprises pour la Cité* (LEPC) network.

2015

Inclusion of personal data protection in the ESG criteria for senior executive variable compensation.

2016

Integration of CSR issues into the agenda of the Audit Committee.

First work on the environmental impact of the digital distribution of the group's content.

2017

Creation of a CSR Committee within the Supervisory Board.

Implementation of a Compliance Program at group level.

Vivendi becomes a founding member of the European Commission's initiative, Alliance to Better Protect Minors Online.

2018

Publication and rollout of the group's Anti-corruption Code.

First year of partnership with the European Week for the Employment of People with Disabilities.

2019

Signing of the *French Business Climate Pledge.*

2020

Development of the group's raison d'être, *Creation Unlimited,* and CSR Program, *Creation for the Future*

Vivendi joins the Science-Based Targets initiative and the Task Force on Climate-Related Financial Disclosures (TCFD).

Increased weighting of ESG criteria in the variable compensation of senior executives and management (from 5% to 12%).

2021

Rollout of the CSR program, *Creation for the Future.*

Submission of the group's carbon reduction plan to the Science-Based Targets initiative (approval expected in 2022).

Vivendi wins the Media Diversity Champion of the Year prize awarded by the European Diversity Awards (EDA).

Vivendi joins the CAC 40 ESG® index, Euronext's first and new ESG (Empowering Sustainable Growth) index.

1.1.2. A PROGRAM THAT DRAWS ON THREE PILLARS

In 2020, Vivendi redefined and strengthened its CSR strategy with a new program, *Creation for the Future,* which draws on three pillars: *Creation for the Planet*, *Creation for Society* and *Creation with All*. The program sets a common course for the entire group for 2025 onwards. Each pillar is based on three commitments associated with goals and priority actions. These commitments are part of the pursuit of the Sustainable Development Goals set by the United Nations to ensure sustainable prosperity by 2030.

In 2021, Vivendi rolled out its CSR program group-wide to accelerate its transformation towards a more sustainable model, and continued to mobilize its entire ecosystem so that the group's companies can put forward their solutions to tackle the challenges facing the world. The CSR program and the group's actions were presented to group employees in May 2021 and to Vivendi's shareholders in June 2021 at the General Shareholders' Meeting.

The review of the CSR risk map and materiality analysis carried out this year, and presented in Section 2, have validated the group's CSR strategy.

In 2021, Editis, Gameloft and Vivendi Village adopted their own CSR programs that are, in turn, being rolled out in their organizations. To date, all the group's entities have a program of commitments and CSR indicators aligned with *Creation for the Future*'s objectives, and adapted to their respective activities and geographic locations.

The process of building environmental, societal and social roadmaps will continue in 2022 following the non-financial risk analysis review (see section 2.2.1.) and the materiality analysis (see Section 2.1.1.). These works will provide Vivendi with a deeper and stronger insight into fine-tuning priorities and areas of action to meet the targets set for 2025.

vivendi CREATION FOR THE FUTURE

vivendi CREATION FOR THE PLANET

Innovating to protect the planet

Our priority

Act now to contribute to a carbon neutral world

Our commitments

- reduce the carbon footprint of our activities in line with the Paris Climate Agreement targets
- fight against climate change and offset residual emissions from 2025
- increase awareness on the climate emergency

Our contribution

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

vivendi CREATION FOR SOCIETY

Imagining tomorrow's society

Our priority

Make culture and education accessible to as many people as possible

Our commitments

- promote the emergence of positive impact content and stories
- bolster our actions to facilitate access to culture and education for all
- foster a culture of accountability

Our contribution

4 QUALITY EDUCATION

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

vivendi CREATION WITH ALL

Building a more responsible world together

Our priority

Build a more inclusive world together

Our commitments

- provide an attractive and inclusive work environment for all talent
- discover and nurture artistic creation
- act together to enable everyone to have a positive impact

Our contribution

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

1.1.3. THE *VIVENDI CREATE JOY* SOLIDARITY PROGRAM

Launched in 2008 and deployed in France, the United Kingdom and several African countries, the *Vivendi Create Joy* solidarity program works to develop individual and collective talent in young people under the age of 26 through audiovisual, content creation, video games, live performance, communication, writing and journalism projects.

The *Vivendi Create Joy* program promotes equal opportunities in the creative industries and is perfectly in line with the group's CSR strategy, within the *Creation with All* pillar.

In 2021, despite constraints due to the health situation, Vivendi decided to increase the budget dedicated to *Vivendi Create Joy*'s solidarity projects by 20%, thus demonstrating its commitment to the most vulnerable people in this period of crisis. In total, 53 non-profit organizations providing basic and professional training to 14,700 young people lacking professional networks received support from the *Vivendi Create Joy* program during the year.

In addition, Vivendi provides a dedicated digital platform for group employees to get involved in skills-based sponsorship for the benefit of partner associations of the *Vivendi Create Joy* program. They can devote one working day per year to one or more solidarity projects. In this way, Vivendi can lend its partners greater support and leverage the skills of group employees while responding to their desire for community solidarity.

1.1.4. MAIN CSR CERTIFICATIONS AND AWARDS RECEIVED IN 2021

In 2021, Vivendi obtained several CSR certifications, awards and distinctions: a recognition of the commitment of teams around the world to adapting the group's business model and to raising public awareness of environmental, social and societal issues through content creation, to build a more sustainable future.

B Corp™ certifications

B Corp™ certified companies meet the highest standards of social and environmental performance, transparency and accountability. They are driving a cultural shift to redefine success in business and build a more inclusive and sustainable economy.

In 2021, Havas New York became the first major communications and advertising agency in the United States to achieve the B Corp™ certification. Havas New York joined the ranks of Havas London, which was the first Havas Group agency to become B Corp™ certified in 2018 (recertified in 2021), and Havas Lemz in Amsterdam, which became B Corp™ certified in 2020.

Creation for the Planet / Environmental certifications

Several group buildings have earned certifications for their environmental performances or certifications and labels (e.g., generalist, sector-based and local) that include an environmental component, such as ISO 14001. The HKX site in London, which includes some twenty Havas agencies, and the Editis headquarters in Paris, have obtained BREEAM (Building Research Establishment Environmental Assessment Method) certification. Gameloft in Montreal has offices in LEED (Leadership in Energy and Environmental Design) certified buildings and has received the Environmental Award from GamesIndustry.Biz for its efforts to promote a more environmentally friendly workplace.

Creation for Society / Award for content

Beyond traditional content awards, the group's entities have distinguished themselves through their stories and content with a positive impact that advance awareness of today's and tomorrow's societal issues. Among the works published by the Editis group, Tana Editions received the 2021 Ecology Book Prize, organized by the European Institute of Ecology, for *Devenir gardiens de la nature (Becoming guardians of nature),* by Marine Calmet, and the Prize for Books Committed to the Planet in the "Essay" category at the Mouans Sartoux Book Festival for *Comment rester écolo sans finir dépressif (How to stay green without becoming depressed),* by Laure Noualhat.

Several Havas Group agencies' campaigns for social issues won awards in 2021, including the following at Cannes Lions, the leading international advertising and communications festival: *Red Cross* (Arnold Boston) in the Outdoor and Industry Craft categories; *Nubian Jak Community Trust* (Havas London) in the Design category; *Association L'Enfant Bleu* (Havas Sports & Entertainment France) in the Entertainment category; *Lacoste Crocodile Free* and *Give for Good* (BETC) in the Outdoor, Media and Direct category.

Several audiovisual works with strong social themes and co-financed by Canal+ Group were also recognized in 2021. This is particularly true of *L'événement,* by Audrey Diwan and *La Fracture,* by Catherine Corsini, two films prepurchased by Canal+ and Cine+, which were awarded a Golden Lion in Venice and the Queer Palm at the Cannes Film Festival in 2021.

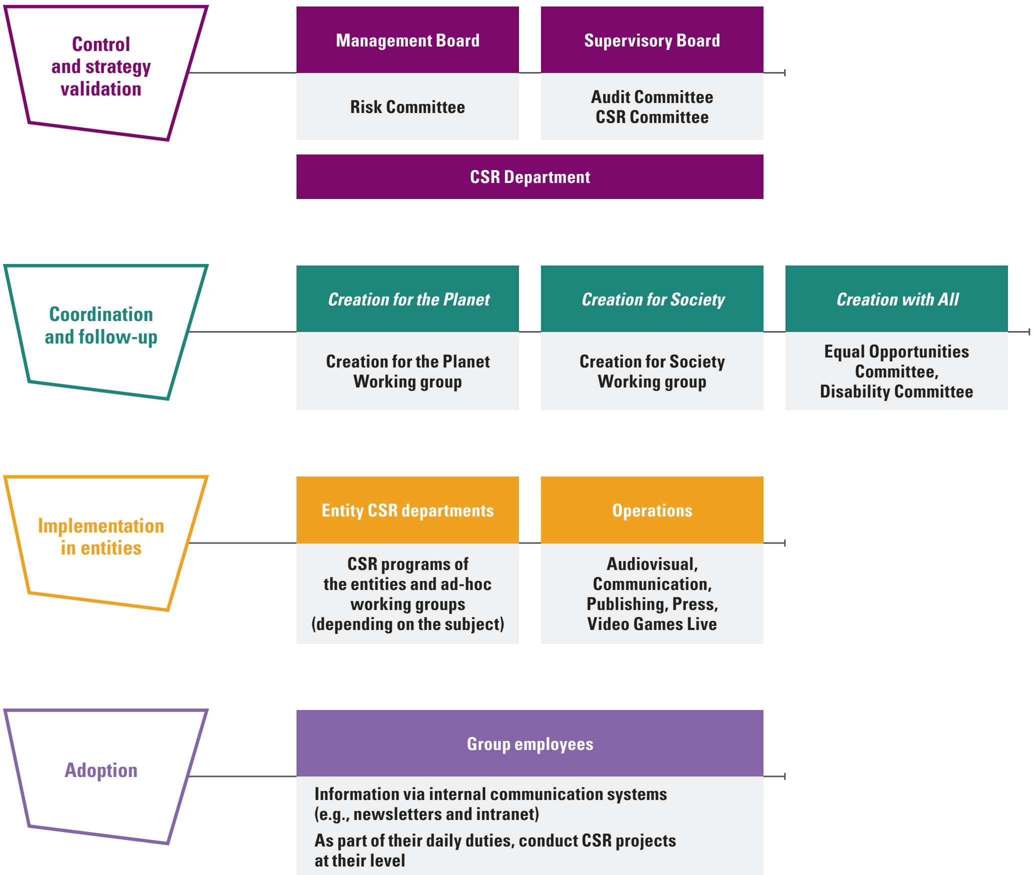
Lastly, the latest version of Gameloft's *The Oregon Trail* video game, which gives a new representation of Native Americans, has won numerous awards and was the most downloaded game on Apple Arcade in 2021.

Creation with All / Diversity Prize awarded to Vivendi

In 2021, Vivendi won the Media Diversity Champion of the Year prize awarded at the European Diversity Awards (EDA). Launched in 2010, the EDA has become a leading event dedicated to the issues of diversity, equity and inclusion (DEI).

In the presence of prominent figures from business, politics and the media, the EDA recognizes individuals and organizations that demonstrate outstanding leadership in the field of DEI. The Media Diversity Champion of the Year award specifically recognizes organizations that use their media platform and their influence to promote diversity.

1.2. Cross-functional governance structure



1.2.1. A CSR STRATEGY SUPPORTED BY GOVERNING BODIES

Vivendi's CSR policy, supported by the Management Board and the Supervisory Board, is a central focus of the group's governance.

To ensure strategic alignment and compliance with the group's CSR commitments, Vivendi's CSR Department reports to the group General Counsel, a member of the Management Board. In addition, the Executive Vice President, Legal Affairs, Compliance and CSR is also a member of the Risk Committee, chaired by the Chairman of Vivendi's Management Board, which has included social and environmental risk assessment on its agenda since 2007.

The Supervisory Board is also directly involved in the governance of the group's non-financial performance. In line with its Internal Regulations, it regularly monitors the group's CSR policy, and is sent a progress report on its deployment by the Management Board each quarter.

In 2017, the Supervisory Board set up the CSR Committee, which is tasked with preparing the Board's decisions, making recommendations and issuing opinions on the group's social, societal and environmental challenges, and on employee engagement. The CSR Committee also sets out areas of improvement for the group on corporate responsibility issues. Two-thirds of its members are Vivendi employees (see Section 1.1.14.4. of Chapter 4). In 2021, the CSR Committee met twice: among others, its work focused on the group's carbon reduction plan, diversity and inclusion, changes in the regulatory landscape, particularly the European taxonomy (see Section 2.4.) and the draft *Corporate Sustainability Reporting Directive* (CSRD), the review of the group's CSR risk mapping (see Section 2.2.1.) and the materiality analysis (see Section 2.1.1.).

The Audit Committee also reviews the CSR policy and the Compliance Program. In 2021, its work focused on assessing the deployment of the group's anti-corruption and Compliance Program, as well as the CSR risk mapping, materiality analysis and the European taxonomy.

Since 2010, the Supervisory Board has included ESG criteria in the variable compensation of the members of the Management Board. These criteria were revised in 2020, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, to bring them in line with the changing environmental, social and governance (ESG) challenges that the group faces. These include reducing the group's environmental footprint, promoting talent and diversity, and implementing the Compliance Program. The weighting of the ESG criteria in such compensation has been increased from 5% to 12% from 2020 and, pending approval of the Annual General Shareholders' Meeting to be held on April 25, 2022, will be increased further from 12% to 15% in 2022 (see Section 2.1.2. of Chapter 4). The ESG criteria and targets are also applied, at the same levels, to the variable compensation of eligible managers at Vivendi SE's head office. An environmental criterion indexed to the limitation of the group's carbon footprint and the limitation of business travel was also introduced, up to a maximum of 10% in the criteria for the grant of performance shares.

1.2.2. A CSR STRATEGY STEERED BY THE CSR DEPARTMENT

Vivendi's CSR Department defines the strategic focus and objectives of the group's CSR policy, coordinates associated action plans and is responsible for raising awareness and driving the engagement of all employees on CSR issues. It also manages the group's non-financial reporting under the supervision of members of the Management Board and with the collaboration of experts from the various businesses.

The CSR Department, headed by the group's Executive Vice President, Legal Affairs, Compliance and CSR leverages the expertise of the heads of these three pillars in carrying out its duties. Each pillar head specializes in one of the three areas (environmental, societal and social) and manages a specific roadmap while ensuring that it is part of a shared strategy. The Executive Vice President, Legal Affairs, Compliance and CSR is also assisted by cross-functional resources, recruited in 2021 to step up the implementation of Vivendi's CSR strategy: a Director of CSR Development, responsible for boosting the impact and visibility of actions; a Director of cross-functional projects; and a dedicated CSR Reporting Manager (this function was previously shared by the pillar heads).

Lastly, to coordinate the reporting of non-financial information in each entity, the CSR Department leverages a network of nearly 400 correspondents.

1.2.3. A CSR STRATEGY APPLIED IN EACH BUSINESS

The CSR Department has set up a network of CSR directors and managers in the entities. It consults with them regularly to ensure that the group's policy is applied at the level of each entity. It also works closely with the group's functional departments (e.g., legal, finance, human resources, purchasing and communication).

The CSR Department assists Vivendi's various entities in implementing the group's CSR strategy, supporting their commitments, providing them with human and financial resources, as well as methodologies, and disseminating best practices. The CSR Department either supports the actions led individually by each entity or brings them together when it makes sense to, due to the group's diverse businesses and geographic reach. This ensures maximum overall impact and facilitates the emergence of shared projects in keeping with the group's CSR priorities. To carry out this task, the CSR Department has set up several working groups that meet quarterly to discuss topics relating to one of the three pillars of the CSR strategy.

To ensure that the group's CSR policy is deployed at all levels of the organization, these working groups bring together the CSR Departments of the entities as well as representatives of certain operating departments, in accordance with the topic under discussion. For example, the *Creation for the Planet* working group involves the purchasing Department in its discussions, and the *Creation for Society* working group calls more and more upon the creative functions (e.g., directors, publishers and game designers). The *Creation with All* working group will be created in 2022 and will be jointly led by the group's CSR and HR departments. It will focus on diversity, equity and inclusion issues and will complement the Equal Opportunities Committee and the Disability Committee, providing the group with an overall view of major social issues.

The CSR Department also publishes a monthly newsletter, *Creation for the Future News*, for all group employees to share and publicize CSR initiatives within Vivendi.

1.3. Ongoing dialog with group stakeholders

1.3.1. ESTABLISHMENT OF ONGOING DIALOG WITH GROUP STAKEHOLDERS

Vivendi is fully aware that for successful sustainable development, a company must take into consideration its ecosystem, which is made up of all its stakeholders. The group therefore attaches great importance to the dialog with all players concerned by its activity and maintains regular exchanges with the financial and non-financial communities, associations and academics, employees and their representatives, and customers (see Section 4.3.3.3.).

The group further strengthened the approach this year by conducting a materiality analysis to better understand the expectations of the group's stakeholders (see Section 2.1.1., in particular the stakeholder map).

Dialog with the financial community

Vivendi has defined an ad hoc communication strategy towards analysts and investors to address the growing interest from the financial community in environmental, social and governance (ESG) issues. The group's ESG approach is based on the following commitments:

- substantially reducing the group's environmental footprint;
- promoting and developing talents in all their diversity;
- ensuring good operational governance.

In 2021, Vivendi stepped up its communication with investors and ESG analysts, intensifying exchanges with the financial community and participating in a growing number of investor conferences dedicated to ESG issues in the presence of the group's Chief Financial Officer, the group's Executive Vice President, Legal Affairs, Compliance and CSR and the Head of Investor Relations (see Section 3.4.1.3. of Chapter 1). 2021 also saw the creation of the ESG section on Vivendi's website. It gives investors and analysts access to the latest presentation and information on Vivendi's ESG approach.

Vivendi also strives to meet the growing demand from ESG investors for quantitative indicators, by increasing the number of performance indicators developed in conjunction with the group's various departments and the CSR program, *Creation for the Future*.

In addition, Vivendi is continuing its commitment to respond to questionnaires from several non-financial rating agencies, enabling the group to refine its market positioning and identify areas for improvement.

Renewed inclusion in the following ESG indices in 2021

FTSE4Good	MSCI	EURONEXT V.E INDICES
FTSE4Good Developed **FTSE4Good Europe**	**MSCI Europe ESG Leaders Index (1)**	**Euronext V.E Eurozone 120** **Euronext V.E Europe 120**

ESG ratings obtained in 2021

MSCI ESG RATINGS AAA	V.E	CDP DISCLOSURE INSIGHT ACTION
Rating AA (1)	**Score 63/100**	**Rating C**

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In 2021, Vivendi also obtained a score of 10.5 corresponding to a "Low Risk" level in Sustainalytics' ESG Risk Rating.

On March 22, 2021, Vivendi joined the CAC 40 ESG®, Euronext's first national ESG index. This index identifies the 40 companies of the CAC Large 60® (CAC 40® + Next 20) index with the best ESG practices.

Dialog with our customers

Customer relations and commercial initiatives are an integral part of the group's dialog with its stakeholders. The review of the CSR risk map and the materiality analysis revealed the importance of this dialog (see Section 2.1.1.), with customer satisfaction, reputation and expectations being priority issues for the group.

Each entity leverages several solutions for engagement with its audiences, customer satisfaction feedback and content moderation procedures, according to the specificities of its business.

In this way, Canal+ Group maintains a permanent dialog with its subscribers. Satisfaction surveys are used to obtain feedback from subscribers when, outside metropolitan France, a network of proprietary stores is used to collect customer expectations and comments. Also, in metropolitan France, Canal+ Group has a three-level complaints process, with internal (customer service, then Customer Dialog Manager) and external (FEVAD Mediation – French federation of e-commerce and remote selling) channels of appeal, following an "escalation" principle depending on the nature of the requests.

As a communications agency, Havas Group pays close attention to the needs of its BtoB clients through various surveys and processes for monitoring client satisfaction.

Gameloft has many points of contact to ensure the satisfaction of its audience: by e-mail, within the games (possibility of opening a ticket directly with the customer service team) as well as on social media where the moderation teams monitor the communities of each game. In 2021, Gameloft strengthened its customer management and social media monitoring system by increasing the number of moderators and improving its customer service and community moderation tools.

Interforum, Editis's distribution tool, pays the same attention to each of its 12,000 BtoB clients, whether they are retail outlets (e.g., bookstores, cultural superstores, hypermarkets, supermarkets, online sales, specialized bookstores and export companies) or partner publishers, in order to ensure a wide and qualitative distribution of books. In the BtoC sector, Editis' websites and social media communities for readers are managed by multi-platform moderation teams.

As for Dailymotion, a support team, reporting to the Quality Director, monitors and resolves customer requests, which are essentially technical in nature (e.g., malfunctions and poor understanding of the platform). For BtoB clients (i.e., advertisers), Dailymotion is positioned as a Premium partner by providing high-quality support.

Finally, in the area of live performances, Vivendi Village companies have all established comprehensive customer relations protocols. See Tickets is a member of the Society of Ticket Agents and Retailers (STAR) and complies with its Code of Conduct, which lays down standards in terms of ethics, transparency, and even payment systems security that operators must guarantee in their relationships with consumers, and establishes a procedure for reporting complaints. L'Olympia, Olympia Production and U Live have customer services accessible by e-mail, phone and social media. In the United Kingdom, satisfaction surveys are conducted after each festival.

1.3.2. INVOLVEMENT IN MULTI-PARTNER INITIATIVES

Vivendi works with several multi-partner initiatives to continuously improve the analysis of its impact on society, both at group and entity levels.

Creation for the Future

- Impact Platform: in April 2021, Vivendi was among the first CAC 40® companies to sign the manifesto and commit to publishing the progress of its environmental, societal and social commitments. Data from Vivendi and several hundred other French companies is now publicly available via the Impact platform of the French State Secretariat for the Social, Solidarity and Responsible Economy.

Creation for the Planet

- *Les Entreprises pour l'Environnement (EpE):* this non-profit organization, of which Vivendi is a member, brings together some sixty large French and international companies whose aim is to exchange information among peers, and with public authorities, NGOs, scientists and academics.
- French Business Climate Pledge: Vivendi is one of 299 French companies that, in August 2019 and at the request of *Mouvement des Entreprises de France* (MEDEF), pledged to accelerate innovation and R&D by investing in low-carbon solutions to drastically reduce greenhouse gas emissions.

Creation for Society

- LINCC – Paris&Co: an innovation platform dedicated to cultural and creative industries. As a founding member, Vivendi contributes to the thinking on responsible innovation with the players in its ecosystem (start-ups, institutional organizations and large companies), particularly on projects promoting cultural diversity and the place of women in digital entrepreneurship.
- Master's Degree in Communication, Media and Creative Industries from Sciences Po Paris: Each year, Vivendi awards a prize to students who offer an original take on a theme related to the role of creation for the common good.
- Alliance to Better Protect Minors Online: a European Commission initiative, of which Vivendi is founding member, that brings together media and telecom companies as well as NGOs to improve the online environment for children and young people.

Creation with All

- *Les Entreprises pour la Cité (LEPC):* a network of companies committed to social innovation. Vivendi provides specific support for the *Innov'Avenir* program, designed to raise awareness among young people about entrepreneurship and digital cultures. It is also a long-term signatory of the Diversity Charter.
- Agefiph: a fund management organization for the professional integration of people with disabilities. Vivendi is a member of its scientific committee alongside figures from the business world, the social and solidarity economy, academics, and representatives from national bodies that oversee inclusion issues.
- LADAPT: a non-profit organization that takes care of more than 18,000 disabled people in France through support, training, integration, schooling or care programs. In 2021, Vivendi strengthened its partnership with LADAPT through the inclusion of two more entities for the European Week for the Employment of People with Disabilities (EWPD): Havas Group designed a communication campaign and Canal+ Group offered advertising space on its channels to promote the event.
- *1 jeune, 1 solution*: a youth assistance program launched in France by the Ministries of Labor and Education to support and train young people in all regions and facilitate their entry into professional life. Vivendi and its entities are supporting this approach by providing a number of young people with internships and work-study programs (more than 2,000 in 2021), by broadcasting thematic programs on C8 and, in 2022, by launching a mentoring program that will enable all employees to help young people in their career paths (more details in Section 4.3.3.1.).

This dialog-based approach establishes a general framework that each of the group's subsidiaries can draw on and adapt with its own stakeholders.

SECTION 2. PERFORMANCE-DRIVEN EXECUTION

2.1. The process for prioritizing CSR commitments

In 2021, Vivendi's CSR commitments were bolstered following two cross-cutting analyses conducted with the group's entities: an update of the non-financial risk map and a new materiality analysis.

The non-financial risk map updated the main risks specific to Vivendi's various businesses and reassessed their severity.

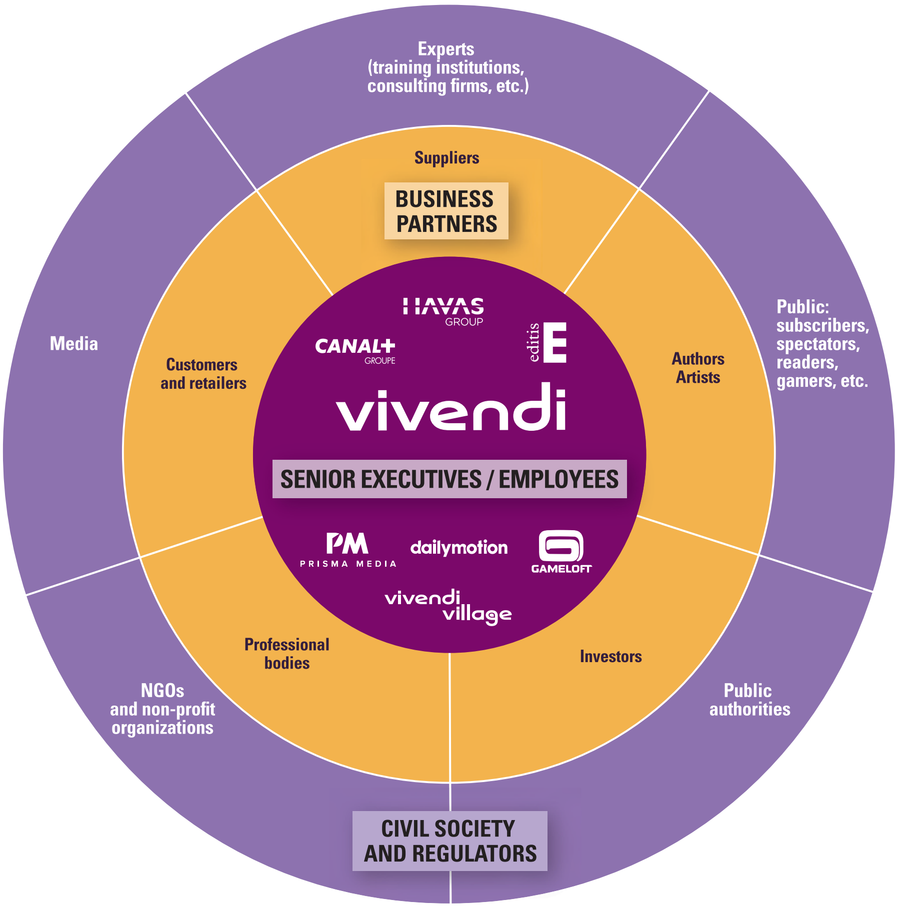
The materiality analysis conducted at year-end 2021 defined the CSR issues applicable to all of Vivendi's businesses and highlighted stakeholder expectations and perception of the group's main CSR issues.

At the same time, a review of the reporting of non-financial data was undertaken to align the indicators with the new *Creation for the Future* CSR program and identify key performance indicators that can be used in future to report on progress.

2.1.1. MATERIALITY ANALYSIS TO MEASURE PRIORITY ISSUES

Vivendi has sought to refine its CSR strategy by paying close attention to the expectations of its stakeholders. With the support of a specialized firm, Vivendi conducted a materiality analysis this year to measure the expectations of its stakeholders regarding the CSR issues specific to its activities. The analysis of material issues was prepared in accordance with the risk universe of the 2021 extra-financial risk map, after consultation with a sample of Vivendi's major stakeholder groups.

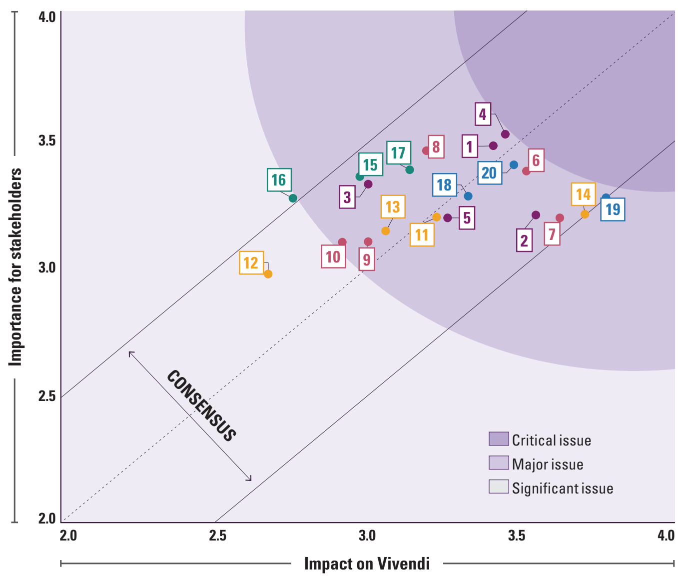
Map of stakeholders interviewed



Approximately 100 qualitative interviews were conducted with the group's executives and external stakeholders, including around 60 with business partners, authorities, members of civil society and talents. An online survey of employees from all entities and customers (including Gameloft players and readers of Prisma Media magazines) was conducted between October and November 2021. Nearly 3,300 responses from about 15 countries were analyzed by year-end 2021.

As part of this work, Vivendi drew up a list of 20 relevant issues, divided into five categories, covering all its activities. These 20 issues were assessed by the stakeholders interviewed to measure their expectations.

Materiality matrix



Responsible content	Freedom of expression and pluralism of ideas	#1
	Attracting and retaining our external talent in artistic creation	#2
	Raising public awareness of social, societal and environmental issues	#3
	Responsible content creation	#4
	Responsible distribution of content and responsible use of our products and services	#5
Dialog with internal stakeholders	Diversity, equity and inclusion in our teams	#6
	Skills development, attracting and retaining talent	#7
	Work environment, health and safety in our teams	#8
	Creation of a shared culture and our teams' commitment to CSR	#9
	Regular exchange between employers and employees and social dialog	#10
Engaging with our external stakeholders	Accessibility of culture for all and facilitation of education	#11
	Support for creative industries and local community involvement	#12
	Dialog with, and CSR commitment of, our business partners	#13
	Dialog with, and satisfaction of, our customers	#14
Our operations and the planet	Environmental impact of products and services	#15
	Sustainable use of resources and protection of biodiversity	#16
	Combating climate change and adaptation strategies	#17
Business ethics	Compliance and ethics	#18
	Protection of intellectual property	#19
	Data protection and privacy	#20

Following this analysis, all the issues submitted for consultation were deemed material, highlighting the relevance of their selection. Four issues of major importance to all the stakeholders consulted emerged:

- freedom of expression and pluralism of ideas (#1);
- responsible content creation (#4);
- data protection and privacy (#20);
- diversity and inclusion (#6).

These issues are linked to Vivendi's businesses, and to Vivendi's status as an international digital group.

In addition, stakeholders specifically highlighted a few key issues for the group:

- external stakeholders pointed to the importance of raising public awareness of CSR issues (#3) as a priority for a group like Vivendi. Vivendi's partners and civil society encourage the group to go further in using its power of influence and the positive impact of its content. This expectation is also affirmed by the group's employees;
- the group's employees assigned a higher level of importance, on average, to all environmental issues (#15, #16, #17). This position, which is consistent with the growing awareness of civil society, reflects the high level of employees' sensitivity to these issues. It also confirms the relevance of Vivendi's commitments in this area over the past two years and the ambitious objectives it has set for 2025;
- the group's senior executives placed greater emphasis on issues related to Vivendi's core business and business model:
  - attracting talent (especially creative talent), be it external or internal (#2, #7),
  - protecting intellectual property (#19), one of the group's key assets to be consolidated, and
  - customer satisfaction (#14), a key issue in supply businesses operating in a highly competitive market;
- lastly, the qualitative data from the survey and interviews confirmed that access to culture (#11) is seen as a differentiating and relevant issue for the group for strengthening its positive contribution to society.

The analysis of the consolidated results at year-end 2021 will continue in 2022 with the fine-tuning, in consultation with the business lines, of the *Creation for the Future* program roadmap.

2.1.2. IDENTIFICATION OF THE MAIN NON-FINANCIAL RISKS AND OPPORTUNITIES

In 2021, Vivendi built on the 2018 mapping to update its CSR risk universe. 17 CSR risks were identified as relevant for the businesses in 2021 and have been assessed with the group's entities.

The updated risk map highlights the risks that need to be addressed by action plans to ensure they are managed properly. The risk map also identifies information relevant to the environmental, societal and social roadmaps of the *Creation for the Future* program and provides considerations for entities regarding their own CSR policies.

Presented in Section 2.2.1., the risk map identifies new risks including dialog and customer satisfaction. It also provides a more precise assessment of risks related to content liability, reflecting Vivendi's growing influence as a leading European group in media, entertainment, culture, and communications.

2.1.3. DEFINITION OF KEY PERFORMANCE INDICATORS

At the same time, a review of the CSR reporting protocol was initiated in 2021, with a view to streamlining the information collected, aligning existing indicators with the *Creation for the Future* program and measuring the performance of the CSR strategy to achieve the ambitions set for 2025.

In line with the main results of the CSR map and materiality analysis, the CSR Department, in consultation with the group's entities, the Human Resources Department and the Investor Relations Department, is selecting new indicators to better measure progress as the CSR strategy is implemented.

2.2. Main non-financial risks and opportunities

2.2.1. PRESENTATION OF PRIORITY RISKS AND OPPORTUNITIES

Pursuant to Executive Order No. 2017-1180 of July 19, 2017 amending the legislative framework on the publication of non-financial information, Vivendi established a risk map of the main non-financial risks related to its activities in 2021.

Each of the group's entities was mapped separately and then reported individually. Prisma Media, which was consolidated after the mapping process had already begun, will be subject to a risk analysis in 2022. The risk mapping conducted in 2021 will then be updated accordingly.

The risk map produced by each entity was combined to create a group-wide map. The exercise, based on a universe of 17 risks linked to characteristics of the various activities, meant that Vivendi was able to better structure the analytical approach to account for the risks. It also took into account the size of the various businesses by applying a weighting factor to the results of the assessments carried out by each business, thereby producing a more accurate assessment of group risks. This weighting takes into account the revenues and headcount of each business and is also adjusted for the impact of the group's activities.

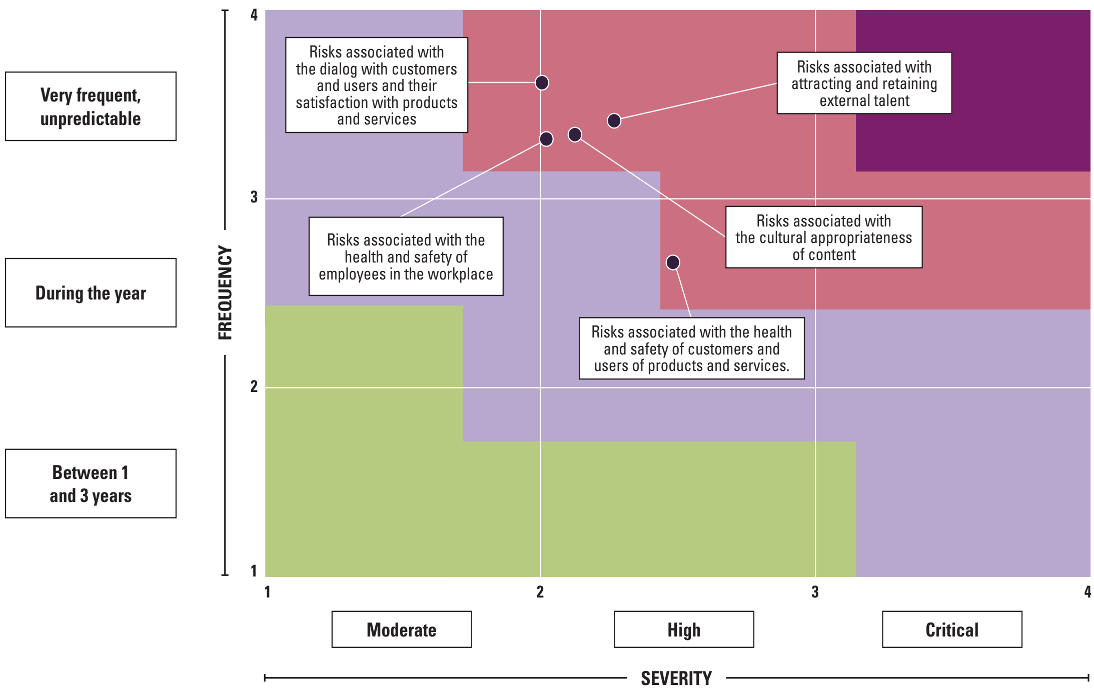
Separately, corruption risks and areas for vigilance in the group's supply chain were analyzed as part of the Compliance Policy described in Section 3.

As a result of the mapping, a list, presented below, of five "gross" risks deemed to be priorities and applicable to all or some of the group's entities, was drawn up. It was presented to and approved by the CSR Committee and the Supervisory Board's Audit Committee on November 16, 2021.

These risks are the subject of action plans which include mitigation measures aimed at reducing their severity or frequency. Other risks, considered less significant, were also assessed as part of this mapping exercise. The related action plans are also implemented by the group.

Vivendi's Risk Management is generally good, since none of the net risks was assessed as high or critical, indicating that the policies implemented are relevant and effective.

Non-financial risk matrix (gross risks)



Description, assessment and mitigation of the top five gross risks

Title of risk	Description of risk	Elements of assessment	Risk mitigation measures
Risks associated with attracting and retaining external talent	Loss of income (from customers and advertisers) and decrease in audience numbers if there is a departure of external creative talent: artists, authors, actors, presenters, directors and producers who help create content. Loss of markets and customers and additional costs associated with disputes if there are controversies about value sharing, or increased attractiveness if a fair value-sharing arrangement with external talent can be demonstrated.	Risk inherent to media, publishing and Live performance businesses, where the variety and quality of the offering is linked to Vivendi's ability to attract the best creative talent amid increased competition.	See Sections 4.3.2.1. "Identifying and attracting talent worldwide" and 4.3.2.2. "Retaining talent".
Risks associated with the dialog with customers and users and their satisfaction with products and services	Decrease or increase in income or audience numbers depending on the ability to identify and meet the expectations of audiences and customers in terms of formats and product/service content. Reputation risks associated with communication with customers and users, and particularly direct interactions with an audience.	Risk inherent to the service businesses, weighted by control systems that have been put in place for many years by the entities. For Vivendi, it also represents a challenge to constantly adapt the offer to rapidly changing expectations and consumption patterns.	See Section 1.3.1. "Establishment of ongoing dialog with group stakeholders".
Risks associated with the cultural appropriateness of content	Increase or decrease in audience numbers or in income (from customers and advertisers), depending on the ability to meet demand for diversified content suitable for all audiences (culturally appropriate content, local content, promotion of catalog/assets, genre diversity).	This risk, which is inherent to media and Live performance businesses, covers both regulatory requirements in Europe and the general public's expectations in terms of diversity, representation and local adaptation of the content on offer.	See Sections 4.2.2.6. "Protecting and promoting heritage works" and 4.3.2.3 "Promoting local content and talent".
Risks associated with the health and safety of employees in the workplace	Additional operating costs in the event of the absence of key and non-key employees due to a high accident rate (administrative management/indemnities, cost of replacing employees, loss of expertise, impacts on production/productivity), loss of employees' trust in the company (e.g., departures and sick leave), deterioration in employee relations (strikes), impact on reputation and on attracting and retaining employees, legal and financial risks in the event of compliance breaches in the areas of occupational health and safety and working conditions.	This risk is considered essential for any employer, but its assessment level has been worsened by the pandemic and the priority given to preserving the health of employees in all group entities. The risk is present in well-defined and limited activities (production and logistics related to the printing and distribution of books), or in connection with employee travel abroad.	See Section 4.3.1.1. "Offering an exciting and unique experience".
Risks associated with the health and safety of customers and users of products and services	Reputation risk due to hazards involving products designed for children (e.g., games and early learning material, other learning material and textbooks) or additional costs arising from legal sanctions and/or product recalls. Reputation risks concerning the impact of digital services on health and wellbeing (e.g., fatigue, dependency and overexposure to the media). Risks associated with health and safety in buildings open to the public and event venues.	Risk considered inherent to BtoC activities but weighted by the implementation of long-standing control systems by the entities. Risk associated with users exposed to risky content (violent, illicit, inappropriate for certain audiences) or with health and safety in concerts and festivals, as well as derived products (e.g., toys).	See Sections 1.3.1. "Establishment of ongoing dialog with group stakeholders". 4.2.3. "Fostering a culture of accountability". 4.2.3.3. "Providing a protected environment to ensure a positive entertainment experience". 4.3.3.3. "Simplifying customer engagement".

2.2.2. RISKS DEEMED IRRELEVANT WITH REGARD TO THE GROUP'S BUSINESSES

Given the nature of its businesses, the following topics were not deemed relevant to Vivendi's risk mapping process:

- the fight against food waste;
- the fight against food insecurity;
- respect for animal well-being and responsible, fair and sustainable food.

2.3. Main climate change risks

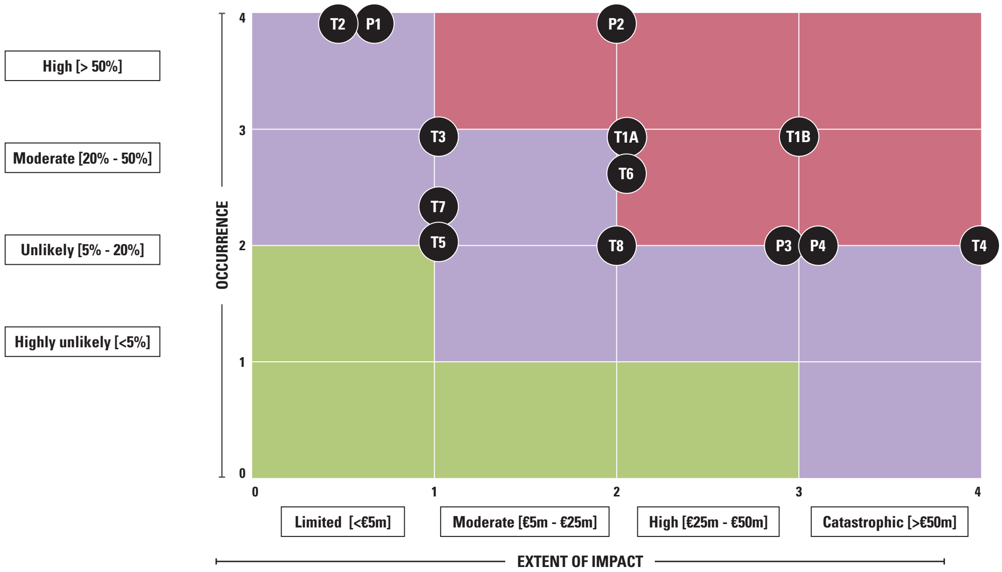
Climate change is a source of risks, but also of opportunities. To assess the potential risks and opportunities, Vivendi worked with a consulting firm in late 2020 to conduct a study covering both transition risks (political, legal, technological and market) and physical risks (chronic risks, such as heavy rainfall, floods, drought, heatwaves and sea level rise). The study was based on scenarios RCP2.6 and RCP8.5 of the Intergovernmental Panel on Climate Change (IPCC) with different time horizons: current risk, short term (0 to 2 years), medium term (two to five years) and long term (beyond 2025), in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

The methodology for measuring physical risks is based on an assessment of more than 80% of the group's sites to determine a final score of physical vulnerability. The methodology for measuring transition risks is based on local studies and data collected from group entities.

This study shows that the direct and indirect consequences of climate change for Vivendi's activities are significant. The main risks and opportunities identified are regularly analyzed and integrated into the group's strategy to determine appropriate adaptation plans in operations and within the various businesses.

Note: the information presented in this chapter has been restated to account for the removal of Universal Music Group (UMG) from the Scope of Vivendi's non-financial reporting.

2.3.1. PRESENTATION OF THE MAIN CLIMATE-RELATED RISKS



Physical risks (1)

P1 – Increase in average temperature, resulting in higher energy consumption at critical facilities

P2 – Significant loss in worker productivity due to recurring heat waves

P3 – Risk of hurricanes on coastlines damaging critical assets

P4 – Risk of flooding along coastlines and rivers damaging critical fixed assets

(1) The risk "P5 - Forest fires in California" included in the presentation of the main climate-related risks in Vivendi's 2020 Universal Registration Document has been excluded this year to take into account the removal of UMG from the scope of Vivendi's non-financial reporting.

Transition risks

T1A – Increase in sensitivity to carbon prices due to growth in digital businesses

T1B – Increase in electricity consumption and purchases due to growth in digital businesses

T2 – Increase in compliance costs

T3 – Increase in disputes in the information and communications technology (ICT) industry

T4 – Inability to meet market expectations on climate change in the entertainment, media, communication and education industries

T5 – Risk of severe shortage in strategic metals

T6 – Increased investment in low-carbon technology (e.g., data centers)

T7 – Fluctuations in paper prices related to climate change

T8 – Tighter Regulations on advertising due to environmental issues

Transition risk #1: T1B – Increase in electricity consumption and purchases due to growth in digital businesses

The digital transformation of the entertainment, media and communications industries generates growing data flows for data centers and network infrastructure. The study conducted by Vivendi showed that electricity consumption of data centers could increase from three times (best case scenario) to eight times (worst case scenario) between 2019 and 2030. This trend will eventually drive up electricity purchases by group entities, particularly if it is accompanied by a hike in electricity prices, as was the case in European markets in 2021.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Moderate [20%-50%]	Medium term [2 to 5 years]	High [€25 M-€50 M]

Physical risk #1: P3 – Risk of hurricanes on coastlines damaging critical assets

Extreme weather events, especially hurricanes, can damage critical assets for the group, halt production, disrupt sales and lead to additional investments. These events could also damage customer equipment, such as satellite dishes, causing service disruptions and losses in income.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Unlikely [5%-20%]	Long term [beyond 2025]	High [€25 M-€50 M]

Transition risk #2: T4 – Inability to meet market expectations on climate change in the entertainment, media, communication and education industries

Market expectations in the sectors where Vivendi operates (television and movies, communications, advertising, publishing, video games) mirror growing demand for climate action. As a result, the carbon impact caused by content production (e.g., audiovisual shoots, video streaming, online video games and festivals) is increasingly subject to criticism. Failure to take into account this developing trend could lower demand for the group's products and services.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Moderate [20%-50%]	Medium term [2 to 5 years]	Moderate [€5 M-€25 M]

Physical risk #2: P2 – Significant loss in worker productivity due to recurring heat waves

Heat waves considerably reduce productivity and the quality of working conditions. According to the paper from the International Labor Office, "Working on a Warmer Planet", temperatures above 24 °C-26 °C are associated with reduced labor productivity. At 33 °C-34 °C, a worker operating at moderate work intensity loses 50% of his or her work capacity. Substantial investment and renovation in new types of air conditioning systems should be planned to maintain good working conditions. A breakdown in the air conditioning system at certain key sites (such as television studios) could force the site to close.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
High [>50%]	Medium term [0 to 2 years]	Moderate [€5 M-€25 M]

Transition risk #3: T1A – Increase in sensitivity to carbon prices due to growth in digital businesses

The digital transformation of the entertainment, media and communications industries generates growing data flows for data centers and network infrastructure. In addition to transition risk #1, this trend could increase the group's indirect carbon footprint and its sensitivity to carbon prices and related costs if carbon tax mechanisms are implemented for the information and communications technology industry.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Moderate [20%-50%]	Medium term [2 to 5 years]	Moderate [€5 M-€25 M]

Physical risk #3: P4 – Risk of flooding along coastlines and rivers damaging critical fixed assets

Flooding along coastlines and rivers can damage critical fixed assets, especially in France with strategic facilities along the Seine River, as well as in the supply chain, for example at the production facilities operated by strategic suppliers.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Unlikely [5%-20%]	Long term [beyond 2025]	High [€25 M-€50 M]

Transition risk #4: T8 – Tighter regulations on advertising due to environmental issues

Public opinion increasingly condemns the role of advertising in encouraging consumption. For example, several NGOs in France have recently taken action calling for tighter regulations on advertising, to eventually ban the promotion of carbon-intensive goods (e.g., cars and travel) and limit the use of advertising in public spaces. The French Climate and Resilience Act, issued in August 2021, also set new rules for advertising and communication, including a ban on the advertising of fossil fuels. If these regulations increase in scope or become stricter, they could have a material impact on the group's entities, as its revenues depend heavily on advertising.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Unlikely [5%-20%]	Medium term [2 to 5 years]	Moderate [€5 M-€25 M]

Physical risk #4: P1 – Increase in average temperature, resulting in higher energy consumption at critical facilities

A chronic rise in temperatures could increase expenses on cooling systems at group facilities, such as offices and data centers, whether owned or outsourced. According to the International Energy Agency report "The Future of Cooling" (2018), using air conditioners and electric fans to stay cool accounts for nearly 20% of the total electricity used in buildings around the world today. Without action to address energy efficiency, energy demand for space cooling could more than triple by 2050 – equivalent to the energy consumption of all of China and India today.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
High [>50%]	Medium term [2 to 5 years]	Limited [<€5 M]

Transition risk #5: T3 – Increase in disputes in the information and communications technology (ICT) industry

Failure to comply with new regulations on emissions control and energy efficiency could result in fines and legal fees, especially in the ICT industry, which is increasingly decried for its fast and constantly growing carbon impact.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Moderate [20%-50%]	Medium term [2 to 5 years]	Limited [<€5 M]

Transition risk #6: T6 – Increased investment in low-carbon technology (e.g., data centers)

Regulations on emissions control and energy efficiency could require higher capital expenditures and equipment upgrades to reduce emissions and energy consumption, in particular for data centers owned or used by the group (in the latter case leading to a potential rise in indirect costs).

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Moderate [20%-50%]	Medium term [2 to 5 years]	Moderate [€5 M-€25 M]

Physical risk #5: T7 – Fluctuations in paper prices related to climate change

The book and magazine publishing industries rely heavily on the supply of paper. Over the next few years, pulp and paper prices could fluctuate due to two climate-related trends. Firstly, climate events such as droughts, mild winters and forest fires could have an impact on pulp and paper production, especially in countries such as Russia and Brazil. This could cause momentary supply setbacks and price spikes. Secondly, policy makers are expected to promote emissions reduction efforts in the industry by adopting regulations with carbon pricing mechanisms (e.g., the EU's Emissions Trading System). These price variations would be passed on to the publishing industry, leading to potentially higher supply costs.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Unlikely [5%-20%]	Long term [beyond 2025]	Limited [<€5 M]

Transition risk #7: T2 – Increase in compliance costs

More stringent regulations in countries where Vivendi operates could generate higher financial and human resources costs.

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
High [>50%]	Medium term [0 to 2 years]	Limited [<€5 M]

Transition risk #8: T5 – Risk of severe shortage in strategic metals

The increasing complexity of equipment and increased demand for high-tech products could result in a severe shortage of strategic metals. Higher demand for metals could create significant price sensitivity (e.g., impact on the manufacture of Canal+ Group set-top boxes).

Likelihood of occurrence:	Estimated time horizon:	Extent of impact:
Unlikely [5%-20%]	Long term [beyond 2025]	Limited [<€5 M]

2.3.2. MAIN CLIMATE-RELATED OPPORTUNITIES

Vivendi has identified four opportunities related to climate change:

- **Becoming a leader in the response to climate change and digital austerity in the entertainment, media and communications industries:** customers in these industries increasingly take into account climate performance in their choices. As a leading European media, entertainment, culture and communications group, Vivendi is in a unique position to use its influence to encourage digital sobriety and, consequently, climate action in society. The development of innovative low-carbon products and services (movie sets, performance tours and eco-designed products such as video games and digital services) could not only reduce Vivendi's carbon footprint but also increase revenue and strengthen Vivendi's brand image. Advertising revenue could also grow because more brands want to advertise their environmentally friendly products.
- **Developing renewable energy supply:** the energy sector is undergoing major regulatory, commercial and technological changes. Opportunities involving renewable energy supply (Power Purchase Agreements [PPAs], renewable energy certificates [RECs]) should be seized to reduce Scope 1 and 2 emissions. More specifically, buying long-term PPAs from renewable electricity producers could lead to fixed pricing over the long term (ten years or more). This would protect against any hikes in electricity costs resulting from carbon taxes or transition costs. Also, on certain markets, the current strike price of PPAs is lower than the prices on traditional national grid networks.
- **Developing energy efficiency:** energy efficiency measures, as part of a broader aim to reduce energy and carbon emissions (e.g., SBTi low-carbon trajectory and ISO certifications), would have significant potential to reduce emissions and related operating costs. This would make the group more resilient to an increase in energy prices and prevent a fall in the value of real estate assets, while also improving the comfort and well-being of the group's site occupants.
- **Ensuring resilience in the face of growing climate risks:** as climate-related risks grow (especially storms in tropical regions and flooding), it may advantage Vivendi in ensuring uninterrupted services for its customers by being better prepared than its competitors to handle extreme events and operate in difficult conditions caused by climate change.

2.3.3. RISK MONITORING AND MITIGATION PROCESS

Vivendi is gradually integrating climate-related risks into its Risk Management to treat them like other risks, while accounting for their particular characteristics.

To prevent and mitigate the risks to the group's activities generated by the effects of climate change, Vivendi uses various monitoring and mitigation tools and processes as part of its internal control procedures:

- the mapping of general operational risks, coordinated by the Audit Department, with the aim of identifying and assessing the impact of risks on the group's activities, including climate-related Risk Factors;
- the mapping of non-financial risks managed by the CSR and Compliance Department, updated every three years;
- the *Creation for the Planet* environmental program, which, among other things, enlists the group's entities in taking a precautionary and responsible approach and in using environmentally friendly technologies or services;
- the implementation of management systems in accordance with the ISO 14001 standard in a number of group entities; and
- crisis management, including local crisis scenarios and business continuity plans.

For more information on internal control and Risk Management, see Section 2 of Chapter 3 of this document.

2.4. The European Taxonomy

2.4.1. REGULATORY FRAMEWORK

The European Regulation of June 18, 2020 (or Taxonomy Regulation) is one of the provisions of the action plan for sustainable finance launched by the European Union to redirect financial flows (those of companies as well as those of investors) towards a more sustainable economy, with the objective of achieving carbon neutrality at the European level by 2050. It sets out the regulatory framework, requirements and principles for the preparation of the European Taxonomy and establishes classification rules to provide a common understanding of which activities should be "sustainable" based on whether or not they contribute substantially to one of the European Taxonomy's six environmental objectives.

By imposing new reporting obligations, the European Taxonomy represents a major strategic challenge for Vivendi, particularly in terms of access to financing, compliance and investment strategy.

Vivendi's CSR and Finance Departments are working together to implement the European Taxonomy, starting with identifying the group's activities considered "eligible" from the list adopted in the Climate Delegated Act.

This work was carried out by internal teams with support from a specialized firm. The "green" share of revenues, capital expenditure (capex) and operating expenditure (opex) of Vivendi and its subsidiaries will be published gradually over the 2021 to 2023 fiscal years, starting with the first two climate-related objectives: climate change mitigation and climate change adaptation.

Delegated acts for the other four objectives (transition to a circular economy, pollution prevention and control, sustainable use and protection of water and marine resources, and protection and restoration of biodiversity and ecosystems) are currently under preparation at the European level.

As of 2021, Vivendi publishes the share of its revenues, capital expenditure and operating expenditure eligible for the Taxonomy on the two climate objectives. In 2022, Vivendi will also publish the share of revenues, capital expenditure and operating expenditure aligned with these two climate objectives. In 2023, the "green" share should cover all six environmental objectives.

2.4.2. PRESENTATION OF KEY PERFORMANCE INDICATORS REQUIRED FOR THE 2021 FISCAL YEAR

Pursuant to the Taxonomy Regulation and the Delegated Acts published on December 31, 2021, Vivendi's activities related to the production, broadcasting and programming of content, promotion of shows and music recordings are considered eligible under the climate change adaptation objective (activities 8.3 "Programming and broadcasting activities", 13.1 "Creative, arts and entertainment activities" and 13.3 "Motion picture, video and television program production, sound recording and music publishing activities" as defined by Annex II of the Climate Delegated Act of June 4, 2021).

Capital expenditure (capex) related to these activities are also considered eligible under the climate change adaptation objective. Nevertheless, Vivendi considers that its activities are not inherently enabling within the meaning of the Taxonomy Regulation if they do not enable other activities to significantly reduce their environmental impacts. Therefore, the share of aligned revenues and capex to be published for fiscal year 2022 is not expected to be significant.

Vivendi has also identified capex related to "individual measures" aimed at improving the energy efficiency of its sites and mitigating the related greenhouse gas emissions.

This initial assessment was performed based on a detailed analysis of the group's activities, using existing processes and reporting systems. The financial information used at the end of fiscal year 2021 was taken from Vivendi's information systems. It was analyzed and jointly verified by the local and central teams to ensure its consistency with consolidated revenues, capex and opex for fiscal year 2021, as published on March 9, 2022.

Revenues

In 2021, the share of Vivendi's revenues eligible under the adaptation to climate change objective was 60.1% of Vivendi's consolidated revenues (€9,572 million).

Capital expenditure (capex)

In accordance with the Taxonomy Regulation, capex includes the acquisition of tangible and intangible assets, the acquisition of rights of use and acquisitions related to business combinations. Given Vivendi's eligible activities, in particular the production, distribution and programming of content, Vivendi has included the increase in its inventory of audiovisual and film rights as part of its eligible capex.

Eligible capex includes all capital expenditure related to:

- the acquisition of content under eligible activities (8.3 "Programming and broadcasting" and 13.3 "Motion picture, video and television program production; sound recording and music publishing)";
- the acquisition of set-top boxes (8.2 "Computer programming, consultancy and related activities");
- the acquisition of rights-of-use assets relating to real estate leases (7.7 "Acquisition and ownership of buildings");
- individual measures to improve the energy efficiency of buildings and mitigate related greenhouse gas emissions.

In 2021, the share of Vivendi's capex eligible under the first two objectives – climate change mitigation and climate change adaptation – was 90.4% of the capital expenditure as defined for the purposes of the European Taxonomy (€2,598 million).

Operating expenditure (opex)

Opex, as defined by the Taxonomy Regulation, represented less than 5% of the group's operating expenditure for the year 2021. Given the nature of the expenditure concerned (maintenance and repair of tangible assets, building renovation costs, research and development costs, and non-capitalized rental expenses), which does not represent the core of Vivendi's business and therefore constitute a small share of total operating expenditure, this indicator is not material for the group. In accordance with the Taxonomy Regulation, no eligibility analysis was performed.

2.4.3. VIVENDI'S ENVIRONMENTAL RESPONSIBILITY

Certain activities of the Vivendi group are not eligible under the Taxonomy Regulation, as it currently stands. These activities are advertising, publishing, video games and magazine publishing.

In addition to the disclosure obligations related to the Taxonomy Regulation, Vivendi is fully aware of its responsibility, due to the reach of its content across its various communication media (e.g., television channels, digital platforms, books and magazines), to raise awareness of climate issues. The group will monitor the impact of regulatory developments, particularly following the publication of the Delegated Acts that could extend the list of eligible activities to the other four environmental objectives.

SECTION 3. BUSINESS ETHICS AND COMPLIANCE

Vivendi carries out its business activities in compliance with local and international Regulations and bases its business conduct and its relations with third parties on high standards of business ethics. These standards guide its business development, help maintain the group's relationships of trust with its business partners and customers, and support its global performance. They are enshrined in a Compliance Program, aimed at training group employees in ethical behavior and proactively preventing and dealing with any risk situation that may arise within the context of their work.

Supported at Vivendi's top management levels, this program is built around commitments and an organizational structure responsible for deploying and coordinating the group's compliance systems. Its Compliance Program is in keeping with the guiding principles of the United Nations Global Compact, which shape Vivendi's approach to respecting and promoting fundamental human rights and labor standards in its business activities, within its sphere of influence and in its contribution to respecting the environment and combating corruption.

The primary focuses of Vivendi's Compliance Program in 2021 included aligning the anti-corruption policy with the latest recommendations of the French Anti-Corruption Agency (AFA) and strengthening the system for managing risks related to the duty of vigilance. In particular, defining policies for assessing third parties in business relationships with the businesses and rolling out vigilance risk maps for each entity improved the group's ability to prevent and control risks related to its own activities and those of its supply chain.

In other areas of the Compliance Program, personal data protection measures continued to be optimized, and the business units re-assessed their tax policies. In 2022, the group intends to continue updating and rolling out its compliance systems, including its third-party assessment policies, in its business processes.

3.1. Organization and governance

The Management Board oversees the features of the Compliance Program systems under the supervision of the Supervisory Board. Several Committees were set up under the program to oversee the business ethics and compliance aspects of business line operations, with operational management provided at both the group and business-line levels.

3.1.1. COMMITTEES

3.1.1.1. Compliance Committee

As part of the roll-out of the Compliance Program, the Management Board set up a Compliance Committee responsible for ensuring that risk identification and prevention measures are applied, as required by law No. 2016-1691 of December 9, 2016 ("Sapin II" Act), law No. 2017-399 of March 27, 2017 on the duty of vigilance, and EU General Data Protection Regulation No. 2016/679 ("GDPR").

The Compliance Committee supervises the roll-out of the Compliance Program as a whole and submits recommendations to the Management Board on managing compliance risks. The Committee is chaired by the group's Chief Compliance Officer and meets at least twice a year. In 2021, its work focused on:

- a review of the risk maps of Vivendi Village, M7 (Canal+ Group) and Group Vivendi Africa (GVA);
- a review of third-party assessment policies and their implementation;
- the Regulations on managing cookies and trackers;
- e-mail collection and distribution within the group; and
- reports on the findings of compliance system audits.

3.1.1.2. Risk Committee and Audit Committee

The Risk Committee, chaired by the Chairman of Vivendi's Management Board, and the Supervisory Board's Audit Committee are involved in implementing Compliance Policy and ensure that the measures taken to manage identified risks are adequate, and are properly applied with respect to various stakeholders. This approach helps members of the Supervisory Board and General Management better manage ethics and compliance risks. Progress on the roll-out of systems, along with the work of the Compliance Committee, was reported to the Risk Committee and the Audit Committee in 2021:

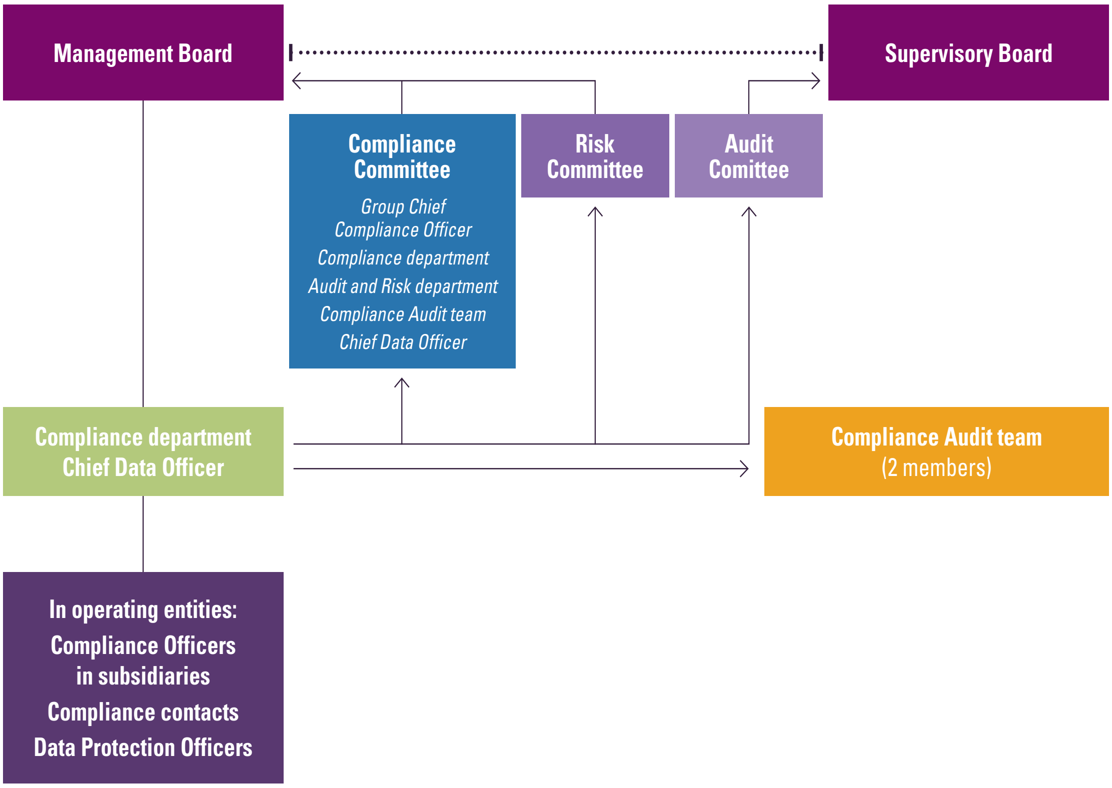
- the work of the Risk Committee focused on Vivendi's duty of vigilance obligations and the roll-out of the group's vigilance program;
- the work of the Audit Committee focused on the review of the anti-corruption and vigilance programs and changes to the whistleblowing system.

3.1.2. OPERATIONAL MANAGEMENT

The group's operational structure is designed to prevent and manage ethics and compliance risks:

- the group's Compliance Department defines and coordinates the implementation of anti-corruption and vigilance measures within business units. It reports to the group General Counsel and Chief Compliance Officer and works alongside Compliance Officers and their compliance contacts. The Compliance Department also collaborates with the group's Human Resources and Finance Departments, coordinating the assessment of accounting control procedures;
- a Chief Data Officer, reporting to the General Counsel, implements personal data protection measures in close collaboration and continuous dialog with the Data Protection Officers (DPO) from each business unit;
- the Audit Compliance team, which reports to the group's Audit Department, checks that measures set out in the Compliance Program are properly applied, and recommends appropriate corrective action, if required (see Sections 3.2.1.4 and 3.2.2.5).

Compliance program governance



3.2. Implementing ethics and compliance

3.2.1. ANTI-CORRUPTION POLICY

Corruption Risk Management is based on an anti-corruption policy implemented within the group. It uses tailored measures and procedures that focus on four objectives: risk identification, risk prevention, risk detection and the implementation of control measures.

3.2.1.1. Risk identification

The risk assessment, prepared by Compliance Officers and operational officers at the entities and headquarters over the last four years, provides a detailed analysis of the potential corruption risks within all Vivendi group businesses. The controls needed to protect against these risks are also based on the action plans for each risk map, which are designed to strengthen the Risk Management systems already in place within each business.

In 2021, the Vivendi group improved its ability to analyze the corruption risks related to its businesses by creating seven more corruption risk maps, bringing the total number of such maps to 23. M7, a pay-TV operator in seven European countries that was recently integrated into the group, assessed its risks in 2021. Prisma Media has started its own analysis, which will be included in the Scope of the group's risks in 2022.

Work on the additional maps was presented to the Compliance Committee in November 2021, and one of the Compliance Committee's tasks for 2022 will be to review the progress report on the implementation of action plans based on risk maps.

The group's General Management pays special attention to risk analysis and has included the roll-out of risk maps as one of the criteria used to determine the variable compensation paid to Vivendi's Management Board members and managers at Vivendi SE for 2021.

3.2.1.2. Risk prevention

Anti-Corruption Code

As the foundation of the group's anti-corruption policy, the Anti-Corruption Code sets out the group's commitments to ethics in its business conduct. These rules apply to all employees in every country where the group operates. The Anti-Corruption Code has been translated into 24 languages so that each individual can understand the prevention measures it contains. The group's businesses have adopted the Code as part of their Internal Regulations, which means employees are bound by it. It can also be found on the group's intranet and website.

Vivendi's Anti-Corruption Code addresses situations identified during the risk mapping process and sets out a Code of Conduct. It takes into account applicable local rules and Regulations in countries where the group is present, particularly the Foreign Corrupt Practices Act (FCPA) in the United States and the UK Bribery Act.

To help group employees better understand situations that could present a risk, several procedures have been defined to round out the implementation of the Anti-Corruption Code. For example, procedures for handling gifts and invitations were adapted for all group entities. This policy outlines what to do regarding giving and receiving gifts and invitations and value thresholds beyond which the gift or invitation must be reported or approved. The Anti-Corruption Code also establishes rules of conduct in cases such as conflicts of interest, facilitating payments and patronage.

If individual employees have any questions regarding a specific situation, such as what to do in the case of unsolicited requests, they are asked to refer to their direct superiors or notify the Compliance Officer.

Employee awareness and training

An online training module dedicated to anti-corruption issues helps employees gain a better understanding of at-risk behavior and of anti-corruption policy rules. New employees must take this training, which can be found in the onboarding handbook provided to them when they join the group. At year-end 2021, 83% of employees had completed the module.

Special classroom training is also provided to General Management of businesses and to employees who are more exposed to corruption risk due to the nature of their duties. The content of these training courses and the identification of their beneficiaries is based on the work carried out upstream during the preparation of corruption risk maps and action plans. In 2021, Canal+ France and Studiocanal focused on the functions of the purchasing, sales, finance and strategy, public relations and production departments.

In 2022, the group's businesses will continue their efforts to provide classroom training for the employees most exposed to corruption risk.

To highlight the commitment of group Management to raise employee awareness about corruption and corruption risks, training is one of the criteria used to determine the variable compensation of Vivendi's Management Board members and managers at Vivendi SE.

Assessing the integrity of third parties

In 2021, the process for assessing the integrity of third parties, which covers suppliers, subcontractors, customers and intermediaries, consisted of assessing the specific risk involved in maintaining the established or potential relationship with a business partner. The group's businesses each analyzed its risks in detail.

Third-party risks were mapped based on specific risk criteria (e.g., third party category, revenue generated and location) to identify the different third-party categories involved in each business line's activities and to align the assessment with the chosen risk level.

These analyses led to the definition of third-party assessment policies based on the specific nature of each business. These policies set out the categories of at-risk third parties, the roles and responsibilities of those involved in performing due diligence, and the appropriate process within the business for deciding whether to establish or continue the business relationship.

In 2022, this work will continue to focus on rolling out third-party assessment policies and performing due diligence on identified at-risk third parties.

Anti-corruption clause

Business relationships cannot be established unless the business partner is informed of the group's anti-corruption commitments and receives documents on its Compliance Policy (e.g., Anti-Corruption Code and Responsible Purchasing Charter). Each business also ensures that the draft partnership agreement includes an anti-corruption clause setting out each party's commitments regarding anti-corruption issues.

■ 3.2.1.3. Risk detection

Whistleblowing system

Designed for reporting potential internal misconduct, the whistleblowing system features a platform that is available to all group entities.

This system was updated in 2021 in alignment with regulatory changes. Originally designed for violations under France's Sapin II Act, it now encompasses the requirements imposed by the French duty of vigilance law. Its procedures are in line with the recommendations of France's data protection authority (CNIL) for whistleblowing systems and with the recommendations of the French National Cybersecurity Agency (ANSSI) for information system security.

Reports are received and handled in accordance with detailed procedures for whistleblowers and those authorized to investigate reports. These procedures guide investigators in determining the seriousness and severity of a report and provide a framework for any further investigation.

■ 3.2.1.4. Control measures

Accounting control procedures

In 2021, control procedures continued to be rolled out for financial processes. In particular, Havas Group teams worked on aligning key accounting controls with corruption risk maps. In 2022, this initiative will be progressively rolled out to the main entities included in the consolidation Scope.

Compliance Audits

As part of its 2021 audit plan, the Audit Compliance team, which reports to the group Audit Department, performed both cross-functional and vertical controls to ensure that the businesses have properly applied the components of the anti-corruption policy and that its recommendations have been implemented.

The cross-functional controls at group level enabled the Audit Compliance team to assess how well parts of the anti-corruption policy were implemented and managed. Access to the whistleblowing system and team awareness of anti-corruption measures are two areas prioritized by these controls each year. They ensure that the Anti-Corruption Code is effectively communicated to the group's employees. Vertical controls were also carried out at the level of the businesses to review the corruption risk maps and action plans, risk detection and prevention measures, and operational and accounting control procedures.

In addition, throughout the year, particular attention was paid to following up on the recommendations made by the previous year's audits. The findings from these audits were reported to the members of the Compliance Committee in 2021.

3.2.2. VIGILANCE PLAN

As required by the French law on the duty of vigilance of parent companies and ordering companies, Vivendi has strengthened its measures to prevent risks and mitigate serious infringements of human rights, fundamental freedoms, health and safety, and the environment that may be caused by the activities of the group, its suppliers and its subcontractors.

Accordingly, in 2021 the Compliance Department focused on several areas to strengthen its existing vigilance measures: developing a detailed analysis of vigilance risks for each business combined with targeted measures to mitigate these risks, completing the integration of reports related to the duty of vigilance into the whistleblowing system, defining a vigilance clause and distributing a Responsible Purchasing Charter.

This work led to the publication of a more comprehensive vigilance plan in terms of risks and the mitigation measures to be taken.

■ 3.2.2.1. Scope of the duty of vigilance plan

The Scope of the group's duty of vigilance plan includes all the activities of Vivendi SE and seven entities: Canal+ Group, Havas Group, Editis, Gameloft, Dailymotion, Vivendi Village and Group Vivendi Africa. It also encompasses the group's supply chain by including risks related to subcontractors and first-tier suppliers that have an established business relationship with Vivendi and its entities.

Analyses of Prisma Media will be integrated into the Scope of vigilance risks in 2022, giving a consolidated picture of risks across all group entities.

■ 3.2.2.2. Vigilance risks

Vigilance risk mapping

Vivendi's approach to identifying vigilance risks was originally based on CSR risk maps. In 2021, a more in-depth analysis involving a large number of internal stakeholders was carried out to provide a more accurate and comprehensive view of the vigilance risks to which the group may be exposed.

A group-wide risk map was also drawn up by consolidating the maps created for each entity. This initiative was based on fifteen risks related to the specific nature of each business and structured Vivendi's approach to analyzing the group's businesses and supply chain.

The process involved conducting interviews with representatives of operations departments at headquarters, and in the entities, to better describe the risks to human rights, fundamental freedoms, health and safety and the environment that may result from the group's activities.

It also included an inventory of existing policies and action plans aimed at assessing the degree of control over these risks. This assessment was guided by the severity and frequency of each risk and by whether effective Risk Management systems are in place for governance, processes and controls.

It also took the size of the various entities into account by applying a weighting factor to the results of the assessments carried out by each business line, thereby producing a more accurate assessment of group risks. The weighting factor reflects the revenues and headcount of group businesses and is adjusted for the impact of their activity.

Finally, a plan consolidating existing and planned risk mitigation measures was proposed to each business line. These plans will be finalized in the first quarter of 2022.

Risk identification

Of the fifteen risks selected for mapping, only those identified as group priorities following the assessment are presented below, together with the associated mitigation measures.

The main risks identified in connection with the group's activities

Since the group operates in many countries and is exposed to a variety of local Regulations, it pays particular attention to risks related to human rights and fundamental freedoms. Due to the nature of its activities, these risks relate mainly to discrimination and psychological and sexual harassment of employees in the workplace, and to the lack of information and support for consumers in the use of the products and services sold by the group. It should be noted that Vivendi reaffirms its commitments around human rights and fundamental freedoms, as well as health and safety, with its adherence to the principles of the United Nations Global Compact.

If the analysis reveals that risks related to employee harassment and discrimination must be prioritized for vigilance measures, the businesses already have measures in place to strengthen their control. They are presented in detail in Section 4.3.1.2. These measures will be re-assessed in 2022 as part of the work on the vigilance policy.

Risk related to the lack of information and support for consumers is more specifically linked to aggressive sales tactics, a lack of transparency in communication regarding general conditions of sale and a lack of after-sales service or assistance. Given the nature of the group's activities, measures to control this risk are closely monitored and regularly updated, which explains why it was not found to be significant following the assessment but continues to be a priority for the businesses.

The health and safety risks analyzed involved working conditions and employee health and safety, with a focus on psychosocial, physical or psychological risks; the health, safety and security of employees at sites and during business trips; and employee working conditions (such as long working hours and similar concerns). The measures to manage these risks and ensure that the assessment does not find them to be significant are discussed in detail in Section 4.3.1.1.

The analysis of environmental risks carried out as part of the vigilance process identified two principal risks: the risk related to the management of natural resources and the protection of ecosystems (consumption of water, energy and raw materials) and the risk associated with the impact of business activities on climate change. Although the assessment did not find these risks to be significant, monitoring them remains a priority and is in line with the group's environmental strategy (see Section 4.1.), which has been supported for many years by the businesses' efforts to address issues related to environmental protection and the fight against climate change.

Following the assessment of these risks, mitigation measures were defined in the form of action plans specific to each business. Some actions were initiated at the group level. They make up the Vivendi group's comprehensive action plan for vigilance, which also covers additional risks not presented in this section.

Theme	Title of risk	Group-level mitigation measures
Human rights and fundamental freedoms 	Risk associated with employee harassment and discrimination	▶ Measures in place: – a system for tracking harassment and discrimination reports – training modules for employees in certain entities – presence of harassment and discrimination representatives in the businesses ▶ Measures to be implemented: – draw up an inventory of all existing measures within the group and support training initiatives in the entities (e.g., carrying out initiatives to raise employee awareness and adding a course on harassment and discrimination to the training plan for managers)
	Risk associated with the lack of consumer information and support	▶ Measures in place: – a system for customer feedback in entities with activities related to end users – a system for monitoring customer complaints (e.g., that tracks the number of complaints received, admissible complaints and complaints requiring an action plan) ▶ Measures to be implemented: – re-assess customer feedback and complaint systems in entities with activities related to end users

Theme	Title of risk	Group-level mitigation measures
Health and safety risks	Risk associated with working conditions and employee health and safety	▶ Measures in place: – a plan for preventing stressful situations arising from organizational constraints, workload or other issues – conferences and webinars on health and wellness, surveys and polls on various themes (such as managing remote work) – establishment of a mental health counseling hotline or a medical teleconsultation service – preventive measures related to the public health crisis (e.g., employee information, prevention of psychosocial risks and counseling unit) ▶ Measures to be implemented: – assess occupational health and safety measures throughout the group (e.g., processes and responsibilities) and define appropriate action plans
Environment	Risk associated with the management of natural resources and the protection of ecosystems	▶ Measures in place: – training program on environmental issues related to the Vivendi group's businesses ▶ Measures to be implemented: – expand the ISO 14001 certification program or establish an environmental management system within the businesses – help integrate environmental concerns into the development of offers (e.g., advertisements, production of series, movies and books) in the relevant business units – improve monitoring of environmental Regulations
	Risk associated with the impact of business activities on climate change	▶ Measures in place: – carbon impact training for the businesses ▶ Measures to be implemented: – continue to develop and share tools to measure the carbon impact of products and services (carbon impact of events, advertising, movies and books) – continue to develop performance indicators for offers that reflect their carbon impact

Risks related to the activities of suppliers and subcontractors

To address risks within the group's supply chain, suppliers and subcontractors were assessed using the same methodology that is used for risks related to Vivendi's activities.

The analysis focused on the risks associated with non-production and production purchasing. Non-production purchasing covers supplies used in the group's day-to-day operations, such as IT, telecommunications, business travel, automobiles, telephony and facilities. Production purchasing concerns purchases related to the creation and distribution of content and products sold by the group (e.g., purchase of rights and programs).

Six risks related to Vivendi's suppliers and subcontractors were identified and analyzed from the perspective of human rights and fundamental freedoms, health and safety, and the environment.

Of the risks related to suppliers and subcontractors, the assessment identified their impact on the environment as the most significant risk for the group. This risk includes the production of waste, overproduction, faulty products and the absence of environmental measures for production activities (e.g., promotional items and printing paper). The supply chain's impact on climate change (greenhouse gas emissions) is also taken into account.

This process, which improved Vivendi's understanding of environmental commitments within the supply chain, led Vivendi to establish measures that are currently more widely implemented in the area of non-production purchasing. The group will continue to implement measures adapted for production activities, reflecting its desire to follow a responsible environmental approach in all its activities.

Theme	Title of risk	Group-level mitigation measures
Suppliers/subcontractors 	Risk associated with the impact of suppliers and subcontractors on the environment	► Measures in place for non-production purchasing: – listing and rating of strategic suppliers on the EcoVadis platform – distribution of a vigilance clause and the Responsible Purchasing Charter – integration of the vigilance clause in new supplier contracts – distribution of the Responsible Purchasing Charter to all suppliers ► Measures to be implemented for non-production purchasing: – continue listing and rating strategic suppliers on the EcoVadis platform – support suppliers with a corrective action plan ► Measures to be implemented for production purchasing: – assess the environmental commitments of strategic suppliers – distribute the vigilance clause and the Responsible Purchasing Charter

■ 3.2.2.3. Risk prevention

Responsible purchasing charter

The Responsible Purchasing Charter guides the principles applicable to purchasing practices and the supply chain. Based on the development of ethical and sustainable business relationships and the objective of maintaining constructive dialog, it captures the group's ethical, social and environmental expectations. Compliance with this charter is a prerequisite for Vivendi's business relationships. The group requests its suppliers to make a formal commitment to apply high standards of ethics themselves and ensure that human rights are protected.

Business relationships with non-production suppliers are established in compliance with the charter. In 2022, the charter will be adapted and rolled out to other categories of suppliers and subcontractors based on the specific nature of their business.

Vigilance clause

Along with the anti-corruption clause, a vigilance clause consolidates the contractual provisions on compliance. It is part of the business agreement and sets out each party's commitments regarding vigilance issues. In 2022, this clause will be rolled out more broadly among suppliers and subcontractors for production and distribution purchases.

■ 3.2.2.4. Risk detection

The whistleblowing platform gives the option of reporting failures to meet the group's commitments in respect of human rights, fundamental freedoms, health and safety, and the environment. These reports are investigated following the same procedure as reports related to the Sapin II Act. The process for handling reports was improved by the creation of a second unit that focuses on reports of harassment. Each investigation unit is made up of group representatives who are appointed because of their expertise in investigating the necessary actions to be taken in response to reports submitted through the platform.

■ 3.2.2.5. Monitoring of the vigilance plan

The Audit Compliance team, which is part of the group's Audit Department, is responsible for monitoring the vigilance plan. In 2021, an initial audit was carried out on a group entity. It covered the measures in place to raise awareness of human rights and labor laws among employees and business partners. A second area of focus in 2021 was to check that contractual documents contained clauses to prevent vigilance risks and that third-party assessments are taken into consideration as part of the business relationship.

The findings of these controls are on the work agenda for the members of the Compliance Committee. In addition, as part of a continuous improvement process, the Compliance Committee will regularly review risk monitoring and the measures presented in the action plans.

3.2.3. PERSONAL DATA PROTECTION

Managing personal data is a key issue in the Vivendi group's businesses. Fully recognizing the sensitivity and importance of this issue for Vivendi, and for each of its business lines, the group takes careful steps to ensure that personal data protection rules and principles are applied to secure the trust it has built with all of its customers, prospects, partners and suppliers.

Compliance with these rules is one of the indicators used to determine the variable compensation of Vivendi's Management Board members and managers at Vivendi SE.

Vivendi introduced a personal data protection charter in 2008 to improve transparency. In its ongoing efforts to comply with EU General Data Protection Regulation no. 2016/679 (GDPR) of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, Vivendi drafted a new version of this charter to provide all data subjects with the necessary information on how Vivendi processes their personal data in its business operations.

Since 2017, Vivendi has engaged all its entities in a global and collaborative GDPR Compliance Program, coordinated by its Chief Data Officer, under the supervision of the group's Chief Compliance Officer. The action plans initiated as part of this program have been implemented according to the group's guidelines.

These actions specifically include providing information, obtaining consent, planning around the exercise of personal data rights, updating contract terms, ensuring the appropriate legal qualification of co-contractors, determining appropriate data retention periods, and overseeing compliance with guidelines such as data minimization and accuracy.

Data protection resources and personal data confidentiality and security measures have been reinforced at both technical and organizational levels, with the appointment of Data Protection Officers and representatives at each entity. E-learning platforms with training modules on personal data protection have also been implemented to raise large-scale awareness of the group's employees.

In 2021, Vivendi also increased the effectiveness of its data protection measures by improving its audit procedures and updating its personal data protection and cookie management policies in line with applicable Regulations. It has routinely incorporated its "privacy by design" and "privacy by default" approaches into all personal data projects.

The group regularly adopts actions and measures to account for and implement relevant recommendations issued by the competent data protection authorities.

3.2.4. TAX POLICY

The group's tax policy applies to all types of taxes at every jurisdiction level (local, regional and national). It is overseen by the group's Tax Department, which employs specialized staff in Paris, New York, London and Madrid and is headed by the Senior Vice President, Head of Taxes under the supervision of the group's General Counsel, who is a member of the Management Board.

Appropriate structures are implemented at group level to ensure that group companies prepare and file tax returns correctly, that appropriate accounting principles (including transfer pricing policies) are identified and followed, and that all taxes owed by group companies are properly calculated and paid in all relevant territories.

When the group works with external advisors, steps are taken to ensure that they have the requisite qualifications and reputation.

If any company or part of the group is subjected to a tax audit, all appropriate resources are assigned to the matter to ensure the proper conduct of the process and its conclusion in the best possible conditions.

The group has a very low tolerance for tax risk and notably does not shelter profits in or transfer them to tax havens or non-cooperative jurisdictions. Any activity in low tax countries is justified by a legitimate commercial presence on the local market.

In compliance with applicable rules, the group engages in legitimate tax planning to make the most efficient use of tax reliefs that may be authorized by tax law. When permitted under local legislation and customs, the group is committed to establishing and maintaining a constructive and transparent relationship with the tax authorities in all countries in which it operates. The group considers that such arrangements provide long-term benefits for both the group and the local authorities.

SECTION 4. CSR COMMITMENT

4.1. *Creation for the Planet:* Innovating to protect the planet

4.1.1. OUR PRIORITY: ACT NOW TO CONTRIBUTE TO A CARBON NEUTRAL WORLD

The latest report by the Intergovernmental Panel on Climate Change (IPCC), published in August 2021, confirmed the role of human activity in recent climate changes and reiterated that limiting global warming to 1.5 °C by the end of the century is a crucial global target. Solutions to this climate crisis can only be implemented collectively, and companies have an important role to play in meeting the 1.5 °C target.

Consequently, the *Creation for the Planet* pillar of Vivendi's CSR program focuses on fighting climate change, in line with the Paris Agreement, and protecting the environment. To meet its goals, the group is implementing a three-phase approach to: (i) intrinsically reduce the group's greenhouse gas (GHG) emissions via four priority focus areas linked to the main sources of emissions; (ii) achieve carbon neutrality by 2025 by offsetting residual emissions through eco-friendly projects, some of which also aim to meet social objectives; and (iii) further reduce emissions aiming for a net-zero target.

In 2021, Vivendi continued to work on defining its low-carbon targets in accordance with the recommendations of environmental scientists, while also factoring in changes to the group's Scope (the removal of Universal Music Group and the addition of Prisma Media).

After signing on to the Science-Based Targets initiative (SBTi) in 2020, the group redoubled its commitment by joining the Business Ambition for 1.5 °C campaign in February 2021. It also submitted its carbon reduction plan to SBTi in December 2021 for review and approval before year-end 2022. The group will release the details of its decarbonization action plan once SBTi validates its targets.

In addition, some group entities, such as Canal+ in mainland France and Vivendi's headquarters, have already achieved carbon neutrality by offsetting their emissions. All offset projects supported by the group are certified to internationally recognized carbon offset standards (Verified Gold Standard and Verified Carbon Standard).

Finally, as a global leader in culture, entertainment, media and communications, the group is willing to use its influence to raise public awareness about climate issues and solutions to help reshape behavior. Vivendi will also implement, or participate in with its ecosystem, collective initiatives to define a more sustainable model for the environment.

4.1.2. REDUCTION OF THE DIRECT AND INDIRECT CARBON FOOTPRINT OF OUR ACTIVITIES

Vivendi aims to reduce its GHG emissions across its value chain, including Scope 3 activities related to its suppliers' operations and customers' use of the products and services of the group's entities.

The four main sources of Vivendi's GHG emissions are, in order of importance:

- 1: purchases of goods and services (Scope 3);
- 2: the use of products and services sold (Scope 3);
- 3: energy consumption by its sites (Scopes 1 and 2);
- 4: business travel (Scope 3).

For several years, Vivendi has used an environmental reporting system to support its approach to cutting emissions. In 2021, the reporting scope covered over 90% **(1)** of the group's workforce and comprised a network of more than 300 contributors in 70 countries.

(1) Excluding Prisma Media, which will not be included in the environmental reporting system until the next fiscal year.

The group monitors the following indicators to measure its performance and the efforts made to manage climate-related risks:

- Scope 1 and 2 GHG emissions (including consumption of fuel, electricity and heating);
- Scope 3 GHG emissions (including GHG emissions from purchases of raw materials, employee travel, waste and freight); and
- share of energy consumption from renewable energy sources.

Since 2020, Vivendi has proactively followed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to improve climate-related financial transparency. The TCFD is a task force created in 2015 by the G20's Financial Stability Board to improve climate-related financial reporting. Its recommendations form an international reporting framework structured around four pillars: governance, strategy, Risk Management, indicators and targets.

This initiative reflects the group's commitment to building a more resilient financial system and protecting itself against climate-related risk by analyzing the risks that could affect its operations. The main climate-related risks are described in Section 2.3. and the TCFD concordance table in Section 6.2.

■ 4.1.2.1. Responsible use of resources

The protection and renewal of natural resources are essential for their conservation. Natural resource consumption is a key challenge for Vivendi and some of its business lines, whose operations and products consume a significant amount of paper and plastic.

Paper, the group's most widely used resource

Paper is the main resource consumed by the group (over 43,000 tons were used in 2021), especially for printing Editis books and Prisma Media magazines. The group's purchasing policy recommends paper certified by the Forest Stewardship Council (FSC®) or the program for the Endorsement of Forest Certification (PEFC), which guarantee responsible and sustainable forest management and help fight deforestation. In 2021, 98% of the paper used by the group was FSC®- or PEFC-certified.

To limit its paper consumption, Editis is also implementing an improvement strategy aimed at reducing the number of unsold copies by fine-tuning book placements and adjusting print runs. Editis also negotiated agreements with printing companies to improve the makeready process and reduce paper waste throughout the entire manufacturing process. Finally, in keeping with its preference for buying local, more than 99% of Editis's paper suppliers are in Europe (with 20% produced in France).

Plastic

Plastic is the second most widely used resource in the group and is primarily used for Canal+ Group's set-top boxes. Canal+ Group's technical and marketing teams are integrating eco-design principles into the design and production process to reduce its equipment's environmental impact. For example, the casing for the latest generation of set-top boxes, designed in 2021, is made with more than 90% recycled plastic, while the box itself is now smaller. The boxes have also been made lighter, which reduces the GHG emissions produced by shipping them. As for packaging, all protective bags and films, plastic ties and rarely used cables will be eliminated in 2022.

The development of Over-the-Top (OTT) services such as myCanal, which allow customers to view Canal+ Group content without a set-top box, also helps reduce plastic consumption.

Other resources and circular economy initiatives

In general, Vivendi entities systematically ensure that waste is treated in compliance with the local environmental standards in force. Some entities go further and take a circular economy approach to ensure optimum use of natural resources and prevent their depletion in the medium-term.

Consequently, Canal+ Group's policy aims to extend the life of its equipment through re-use and by optimizing end-of-life processing. In France, logistics teams have been collecting and recycling set-top boxes since the channel was launched more than 35 years ago. If the equipment returned by subscribers meets the group's technical requirements, it is tested and reconditioned to be put back into service. In Togo, Benin and Mali, initiatives to recycle old set-top boxes were set up in 2018, in partnership with a company that recycles waste electronics. In total, these initiatives have collected nearly 25 tons of equipment since they were launched.

Dailymotion is working to relieve the pressure on rare metal supply by extending the life of its data servers beyond their warranties. While the industry standard is to replace servers an average of every 4 to 5 years, Dailymotion uses them for up to 7 to 11 years at the cost of higher maintenance.

■ 4.1.2.2. The environmental impact of content

Content, whether digital or physical, creates environmental externalities: energy consumption, natural resources, impact on biodiversity, etc. Aware of the potential environmental impact of its creations, Vivendi takes a proactive approach to reducing the resulting footprint.

Audiovisual shoots

The audiovisual sector in France releases approximately 1.7 million tons of CO_2equivalent **(1)** into the atmosphere each year. Canal+ Group has been a member of Ecoprod (an organization that encourages audiovisual professionals to work toward the ecological transition) since 2019. It uses environmentally responsible practices to produce content like the Studiocanal series *Neuf meufs*. Such practices include restricting shooting to one location, minimizing travel, and sorting waste on site. It also reuses sets in different projects, as it did with the sets used on both the *Infinity* series and season 3 of *War of the Worlds*. For the series *OVNI(s),* shot in Belgium, carbon offsetting measures were taken for all travel in partnership with GoodPlanet. In 2021, two workshops to educate production teams about eco-production were also held.

(1) Source: Ecoprod Study November 2020.

Advertising campaigns

Havas Group has prepared guides on eco-friendly campaigns that list criteria that should be monitored when developing a campaign, from design to distribution. There are different guides for the media, creation and events divisions. They have been sent to the agencies, which have adapted them to suit their business and specific requirements. GHG emissions calculators created with specialized consulting firms (Carbone4 and EcoAct) have been introduced to measure the carbon impact of campaigns and raise awareness among customers, as regards both creation and media aspects.

Canal+ Group's advertising agency Canal+ Brand Solutions partnered with consulting firm EcoAct to develop a tool that calculates the carbon footprint of its advertising campaigns. This tool gives customers a more accurate picture of their CO_2 emissions and makes it possible for the agency to propose media planning with a lower environmental impact.

Publishing

Since paper is the resource that Editis uses most, the company developed several initiatives to produce books responsibly; most of the printing companies used are certified to Imprim'Vert® (certification for printing companies committed to reducing their environmental footprint) and ISO 14001 or equivalent standards. To limit the impact of GHG emissions caused by book shipments, Editis tries to print at locations close to both its paper suppliers and its logistics facilities. Finally, glues and coatings are also selected with a view to minimizing environmental impact. Since 2021, all Bordas school supplies have been made with environmentally friendly inks and coatings, and printing is done in France using FSC®-certified paper.

Digital

In 2018, the digital industry accounted for approximately 3.7% of the world's total GHG emissions. In France, it is estimated that by 2040 these emissions could increase by 60% to reach 6.7% of the country's total emissions. Given the above, the group's technical and digital teams are developing ambitious solutions to limit bandwidth consumption and increase the energy efficiency of network infrastructure and equipment.

According to a study conducted in December 2020 by Canal+ Group, in partnership with Greenspector (a company that focuses on the environmental impact of digital services) and Evea (a company that analyzes the environmental impact of products), streaming one hour of video on the myCanal platform generates 28 grams of CO_2 equivalent. Based on this benchmark, Canal+ Group set itself the goal of reducing the carbon footprint of video consumption in mainland France by at least 30% by year-end 2023. The technical and digital teams launched ambitious projects to integrate the latest content encoding and broadcasting technologies and minimize streaming's carbon footprint while maintaining the user experience.

Dailymotion worked to make its software more efficient and less energy intensive by refining its source code, which means fewer servers are needed to run it. Gameloft's data center in Montreal, which is 99% powered by renewable energy, is another example of Gameloft's commitment to reducing its environmental impact.

■ 4.1.2.3. Managing and reducing energy consumption

For several years now, the Vivendi group has been committed to controlling its energy consumption and getting its buildings environmentally certified. In 2021, the group brought all of its initiatives together under a common Sustainable Buildings program aimed at improving the environmental and energy efficiency of the group's buildings, thereby reducing the carbon footprint of its sites. This program is based on implementing internationally recognized environmental management standards (ISO 14001, ISO 50001) or sustainable building certifications (e.g., HQE®, BREEAM® and LEED®).

In 2021, more than 20% of the group's workforce was covered by ISO 14001 or ISO 50001 environmental certification, and a number of the group's sites also held sustainable building or other forms of certification (e.g., generalist, sector-based and local) with an environmental component. The HKX building in London, which houses around 20 Havas agencies, and the Editis head office in Paris have Building Research Establishment Environmental Assessment Method (BREEAM) certification. Gameloft in Montreal has offices in LEED (Leadership in Energy and Environmental Design) certified buildings and has received the Environmental Award from GamesIndustry.Biz for its efforts to promote a more environmentally friendly workplace.

In addition to certifications and labels, various solutions are being implemented to reduce building energy consumption and the carbon impact of the energy mix. Energy consumption by the buildings that the group owns or rents to accommodate employees and customers (including office space, warehouses, stores and performance venues) is the third largest source of the group's GHG emissions.

The use of renewable energies is one of the solutions implemented by the group and its entities to reduce its carbon emissions. Consequently, many group entities draw their electricity from renewable sources, including Canal+ Group for its stores in Africa, Studiocanal in Germany and M7 for its head office in the Netherlands, Gameloft for its studio in Canada, Dailymotion for its two data centers in the Île-de-France region, and Havas Village in France, Spain and the United Kingdom, where it shares its offices with Studiocanal.

*In 2021, over **18%** of the electricity used by the group was generated using renewable energy sources*

In addition, several entities use motion detection systems to limit their use of artificial lighting, air conditioning and water, or they have renovated to improve their thermal insulation or upgraded their lighting systems by installing more energy-efficient LED lighting (l'Olympia, See Tickets).

■ 4.1.2.4. Business travel

Business travel is essential for establishing and maintaining effective and productive relationships with the group's various stakeholders (including artists, producers, customers and business partners) and is therefore common in Vivendi's businesses. Although business travel is still impacted by the Covid-19 pandemic, the group's various employees traveled nearly 47 million kilometers for work purposes in 2021. Initiatives are being developed both globally and locally to reduce the GHG emissions resulting from these trips.

For local travel, employees are encouraged to use more environmentally friendly modes of transportation, such as public transit or bicycles. Certain contracts with taxi or vehicle-for-hire companies were negotiated to include clauses offering an electric or hybrid vehicle at no extra cost when possible.

The Purchasing Department continued to work with the business divisions to reduce the carbon footprint of the group's company cars. This initiative began several years ago by gradually replacing vehicles in use with lower-pollution, electric or hybrid models.

Remote work agreements were also put in place within various entities in 2021. Aside from improving work-life balance, remote working significantly reduces the transport-related carbon footprint. The group therefore expanded its rollout of Microsoft Teams, video conferencing equipment and remote collaboration tools.

Initiatives were also launched to reduce GHG emissions from commuting: Havas Sports & Entertainment provided its employees with company bicycles; Editis rolled out a carpooling application for its headquarters in Paris and installed charging stations for electric vehicles. Lastly, Canal+ Group partnered with the SoliCycle organization to hold two bicycle repair workshops at its locations in the Île-de-France region.

In 2022, the group will continue its efforts to reduce GHG emissions from business travel.

4.1.3. USING OUR INFLUENCE TO RAISE AWARENESS ABOUT THE CLIMATE EMERGENCY

Vivendi has made its mission to use its content to help raise awareness of the climate emergency and environmental concerns and transform environmental behaviors.

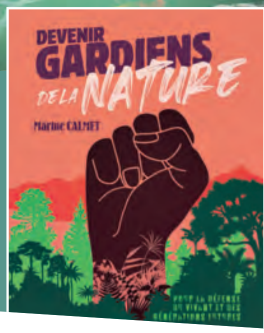
Canal+ Group 's digital media platform in France, *Les Éclaireurs*, showcases positive initiatives in areas such as the economy, agriculture, energy, social progress and ecology. *Les Éclaireurs* raises awareness of the climate crisis by focusing on people who find practical solutions to live more sustainably on a day-to-day basis. In October 2021, Canal+ organized a special *Planète Impact* week with seven nights of exceptional nature-themed movies, including five exclusive films never seen before in France. Finally, the dedicated *"myCanal voit green"* channel broadcasts films, documentaries and series focusing on the environment throughout the year.

Editis's commitment to environmental protection also involves raising its readers' awareness by disseminating knowledge about nature, biodiversity and climate. In 2021, Editis's publishing houses released more than 110 printed works (novels, essays and children's books) on the environment (compared with 80 in 2020). These include *La fabrique des pandémies – Préserver la biodiversité, un impératif pour la santé planétaire*, by Marie Monique Robin published by La Découverte and *Devenir gardiens de la nature,* by Marine Calmet, published by Tana, which were particularly popular.

GEO magazine (published by Prisma Media) and Météo-France organized a photo contest in France on the theme of climate to raise public awareness of the impact of global warming across France. The judging panel, chaired by Yann Arthus-Bertrand and consisting of members of GEO's editorial staff and climate experts from Météo-France, chose the most impactful photo. The public was also asked to vote online for their favorite photo. The magazine then published both winning photos. GEO partnered with Météo-France again to launch a fun, educational podcast called *Les calottes sont cuites* to explain climate change and its impact.

In 2021, Havas Group carried out several campaigns to raise awareness about the climate crisis and environmental and biodiversity protection. Among its key initiatives, Havas London designed a campaign for EDF that showed how to reduce CO2 emissions by charging cars overnight with renewable electricity.

1.



2.

1. Photo from the contest *L'œil du climat (The Eye of the Climate)*

2. *Devenir gardiens de la nature (Becoming guardians of nature), by Marine Calmet*

La Banque Postale asked Havas Paris to produce a campaign on its climate commitments, especially its plan to stop investing in fossil fuels by 2030. Havas Media and Native (Socialyse Paris) designed a campaign for Hyundai France to position the brand as a committed stakeholder in the fight against global warming locally through its electric vehicles and network.

Educating the younger generation about environmental issues is another key challenge for Vivendi and its entities. Canal+ Group renewed the *Super héros de la planète* series, which features educational shows about sustainable development and recycling on its children's channels. Publishers Nathan, Bordas and Retz (Editis) developed educational resources for teachers that provide young children with basic information about the natural world: the seasonal cycle, plant life, animal life, etc. Illustrated books and games also help educate children from an early age.

4.1.4. WORKING WITH OUR ECOSYSTEM TO BUILD A MORE SUSTAINABLE MODEL

Vivendi and its entities also seek to get involved in collective initiatives by engaging its employees, customers, peers in their sectors and other players within their respective ecosystems to build a more sustainable model for the environment.

■ 4.1.4.1. Employee awareness and engagement

Different initiatives were implemented to make sure that employees have the information they need about the environmental impacts of their activities and actions taken to reduce those impacts.

Dedicated structures

A cross-business line working group, consisting of the CSR Departments of the group and its entities, meets every quarter to steer the rollout of the *Creation for the Planet* environmental road map.

The entities have internal steering committees for environmental initiatives that define and monitor all the measures to be rolled out. In 2021, more than 60 of the group's entities had such a committee or a similar type of function to accelerate their transition to even more environmentally responsible internal practices.

Canal+ Group has had its *Et ta planète?* steering committee for nearly two years. The committee is under the responsibility of Canal+ Group's CSR Director. The Chairman of the Management Board and the Deputy Chief Executive Officer in charge of Finance, Strategy and CSR attend its meetings. Its members are representatives from the group's major business lines: purchasing, supply chain, marketing, networks, information systems, etc. Its action plan includes the reduction of energy consumption at the group's locations, eco-responsible production and issues concerning responsible digital technologies. Similar committees have been set up at Canal+ International and Studiocanal. More than 100 employees are actively involved in environmental issues.

A community of CSR contacts was created at Vivendi Village. It includes representatives from all its business lines (ticketing, talent and brands, live events, and performance venues) to deal with issues related to its environmental commitments. This year, Gameloft also set up a CSR unit for environmental concerns. It relies on a team of 10 ambassadors across the various studios who meet every two months to address the measures included in the environmental action plan. Havas Group also has Green Teams in 12 countries, covering more than 20 agencies. Lastly, a Green Team has been in place at Vivendi's headquarters for more than ten years to manage the ISO 14001 and ISO 50001 certification process.

Awareness initiatives

The group and its entities have carried out many awareness and training initiatives.

During the ten weeks when European Sustainable Development Week, COP15 on Biodiversity in China and COP26 in Scotland were being held, the CSR and internal communications departments of the group and its entities co-organized *Road to COP26*. This was a series of events for all employees that addressed various environmental issues (including climate change mechanisms, digital pollution, the circular economy and biodiversity). The various remote events were viewed by more than 1,500 employees in French and English.

After *Road to COP26*, an e-learning module called *Let's Act Together For the Planet!* was rolled out across the group. It covers key concepts on environmental issues and highlights best practices that people can adopt to become more responsible digital citizens. As of December 31, more than 1,200 employees had already completed this module.

Several group entities have set up the *Fresque du climat* employee platform, with members of their Management Committees participating in some workshops. *Fresque du climat* uses an interactive card game to get participants to identify the connections between various elements of our world and our environment, as well as how they are impacted by human activities.

For European Sustainable Development Week, Canal+ Group launched an *eGreen* challenge for all its entities. The team challenge saw the participation of more than 300 employees from 16 countries in daily challenges based on environmental issues such as energy, food and mobility. The team that won the challenge was able to make a financial contribution to an association of its choice working for the environmental cause.

Dailymotion organizes a sustainable development week every year to educate employees about the climate challenges of digital content.

As part of its dual ISO 14001/ISO 50001 environmental certification, Vivendi's headquarters also created an e-learning module to explain the issues related to this approach and the practical actions taken at that location for employees working there. Havas University (Havas Group's e-learning platform) also offers an ISO 14001 training module that is included in the training for new Havas employees. In 2021, 521 new Havas Group employees received this training.

■ 4.1.4.2. Getting customers involved

Customers of group entities are also involved in efforts to fight climate change.

To address electricity requirements in Benin, Mali, the Democratic Republic of Congo and Togo, Canal+ Group partnered with several operators to offer local communities a product combining a solar energy kit and a set-top box for pay TV. At year-end 2021, these products made it possible for more than 4,000 customers in these regions to watch the group's channels using low-carbon electricity.

To raise awareness among its users, myCanal shows how much CO_2 equivalent would be consumed by watching a program whenever they choose between the various streaming quality options on PCs, Macs and Android and iOS smartphones. The player displays the equivalence in grams of CO_2 per hour of video for each resolution setting, i.e., 4k, 1,080p or 720p (a resolution of 720p uses 35% less CO_2 than the maximum resolution). Users are asked to choose a setting that is appropriate for their needs.

Through its Climate Solidarity initiative, the Havas Group (Havas Paris, Havas Events and BETC) created a system in which clients can offset the CO_2 emissions from their campaigns. With the client's agreement, the carbon cost of each production (technical expenses only) is added to the cost of the production and invested in agroforestry projects in France and Peru managed by the operator PUR Projet, which is then authorized to issue carbon certificates that the agencies send to their clients. In 2021, more than 140 clients committed to the initiative, offsetting over 4,728 tons of CO_2.

In addition to measuring the carbon emissions resulting from its clients' advertising campaigns, Prisma Media also makes it possible to offset these emissions. In the spirit of collaborative engagement, Prisma Media has committed to matching the carbon offset contributions made by its clients (for advertisers that are not part of the FAIRe program).

To mark World Oceans Day, Gameloft organized a fundraiser in partnership with Ocean Conservancy, an NGO dedicated to protecting marine ecosystems. For two weeks, gamers were able to purchase a bundle created especially for the occasion. All of the proceeds from the event, along with an additional donation from Gameloft, were donated to the NGO to support ocean conservation.

■ 4.1.4.3. Collaborating with our peers

The Vivendi group works with its peers to analyze the cultural and creative industries in light of the ecological transition.

In 2021, Vivendi joined the *Ambition 4 Climate* initiative launched by the French Association of Private Enterprises (AFEP) to highlight the solutions implemented by large companies to meet the challenge of combating climate change. As part of rolling out its low-carbon action plan, Vivendi will submit new projects to *Ambition 4 Climate* in 2022.

Group business lines in turn adapt this approach to the ecosystem in their respective industries.

For instance, Canal+ Group participated in various projects led by the French Agency for Ecological Transition (ADEME). These include the creation of a methodological reference for environmental assessments of digital services and an assessment of the environmental impact resulting from the digitization of cultural services. Canal+ Brand Solutions helped develop a common reference for the Syndicat des Régies Internet (SRI) and took part in the efforts of the Syndicat national de la publicité télévisée (SNPTV) to move collectively towards a more responsible media ecosystem.

Havas Group helped Entreprises pour l'Environnement (EpE), an association of around sixty major French and international companies, draft its *User guide for advertisers: Lifestyle representations and the ecological transition* to encourage many of the various stakeholders (companies, public authorities and individual consumers) to work toward an unprecedented transformation of our lifestyles and consumption patterns.

In 2021, Prisma Media joined the *Positive Media Project* to work with its advertising, media and technological partners to co-construct innovative advertising solutions that support the communications industry's environmental and societal transition.

Gameloft became a member of the *Playing 4 the Planet Alliance,* launched in 2019 by various stakeholders in the videogame industry under the aegis of the United Nations Environment Programme (UNEP). This initiative helps the videogame industry reduce its carbon footprint by integrating green activations into games to inspire players to take action themselves and share lessons learned from the initiative so that others in the sector can follow suit.

■ 4.1.4.4. Collaborating with suppliers

In 2020, the group strengthened supplier commitment to its environmental initiative by implementing a responsible purchasing Charter. Under the group's carbon reduction plan, and as part of the process of having SBTi validate its carbon reduction targets (see Section 4.1.1.), the group will work more closely with its suppliers on environmental concerns in 2022.

In keeping with its commitment to produce audiovisual content more responsibly, Canal+ Group introduced a charter of environmentally responsible production principles. The charter includes recommendations on limiting transport, waste production, energy consumption of equipment, etc., and is included in all its prepurchase and co-production contracts in France. Similarly, Editis encouraged printing companies to commit to an improvement strategy, particularly for the makeready process.

■ 4.1.4.5. Collaborating with environmental organizations

The Vivendi group develops partnerships with organizations and companies and supports efforts to protect the environment.

For its *Road to COP26* lecture series (see Section 4.1.4.1.), Vivendi set up a mechanism to support an environmental conservation organization: a donation was made to Justdiggit for each participant attending a lecture. Havas Group has been supporting Justdiggit for several years. The organization aims to regreen sub-Saharan Africa over the next decade by working closely with communities and local partners to restore drylands. It uses proven regreening techniques such as rainwater harvesting, tree restoration and developing grass seed banks. All of the organization's projects are owned and implemented by communities that live off the land.

Publishing house Nathan partnered with the World Wildlife Fund (WWF) to release the activity book *Le grand livre-jeu pour sauver la Planète* for children aged four and up. This interactive book of games makes it fun for young children to learn how to choose the right products, sort waste and save energy.

Vivendi Village partnered with the *Climathon 2021* in Cotonou, Benin, to offer a screening of *Above Water,* a film by actress and director Aïssa Maïga, at the CanalOlympia Wologuede. In Guinea, Kaloum's Bluezone (an energy self-sufficient living space enhancing the well-being of populations) hosted a climate conference organized by Guinean NGO *Réseau national de la société pour l'environnement et le développement durable* (ReNaSCEDD) on the topics of forests, climate change and the future of wood fuel in Guinea.

4.2. *Creation for Society:* Imagining tomorrow's society

Culture, in the broadest sense, is both a cornerstone of life in society and a vital way of empowering people at an individual level. Due to the nature of its business lines, Vivendi has a responsibility to participate in addressing current social issues and shaping the society of tomorrow.

With its growing investment in content (€1.6 billion in 2021), Vivendi believes in supporting ambitious, multi-faceted creative content. Promoting responsible content, providing quality entertainment and education to the widest possible audience and supporting the emergence of more inclusive and environmentally responsible perspectives are all ways in which the group is helping to build more open, emancipated societies through its various business lines.

Vivendi is moving forward on this pathway with its *Creation for Society* program. The group is particularly determined to step up its efforts to make culture and education more accessible and support the emergence of stories that help build the societies of tomorrow.

4.2.1. PROMOTING THE EMERGENCE OF POSITIVE IMPACT CONTENT AND STORIES

With content that has the power to influence others, Vivendi's businesses have a key role to play in supporting the social and ecological transition. Vivendi fulfills this role by creating and distributing content with a positive impact – content that inspires change, fuels discussions that drive social progress and encourages people to build a more sustainable and more inclusive world.

In 2021, Vivendi's CSR Department began clarifying the definition of such content to facilitate mapping and strengthen teams' awareness. The process will continue in 2022 and beyond, particularly as part of the EU taxonomy for sustainable activities (see Section 2.4.).

4.2.1.1. Fostering the development of content with a positive impact

Vivendi fulfills its commitment to promoting content with a positive impact by training its teams, supporting content creators, producing editorial highlights and partnering with brands and organizations that champion worthy causes.

Enhancing employees' skills and awareness

The teams in charge of content have a key role to play in ensuring the group has a positive impact on society. That's why Vivendi has set up "*Creatives for Society*", a training program designed primarily for creative and editorial teams. A pilot session was initiated in 2021, with approximately 30 participants from Canal+ Group, Havas Group, Editis and Vivendi Village teams based in France. The program is delivered in partnership with La Fabrique des Récits. Led by Sparknews and sponsored by Vivendi, this French collective brings together a community of social impact content creators for informative, inspirational events related to the social and ecological transition. It also keeps participants up-to-date with news about social impact content to enhance their awareness of the positive initiatives being carried out around the world and provide them with inspiration for their own creations. The program will be broadened in 2022 to allow more employees from several countries to participate.

In addition, several of the group's entities conduct employee awareness campaigns that focus on issues specific to their business line or contribute to industry-wide initiatives. In the United Kingdom, for instance, Havas London and Havas Media are founding members of the #ChangeTheBrief Alliance. This not-for-profit partnership offers training resources to help agencies and their clients design campaigns that promote sustainability. At BETC and Havas Paris, this commitment to raising awareness led to the organization of a training course in 2021 on responsible communication. The training course was developed jointly by BETC, the French Association of Advertising Agencies (AACC) and France's Environmental and Energy Management Agency (ADEME). The aim of the course was to question the role of communicators and raise awareness of the industry's responsibility in supporting consumers through the ecological transition.

Canal+ Group also takes care to sensitize its teams to the importance of using stories to change people's perspectives. It organized 15 conferences for employees in 2021, on such topics as protection of biodiversity, the representation of Black people and everyday sexism, notably echoing the socially-engaged content broadcast on Canal+ channels.

The CSR Department at Canal+ Group also organized sessions to raise awareness about stereotypes in media content, which were attended by more than 100 employees, primarily from editorial teams. In a similar vein, Havas Paris held a workshop during the year on avoiding unconscious bias in advertising content.

To encourage reflection while also taking action to improve representation in gaming, Gameloft opted for a participatory approach, with an in-house contest, "*We Could Be Heroes*", inviting employees to imagine an inclusive hero. The winning submission will be chosen by employees and integrated into one of Gameloft's games.

> ***2,300 hours*** *of awareness training on content with a positive impact provided to employees in 2021*

Supporting the creators of content with a positive impact

To facilitate the production of content with a positive impact and enhance its visibility, Vivendi forges partnership with festivals and issues calls for projects.

In 2021, the group partnered Cinema for Change (formerly *Le Temps Presse)*, a film festival that selects content that raises awareness about the UN Sustainable Development Goals and gets viewers thinking about how they can contribute to building a better world. The partnership between Vivendi and Cinema for Change saw several of the group's entities – Canal+ Group, Editis, Dailymotion and CanalOlympia – get involved in various aspects of the event. Its 10th edition included a film festival for the general public, a professional marketplace for social impact films and an educational component for young people aged 8 to 25 with the presentation of Youth Awards. Vivendi's support gave greater visibility to the content selected for the festival, with a dedicated section on myCanal, two screenings organized in CanalOlympia theaters in Africa, 100,000 views on Dailymotion and the participation of more than 4,500 French school students in the Youth Awards thanks to the community of teachers on Lea.fr (Nathan). A Studiocanal film *(Radioactive* by Marjane Satrapi) featured in the official selection, while two of the group's films were chosen for the "Out of Competition" category *(Police,* a Studiocanal film, by Anne Fontaine and *Energy Observer, les messagers de la terre,* a Canal+ original documentary by Jérôme Delafosse).

Calls for projects also help to identify creators of social impact stories. Canal+ Réunion, for example, launched a call for projects in 2021 to support local filmmakers in the creation of short films relating to sustainable development or diversity and inclusion, the two categories included in the call for projects. The six projects chosen will be produced in 2022, with support from Canal+ Réunion, and broadcast via the group's channels.

Promoting content with a positive impact

Canal+ Group dedicates time and space on its channels and platforms to enhancing the visibility of social impact stories. In 2021, C8 launched a new program called *Envie d'Agir,* which aims to inspire social engagement by shining a spotlight on ordinary people taking action to make the world a better place.

Canal+ Cinéma helps highlight certain issues through editorial initiatives like Pride Month programming and Positive Cinema Day, in partnership with Positive Cinema Week, while myCanal includes sections dedicated permanently to certain types of social issues. Alongside *"myCanal voit Green",* which brings together content relating to environmental issues, "*Hello*" serves as a centralized promotional space for LGBTQ+ creations.

The publishing houses at Editis also address key social issues through various literary genres. Tana, for instance, has made social engagement central to its editorial strategy, with publications that primarily relate to environmental issues. Another example is Slalom, which focuses on publishing novels for children and teenagers that address social issues like racism *(The Black Kids)*, intersectionality *(Felix Ever After)* and the social stigma of obesity *(Jemima Small).*

Content focused on environmental issues is presented in section 4.1.3.

Helping brands create meaningful content

By helping its clients meet public expectations and by accompanying change in their brands' various dimensions, Havas Group contributes to creating new forms of engagement through communication.

Several advertising campaigns created by Havas Group for its clients have helped drive positive changes in society. The Finish Water Index campaign, created by Havas Turkey for dishwashing product brand Finish, is a good example. Winner of a Cannes Bronze Lion award in 2021, the campaign was accompanied by the development of an index showing the amount of water available in Turkey. The index was then displayed alongside currency exchange rates by all the main news media to raise public awareness about the country's water scarcity problem.

Improving the visibility of causes championed by non-profit organizations

Vivendi's business lines also use their creative capabilities and broadcasting powers to support public interest initiatives by working with the non-profit organizations that implement them.

Pro bono campaigns play a key role in the responsible approach adopted by Havas Group, which helps make advertising an accelerator of virtuous behavior (see Section 4.3.3.1.).

> ***78 pro bono campaigns** carried out by Havas Group agencies in 2021*

BETC, for example, created an award-winning (2021 Cannes Lions), innovative campaign for Auberge des Migrants, a non-profit organization that provides support to migrants living in exile in the Calais region in France. The campaign used the comments feature on Amazon's e-commerce site to allow former migrants to tell their stories, highlighting essential products and alerting shoppers to migrants' living conditions to appeal for donations.

In Africa, Canal+ Group launched the 1 Month, 1 Cause project in 2020, in partnership with humanitarian organizations whose messages are relayed via the group's channels. Every month, a particular cause is promoted in various ways, through commercials, special programs and the production and purchasing of content relating to the issue in question. In this way, Canal+ Group helps raise viewers' awareness throughout the year on topics ranging from sickle cell disease and disabilities to gender equity and education. In 2021, it supported 11 worthy causes and promoted 15 non-profit organizations, including Unesco, Unicef, Care, Handicap International and WildAid.

Films that address social issues also provide an opportunity for the group's businesses to partner with public-interest organizations. In Poland, for example, for the 2021 release of *Back to Those Days*, Kino Swiat produced educational content in partnership with the national agency for the prevention of problems related to alcohol abuse – one of the issues central to the film's story.

The partnership between Paddington Bear's licensing agent The Copyrights Group and Unicef is another example of a successful collaboration with the non-profit sector that leverages the group's power to influence through storytelling. A children's rights ambassador for Unicef since 2017, Paddington Bear participates in numerous awareness-building and fundraising campaigns, including "Paddington's Postcards". This initiative, which helps children learn about other countries and cultures, earned the accolade of "best partnership" from Unicef in 2021.

Gameloft also carries out campaigns that help non-profit organizations raise funds while also sensitizing the gaming community to important issues. An example from 2021 is the "Wake Your Inner Dragon" initiative in the *Dragon Mania Legends* game. Conducted in partnership with The Cybersmile Foundation, the campaign was designed to encourage gamers to take a stand against cyberbullying.

■ 4.2.1.2. Promoting balanced, non-stereotypical representation of diversity

One of the key ways stories can contribute to making society more inclusive is by promoting balanced, non-stereotypical representations of diversity. Aware of the influence it wields in this regard, Vivendi is determined to represent the audiences it addresses in all their diversity.

Providing an environment conducive to diverse, inclusive creation

In addition to the actions taken to promote content with a positive impact in general, various bodies, processes and commitments have been put in place to ensure balanced representations of diversity in the content Vivendi produces and distributes.

In 2021, Canal+ Group reaffirmed the key role played by its *Wb your sister?* and *Wb your brother?* Committees. Bringing together representatives from all Canal+ Group business lines, as well as the Chairman of the Management Board and the Deputy Chief Executive Officer in charge of Finance, Strategy and CSR, these committees meet quarterly to discuss and improve gender equality and diversity representation, both in content and across the group and its business partners. The Broadcasting Diversity Committee, on the other hand, meets three or four times a year. Led by Canal+ Group's diversity correspondent with the French media regulator

Arcom (a combination of the former CSA and Hadopi), the committee notably brings together the Directors of the channels concerned (Canal+, CNews, C8, CStar), as well as the Director of *Créations Originales,* the group's Head of Documentaries and the Talent Director. Every year, it makes commitments to Arcom about diversity on the group's channels and prepares an annual review for the report submitted by Arcom to the French Parliament.

The group also takes action to raise awareness in its business ecosystem and provides support to multi-partner initiatives aimed at improving on-screen gender equality. In all its prepurchase and production contracts in France, Canal+ Group includes a charter on gender equality and the non-stereotyped representation of diversity to sensitize its production partners to these issues. Canal+ Group also contributes its expertise to the Gender Equality Monitor, a project financed by France's National Research Agency (ANR) to develop an objective method for measuring the representation of women in the media. In addition, it supports the *Les Expertes* initiative, the first free online directory of female French and French-speaking experts, to increase the portion of women experts on the screen: the group's editorial teams provide feedback to help improve the project. Similarly, since 2021, Studiocanal has supported French think tank *Le Lab – Femmes de Cinéma* to improve the representation of women in the group's productions, both in front of and behind the camera.

Furthermore, the Bechdel test, which measures the representation of women in fiction, is applied to all *Créations Originales* productions. More than three quarters of the episodes of series broadcast in 2021 passed the test.

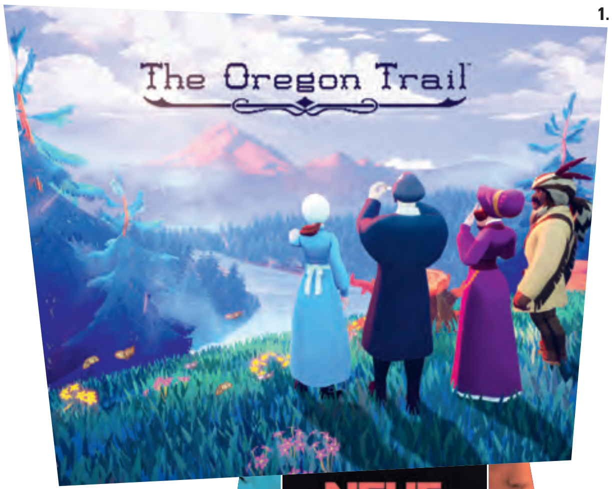
Havas Group has also made the issue of representing diversity in advertising central to its commitments. In its internal guide on responsible communication, distributed to all agencies, Havas Group points out the group's responsibility in this domain and encourages its agencies to join industry initiatives that are driving change. An example is the global *Free the Bid* initiative, which encourages advertising companies to include at least one woman in the list of directors they propose to clients for each campaign.

At Gameloft, to improve the representation of diversity in games, the teams in charge of narrative design have devised Game Development Diversity Guidelines, which are used as a reference by production teams during the character creation phase. As a result, *Heroes of the Dark*, a game released in 2021, includes a wide range of characters with diverse origins, ages and physical characteristics. The guidelines are now an integral part of the creation process for all new games developed by Gameloft.

Stories that mirror the diversity of their audiences

Vivendi is committed to reflecting the diversity of its audiences in the content it produces and distributes.

Canal+ Group makes sure that its productions represent diversity in all its forms. The drama series *It's a Sin* (Red/Studiocanal), for example, provides a moving account of the rise in AIDS cases among London's gay community in the 1980s. Behind a lighthearted but realistic tone, *Création Décalée* series *Narvalo* has a significant social dimension. It portrays the suburbs in a positive light and gives voice to characters from a range of communities that are generally underrepresented in fiction or stereotyped. Canal+ Group also promotes diversity by selecting content that features diverse casts or addresses topics such as LGBTphobia *(La première marche),* disability *(100 Kilos d'Étoiles)* and female emancipation *(Papicha).*



1.

2.

1. Gameloft's *The Oregon Trail* game

2. Poster of the series *Neuf meufs (Nine Women)*

In 2021, the group continued to support stories featuring independent and inspiring women, such as Afghan-born soccer player and former refugee Nadia Nadim *(Nadia)* and Sara, the female rapper who explodes onto the stage in the second season of hit series *Validé (Création Originale).* Mini-series *Nine Women* explores women's desire and was created by a gender diverse team trained to recognize and eliminate sexism and harassment.

> ***35%*** *female presenters, commentators and hosts on Canal+ Group's channels in France,* ***44%*** *in Africa*

Havas Group is also committed to combating gender stereotypes in its advertising content, by celebrating women's right to make decisions about their own bodies ("Your body hair, your choice, our products" campaign by BETC for Veet), for example, or by encouraging men to talk about taboo subjects like mental health issues ("Movember" campaign by Red Havas UK for Pringles). The pro bono campaigns carried out during the year included "Panthéon des Oubliés", by Havas Paris for SOS Racisme. The campaign combined digital content and a work of art to highlight the lives of some 100 forgotten figures from French history, such as Paulette Nardal, a journalist born in Martinique and the first Black woman to study at the Sorbonne.

Inspired by the same desire to combat stereotypes, for the new version of its historic game *The Oregon Trail,* which is set in 19th century America (and celebrated its 50th anniversary in 2021), Gameloft called on academic experts to help improve the game's depiction of Native American characters and make them more historically accurate – in terms of their names and clothing but also the languages they spoke and the objects they used. New characters and storylines have also been added to create a more positive representation of Native American culture.

Editis group publishing houses ensure that a diverse range of topics are covered in both fiction and non-fiction. Examples include multiculturalism, racism, immigration, sexism, gender issues and female role models. In addition to providing a balanced representation of feminine and masculine words, Le Robert dictionaries took a stand on the issue of gender-neutral language in 2021 by including the French non-binary pronoun "iel" in its free online dictionary.

Across the Editis group, more than 110 new releases in 2021 addressed an issue that related to diversity.

Stories for younger generations

Through the stories told and the messages conveyed, the group's content can help younger generations develop a critical eye and an open mind. The children's book publishers at Editis take care to propose books that provide a diverse, modern and high-quality representation of the world. This is perfectly illustrated by two books that won Unicef children's literature awards in 2021: *Je suis Camille* (Syros), a story that addresses the issue of transidentity, and *La maîtresse me stresse, et alors on fait quoi ?* (PKJ) that addresses the issue of mental health. New books released during the year included *Stay Gold* (PKJ), the story of a transgender teenager, and *Les Femmes de sciences vues par une ado* (Poulpe Fictions), a non-fiction title that shines a spotlight on women in science. At Editis, textbook publishers also ensure the balanced representation of different demographics in their textbooks. In addition, Nathan has introduced reading challenges for elementary school students with a focus on the topic of gender equality.

The Canal+ children's channels also educate younger audiences about delicate issues like bullying and harassment *(À bonne école, Yolove).* In 2021, the short program *Stylo geek* focused on introducing younger audiences to the heroines of French history. The children's channels also participated in Make.org Foundation's *Chouette pas chouette* campaign by broadcasting 16 short programs designed to sensitize four to six-year-olds to sexist stereotypes.

4.2.2. BOLSTERING OUR ACTIONS TO FACILITATE ACCESS TO CULTURE AND EDUCATION FOR ALL

As a leader in media, entertainment, culture and communication, Vivendi has a particular responsibility to address unequal access to culture and education. The group leverages the diversity of its business lines and the drawing power of its content to ensure that everyone has access to a diverse and innovative range of cultural resources that enable them to grow, maintain an open mind and create bonds. In 2022, Vivendi intends to focus in particular on initiatives that facilitate access to culture for younger generations.

4.2.2.1. Facilitating access to culture for marginalized audiences

To ensure the broadest possible access to culture while paying particular attention to the most vulnerable communities, Vivendi has long been committed to supporting access to culture and to collective arts projects implemented by local players capable of deploying the necessary mediation skills in close proximity to its public.

*More than **11,200 people** have benefited from the access to culture projects for marginalized communities supported by Vivendi in France*

Through its Vivendi Create Joy solidarity program, Vivendi has been taking action for nearly 15 years to facilitate access to culture among young people. The program works alongside non-profit organizations that help underprivileged teenagers and young adults realize their potential in cultural projects that relate to the group's artistic universe, such as orchestral training *(Orchestre à l'école* project) and writing workshops (*Le Labo des histoires* project).

Similarly, Editis has made access to books and reading one of the key social commitments in its CSR program *#LisezEngagé!,* which is aligned with Vivendi's *Creation for the Future* program. It therefore supports non-profit organizations that promote this cause. Examples include Fonds Decitre, which has been able to step up its book donations for the homeless thanks to the group's support, and Des Livres Pour Tous, an Ivorian non-profit that makes books available to people living in neighborhoods of Abidjan that have no library. Supported by Editis and Vivendi Create Joy, non-profit Lire pour en Sortir runs a "rehabilitation through reading" program for prisoners serving short sentences. In addition to other initiatives, participants from around 30 correctional facilities participated in the organization's writing contest. Editis also supported an initiative led by a child protection educator working with children in welfare facilities in the French town of Pontarlier. Given the opportunity to create a dream library with new books of their choice, provided by the Editis group publishing houses, these young people (placed in a social welfare home) were inspired to share their reading experience to their peers.

In Africa, Canal+ International implements a solidarity-based initiative, known as Orphée, in schools and orphanages across the continent. The aim of this pan-African project is to provide disadvantaged children with early learning resources and entertainment by giving them television sets and free access to Canal+ content and helping to upgrade their facilities. Almost 8,900 children benefited from this initiative in 2021. For its part, Vivendi Village offers free or discounted tickets to students and people with limited means.

4.2.2.2. Strengthening cultural infrastructure in certain regions

Facilitating access to culture for everyone also means enhancing the cultural offering and making it accessible in places with less developed infrastructure. In Africa, Vivendi continued to roll out its CanalOlympia movie theaters and venues during the year.

*More than **1,750,000 spectators** have visited CanalOlympia venues since the network's launch in 2017*

At year-end 2021, the network included 18 venues in 12 countries, each with a capacity of 300 people for indoor events and several thousand for outdoor events. Due to an adapted pricing policy, CanalOlympia venues enable as many people as possible to discover the best of global and African cinema and to participate in numerous concerts and other events. By supporting local initiatives such as the Écrans Noirs film festival, CanalOlympia venues also offer a wide range of activities suitable for all ages and budgets.

Some of these venues are located inside larger complexes known as Bluezones, which provide free or affordable cultural activities, as well as access to the Internet, sport and mobility.

4.2.2.3. Helping young people develop a taste for culture

Encouraging young people's curiosity and their interest in all forms of culture is also a key concern for Vivendi's business lines. This is reflected in the editorial lines of youth-oriented content and in its teams' commitment to offering new formats and new distribution methods.

For the Canal+ Group's children's channels, creativity, exposure to culture and early learning are key components of the editorial policy. In 2021, Canal+ Kids launched a music program for children called *1,2,3 Musique!*. Each episode focuses on a particular instrument to introduce young viewers to various musical genres, from classical and jazz to music from around the world.

In a similar vein, Editis participated – through its publishing house Poulpe Fictions – in *Le Feuilleton des Incos*. Led by non-profit organization Les Incorruptibles, this initiative aims to foster a love of reading in school-aged children by allowing them to follow the creation of a book in real time through interactions with an author throughout the school year. In this way, students from eight classes contributed to Paul Ivoire's book *L'Arbre qui ne voulait pas perdre ses feuilles,* published by Poulpe Fictions.

Editis also encourages a love of reading among teenagers by offering them formats aligned with their habits and lifestyles. Examples include the *Court Toujours* collection, which addresses pivotal moments in teenagers' lives through novels that can be read or listened to in under one hour, and *Imagine Ça Parle De Ça,* a podcast in which comedian Fanny Ruwet (an Olympia Production artist) imagines the content of a novel based solely on its title. In 2021, in its role as a partner of French visual arts school Gobelins, Nathan supported the work of students trying to imagine new ways of creating an immersive, collaborative reading experience intended for young children.

Lastly, several group entities in France participate in the *Culture pass* initiative, which facilitates access to culture, and was extended by the French Ministry of Culture in 2021 to include all 18-year-olds throughout the country.

4.2.2.4. Making products and services more accessible to people with disabilities

To ensure accessibility for all audiences, the group adapts its content to the needs of people with disabilities.

Subtitling and audio description

A new position dedicated notably to managing accessibility was created in Canal+ Group's Technical Department in 2021 and an accessibility officer was appointed for Canal+ International.

The group makes its programs accessible to people who are hearing-impaired for a number of hours that, in France, is set out in each channel's agreement with Arcom. One hundred percent of Canal+ and C8 channels' linear programming includes subtitles for the hearing-impaired. Subtitles for the hearing-impaired are also provided in the video-on-demand offering, for previous seasons of *Créations Originales* and the main foreign series.

CNews broadcasts daily news programs with subtitling for the hearing-impaired, as well as two news programs per week translated into sign language. Several shows on the children's channels are also available in sign language, as is the movie program *Rencontres de cinéma*, which has been available since September 2021. Canal+ also provides audio descriptions for at least 150 new programs every year to make content accessible to the visually impaired. Since 2020, *Créations Originales* contracts also require an audio described version, strengthening the group's commitment in this area.

Studiocanal is helping to foster accessibility by partnering with non-profit Les Yeux Dits on its project to make 100 cinema classics 100% accessible. The aim is to add audio descriptions for the visually impaired, and subtitles for hearing-impaired viewers to a collection of 100 French classics and heritage films to improve access to cinematographic history. Accessible versions have already been created for five films from the Studiocanal catalog, including *Casque d'or,* by Jacques Becker, *Les Roseaux sauvages,* by André Téchiné and *Le Mépris,* by Jean-Luc Godard.

In France, Havas Group has been a driving force behind the deployment of subtitling and audio description services for its clients' campaigns, while publishing house Lizzie facilitates access to reading for the visually impaired through its audio books.

Accessibility of websites and digital tools for users with disabilities

In 2021, Canal+ Group took strong action to improve the accessibility of its websites in France by hiring an accessibility officer, having its main websites audited by a specialized firm, setting up partnerships with organizations for people with disabilities and conducting campaigns to raise awareness among its teams.

Havas Group agencies are also attentive to this issue. MFG, Fullsix and Ekino have an accessibility team, made up of certified experts, that promotes digital practices aimed at reducing communication barriers for people who have a hearing or visual impairment. Havas Events advises its clients to include solutions for people with hearing or visual impairments when organizing hybrid and online events.

Adapted books and collaboration with non-profits

Within the Editis group, efforts to make publications more accessible are notably carried out through close industry collaboration. Editis has also drawn up its own accessible publishing guidelines, which it shares with its suppliers.

> *More than **1,500 Editis books** adapted to the needs of readers with "dys" disorders or made available to associations for adaptation to more accessible formats in 2021*

Specific collections are published to support the reading efforts of special needs children and people with dyslexia or dyspraxia: *Dyscool* (Nathan), *Dys/10* (PKJ) and *C.L.E.O DYS* (Retz). The resources in the *C.L.E.O* collection are designed specifically for children with learning difficulties and include adapted, accessible lessons and customized, step-by-step exercises. All books designed for readers with 'dys' disorders require specialized authors and clear, easy-to-read layouts. The group also publishes educational resources to help teachers who have pupils with dyspraxia or dyslexia, as well as remedial textbooks for pupils who are struggling with reading. One example is *Permis de Lire,* for which publishing house MDI created an innovative font designed to make learning easier for pupils with reading difficulties. In late 2020, Retz published the first textbook designed specifically for teaching children with intellectual disabilities how to read in French *(Décodi).* By donating copies to various non-profit organizations, Editis has enhanced the availability of a precious educational resource generally reserved for specialist educators.

Lastly, Editis makes its publications available for adaptation into accessible formats by non-profit organizations, by uploading them to Platon. A service provided by France's national library (BNF), Platon aims to make printed publications accessible to people who are prevented from reading because of a disorder or a disability.

Customer service and venue accessibility

Accessibility efforts also extend to customer service. Canal+ Group has made its customer service accessible to the hearing-impaired in France and deployed a remote sign language interpreting system at its stores in Poland to facilitate conversations between customer service representatives and hearing-impaired customers. See Tickets has a special service that allows customers with disabilities to reserve a seat that meets their needs. Vivendi Village festivals and performance venues in France, the United Kingdom and Africa, are equipped to accommodate people with reduced mobility.

■ 4.2.2.5. Facilitating access to high-quality education

Editis group's Education division provides support for teachers and families from preschool to workforce. Editis therefore makes a key contribution to Vivendi's commitment to education.

Textbook publishers at Editis share documented, qualified knowledge that is aligned with the educational programs designed by France's Ministry of Education. Several years ago, the group's Education division initiated a program known as *Du labo à la classe*©, which aims to use research results to drive further innovation in the classroom for higher rates of academic success.

This goal is also behind the design and creation of educational social network Lea.fr, which brings together a community of more than 130,000 teachers and provides a forum for the discussion and experimentation of new ideas. It is also the reason why Nathan and Lea.fr work closely with university-based labs LaPsyDÉ (Paris) and LABCD (Lausanne) to contribute to the development of cognitive science research in education and fuel discussions about educational and editorial strategies.

To facilitate parent-teacher coordination for children's well-being and academic success, Nathan also launched a survey in 2021 entitled "Coeducation: parent and teacher perspectives" aimed at 3,000 parents and teachers, in collaboration with Pierre Périer, a sociology teacher and researcher in the Education Sciences Department at Rennes-2 university, and with educational social network Lea.fr and research institute Junior City. The survey is the first step in a collaborative research initiative designed to foster closer ties between parents and schools to combat inequality in education and ensure academic success. In a further effort to facilitate access to high-quality education, Editis has invested in Meet in Class, a French social startup specialized in providing out-of-school tuition to small groups at reduced prices.

Audiovisual content is also a source of learning. This is why Nathan and Canal+ Group collaborated to launch Nathan TV, the first educational TV channel for French-speaking Africa. Aimed at children in elementary school, the channel broadcasts French and math lessons aligned with the school curriculum. Exclusively designed and produced by the group, these lessons are presented and explained by a teacher to help children from various African countries revise or consolidate what they learn at school. The channel also broadcasts various animated series and programs on a range of topics designed to broaden young viewer's horizons, including science, nature and arts and crafts.

In France and Poland, Canal+ Group's children's channels also help younger generations learn about themselves and the world around them through a range of appealing educational content. Examples include *Mouse with Stripes: Health Academy,* a program developed by MiniMini+ in partnership with the Polish Health Ministry to educate children about the importance of a healthy lifestyle, *C'était caché,* a show that lifts the lid on pollution and *À nous l'Histoire,* a mini-series created by Grand Corps Malade and Mehdi Idir to present and explain historical events in a humorous and offbeat way using a format that appeals to the younger generation.

In Africa, Vivendi Village helps facilitate access to education for everyone, and particularly for children, by making various services and infrastructure available free of charge, such as classrooms, computer rooms and Internet access.

■ 4.2.2.6. Preserving and promoting heritage works

Protecting and promoting heritage films and literary works is a key focus for Studiocanal and Editis. These actions help safeguard the wealth of creative content and pass it on to current and future audiences.

> *More than* **€2.5 million** *spent by Studiocanal in 2021 to restore and digitize its catalog*

With over 6,000 titles, Studiocanal acts as the vanguard for a tremendous film heritage. The films are stored in optimal conditions, modernized and promoted to reach a wide range of audiences through various channels. A total of 118 films and one series were restored or digitized in 2021, including *La Vache et le prisonnier,* by Henri Verneuil, and *Que la fête commence* and *Coup de Torchon,* by Bertrand Tavernier. To mark the 20th anniversary of David Lynch's *Mulholland Drive,* Studiocanal premiered a 4K restored version of the film at the 2021 Cannes Film Festival in the Cannes Classics selection.

To categorize, protect and promote the literary catalog assets of its publishing houses (four of which are over 100 years old: Gründ, Nathan, Perrin and Plon), Editis appointed an Asset and Digitization Director in 2020. An intranet site dedicated to the history of the group and its publishing houses has been developed and an exhibition is now being prepared to highlight their role in the transformation of popular literature between 1945 and today. In addition, reprints of heritage works are included in the list of publications released by Editis publishing houses each year, making them more easily accessible to a wider audience. In 2021 for example, Seghers – a publishing house known for its focus on poetry – worked on a new rare edition of *Dentelle d'éternité,* Jean Cocteau's cut paper illustrated poetry book, of which only 100 copies were printed in 1953.

4.2.3. FOSTERING A CULTURE OF ACCOUNTABILITY

Fully aware of the influence it yields, Vivendi makes sure that the content it produces and distributes is aligned with the professional standards and regulations applicable in its different areas of activity. It also takes action to protect its audiences – and more particularly the most vulnerable groups – from harmful content.

■ 4.2.3.1. Ensuring that content, platforms and advertising practices are aligned with professional and ethical standards

Audiovisual content

Canal+ Group has had an Ethics Charter that, since 2008, has set out the principles of information ethics. In France, the editorial independence of newsrooms is ensured by professional Ethics Charters jointly drafted and signed, between late 2017 and 2018, by the representatives of CNews journalists and the rest of the group's channels. An Ethics Committee has also been set up for DTT channels, as required by law, to ensure the fairness, independence and pluralism of information and programs.

With regard to the on-air presence of political figures, two people in the group's Editorial Legal Department keep record of the airtime given to politicians during its programs and report back to editorial teams, allowing them to make any adjustments required to achieve a fair balance in terms of airtime and political pluralism.

The principles outlined above apply in particular to the group's news channel CNews, which also has an editorial office that operates collegially to ensure compliance with the professional principles of journalism.

Communication

To ensure the application of responsible communication practices, Havas Group shares its Code of Ethics with its various entities, which share it in turn with all their stakeholders. The agencies of Havas Group apply these guidelines while integrating specific aspects related to their activity, as well as particular features of local law. They have internal control procedures to ensure that the advertising campaigns produced comply with rules of good conduct, and that they are not liable to be modified or, in extreme cases, prohibited by the regulatory authorities. More often than not, these control procedures call on input from the legal teams, who work closely with the group's sales representatives. The group also cooperates with various national, professional self-regulatory bodies, such as the Advertising Standards Authority (ASA) in the United Kingdom and the French advertising self-regulatory organization (ARPP).

In 2020, Havas Media became the first global advertising agency holding company to join the Conscious Advertising Network, a coalition of 70 organizations committed to making advertising more ethical, both in terms of practices and the messages conveyed. This ethical commitment is reflected in its approach, which is aimed at ensuring that advertisements are broadcast in an appropriate environment that does not present risks for the advertiser (known as "brand safety"). Havas Media goes beyond the more traditional approaches to brand safety, based on site blocking. Instead, it focuses on proprietary solutions that evaluate the relevance of inventories and provide recommendations for media plans that not only protect the reputational integrity of brands but also ensure that their exposure is aligned with their positioning. That's why, in 2021, Havas Media launched Meaningful Marketplaces, giving its clients access to a select list of reliable media that support LGBTQ+ and BIPOC (Black, Indigenous, People of Color) communities.

Video games

Ensuring responsible content for gamers, parents and partners is a key priority for Gameloft. Detailed rules have therefore been drawn up to control each game from the creation and development phase and throughout its lifetime, especially when updates are made. In accordance with the guidelines issued by digital stores (e.g., Apple Store and Google Play) and local regulations (the most demanding standard being taken into account), Gameloft's Legal Department has established rules relating to both the content of games and the presence of advertising and in-game purchases. These rules – some comprehensive, others specific to each game – are rounded out by Gameloft's internal copyright protection policy. Internal teams of testers are dedicated to Quality Assurance and are tasked with detecting all cases of non-compliance.

In addition, Gameloft has adopted a Code of Conduct that sets out the principles and processes for ensuring that in-game advertising content is relevant, transparent and non-intrusive. For both direct sales and programmatic advertising, Gameloft has established whitelisting and blacklisting procedures that take into account the Code of Conduct and the guidelines provided by licensors and whose application is subject to non-automated validation and controls by Quality Assurance teams. Due to the effectiveness of these procedures, in September 2020, Gameloft was awarded the TAG Certified Against Fraud Seal by the Trustworthy Accountability Group, which promotes transparency and fraud protection in digital advertising.

Platforms

In line with regulations, Dailymotion provides online users with an accessible and easy-to-use system for reporting content that is inappropriate or infringes on intellectual property rights. The issues reported are handled by dedicated moderation teams, which provide round-the-clock coverage. Dailymotion does not use automated means for reviewing the issues reported or for withdrawing the related content.

As a member of the SRI, France's Internet advertising trade union, Dailymotion has undertaken to comply with the SRI's quality charter, thereby ensuring strict, clear guidelines on service quality, transparency, business ethics and user comfort. In 2020, Dailymotion was certified by the Trustworthy Accountability Group as part of its TAG Brand Safety Certified program, the world's largest program aimed at combating criminal activity and protecting brand safety in digital advertising.

■ 4.2.3.2. Promoting media literacy

In addition to ensuring that its content and services comply with ethical and professional standards, Vivendi is also committed to helping younger generations understand the media and digital environments to form their own opinions about key issues. This is why the group, through the Vivendi Create Joy program, supports Mouvement Up's *Jeunes Reporteurs* initiative, which aims to teach media literacy and journalism to 16- to 25-year-olds from disadvantaged neighborhoods in France.

Textbooks published by Bordas and Nathan, particularly for Civics and Philosophy, include activities that focus on deciphering content in mainstream media such as television, advertising, magazines and video games. Educational social network Lea.fr regularly publishes resources to help teachers cover these topics in class, particularly during France's annual "media in schools" week. Nathan's *Blackbone* series introduces young adult fiction readers to an unusual literary genre – the social thriller. Each novel addresses a particular social or environmental issue through the prism of journalistic research, with a view to developing teenagers' taste for current affairs, honing their critical thinking skills and introducing them to the art of investigative journalism.

Furthermore a partnership between Gründ (Edi8) and France Info Junior has resulted in the creation of two games designed to help children identify fake news, including one that focuses on science and health.

In addition to introducing a specific system in 2018 to enable users to report fake news, Dailymotion also implements preventive measures. The platform sends its subscribers a news roundup comprising certified media content and uses algorithms to give priority to videos proposed by trusted media partners.

4.2.3.3. Providing a protected environment to ensure a positive entertainment experience

Protecting young audiences

Vivendi operates in industries where stringent laws and regulations are in place to protect young people, and the group ensures strict compliance with these laws and regulations.

Protecting children and teenagers is a principle enshrined in Canal+ Group's Ethics Charter. In line with this principle, the group has set up two viewing committees, one dedicated to films and the other to content. Comprising four members each and under the responsibility of the Programming Department, these committees ensure that the principle of child protection is taken into account in the broadcasting of programs on the Canal+ television service. For other group channels, content validation is managed by the teams in charge of programming or editorial strategy or, in the case of C8 and CStar, by the Compliance Department. On the myCanal platform, children have their own secure, personalized space, "Kids", which gives them access to ad-free children's programs. Canal+ Group also proposes parental control tools and rates content by age range. In Poland, the editorial teams of the group's children's channels consult an expert in child psychology and the MiniMini+ channel advises parents about safe use of the Internet in a dedicated section of its website.

The children's publications released by Editis publishing houses are subject to French Law No. 49-956 of July 16, 1949 on publications for young people. All content intended for children is reviewed by France's Commission for the supervision and control of publications intended for children and adolescents, a joint body set up by the aforementioned French law, but also by several categories of stakeholders, such as parents (whether members of a parents' association or not), teachers' associations, professional federations, the general public, the media and social media. Remarks from any of these channels are systematically reviewed and give rise to a response or to corrective action.

At Gameloft, games are presented with the greatest transparency, in terms of both visuals and descriptions and are clearly classified using an age rating system. They also have a system that prompts the player to verify their age to access content, which is then adapted or blocked if the player is underage.

Dailymotion has signed the Safer Social Networking Principles associated with the European Union's Safer Internet program and the "Standing up for children's rights in the digital environment" statement, published in 2021. Its prevention and protection measures include the use of a parental filter as a default setting (a voluntary decision that sets Dailymotion apart from other platforms) and a response system that gives priority to reports of content containing child pornography or violence against children. Dailymotion addresses these issues in collaboration with France's Central Office for Combating Information and Communication Crime (OCLCTIC) and its PHAROS reporting platform.

Tackling online misconduct

Gameloft pays particular attention to combating bad behavior by players, both in its games and in its online communities.

Its games and communities are governed by rules of conduct, which are communicated to users when they join a community or accept the terms of use associated with a game's app. Games also include features that enable users to report any illicit or inappropriate behavior or content. Issues brought up in online communities are also taken into account by Gameloft's teams of moderators and community managers, who are responsible for staying in touch with users and providing feedback on their needs. In addition, an antihacking team has been set up to more effectively detect and protect against cheating, fraud and piracy. Gamers who breach the rules may be temporarily or permanently banned.

Dailymotion is also very attentive to the issue of online misconduct. To address growing concern among Internet users about the spread of hate speech online, the group signed the European Code of Conduct on countering illegal hate speech online for digital businesses in 2018 and became an active member of the online hate speech monitoring unit hosted by French media regulator Arcom in 2020. Dailymotion has also joined various initiatives aimed at eliminating terrorist content online, including the Christchurch Call to Action and, in 2021, Tech Against Terrorism. It should, nonetheless, be noted that Dailymotion's strategy of giving priority to content from certified, professional partners, rather than user-generated content, makes it less likely to be used for the propagation of hate speech and other unacceptable content.

Ensuring customer safety

Ensuring a safe experience for audiences is a key priority for Vivendi Village's live show entities. Responsibility for safety is held at the highest level, by the entity's operations director, and relayed via safety correspondents in the production teams. Safety guidelines have been distributed to teams and written risk management procedures and protocols have been drawn up and are adapted to each festival in accordance with the relevant risks (e.g., health risks, crowd control and noise pollution). In addition, stands are set up at certain festivals to raise awareness about the risks associated with alcohol and drug use.

For products aimed at children (such as activity books), Editis complies with the French decree on toy safety (Decree no. 2010-166 of February 22, 2010 implementing European Directive 2009/48/EC on the safety of toys). These rules apply in particular to Nathan's products for preschoolers which consist of a wide range of learning games designed in close collaboration with education professionals. Given that these products are aimed at children aged two to six, Nathan is extra vigilant about the health and safety of its young consumers. Detailed procedures are in place to manage complaints received from preschools in the event of even the smallest accident or alert.

In line with its CSR initiative, "BearKind", The Copyrights Group promotes responsible sourcing and ensures the safety of merchandise manufactured and sold by third parties to which it has granted a license. The Copyrights Group communicates its requirements in its licensing contracts and in a Code of Conduct, which manufacturers must undertake to follow. The creative team works with each partner upstream during the product design phase and tests products downstream to ensure that they meet quality standards and design specifications.

4.3. *Creation with All:* Building a more responsible world together

To support and meet the high standards of its raison d'être, *Creation Unlimited*, Vivendi is responsible for developing talent so that the group's employees can adapt to today's complex and rapidly changing world. The group therefore creates the right conditions for individual and collective success.

That is why Vivendi entities create attractive work environments and new, more inclusive organization methods to encourage collaboration and enhance well-being. Vivendi also believes in the importance of recognizing the wide range of career paths people may choose and offering them opportunities to grow, learn and take initiative.

4.3.1. PROVIDING AN ATTRACTIVE AND INCLUSIVE WORK ENVIRONMENT FOR ALL TALENT

Vivendi's businesses are built on passion, creativity, talent and diversity, which are all sources of innovation and performance. The emotions inspired by the group's businesses are the result of the work of 35,911 employees across the globe, who are proud to participate in creating and bringing a wealth of culture to the world.

	2021			2020 (1)		
Headcount as of December 31	Women	Men	Total	Women	Men	Total
Canal+ Group	3,560	3,975	7,535	3,543	3,941	7,484
Havas Group	11,421	8,521	19,942	10,660	8,142	18,802
Editis	1,690	765	2,455	1,651	774	2,425
Prisma Media	791	445	1,236	-	-	-
Gameloft	693	2,112	2,805	693	2,292	2,985
Vivendi Village	367	402	769	295	353	648
New Initiatives	312	642	954	243	527	770
Corporate	118	97	215	124	105	229
Total	**18,952**	**16,959**	**35,911**	**17,209**	**16,134**	**33,343**

(1) To ensure comparability with the 2021 data, 2020 data was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope (see Note on non-financial reporting methodology, Section 7.1.).

After slowing in 2020 due to the health crisis, recruitment rebounded in 2021, with a significant number of hires fueled by the upturn in activity and the strong appeal of the group's businesses.

Like most companies well established in the United States and United Kingdom, Vivendi has had to contend with the Great Resignation (see data on the group's voluntary turnover in Section 5.2.). To counter this phenomenon, its businesses have implemented numerous initiatives to adapt to the changing expectations of all talent. As a result of these efforts, Havas Group, the group entity with the strongest presence in these regions, has returned to its headcount level of year-end 2019.

■ 4.3.1.1. Offering an exciting and unique experience

The group's businesses strive constantly to develop their talent base and to run a recruitment policy that meets the needs of their activities and specific functional typologies.

Attracting and retaining talent

To meet the aspirations of all talent and, in doing so, enhance their engagement and their loyalty, the group's actions are based on two complementary areas:

- an individual component: offering people opportunities to gain a broad range of experience, upskilling programs (see Section 4.3.1.3.) and job discovery pathways, integrating them into cross-business projects, and paying careful attention to their compensation and their needs for flexibility and work-life balance; and
- a collective component: recognizing the positive contribution of talent to the group and its commitments, to the development of culture in all its diversity and to knowledge sharing.

Adapting to new work organization methods

Work organization methods rapidly shifted towards greater flexibility with the Covid-19 pandemic. Working with its businesses, Vivendi leveraged the feedback on the widespread implementation of working from home during lockdown to balance people's needs for both social contact and flexibility. This was achieved by combining remote and in-person work, wherever possible and on a voluntary basis. Some businesses have reconfigured their physical sites, creating areas adapted either to individual work or to more collaborative processes that foster teamwork and creativity. Spaces tailored to brainstorming, quiet work, informal meetings or relaxation were designed to be conducive to employee creativity and create an attractive environment.

Building on these collective efforts, Vivendi's Works Committee and Human Resources Department, along with the businesses, drew up the Remote Work Guidelines and Charter on the right-to-disconnect common to all group entities. They were distributed in the first half of 2021.

Recognizing all career paths and growing together

The commitment to foster diversity and inclusion is a key element in the group's human resources (HR) policy. Group businesses are convinced that each stage of life contributes to nurturing talent, and that this wealth of experience brings value in driving creativity and innovation. As such, the businesses work to recognize all career paths, from the most linear to the most complex, throughout the recruitment, promotion or career development processes.

Bringing in a broad range of talent is necessary but is not enough without creating inclusive environments that uphold the values of trust, care, and the right to agree or disagree.

Trust and care are developed by paying close attention to staff needs. To achieve that, each group entity has set up a local management team to respond to employee needs and give them a clear understanding of its strategy, especially during periods of remote work.

Group businesses also want to develop a strong feedback culture, enhance communication on individual and collective successes and create memorable events where employees can come together in a relaxed and friendly atmosphere.

Instilling the drive to learn and take initiative

Canal+ has designed the Hack'celerator intrapreneurship program for employees who want to grow their talent and launch a project. Program participants are encouraged to develop their project and are given breathing space to explore new ideas and work methods.

In 2021, Canal+ launched its first Tech Week, drawing more than 1,000 employees to the 15 talks led by in-house experts. This digital event provided participants with the opportunity to discuss the major challenges facing the group and devote an entire week exclusively to innovation.

Vivendi also held its first eloquence competition in 2021. Open to all group employees, the event took a new approach to public speaking, giving participants the chance to build their confidence, improve their skills in front of an audience and learn stress management techniques.

Embodying the employer promise

To promote their values and activities, Vivendi business lines develop and enhance their appeal through a dynamic and proactive employer branding strategy. The business lines enjoy high visibility on social media, built around regular posts to highlight their social, societal and environmental commitments, celebrate their successes and innovations and share the collective emotions inspired by the group's content. The group's careers websites, which reflect its unique identity, history, expertise and human capital through employee testimonials and podcasts on its activities, provide a showcase for its business lines.

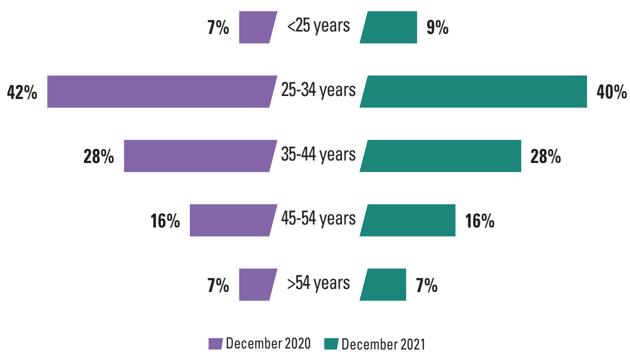
The employer promise is also reflected in the development of partnerships with top schools and universities in each industry, in line with the areas of expertise sought and the objective of onboarding a diversity of profiles. The group had established 260 partnerships at year-end 2021.

This ongoing work with schools can take diverse forms, such as participating in recruitment forums, offering masterclasses by managers or employees (through testimonials), taking part in student challenges organized by schools and setting up internship or work-study programs.

Calling employees to participate in the company's societal and environmental projects

Vivendi is committed to helping build a more responsible world and engaging all its employees in this mission through both recurrent and purpose-designed programs deployed at group level, such as *Creation for the Future*, the group's CSR program, *Vivendi Create Joy* (see Section 1.1.3.) and *Road to COP26* (see Section 4.1.4.1.), along with other programs initiated by business lines (described above).

Pledging to integrate young talent



At Vivendi, 49% of the workforce is under 35. The group therefore pays keen attention to the recruitment and support of its young talent.

A long-time advocate of providing young people with support and guidance in their professional training, Vivendi actively opens up gateways to employment for them within its creative business lines, for example by encouraging the use of work-study programs and internships. Work-study programs are a strategic HR development scheme for many of the group's entities worldwide, with 908 work-study contracts as of December 31, 2021 (compared with 784 in 2020).

In France, Vivendi has been an active supporter of the government's *1 jeune, 1 solution* program to promote the employment of young people (see Section 4.3.3.1.) and undertook to bring in more than 2,000 young people on internships and work-study programs. With 2,518 young people already enrolled, the target had already been exceeded at year-end 2021. In the United Kingdom, Havas Group has also agreed to triple its internship offers as part of the government's *Kickstart* program.

Talent Days, an event organized in France by Havas Group and Canal+ Group to recruit interns (and work-study participants for Canal+ Group), helps build a stronger relationship between companies and students. In addition, at the Havas Group, advertising agency BETC has established a master class program specifically for interns led by experts from the agency giving them a more insightful understanding of the profession.

	2021	2020 (1)
Number of interns **(2)** and work-study participants **(2)**	3,620	3,080
number of which are based in France	*2,518*	*1,975*
Percentage of interns and work-study participants hired at the end of their internship/work-study contract **(3)**	10.7%	7.6%

(1) To ensure comparability with the 2021 data, 2020 data was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope (see Note on non-financial reporting methodology, Section 7.1.).

(2) Interns are not included in the headcount; work-study participants are counted in the number of employees on temporary contracts.

(3) Number of interns and work-study participants hired in year Y/Number of interns and work-study participants in year Y-1.

Created by Havas Group for Vivendi group, *Gabereek* is an enhanced work-study program specializing in digital-related jobs. *Gabereek* selects and ranks schools and training organizations and, on behalf of group entities that request it, hires students from these establishments to participate in work-study programs. The level of the work-study students and quality of academic courses are expected to facilitate their recruitment by the group and offer them international career opportunities. For Vivendi entities, the program provides access to the best talent and enables them to retain these highly sought-after digital tech candidates. As for the work-study participants, they are given the opportunity to benefit from an excellent degree training program, financial assistance for tuition fees, and guidance throughout their course.

Quality of life at work, well-being, and health and safety in the workplace

Vivendi has spent several years implementing a strategy for improving quality of life at work and guiding its employees toward new work organization methods that facilitate collaboration, agility and cross-functionality. Work environments are becoming more flexible and, in contributing to improving people's quality of life, they also contribute to improving the performance of employees and of the group.

> ***94%** of employees **(1)** are covered by health insurance*
>
> ***79%** of employees **(1)** are covered by health insurance above and beyond legal requirements*

(1) As a percentage of the total reported headcount, i.e., excluding entities entering the scope of consolidation (notably excluding Prisma Media), and entities with a total headcount of less than 15 as of December 31, 2021 (see Note on non-financial reporting methodology, Section 7.1.).

Health and safety in the workplace are key concerns for all business lines, and they all implement action plans and preventive measures, adapted to their activities, in compliance with local laws and regulations and the vigilance plan (see Section 3.2.2.).

These action plans are processed and monitored by committees or task forces in charge of handling workplace health and safety issues. Entities in France must also prepare the Single Document for the Assessment of Occupational Risks required by French law. Its ongoing purpose and objectives are:

- participating in and overseeing the implementation of a plan for the prevention of stressful situations arising from organizational constraints or work patterns such as odd working hours, and even identifying rare situations of arduousness;
- monitoring the implementation of action plans required in the event of a major crisis; and
- supervising the safety of premises and the prevention of illnesses, particularly occupational illnesses.

Preventive measures taken to manage the various stages of the current health crisis are still in place: employee information; prevention of psycho-social risks, counseling units and internal surveys; prevention of musculo-skeletal disorders, especially with more people working from home; and implementation of specific health measures.

In this complex work environment due to the ongoing pandemic, Vivendi continues to stress the importance of taking care of its employees and protecting their mental health by implementing initiatives and actions such as:

- regular communication with senior management, managers, HR, etc., as well as, when possible, times for discussion or relaxation;
- meetings and webinars on health and wellness that cover topics like time management, emotions, relationships with others, rest time, exercise, etc.;
- questionnaires and surveys that collect information on employee needs and emotions regarding a range of themes, such as managing remote work;
- establishment of an anonymous mental health counseling/assistance hotline for employees or a telephone medical consultation service; and
- training for managers on how to recognize signs of anxiety and depression and to combat employee loneliness.

In October 2021, Havas Group launched *Be Kind to Your Mind,* a global initiative to support its employees' mental well-being. The program is built around four pillars: a commitment from executive management, training sessions on these topics, *Wellness Wednesdays* and a network of volunteers dedicated to protecting the well-being of employees.

Havas Group has also implemented the *Take Five* initiative, a rule under which employees are given five minutes between each meeting to help them better manage stress and fatigue.

Vivendi has taken action to promote the well-being of its employees whose work-life balance has been disrupted by health measures taken to cope with the pandemic. For example, it offers all employees based in France the opportunity to use the *Campus Parentalité* educational support program, already rolled out within Editis in 2019, and thus participate in online conferences such as "Combining family life with professional development" or "Managing my children's relationship with screens".

Compensation, profit-sharing and employee shareholding

Vivendi takes steps to offer its employees attractive and motivating compensation based on their skills and their personal contributions to the company's performance. The compensation policy is based on principles of fairness and non-discrimination and is designed to reward individual, as well as collective, performances. The HR teams take part in positioning surveys and regularly analyze its employees' compensation to ensure its relevance to the company and to compare it to market rates so that entities have the means to retain talent and attract new promising profiles.

Vivendi also places particular importance on the equitable distribution of the value created by its employees' efforts. The group has therefore established a profit-sharing policy that encourages the development of employee savings plans, especially through employee shareholdings.

In 2021, the total net amount received by employees of the group's French entities under optional and statutory profit-sharing plans and the employer's contribution was €29.9 million, which represents a total expense of approximately €40 million for group entities, 77% of which was invested. Of that amount, 90% was invested in the various funds of Vivendi's Group Savings Plan and the Canal+, Canal+ International, Havas, Editis and Prisma Media savings schemes, and the remaining 10% in the group retirement savings plans (Havas, Canal+, and Canal+ International).

> ***€4.5 million** was paid by companies to employees in 2021 to match their investments in employee savings and retirement plans*

Under its employee shareholding program (PEG), employees have for many years been represented on the Vivendi Supervisory Board (see Section 1.1.2.1. of Chapter 4).

Ongoing discussion and social dialog

As part of its labor policy and in compliance with the ILO fundamental conventions, Vivendi prioritizes ongoing, constructive dialog with employees and their representatives by promoting exchange and consultation at all levels, particularly in relation to working conditions and organizational change. All employees based in France and in its overseas departments and territories are covered by collective bargaining agreements.

At a group level, social dialog is organized around two representative bodies. The Works Committee represents employees in France, while the European Company Committee (ECC) represents employees across Europe. Created under an agreement signed in November 2019, this body furthers social dialog at a European level.

The removal of UMG from the group's reporting scope in 2021 will reshuffle the composition of the ECC. In 2022, the body will have 28 members from 23 countries in the European Economic Area, including the United Kingdom, represented on the Vivendi Supervisory Board.

The social partners of both of these committees hold plenary meetings and are kept informed on a regular basis so as to enrich social dialog by discussing matters such as news about the group, its strategy, its economic and financial position, and its HR and CSR policies in France or in Europe (depending on the scope of the committee in question). Where necessary, the ECC will be consulted on reorganizations, acquisitions and disposals on a European level. This was the case for the distribution of UMG's share capital, for which a consultation process was initiated with the employee representative body. Its board members met several times to ensure that the operation and its impact on employee shareholdings were fully understood.

Within the entities, dialog and social discussion are organized in line with the employment laws and regulations for each country, and in accordance with human resources policy guidelines adopted by each business line.

In France, labor relations are a particular focus for all group entities. Their goal is to build the kind of responsible relationship that is essential for respectful social functioning, a source of progress and success. This responsible, trusting relationship worked effectively and was strengthened as HR teams and social partners joined forces to manage the public health crisis. For example, Canal+ set up bi-weekly meetings between the Social Affairs Department and the secretaries of its bodies to enable constructive social dialog and tackle key issues from an early stage.

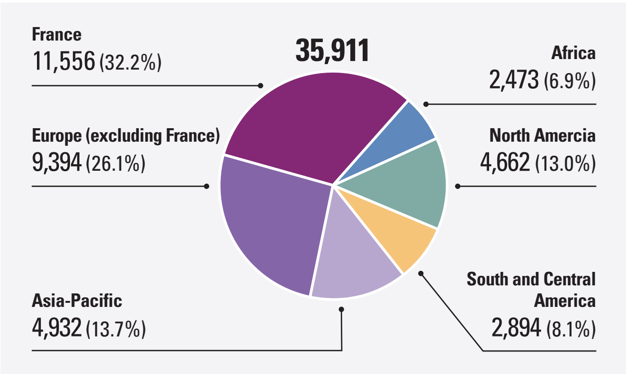
> *A total of **44 agreements or supplemental agreements** were signed or renewed in France in 2021*

Of these, 64% were agreements on compensation and profit-sharing policies (optional and statutory schemes, employee savings and retirement plans), aimed at involving employees in their company's performance, and 36% related to working conditions, health and safety, gender equality and sustainable transport.

■ 4.3.1.2. Promoting diversity, the group's DNA, and an inclusive environment

Because everyone's differences are a source of wealth, Vivendi places individual skills at the heart of collective performance. The group's growth is based on the diversity of its business lines, employees, cultures, generations and talent. Vivendi's goal is to build a company that values openness and diversity.

2021 headcount by geographic region



Active on five continents in more than 77 countries, with 68% of its employees working outside France, Vivendi makes people the central focus of its strategy to meet today's challenges and prepare for the challenges of tomorrow.

Diversity, equity and inclusion are strategic issues upheld at all levels of the group so that they may become a reality for all employees, a commitment from management, and a daily priority for the human resources teams.

__21%__ of employees __(1)__ participated in a diversity and inclusion awareness program in 2021

(1) As a percentage of the total reported headcount, i.e., excluding entities entering the scope of consolidation (notably excluding Prisma Media), and entities with a total headcount of less than 15 as of December 31, 2021 (see Note on non-financial reporting methodology, Section 7.1.).

Creation with All provides a global framework for these initiatives, enabling Vivendi to increase the intensity and impact of its commitment to creating a more inclusive world.

Gender equality

Gender equality is one of Vivendi's top commitments, advocated by its Supervisory Board and all group entities.

Vivendi firmly upholds the importance of gender parity and diversity within management. It is determined to raise the percentage of women in top roles in all group entities by implementing specific initiatives promoting women and gender parity.

The proportion of women in the group's management bodies was 35% in 2021

- Vivendi SE Management Committee: 29%;
- Executive Committee of Canal+ Group where a woman was appointed as the group General Counsel in 2021: 29%;
- Havas Group Executive Committee: 38%;
- Editis Executive Committee where the Chief Executive Officer is a woman: 38%;
- Prisma Media's Executive Committee where a woman was appointed Chief Executive Officer in 2021: 57%;
- Executive Committee of Gameloft, which operates in an industry where women are heavily underrepresented: 11%;
- Vivendi Village Executive Committee: 45%; and
- Dailymotion Executive Committee: 40%.

Pursuant to Article 7 of the AFEP-MEDEF Code as amended in January 2020, at its meeting on November 18, 2021, Vivendi's Management Board, upon the recommendation of the Supervisory Board, increased the target for the proportion of women in the management bodies of the group, whose businesses have varying gender parity levels, to 38% for 2022 and 40% for 2023.

Vivendi's Management Board oversees the policy on gender diversity in management bodies. Its process of appointing executives to promote diversity is carried out on a more collective level, and its performance is partly measured based on diversity objectives.

As part of the United Nations' *HeforShe* movement, in 2021 Havas Group pledged to use every effort to try to increase the representation of women in creative senior management positions from 27% to 45% or higher by 2025, to measure the gender pay gap and to close any gaps identified.

Specific initiatives promoting women's career development and gender equality

Vivendi has implemented a general policy to break the glass ceiling and increase gender diversity in management positions. This policy is centered around the Andiamo women's network created in March 2012, at the request of the Supervisory Board, for women holding positions of responsibility to promote them to managerial positions, by offering them group and individual coaching sessions. In addition to developing individual leadership, Andiamo is also a community of shared resources where its members can exchange information, experience and management practices. Made up of about 60 women, the network also acts as a space for testing new leadership approaches. Andiamo has built on the *Learning Expedition* program (see Section 4.3.1.3.) to become another support network that furthers group projects.

Other programs and actions to develop women's leadership and behavioral change are implemented at the entity level.

Since its creation in 2018, more than 150 women from 57 agencies in 23 countries have taken Havas Group's *Femmes Forward* program, to promote women in management positions. With the digital career advancement platform *Femmes Forward ON AIR* introduced in 2021, Havas Group continues to offer women worldwide the chance to enhance their leadership skills and consider what they want from their career. By year-end 2021, *Femmes Forward ON AIR* had launched in the United Kingdom, Latin America, France, Belgium and Asia-Pacific, with nearly 100 participants. Other initiatives, such as *Fight Club,* launched by Havas Health and You, reflect Havas Group's will to actively promote leadership among women.

Canal+ Group started a women's leadership program, known as *Boost'Her,* which about a hundred women have joined since its creation. It leads an active policy to improve the promotion of women and change mindsets, especially *through Sister's Day.* This event is open to all women in the group who want to work on their professional goals and lift unconscious biases holding them back.

In 2021, Gameloft launched the *She Plays* program, a community of women leaders that aims to raise the profile of women in an industry where they are underrepresented, shifting mindsets and attracting female talent to the industry.

__53%__ of group employees are women and __52%__ of managers are women

__57%__ of employees promoted in 2021 were women

Vivendi aims to achieve equality at every level of the organization and at each step in the career path of its employees – recruitment, promotion and development. This objective is shared by all business lines and has been identified and developed into multiple forms of action, according to the specific needs of their businesses and culture.

Vivendi's commitment to this issue has led to the implementation of action plans and social progress measures going beyond the existing provisions. These action plans work toward several goals: promoting gender parity in recruitment and respecting equality in terms of access to employment; ensuring equal opportunities in career development; guaranteeing equal pay between men and women performing the same jobs at the same skill 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, paternity or adoption leave; and striving for a better work-life balance.

Most of the group's French entities have accordingly signed agreements on gender equality, including:

- agreements or action plans on gender equality at work, pursuant to the French Law of March 23, 2006 on the implementation of comprehensive measures (recruitment, promotion, compensation and maternity leave) and metrics to monitor the mechanisms put in place;
- parenting agreements or charters advocating equal treatment of both parents; and
- agreements on working hours to facilitate a work-life balance and measures to promote parental leave, including for men.

In France, Vivendi is taking further steps to promote gender equality by offering to maintain 100% of the salary of employees on second-parent leave for the entire duration of the leave. This measure may exceed the basic legal entitlement at certain entities such as Canal+ Group and Dailymotion.

In France, the gender equality index measured the results of efforts made by the group's entities to allow women to develop professionally in the same way as men and with the same level of pay. Noteworthy index scores include those of Vivendi SE (88), Canal+ (90), Canal+ International (89), Interforum (90) and SEJER (91) for Editis, Prisma Media (86), Dailymotion (91), as well as BETC (91), BETC Digital (92), Havas Media France (87), Havas SA (80) and Havas Paris (84) for Havas Group.

Among the business line initiatives, Canal+ Group, Prisma Media and Dailymotion have decided to systematically take into consideration for any vacant job position at least one woman and one man and have eliminated periods of maternity leave from the annual assessment, identified gaps in equal pay for equal work and taken remedial action. Havas Group is also committed to an active policy on equal pay for women and men. Its three-step action plan starts with an assessment before making the necessary adjustments and implementing a follow-up.

Bringing people together and respecting differences

Eliminating all forms of discrimination is one of the priorities targeted by the diversity, equity and inclusion programs implemented by the group's business lines. The group is committed to providing equal opportunities for everyone in recruitment, mobility, promotion, training and compensation, regardless of ethnic, social or cultural origin, gender, religion, age, sexual orientation, personal life or disabilities.

To create an environment aligned with their culture, values and challenges, all group companies are committed to promoting diversity within their organization and actively pursue a policy of equal opportunity and equality of treatment for everyone.

***54%** of recruitment teams **(1)** trained on combating discrimination over the last 24 months*

(1) As a percentage of the total reported headcount, i.e., excluding entities entering the scope of consolidation (notably excluding Prisma Media), and entities with a total headcount of less than 15 as of December 31, 2021 (see Note on non-financial reporting methodology, Section 7.1.).

Vivendi's businesses deploy training and awareness programs on diversity and inclusion issues, particularly among HR teams and managers. They also propose initiatives to help employees better understand and manage prejudice, bias and the judgment of others. The action plans implemented take into account local and cultural challenges with regard to discrimination and generally include three complementary dimensions: the signing of Diversity and Inclusion Charters with recognized organizations or by developing partnerships with mission organizations (e.g., Télémaque, NQT, Club 21e siècle and TETU Connect), the creation of inclusive working groups to drive and monitor change, and the creation of dedicated working groups to address specific issues.

In France, Vivendi, Canal+ Group and Prisma Media are long-standing signatories of the Diversity Charter promoted by Les Entreprises pour la Cité network. Gameloft and the Editis group's Education and Reference division (Sejer) joined the list of signatories in 2019. Another signatory to this charter, Havas Group's BETC also signed the Corporate and Territorial Charter in 2016, which promotes local development in the Seine-Saint-Denis Department outside Paris.

Canal+ Group has defined its diversity and inclusion policy based on five key priorities: gender equality, health and disability, generational diversity, racial diversity and the LGBTQ+ community. Two committees have been set up by Canal+ Group to define and implement action plans in this area. The *Wb your sister?* Committee is more specifically dedicated to gender parity and the *Wb your brother?* Committee to diversity (see Section 4.2.1.2.). A wide-ranging program of talks is available each month on one of these pillars, and a guide to LGBTQ+ inclusion has been launched.

Since 2018, Havas Group has continuously developed initiatives with its diversity, equity and inclusion (DE&I) program *All In,* structured around an extensive repertoire of DE&I initiatives, including those related to ethnic and cultural representation, gender equality, LGBTQ+ inclusion, disability, wellness, age and other areas. Havas Group understands that these issues vary considerably in each country, culture and agency, and takes a local approach to defining its DE&I strategy. Many of these local initiatives and testimonials are posted on the blog *All In* and shared with employees every week via the *Life@Havas* newsletter and social media.

Also determined to join the general movement to condemn racism and aware of the low representation of diverse talent in the advertising industry, Havas Group has stepped up its commitment in this area by developing an ambitious plan initiated in the United States and rolled out in other regions, known as *#CommitToChange*, which supports, develops and invests in its BIPOC (Black, Indigenous, People of Color) communities. A nine-member committee comprising senior leaders from Media, Creative, and Health & You representing the Black, Asian, Hispanic, and LGBTQ+ communities is tasked with supervising strategy and DE&I initiatives and ensuring that the commitments in the *#CommitToChange* plan in North America are met. The committee has expanded its range of action to include three working groups: annual DE&I program strategy, implementation and support for Employee Resource Groups (ERGs, which unite volunteer employees around a shared diversity initiative and provide support to various communities, including women, Asians, Black people, Hispanics and the LGBTQ+ community), and accessibility and disability.

Havas Group also aims to provide wider access to its business, reserve a significant percentage of internship opportunities for diverse talent and give priority for leadership development (Havas Emerge) and mentorship opportunities. Havas Group is proceeding with the reorganization of its hiring and evaluation processes as part of this initiative.

At year-end of 2021, Vivendi hosted Mixity's first Workplace Inclusion Forum to mark the launch of the international index used to measure companies' social footprint. This new measurement tool from Mixity was developed in partnership with Vivendi and tested with four Canal+ Group and Dailymotion entities, covering four regions (France, United States, United Kingdom and Vietnam) and taking into account the specific context and culture of these countries. Prisma Media measured its footprint on the five main diversity and inclusion themes: gender equality, disability, multi-generational, multi-cultural and gender identity. Other group companies also plan to use this index and their scores to identify, on the basis of figures, their strengths and areas to improve.

Adapting to and integrating disability

Vivendi is a disability-friendly employer committed to integrating people with disabilities and to non-discrimination against them. This commitment is built on a number of priorities, resulting in a comprehensive approach that takes into account the specific nature of the business and local law. It focuses on recruiting and integrating people with disabilities; creating conditions that encourage employees to disclose their disability so that they can be provided with the appropriate support for their positions; establishing partnerships with experts and organizations that foster inclusion; training and educating employees, managers, HR teams and senior management; providing disability-friendly physical and digital access, and offering flexible work arrangements.

Since 2019, Vivendi's working group on disability, which includes all Vivendi entities, has met at least twice a year. This group's goal is to discuss best practices in each entity, coordinate shared initiatives, and find solutions while consulting external experts when required.

*In France, **2.2%** of group employees have a disability*

The group's disability rate in France is 2.2%. Despite all the group's efforts, this rate remains below the 6% legal minimum. This is primarily because officially reporting disabilities, especially invisible disabilities (80% of disabilities in France), remains a challenge. Plus, the majority of employees with disabilities are not in management, though 73% of the group's employees are managers in France. This makes it is more difficult for the group's entities to recruit, despite their endeavors to improve the situation.

Vivendi is helping to change the image of disability in the workplace by joining forces for the past four years with LADAPT, an association for the social and professional integration of people with disabilities, for the European Disability Employment Week (EDEW).

For the second year in a row, Vivendi's various entities worked together to organize the EDEW, which took place from November 15 to 21, 2021. An internal platform to raise awareness and educate people about disability was available for employees in France. Throughout the week, videos (texts and quizzes) were offered to change attitudes towards disability and inform people about the disability commitments of each entity. During the EDEW 2021, most of the group's entities took part in DuoDay, a nationwide program in France which brings in a person living with a disability and in a situation of long-term unemployment to spend a day at the company. Despite health restrictions, more than 30 duos were formed within the group, in France and its overseas departments and territories.

In 2021, the Vivendi group also continued its support for Psychodon, a non-profit organization working to destigmatize mental illness. Undeterred by the health crisis, Psychodon held its fourth big event on June 12, 2021 at l'Olympia, which was broadcast on the C8 channel during prime time.

Each of the business lines also conducts special initiatives to promote the hiring and integration of people with disabilities.

Canal+ Group's Mission Handi+ is a policy of hiring employees with disabilities that has been in place for many years. In 2020, Canal+ demonstrated its commitment by signing its fourth consecutive collective agreement on employing workers with disabilities. This agreement includes a target of hiring 20 workers with a disability within three years. In addition to measures already introduced to support recruitment, since 2020 Canal+ has hired a specialized service provider to visit schools and universities to meet suitable job seekers living with a disability and offer them internships and work-study programs.

In addition, Canal+ Group signed the *Cancer@work* charter. This initiative aims to transform the inclusion in the workplace of illness, such as cancer and chronic disease, which creates a disabling situation, into a shared reality. In doing so, it supports the integration, retention and quality of life at work of those living with a disease. Concrete actions are expected to come from this commitment, such as the launch of a Guide on aligning living with an illness and having a job, to support employees in these situations.

Havas Group has undertaken, through the Mission Handicap (Disability Team) initiatives, to implement a consistent, long-term policy aimed at employing more people with disabilities. This commitment takes the form of recruitment, job retention, training and awareness: educational workshops, company personal assistance services, development of subcontracting to the sheltered employment sector and participation in disability-related events.

In addition, Havas Group has created a community of liaison officers, made up of employees who are sensitive to the issue of disability and ready to take action. Each member of this community is identified as a correspondent and trusted person within the agency and is therefore a natural contact person with the operations staff through the group.

Editis has established a new policy and launched a disability plan that has been circulated to employees, accompanied by an awareness campaign which is further implemented by practical measures. A survey of employees was conducted in 2021 to determine their viewpoints and how they expect the issue of disability to be handled within Editis, as well as to identify potential obstacles.

Prisma Media also takes active steps to improve the inclusion of disability, whether through awareness actions, such as the series of talks coordinated in 2021 in partnership with LADAPT on cognitive, mental and psychological diversity in the workplace, or through practical measures such as adapting 360° workstations or providing administrative support to officially recognize disabled worker status if necessary.

Respect for human rights and fundamental freedoms

For the Vivendi group, respect for human rights first and foremost means a responsible employer model that protects the fundamental rights of all employees in every country in which it operates. Going beyond legal requirements, Vivendi advocates respect for individuals as a principle of management and condemns all forms of psychological and sexual harassment. As such the group has strengthened its vigilance measures (see Section 3.2.2.). All group entities take the necessary steps to prevent discrimination and harassment by keeping employees informed, communicating about the whistleblowing systems, and taking appropriate action should any confirmed cases arise.

***8,586 Vivendi group employees (1)** received training on harassment in 2021*

(1) Excluding entities entering the scope of consolidation (notably excluding Prisma Media), and entities with a total headcount of less than 15 as of December 31, 2021 (see Note on non-financial reporting methodology, Section 7.1.).

Havas Group has integrated harassment prevention into its social policy by defining three priority areas of action: training, counseling and whistleblowing systems, and engagement from its executive management. An awareness session on these issues aimed at all managers was organized in 2019, which included simulation exercises featuring real-life situations. The initiative was tremendously effective and will be repeated in 2022. The mandatory training module has been included in the induction process to ensure that all employees are trained on these matters. Other related modules are available on the Havas University training platform to expand the offering.

Canal+ Group introduced a whistleblowing system in line with its collective agreement on quality of life at work and informed all employees about the procedure. In 2021, all managers received training on preventing harassment, and an e-learning module is available for all employees on Campus Canal.

Canal+ Group has also signed the #StOpE charter on everyday sexism in the workplace and is committed to reducing it by deploying information, training (including the #StOpE e-learning program available on Campus Canal), prevention and support initiatives among its employees, and a zero-tolerance approach.

In 2019, Canal+ Group teamed up with Havas Worldwide to address this topic by signing the charter to combat sexual harassment and sexist behavior with the organization Pour les femmes dans les médias (PFDM). They have since been joined by three other group entities: Vivendi SE, Dailymotion and Prisma Media. Their commitments in this regard include informing employees, providing a support/whistleblowing system for victims and sharing their best practices.

Editis has introduced a Code of Conduct and a whistleblowing system. It has also designated and trained HR correspondents in each of its three divisions – Literature, Education and Reference, and Broadcasting and Distribution – to prevent harassment and discrimination.

Gameloft has drawn up a Corporate Charter, to be issued to all new employees, that sets out the principles and values to be respected.

As of 2018, Prisma Media implemented mandatory training for managers and HR staff on preventing harassment, and regular awareness talks are available for employees. In 2021, a mini-series of seven videos featuring situations of sexual harassment and sexist behavior were put online to raise employee awareness. Prisma Media reissued its communication to its employees about the new whistleblowing system when it joined Vivendi group.

In France, a number of entities included provisions on sexual harassment and bullying and/or the principle of non-discrimination in their internal rules. In addition, at a number of entities, particularly those located in English-speaking countries, employees have access to a whistleblowing hotline, in accordance with applicable rules and regulations, for reporting any instances of discrimination or harassment.

■ 4.3.1.3. Building an augmented career path for all talent

Developing and retaining talent

Vivendi firmly believes that the group's primary strength is a direct result of the dedication of its people, and that their individual talent contributes to its success. This is how Vivendi places individual skills at the heart of collective performance.

The group's ability to support and promote talent, and provide a working environment that fosters collective well-being, is critical to ensuring its long-term success and that of its employees. In this respect, the HR teams aim to match employee expectations with opportunities to develop and thrive within the constantly changing environment of Vivendi's businesses through experiences, career paths, and development initiatives that are consistent with their aspirations.

The HR teams work with managers to make sure that employees are listened to, particularly through surveys, interviews and other opportunities for discussion in which relevant feedback can be collected to understand expectations, adapt action plans and, in turn, improve employees' experience and career paths.

Mindful of how important detecting and overseeing talent is from a strategic point of view, all of Vivendi's HR teams apply a talent management and development policy to address the main challenges related to motivation, engagement, creativity, innovation and leadership skills.

The group's different business lines strive to keep their teams motivated and well-equipped to handle changes in the businesses and help their talented employees progress in their careers to meet their expectations. At group level, an Internal Mobility Charter has been in place for more than fifteen years, along with a tool that collects job offers from the group's French entities which are open to transfers. These tools also exist within the main entities, which aim to expand mobility solutions to guide their employees towards new career opportunities. The new human resources information system (HRIS) tools deployed within the group will help to strengthen this internal mobility.

To supplement employee engagement surveys, companies use quick surveys on specific topics (e.g., management support, well-being and remote work). These surveys are faster to set up and analyze, enabling the organization to respond faster and enhance communication and cooperation between the company, managers and employees.

Recognizing talent

The talent identification and development policy calls for commitment from all internal stakeholders:

- managers, who are responsible for identifying talent and, through their close working relationship with employees, are well positioned to identify particular skills; and
- employees, who are encouraged to play an active role by leveraging their career paths, experience and skills to their best advantage and sharing their interests for career development or mobility opportunities, ambitions and professional objectives.

In addition to performance review processes, career committees and talent reviews, group companies increasingly plan for more frequent meetings and discussions (short conversations initiated by the manager or employee). This dialog helps form a talent map that is then shared with others in the company to best reconcile the needs of the company and its employees.

Requesting frequent feedback is one of the ways to elevate employee engagement within the organization. For example, BETC created MyJob, a digital tool designed for smoother communication between employees and managers. The platform is regularly reviewed and updated after every campaign based on feedback from managers, employees or employee representative bodies.

For such changes to proceed smoothly, a forward-looking, positive management approach must be developed that calls upon employees' individual strengths and builds the confidence, independence and initiative that these working arrangements require.

As HR staff are essential to the manager support system, Vivendi created a group HR community to guide them in their day-to-day responsibilities through group and individual coaching workshops. Vivendi has also launched a program for HR leaders, giving them a role as business partners to explore the current concepts of adaptive changes in organization, decision-making in complex situations and internal consistency.

Focus on managers

Our modern world can be described as "VUCA" (Volatile, Uncertain, Complex and Ambiguous). The current pandemic has accentuated these concerns, forcing companies to adapt even more quickly. With the support of HR staff, managers must align the objectives of all stakeholders within their ecosystem, those objectives being: company performance, employee expectations, customer and market demands, regulations, and demands from civil society. Managers need to adapt to a rapid and sometimes radical transformation of their business and accommodate conflicting end goals with efficiency and agility, by thinking long-term with respect to the company mission, responding swiftly to customer demands, gearing efforts towards performance, and supporting people to drive employee engagement. They must also take into account the intergenerational and intercultural aspects of companies.

As an employer, the group has a duty to support managers and create the conditions for success. This support covers both their business expertise and their leadership and management style. The augmented leadership program helps managers navigate the growing complexity of the management role by teaching them to analyze contexts and alliance strategies and trust their emotional and relational intelligence in addition to their know-how, skills, competencies and rational intelligence. HR staff provide them with the tools they need to balance their different responsibilities.

These new expectations are, for the most part, relational, and encompass accountability, quality of life at work and collaborative dynamics. To meet these needs, the group's entities have set up programs to:

- guide managers in adapting to their changing role, which involves setting the conditions to motivate teams, making decisions, managing time, bringing meaning to what they do, being a good listener and communicating, coping with change, etc.; and
- strengthen the managerial culture: dare, innovate, develop emotional and relational skills and collective intelligence, organize the sharing of inspiring experience to promote positive management practices (recognition, trust, support in independence, cooperation, feedback, friendliness), etc.

In parallel with the Andiamo network, in 2020, Vivendi invited some 30 male leaders to embark on an augmented leadership program that followed the same course as the pathway designed for female leaders in testing new leadership approaches. Consequently, they created a men's collective to work with Andiamo on diversity and inclusion issues, especially relating to women in managerial positions. Lastly, Vivendi has organized the Vivendi Learning Expedition (LEX) program every year since 2016. This program brings together 40 of the group's senior leaders, the LEXers, for a four-week course on collaboration and augmented leadership: how to embody the integrated Vivendi group; how to foster projects to launch cross-business initiatives; and how to innovate. This extended period gives participants the chance to forge cross-functional links with one another and eventually nurture new internal growth initiatives through collaboration, collective intelligence and a better understanding of group strategy and entity value chains. The LEXer community is now made up of about 100 leaders.

These cross-business communities act as a space for testing augmented management. They are also communities of shared resources and key elements for integrating and belonging to the group.

Training as a way of bringing out skills

(1) As a percentage of the total reported headcount, i.e., excluding entities entering the scope of consolidation (notably excluding Prisma Media), and entities with a total headcount of less than 15 as of December 31, 2021 (see Note on non-financial reporting methodology, Section 7.1.).

Skills development and training provide ways of meeting today's challenges and preparing for the challenges of tomorrow. For all group companies, this means deploying strategy and needs, anticipating transformations and changes in their businesses (job and skills management) and meeting employees' needs to grow and learn within their organization.

Training is a priority intended to enhance, at an individual level, all three aspects of an employee's "human capital", namely skills, experience and personal development. At a collective level, it should focus on the main training areas determined by the business in line with its strategy and needs.

In this period of accelerated transformation due to the health crisis, skills development and managerial coaching have become, more than ever, a major component of the training policies of the various group entities. Priority subjects emerge from the new directions of each business, the management community, new organization methods, quality of life at work, health and safety prevention, and diversity, equity and inclusion awareness.

With the pandemic, digital engineering of training was an obvious choice. It can be used to launch and test many formats: microdoing (learning through day-to-day activities), podcasts, web conferences with executives, virtual get-togethers, learning communities and co-development workshops.

Canal+ Group's skills development plan focuses on three areas: business skills, which provide the strategic expertise needed to carry out its transformation; cross-functional skills and soft skills (e.g., project and collaborative methods, languages), which are essential to support changing work methods; and managerial skills, in particular cross-functional leadership development programs, which connect leaders within both Canal+ Group and the wider Vivendi group. In 2021, 75% of the training courses were conducted remotely and tended towards group formats, enabling participants to connect with one another and share practices.

The group's proprietary learning platform is dedicated to employee development and is built around five pillars: discover, upscale business skills, partners program, soft skills, sustainable development and compliance. Havas University has successfully tested new formats, such as webinars, blended learning and microlearning. With more than 5,000 unique users and 8,000 connections a month worldwide, Havas University issued more than 40,000 certificates in 2021.

Other more specific programs, some of which are available to all group employees, are implemented by Vivendi businesses to develop their expertise and retain talent, including as examples of such programs:

- Devenir Manager, Be The Change and InnovAction are Canal+ Group programs designed for its young talent and managers and manager-leaders spearheading the transformation of their business to develop their leadership and change management skills against a backdrop of new challenges; and
- Emerging Leaders, Havas NextGen and Havas Lofts are development programs that enable Havas Group employees to acquire new skills and gain insight into different cultural contexts, thus encouraging collaboration between agencies worldwide.

4.3.2. DISCOVERING AND NURTURING ARTISTIC CREATION

4.3.2.1. Identifying and attracting talent worldwide

Vivendi's success is directly linked to the artistic talent that is the group's lifeblood. The creative professions are constantly evolving, and it is up to Vivendi to maintain an ambitious policy of identifying, attracting and retaining talent to continue offering a rich variety of quality content.

Identifying talent

Canal+ Group participates in numerous festivals, competitions and awards in the audiovisual sector, notably as a judge, to discover and attract new talent. The group is represented on various panels of judges at competitions such as the Emergence residency program and the CNC (the French national center for cinema and motion pictures) Commission for the support of films in specific genres. In 2021, Canal+ Group supported the Cannes and Clermont-Ferrand film festivals in mainland France and formed partnerships with well-known regional festivals such as Cinékour in Réunion Island, Cinestar in Guadeloupe, Ciné Martinique and the La Foa festival in New Caledonia. In Africa, the group supports the Pan-African Film and Television Festival of Ouagadougou (FESPACO), the International Festival of Comic Art in Cameroon, the International Film Festival of Central Africa and Ecrans Noirs, which honored two Canal+ Africa series with awards in 2021 (*Mami Wata* and *La Nuit Des Rois*).

Canal+ Group also scouts out writers who contribute to programs or special operations (trailers, digital campaigns, collaboration with Canal Brand Factory and Studio Bagel). Short-form content provides another way of discovering new talent (e.g., *Cher journal* and *Clothilde fait un film*).

Studiocanal, Canal+ Group's film subsidiary, works with young writers to help them grow. Every year, groups of experts in film and series production review the 600 project proposals and subsequently present a shortlist to the Investment Committee. Studiocanal works closely with CTL Scouting, a company that leads a talent watch among new releases to buy the rights to the most promising works and adapt them for the screen.

The education division at Editis seeks out potential textbook writers at professional conferences and conventions. Journals and platforms (e.g., Lea.fr and blogs) all open doorways to recruiting potential talent from contributors.

Vivendi Village, which mainly operates in live entertainment, has set up numerous initiatives to detect and promote young talent, such as open stages at festivals. Vivendi Village also supports several African film festivals such as Kambas in Brazzaville (Republic of the Congo) and Fespaco (Burkina Faso), during which CanalOlympia broadcast a selection of films at its Idrissa Ouédraogo and Yennenga theaters.

Scouting and supporting talent

In 2018, Canal+ France created an Artistic Talent Department to strengthen the channels' relationship with up-and-coming talent. The entity backs initiatives to encourage the writing, directing and production of audiovisual works, including residencies dedicated to short and feature-length films in a specific genre with the magazine *So Film,* the youth programming residency with the studio Folimage to develop animated films, and the writing residencies, *Talent Unlimited.*

Vivendi launched Cannesfilms Unlimited (for film writing) and Canneseries Unlimited (for series writing) in 2017 in partnership with the City of Cannes, the Université Côte d'Azur and the Fondation Université Côte d'Azur to nurture future writing talent. Since its launch, 63 authors have benefited from the *Talent Unlimited* writing residency program. In 2021, *Talent Unlimited* has heightened its commitment to talent. As from 2022, the project by the winners in each category will go through a development process at Canal+ Group. Canal+ Group also partners with universities and renowned training programs in the audiovisual and film industries, such as Wajda Film School and Warsaw Film School in Poland and Fémis Film School in France. In the United Kingdom, the group's film subsidiary Studiocanal is a partner to the London Screen Academy and offers master classes. Havas London is also involved in this partnership to identify new directorial talent.

Canal+ International promotes talent in front of and behind the camera through calls for projects, competitions, castings, meetings, training and collaborations with local producers. In Africa, the group has built up a pool of talent that it helps to grow through training in audiovisual professions in collaboration with *Vivendi Create Joy*. In Nigeria, Rok Studios offers internships in which new talent is given experience in various areas of the production process, along with financial support to make their first short film.

Editis aims to discover and support both emerging and celebrated authors. The group has forged partnerships with top schools (Les Gobelins, École de l'image for Nathan and École nationale des chartes for Perrin) and online platforms for writing and self-publishing to develop and support its talent.

***132 new authors** published in France in 2021*

The excellence of its teams and its brands' reputation attract new talent to the group, but Vivendi's activities in the creative industries also enable each business to remain attentive to talent development throughout the group's other operational areas. This wealth of creative professions also serves as a vector for retaining talent, which is vital to Vivendi's development.

4.3.2.2. Retaining talent

One of Vivendi's strengths lies in the way it enables talent to branch out into new areas of expression and creation. Several Vivendi business units (Studiocanal, Canal+ Group's channels, Editis) are members of group talent review Committees to further diversify talent and provide them with rewarding and innovative in-house projects.

One of the key objectives of Canal+ Group's Artistic Talent Department in France is to ensure the long-term collaboration with its talent. The Department sets up the contractual commitment of talent via image contracts or preference contracts that give the group a right of first refusal on the artists' projects.

1.

2.

1. Residence-based writing workshop *Talent Unlimited*

2. Original Creation *Mami Wata*

Studiocanal's *Talent tracking document* is kept up to date and is shared among all production teams (France, International, series). This list of identified talent (directors, actors, screenwriters), is updated almost daily and reviewed at monthly meetings with the members of Studiocanal's Management Committee in charge of production units.

Editis has continued to create innovative formats for authors similar to "Behind the Screen" (a master class for authors and producers) and "From the Book to the Screen" (six pitch sessions with more than 200 producers connected live each time) with the Bureau des Auteurs. Since 2020, the service has enabled nearly 200 of the group's authors to share their expertise via talks. In addition, Editis launched two new formats in 2021. First, the Studio des Auteurs helps authors make their audiovisual projects a reality by co-financing the development of selected projects with producers such as Studiocanal, Newen France and Cinéflerance Studios. Second, the Portail Auteurs for French authors of new books from the Literature division provides them with essential documents and information online. The group acts as an incubator for projects in the book industry, bringing together those who want to give free rein to creativity and disruptive thinking.

4.3.2.3. Promoting local content and talent

With a presence in close to 80 countries, Vivendi makes it a top priority to support and promote local content and talent, which are essential for its audiences and for its development. That is why the group seeks to engage deeply with its audiences and adapt its content to local cultures. Group content is available in 46 languages and dialects.

Canal+ Group plays a major role in developing television and movies in France and abroad. Through its channels and studios, it invested nearly €500 million in 2021 in French and European cinema.

> *In France, **48%** of films approved by the CNC were prepurchased by the Canal+ channel.*

The group invests in local content and talent wherever it operates. That means it can produce and broadcast quality content that meets the expectations of local audiences, and therefore establish itself as an audiovisual leader in its various markets.

In Africa, Canal+ International unites its headline talent around high-quality content designed for local populations. This includes series that have become a firm and integral part of the local audiovisual landscape, such as the award-winning Canal+ Original series *Manjak,* by Anna Gomis, which won the Ubunto d'Or at the *Afrique fait son cinéma* film festival, and *Mami Wata,* by Samantha Biffot, voted best series at the Ecrans Noirs festival.

The entity also develops and retains its talent pool by offering master classes and a training program through Canal+ University that are designed for audiovisual professionals (e.g., producers, actors, journalists and screenwriters). In 2021, in *enQUÊTE d'Afrique,* Canal+ Afrique aired seven reports produced by seven journalist reporters who had completed a Canal+ University program during the year. The best of them are brought in to work for the channel's news programs, such as *Bonjour Santé*, *Start-Up* and *Affaires.* For the December 2021 launch of Nathan TV, the first French-language educational channel in French-speaking Africa, created by combining the expertise of Canal+ and Nathan (Editis), Canal+ has set up editorial training sessions for local editorial and production teams. Editis also created the Nimba Éditions publishing house in 2020, which highlights the vibrancy of African artistic creation by offering a wide-ranging catalog and varied collections, in tune with Africa's current and future readership. Among their many publications, *Les enquêtes de Konan* and *Amma* are very successful.

Vivendi Village also provides extensive support for emerging talent and films in Africa. CanalOlympia theaters show African films from the country or region where they are located to support the emergence of local cinema over the long term. The CanalOlympia network hosts many local artists for concerts and shows. In 2021, more than 100 events and 27 local films were programmed at its venues.

In the French overseas departments and territories, Canal+ Group offers content that adds to the content produced in mainland France. The Canal+ entities operating in French overseas departments and territories implement initiatives to spot talent and content that cater to their audiences by participating in numerous festivals and competitions. For many years, they have also financed local audiovisual productions, which are given valuable visibility through the Canal+ channels.

Canal+ Poland has taken on an even more important role in producing and distributing local content in the country with the recent acquisition of the production company Kino Swiat, one of Poland's leading distributors and producers of independent films for almost twenty years. In 2021, it financed 22 films and four Polish series.

4.3.3. ACTING TOGETHER TO ENABLE EVERYONE TO HAVE A POSITIVE IMPACT

The third pillar in Vivendi's CSR strategy, *Creation with All,* inherently engages people in building a more responsible and sustainable world together. *Creation with All* aims to include all internal and external stakeholders, giving everyone a chance to do their part.

4.3.3.1. Supporting employee engagement

CSR is gaining strategic importance for companies. Employees expect their organization not only to take action, but also to provide them with the opportunity to take part in its commitments.

At all levels of the Vivendi group, regular internal communications share the latest CSR news with employees. These updates include the group's monthly newsletter, *Creation for the Future News,* Canal+'s CSR-empowerment newsletter *Canal+ et toi,* Havas Group's CSR newsletter *Impact+,* and Havas Group's bi-annual magazine *Dare,* which devotes considerable attention to social and environmental commitments and responsibility.

In 2021, a number of webinars were held on CSR issues, such as the presentation of Vivendi's new CSR strategy to all group employees worldwide, the *Road to COP26* series of events (see Section 4.1.4.1.) and the *Lumière sur* series of internal digital conferences organized by Canal+ Group.

Skills sponsorship

Vivendi encourages employees to participate in the group's initiatives by contributing their skills as a form of sponsorship. The *Vivendi Create Joy* skills-based sponsorship program is a strong symbol of this. Employees who want to contribute their skills to the group's partner organizations can sign up through an engagement platform (for more information on *Vivendi Create Joy,* see Section 1.1.3.).

In 2021, Vivendi also participated in the *1 jeune 1 solution* initiative, and more specifically the "1 Youth 1 Mentor" nationwide mentorship program that supports young people, especially those entering the job market, who have been seriously impacted by the recent health crisis. The group wants to give employees from all Vivendi businesses the opportunity to play a meaningful role in the future of long-term unemployed young adults, by rebuilding their self-confidence and guiding them in their choices to optimize their chances of finding a job. The first Vivendi Mentorship cohort completed the program in January 2022.

Group employees are also involved in supporting people with disabilities. For DuoDay 2021, which took place during European Disability Employment Week (see Section 4.3.1.2.), more than 30 people with disabilities were hosted at the group's various entities and paired up with employees across mainland France and French overseas territories. These pairings encourage inclusion for people with disabilities in the context of a business organization.

At an individual level, businesses can round out the group's work by deploying sponsorship and solidarity programs related to their specializations. For example, BETC has formed a partnership with Kodiko, a non-profit that helps refugees find jobs through mentoring programs that pair them with agency employees.

Pro bono work

Each year, Havas Group agencies put their talent and know-how to work on communication campaigns for non-profit organizations and initiatives. In 2021, many pro bono campaigns were run for organizations such as La France s'engage, SOS Racisme, and Psychodon in France; Light up the Planet in Holland; the Theodora Foundation in Spain; Right to Read in South Africa; Vida Wasi in Peru; and Yellowstone and Watts2Boston Foundation in the United States. The agency BETC designed the national campaign for European Disability Employment Week 2021 (see Section 4.3.1.2.), whose awareness ads were widely broadcast, especially on Canal+ Group channels, free of charge.

Dailymotion has also offered advertising space on its platform to organizations, including AIDES, the French Fondation des hôpitaux™, and the French National Cancer Institute.

> ***837 employees*** *took part in pro bono or skills sponsorship actions in 2021*

Solidarity initiatives

With Microdon, Havas Village and BETC have set up a microdonation system in which employees are encouraged to round down their salary and donate the excess cents to an organization they select from a list proposed by the agency.

The group's numerous actions also include: in France, the support of Canal+ Group, Havas Group and Vivendi Create Joy for the Fondation de la 2e Chance, and that of BETC, Canal+ Group and Dailymotion for the French Fondation des Hôpitaux™; in Africa, the Orphée project, a pan-African initiative of Canal+ International, whose main aim is to refurbish recreation rooms in shelters and orphanages to provide entertainment and education to vulnerable children (see Section 4.2.2.1.); and, in Europe, the Samaritan's Purse association, supported by M7 (a subsidiary of Canal+ International), with donations of toys and educational materials to children in disadvantaged areas in Eastern Europe.

Within Vivendi Village, l'Olympia is actively involved with non-profit organizations. For example, in 2021, despite reduced activity due to the pandemic, l'Olympia hosted eight charity and cause-related events (see Section 4.3.3.3.).

In 2021, the group donated a total of more than €8 million to outreach programs, patronage and partnership initiatives, in kind and pro bono support.

4.3.3.2. Working for equal opportunity in our businesses

To support equality and diversify its sources of talent, Vivendi encourages young people from all social and geographic backgrounds, to develop their talent and consider a career in the group's businesses, where diversity is undoubtedly an asset.

Concerned about helping young people from lower-income neighborhoods find their way and believe in their ability to build a meaningful future for themselves, Vivendi has been a partner to PaQte (Pact with Neighborhoods of All Companies) since 2019. Despite the ongoing health crisis in 2021, Havas with Havas Kids, Gameloft, Studiocanal and Editis hosted middle school students from disadvantaged neighborhoods for their internship to observe the work environment, with the support of the organization Viens Voir Mon Taf. As they could not host students in their offices in 2021 due to health restrictions, other group businesses such as BETC, Dailymotion and Canal+ Reunion made up for it by joining Innov'Ton Stage, a digital alternative to mandatory middle school internships aimed at secondary schools in disadvantaged neighborhoods, offered by the Innov'Avenir program of the Les Entreprises pour la Cité network, which Vivendi has supported for several years. As part of this initiative, employees took part in an online discussion to explain their job to middle school students and answer their questions.

The *Vivendi Create Joy* program also helps raise awareness and teach young people about the group's businesses, with projects and training tailored to their needs (See Section 1.1.3.).

This program gives some talent access to the group's businesses. For its first and second seasons, the series *Narvalo* on Canal+ gave young people from training programs supported by *Vivendi Create Joy* a chance to work in front of and behind the camera.

> ***6,741 young*** *people trained for greater access to our businesses through Vivendi Create Joy and Canal+ Group*

The group supports other equal opportunity projects and non-profits. Every year, Havas Paris hosts young adults supported by Secours populaire as part of the creative summer program. Havas New York hosted six interns from the Multicultural Advertising Internship program (MAIP), which enables diverse young professionals to gain experience in the advertising industry. Havas New York also supported a program for Harlem Children's Zone, which aims to break the cycle of intergenerational poverty in certain neighborhoods.

Due to the health crisis, Canal+ in France organized its annual recruitment day for equal opportunity in 2021 as a virtual event.

■ 4.3.3.3. Simplifying customer engagement

As part of the *Creation with All* program, Vivendi wants to use its content, projects and influence so that its clients can support the group in its commitment to society.

For example, Havas Media launched several responsible marketplaces offering its clients the opportunity to redirect their media buying budgets to media that take action on social and environmental issues. The Havas Paris, Havas Events and BETC agencies also continue to encourage their clients to support the Solidarité Climat initiative, which aims to offset the carbon footprint of all their audiovisual, print, digital and events production.

Editis's charitable books allow buyers to enjoy the pleasure of reading and make a positive impact by donating a percentage of or all sales to non-profit organizations. Since 2014, the publication of the first seven volumes of *13 à table !* has made it possible to distribute nearly 6 million meals to Les Restos du cœur. For this project, each party involved in the supply chain of the books has provided their services free of charge, so that 100% of the proceeds can be donated to Les Restos du Cœur. Each charitable book purchased covers the distribution of four meals.

Vivendi Village reserves time slots for nonprofit organizations at its festivals and in its venues, including l'Olympia, to reach out to spectators and give them the opportunity to support the causes that matter to them. In 2021, events to support non-profits and cause-related projects were held at l'Olympia, such as: Helen Keller, EliseCare, Diversidays, La Nuit du Bien Commun, Leurs voix pour l'espoir, Psychodon, Premiers de cordée and 1 jeune, 1 solution.

SECTION 5. INDICATORS SUMMARY TABLES

5.1. Societal indicators

	2021	2020
External talent and cultural appropriateness		
Share of amounts spent by Canal+ Group on local content	more than 50%	45%
Hours of training provided by Canal+ International and Studiocanal for creative talent **(a)**	103,386	51,686
and number of people trained	758	**(b)** n/a
Number of new talents published by Editis in France	132	**(b)** n/a
Content with a positive impact		
Hours of awareness and training provided to employees on content with a positive impact **(c)**	2,303	**(b)** n/a
Number of contents dealing with environmental issues proposed during the year **(d)**	372	**(e)** n/a
Number of pro bono campaigns carried out by Havas Group	78	77
Access to culture and promoting cultural heritage		
Number of beneficiaries of actions to promote access to culture for marginalized communities (France)	11,258	**(b)** n/a
Number of titles restored and digitized by Studiocanal	120	132
Number of Editis books adapted for 'dys' disorders or made available to associations for adaptation to more accessible formats	1,531	**(b)** n/a
Responsible content		
Number of campaigns by Havas Group subjected to intervention measures by the regulatory authorities and a withdrawal request	1	1
Number of intervention measures taken by broadcasting authorities with respect to Canal+ Group channels	23	**(e)** n/a
In 2021, Canal+ Group received eight warnings, four summonses and one sanction for all of its channels in France combined from the Arcom (formerly the CSA, the French broadcast media regulator). By decision of March 17, 2021, Arcom imposed a fine of €200,000 to CNews channel; the channel appealed against this decision to the Conseil d'État (French Council of State) seeking its annulment. For all of its channels outside of France, Canal+ Group has received two warnings, two summonses and seven fines of small amounts (less than €2,000).		
Employee commitment		
Number of employees involved in pro bono work/skills volunteering	837	**(f)** 627

(a) The hours reported are the hours of training by Canal+ Group teams and partners taking into account the number of people trained.

(b) New indicator created in 2021, data not available for 2020.

(c) The hours reported take into account the number of participants in training and awareness programs.

(d) This indicator covers: content on environmental issues showcased and curated by Canal+ Group during dedicated editorial highlights (for programs with several episodes, the total number of episodes has been taken into account); Havas Group campaigns addressing climate change challenges; books related to the environment published by Editis; Gameloft games dealing with environmental issues; and Vivendi Village festivals, shows and events with a connection to environmental issues.

(e) Comparable indicator not available for the year 2020.

(f) To ensure comparability with the 2021 data, 2020 data has been restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope (see Note on non-financial reporting methodology, Section 7.1.).

Additional risk indicators associated with the health and safety of users, and the dialog with customers and their satisfaction with products and services are monitored by the relevant Vivendi business lines. Because of the sensitive nature of the information contained therein, it was decided, together with the independent third party, not to disclose the associated data.

5.2. Social indicators

	2021	% of total headcount	2020 (a)	% of total headcount
Headcount				
Headcount – Total	35,911	–	33,343	-
Headcount – Men	16,959	47%	16,134	48%
Headcount – Women	18,952	53%	17,209	52%
Headcount – Employees on permanent contract	32,094	89%	30,183	91%
Headcount – Employees on temporary contract	3,817	11%	3,160	9%
Headcount – Managers	14,704	41%	12,613	38%
Of which Women	7,597 (52%)	-	6,343 (50%)	-
Headcount by age group				
Employees under 25	3,293	9%	2,542	7%
Employees 25 to 34	14,387	40%	13,924	42%
Employees 35 to 44	9,895	28%	9,349	28%
Employees 45 to 54	5,779	16%	5,274	16%
Employees aged 55 and above	2,557	7%	2,254	7%
Headcount by geographic region				
Africa	2,473	6.9%	2,266	6.8%
North America	4,662	13.0%	4,480	13.4%
South and Central America	2,894	8.1%	2,461	7.4%
Asia-Pacific	4,932	13.7%	4,819	14.5%
Europe	20,950	58.3%	19,317	57.9%
Of which France	11,556	32.2%	10,148	30.4%
Arrivals and departures				
Voluntary turnover rate **(b)**				
Vivendi	17.6%	-	10.1%	-
Of which Canal+ Group	3.9%	-	3.2%	-
Of which Havas Group	25.4%	-	13.4%	-
Of which Editis	2.3%	-	2.3%	-
Of which Gameloft	17.6%	-	13.3%	-
Of which Vivendi Village	9.2%	-	5.6%	-
Of which New Initiatives	12.5%	-	11.0%	-
Of which Corporate	1.9%	-	0.0%	-
Total hires/new arrivals	10,375	-	6,366	-
Of which on permanent contracts	7,069 (68%)	-	3,985 (63%)	-
Total departures	9,366	-	8,713	-
Of which departures of permanent contract employees	7,302 (78%)	-	6,241 (72%)	-
Of which resignations of permanent contract employees	5,323 (57%)	-	3,223 (37%)	-
Of which individual dismissals of permanent contract employees	1,110 (12%)	-	1,079 (12%)	-
Of which redundancies of permanent contract employees on economic grounds	553 (6%)	-	1,427 (16%)	-

	2021	% of total headcount	2020 (a)	% of total headcount
Career development				
Number of temporary contracts converted into permanent contracts	824	-	654	-
Training (c)				
Number of employees trained	24,327	**(d)** 74%	23,531	**(d)** 74%
Training hours	300,009	-	302,093	-
Hours of training per participant (average)	12.3	-	12.8	-
Absenteeism (c)				
Overall absenteeism rate **(b)**	3.4%	-	3.6%	-
Of which due to illness **(b)**	1.7%	-	1.9%	-
Health and safety (c)				
Rate of workplace accidents resulting in lost work time **(b)**	0.19%	-	0.21%	-
Of which Canal+ Group	0.23%	-	0.20%	-
Of which Editis	1.45%	-	1.42%	-
Frequency rate **(b)**	1.12	-	1.11	-
Of which Canal+ Group	1.41	-	1.22	-
Of which Editis	9.68	-	9.20	-
Severity rate **(b)**	0.04	-	0.05	-
Of which Canal+ Group	0.03	-	0.03	-
Of which Editis	0.37	-	0.50	-
Employee relations and collective bargaining agreements (c)				
Collective bargaining agreements signed or renewed (France)	44	-	47	-
Of which relating to compensation and employee savings plans	28 (64%)	-	23 (49%)	-
Of which relating to working conditions, health and safety	11 (25%)	-	15 (32%)	-
Organization of working time				
Full-time employees	34,539	96%	31,864	96%
Part-time employees	1,372	4%	1,479	4%
Professional integration and disabilities				
Number of employees with disabilities	358	-	360	-

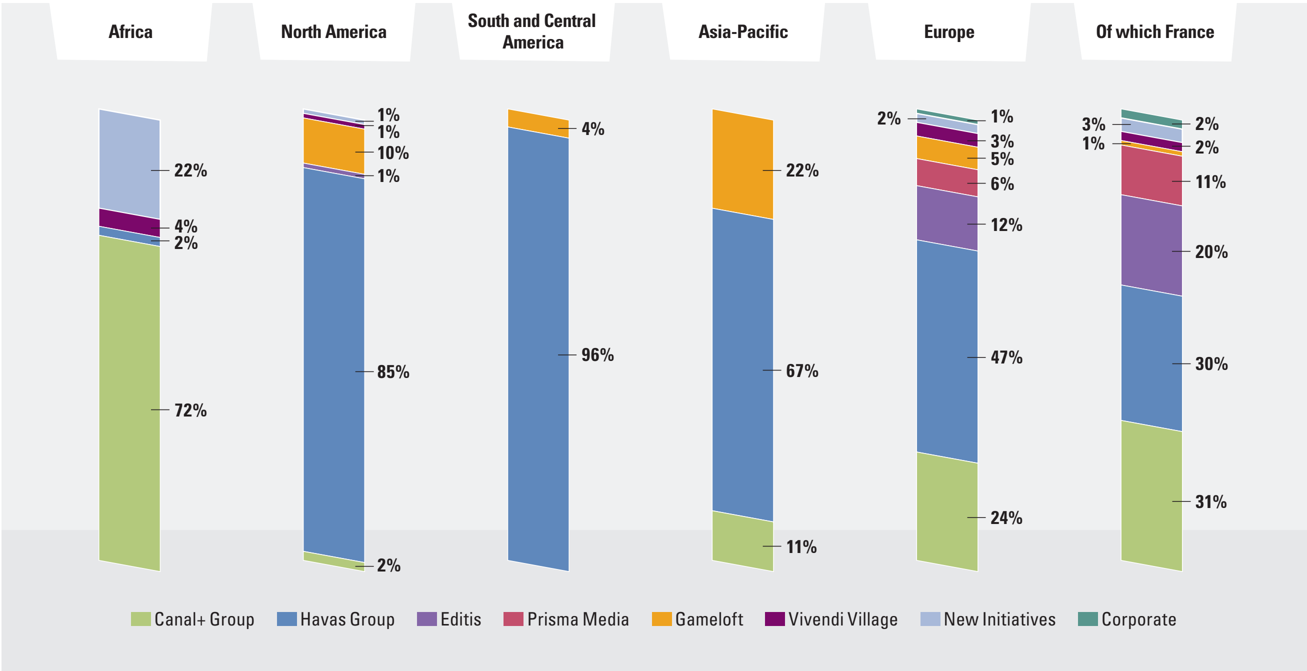
(a) To ensure comparability with the 2021 data, 2020 data was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope (see Note on non-financial reporting methodology, Section 7.1.).

(b) For the calculation method of this indicator, see Note on non-financial reporting methodology, Section 7.1.

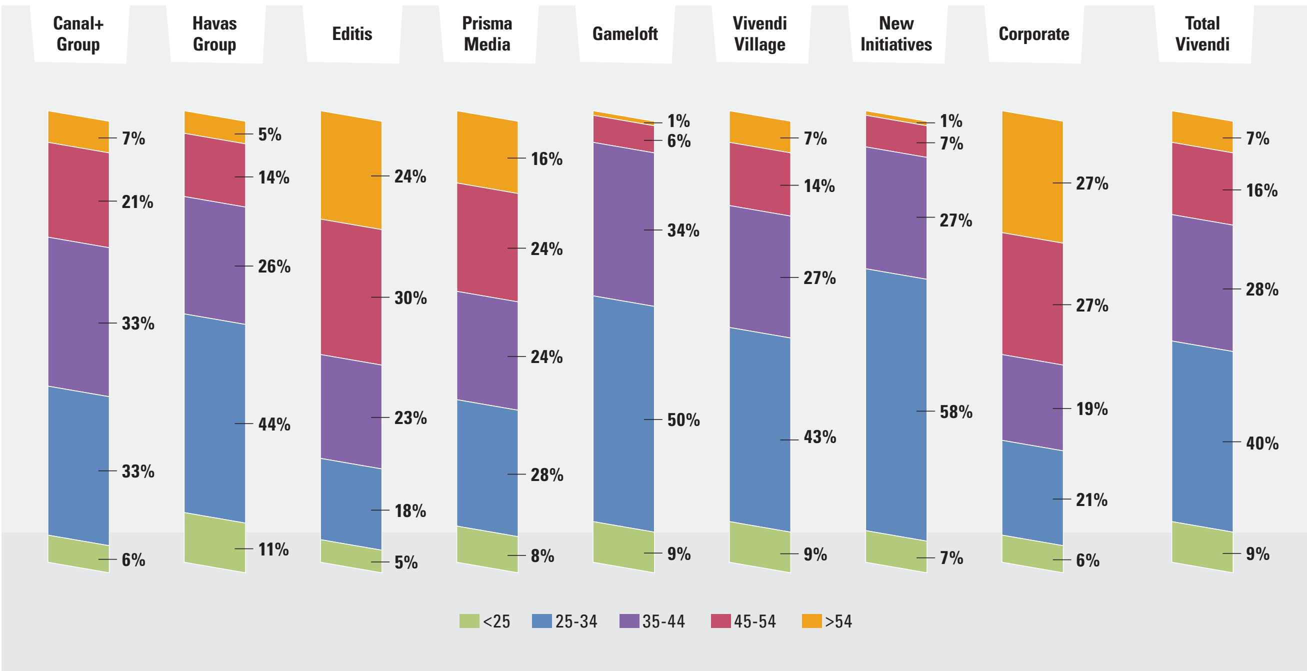
(c) As from 2021, entities with a total headcount of less than 15, as of December 31 of each year, will only report data related to headcount and headcount arrivals and departures (i.e., no reporting of data related to training, absenteeism, health and safety, and collective bargaining agreements). The 2020 data was restated to ensure comparability with the 2021 data (see Note on non-financial reporting methodology, Section 7.1.).

(d) As a percentage of the total reported headcount, i.e., excluding entities entering the scope of consolidation (notably excluding Prisma Media), and entities with a total headcount of less than 15 as of December 31 (see Note on non-financial reporting methodology, Section 7.1.).

Business line headcount by geographic region as of December 31, 2021



Business line headcount by age group as of December 31, 2021



5.3. Environmental indicators

	Unit	2021	2020 (a)
Energy consumption			
Electricity	MWh	78,404	81,498
Electricity from renewable sources	MWh	17,537	14,822
Natural gas	MWh GCV	4,597	3,690
Domestic fuel	liters	610,391	222,579
Steam used for space heating	MWh	7,782	6,313
Cold consumption (district cooling)	MWh	2,953	3,051
Diesel used by the fleet of vehicles	liters	2,067,627	1,896,067
Petrol used by the fleet of vehicles	liters	1,236,749	956,952
LPG used by the fleet of vehicles **(b)**	liters	1,930	320
Total energy consumption	GJ	536,722	500,715
Materials consumption			
Paper purchases	tons	43,916	35,782
Purchase of plastics and acrylics used in the manufacturing of products brought to market by a group entity	tons	196	238
Cardboard purchases	tons	4,235	1,800
Purchase of wood used in the manufacturing of products brought to market by a group entity	tons	422	347
Waste			
Total WEEE	tons	661	451
Total WEEE recovered	tons	361	350
Hazardous waste (excluding WEEE)	tons	20	21
Non-hazardous waste	tons	20,237	32,643
Non-hazardous waste recycled or recovered	tons	18,328	30,659

(a) To ensure comparability with the 2021 data, 2020 data was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope (see Note on non-financial reporting methodology, Section 7.1.).

(b) This indicator is only applicable to two group entities.

Greenhouse gas emissions

	Unit	2021	2020 (a)
Greenhouse gas emissions (excluding use of products and purchases of content and services)			
Scope 1 greenhouse gas emissions related to energy consumption (b)	**tons of CO_2eq**	**14,764**	**12,960**
Mobile sources	tons of CO_2eq	10,000	8,671
Stationary sources	tons of CO_2eq	4,764	4,289
Of which refrigerants	tons of CO_2eq	1,833	2,789
Of which domestic fuel	tons of CO_2eq	1,947	710
Of which natural gas	tons of CO_2eq	984	790
Scope 2 greenhouse gas emissions related to energy consumption (c)	**tons of CO_2eq**	**23,430**	**22,775**
Of which electricity (including electricity from renewable sources)	tons of CO_2eq	21,909	21,527
Of which steam	tons of CO_2eq	1,455	1,181
Of which district cooling	tons of CO_2eq	66	67
Scope 3 greenhouse gas emissions (d)	**tons of CO_2eq**	**111,622**	**81,029**
Hazardous waste (including WEEE)	tons of CO_2eq	284	197
Non-hazardous waste	tons of CO_2eq	1,740	2,807
Business travel	tons of CO_2eq	11,277	14,363
Purchase of raw materials	tons of CO_2eq	42,727	34,338
Of which plastics	tons of CO_2eq	554	674
Of which paper	tons of CO_2eq	40,505	32,950
Of which cardboard	tons of CO_2eq	1,652	702
Of which wood	tons of CO_2eq	16	13
Property (buildings leased or owned) **(e)**	tons of CO_2eq	8,570	27,329
Freight (air, sea, road)	tons of CO_2eq	4,298	1,904

(a) To ensure comparability with the 2021 data, 2020 data was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope (see Note on non-financial reporting methodology, Section 7.1.).

(b) Scope 1 relates to direct emissions, including energy consumption (excluding electricity), fuel combustion and fugitive emissions (e.g., from leaks of refrigerants).

(c) Scope 2 relates to indirect emissions from energy consumption, including the consumption of electricity or steam via distribution grids.

(d) Scope 3 relates to other emissions produced by the group's activities that are not covered in Scopes 1 and 2 but which are linked to the value chain as a whole, including the purchase of raw materials (e.g., paper, cardboard and plastics), the management of waste generated by the activities of Vivendi's subsidiaries and business travel by employees. The greenhouse gas emissions relating to purchases of services and content, and the emissions generated by the use of the products and services sold, are not included in the data mentioned above due to the high degree of uncertainty in the calculation of these emissions. In 2020, the following emissions line items were added: GHG emissions from the purchase of cardboard (excluding packaging) used to manufacture products, the purchase of wood used to manufacture products and the purchase of paper used to print books, and emissions from road freight (Editis only).

The calculation methodology is described in the paragraph entitled "Methodological details and limitations in relation to indicators" in the Note on Methodology in Section 7.1.5. and in the document entitled *"Note méthodologique de calcul des émissions de gaz à effet de serre du groupe Vivendi"* (in French) which is available on Vivendi's website (www.vivendi.com).

(e) If reporting entities are unable to provide the date on which a building was built or leased, its surface area in square meters is not included when calculating GHG emissions. Changes to the calculation method for emissions related to property (buildings leased or owned) are set out in detail in Section 7.1.5.2. on Environmental indicators.

SECTION 6. TABLES

6.1. Concordance table

The concordance table below sets out the categories of information required pursuant to Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

It refers readers to the sections of this Universal Registration Document where information relating to each category can be found.

Category of Information	Sections of the 2021 Universal Registration Document
Presentation of the global performance model	Chapter 1, Section 2.3.
Description of the main non-financial risks	Chapter 2, Section 2
Description of policies to prevent, identify and mitigate the main non-financial risks and their impact and performance indicators	Chapter 2, Sections 2, 3, 4 and 5
Consequences of the company’s activities and the use of the goods and services it produces on climate change	Chapter 2, Sections 2.3. and 4.1.
Societal commitments for sustainable development	Chapter 2, Sections 1.1.2., 4.1.3., 4.2., 4.3.2. and 4.3.3.
Circular economy	Chapter 2, Section 4.1.2.1.
Combating food waste	Not relevant – Chapter 2, Section 2.2.2.
Combating food insecurity	Not relevant – Chapter 2, Section 2.2.2.
Respect for animal well-being and responsible, fair and sustainable food	Not relevant – Chapter 2, Section 2.2.2.
Collective bargaining agreements in place in the company and their impact on its financial performance	Chapter 2, Sections 4.3.1.1. and 5.2.
Working conditions	Chapter 2, Section 4.3.1.1.
Measures taken to combat discrimination and promote diversity and measures taken to benefit people with disabilities	Chapter 2, Section 4.3.1.2.
Measures to combat tax evasion	Chapter 2, Section 3.2.4.

6.2. TCFD Concordance table

Vivendi has supported the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) since December 2020. The TCFD was created in line with the Financial Stability Board of the G20 during the COP21. This working group built its recommendations around four themes representing the fundamental aspects of companies' functioning, including governance, strategy, Risk Management and measuring targets.

The following concordance table serves as a reference for the TCFD and highlights actions taken by Vivendi with regard to TCFD recommendations. In addition to the information published in the Universal Registration Document, this table also refers to the group's responses to the *CDP Climate Change* questionnaire, which takes into account the TCFD recommendations. The group's responses are public and can be viewed at www.cdp.net.

Theme	TCFD Recommendation	Source of information in the group's reports
Governance		
Describe the organization's governance regarding climate-related risks and opportunities.	a) Describe the Board of Directors' supervision of climate-related risks and opportunities.	a) CDP Climate Change C1.1, C1.1a, C1.1b
	b) Describe management's role in the assessment and management of climate-related risks and opportunities.	b) CDP Climate Change C1.2, C1.2a, C1.3, C1.3a, C2.2, C2.2a
Strategy		
Describe the existing and potential impacts of climate-related risks and opportunities on the organization's activities, its strategy and financial planning where relevant.	a) Describe the climate-related risks and opportunities the organization has identified in the short, medium and long-term.	a) CDP Climate Change C2, URD 2021 – 2.3
	b) Describe the climate-related risks and opportunities on the organization's activities, strategy and financial planning.	b) CDP Climate Change C2.3, C2.3a, C2.4, C2.4a, C3, URD 2021 – 2.3
	c) Describe the organization's resilience, taking various climate-related scenarios into account, including a scenario of 2 °C or less.	c) CDP Climate Change C3
Risk Management		
Describe the manner in which the organization identifies, assesses and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	a) CDP Climate Change C2.2a, C2.2b, C2.2c, C2.3, C2.4, URD 2021 – 2.3
	b) Describe the organization's processes for managing climate-related risks.	b) CDP Climate Change C2.2d, C2.3a
	c) Describe the manner in which the processes for identifying, assessing and managing climate-related risks are integrated in the organization's Risk Management.	c) CDP Climate Change C1.2a, C2.2, C2.2b, C2.3a
Indicators and goals		
Describe the indicators and goals used to assess and manage climate-related risks and opportunities where relevant.	a) Describe the indicators used by the organization to assess climate-related risks and opportunities in relation to its strategy and Risk Management process.	a) CDP Climate Change C1.3, C2.3a, C5, C6, C7, C8, C9, C11
	b) Publish Scopes 1 and 2 greenhouse gas emissions (GHGs) and, if relevant, Scope 3 and the related risks.	b) CDP Climate Change C5, C6, C7 URD 2021 – 5.3
	c) Describe the goals used by the organization to manage climate-related risks and opportunities and its performance on these goals.	c) CDP Climate Change C4

URD = Vivendi 2021 Universal Registration Document.

CDP = Vivendi's 2021 response to the CDP Climate Change questionnaire (available on the CDP's website).

SECTION 7. VERIFICATION OF NON-FINANCIAL DATA

7.1. Note on non-financial reporting methodology

7.1.1. REFERENCE FRAMEWORKS

The reporting of non-financial indicators is based on an Internal Reference developed by Vivendi, which is in turn based on national and international references including: French Executive Order No. 2017-1180 of July 19, 2017 relating to the publication of a non-financial performance statement, French decree No. 2017-1265 of August 9, 2017, the guidelines of the Global Reporting Initiative **(1)** (GRI) and its Media Sector Supplement of May 4, 2012 **(2)**, the ten principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.

The reporting protocol for environmental, social and societal data of the Vivendi group entities is updated annually and ensures the consistent application of definitions and rules for data gathering, validation and consolidation by all group companies.

(1) Launched in 1997 by the Coalition for Environmentally Responsible Economies (CERES) in partnership with the United Nations Environment Programme (UNEP), the GRI is a long-term and international, multi-stakeholder initiative that develops and issues guidelines for voluntary sustainability reporting by multi-national corporations wishing to disclose information regarding the economic, environmental and social impact 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).

(2) The GRI Media Sector Supplement provides reporting guidance for global media industry corporations. Several themes are included such as freedom of expression, media pluralism and content quality, the representation of cultures, independence, data protection, accessibility and media literacy.

7.1.2. METHODOLOGY USED FOR CSR RISKS

The mapping of Vivendi's CSR risks is based on a rigorous risk analysis methodology, which is aligned with that used by the group's internal audit Department for the mapping of operational risks, with the aim of ensuring overall consistency. This methodology was implemented by the group's CSR teams, in collaboration with KPMG's Sustainability Department.

The following methodology was used to identify and assess CSR risks:

- definition of a risk universe, which includes 17 social, environmental and societal risks for the group and its entities, excluding risks dealt with by other processes (e.g., cybersecurity, personal data protection and corruption risks); and
- the risk universe was submitted for assessment by the seven group entities (Canal+ Group, Havas Group, Editis, Gameloft, Dailymotion, Vivendi Village and Group Vivendi Africa) and more than 40 interviews were conducted to assess the gross risks and identify the policies and action plans implemented to control them (net risks).

Each of the group's seven entities was the subject of a separate risk map, validated by their respective management bodies. The Group's map, consolidating all results, is presented in Section 2.

7.1.3. INDICATORS

The societal, social and environmental indicators are presented in this chapter.

Unless otherwise indicated, the societal, social and environmental indicators refer to consolidated data as of December 31, 2021.

For 2021, data is consolidated. A breakdown of 2021 data by entity is provided for certain indicators.

To ensure comparability with 2021 data:

- social and environmental data for 2020 was restated by excluding Universal Music Group, which, as of December 31, 2021, is no longer within the reporting scope; and
- the restated version of the 2020 social data related to training, absenteeism, health and safety and collective bargaining agreements (i.e., all data other than headcount and changes in the workforce) also excludes entities with a total headcount of less than 15 as of December 31, 2020, in accordance with the procedures implemented for social reporting as from 2021 (see the section below on the reporting scope).

As of December 31, 2020, the total workforce of these entities with less than 15 employees (excluding entities entering the scope of consolidation in 2020) represented 2.6% of the total Vivendi group workforce (excluding Universal Music Group workforce).

7.1.4. REPORTING SCOPE

The reporting scope was established in accordance with Articles L. 233-1 and L. 233-3 of the French Commercial Code and, with the exception of certain entities, includes controlled companies and entities (see details at each reporting scope level).

Changes in reporting scope are the result of acquisitions and/or disposals of consolidated entities between January 1 and December 31 of the relevant reporting year:

- in the event of a disposal during the reporting year, the data for the entity is not recognized within the scope of that year; and
- in the case of an acquisition of an entity during the reporting year, the headcount is integrated into the reporting year. All other data will be included in the reporting of the following year unless the incoming entity can collect this information for the reporting year.

7.1.4.1. Societal Reporting Scope

The societal reporting scope is as follows:

- Canal+ Group: unless otherwise specified, the reporting scope applies to workforce located in metropolitan France and its overseas departments and territories, Poland, Africa (Benin, Burkina Faso, Cameroon, Congo, Gabon, Guinea, Ivory Coast, Madagascar, Mali, Mauritius, Niger, Democratic Republic of Congo, Senegal and Togo), Asia (Myanmar, Vietnam), Haiti, as well as Studiocanal (France, United Kingdom, Germany and Australia), M7 and Thema (a two-country group focus, France and Nigeria, covering 77% of the entity's workforce);
- Havas Group: the reporting scope applies to the entire group;
- Editis: the reporting scope applies to France (which accounts for more than 95% of the group's employees);
- Gameloft: the reporting scope applies to the entire group;
- Vivendi Village: the reporting scope applies to See Tickets, CanalOlympia, Olympia Production, The Copyrights Group, Vivendi Live Ltd and l'Olympia; and
- New Initiatives: the reporting scope applies to Dailymotion and, for a selection of indicators, to Group Vivendi Africa (training provided to service providers; amounts paid for solidarity programs, sponsorship and partnership actions; number of employees involved in pro bono/ skills volunteering; actions promoting access to culture and education; measures in favor of the accessibility of offers, products and services).

7.1.4.2. Social Reporting Scope

The social reporting scope covers all Vivendi group entities and 100% of the workforce for the "headcount" indicators.

In social reporting, unless otherwise indicated:

- "Vivendi Village" refers to l'Olympia, Olympia Production, Petit Olympia, CanalOlympia Talents & Live Performances (operating in 11 countries in Africa), Festival Prod, Strong Live Agency, Yuma, La Frontera, Mr Power, Copyrights Group, Théâtre de l'Œuvre, Vivendi Village, Vivendi Sports, Vivendi Live Ltd, CanalOlympia and See Tickets (in Europe and the United States);
- "New Initiatives" refers to Dailymotion (operating in France, Singapore and the United States), Flab Prod, Flab Presse, Group Vivendi Africa (operating in France and eight countries in Africa), Key Square, Pernel Media and Vivendi Content; and
- "Corporate" refers to the Vivendi SE's Paris headquarters and the New York office.

In accordance with the reporting protocol:

- entities newly consolidated within the reporting scope during the year appear only in the tables related to headcount;
- for 2021, 33 companies with a total of 2,039 people joined the reporting scope. They are: 2 Canal+ Group entities (54 employees), 21 Havas Group entities (719 employees), 1 Editis entity (3 employees), 2 Vivendi Village entities (8 employees), 3 New Initiatives entities (19 employees), as well as the 4 Prisma Media entities (1,236 employees); and
- as of 2021, entities with a total headcount of less than 15 as of December 31 will only report data on headcount and headcount arrivals and departures (i.e., no data on training, absenteeism, health and safety and collective bargaining agreements). As of December 31, 2021, the total workforce of these entities with less than 15 employees (excluding entities entering the scope of consolidation in 2021) represents 2.3% of the total Vivendi group workforce.

7.1.4.3. Environmental Reporting Scope

The environmental reporting scope (covering more than 90% of employees, excluding Prisma Media which will be included as of the next reporting period) is as follows:

- Canal+ Group: the reporting scope applies to the companies located in mainland France and its overseas departments and territories, in Europe (Germany, Spain, Luxembourg, the Netherlands, Poland, the Czech Republic, and the United Kingdom), in Africa (15 countries: Benin, Burkina Faso, Cameroon, Congo, Democratic Republic of the Congo, Gabon, Guinea, Ivory Coast, Madagascar, Mali, Mauritius, Niger, Nigeria, Senegal and Togo), in Haiti, and in Asia (Myanmar and Vietnam) as well as in Australia;
- Havas Group: the reporting scope covers 173 companies in 48 countries (Argentina, Australia, Belgium, Brazil, Cambodia, Canada, Chile, China, Colombia, Costa Rica, the Czech Republic, Denmark, Estonia, France, Germany, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Italy, Lithuania, Latvia, Malaysia, Mexico, Myanmar, the Netherlands, Peru, Philippines, Poland, Portugal, Russia, Serbia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Arab Emirates, the United Kingdom, the United States, Uruguay and Vietnam);
- Editis: for this first year, the reporting scope applies to France (which accounts for more than 95% of the group's employees);
- Gameloft: the reporting scope applies to 13 countries: Argentina, Australia, Bulgaria, Canada, China, France, Hungary, Indonesia, Mexico, Romania, Spain, Ukraine and Vietnam;
- Vivendi Village: the scope applies to See Tickets SA, See Tickets Ltd, See Tickets BV, See Tickets US, See Tickets AG, Vivendi Live Ltd, Vivendi Village France, l'Olympia and the CanalOlympia venues in Benin, Burkina Faso, Cameroon, Congo, Guinea, Madagascar, Senegal and Togo;
- New Initiatives: the reporting scope applies to Dailymotion (Paris and New York), Group Vivendi Africa (Burkina Faso, Congo, Ivory Coast, Gabon, Rwanda and Togo), and Flab Prod;
- Corporate: the reporting scope refers to the Vivendi SE's registered office in Paris.

7.1.5. METHODOLOGICAL DETAILS AND LIMITATIONS 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 nature of certain data.

■ 7.1.5.1. Social indicators

Headcount

Headcount-related indicators are expressed in number of employees at December 31.

Work-study contracts (apprenticeship contracts and professionalization contracts) are counted as temporary contracts; trainees are not counted as part of the workforce.

Changes in the workforce

If an employee's contract is changed from temporary to permanent, they are not included in the permanent contract new hires. Similarly, they are not included in the temporary contract departures.

Voluntary turnover rate

With voluntary turnover, departures resulting from the resignation of permanent employees can be considered separately. This is calculated as follows:

Number of resignations of people on permanent contracts in year Y/Total employees on permanent contracts as of December 31 in year Y-1.

Training

For hours of training completed by employees, both face-to-face and e-learning hours are counted. Regardless of the number of training courses taken by an employee, he or she is counted only once as having participated.

Health and safety

The rate of workplace accidents resulting in lost work time, as well as their frequency and severity rates are calculated as follows:

Rate of workplace accidents resulting in lost work time

$$\frac{\text{Total number of workplace accidents resulting in lost work time x 100}}{\text{Total headcount of the health and safety reporting scope}}$$

Frequency rate of workplace accidents

$$\frac{\text{Number of workplace accidents resulting in lost work time x 1,000,000}}{\text{Average annual headcount x annual hours actually worked}}$$

Severity rate of workplace accidents

$$\frac{\text{Number of days lost due to workplace accidents x 1,000}}{\text{Average annual headcount x annual hours actually worked}}$$

Annual hours actually worked were calculated by taking into account planned working hours, less days of absence from work.

Absenteeism rate

Absenteeism rates are calculated on the basis of the theoretical number of hours and days worked per year as follows:

Overall absenteeism rate

$$\frac{\text{Total number of days of absence from work x 100}}{\text{Number of days worked}}$$

The calculation of the overall absenteeism rate includes maternity, paternity and adoption leave.

Rate of absenteeism due to illness

$$\frac{\text{Number of days absent due to illness x 100}}{\text{Number of days worked}}$$

■ 7.1.5.2. 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 entities with 25 or more employees to achieve an accurate representation of more than 90% of the actual data compared to the estimated total electricity consumption (note that once an entity starts contributing to environmental reporting in a particular reporting year, it will continue to perform environmental reporting even if its workforce falls below the threshold of 25 employees).

Greenhouse gas emissions are calculated based on the emission factors from the French Environmental and Energy Management Agency (ADEME) database for calculating carbon footprint, Base Carbone, version 15.0 (September 2018) and version 17 (October 2019) for certain positions added for 2020 reporting. In the event that emission factors are not available in the database or are not considered relevant, factors from other recognized sources, including the GHG Protocol (www.ghgprotocol.org) and the UK Department for Environment, Food and Rural Affairs (www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2018), may be used.

The list of emission factors used for these calculations is available on the group's website.

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

With regard to data on electricity consumption, the quantities reported correspond to the quantities invoiced. In the event that data is not available (as is the case for certain sites not owned by the group), consumption is estimated based on conversion factors (kWh/m^2, kWh/ft^2). The conversion factors used for the energy consumption indicators are standard values. They differ depending on the geographic location of the entities and are taken from recognized reference guides. Total energy consumption is broken down to obtain a clearer assessment of the composition of the energy consumed. The 2020 data was recalculated to rectify an error in the use of a conversion factor.

CO_2 emissions are divided into three categories:

- Scope 1 represents direct greenhouse gas emissions, including those associated with the consumption of natural gas and domestic heating fuel, and injections of refrigerant fluids during site maintenance operations on air-conditioning installations. 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;
- Scope 2 includes indirect greenhouse gas emissions resulting from the use of electricity, steam and cooling;
- Scope 3 represents external indirect greenhouse gas emissions, including in particular emissions related to business travel by employees, purchase of paper, cardboard, wood, plastics and acrylics used in manufacturing products intended for sale, property (buildings) and emissions related to the processing of WEEE (waste electrical and electronic equipment).

For Scope 3, the data was selected according to the degree of reliability and comprehensiveness of the input data available (e.g., units of mass and distance).

In 2020, a change was made to the way that carbon emissions from property (buildings leased or owned) are recognized. The relative surface areas of leased buildings/sites and buildings constructed during the reporting year are recognized without depreciation, while all emissions related to that building's manufacturing in year Y are also recognized (rule applicable under the Greenhouse Gas Protocol (GHG), the only internationally recognized method that companies can use to establish their trajectory with respect to science-based targets).

7.1.6. REPORTING TOOLS, CONSOLIDATION AND CONTROLS

A unique data collection tool called *Perform!* reports all consolidated and controlled data to various levels.

The IT tool automatically checks the data for consistency during input. An initial validation is performed by each entity. Consistency 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. Lastly, an analytical review and a general control ensure the overall consistency of flows between year Y-1 and year Y for all indicators presented in the non-financial performance statement.

7.2. Independent third party's report on the consolidated non-financial statement presented in the management report

Year ended December 31, 2021

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 Annual General Shareholders' Meeting,

In our capacity as independent third party, accredited by the Cofrac under number No. 3-1681 (Scope of accreditation available on the website www.cofrac.fr), and member of the network of one of the Statutory Auditors of Vivendi (hereinafter the "Entity"), we conducted our work with an aim to provide a conclusion expressing a limited level of assurance on the compliance of the consolidated non-financial statement for the year ended December 31, 2021 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code *(Code de commerce)* and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to Article R. 225-105 I, 3° of and II of the French Commercial Code (hereinafter the "Information") prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), included in the management report pursuant to the requirements of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code *(Code de commerce).*

CONCLUSION

Based on the procedures performed, as described in the "Nature and Scope of the work" section, and on the elements we have collected, we have not identified any material misstatements that would call into question the fact that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

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

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

LIMITATIONS INHERENT IN THE PREPARATION OF THE INFORMATION

As set out in the Statement, the Information may be subject to uncertainty inherent in the type of scientific or economic knowledge and in the quality of the external data used. Some information is sensitive to the methodological choices, assumptions and/or estimates made in preparing it and presented in the Statement.

THE ENTITY'S RESPONSIBILITY

It is the responsibility of the Management Board to:

- select or set appropriate criteria for the preparation of the Information;
- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy); and
- implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared in accordance with the Entity's Guideline, as mentioned above.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

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

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code *(Code de commerce);* and
- the fairness of the historical (observed or extrapolated) information provided in accordance with paragraph 3 of sections I and II of Article R. 225-105 of the French Commercial Code *(Code de commerce)*, including key performance indicators and the measures relating to the main risks.

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

It is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory requirements, in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax avoidance legislation;
- the fairness of the information provided by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable Regulations.

REGULATORY PROVISIONS AND APPLICABLE PROFESSIONAL STANDARDS

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

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code *(Code de commerce)* and the French Code of Ethics *(Code de déontologie)* of our profession. In addition, we have implemented a system of quality control which includes documented policies and procedures aiming to ensure compliance with applicable legal and regulatory requirements, ethical rules and the professional guidance of the French Institute of Statutory Auditors relating to this engagement.

MEANS AND RESOURCES

Our work mobilized the skills of seven people and took place between October 2021 and February 2022 over a total period of twelve weeks.

In carrying out those procedures, we obtained assistance from our specialists in the fields of sustainable development and social responsibility. We conducted seventeen interviews with the persons responsible for the preparation of the Statement including in particular representatives from the Human Resources, Legal, Marketing and Communication, Social Affairs and CSR Departments.

NATURE AND SCOPE OF THE WORK

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

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the main risks involved;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement deals with each category of social and environmental information set out in Article L. 225-102-1 III of the French Commercial Code as well as the respect of human rights the fight against tax evasion;
- we verified that the Statement provides the information required under Article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and a description of main risks associated with all the consolidated entities' activities, including, where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;

- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented,
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important set out in Appendix 1; concerning certain risks (vigilance regarding the supply chain and the impact of activities on climate change), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities: Canal+ UES, Canal+ International Côte d'Ivoire, BETC, Havas Media Ltd, Media Planning Group USA, Sogedif, Interforum France, Gameloft Canada – Montréal, Gameloft Romania – Bucharest, Dailymotion France;
- we verified that the Statement covers the Scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code;
- we obtained an understanding of internal control and Risk Management procedures the Entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important set out in Appendix 1, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 19% and 51% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (19% of headcount and 51% of electricity consumption);
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

The work carried out as part of a limited assurance engagement is less in Scope than that required for a reasonable assurance engagement performed in accordance with professional standards; a higher level of assurance would have required us to carry out more extensive procedures.

Paris-la Défense, March 9, 2022
The Independent Third Party
French original signed by:

EY & Associés
Thomas Gault
Associate Partner, Sustainable Development

APPENDIX 1: THE MOST IMPORTANT INFORMATION

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Voluntary Turnover on permanent contracts (all activities).	Actions for recruiting talents and employer brand (Havas Group, Gameloft).
Number of collective agreements (Canal+ Group in France, Interforum France, Sogedif).	Actions for quality of working life (Havas Group, Gameloft).
Frequency rate of work-related accidents (Canal+ UES, Interforum France).	Programs to develop internal talents and leadership (Havas Group, Editis).
Severity rate of work-related accidents (Canal+ UES, Interforum France).	Organization of social dialog (Canal+ Group in France, Editis).
Proportion of employees trained (all activities).	Actions for employees' health and safety at work (Canal+ Group, Editis, Dailymotion).
Proportion of women in headcount (all activities).	Actions for diversity and inclusion (Editis, Dailymotion).

Environmental Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Main sources of greenhouse gas emissions (Scope 1, 2 and 3 on all activities) related to energy consumption: ▸ Mobile sources; ▸ Electricity (standard); ▸ Business travel; ▸ Property (buildings leased or owned). Main sources of greenhouse gas emissions (Scope 1, 2 and 3 – Havas Group, Editis) related to natural resources consumption: ▸ Purchase of paper; ▸ Purchase of plastic.	Results of the policy for combating climate change (Vivendi, Canal+ Group, Havas Group). Results of the policy related to natural resources management and ecosystem protection (Havas Group, Editis).

Societal Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Number of new talents published in France (Editis). Number of hours of training provided for creative talent (Canal+ International, Studiocanal). Number of titles restored and digitized (Studiocanal).	Actions related to the duty of vigilance plan (Vivendi). Actions related to the policy on handling ecological transition in content (Havas Group). Actions related to dialogue with customers and users and their satisfaction with products and services (Canal+ Group, Havas Group, Gameloft, Vivendi Village). Actions related to the attraction and retention of external talent (Canal+ Group, Editis, Vivendi Village). Results of the policy on the cultural appropriateness of content (Canal+ Group, Vivendi Village). Measures taken in favor of health and safety of customers and users of products and services (Editis, Gameloft, Dailymotion, Vivendi Village). Actions related to transparency and ethics in advertising practices (Gameloft). Actions related to the respect for the human person and to the representation of diversity in content (Editis, Gameloft, Dailymotion). Actions related to the respect of pluralism and integrity of information (Dailymotion). Actions related to the accessibility of content (Vivendi Village).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3 RISK FACTORS, INTERNAL CONTROL AND RISK MANAGEMENT

CHAPTER 3

SECTION 1. RISK FACTORS

Vivendi regularly conducts a review of the risk factors that could have a negative impact on its operations or results. This review is presented to the Risk Committee, the Management Board and the Audit Committee. Vivendi has not identified any significant risks apart from those described below. Other risks of which Vivendi was unaware, or which were considered insignificant at the date of this Annual Report – Universal Registration Document, could have an adverse effect in the future.

The Risk Committee also assesses the adequacy of the internal procedures in place for reducing the risks to which the group may be exposed. It notifies the Audit Committee and the Supervisory Board of its main findings and recommendations.

The Compliance Committee is responsible for measures and procedures to identify and prevent risks as required by French Law No. 2016-1691 of December 9, 2016 (referred to as the Sapin II Act), Law No. 2017-399 of March 27, 2017 on anti-corruption measures and the duty of vigilance, and EU Regulation 2016/679 (the General Data Protection Regulation, GDPR). The Compliance Committee works in association with the Risk Committee.

For a description of the work of the Compliance Committee and the Risk Committee, see Sections 1.2.10.4. and 1.2.10.5. of Chapter 4 of this Annual Report – Universal Registration Document. See Section 3 of Chapter 2 for a description of the Compliance Program and its implementation.

This Risk Factors section takes into account the provisions of EU Regulation No. 2017/1129 of June 14, 2017 ("PR3"), which came into effect on July 21, 2019. The risk factors are presented below in decreasing order of importance within each category, based on an assessment of the gross risk each factor represents, derived from an analysis of their potential impact and the probability of their occurrence.

The table below provides a summary of the main risks facing the group, which have been divided into three categories: operational risks, financial risks and legal risks. In each category, the net risks that remain after taking into account control measures are classified by degree of materiality, based on their potential impact and their probability of occurrence.

Risk factors		Impact	Probability of occurrence	Materiality
1.1.	**Operational Risks**			
1.1.1.	Risks associated with the increasing cost of exclusive content and premium rights in the group's various businesses	• • •	• • •	• • •
1.1.2.	Risks associated with piracy	• • •	• • •	• • •
1.1.3.	Risks associated with cybercrime	• • •	• • •	• • •
1.1.4.	Disintermediation risks	• • •	• • •	• • •
1.1.5.	Risks associated with data protection	• •	• • •	• •
1.1.6.	Risks associated with talent	• •	• •	• •
1.1.7.	Risks associated with conducting operations in various countries	• •	•	• •
1.2.	**Financial Risks**			
1.2.1.	Equity market value risks	• • •	• • •	• • •
1.2.2.	Risks associated with goodwill	• • •	• •	• •
1.2.3.	Risks associated with currency conversion and exchange rate fluctuations	• •	• •	• •
1.2.4.	Risks associated with the cost of access to financing	• • •	•	•
1.3.	**Legal Risks**			
1.3.1.	Risks associated with regulations applicable to the group's operations	• •	• •	• •
1.3.2.	Litigation risks	• • •	•	• •

In 2021, despite the uncertainty caused by the Covid-19 pandemic and although the pandemic hit some of the group's host countries and businesses harder than others, Vivendi showed resilience and adapted its model to be able to continue to provide the best possible service and entertainment to its customers, while reducing its costs to safeguard its margins. Overall, the group's operations held up well, in particular pay-TV, Havas Group and Editis. However, as expected, certain business activities, such as Vivendi Village (particularly Live entertainment), continued to be significantly impacted by the Covid-19 pandemic.

Vivendi continually monitors the current and potential consequences of the Covid-19 pandemic. It is difficult at this time to determine how it will impact Vivendi's results in 2022. The businesses related to Live entertainment risk enduring more lasting effects than the others. Nevertheless, the group remains confident in the resilience of its main businesses. It is pursuing every effort to ensure the continuity of its activities, as well as to best serve and entertain its customers and audiences, while complying with the guidelines of the authorities in each country where it operates.

In 2021, Vivendi tested the value of goodwill allocated to its cash-generating units (CGUs) or groups of CGUs by applying valuation methods consistent with previous years. Vivendi ensured that the recoverable amount of CGUs or groups of CGUs tested exceeded their carrying value (including goodwill).

Vivendi ended the year with net cash of €348 million, versus a net debt position of €4,953 million as of December 31, 2020, representing a positive position of €5,301 million. In addition to its existing debt, Vivendi also has access to significant financing resources. As of December 31, 2021, €2.8 billion of the group's committed credit facilities were available.

As of December 31, 2021, the average "economic" term of the group's financial debt, calculated based on the assumption that the available medium-term credit lines may be used to redeem the group's shortest term borrowings, was 4.2 years (compared to 4.8 years as of December 31, 2020).

See Note 22 to the 2021 Consolidated Financial Statements in this Annual Report – Universal Registration Document for further information on the group's borrowings, other financial liabilities and financial risk management.

1.1. Operational Risks

Vivendi is an integrated content, media and communications group. It operates businesses across the media value chain, from talent discovery to the creation, production and distribution of content. Operational risks are assessed taking into account quantitative and qualitative factors specific to each of the group's businesses.

The description of how these risks may affect Vivendi and of the control measures put in place includes illustrative examples to reflect the diversity of the group's businesses and their developments in 2021, including the distribution of 59.87% of the shares of Universal Music Group N.V. and the acquisition of the entire share capital of Prisma Media.

1.1.1. RISKS ASSOCIATED WITH THE INCREASING COST OF EXCLUSIVE CONTENT AND PREMIUM RIGHTS IN THE GROUP'S VARIOUS BUSINESSES

Vivendi's businesses face an increasingly competitive international environment driven by integrated global groups and GAFAM. The development of SVOD platforms has led to fiercer competition for content offerings and overbidding for exclusive rights for original content.

The sports rights market, for example, is still speculative and is increasingly complex to manage, both in France and internationally, with the arrival of new entrants such as Amazon, which acquired some of the rights to France's Ligue 1 football championship in 2021.

In view of these market developments, the Vivendi group exercises strict cost discipline coupled with a consistent investment policy and a formal governance structure (e.g., M&A Committees and validation thresholds) and benefits from a broad catalog of diversified, exclusive rights.

Acquiring rights for alternative sports, either exclusively or in partnership with other broadcasters, and increased in-house production of exclusive programs also helps absorb the effects of inflation and the potential loss of some premium rights in the medium and/or long term.

As a result, Vivendi may be required to contribute to content cost inflation with a risk of not obtaining a return on its investment, or to refrain from overbidding, with a commercial risk related to the loss of customers or subscribers.

1.1.2. RISKS ASSOCIATED WITH PIRACY

Vivendi's businesses are highly reliant on intellectual property rights, which the group either owns or uses under distribution licenses.

The increasing access rate to high-speed Internet, technological development and the difficulties faced by public authorities in protecting rights holders are facilitating the unauthorized reproduction of audiovisual content, thereby leading to the development of illegal digital practices.

Any illegal use of the group's intellectual property rights and content could affect its results and the growth outlook for Canal+ Group's offers and content, particularly with the development of illegal IPTV services (access to thousands of television channels including premium sports channels + VOD content for an annual fee of between €60 and €180). In 2020, Pauline Blassel, Secretary General of Hadopi (the French Supreme Authority for the Distribution and Protection of Intellectual Property on the Internet) estimated that 2.5 to 3 million people used illegal IPTV services, despite a decrease in access to pirated content since 2017 according to a study by the EUIPO (European Union Intellectual Property Office) published in December 2021 (a 41% fall between 2017 and 2020 for TV). This decrease is primarily due to the main pirate sites being regularly blocked due to the work of the Audiovisual Anti-Piracy Alliance (AAPA), of which the group is a member through Canal+ Group.

Vivendi devotes significant resources to anti-piracy measures and is working increasingly closely with key sector operators, such as rights holders, Internet service providers (ISPs) and sports federations. It also regularly organizes awareness-raising campaigns among local authorities to help find effective ways of combating piracy.

Combating piracy is a particular priority for Canal+ Group, which, as a member of the AAPA and the ACE (Alliance for Creativity and Entertainment), organizes awareness-raising campaigns among member companies in order to speed up the notice and take-down process, and takes court action where necessary (including the lodgment of legal claims and dismantling of piracy networks within the group's operating countries). Canal+ Group has a dedicated team in charge of protecting content and pay-TV packages both in France and abroad. This central team is assisted by local teams, legal teams, and several specialized service providers.

In 2021, hundreds of live sporting events and premium content produced or broadcast by Canal+ Group (movies and series) were protected by being placed under active surveillance in all of the group's host countries. The anti-piracy measures put in place resulted in take-downs of hundreds of thousands of illegal streaming links. Additionally, millions of search results redirecting users to illegal sites were de-indexed from the main search engines.

On January 1, 2022, France's media regulator, the CSA, was merged with the Hadopi to create the Arcom (the Regulatory Authority for Audiovisual and Digital Communication), which should make it easier to obtain decisions to block sites that illegally broadcast sports content.

The consumption of content obtained in violation of applicable regulations may result in a loss of revenue for Vivendi.

See Section 3 of Chapter 1 of this Annual Report – Universal Registration Document for a detailed analysis of piracy issues and the anti-piracy measures taken by each of the group's businesses.

1.1.3. RISKS ASSOCIATED WITH CYBERCRIME

Vivendi's operations are reliant on the quality and resilience of its data centers and service platforms. There has been a surge in recent years of IT intrusion attempts and Denial of Service attacks and, more recently, the threat of ransomware attacks. Any of these types of cybercrime could disrupt the service provided by the group to its customers or subscribers and could have an impact on the organization of its operations or on its reputation.

Vivendi has an inherently high digital exposure due to (i) its connected services offerings for the general public (Dailymotion, Gameloft and myCanal), (ii) its core businesses that are ever-more intrinsically linked to digital (e.g., OTT distribution for Canal+ Group, online advertising for Havas, physical distribution and digital publishing of books for Editis and digital distribution for Prisma Media), (iii) its powerful brands (Canal+ content, Prisma Media brands), and (iv) its global footprint.

The security of infrastructures and information systems is an ongoing concern for the Vivendi group.

The group's headquarters and main business units each have an Information Systems Security Officer (ISSO) who puts in place the necessary security processes within the ISSO's specific structure (such as Security Operation Center, protection of work stations and cell phones, multi-factor authentication and anti-phishing programs).

Intrusion tests and security audits are regularly performed by specialist external service providers that are certified by the French National Information Systems Security Agency *(Agence nationale de la sécurité des systèmes d'information)* to identify and correct any vulnerabilities.

Exposure of the group's infrastructure to cybercrime could result in service interruptions, fraud or data theft and could have an impact on the group's financial situation or reputation.

Since 2020, the widespread use of remote working has changed the exposure of the group's entities to risks associated with cybercrime, particularly due to the massive use of collaborative tools, a greater number of remote-access systems and the increased vulnerability of remote users and the global ecosystem (partners). Cybersecurity procedures were adapted accordingly, notably by extending the two-step authentication procedure for remote access and modifying surveillance systems.

1.1.4. DISINTERMEDIATION RISKS

The entertainment market is changing, driven by the development of high-speed broadband and the rapid spread of new consumer viewing habits such as non-linear and on-demand television. Vertical consolidation in the audiovisual market and the arrival of new players, such as advertising consulting firms and live streaming companies, coupled with the international development of OTT packages offered by publishers or rights agencies all contribute to disintermediation risks for the group's businesses. The development of literary self-publishing platforms as well as the unregulated commercial exploitation (neighboring rights) of magazine content by internet players also add to those risks. These developments could have an impact on the evolution of the group's offerings as well as on its revenue and earnings.

Vivendi pays close attention to these market trends and has a recognized and differentiating expertise in content production, editorialization, bundling and distribution.

One of the ways the group reduces its exposure to disintermediation risks is by forging strategic partnerships with leading market players. For example, in February 2021, Canal+ Group's offerings were enriched with the arrival of StarzPlay, Starz's video-on-demand service.

Due to the highly fragmented market, customers or subscribers could opt out of the group's offers or subscribe to partial offers from other market players.

1.1.5. RISKS ASSOCIATED WITH DATA PROTECTION

Due to the diversity of its operations, Vivendi processes vast amounts of personal data, particularly in the advertising and TV sectors. Given its broad geographic footprint, the group is subject to the various national data protection regulations in the countries where it operates. It is also subject to the GDPR, which came into effect in May 2018, notably in relation to:

- managing data relating to visitors to thousands of websites (e.g., Canal+ Group, Editis and Prisma Media); and
- processing the personal data of subscribers (Canal+ Group, Editis, and Prisma Media) and/or online service users (Prisma Media, Gameloft and Dailymotion).

The loss or disclosure of personal data can result in significant damage to the individuals concerned, render Vivendi liable and could have an adverse impact on the group's reputation and activities.

Vivendi launched a GDPR Compliance Program for all of its subsidiaries in 2017, backed by the group's executive management team.

Each business unit in the group has a Data Protection Officer (DPO) who is responsible for ensuring compliance with national personal data protection regulations and the group's guidelines, notably by:

- implementing data protection policies;
- systematically deploying Consent Management Platforms;
- aligning privacy and cookies policies in mobile and Web environments;
- performing audits to verify that the systems deployed are effective; and
- tracking indicators covering the main principles of personal data protection (accountability, security, suppliers, employee training and individual rights).

In 2021, the group complied with the changes in French regulations applicable to the use of cookies and other trackers within the time limit set by the CNIL *(Commission Nationale de l'Informatique et des Libertés).*

For a detailed description of the measures taken to ensure the group's compliance with personal data protection regulations, see Section 3 of Chapter 2 of this Annual Report – Universal Registration Document.

1.1.6. RISKS ASSOCIATED WITH TALENT

In the publishing, media, video games and advertising sectors, the ability to identify and retain internal and external talent, such as artists, creators, authors, managers, journalists and technical profiles, is a key success factor for the group in an environment characterized by both mobility and competition. However, the risk of dependence at group level is mitigated by the fact that Vivendi operates in diverse markets.

Vivendi has put in place a strategy aimed at attracting and retaining the best talent to futureproof its operations and safeguard its reputation. Its presence in more than 100 countries and the reputation of the group and its brands enable it to identify, attract and retain the talent needed to develop the group's businesses.

If Vivendi were to lose the support of any of its key people or the ability to attract new talent, it could experience a decrease in sales and earnings which could affect its growth prospects and/or financial position.

1.1.7. RISKS ASSOCIATED WITH CONDUCTING OPERATIONS IN VARIOUS COUNTRIES

Vivendi conducts its operations in several markets in more than 100 countries.

Vivendi's consolidated revenue by geographic area was as follows for the year ended December 31, 2021: France (€4,863 million); rest of Europe (€2,200 million); Americas (€1,264 million); Africa (€844 million) and Asia-Pacific (€401 million).

The main risks associated with conducting its operations internationally are as follows:

- each local economic and political situation;
- the Covid-19 pandemic and the related temporary restrictions in some business segments (movie production, live entertainment, closure of sales outlets);
- restrictions on capital repatriation;
- unexpected changes in the regulatory environment;
- various tax systems, which may have an adverse effect on the results of Vivendi's operations or on its cash flow and, in particular, regulations relating to transfer pricing and withholding tax on the repatriation of funds; and
- tariff barriers, customs duties, export controls and other trade barriers.

Vivendi's broad geographic footprint reduces the potential impact of a problem in a particular local market. Consequently, if such a problem were to occur, it would not have a very significant impact on the group's financial results. Vivendi remains attentive to this risk, as its businesses in geographic regions with the highest level of exposure are still in the development phase.

1.2. Financial Risks

1.2.1. EQUITY MARKET VALUE RISKS

As of December 31, 2021, Vivendi had a portfolio of minority shareholdings in listed companies in the telecommunications and media sectors, representing an aggregate market value of approximately €9.0 billion (before tax). Vivendi is exposed to the risk of fluctuations in the value of these shareholdings and, as of December 31, 2021, the related unrealized loss was approximately €2.3 billion (before tax). The value of these assets could also vary depending on the underlying share prices. A uniform 10% decrease in the value of all of these shares would have a cumulative negative impact of approximately €0.9 billion on Vivendi's financial position.

However, Vivendi has taken action to safeguard the value of these assets:

- at Telecom Italia – which has launched a number of initiatives to boost revenue from its fixed network and create other revenue streams from its infrastructure (particularly data centers) – the five directors elected from the list put forward by Vivendi to Telecom Italia's Board of Directors are members of Telecom Italia's various Board Committees, notably the Strategy Committee that issues opinions and proposals about the company's overall industrial strategy;
- Vivendi has ended its dispute with MediaForEurope (formerly Mediaset) and its main shareholder, Fininvest, pursuant to a global agreement finalized on July 22, 2021. For a detailed description of agreements entered into between May 3 and July 22, 2021 see Note 2.3 to the Consolidated Financial Statements in Chapter 5 of this Annual Report – Universal Registration Document; and
- the listing of UMG shares on Euronext Amsterdam and the special distribution of 59.87% of UMG's share capital were preceded by the sale to Pershing Square of 10% of the share capital, i.e., 7.1% sold on August 10, 2021 and 2.9% sold on September 9, 2021, based on an enterprise value of €35 billion for 100% of UMG's share capital.

1.2.2. RISKS ASSOCIATED WITH GOODWILL

As of December 31, 2021, the carrying amount of the goodwill recognized in Vivendi's consolidated statement of financial position was €9.4 billion.

A significant portion of the value of this goodwill is sensitive to any adverse changes in (i) the economic and/or regulatory environment as compared with the assumptions applied when the goodwill was initially recognized, and (ii) the multiples used in mergers and acquisitions for comparable companies, or other market data. Goodwill is tested for impairment once a year or more frequently if there is an indication that it may be impaired.

The value of goodwill could decrease, with an ensuing impact on earnings, if the discounted cash flows generated by the CGUs or groups of CGUs are not high enough to justify the carrying amounts recorded in the consolidated statement of financial position. Any increase in the discount rates used and/or decrease in perpetual growth rates and/or decrease in discounted cash flows could reduce the recoverable amount of goodwill to less than or the same as its carrying amount.

For example, in the case of Studiocanal, an increase of 3.55 points in the discount rate (compared to 7.80%) or a decrease of 7.29 points in the perpetual growth rate (compared to 1.00%) or a 36% decrease in discounted cash flows would reduce the recoverable amount of the related goodwill to its carrying amount.

Lastly, the carrying amount of goodwill in non-eurozone countries may decrease if the exchange rate of the currency in which it is denominated falls against the euro (see Note 11 to the Consolidated Financial Statements in Chapter 5 of this Annual Report – Universal Registration Document).

1.2.3. RISKS ASSOCIATED WITH CURRENCY CONVERSION AND EXCHANGE RATE FLUCTUATIONS

Almost half of Vivendi's business is conducted in countries outside the eurozone. Consequently, the revenue and operating results generated in currencies other than the euro (mainly the US dollar, pound sterling and zloty) are exposed to fluctuations in exchange rates when they are consolidated in Vivendi's financial statements. Likewise, some of Vivendi's net assets are denominated in currencies other than the euro. Any adverse fluctuations in these currencies against the euro could negatively impact Vivendi's equity and result in currency conversion risks.

Additionally, the operations of Vivendi and some of its subsidiaries generate cash flows in currencies other than their functional currency. The exchange-rate risk arising on these operations is limited as Vivendi has set up hedges on a centralized basis, in the form of currency swaps and forwards. These instruments are notably used for acquisitions of editorial content and certain investments, representing definite or highly probable transactions, as well as for certain financial assets and liabilities denominated in foreign currencies.

Taking into account the foreign currency hedging instruments in place, an unfavorable and uniform 1% change in the euro exchange rate against all foreign currencies for which the group had a hedging position as of December 31, 2021 would have a non-significant cumulative impact on net earnings.

1.2.4. RISKS ASSOCIATED WITH THE COST OF ACCESS TO FINANCING

Risks related to the cost of access to financing are assessed based on the group's capacity, in the coming twelve months, to (i) have ready access to cash and cash equivalents and available confirmed credit facilities and (ii) generate sufficient cash flows and proceeds from sales, to cover debt repayments, dividend payouts, financial investments and any share buybacks. Vivendi does not currently consider that it has significant exposure to such risk.

In June and July 2021, following the €3 billion refinancing of UMG, Vivendi reduced the amount of its committed bilateral credit facilities to an aggregate €800 million from €1.2 billion, as well as its syndicated bank credit facility to €1.5 billion from €2.2 billion. These credit facilities – which are not subject to financial covenants – serve as a back-up to the group's €2.3 billion short-term (NEU CP – Negotiable European Commercial Paper) program. In addition, Havas has €510 million in confirmed bilateral credit facilities. Lastly, Vivendi has a strict and prudent financing policy and strives to optimize the maturity dates of its borrowings to avoid a large number of repayments falling due at the same time.

The transactions below are detailed in Note 22.3 to the Consolidated Financial Statements in Chapter 5 of this Annual Report – Universal Registration Document.

As of December 31, 2021, 99.1% of Vivendi's consolidated gross debt was at fixed rates, meaning that a rise in interest rates would not significantly affect Vivendi's interest expense in the next twelve months.

Vivendi's long-term debt is rated Baa2 by Moody's, with a negative outlook. If this rating were to be downgraded, it could affect the group's ability to raise financing in the bond market and through its NEU CP program, and could therefore increase its financing costs.

1.3. Legal Risks

1.3.1. RISKS ASSOCIATED WITH REGULATIONS APPLICABLE TO THE GROUP'S OPERATIONS

In the ordinary course of its business, Vivendi must comply with complex, restrictive and evolving regulations, particularly those governing the broadcasting and communication sectors.

Substantial changes in the legislative environment and the application or interpretation of regulations by the French Competition Authority or by administrative, judicial or other authorities, particularly with respect to competition law and tax law, may result in Vivendi incurring additional costs or altering the products and services it offers, which may materially impact its business, financial position, results and development prospects.

In addition, certain operations of the group are dependent on obtaining or renewing licenses issued by regulatory authorities such as the *Autorité de régulation de la communication audiovisuelle et numérique* (Arcom) in France, formerly the CSA (French Broadcasting Authority). The process of obtaining or renewing these licenses can be long, complex and costly. Vivendi's ability to achieve its strategic objectives may be impaired if it is unable to obtain or retain in a timely manner the licenses required to conduct, continue or expand its operations. For a detailed description of the regulatory environment in which the group operates, see Section 3 of Chapter 1 of this Annual Report – Universal Registration Document.

1.3.2. LITIGATION RISKS

Vivendi is, or could become, involved in a number of lawsuits or investigations initiated by shareholders, consumers, business partners, competitors, artists, and third parties – particularly in the communications industry – or regulatory and tax authorities. In some of these cases, if Vivendi fails to negotiate an amicable settlement, it may be ordered to pay damages or financial penalties.

For a description of the main disputes and investigations involving the group, see Note 26 to the Consolidated Financial Statements in Chapter 5 of this Annual Report – Universal Registration Document.

Vivendi recognizes a provision each time a risk is identified, is likely to materialize and is either quantifiable or can be estimated with reasonable certainty. At any time during such legal proceedings, events may occur that result in a reassessment of the risk. With the exception of the main legal proceedings and investigations described in Note 26 to the Consolidated Financial Statements (see Chapter 5 of this Annual Report – Universal Registration Document), Vivendi considers it unlikely that current legal proceedings will have a material adverse impact on the group's financial position.

SECTION 2. INTERNAL CONTROL AND RISK MANAGEMENT

2.1. Internal Control Procedures

Vivendi strives to maintain the highest standards of internal control and financial disclosure. To further this objective, the Financial Information and Communication Procedures Committee meets regularly (the committee met five times in 2021).

This Committee assists the Chairman of the Management Board and the Chief Financial Officer in ensuring that Vivendi fully complies with its disclosure obligations to investors, the public and the French regulatory and market authorities. It is chaired by the Group General Counsel and comprises of representatives from all of the company's corporate operational departments.

It is responsible for the assessment of information that Vivendi is required to make publicly available, which comprises: (i) periodic information, including disclosure of documents to investors and financial markets in compliance with French financial market regulations, (ii) press releases related to half-yearly financial results, and (iii) presentations to investors and analysts.

For a description of the functions and activities of this Committee in 2021, see Section 1.2.10.6. of Chapter 4 of this Annual Report – Universal Registration Document.

2.1.1. DEFINITION AND OBJECTIVES OF INTERNAL CONTROL

The company manages internal control through a set of procedures established by Vivendi's Management Board and implemented by its employees to ensure that the following objectives are met:

- compliance with laws and regulations as well as adherence to the group's corporate values;
- the implementation of guidelines and strategies established by the Management Board;
- the prevention and monitoring of operational and financial risks as well as the management of the risk of error, risk of fraud, risk to the company's reputation and risks associated with Corporate Social Responsibility (CSR);
- the optimization of internal processes to ensure the effectiveness of operations and efficient use of resources; and
- the completeness and accuracy of accounting, financial and management information.

Since Vivendi's delisting from the New York Stock Exchange and the termination of its registration with the US Securities and Exchange Commission (SEC) in 2007, Vivendi has worked with its Statutory Auditors to gradually update its objectives and general principles of internal control, which are largely based on the framework established by the AMF and its recommendations.

These principles are based upon:

- promoting a culture of internal control and principles of integrity;
- the identification and analysis of risk factors that may adversely impact the achievement of the group's objectives;
- the organization and establishment of procedures aimed at ensuring the implementation of the strategies established by the Management Board;
- the periodic review of control measures and an ongoing search for areas for improvement; and
- the process of sharing information relating to internal control.

However, as with any system of control, the application of these principles cannot provide absolute certainty that all risks will be completely eliminated or brought under control.

2.1.2. SCOPE OF INTERNAL CONTROL

Vivendi is currently divided into seven business units (Canal+ Group, Havas, Editis, Prisma Media, Gameloft, Vivendi Village **(1)** and New Initiatives **(2)**), all of which are required to implement the strategies set by the Management Board, including in relation to internal control objectives. Each business unit has a tailored set of internal control measures that includes the implementation of the group's procedures and the definition and implementation of procedures specific to each business unit, depending on its organization, culture, risk factors and operational requirements.

As the parent company, Vivendi ensures the internal control measures exist and adequately address the needs of each business unit, particularly with respect to the accounting and financial procedures applied by group entities that are fully consolidated.

(1) Vivendi Village primarily includes live performance, movie theaters and venues, ticketing and franchise development.

(2) New Initiatives includes Group Vivendi Africa and Dailymotion.

2.1.3. COMPONENTS OF INTERNAL CONTROL

2.1.3.1. Control Environment

Rules of conduct and ethics applicable to all employees

Vivendi ensures that all aspects of corporate responsibility are considered in the operation of its business. It has a Charter of Values that focuses on consumers, value creation, teamwork, Corporate Social Responsibility, cultural diversity, creativity and ethics. Vivendi is a signatory to the United Nations Global Compact.

A Compliance Program also sets general rules of ethics applicable to all group employees regardless of their seniority and position, which was updated in 2020. A vigilance plan is described in Section 3.2.2. of Chapter 2 of this Annual Report – Universal Registration Document.

The protection of personal data remains a major concern for Vivendi. Accordingly, the General Counsels of the various business units and the Legal departments within the group are made fully aware of the need to update the Charters on data and content protection and best practice guidelines for protecting sensitive data. Against this backdrop, in 2016, the group once again reinforced these measures by appointing a Data Officer who reports to the Group General Counsel. In 2017, these measures were further strengthened by the appointment of Data Protection Officers (DPOs) in each business unit. For a detailed description of the measures taken to ensure the group's compliance with personal data protection regulations, see Section 3.2.3. of Chapter 2 of this Annual Report – Universal Registration Document.

In 2018, Vivendi set up a Compliance Audit team, which reports to the Audit and Risks Department and is tasked with ensuring that the group's compliance rules are properly applied, notably concerning France's economic modernization law, anti-corruption measures, duty of vigilance and personal data protection requirements.

Responsibilities and commitments of each business unit's General Management

Every six months, the Chairman or the Chief Executive Officer and Chief Financial Officer of each business unit signs a representation letter certifying compliance with internal control procedures linked to the preparation of financial statements and financial and industry-based information, which guarantees the accuracy, integrity and reliability of financial disclosure.

Upon the proposal of the Audit Committee, Vivendi has established a Code of Financial Ethics that applies to senior executives responsible for communications and financial and accounting reporting.

Rules on securities market ethics

Vivendi complies with the regulatory requirements of the European Directive 2014/57 of April 16, 2014 and European Regulation 596/2014 of the same date, effective July 3, 2016 (Market Abuse Regulation), the positions and recommendations of the AMF published on October 26, 2016 and updated in April 2021, and the recommendations of the AFEP-MEDEF Code as revised in January 2020. Consequently, the purchase or sale of company securities is prohibited during any period between (i) the date on which a member of the Supervisory Board or the Management Board becomes aware of precise information concerning the company's business or prospects which, if made public, would likely have a significant effect on the company's share price, and (ii) the date on which this information is made public. Such transactions are prohibited for 30 calendar days preceding and including the day of publication of the company's half-yearly and annual financial statements and for a period of 15 calendar days preceding and including the day of publication of the company's quarterly sales results. To ensure clarity, the company prepares and distributes a summary schedule setting out the periods during which transactions involving company shares are prohibited ("blackout periods"). Pursuant to the AFEP-MEDEF Code, hedging transactions of any kind on the company's securities following the exercise of stock options are prohibited.

Blackout periods are the subject of individual reminders sent via e-mail whenever necessary including before each identified Financial Reporting period.

Delegation of powers

The delegation of operational powers, whether on a single occasion or on a recurring basis, is one of the responsibilities of Vivendi SE's Management Board and of the General Management of each of the group's business units. These delegations of powers are updated and formalized on a regular basis in accordance with the evolving role and responsibilities of the relevant delegates.

Segregation of duties

A segregation of operating and financial duties is implemented both at headquarters and in the group's business units.

Human resources policy

The group's human resources policy helps strengthen internal control procedures, notably through a recruitment and promotion methodology that is in line with the delegations of powers in place and based on an assessment and remuneration system that uses predefined criteria.

Compliance with laws and regulations

The Legal departments at headquarters and in the group's business units provide support to the key managers and employees involved to ensure that they are aware of the applicable laws and regulations and informed on a timely basis of any changes, so that the group's internal procedures can be kept up-to-date.

Internal processes contributing to asset protection

The IT departments at headquarters and in the group's business units implement back-up and security procedures to ensure the quality and security of operations, including in the event of a major incident.

2.2. Risk Monitoring and Management

Vivendi's Risk Committee is responsible for identifying and reviewing measures to manage risks within business units that are likely to affect achievement of the group's objectives.

The assessment of risks at group level is based on a qualitative and quantitative approach within each business unit. In 2021, the Audit and Risk Department drew up a risk map for Prisma Media based on interviews held with senior executives and operational officers. This risk map was reviewed by the heads of the business units, the Risk Committee, the Management Board and the Statutory Auditors, and was presented to the Audit Committee.

The major risks faced by the company are described in Section 1 of this chapter.

Vivendi's General Counsel and Legal Department are responsible for the prevention and management of risks relating to ethics, competition and conflicts of interest. Management of equity market value risk and risks related to goodwill, currency conversion and exchange-rate fluctuations is carried out by Vivendi's Finance and Treasury Department through a centralized structure at the company's headquarters.

Operational risks are managed by each business unit, taking into account the specific characteristics of their operations (e.g., regulatory risks in the pay-TV business, risks associated with infringement of intellectual property rights in the publishing and communication businesses and risks associated with piracy and counterfeiting in the film business).

The policy of covering insurable risks, such as the risk of damage and operating losses from accidents or natural disasters and civil liability risks, is monitored by Vivendi's Insurance Department in collaboration with the Finance Department and the Group General Counsel. For the hedging arrangements in place, see Section 3 of this chapter of this Annual Report – Universal Registration Document.

In 2021, all the documents submitted to the Risk Committee were brought to the attention of the Statutory Auditors. The Statutory Auditors also receive, at the meetings of the Audit Committee, a summary of the work of the Risk Committee.

2.2.1. INTERNAL CONTROL ACTIVITIES

Control operations are performed primarily by the support and operations departments using existing procedural guidelines.

The following bodies ensure the monitoring of internal control measures:

2.2.1.1. Supervisory Board

Vivendi SE's Supervisory Board ensures the effectiveness of the internal control and risk management measures defined and implemented by the Management Board. If necessary, the Supervisory Board may use its general powers to perform any actions or conduct investigations it deems appropriate.

2.2.1.2. Audit Committee

The majority of the Audit Committee members are independent members of the Supervisory Board. Pursuant to the powers conferred upon it, the Audit Committee prepares the decisions of the Supervisory Board and provides recommendations and issues opinions to the Supervisory Board on a wide range of matters. In February 2019, upon the proposal of its Chairman, the Audit Committee reviewed and made improvements to its multi-year program. This program notably includes:

- reviewing the half-year consolidated financial statements and the annual financial statements of the company, prepared by the Management Board;
- reviewing asset impairment tests;
- analyzing the company's financial management (debt, investments and foreign exchange);
- reviewing and assessing operational and financial risks and any related hedges;
- reviewing pension commitments;
- analyzing changes in accounting standards, methods and principles, the company's scope of consolidation and the company's off-balance sheet commitments;
- ensuring that internal control procedures are consistent and effective;
- review of this report;
- drawing up the Internal Audit report;
- assessing tax-related risks;
- examining major disputes;
- reviewing the group's insurance program;
- reviewing the CSR policy;
- examining any material internal control weaknesses and any cases of corruption and fraud;
- selecting the Statutory Auditors and deciding on their fees.

A report on the Audit Committee's work is systematically presented by the Chairwoman of the Audit Committee to Vivendi SE's Supervisory Board and sent to every member of the Audit Committee and Supervisory Board.

Vivendi SE's Audit Committee has established a specific procedure to control or limit engagements in respect of "non-audit services" (NAS) entrusted to the auditors, in accordance with a pre-approved procedure and specific reporting:

- all NAS engagements must be pre-approved by the Chairman of the Audit Committee. However, by exception, the Chairman of the Audit Committee may delegate the pre-approval of NAS engagements with a unit value of lower than €500,000 to the Senior Vice President, Group Consolidation and Financial Reporting;
- at each meeting of the Audit Committee, the Senior Vice President, Group Consolidation and Financial Reporting reports on the list (e.g., type, amount and auditor in question) of NAS engagements pre-approved by the Chairman of the Audit Committee, as applicable, or by the Senior Vice President, Group Consolidation and Financial Reporting since the last meeting of the Audit Committee.

In practice, Vivendi caps NAS engagements at 20-25% of statutory audit fees.

In 2021, Vivendi's Audit Committee met three times, with an attendance rate of 100%. For a description of its work, see Section 1.1.1.14. of Chapter 4 of this Annual Report – Universal Registration Document.

2.2.1.3. Management Board

The Management Board is responsible for defining, implementing and monitoring internal control and risk management procedures that are both suitable and effective. If a problem arises with any of these measures, the Management Board ensures that the necessary corrective action is taken.

2.2.1.4. Risk Committee

The Risk Committee is chaired by the Chairman of Vivendi's Management Board and has the following permanent members: the Management Board members, the Director of Internal Audit, the Executive Vice President, Legal Affairs, Compliance and CSR, and the Head of Insurance. Business unit representatives are invited to Committee meetings depending on the agenda. A report on the work of the Risk Committee is put before the Audit Committee of Vivendi SE's Supervisory Board.

The role of Vivendi SE's Risk Committee is to make recommendations to the Management Board in the following areas:

- the identification and assessment of the risks potentially arising from activities carried out within the Vivendi group, such as social and environmental risks, risks related to compliance with laws and regulations, risks related to ethics, competition and conflicts of interest, and risks related to the security of information systems;
- the examination of the adequacy of the risk coverage and the level of residual risk;
- the review of insurable risks and the insurance program; and
- the review of risk factors and forward-looking statements in the documents issued by the group, in liaison with the Compliance Committee.

The Risk Committee met twice in 2021. The main topics covered included:

- legal protection of the group's financial commitments as a result of the Covid-19 pandemic;
- review of the resilience of Canal+ Group's TV data center;
- Prisma Media's risk map;
- Canal+ Group's cyber risk quantification;
- compliance, including anti-corruption controls, the whistleblowing system and the vigilance program;
- insurance policies.

2.2.1.5. Management Committees

Each business unit presents the operating and financial indicators for all of the activities within its scope to the Management Board and the group's corporate support departments on a monthly basis.

2.2.1.6. Audit and Risk Department

The Vivendi Audit and Risk Department (eight auditors for financial audits and external resources for IT audits) reports to Vivendi's Chief Financial Officer. It is responsible for independently assessing the quality of internal controls at every level of the organization. Its activities are governed by a Charter approved by the Audit Committee. In addition, Havas has an Audit Committee and an audit team comprising a director and four auditors.

The Audit and Risk Department is responsible for performing an independent assessment of the effectiveness of internal control processes, based on an annual audit plan approved by the group's Management Board and presented to the Audit Committee. This plan stems from both an independent analysis of the operational, IT, legal and financial risks of each business unit and a consultation with the General Management of each business unit. Reports on the audit work carried out are sent to Vivendi's General Management, as well as to operations and support departments and their line management. Summary reports are presented at each Audit Committee meeting along with any comments made by the Statutory Auditors. Follow-up audits are performed within twelve months to ensure that recommended action plans and agreed corrective measures (if any) have been implemented. A half-yearly internal audit report is presented to the Management Board and the Supervisory Board. Due to the pandemic, audit engagements were mainly performed remotely in 2021, but the audit schedule was adhered to despite this constraint.

The group may encounter cases of fraud in connection with its operations which, as soon as they are identified, are systematically reported to the Audit Committee. They may also be the subject of special investigations and may result in sanctions.

In 2018, a Compliance Audit team reporting to the Audit and Risk Department was set up as part of the roll-out of the anti-corruption and duty of vigilance programs. This team helps ensure that best practices are shared within the group.

2.2.2. INTERNAL CONTROL MONITORING

The work performed by the Statutory Auditors as part of their review and assessment of internal control is described in a detailed presentation to the General Management of the business units concerned. A summary of their conclusions is presented to Vivendi SE's Audit Committee.

2.3. Key Procedures for Financial and Accounting Information

The procedures described below help reinforce internal controls regarding the preparation of financial and accounting information disclosed by Vivendi. In updating these procedures, the provisions of the guide on applying internal control procedures in relation to financial disclosures, contained in the internal control standards published by the AMF, were taken into account.

Consolidation and Financial Reporting: the group's consolidated financial statements and financial reports are prepared in accordance with IFRS (International Financial Reporting Standards), based on accounting data prepared by the management of each business unit. The IFRS standards used are those adopted by the European Union, published by the IASB (International Accounting Standards Board) and compulsory at the end of the accounting period, except in the event of early application. The principal aspects relating to the preparation of the consolidated financial statements and the financial report are subject to specific procedures. These include an impairment test on goodwill and other intangible assets held by the company, carried out during the fourth quarter of each fiscal year, the valuation of employee benefits, duties and taxes (see below), related parties and off-balance sheet commitments. The consolidated financial statements and the Financial Report are approved by the Management Board each half-year and are then reviewed by the Audit Committee. The annual and half-year consolidated financial statements and Financial Report are reviewed by the Supervisory Board, which consults with the Audit Committee. The financial statements and report are published every six months. The consolidated financial statements are subject to a limited half-yearly review and an annual audit by the group's Statutory Auditors.

Budget and management control: every year, each business unit presents its strategy and annual budget for the following year to the group's General Management. After approval by Vivendi's Management Board, a summary is then presented to the Supervisory Board and to the Audit Committee. Quantitative and qualitative targets – which are used as a basis for assessing annual performance – are set for the executives of each business unit, based on their budgets. Budgets are reviewed each month and updated twice a year.

Investments/divestments: any investments or divestments must receive prior approval from the Investment Committee, which comprises the Chairman and members of the Management Board, key managers at headquarters and the Chief Operating Officers and Chief Financial Officers of the business units. This procedure applies, subject to specific thresholds, to all investment transactions (e.g., acquisitions of businesses or equity interests, the launch of new businesses through joint ventures or alliances with minority partners, license agreements, and the purchase of rights) and to all divestments of subsidiaries, equity interests and intangible assets. The Investment Committee meets once a month. Cases are reviewed by the Finance Department. Any transaction involving amounts greater than €100 million and €300 million must receive the prior approval of the Management Board and the Supervisory Board, respectively, pursuant to their Internal Rules.

Monitoring of investment transactions: in connection with the regular monitoring of value creation, Vivendi's Management Board has strengthened the process of carrying out a post-completion analysis of investment transactions, which supplement the existing budgetary reviews and half-yearly financial reporting. The purpose of this analysis is to validate the implementation of controls as well as compare the actual financial performance against the business plan originally approved for the acquisition. It takes into account both the progressive integration of companies acquired by the business units and the impact of changing market conditions following the acquisition date. Vivendi's Audit and Risk Department reviews the conclusions, which are then presented to Vivendi's General Management and, for major action plans, to the Management Board. An annual summary is presented to Vivendi's Audit Committee.

Monitoring of financial commitments: as part of the financial reporting process, every six months the business units prepare a list of commitments given and received. These commitments are presented by the Legal and Financial Officers of the business units at meetings held with Vivendi's Management, which take place as part of the closing process for the annual financial statements.

Sureties, endorsements and guarantees: pursuant to the company's by-laws and the Internal Rules of the Supervisory Board, the granting of sureties, endorsements and guarantees by Vivendi to its subsidiaries is subject to prior approval in accordance with the following rules:

- any commitment equal to or lower than €300 million, which is part of an aggregate commitment of €1.5 billion, is subject to the approval of the Management Board, which may delegate such power. Depending on the amounts concerned, the corresponding commitment then requires (i) the signatures of both the Chief Financial Officer and the Group General Counsel **(1)**, or (ii) the individual signature of either the Chief Financial Officer or the Group General Counsel **(2)**, who may delegate such powers ;
- any commitment higher than €300 million and any commitment, regardless of the amount, where the cumulative amount of commitments is higher than €1.5 billion, is subject to the approval of the Supervisory Board. The corresponding commitment requires the signature of the Chairman of the Management Board.

Cash flow, financing and liquidity: the company has an international cash pooling arrangement that enables it to centralize the cash surpluses and shortages of its controlled subsidiaries on a daily or weekly basis. Vivendi's investment management policy is aimed at minimizing and diversifying its exposure to counterparty risk with low-risk mutual funds *(fonds commun de placements)* and commercial banks that have high credit ratings. It also centralizes hedge transactions (both exchange and interest rates) for all its controlled subsidiaries, except in certain cases where a subsidiary is authorized, during a transition period, to continue to carry out foreign exchange spot transactions or standard currency hedges. Changes in the group's financial debt and the cash flows of its business units are monitored and presented to the Chairman of the Supervisory Board and the Management Board on a daily basis. The cash positions of business units, the weekly variations in cash flow and the cash flow forecasts are monitored on a weekly basis and presented at bimonthly Treasury Committee meetings. Exposure to foreign exchange and interest rate risk is reported monthly to the Treasury Committee, with foreign exchange positions monitored daily. The majority of medium- and long-term financing transactions are managed at headquarters and are subject to the prior approval of the Management Board and Supervisory Board, in accordance with their respective Internal Rules. The Financing and Treasury Department reports to the Audit Committee on financial management.

(1) Subject to a cap of €300 million for each individual commitment and an aggregate cap of €1.5 billion for the total amount of commitments.

(2) Applicable to individual commitments representing less than €100 million each, with the aggregate amount of commitments not exceeding €300 million.

Monthly reporting on the net financial cash position, to the Chairman of the Supervisory Board and the Management Board, is supplemented by regular budget forecasting of cash flow for the year. The monthly update on the net financial cash position is provided to members of the Supervisory Board in a monthly activity report. As part of the half-yearly procedure for approving Vivendi's consolidated accounts, the Financing and Treasury Department reviews and approves all the notes to the consolidated financial statements relating to cash, debt and financial risks.

Taxes: the company's Tax Department provides advisory services for the group's subsidiaries and defends their tax interests before the local tax authorities.

Litigation: major disputes are monitored directly or coordinated by the Group General Counsel. A report relating to litigation involving Vivendi and its business units is prepared by the group's Legal Department in collaboration with the General Counsels and heads of the Legal departments of the main business units. A table is updated every month based on information provided by the business units and is communicated to the Management Board and Supervisory Board. A summary is included in the Management Board's quarterly business report to the Supervisory Board and the Audit Committee is notified. The Supervisory Board, Audit Committee and Management Board are kept informed of material ongoing litigation matters by the Group General Counsel at all times.

2.4. Information and Communication

The group's values, Anti-Corruption Code, Compliance Program, Data and Content Protection Charter and CSR policy are available to employees and the public on the Vivendi website: https://www.vivendi.com.

Group procedures designed to assist with the preparation of financial and accounting information are updated once a year and are available in French and English on the group's intranet site. These procedures, which must be applied by each of the business units and headquarters, include: the IFRS accounting principles and the IFRS-compatible chart of accounts for the Vivendi group; the principles and procedures applicable to treasury transactions (banking relationships, foreign exchange and finance/investment); the procedures applicable to investment transactions, sales of assets, short-term and long-term financing transactions, the monitoring of disputes, the monitoring of sureties, endorsements and guarantees; and the rules relating to the prior approval of assignments entrusted to the Statutory Auditors of Vivendi SE.

Training materials relating to the application of IFRS standards within the group are available online and are accessible to all employees. Training is organized each year by the Corporate Consolidation and Financial Reporting Department at headquarters.

2.5. Outlook

In 2022, Vivendi will continue to assist its business units with internal control matters and accountability, and with seeking to use resources in the most effective and optimal way. The Compliance Audit team will pursue its work on compliance controls. Six main topics (securing revenue sources and revenue assurance, operating cost control, control over key processes, IT security, data protection, and implementation of the anti-corruption program) will continue to be the focus of the Audit and Risk Department and/or the CSR and Compliance Department.

SECTION 3. INSURANCE

Vivendi holds centralized insurance coverage for its own risks and the risks of its subsidiaries. Its policies are established by the group's Insurance Department with major French and international insurers. They are subject to regular competitive bidding to allow the group to benefit from optimal technical and financial terms.

UMG was covered by group insurance programs as well as separate insurance policies taken out in the United States for certain specific risks. Although these separate policies were not amended when the distribution of 59.87% of UMG's shares took place on September 21, 2021, the coverage provided by the group's programs were replaced by programs set up by UMG as from that date.

The group's insurance programs work alongside its risk management policy. With respect to the Property Damage/Business Interruption program, regular inspections of the group's main facilities, in France and abroad, are performed by the insurers, allowing them to better assess the risks covered, and enabling Vivendi to optimize the terms on which it negotiates the corresponding insurance policies. This risk management policy also includes plans for resuming operations or "rescue" plans in the event of accidents having an effect on an essential component of a particular business. Environmental protection measures are also in place.

The main insurance policies taken out by Vivendi include coverage for property damage and business interruption, civil liability, workplace accidents and cybercrime.

3.1. Property Damage and Business Interruption

General insurance programs for the entire group have been contracted for a total coverage of up to €400 million per loss. These programs cover, for example, risks of fire, water damage, natural disasters and terrorism (depending on the legal restrictions in each relevant country or state), as well as any business interruption resulting from these events. In general, the applicable deductible per claim is €250,000 for the group's various manufacturing facilities.

3.2. Civil Liability

Insurance policies to cover civil liability in the course of business operations, as well as product liability for the entire group, have been secured for €200 million per year in total aggregate coverage.

3.3. Workplace Accidents

Certain insurance programs are specific to operations in the United States, particularly those covering occupational illness and workplace accidents, where the employer is responsible for insurance. Worker's compensation programs have been established by the concerned subsidiaries to comply with obligations required by the laws of various states.

3.4. Cybercrime

Vivendi has had an insurance program in place for several years providing coverage for the financial consequences of cyber-attacks against the group's information systems. The group considers that the coverage amounts in the program are adequate in relation to the risks concerned.

SECTION 4. SEASONALITY OF GROUP BUSINESSES

The activities of Vivendi's subsidiaries are relatively seasonal in nature.

As regards pay-TV, the revenues of Canal+ Group are consistent as they depend on subscriptions. However, there are more subscriptions during holiday periods or major sports events.

At Editis, sales are slightly stronger in the second half of the year, driven notably by the start of the school year, the new publishing season and sales of books at year-end.

At Prisma Media, the seasonality of sales figures mirrors the seasonal periods of the advertising market, with fewer advertisers and adverts during the summer vacation period.

Seasonal variations are not really noticeable for business activities linked to the customer experience or the business units involved in events management.

SECTION 5. RAW MATERIALS

The main raw materials used by Vivendi's subsidiaries are:

- paper for books at Editis and Prisma Media;
- packaging for products at Canal+ Group and Prisma Media; and
- polycarbonates, for manufacturing Blu-ray discs and DVDs at Canal+ Group.

As soon as paper costs began to rise in the second half of 2021, the group took proactive steps to develop strategic partnerships with certain paper suppliers. In late 2021 and early 2022, this trend of rising paper costs increased, accompanied by sharp rises in energy costs which have a significant impact on paper suppliers. The group therefore put in place action plans with the suppliers concerned via a task force set up specially for that purpose.


THE BRAVEST
CENTRE—
FORWARD
IN HISTORY
JUSTIN
FASHANU
MAKING BLACK ACHIEVEMENT,
KNOWN ACHIEVEMENT.
BLACKPLAQUEPROJECT.COM


DISCOVER A FORGOTTEN FIGURE
FROM BRITAIN'S HISTORY
10
BLACK
PLAQUE
PROJECT


9:41
blackplaqueproject.com
FOOTBALLER
Nottingham Forest.


UNDERCOVER
AVATAR
l'enfant bleu
enfance maltraitée

4

CORPORATE GOVERNANCE, COMPENSATION AND BENEFITS OF VIVENDI SE'S CORPORATE OFFICERS AND GENERAL INFORMATION ABOUT THE COMPANY

CHAPTER 4

SECTION 1. CORPORATE GOVERNANCE

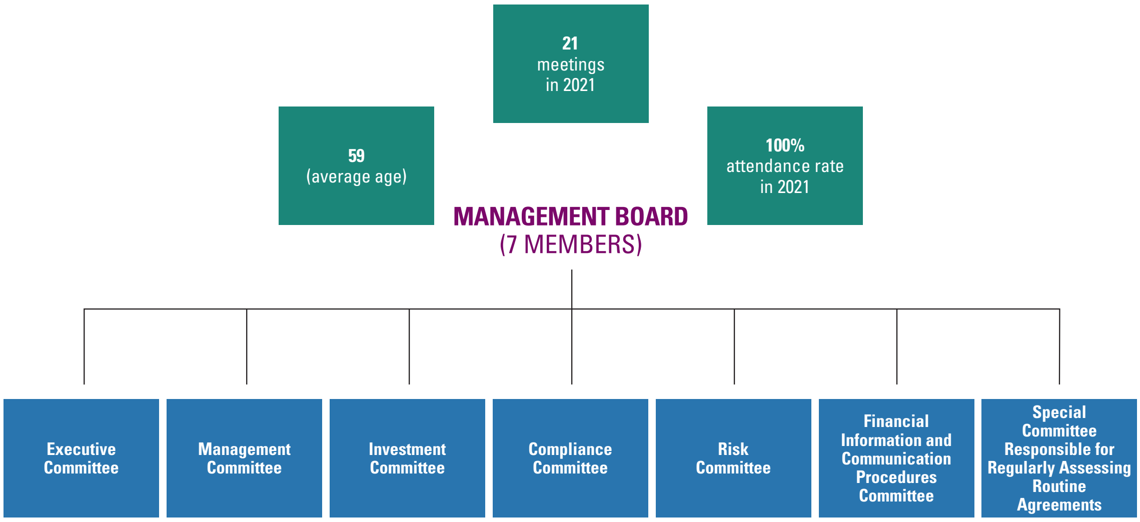
This section constitutes an integral part of the report on corporate governance referred to in Articles L 225-68 and L. 22-10-20 of the French Commercial Code *(Code de commerce),* reviewed by the Supervisory Board at its Meeting on March 9, 2022.

Since 2005, Vivendi has opted for a two-tier governance structure consisting of a Supervisory Board and a Management Board. This separated governance structure maintains a balance between management functions and oversight functions. It allows the Management Board to act with the promptness and efficiency required to perform its corporate management duties. Furthermore, the balanced and diversified composition of the Supervisory Board ensures that it is able to exercise the very best judgment and foresight and guarantees the integrity and engagement of its members in performing their supervisory and oversight duties.

The company refers to and fully applies the AFEP-MEDEF Code of Corporate Governance for Publicly Traded Companies, as amended in January 2020 (hereinafter the "AFEP-MEDEF Code").

Management Board

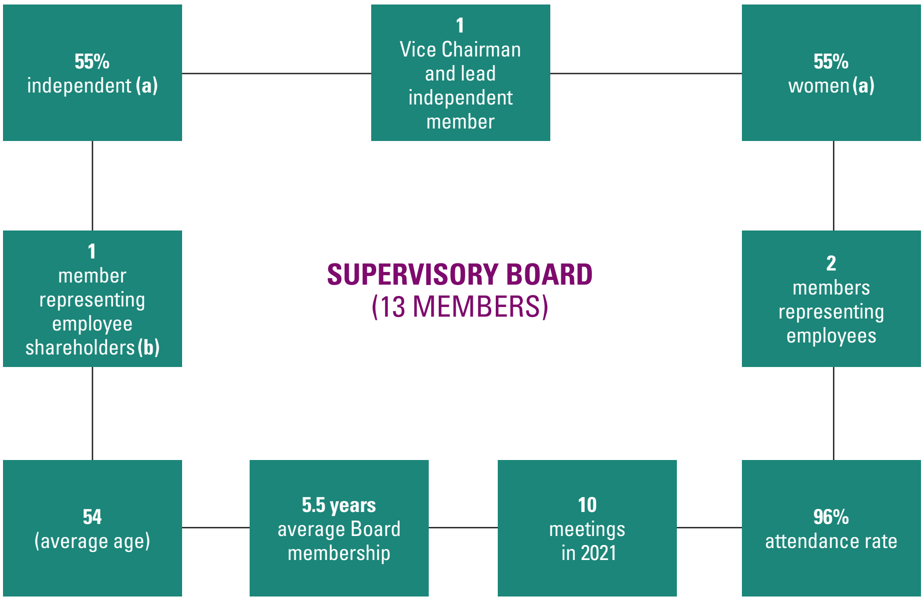
The Management Board is assisted by seven internal committees:



For a detailed description of the composition, functions and activities of these committees, see Section 1.2.10. of this chapter.
For a description of the Management Board's succession plan, see Section 1.2.2.2. below.

Supervisory Board

In exercising its supervisory and control duties, the Supervisory Board relies on the following structure:



(a) Excluding the two members representing employees.
(b) Member appointed in accordance with Article 8-I.1., paragraph 2, of the company's by-laws.

The Supervisory Board reviews and determines the company's strategic plans. It monitors the decisions made by the Management Board on an ongoing basis and authorizes major acquisitions, sales, internal restructuring transactions and other transactions that could have an impact on the group's financial structure, including strategic partnership agreements.

The Supervisory Board carries out any verification or control checks it deems appropriate and is provided with all documents it deems useful to the fulfillment of its purpose and function. Upon the proposal of the Corporate Governance, Nominations and Remuneration Committee, it appoints the members of the Management Board, who may be removed at any time, and sets the policy and criteria for determining, allocating and granting their compensation elements.

With respect to the relationship between the Management Board and the Supervisory Board, the Management Board prepares a status report every quarter, which is communicated and reviewed by the Supervisory Board. In addition, the Chairman of the Management Board must provide information on a regular basis to the Chairman of the Supervisory Board on the company's operations and significant events. More generally, members of the Supervisory Board are kept informed on a regular basis, by all means, by either the Management Board or its Chairman, regarding the company's financial position, cash flow and obligations, as well as any significant events or transactions relating to the company.

In 2015, the Supervisory Board established a system of advisors whereby each member of the Management Board acts as the advisor to one or more members of the Supervisory Board. This system fosters greater dialog and exchange between Supervisory Board and Management Board members.

Chairman of the Supervisory Board

At its Meeting on April 19, 2018 held after the close of the General Shareholders' Meeting, following a recommendation from the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board unanimously decided to appoint Yannick Bolloré to replace Vincent Bolloré as its Chairman. With a wide-ranging vision of Vivendi's businesses centered around content and media, as well as experience in integrating a multinational company, Yannick Bolloré was considered the best person to oversee Vivendi as it continues to deploy its strategy. The decision demonstrates the Supervisory Board's confidence in the guiding vision of its core shareholder, a multinational family business, which ensures stability and long-term prospects for the group and its talents and for all of its shareholders and other stakeholders.

At the General Shareholders' Meeting held on April 20, 2020, the company's shareholders renewed Yannick Bolloré's office as a member of the Supervisory Board for a four-year term. Subsequently, at its Meeting held after the General Shareholders' Meeting, the Supervisory Board unanimously decided to renew Yannick Bolloré's term of office as its Chairman. This decision was made in continuation of Vivendi's strategy of building a major content, media and communications group, with a particular focus paid by the Chairman of the Supervisory Board to corporate social responsibility issues (see Chapter 2 of this Annual Report – Universal Registration Document).

Combination of the roles of Chairman of Vivendi SE's Supervisory Board and Chairman and Chief Executive Officer of Havas

Yannick Bolloré has been Chairman and Chief Executive Officer of Havas since August 30, 2013. Since he was appointed as Chairman of the Supervisory Board of Vivendi SE on April 19, 2018, certain voting advisory agencies, as well as various shareholders of Vivendi SE, have questioned this duality of roles, which is an atypical situation given Vivendi's acquisition of Havas in 2017.

The Supervisory Board has taken note of these questions, particularly following the General Shareholders' Meeting held on June 22, 2021. Accordingly, Vivendi strengthened its dialog in January 2022 ahead of the General Shareholders' Meeting scheduled for April 25, 2022 (see also "Improvements to the compensation policy for 2022" in Section 2.1.2.1. of this chapter).

In January 2022, Yannick Bolloré engaged in direct discussions on behalf of the Supervisory Board with certain voting advisory agencies and various shareholders and provided the following explanations:

Role of Yannick Bolloré	Advantages for Vivendi SE's shareholders and other stakeholders
Chairman of the Supervisory Board of Vivendi SE	
▶ Performs the duties and exercises the powers set forth by law and the company's by-laws, notably calling Supervisory Board meetings and leading its discussions and debates; and ▶ No other function has been assigned to him. Vivendi's Corporate Governance, Nominations and Remuneration Committee regularly reviews the combination of the Vivendi-Havas roles as part of the monitoring of the group's succession plans.	▶ Appointed in 2018 and re-appointed in 2020 as part of the ongoing strategy of integrating the group's businesses, with the backing of the company's core shareholder; ▶ Long-term vision for Vivendi, due to the duties and responsibilities of Yannick Bolloré and his ultimate interest as Chairman of the Supervisory Board and shareholder; ▶ A stable governance structure since 2018; ▶ Has advanced Vivendi's strategic project in the interests of all the company's shareholders and other stakeholders; and ▶ An impetus that guides the individual actions of all operational leaders in the group.
Chairman and Chief Executive Officer of Havas	
▶ Implements the strategy defined by Vivendi within the Havas Group; and ▶ Reports on this strategy to the Management Board, in the same way as the other executives of the group's main operating entities. In 2022, Vivendi's Corporate Governance, Nominations and Remuneration Committee will continue its discussions as part of the monitoring of the group's succession plans, in conjunction with Havas' Board of Directors.	▶ Contributes to the creation of value for the Vivendi group (Havas revenue up by a cumulative 26% between 2013 and 2021 and steady growth in Havas' operating margin, up 9.5% between 2013 and 2016, then 3% between 2017 and 2021 despite the impact of Covid-19); ▶ Compensation unchanged since 2018, with a structure aligned with that of the other executives of operating subsidiaries **(1)**; ▶ No private interest in Havas that is greater than the responsibility of Yannick Bolloré and his ultimate interest as Chairman of the Supervisory Board and shareholder of Vivendi; ▶ Vivendi's Corporate Governance, Nominations and Remuneration Committee could recommend changes to Havas' governance in the future; ▶ In accordance with best governance practices, the best profile needs to be identified in advance to ensure stability for the Havas Group's operations teams while continuing to develop value creation for Vivendi; and ▶ Havas' Board of Directors is considering re-appointing Yannick Bolloré in 2022 for a three-year term.

(1) Yannick Bolloré's Havas compensation consists of a fixed portion of €1,050,000 gross and a variable portion capped at 100% of the fixed portion (see Section 2.2.1. of this chapter).

The Corporate Governance, Nominations and Remuneration Committee reviewed these communications in conjunction with the Chairman of the Supervisory Board. To this end, at its March 9, 2022 Meeting, the Corporate Governance, Nominations and Remuneration Committee met without the attendance of the Chairman of the Supervisory Board and Cyrille Bolloré to discuss the combination of the Vivendi-Havas roles, following review of the questions raised by the voting advisory agencies and the shareholders who were met.

At its March 9, 2022 Meeting, the Supervisory Board noted that this combination of roles has not had any detrimental effect on Vivendi or its shareholders since its introduction in 2018. After consulting with the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board concluded that this dual role is not likely to affect the balance of powers between the Supervisory Board and the Management Board, nor the proper conduct of business, particularly with regard to Vivendi SE's shareholding structure. The responsibility of the Chairman and Chief Executive Officer of Havas is aligned with that of the Chairman of Vivendi SE's Supervisory Board and the interests of Vivendi SE's shareholders.

To take into account the expectations of the voting advisory agencies and shareholders, the Supervisory Board decided to maintain the measures described below for preventing conflicts of interest, as overseen by the Vice Chairman/lead independent member of the Supervisory Board.

Vice Chairman of the Supervisory Board

When the Supervisory Board discusses any matters relating, directly or indirectly, to its Chairman, the Chairman is asked to leave the Supervisory Board Meeting while such matters are being discussed and voted on, in accordance with the procedure concerning conflicts of interest described in Section 1.1.4. of this chapter. In such situations, the Vice Chairman is temporarily responsible for chairing the Meeting and leading its deliberations. In accordance with Article 10-2. of the company's by-laws, Supervisory Board meetings may also be called by the Vice Chairman of the Board, at any time.

During its Meeting of April 19, 2018 and following a recommendation by the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board renewed Philippe Bénacin's term as Vice Chairman and appointed him as lead independent member of the Supervisory Board. In his capacity as lead independent member, Philippe Bénacin ensures the absence of conflicts of interest, the smooth running of the Board and compliance with the principles of good governance. See Section 1.1.9. of this chapter for more information about the lead independent member's role, responsibilities and achievements in 2021.

1.1. Supervisory Board

The Supervisory Board is a collegiate body. Its decisions are the responsibility of all of its members who must keep them confidential.

The Supervisory Board, taken as a whole, may make any public statement in the form of press releases to inform the market.

1.1.1. GENERAL PROVISIONS

The Supervisory Board is made up of a maximum of 18 members. Each member serves a four-year term (Article 7 of the company's by-laws). The Supervisory Board may appoint one or two non-voting members (censeurs) (Article 10-6. of the company's by-laws). Non-voting members participate in an advisory capacity at meetings of the Supervisory Board and may attend meetings of the committees set up by the Supervisory Board. They are appointed for a maximum term of four years. For more information about non-voting members' roles and responsibilities, see Section 1.1.10. of this chapter.

Except for the members representing employees and the member representing employee shareholders, each member of the Supervisory Board must own a minimum of 1,000 shares of the company for his or her term of office (Article 7-2. of the company's by-laws).

Each member of the Supervisory Board undertakes to regularly attend Supervisory Board meetings and General Shareholders' Meetings. Members of the Supervisory Board may attend meetings by videoconferencing or other telecommunication means (Article 10 of the company's by-laws).

At the close of each Annual General Shareholders' Meeting, the number of members of the Supervisory Board over the age of 70, as of the closing date of the previous fiscal year, must not exceed one-third of the members. If this limit is exceeded, the oldest members are deemed to have resigned at the close of such General Shareholders' Meeting (Article 7-3 of the company's by-laws).

1.1.2. COMPOSITION OF THE SUPERVISORY BOARD – INDEPENDENCE, DIVERSITY AND EXPERTISE OF MEMBERS

■ 1.1.2.1. Composition of the Supervisory Board

As of the date of publication of this Annual Report, the Supervisory Board has 13 members, including one member representing employee shareholders **(1)** and two members representing employees **(2)**. There is currently one non-voting member.

(1) Member appointed in accordance with Article 8-I.1., paragraph 2, of the company's by-laws.
(2) Members appointed in accordance with Article L. 225-79-2 of the French Commercial Code.

List of Supervisory Board members and non-voting members: dates of appointment and number of shares held

Supervisory Board members	Position	Age	Number of positions held in listed companies outside the group (1)	Date of initial appointment and most recent re-election to the Supervisory Board	Committee member	End of term	Number of shares held
Yannick Bolloré	Chairman of the Supervisory Board Member of the Supervisory Board	42	0	**SB 04/20/2020** SB 04/19/2018 **AGM 04/20/2020** AGM 04/25/2017 SB 05/11/2016	n/a	AGM 2024	125,582
Philippe Bénacin **(2)**	Vice Chairman, lead independent member Independent member of the Supervisory Board	63	1	**SB 04/19/2018** SB 06/24/2014 **AGM 04/19/2018** AGM 06/24/2014	**CGNR**	**AGM 2022**	14,100
Cyrille Bolloré	Member of the Supervisory Board	36	0	AGM 04/15/2019	**Audit, CGNR**	AGM 2023	24,000
Paulo Cardoso	Member of the Supervisory Board **(a)**	48	0	**ESC 10/15/2020** DUP 10/19/2017 WC 10/16/2014	**CGNR, CSR**	10/18/2023	n/a
Laurent Dassault	Independent member of the Supervisory Board	68	1	AGM 04/20/2020	**Audit**	AGM 2024	1,000
Dominique Delport	Member of the Supervisory Board	54	0	**AGM 04/15/2019** AGM 04/17/2015	n/a	AGM 2023	–
Véronique Driot-Argentin	Member of the Supervisory Board	59	0	**AGM 06/22/2022** AGM 04/25/2017	**CSR**	AGM 2025	2,031
Aliza Jabès **(3)**	Independent member of the Supervisory Board	59	0	**AGM 04/19/2018** AGM 06/24/2014 AGM 04/29/2010	**CGNR**	**AGM 2022**	7,833
Cathia Lawson-Hall **(2)**	Independent member of the Supervisory Board	50	2	**AGM 04/19/2018** AGM 04/21/2016 SB 09/02/2015	**Audit, CSR**	**AGM 2022**	2,356
Sandrine Le Bihan	Member of the Supervisory Board **(b)**	51	0	**AGM 06/22/2022** AGM 04/25/2017	**CSR**	AGM 2025	631
Michèle Reiser **(2)**	Independent member of the Supervisory Board	72	0	AGM 04/19/2018	**Audit, CSR**	**AGM 2022**	1,000
Katie Stanton **(2)**	Independent member of the Supervisory Board **(c)**	52	0	**AGM 04/19/2018** AGM 06/24/2014	**Audit**	**AGM 2022**	1,000
Athina Vasilogiannaki	Member of the Supervisory Board **(a) (c)**	44	0	European Company Committee 09/23/2020	**CSR**	09/22/2023	n/a
Non-voting member							
Vincent Bolloré	Non-voting member	69	n/a	SB 04/15/2019	n/a	04/14/2023	n/a

n/a: not applicable.

(1) Number of positions held in listed companies outside the group's scope of consolidation, pursuant to Article 19.2 of the AFEP-MEDEF Code. For a detailed list of current and previous positions, please refer below to the Section "Main Activities of the Current Members of the Supervisory Board". Cyrille Bolloré's situation is detailed in Section 1.8.1.2. of Chapter 4 of the Bolloré Annual Report – Universal Registration Document for the year ended December 31, 2020.

(2) Member whose renewal of office is proposed to the Annual General Shareholders' Meeting of April 25, 2022.

(3) Aliza Jabès – an independent member since April 29, 2010 – has decided not to seek re-election at the Annual General Shareholders' Meeting of April 25, 2022 as she would no longer qualify as independent under Article 9.5.6 of the AFEP-MEDEF Code.

(a) Member representing employees, appointed in accordance with Article L. 225-79-2 of the French Commercial Code.

(b) Member representing employee shareholders, appointed in accordance with Article 8-I.1. of the company's by-laws.

(c) Foreign national.

Audit: Audit Committee.

CGNR: Corporate Governance, Nominations and Remuneration Committee.

CSR: Corporate Social Responsibility (CSR) Committee.

1.1.2.2. Changes in the Composition of the Supervisory Board and its Committees in 2021

There were no changes in the composition of the Supervisory Board and its Committees in 2021.

1.1.2.3. Independence of Supervisory Board members

Excluding the two members representing employees, the Supervisory Board has eleven members, six of whom (55%) are classified as independent.

A member is independent if he or she has no direct or indirect relationship of any kind (other than a non-substantial shareholding in the company) with the company, its group or its management that could affect his or her independent judgment (as defined in the AFEP-MEDEF Code).

Classification of an independent member, and the criteria used to determine whether a Director meets such classification, are reviewed by the Corporate Governance, Nominations and Remuneration Committee when considering and discussing the appointment and re-election of members to the Supervisory Board. The Corporate Governance, Nominations and Remuneration Committee also reviews the status of the Supervisory Board members regularly throughout their term of office and may change their classification if there is any doubt as to their continued independence.

Independence of Supervisory Board Members with regard to the criteria set out in Article 9 of the AFEP-MEDEF Code

Criteria	1	2	3	4	5	6	7	8	
Supervisory Board members	**Not an employee or executive officer**	**No cross-directorships**	**No significant business relationships**	**No family ties**	**Not an auditor**	**Term has not exceeded 12 years**	**Does not receive any variable compensation (in cash or securities) linked to Vivendi's performance**	**Does not represent a major shareholder**	**Independent member**
Yannick Bolloré	-	√	-	-	√	√	-	√	**-**
Philippe Bénacin	√	√	√	√	√	√	√	√	**√**
Cyrille Bolloré	-	√	-	-	√	√	√	-	**-**
Paulo Cardoso	-	√	√	√	√	√	√	√	**n/a**
Laurent Dassault	√	√	√	√	√	√	√	√	**√**
Dominique Delport	-	√	-	√	√	√	-	√	**-**
Véronique Driot-Argentin	-	√	√	√	√	√	√	√	**-**
Aliza Jabès	√	√	√	√	√	**(a)** √	√	√	**√**
Cathia Lawson-Hall	**(b)** √	√	√	√	√	√	√	√	**√**
Sandrine Le Bihan	-	√	√	√	√	√	√	√	**-**
Michèle Reiser	√	√	√	√	√	√	√	√	**√**
Katie Stanton	√	√	√	√	√	√	√	√	**√**
Athina Vasilogiannaki	-	√	√	√	√	√	√	√	**n/a**

n/a: not applicable (members representing employees).

(a) Aliza Jabès – an independent member since April 29, 2010 – has decided not to seek re-election at the General Shareholders' Meeting of April 25, 2022 as she would no longer qualify as independent under Article 9.5.6 of the AFEP-MEDEF Code.

(b) Since September 20, 2021, Cathia Lawson-Hall has been a non-executive member of the Board of Directors of Universal Music Group N.V. In accordance with Article 9.5.3 of the AFEP-MEDEF Code and its application guide, this is not an office held in a company that Vivendi SE consolidates based on exclusive or joint control as referred to in Article L. 233-16 of the French Commercial Code. Universal Music Group N.V. is accounted for by Vivendi SE using the equity method as set forth in IFRS 10.

When assessing the independent status of Aliza Jabès, Chairwoman of NUXE International, Philippe Bénacin, Chairman and Chief Executive Officer of Interparfums, and Laurent Dassault, a member of the Supervisory Board of Groupe Industriel Marcel Dassault, the Corporate Governance, Nominations and Remuneration Committee concluded that, based on Article 9.5 of the AFEP-MEDEF Code, the business relationships conducted on arm's length terms by certain Vivendi subsidiaries with the NUXE Group, Interparfums and the Dassault Group were not material and did not compromise the judgment or independence of those three Supervisory Board members.

For a description and quantification of these business relationships, please see Note 24.4 "Other Related-Party Transactions" in the Notes to the Consolidated Financial Statements for the fiscal year ended December 31, 2021, presented in Chapter 5 of this Annual Report – Universal Registration Document.

1.1.2.4. Diversity and Expertise of the Members of the Supervisory Board

The Corporate Governance, Nominations and Remuneration Committee oversees identifying and monitoring the skills and expertise available within the Supervisory Board and its committees. When selecting candidate profiles, the committee takes into consideration the following factors:

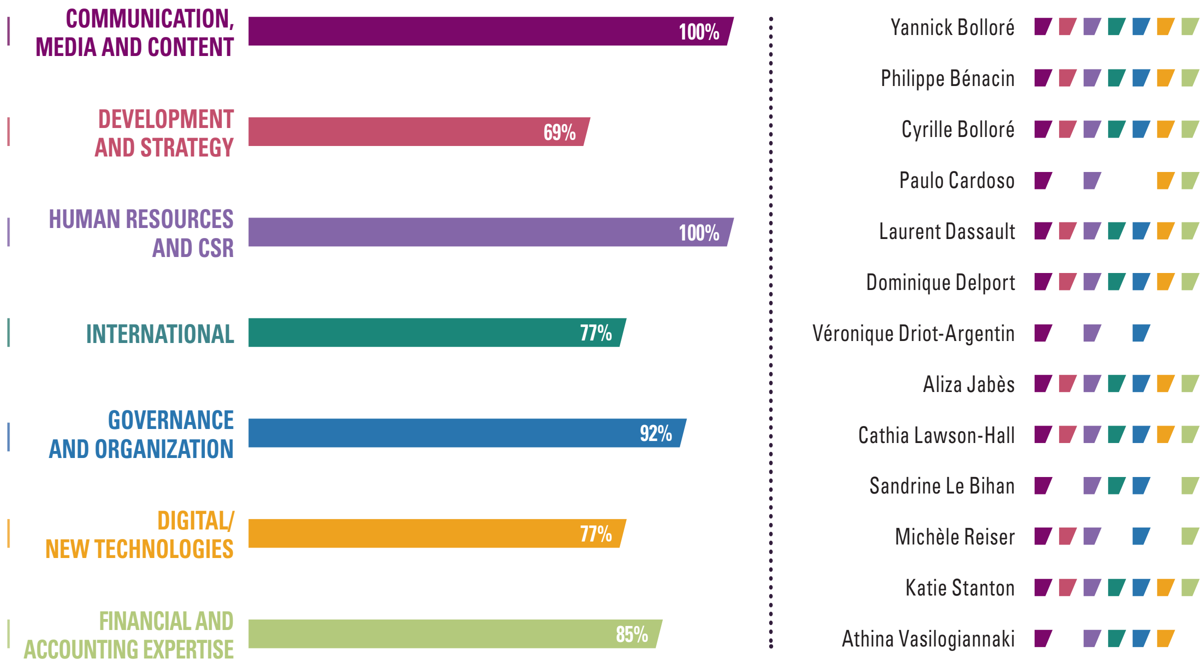
- ability to represent all Vivendi SE shareholders' interests;
- sound judgment, integrity and commitment;
- alignment of skills and expertise with the Vivendi group's businesses and strategy;
- contribution to the diversity of the Board and its committees; and
- absence of potential conflicts of interest.

Vivendi SE's Supervisory Board examined the diversity policy for members of the Supervisory Board further to a review by the Corporate Governance, Nominations and Remuneration Committee. There are seven women on the Supervisory Board, representing 55% of its total members **(1)**. Two members of the Supervisory Board are foreign nationals.

(1) Excluding the two members representing employees.

All Supervisory Board members contribute to the smooth running of the Board due to their sound, impartial judgment and their compliance with the principles of good governance. Given the experience and involvement of each member, the Board has expertise in the following areas, in line with Vivendi's strategy:

Expertise of the Members of the Supervisory Board



Out of the ten members with international experience, three have expertise in emerging markets.

Environmental issues and sustainability are two particular CSR topics that the Supervisory Board is focusing on, both within Vivendi and in other group entities in which some Supervisory Board members may hold executive positions. Havas Group (Yannick Bolloré) joined the prestigious list of Socially Responsible Companies 2022, published by *Le Point* and the Statista research institute. 30% of the group's total workforce operates under an ISO 14001-certified Environmental Management System (EMS) and Havas was awarded the EcoVadis Gold Medal for its CSR performance in 2021. Lastly, three of the group's agencies became B-Corp certified: Havas London, Havas New York and Havas Lemz in the Netherlands. The NUXE Group (headed by Aliza Jabès) is recognized as a world-leading natural cosmetics brand. The Supervisory Board likewise places importance on environmental skills and expertise when choosing members of the CSR Committee, which is made up of two independent members and four Vivendi group employees, including a member of the Green Team at Vivendi's headquarters, who has been in charge of the site's environmental certification for almost ten years.

1.1.2.5. Selection process for Supervisory Board members

When one or more seats on the Supervisory Board become vacant or, more generally, when the Board states that it wishes to expand or change its membership, the Corporate Governance, Nominations and Remuneration Committee defines the profile sought in light of the Board's skills requirements and its diversity policy (see Section 1.1.2.4. above).

Based on these criteria, the Corporate Governance, Nominations and Remuneration Committee steers the process of identifying and selecting new members of the Board, particularly independent members, and carries out the necessary checks and reviews. After conducting interviews, the Corporate Governance, Nominations and Remuneration Committee puts forward recommendations to the Supervisory Board, which examines the various profiles and shortlists candidates to be put forward for election at the General Shareholders' Meeting.

In accordance with the applicable regulations and Article 8 of the by-laws, the company has a specific selection process for members representing employees and members representing employee shareholders.

1.1.2.6. Changes in the Composition of the Supervisory Board subject to approval at the General Shareholders' Meeting to be held on April 25, 2022

The terms of office of Aliza Jabès, Cathia Lawson-Hall, Michèle Reiser, Katie Stanton and Philippe Bénacin as independent members of the Supervisory Board will expire at the close of the General Shareholders' Meeting to be held on April 25, 2022. Aliza Jabès – an independent member since April 29, 2010 – has decided not to seek re-election at the next Annual General Shareholders' Meeting as she would no longer qualify as independent under Article 9.5.6 of the AFEP-MEDEF Code.

In accordance with the selection process for Board members described in Section 1.1.2.5. above, at the General Shareholders' Meeting the Board will recommend Philippe Bénacin, Cathia Lawson-Hall, Michèle Reiser and Katie Stanton be re-elected independent members for a four-year term, expiring at the Shareholders' Meeting to be called to approve the financial statements for 2025.

At its Meeting on March 9, 2022, the Corporate Governance, Nominations and Remuneration Committee examined two candidates, each of whom would be of interest to the Supervisory Board: Sébastien Bolloré, an Asian-based entrepreneur and expert in video games, and Maud Fontenoy, a sailor and politician committed to protecting the environment.

The Supervisory Board, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee and with due regard to gender parity and independence considerations, decided to select Maud Fontenoy and to propose her appointment as a new independent member to replace Aliza Jabès for a term of four years, i.e., until the General Meeting called to approve the 2025 financial statements.

Maud Fontenoy is committed to helping to save the oceans in France and worldwide, notably through the Maud Fontenoy Foundation, supported by private and institutional players. Maud organizes educational initiatives relating to the marine environment for young people and the general public, with the support of a committee of specialists from the French Ministry of Education and Ministry of Ecology as well as the Intergovernmental Oceanographic Commission of UNESCO. Her election as a Board member would enhance the Supervisory Board's expertise in issues related to content diversity, environmental protection and entrepreneurship.

The re-election of Philippe Bénacin, Cathia Lawson-Hall, Michèle Reiser and Katie Stanton would enable the Supervisory Board to further its work in development and strategy, governance and organization, particularly on an international front, while remaining predominantly independent.

For detailed information about the current members of the Supervisory Board and the nominee proposed for election at the General Shareholders' Meeting of April 25, 2022, see the Sections "Main activities of the Current Members of the Supervisory Board" and "Information about the nominee for the Supervisory Board submitted for the approval of the General Shareholders' Meeting to be held on April 25, 2022" below.

At the close of the General Shareholders' Meeting to be held on April 25, 2022 and subject to approval of the relevant resolutions, the Supervisory Board will have 13 members including seven women, one member representing employee shareholders, appointed pursuant to paragraph 2 of Article 8-I.1. of the company's by-laws, and two members representing employees, appointed pursuant to Article L. 225-79-2 of the French Commercial Code, the other members having been appointed pursuant to Article L. 225-75 of the French Commercial Code. Excluding the two members representing employees, the Supervisory Board will have six independent members out of eleven (55%).

Main Activities of the Current Members of the Supervisory Board

YANNICK BOLLORÉ

Chairman of the Supervisory Board

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Yannick Bolloré is a graduate of Paris-Dauphine University. He is Chairman and Chief Executive Officer of the Havas Group, one of the world's largest communications groups with annual revenue of $2 billion and more than 20,000 employees in 100 countries.

He co-founded the production company WY Productions in 2002 (Hell, Yves Saint Laurent). In 2006, he joined his family group, the Bolloré Group, to launch and develop its media division. Within five years, Bolloré Média (D8, D17) became the leading independent French TV group and was subsequently sold to Canal+, making the Bolloré Group a shareholder in Vivendi. He then joined the Havas Group in 2011 and became Chairman and Chief Executive Officer in 2013. He initiated a major restructuring of the group to make it the most integrated and forward-thinking business in its industry. In 2017, Vivendi obtained control of the Havas Group. Yannick Bolloré was appointed Chairman of the Supervisory Board of Vivendi in April 2018.

Yannick Bolloré was named a Young Global Leader in 2008 by the World Economic Forum. He has received numerous honors and awards from international associations and the business press. He is also a Chevalier de l'Ordre des Arts et des Lettres.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Havas, Chairman of the Board of Directors and Managing Director

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Vivendi group

- Havas North America, Inc. (United States), Chairman
- Havas Worldwide LLC (United States), Chairman and Executive Vice President
- Havas Middle East FZ, LLC (United Arab Emirates), Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Bolloré SE **(*)**, Vice Chairman and Director
- Compagnie de l'Odet **(*)**, Director
- Bolloré Participations SE, Director
- Financière V, Director
- Omnium Bolloré, Director
- Sofibol, Member of the Supervisory Board
- Musée Rodin, Director

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Havas 360, Chairman
- HA Pôle Ressources Humaines, Chairman and Chief Executive Officer and Director
- Havas Media France, Director
- Médiamétrie, Permanent representative of Havas on the Board of Directors
- Havas Paris, Permanent representative of Havas on the Board of Directors
- Havas Paris, Chairman and Chief Executive Officer and Director
- Havas Life Paris, Permanent representative of Havas on the Board of Directors
- MFG R&D, Member of the Supervisory Board
- Havas Media Africa, Member of the Executive Board
- JC Decaux Bolloré Holding, Member of the Executive Board
- W & Cie, Permanent representative of Havas on the Board of Directors

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Havas Media Group Spain SA (Spain), Director
- Arena Communications Network SL (Spain), Director
- Havas Worldwide Brussels (Belgium), Permanent representative of Havas on the Board of Directors

(*) Listed company.

PHILIPPE BÉNACIN

Vice Chairman and lead independent member of the Supervisory Board and Chairman of the Corporate Governance, Nominations and Remuneration Committee

French citizen.

INTERPARFUMS
4, rond-point des Champs-Élysées
75008 Paris – France

EXPERTISE AND EXPERIENCE

A graduate of the Essec business school, Philippe Bénacin is Chairman and Chief Executive Officer of Interparfums, a major player in the international perfume and cosmetics market.

Founded by Philippe Bénacin alongside Jean Madar in 1982, Interparfums creates, produces and distributes prestige perfumes and cosmetics under exclusive global licenses with the Boucheron, Coach, Jimmy Choo, Karl Lagerfeld, Kate Spade, Moncler, Montblanc, Paul Smith, Repetto, ST Dupont and Van Cleef & Arpels brands. Interparfums also owns the Lanvin and Maison Rochas perfumes.

With a presence in over 100 countries through a selective distribution network, Interparfums generated €484 million in consolidated revenue in 2019. The company has been listed on Euronext Paris since 1995 and has a market capitalization of approximately €2 billion.

Regularly recognized for the quality of its financial reporting, Interparfums has earned a number of awards and prizes, including the prestigious Prix Cristal de la transparence de l'information financière and the Prix de l'Audace Créatrice, awarded to Philippe Bénacin in 2011 by the French Prime Minister at the time, François Fillon.

POSITIONS CURRENTLY HELD
(IN FRANCE)

- Interparfums SA **(*)**, Co-Founder, Chairman and Chief Executive Officer
- Interparfums Holding, Chairman of the Board of Directors

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

- Interparfums Inc. (United States), President (non-executive) and Vice Chairman of the Board of Directors
- Interparfums Luxury Brands (United States), President (non-executive) and Vice Chairman of the Board of Directors
- Inter España Parfums & Cosmetiques SL (Spain), Director
- Interparfums Srl (Italy), Director
- Interparfums Suisse, Director and Manager
- Interparfums Singapore Pte Ltd, Director
- Parfums Rochas Spain SL, Chairman of the Board of Directors

OTHER POSITIONS AND OFFICES HELD

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

None

(*) Listed company.

CYRILLE BOLLORÉ

Member of the Supervisory Board

French citizen.

TOUR BOLLORÉ
31-32, quai de Dion-Bouton
92811 Puteaux Cedex – France

EXPERTISE AND EXPERIENCE

A graduate of Paris-Dauphine University, Cyrille Bolloré holds a Master's degree in economics and management, with a major in finance.

He was Deputy Manager of Supplies and Logistics at Bolloré Energy from November 2007 to November 2008, and then Manager from December 2008 to August 2010. He was appointed Chief Executive Officer of Bolloré Energy in September 2010 and Chairman in October 2011.

In August 2012, he was appointed Vice Chairman and Managing Director of Bolloré, becoming Deputy Chief Executive Officer in June 2013 and Chairman and Chief Executive Officer in March 2019.

He was Chairman of Bolloré Logistics until December 2014, Chairman of Bolloré Transport Logistics from November 2014 to May 2016 and has been Chairman of Bolloré Transport & Logistics Corporate (formerly Bolloré Transport & Logistics) since April 2016.

Since September 2017, Cyrille Bolloré has been Vice Chairman of Compagnie de l'Odet, where he served as Chief Executive Officer from September 2017 through March 2018.

Cyrille Bolloré has experience in an integrated multinational company and in the content, media and communication businesses. His appointment also strengthens the Supervisory Board's expertise in issues relating to emerging markets, in particular, Africa.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Bolloré Group

- Bolloré SE **(*)**, Chairman and Chief Executive Officer
- Bolloré Energy, Chairman of the Board of Directors
- Bolloré Transport & Logistics Corporate (formerly Bolloré Transport & Logistics), Chairman
- Compagnie du Cambodge **(*)**, Chairman of the Management Board
- Sofibol, Chairman of the Supervisory Board
- BlueElec, Chairman
- Compagnie de l'Odet **(*)**, Vice Chairman and Director
- Bolloré Participations SE, Director
- Financière V, Director
- Omnium Bolloré, Director
- Société Industrielle et Financière de l'Artois **(*)**, Director,
- Financière Moncey **(*)**, Permanent representative of Compagnie du Cambodge on the Board
- Société Française Donges Metz, Permanent representative of Financière de Cézembre on the Board
- Bolloré Africa Logistics, Permanent representative of Bolloré Transport & Logistics Corporate on the Board
- Bolloré Logistics, Permanent representative of Bolloré Transport & Logistics Corporate on the Board
- Sogetra, Permanent representative of Globolding on the Board
- JC Decaux Bolloré Holding, Member of the Supervisory Board

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Bolloré Group

- Financière du Champ de Mars, Director
- SFA SA, Director
- Nord-Sumatra Investissements, Director
- Plantations des Terres Rouges, Director
- African Investment Company, Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

None

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

- Socfinaf **(*)**, Permanent representative of Bolloré Participations SE on the Board
- Socfinasia **(*)**, Director

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

Bolloré Group

- Bolloré SA **(*)**, Deputy Chief Executive Officer, Vice Chairman and Managing Director
- Compagnie de l'Odet **(*)** Chief Executive Officer
- Bolloré Africa Railways, Director
- Compagnie du Cambodge, Chairman and Member of the Supervisory Board
- Société Industrielle et Financière de l'Artois, Chief Executive Officer
- Bolloré Logistics, Permanent representative of Bolloré Transport Logistics on the Board
- Blue Solutions **(*)**, Director

Other positions and offices held

- Comité Professionnel des Stocks Stratégiques Pétroliers (CPSSP), Vice Chairman

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

Bolloré Group

- CICA SA (CH), Director
- Satram Huiles SA (CH), Director
- Camrail, Permanent representative of Société Financière Panafricaine on the Board
- Congo Terminal, Permanent representative of Socopao on the Board
- Douala International Terminal, Permanent representative of Société de Participations Africaines on the Board
- Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Senegal), Permanent representative of Société de Participations Africaines on the Board

Other positions and offices held

None

(*) Listed company.

PAULO CARDOSO

Employee representative on the Supervisory Board and Chairman of the CSR Committee

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Paulo Cardoso, a trained accountant, joined Compagnie Générale des Eaux in 1997 as an administrative manager in the Communications Department.

In 2001, he joined the Finance Department's accounting unit. In 2002, he moved to the Treasury Department, where he is responsible for the Canal+ Group's cash management and the group's network systems.

POSITIONS CURRENTLY HELD

None

OTHER POSITIONS AND OFFICES HELD

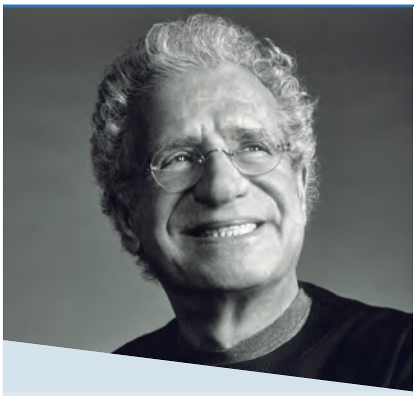
None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS *(IN FRANCE)*

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS *(OUTSIDE FRANCE)*

None



LAURENT DASSAULT

Independent member of the Supervisory Board

French citizen.

GROUPE INDUSTRIEL MARCEL DASSAULT SA (GIMD)

9, rond-point des Champs-Élysées
75008 Paris – France

EXPERTISE AND EXPERIENCE

Laurent Dassault graduated from École Supérieure Libre des Sciences Commerciales Appliquées de Paris and also holds a business law degree from Université Panthéon-Assas (Paris II). After his college education, he trained with the French Air Force. In 1978, he served as an intelligence officer with the Jaguar squadron 3/3 Ardennes at the Nancy-Ochey air base. He became a captain in the reserves in 1986.

After 13 years in banking, in 1991 Laurent Dassault joined Dassault Investissements (part of the group founded by his grandfather Marcel Dassault), in charge of indirect compensation related to military aeronautical contracts.

Tasked with diversifying the group's investments, he took a particular interest in expanding its holdings in art and vineyards, successfully increasing the group's value. Profoundly forward-looking and business oriented, Laurent Dassault enjoys creating, innovating and building. He is also very involved in many charitable and humanitarian organizations.

Laurent Dassault currently sits on the boards of numerous companies, mainly in the industry, finance, arts and philanthropy sectors.

He is also the co-manager of Artcurial Développement. As a major art collector, he is extremely involved in the art world on a personal level.

Each year, for example, he organizes the Marcel Duchamp prize, in partnership with the Pompidou Center, the Modern Art Museum of Paris and the FIAC, and with the backing of Lazard Frères Gestion. This prize was created to support French artists and help them reach the international stage.

In 1994, Laurent Dassault became manager of Château Dassault, a Saint-Émilion Grand Cru Classé. Corporate philanthropy and charitable work occupy an important place in Laurent Dassault's life and work.

In late 2013, he joined the Association pour la Mémoire des Enfants Cachés et des Justes, of which he is Treasurer. This association's main aim is to create a historic trail in Chambon-sur-Lignon in France, commemorating the town's role in protecting fugitive Jews during World War Two. Laurent Dassault is personally involved with the project through the design and creation of a memorial garden.

Laurent Dassault became a Chevalier de la Légion d'Honneur in France in 2003 and Officier de l'Ordre de la Couronne in Belgium in 2006. France then named him Officier des Arts et des Lettres in 2008, Chevalier des Palmes Académiques in 2010, Officier de la Légion d'Honneur in 2016 and Officier dans l'Ordre du Mérite Agricole in 2018.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Dassault group

- Groupe Industriel Marcel Dassault SA (GIMD), Member of the Supervisory Board
- Dassault Investissements, Manager
- Immobilière Dassault SA **(*)**, Chairman of the Supervisory Board
- Rond-Point Immobilier, Member of the Supervisory Board
- Sogitec Industries SA, Director
- Artcurial Développement, Co-Manager
- Arqana, Advisor to the Management Board

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Dassault group

- Sitam Belgique (formerly Dassault Belgique Aviation) (Belgium), Director
- Midway Aircraft Corporation (subsidiary of Falcon Jet) (USA), Chairman
- Sitam America Corp. (USA), Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Laurent Dassault Rond-Point (SCI), Managing Partner
- Laurent Dassault Rond-Point II (SAS), Chairman
- LDRP Immo, Managing Partner
- 21 Central Partners (Benetton group), Member of the Supervisory Board
- Société Financière Louis Potel & Chabot, Non-voting Director
- SCI Les Hautes Bruyères, Partner
- Sagard Private Equity Partners SAS, Member of the Advisory Committee
- Comité des Champs-Élysées, Director
- FLCP & Associés, Member of the Supervisory Board
- Amis du Fonds Régional Art Contemporain Aquitaine, Chairman
- Amis du Musée (Centre Pompidou), Director
- Association pour la Diffusion Internationale de l'Art Français (ADIAF), Director
- Amis du Musée d'Orsay et de L'Orangerie, Vice Chairman and Director
- Fonds pour Paris, Director
- Association pour la Mémoire des Enfants Cachés et des Justes, Member of the Board of Directors and Treasurer
- Amis de la Fondation Serge Dassault, Chairman
- Organisation pour la Prévention et la Cécité (OPC), Director
- Association des Anciens Honneurs Héréditaires, Director
- Frèrejean Frères Champagne, Vice President
- Financière Potel Chabot, Permanent representative of Financière Dassault, Non-Voting Director

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

- Kudelski SA **(*)** (Switzerland), Director and Member of the Strategy Committee
- Skidata (Nagra Kudelski Group), Director and Member of the Strategy Committee
- La Maison (Cicurel group) (Luxembourg), Member of the Supervisory Board
- Catalyst Investments II LP (Israel), Chairman of the Advisory Board
- LEPERCQ, de NEUFLIZE & Co. Inc. (USA), Director
- Real Estate SCA SICAR (Luxembourg), Chairman of the Investors Committee
- Warwick (Mauritius), Director
- Geosatis (Secure Electronic Monitoring solution) (Switzerland), Director

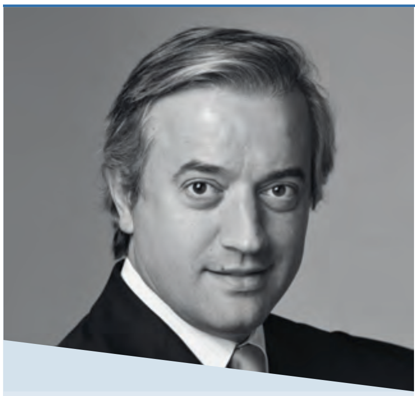
POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Artcurial SA, Director
- Pechel Industrie SAS, Member of the Steering Committee
- Société Financière Louis Potel & Chabot, Director
- Groupe Industriel Marcel Dassault SA (GIMD), Chief Executive Officer
- Dassault Wine Estates, Chairman

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- The Related Party and Conduct Review Committee of Power Corporation of Canada, Member
- Power Corporation of Canada (Canada), Director
- Royal Hotel, Winter & Gstaad Palace AG (Switzerland), Director
- Marcel Dassault Trading & Corporation (United States), Director
- Serge Dassault Trading Corporation (United States), Director

(*) Listed company.



DOMINIQUE DELPORT

Member of the Supervisory Board

French citizen.

ARDUINA PARTNERS
10, rue de Penthièvre
75008 Paris – France

EXPERTISE AND EXPERIENCE

Dominique Delport is a graduate of the EM Lyon (École Supérieure de Commerce de Lyon) and a winner of the MBA Moot Corp. International Challenge hosted by the University of Texas, Austin. He is also the recipient of an Emmy Award.

He has had three distinct professional careers: television journalist, Internet entrepreneur and head of a media agency, all of which give him expertise in content, digital and media at an international level.

Dominique Delport began his career as Deputy Chief Editor for the television channel M6 Lyon and then became Chief Editor at M6 Lille. In 1996, he was appointed Chief Editor at M6, the second largest private television channel in France.

From 1996 to 2000, he directed the news program *6 Minutes* (four million daily viewers) and news reports including *Zone Interdite* and *Capital*.

In April 2000, he gave up his career in television to move into the world of startups, forming the streaming multimedia company Streampower, where he served as Chairman and Chief Executive Officer.

In October 2001, Streampower became a 75% subsidiary of the Rivaud Media group (Bolloré Group).

In 2003, Dominique Delport launched a daily program on Canal+, *Merci pour l'info*, and in 2004, for France 5, he created and produced the program *CULT*, an interactive televised broadcast on urban cultures featuring live videos from bloggers.

After participating in the launch of Direct 8 (TNT), Dominique Delport hosted the weekly show titled *8-Fi*, a live broadcast devoted to new media and technologies.

Dominique Delport joined Media Planning Group (MPG) on February 1, 2006 as Managing Director, while retaining his position as Chairman and Chief Executive Officer at Streampower. He was appointed Chief Executive of MPG France in June 2006 and then, in February 2007, Managing Director of Havas Media France.

In February 2008, he was promoted to the position of Chairman and Managing Director of Havas Media France, a position he held until the end of 2015.

In February 2009, he was elected to a two-year term as President of the Union of Media Consulting and Purchasing (UDECAM), an organization representing all French media agencies.

Following the success of the integrated organization of Havas Media France, he was named Managing Director of the Havas Media Group global network.

In April 2016, he was appointed President of Vivendi Content and Studio+, a position he also held until April 2018.

In March 2017, Dominique Delport was appointed Global Managing Director and Chief Client Officer of the Havas Group, a position he held until April 2018.

In April 2018, he joined Vice Media, where he served as President of International Operations and Chief Revenue Officer.

In December 2020, he left Vice Media to return to entrepreneurship, founding Arduina Partners.

POSITIONS CURRENTLY HELD

(IN FRANCE)

- Arduina Partners (SAS), Chairman

POSITIONS CURRENTLY HELD

(OUTSIDE FRANCE)

None

OTHER POSITIONS AND OFFICES HELD

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS

(IN FRANCE)

Vivendi group

- Vivendi Content SAS, President
- Studio+, Chairman
- Studio+ France, Chairman
- Vivendi Entertainment, Chairman
- Havas, Global Managing Director and Chief Client Officer
- Havas Media Africa, Chairman and member of the Executive Board
- MFG R&D SA, Chairman of the Management Board
- Havas Productions SNC, Manager

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS

(OUTSIDE FRANCE)

Vivendi group

- Arena Media Communications, Co-Manager
- Havas Media Belgium, Director
- Ze Cake Group Ltd, Chairman
- Ze Ais Group Ltd, Chairman
- Havas Sports Limited, Chairman
- Arena Blm Ltd, Chairman
- Arena Quantum Ltd, Chairman
- Cake Group Ltd, Chairman
- Elisa Interactive Ltd, Chairman
- Cake Media Ltd, Chairman
- Media Planning Ltd, Chairman
- Ais Group Ltd, Chairman
- Arena BLM Holdings Ltd (United Kingdom), Chairman
- BLM Cliverd Ltd, Director
- Forward 1 UK Ltd, Director
- BLM Two Ltd, Director
- BLM Azure Ltd, Director
- BLM Red Ltd (United Kingdom), Director
- Forward Holding Spain, Sole Director
- SLU (Spain), Sole Director
- Forward Média Peru, Director
- SAC, Director

VÉRONIQUE DRIOT-ARGENTIN

Member of the Supervisory Board – company employee

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Véronique Driot-Argentin joined Compagnie Générale des Eaux in 1989 where she began her career in the press services group of the Corporate Communications Department. In 1991, she joined the Île-de-France Regional Water Authority and then, in 1994, moved to the Human Resources Department of Compagnie Générale des Eaux as special assistant to the Group Head of Human Resources, working in employee relations, a position she continues to hold at Vivendi.

In 2011, she began working with Vivendi's Head of Training and has been a Training Manager in the Human Resources Department since 2016.

Véronique Driot-Argentin has been the CFTC trade union delegate since 2006.

She sat on the Employment Tribunal in Paris from 2008 to 2015.

From 2014 through 2020, she was a town councilor in Villecresnes (Val-de-Marne département) and Vice President of the Social Housing and Action Management Committee.

POSITIONS CURRENTLY HELD

None

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

Vivendi group

- Group Works Council, member
- CFTC, trade union delegate

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Vivendi's Single Staff Delegation (DUP), Secretary

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

None

ALIZA JABÈS

Independent member of the Supervisory Board

French citizen.

GROUPE NUXE

127, rue d'Aguesseau
92100 Boulogne-Billancourt – France

EXPERTISE AND EXPERIENCE

Aliza Jabès is a graduate of the Institut d'Études Politiques de Paris. She holds an MBA from New York University (NYU).

She began her career as a financial analyst for Eli Lilly in the USA. At the start of the 1990s, she decided to go into business and took over NUXE, at the time a tiny cosmetics laboratory in Paris.

With the goal of building a wide-reaching natural beauty brand. In the space of just a few years, NUXE became a leading global cosmetics group. It also has a strong position in the well-being industry, with 60 deluxe spa centers in France and abroad.

In 2007 and 2011, NUXE's strategy in innovation and industrial property was recognized and rewarded twice by the French National Institute of Industrial Property (INPI).

Aliza Jabès has regularly won awards and honors for her exceptional career.

In 2010, she received the prestigious *Entrepreneur of the Year* award from EY. In 2012, Cosmetic *Executive Women* (CEW) gave her the *Achiever Award* for her exceptional career in the cosmetics industry, and in 2014 she won the Trophée Femmes en Or in the "Women in Business" category, which rewarded her for her creativity and entrepreneurial spirit.

After being promoted to the rank of *Chevalier* in 2008, she was named *Officier de la Légion d'Honneur* in January 2020. She was also named *Officier de l'Ordre National du Mérite* in 2015.

POSITIONS CURRENTLY HELD
(IN FRANCE)

NUXE Group

- NUXE International SAS, Chairwoman

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

NUXE Group

- NUXE Hong Kong Limited, Managing Director
- NUXE GmbH (Germany), Manager
- NUXE Polska Sp. Zoo (Poland), Chairwoman
- NUXE Ireland DAC, Director
- NUXE UK Ltd, Managing Director
- NUXE Istanbul Kozmetik Ürünleri Ticaret Limited Sirketi (Turkey), Chairwoman
- Laboratoire NUXE Portugal Unipessoal Lda, Manager
- Laboratoire NUXE España SL, Managing Director
- NUXE Suisse SA, Director
- NUXE Belgium SA, Director
- Laboratoire NUXE Italia Srl, Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Fédération des entreprises de la beauté (FEBEA), Director
- Pharmaceutical Council of the French Syndicate of Cosmetic Products (SFCP), Chairwoman
- Commission for the award of the French Palace status prize, Member

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS

None

CATHIA LAWSON-HALL

Independent member of the Supervisory Board and Chairwoman of the Audit Committee

French citizen.

SOCIÉTÉ GÉNÉRALE

17, cours Valmy
92800 Paris-la Défense 7 – France

EXPERTISE AND EXPERIENCE

Cathia Lawson-Hall is Head of Coverage and Investment Banking for Africa at Société Générale. In this role, she oversees relations with African governments, large corporates and financial institutions. Previously, she was Managing Director, Co-Head of Debt Capital Markets for corporates in France, Belgium and Luxembourg. Cathia Lawson-Hall joined Société Générale in 1999 as a financial analyst covering the telecommunications and media sectors before moving into financial consulting. She has built up solid experience in corporate and investment banking, primarily in capital markets, financial analysis and consulting.

Cathia Lawson-Hall is also an independent member of the Board of Directors of the Agence Française de Développement (AFD) and sits on the Board of Directors of Société Générale Côte d'Ivoire, the Fondation Société Générale and Universal Music Group N.V. (UMG).

In March 2017, she was one of the six winners alongside the Mayor of London, Sadiq Khan, of the Diversity Trophy awarded by the Club XXI^{e} Siècle think-tank in the "career" category. In December 2015, she was named *Manager of the Year* for 2015 in the sixth edition of the *La Tribune Women's Awards*. Cathia Lawson-Hall is a graduate of Paris-Dauphine University in France.

POSITIONS CURRENTLY HELD
(IN FRANCE)

- Agence Française de Développement (AFD), Independent Director
- Fondation Société Générale, Director

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

- Universal Music Group N.V. **(*)**, Director
- Société Générale Côte d'Ivoire **(*)**, Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Société Générale, Head of Coverage and Investment Banking for Africa

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Société Générale Benin, Director

(*) Listed company.

SANDRINE LE BIHAN

Member of the Supervisory Board, representing employee shareholders

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Sandrine Le Bihan, a trained accountant, joined Compagnie Générale des Eaux in 1992 as a manager in the Securities Department.

In 2003, she became Group Company Directory and Database Manager within Vivendi's Legal department. She works in corporate and securities laws, including employee shareholder schemes.

POSITIONS CURRENTLY HELD

None

OTHER POSITIONS AND OFFICES HELD *(IN FRANCE)*

Vivendi group

- "Vivendi Groupe Épargne" collective investment fund, Chairwoman and Member of the Supervisory Board
- "Opus Vivendi" collective investment fund, Member of the Supervisory Board representing the fund's unit holders
- Group Works Council, Member and member of the bureau
- Vivendi Employee Representative Committee *(Comité social et économique)*, standing member and Secretary

OTHER POSITIONS AND OFFICES HELD *(OUTSIDE FRANCE)*

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS *(IN FRANCE)*

- Vivendi Works Council, Deputy Secretary and Treasurer
- IDSE, Member of the bureau
- Vivendi's Single Staff Delegation (DUP), Representative and Treasurer

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS *(OUTSIDE FRANCE)*

None

MICHÈLE REISER

Independent member of the Supervisory Board

French citizen.

MRC
6, place Saint-Germain-des-Prés
75006 Paris – France

EXPERTISE AND EXPERIENCE

Michèle Reiser is a philosopher by profession. In 1975, she started a weekly literary show for young people on French TV channel FR3, which she hosted for eight years. She also had a literary column in *Le Monde de l'Éducation* and later worked regularly at *Ex Libris*.

As a filmmaker, producer and TV film author, she produced documentaries, profiles and major stories on key themes broadcast between 1983 and 2005 on France 2, France 3, France 5, Canal+ and Arte centered around major areas of interest:

- social issues – Les *Trois Mousquetaires à Shanghai* and *La Vie en rollers;*
- politics – she produced the *Un Maire, une Ville* collection with Alain Juppé in Bordeaux and Jean-Claude Gaudin in Marseille;
- psychiatric issues – *Le Cinéma de notre anxiété, Un homme sous haute surveillance*, and *Epilepsies;*
- romantic traditions – *Les Amoureux de Shanghai, L'Amour au Brésil*, and *Les Amoureux du Printemps de Prague*;
- child and adolescent development – *Premiers émois, Vis ta vie, ou les parents ça sert à rien*, and *La vérité sort de la bouche des enfants*;
- profiles – Reiser, Juppé, François Truffaut, correspondance à une voix.

She also directed musical and theater shows as well as operas, including *Le Barbier de Séville* with Ruggero Raimondi.

She founded Les Films du Pharaon and served as its Director from 1988 to 2005.

In January 2005, she was appointed a member of France's Audiovisual Council by the French President and presided over the Audiovisual Production, Free Private Channels, Advertising and Cinema and Music working groups over her six-year term.

From 2008 to 2012, she founded and presided over the Commission on the image of women in the media. At the end of each year, the Commission published a report emphasizing that although women have visibility, they are still confined to a particular role and that men are still the only ones whose knowledge is considered legitimate. This observation brought to light the notion of an "expert", which was the subject of the second report presented in December 2011 during a symposium at the French National Assembly titled *Les expertes, bilan d'une année d'autorégulation* (Experts: Results of One Year of Self-Regulation). The Commission was awarded permanent status by the Prime Minister in 2011.

In 2010, she co-presided over the work of the Commission on associations' access to audiovisual media, which produced a report that was submitted to the Prime Minister in January 2011.

She was a member of the Gender Equality Observatory from 2010 to 2012.

In 2013, Michèle Reiser founded the consultancy firm, MRC.

She has chaired the judging panel of the Gulli Book Prize since 2014.

In June 2015, she created the Paris-Mezzo classical music festival, which became the Festival de Paris in 2017.

She published two novels with Albin Michel: *Dans le creux de ta main* in 2008, and *Jusqu'au bout du festin* in 2010, which won the Prix de la révélation littéraire in 2010 from Aufeminin.com.

Michèle Reiser was named Officier de l'Ordre National du Mérite in 2004 and in 2010 was promoted to the rank of Chevalier de l'Ordre de la Légion d'Honneur.

POSITIONS CURRENTLY HELD

None

OTHER POSITIONS AND OFFICES HELD *(IN FRANCE)*

- MRC, Manager

OTHER POSITIONS AND OFFICES HELD *(OUTSIDE FRANCE)*

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS *(IN FRANCE)*

- Radio France, Member of the Board of Directors
- Radio France, Member of the Strategic Committee

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS *(OUTSIDE FRANCE)*

None

KATIE STANTON

Independent member of the Supervisory Board

American citizen.

MOXXIE VENTURES
1049 El Monte Avenue, Ste C 591
Mountain View, CA 94040
United States

EXPERTISE AND EXPERIENCE

Katie Stanton is a graduate of Rhodes College (1991) and holds a Master's degree from the School of International Public Affairs (SIPA) at Columbia University.

She is the Founder and General Partner of Moxxie Ventures, a new venture capital fund based in San Francisco.

Prior to Moxxie Ventures, Katie Stanton held numerous executive operating positions at Twitter, Google, Yahoo, and Color.

In addition to working in Silicon Valley, she served at the White House and the State Department (under President Obama) and began her career as a banker at JP Morgan Chase.

In addition to sitting on the Supervisory Board of Vivendi, she previously served on the Board of Directors of Time Inc.

Katie Stanton is also a founding partner of #Angels.

POSITIONS CURRENTLY HELD
(IN FRANCE)

None

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

- Moxxie Ventures, Founder and General Partner

OTHER POSITIONS AND OFFICES HELD

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Time Inc., Director
- Color Genomics, Chief Marketing Officer
- Yahoo, Inc., Director

ATHINA VASILOGIANNAKI

Employee representative on the Supervisory Board

Greek citizen.

MINOS-EMI SA
Mesogheion Avenue 245-247
Postal code 15451 – Neo Psychiko
Attica – Greece

EXPERTISE AND EXPERIENCE

Athina Vasilogiannaki is a lawyer specializing in intellectual property. She holds an LLM (Master of Science in Law) from the National and Kapodistrian University of Athens in Greece.

Since June 2004, she has worked as Head of Legal and Commercial Affairs at Minos-EMI/Universal Music Greece. She has also served as Legal Counsel of Universal Music Publishing Greece since September 2013 and of Universal Production Music's Greek subsidiary since April 2018. Since 2021 she has also worked as Senior IP Legal Counsel at Gameloft.

POSITIONS CURRENTLY HELD
(IN FRANCE)

None

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

- MINOS – EMI SA, Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

None

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

- Vanin Bayswater Ltd (UK), Co-Director

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS

None

VINCENT BOLLORÉ

Non-voting member

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Vincent Bolloré holds a Master's degree in Law and is the Chairman and Chief Executive Officer of Compagnie de l'Odet. He was Chairman of Vivendi's Supervisory Board from June 2014 through April 2018.

In 1970, he began his career as a representative at Banque de l'Union européenne before joining Compagnie Financière Edmond de Rothschild in 1976.

In 1981, he became Chairman and Chief Executive Officer of the Bolloré Group and its paper business. Under Vincent Bolloré's management, the group became one of the world's 500 largest companies. As a listed company, the Bolloré Group holds a strong position in each of its businesses, which are organized into three divisions: Transport and Logistics, Communication and Media and Electricity Storage. The Bolloré Group also manages a long-term investment portfolio.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Canal+ Group, Member of the Supervisory Board

Bolloré Group

- Bolloré Participations SE, Chairman and Chief Executive Officer
- Compagnie de l'Odet **(*)**, Chairman and Chief Executive Officer
- Somabol, Chairman
- Omnium Bolloré, Chief Executive Officer and Director
- Financière V, Chief Executive Officer and Director
- Compagnie de l'Étoile des Mers (SAS), Chairman

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Bolloré Group

- Nord-Sumatra Investissements, Chairman and Deputy Director
- Financière du Champ de Mars, Chairman and Deputy Director
- BB Groupe SA, Chairman of the Board of Directors
- Plantations des Terres Rouges, Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Fred & Farid Group (SAS), Permanent representative of Bolloré SE

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

- SAFA Cameroun **(*)**, Permanent representative of Bolloré Participations SE on the Board of Directors
- Société des Caoutchoucs de Grand Bereby (SOGB) **(*)**, Vice Chairman
- Bereby Finances, Vice Chairman
- Socfinaf **(*)** (formerly Intercultures), Director
- Liberian Agricultural Company (LAC), Director
- Plantations Nord-Sumatra Ltd, Director
- Socfin **(*)** (formerly Socfinal), Director
- Socfinasia **(*)**, Director
- Socfindo, Director
- Socfin KCD, Director
- Bereby Finances, Permanent representative of Bolloré Participations on the Board of Directors
- Société Camerounaise de Palmeraies (Socapalm) **(*)**, Permanent representative of Bolloré Participations SE on the Board of Directors
- Société des Caoutchoucs de Grand Bereby (SOGB) **(*)**, Permanent representative of Bolloré Participations SE on the Board of Directors
- Brabanta, Permanent representative of Bolloré Participations SE on the Board of Directors
- Coviphama Ltd, Director
- Plantations Socfinaf Ghana, Director
- Socfin Agricultural Company, Director
- Socfinco FR, Director

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

Vivendi group

- Vivendi **(*)**, Chairman and Member of the Supervisory Board
- Canal+ Group, Chairman of the Supervisory Board

Bolloré Group

- Financière Moncey **(*)**, Permanent representative of Bolloré Participations SE on the Board of Directors
- Société Industrielle et Financière de l'Artois **(*)**, Permanent representative of Bolloré Participations SE on the Board of Directors
- Compagnie du Cambodge **(*)**, Permanent representative of Bolloré Participations SE on the Supervisory Board
- Bolloré **(*)**, Chairman and Chief Executive Officer and Director
- Blue Solutions **(*)**, Chairman of the Board of Directors
- Financière Moncey **(*)**, Director
- Compagnie de l'Odet **(*)**, Chairman of the Board of Directors

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Bolloré Transport & Logistics Congo, Permanent representative of Bolloré Participations SE on the Board of Directors

(*) Listed company.

Information about the nominee for the Supervisory Board submitted for the approval of the General Shareholders' Meeting to be held on April 25, 2022

MAUD FONTENOY

French citizen.

MAUD FONTENOY FOUNDATION
La Maison Champs-Élysées
8, rue Jean-Goujon
75008 Paris – France

EXPERTISE AND EXPERIENCE

Maud Fontenoy is a sailor, known for her multiple accomplishments and firsts for women in solo navigation, both in rowing and sailing. She is an Ambassador of the French Education and Youth Ministry, dedicated to ocean and coastline conservation and coastal school trips. She is President of the Maud Fontenoy Foundation, a former spokeswoman of UNESCO 's oceanographic commission, an expert in sustainable development, a lecturer and an author of books and documentaries devoted to the oceans and conservation. Maud Fontenoy is committed to the fight for environment protection and particularly the protection of oceans and coastlines. Her objective for more than 20 years has been to raise wide-scale awareness about protecting the planet.

Barely 7 days old, Maud Fontenoy embarked on the family schooner. The first 15 years of her life were spent on the open sea, learning how to navigate and getting to understand nature and the sea.

At the age of 25, she decided to make her dreams come true by heading out to sea again. That was the beginning of five years of maritime and human adventures. In 2003, she embarked on a solo North Atlantic crossing without assistance – the first woman to do so – that she completed in four months. Two years later, she carried out a similar feat in the Pacific, crossing from Peru to the Marquesas Islands, following which she was elected personality of the year by *Time Magazine*.

In 2007, Maud Fontenoy set off from Reunion Island to sail around the world against prevailing currents and without assistance. She completed her tour 150 days later having crossed three capes and narrowly escaping dismasting.

Having spent more time at sea than on land, she never ceases to talk about the visible effects of pollution and global warming on the oceans that she knows well. Supported by scientists, and through the actions she leads within the framework of her foundation, in partnership with the Ministry of Education, Maud Fontenoy seeks to hand down values to the younger generation and give them a straightforward "user's manual' so that sustainable development can become part of everyone's daily life and that ecology can go hand in hand with the economy.

She currently advises several companies on these issues and advocates a realistic and pragmatic approach to ecology.

In 2007, she was named Knight of the National Order of Merit and Knight of the Order of Maritime Merit.

POSITIONS CURRENTLY HELD

None

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Maud Fontenoy Foundation, President

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

None

1.1.3. FAMILY RELATIONSHIPS

There is a family relationship between the Chairman and a member of the Supervisory Board: Yannick Bolloré and Cyrille Bolloré are brothers. In addition, they are both sons of Vincent Bolloré, the non-voting member of the Supervisory Board. To the company's knowledge, there are no other family ties between any members of the Supervisory Board.

There is a family relationship between two members of the Supervisory Board and a member of the Management Board: Yannick and Cyrille Bolloré are cousins of Cédric de Bailliencourt. To the company's knowledge, there are no other family relationships between the Supervisory Board members and the Management Board members.

1.1.4. ABSENCE OF CONFLICTS OF INTEREST

Each Supervisory Board member is fully committed to respecting Vivendi's interests and promoting value creation for all stakeholders. To the company's knowledge, there are no actual or potential conflicts of interest between Vivendi and any member of the Supervisory Board or Vivendi and any non-voting member in terms of their personal interests or other responsibilities.

The Supervisory Board's Internal Regulations specify that its members and non-voting members have a duty to inform the Supervisory Board and the lead independent member of any actual or potential conflict of interest they have encountered or might encounter in the future. These rules also provide that the role of the lead independent member is to coordinate within the Corporate Governance, Nominations and Remuneration Committee, procedures for identifying, managing and preventing any actual or potential conflicts of interest within the Supervisory Board.

When the Supervisory Board discusses any matter relating, directly or indirectly, to one of its members, the member concerned may be asked to leave the Supervisory Board Meeting during the voting and deliberations. For matters relating to the Chairman of the Supervisory Board, the Vice Chairman is temporarily responsible for chairing the Meeting. For matters that may concern the non-voting member, where necessary he is asked to leave the Supervisory Board Meeting during the related discussions.

Any business relationships between the Bolloré Group and certain Vivendi subsidiaries are ordinary business relationships entered into on arm's length terms and do not cause any conflicts of interest between Vivendi and Yannick, Cyrille and Vincent Bolloré. For a description and quantification of these business relationships, please see Note 24.4 "Other Related-Party Transactions" in the Notes to the Consolidated Financial Statements for the fiscal year ended December 31, 2021, presented in Chapter 5 of this Annual Report – Universal Registration Document.

Additionally, in accordance with Article L. 22-10-29 of the French Commercial Code, at its Meeting on November 14, 2019, the Supervisory Board adopted a formal procedure for regularly assessing whether routine agreements entered into on arm's length terms actually meet these two qualifying criteria. A description of this procedure and its implementation is set out in Section 1.2.10.7. of this chapter.

1.1.5. ABSENCE OF ANY CONVICTION FOR FRAUD, LIABILITY ASSOCIATED WITH A BUSINESS FAILURE, PUBLIC ACCUSATION AND/OR SANCTION

Over the past five years, to the company's knowledge:

- no member of the Supervisory Board has been convicted of a fraudulent offense;
- no member of the Supervisory Board has been associated with bankruptcies, receiverships or liquidations while serving on an administrative, management or supervisory body;
- no official public incrimination or sanction has been brought against or imposed on any member of the Supervisory Board; and
- no member of the Supervisory Board has been disqualified by a court from acting as a member of an administrative, management or supervisory body or from acting in the management or conduct of the affairs of any issuer.

1.1.6. AGREEMENTS BETWEEN THE COMPANY AND MEMBERS OF THE SUPERVISORY BOARD – SERVICE AGREEMENTS

No service agreement has been entered into between a Supervisory Board member and the company or any one of its subsidiaries under which that member would receive benefits.

1.1.7. LOANS AND GUARANTEES GRANTED TO MEMBERS OF THE SUPERVISORY BOARD

The company has not granted any loans or issued any guarantees to any member of the Supervisory Board.

1.1.8. INTERNAL REGULATIONS AND JURISDICTION OF THE SUPERVISORY BOARD

1.1.8.1. Authority and Functions of the Supervisory Board pursuant to French Law and the company's by-laws

The Chairman and Vice Chairman of the Supervisory Board, elected for a period not exceeding their terms as members of the Supervisory Board, are responsible for convening the Supervisory Board as often as is required in the interest of the company and for chairing its debates.

Upon the proposal of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board appoints the members of the Management Board and sets the policy and criteria for determining, allocating and granting their compensation elements. The Management Board members may be removed at any time.

The Supervisory Board reviews and determines the company's strategic plans. It authorizes the Management Board to implement substantial acquisitions, sales, internal restructuring transactions and other transactions that could have an impact on the group's financial structure, including strategic partnership agreements. It also reviews the company's corporate social responsibility (CSR) policy.

The Supervisory Board oversees the Management Board's management of the company in compliance with the law and the company's by-laws.

It may proceed with any verification or control checks it deems appropriate and is provided with all documents it deems useful to fulfill its purpose and functions.

1.1.8.2. Internal Regulations

The Internal Regulations of the Supervisory Board is a purely internal document intended to supplement the company's by-laws by setting out the Supervisory Board's operational procedures and the rights and duties of its members. It is not enforceable against third parties and may not be invoked by them against members of the Supervisory Board.

1.1.8.3. Functions and Powers of the Supervisory Board under the Internal Regulations

Based upon the recommendations of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board issues opinions on the proposed candidacies of Vivendi SE's Corporate Officers for positions as Directors or members of the Supervisory Boards in other entities.

The following transactions require the prior approval of the Supervisory Board:

- disposals or acquisitions of all or a portion of investments in entities, where any individual transaction exceeds €300 million;
- issues of securities that, directly or indirectly, give rights to the share capital of the company or issues of convertible bonds in excess of €100 million;
- issues of non-convertible bonds in excess of €500 million, except in respect of transactions for purposes of renewing debt obligations on more favorable terms than those initially granted to the company;
- share repurchase programs proposed at the Ordinary General Shareholders' Meeting and financing transactions that are material or that may substantially alter the financial structure of the company, with the exception of financing to optimize the company's debt structure;
- granting of sureties, endorsements and guarantees by the Management Board in favor of third parties, provided that each individual obligation does not exceed €300 million and that together all obligations do not exceed €1.5 billion. This authorization, which is given to the Management Board for twelve months, is reviewed every year;
- substantial internal restructuring transactions, transactions falling outside the company's publicly disclosed strategy and strategic partnership agreements;
- setting up performance share plans or any other mechanisms with a similar purpose or effect;
- granting performance shares to members of the Management Board, and determining the number of shares they must own during their respective terms of office;
- submitting proposals to the General Shareholders' Meeting to amend the company's by-laws, allocate profits and set the dividend amount; and
- the setting of the compensation policy and its components for the members of the Management Board and the drafting of the sections of the corporate governance report and resolutions that relate to such compensation policy to be submitted to the General Shareholders' Meeting.

1.1.9. ROLE AND RESPONSIBILITIES OF THE LEAD INDEPENDENT MEMBER OF THE SUPERVISORY BOARD

1.1.9.1. Role and responsibilities

Upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board may designate a lead independent member from among the members qualified as independent by the Supervisory Board. At its Meeting of April 19, 2018, the Supervisory Board appointed Philippe Bénacin, Vice Chairman of the Supervisory Board and Chairman of the Corporate Governance, Nominations and Remuneration Committee, as the lead independent member of the Supervisory Board.

The lead independent member carries out this role for the term of his or her office as a member of the Supervisory Board, unless the Board decides to terminate the role or the lead independent member no longer qualifies as an independent member for whatever reason.

The lead independent member is responsible for:

- assessing the Supervisory Board's operating procedures: the lead independent member is responsible for overseeing the assessment process, in association with the General Counsel, and for reporting on said assessment to the Board, in association with the Corporate Governance, Nominations and Remuneration Committee;
- preventing conflicts of interest: the lead independent member coordinates the oversight work carried out by the Corporate Governance, Nominations and Remuneration Committee aimed at identifying, examining and preventing any potential conflicts of interest (and managing any existing conflicts of interest) within the Supervisory Board and/or with the non-voting members of the Supervisory Board and informs the Chairman of any such conflicts of interest and reports to the Board on the work undertaken; and

- ensuring the conditions necessary for the Supervisory Board's smooth operation: the independent member ensures compliance with the Internal Regulations of the Supervisory Board and with the recommendations set out in the AFEP-MEDEF Code. He or she may make any suggestion or recommendation he or she deems useful. He or she ensures that Board members can fulfill their duties in the best possible manner and in the interests of all shareholders and that they receive sufficient information.

1.1.9.2. Work conducted by the lead independent member in 2021

At the Supervisory Board Meeting on March 9, 2022, the lead independent member reported on the work he conducted in 2021, which mainly included:

- holding regular discussions with the Chairman of the Supervisory Board as well as the Chairman and other members of the Management Board, particularly on governance and compensation issues;
- overseeing and reporting on the process of assessing the operating procedures of the Supervisory Board, in conjunction with the Group General Counsel;
- verifying that there are no conflicts of interest; and
- reviewing and taking into consideration the expectations of the voting advisory agencies and shareholders as expressed at the General Shareholders' Meeting of June 22, 2021. Vivendi strengthened its dialog with some of these parties in January 2022, in the presence of the Chairman of the Supervisory Board, as part of the preparation for the General Shareholders' Meeting of April 25, 2022 (see the Section on "Combination of the roles of Chairman of Vivendi SE's Supervisory Board and Chairman and Chief Executive Officer of Havas" above and Section 2.1.2.1. below). As is the case every year, in 2021, the company kept up its dialog with its main shareholders about governance and compensation issues, in line with the information published in the corporate governance report and the agenda of the Annual General Shareholders' Meeting. The lead independent director was given a report of this dialog, in liaison with the Supervisory Board and its Chairman.

The annual assessment of the Supervisory Board's operating procedures showed that its members consider that the role, responsibilities and skills of the Vice Chairman of the Supervisory Board/lead independent member ensure a good balance of powers between the Supervisory Board and the Management Board.

1.1.10. ROLE AND RESPONSIBILITIES OF THE NON-VOTING MEMBER OF THE SUPERVISORY BOARD

Pursuant to Article 10-6. of the company's by-laws, the Supervisory Board may appoint one or two non-voting members, enabling the company to benefit from specific experience in precise, and often highly specialized, domains. Non-voting members participate in an advisory capacity at Supervisory Board meetings. They can freely express their opinions and make an important contribution to the Board's work.

At its April 15, 2019 Meeting, the Supervisory Board, acting on the recommendation of the Chairman of the Corporate Governance, Nominations and Remuneration Committee, decided to appoint Vincent Bolloré as a non-voting member of the Board for a four-year term. Mr. Bolloré had been a voting member of the Supervisory Board up until the General Shareholders' Meeting held on that same date (April 15, 2019), when his term expired. Vincent Bolloré does not receive any compensation for his role as a non-voting Supervisory Board member.

Vincent Bolloré's expertise and experience – which cover the full range of skills required within the Supervisory Board, particularly in terms of business development, strategy and financial engineering – provides Vivendi with the 360° vision it needs to help it successfully build a world-class content, media and communications group.

Following his appointment, the company ensured that the non-voting Board member was fully aware of the applicable regulations relating to market abuse, and specifically the rules concerning non-disclosure of inside information. The Supervisory Board also strengthened its procedure for managing conflicts of interest, which now provides that the non-voting member may not take part in any discussions on issues giving rise to any actual or potential, current or future, conflicts of interest (see the procedure concerning conflicts of interest described in Section 1.1.4. of this chapter).

Since his appointment, the non-voting member has been regularly consulted by the Supervisory Board, notably due to his experience and expertise in relation to the group and its businesses.

For the same reasons, and because he is a representative of the company's core shareholder, Vincent Bolloré has also acted as Advisor to the Chairman of the Management Board since April 15, 2019. In this capacity, he assists the Chairman of the Management Board and the executive management team with implementing Vivendi's business integration strategy. For example, in 2021 he advised on the proposed listing of UMG on Euronext Amsterdam and the distribution of 59.87% of UMG's share capital. In 2022, he is also being consulted regarding the public tender offer for Lagardère SA shares. A description of the components of the compensation awarded to the Advisor to the Chairman of the Management Board under his employment contract is provided in Note 24 "Related Parties" to the 2021 financial statements presented in Chapter 5 of this Annual Report – Registration Document. It should be noted that these remuneration components do not fall within the scope of Articles L 22-10-26 and L. 22-10-34 of the French Commercial Code.

1.1.11. SUPERVISORY BOARD INFORMATION AND DECISIONS

Members of the Supervisory Board receive all the information necessary to perform their duties. Before any Meeting, they may request any further documents they consider useful. Members of the Supervisory Board have the right to obtain information under the procedures set forth below.

1.1.11.1. Information Provided Prior to Meetings of the Supervisory Board

The Chairman of the Supervisory Board, with the assistance of the General Counsel, must send appropriate information to the other members of the Supervisory Board, depending on the items on the agenda.

1.1.11.2. Information Provided to the Supervisory Board on a Regular Basis

In addition to the regular information provided to the Supervisory Board by the Management Board regarding the company's operations and significant events, as well as on Vivendi's financial position, cash flow and obligations, the Management Board provides a quarterly report to the Supervisory Board on its activities and the group's operations.

Requests for information from members of the Supervisory Board relating to specific matters are sent to the Chairman and General Counsel who, along with the Chairman of the Management Board, are responsible for responding to such requests as soon as reasonably practicable. To supplement the information provided to them, members of the Supervisory Board are entitled to meet with the Management Board and the senior managers of the company, with or without the presence of members of the Management Board, after notice has been given to the Chairman of the Supervisory Board.

1.1.11.3. Collective Nature of the Supervisory Board's Decisions and Confidentiality of Information

The Supervisory Board acts as a body with collective responsibility. Its decisions are the responsibility of all its members. Members of the Supervisory Board and any person attending meetings of the Supervisory Board are bound by strict confidentiality obligations with respect to any company information they receive in the context of meetings of the Supervisory Board and any of its committees, or confidential information presented by the Chairman of the Supervisory Board or Management Board and identified as such.

If the Supervisory Board is aware of specific confidential information that, if made public, could have a material impact on the share price of the company or the companies under its control, within the meaning of Article L. 233-3 of the French Commercial Code, members of the Supervisory Board must refrain both from disclosing such information to any third party and from dealing in the company's securities until such information has been made public.

Pursuant to Article 11.3 of the AFEP-MEDEF Code, the Supervisory Board meets at least once a year without the Chairman or any of the Management Board members being present (executive session). At its March 3, 2021 Meeting, the Supervisory Board openly reviewed the performance of the Chairman and members of the Management Board, without these individuals attending the Meeting. This went beyond the review recommended in Article 25.1.1 of the AFEP-MEDEF Code, which only relates to remuneration. In addition, whenever members express the need, and depending on the agenda, the Supervisory Board is entitled to meet without the presence of its Chairman.

1.1.12. ACTIVITIES OF THE SUPERVISORY BOARD IN 2021

In 2021, the Supervisory Board met ten times, with an average attendance rate of 96.15%.

Its work included examining:

- the operational progress of the group's main business activities;
- the group's internal and external growth prospects, principal strategic initiatives and opportunities;
- the regular review of acquisition and disposal projects;
- implementation of the proposed listing of UMG on Euronext Amsterdam and the special distribution in kind of 59.87% of UMG's share capital **(1)**;
- the sale by Vivendi SE to Pershing Square of a 10% stake in UMG's share capital;
- authorization for Vivendi SE to enter into a shareholders' agreement relating to UMG, and to sign the share transfer agreements for the UMG shares included in the distribution of 59.87% of its share capital to Vivendi SE shareholders (regulated related-party agreements);
- the completion of the acquisition of Prisma Media;
- the acquisition of the Lagardère SA shares held by the investment funds managed by Amber Capital, representing 17.93% of Lagardère SA's share capital, and the resulting mandatory public tender offer for all of Lagardère SA's shares;
- authorization to enter into a clean team agreement between Vivendi SE and Lagardère SA for preparing the regulatory notifications required for the public tender offer for Lagardère SA's shares (regulated related-party agreement);
- the acquisition of significant sports rights by Canal+ Group;
- the progress of the Telecom Italia case;
- synergies and cross-business initiatives within the group;
- the assessment of the quality and structure of the group's balance sheet;
- the review and approval of the proposals and work of the Audit Committee, as applicable;
- the review of the consolidated and statutory financial statements for fiscal year 2020, the 2021 budget and information contained in the 2021 half-year consolidated financial statements approved by the Management Board;
- the group's cash position;
- the continuation and renewal of the share repurchase program;
- monitoring of the procedure for assessing routine agreements entered into on arm's length terms;
- approval of the corporate governance report;
- the review of the quarterly business reports prepared by the Management Board;
- the review and approval of the proposals and work of the Corporate Governance, Nominations and Remuneration Committee, as applicable;
- the composition of the Supervisory Board and its committees;
- the review of succession plans within the group;
- the assessment of the performance of the Supervisory Board and its committees;
- the review and approval of the compensation policy and packages of the Chairman and members of the Supervisory Board;
- the review and approval of the compensation policy and packages of the Chairman and members of the Management Board;

- the grant in 2021 of a performance-based cash award to the group's key executives and senior managers – replacing the annual performance share grant – in consideration of the proposed listing of UMG on Euronext Amsterdam and the special distribution in kind of 59.87% of UMG's share capital;
- the review of the company's equal opportunities, gender parity and diversity policy;
- analysis of the gender parity objectives set for the company's governing bodies by the Management Board (see Section 4.3.1.2. of Chapter 2 of this Annual Report – Universal Registration Document);
- the employee shareholding policy and status;
- the employee shareholding plan set up in 2022;
- overseeing the progress of the group's social and environmental objectives (see Sections 4 and 5 of Chapter 2 of this Annual Report – Universal Registration Document);
- the review and approval of the proposals and work of the CSR Committee, as applicable;
- the review of the company's corporate social responsibility (CSR) policy;
- the review of the resolutions approved by the Management Board and submitted to the Extraordinary General Shareholders' Meeting held on March 29, 2021;
- the approval of the draft resolutions relating to the compensation of the members of the Supervisory Board and the Management Board, submitted to the General Shareholders' Meeting held on June 22, 2021;
- the review of the resolutions approved by the Management Board and submitted to the General Shareholders' Meeting held on June 22, 2021;
- the analysis of the results of the votes at the June 22, 2021 General Shareholders' Meeting concerning the situation of the Chairman of the Supervisory Board and the Chairman and members of the Management Board; and
- the follow-up of investigations and legal proceedings in progress, including (i) the dispute between Vivendi SE and former minority shareholders before the Paris Commercial Court, and (ii) the settlement reached in the disputes between Vivendi SE and Mediaset and Fininvest, and the ensuing authorization for Vivendi SE to enter into an agreement with Compagnie de l'Odet (related party agreement).

(1) On September 21, 2021, Vivendi SE paid:
- a €5,312,453,242.85 special dividend in kind (€4.89 per Vivendi SE share), which was paid out of "Retained earnings", as approved by the General Shareholders' Meeting on June 22, 2021 (sixth resolution); and
- a €22,099,807,176.15 special interim dividend in kind (€20.36 per Vivendi SE share), which was paid out of interim earnings as of June 30, 2021, pursuant to the Management Board's decision of September 14, 2021.

1.1.13. ASSESSMENT OF THE SUPERVISORY BOARD'S PERFORMANCE

On a regular basis and at least once every three years, the Supervisory Board undertakes a formal assessment of its performance alongside the Corporate Governance, Nominations and Remuneration Committee. As part of this assessment, each year the Corporate Governance, Nominations and Remuneration Committee also reviews: (i) the situation of each Supervisory Board member in terms of their individual contribution to the Board's work, (ii) the balance of skills on the Board, and (iii) the risk of any current or future actual or potential conflicts of interest.

At its Meeting on March 9, 2022, the Supervisory Board assessed its performance based on a questionnaire issued to each member of the Supervisory Board and supervised by the lead independent member. The review showed that the Supervisory Board members:

Consider that the company has an appropriate governance structure, and that the role, responsibilities and skills of the Vice Chairman, who is also the Board's lead independent member, ensure a good balance of power between the Supervisory Board and the Management Board;

- are satisfied with the Non-Voting Member's contribution to the work of the Board and its committees;
- are satisfied with the size and composition of the Board in terms of age, nationality and diversity of profiles and skills; several members nevertheless made the following suggestions: more diversity in terms of nationality (Asian or North American member), appointment of a younger member, a member from the domain of new technologies, an expert in the European markets in which Vivendi operates, entrepreneurs or financial and legal experts;
- consider that the schedule of Board meetings, the timeframes for convening meetings, the frequency, duration and conduct of meetings, the consideration given to their requests and the division of work between the Board and its committees are satisfactory. They also stated that they are satisfied with how Board meetings are held remotely when necessary and the technical resources made available and the information they receive (in particular concerning the group's financial situation, main disputes, market developments, competitive environment and the principle challenges it faces), are in line with what they need to fully exercise their duties;
- are of the view that the Board deals effectively with issues and subjects within its remit and that it has a satisfactory level of involvement in the company's major decisions. One member, however, thought the Board could be more involved in the company's strategy;
- note that the Supervisory Board is attentive to how non-financial information is treated and to social and environmental issues. One member, however, felt that the Board should have even greater involvement in environmental protection matters; and
- found that the committees' organizational structure and operating procedures are satisfactory, but one member suggested creating a strategy committee.

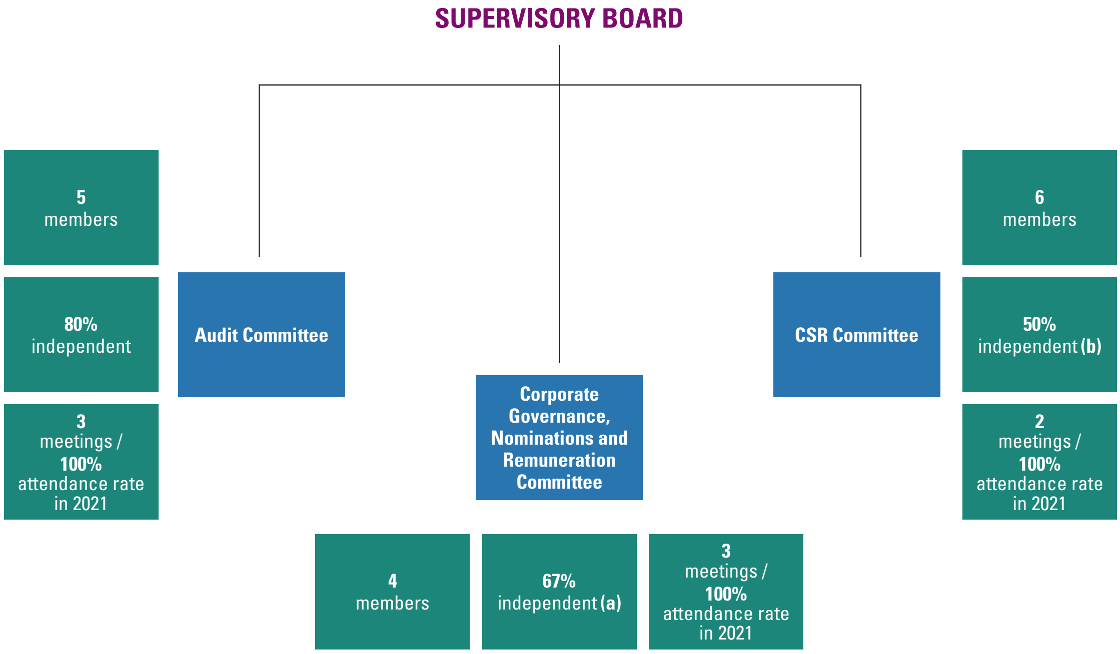
Following the assessment, the Supervisory Board considered that it would be beneficial to:

- propose the election of a new member;
- include more agenda items on the strategy of the group's businesses and subsidiaries and provide more documentation and notes on strategy matters so that members have an even better understanding of the group's strategic imperatives;
- invite more executives from the group's subsidiaries to participate in Board meetings; and
- give more information to Board members on changes in the company's shareholding structure and reduce the timeframe between sending out the monthly shareholders' letter and the time period referred to therein.

1.1.14. COMMITTEES OF THE SUPERVISORY BOARD

1.1.14.1. Organization and Operating Procedures of the Committees

The Supervisory Board has established three specialized committees and decided on their composition and functions, namely: (i) the Audit Committee, (ii) the Corporate Governance, Nominations and Remuneration Committee, and (iii) the CSR Committee. The members of these committees are indicated in the respective Composition sections below. The functions of the committees may not include delegated powers granted to the Supervisory Board by law or pursuant to the company's by-laws or reduce or limit the powers of the Management Board. Within the scope of the powers granted to it, each committee issues proposals, recommendations or advice, as required.



(a) Excluding the member representing employees.
(b) Excluding the two members representing employees.

The Supervisory Board has appointed a Chairman for each committee. The three Committees of the Supervisory Board comprises Supervisory Board members, appointed by the Supervisory Board. The members are appointed on a personal basis and cannot be represented by a delegate. Each committee determines the frequency of its meetings, which are held at the registered office of the company or in any other place that may be agreed by the Chairman of the committee. Committee meetings can also be held using videoconferencing or other telecommunications means.

The Chairman of each committee sets the agenda for meetings after consultation with the Chairman of the Supervisory Board. Minutes of each committee meeting are taken under the authority of the Chairman of the relevant committee and are sent to the members of the committee and to all other members of the Supervisory Board. Information about the committees' work is included below.

Each committee may request from the Management Board any document it deems necessary to fulfill its role and carry out its functions. The committee may carry out or commission surveys to provide information for the Supervisory Board's discussions and may request external consulting expertise as required.

The Chairman of each committee may invite all members of the Supervisory Board to attend a committee meeting. However, only committee members can take part in its deliberations. Each committee may decide to invite any individual of its choice to its meetings, as needed.

In addition to permanent committees, the Supervisory Board may establish internal committees comprising all or some of its members, each for a limited term for transactions or assignments that are exceptional in terms of their importance or nature.

1.1.14.2. Audit Committee

Composition

The Audit Committee is currently composed of five members, four of whom are independent and all of whom have finance or accounting expertise. Details of the experience and expertise of the Supervisory Board members are provided in Section 1.1.2.4. of this chapter. The Audit Committee's members are: Cathia Lawson-Hall (Chairwoman), Cyrille Bolloré, Laurent Dassault, Michèle Reiser and Katie Stanton.

Activity

Following their appointment, members of the committee are informed as required of the accounting, financial and operational standards used within the company and the group.

In 2021, the Audit Committee met three times, in the presence of the company's Statutory Auditors, with an attendance rate of 100%. As part of its work, the Audit Committee had information meetings with the company's Statutory Auditors, the Chief Financial Officer, the Group General Counsel, the Executive Vice President, Legal Affairs, Compliance and CSR, the Senior Vice President, Group Consolidation and Financial Reporting, the Group Financing & Treasury Director, the Vice President, Management and Business Plan Control, the Senior Vice President, Head of Taxes, the Director of Internal Audit, and the Senior Vice President, Investor Relations.

Its work included examining:

- the financial statements for fiscal year 2020, the 2021 half-year financial statements and the Statutory Auditors' reports;
- the 2021 budget;
- the interim balance sheet and Vivendi SE's distributable profit as of June 30, 2021 with a view to paying an interim dividend in kind in the form of UMG shares **(1)**;
- the group's financial policy and financial position;
- asset impairment tests;
- the group's financial management (investment, debt and foreign exchange);
- the process for monitoring changes in accounting standards;
- the internal audit of the headquarters and subsidiaries, and internal control procedures within the group;
- the analysis of risks and associated key audits;
- the report of the Supervisory Board on corporate governance;
- tax risks and changes in France's tax laws and regulations;
- the insurance program;
- the non-audit services provided by the Statutory Auditors and their fees;
- the risk map and the 2022 audit plan;
- CSR projects and Compliance Programs;
- monitoring of the assessment of routine agreements entered into on arm's length terms; and
- the follow-up of ongoing investigations and legal proceedings, particularly the dispute between Vivendi SE and certain former minority shareholders before the Paris Commercial Court, and the settlement reached in the disputes between Vivendi SE and Mediaset and Fininvest.

(1) On September 21, 2021, Vivendi SE paid:

- a €5,312,453,242.85 special dividend in kind (€4.89 per Vivendi SE share), which was paid out of "Retained earnings", as approved by the General Shareholders' Meeting on June 22, 2021 (sixth resolution); and
- a €22,099,807,176.15 special interim dividend in kind (€20.36 per Vivendi SE share), which was paid out of interim earnings as of June 30, 2021, pursuant to the Management Board's decision of September 14, 2021.

1.1.14.3. Corporate Governance, Nominations and Remuneration Committee

Composition

The Corporate Governance, Nominations and Remuneration Committee currently comprises four members, two of whom are independent, meaning that the majority of its members are independent **(2)**. Its members are: Philippe Bénacin (Chairman), Cyrille Bolloré, Paulo Cardoso and Aliza Jabès.

(2) The member representing employees is not taken into account.

Activity

In 2021, the Corporate Governance, Nominations and Remuneration Committee met three times, with an attendance rate of 100%.

Its work primarily focused on the following matters:

- the review and approval of the compensation policy and packages of the Chairman and members of the Supervisory Board;
- the review and approval of the compensation policy and packages of the Chairman and members of the Management Board;
- the 2020 bonuses paid in 2021;
- the Corporate Officers' expenses;
- the review of the draft resolutions approved by the Management Board and the Supervisory Board and submitted to the General Shareholders' Meeting held on June 22, 2021;
- the analysis of the results of the votes at the Annual General Shareholders' Meeting of June 22, 2021, concerning the situation of the Chairman of the Supervisory Board and the Chairman and members of the Management Board, particularly with regard to governance and compensation;
- the grant in 2021 of a performance-based cash award to the group's key executives and senior managers – replacing the annual performance share grant – in connection with the proposed listing of UMG on Euronext Amsterdam and the special distribution in kind of 59.87% of UMG's share capital;
- implementation in 2022 of an employee share ownership plan;
- the composition of the Supervisory Board and its committees;
- the review of the independence of the Supervisory Board members;
- the review of the succession plans within the group and the retention of key talents;
- the review of the company's equal opportunities, gender parity and diversity policy;
- analysis of the gender parity objectives set for the company's governing bodies by the Management Board (see Section 4.3.1.2. of Chapter 2 of this Annual Report – Universal Registration Document); and
- assessment of the performance of the Supervisory Board and its committees.

1.1.14.4. Corporate Social Responsibility (CSR) Committee

Composition

The CSR Committee is currently composed of six members, two of whom are independent and all of whom have HR and CSR expertise. Details of the experience and expertise of the Supervisory Board members are provided in Section 1.1.2.4. of this chapter. The CSR Committee members are: Paulo Cardoso (Chairman), Véronique Driot-Argentin, Cathia Lawson-Hall, Sandrine Le Bihan, Michèle Reiser and Athina Vasilogiannaki.

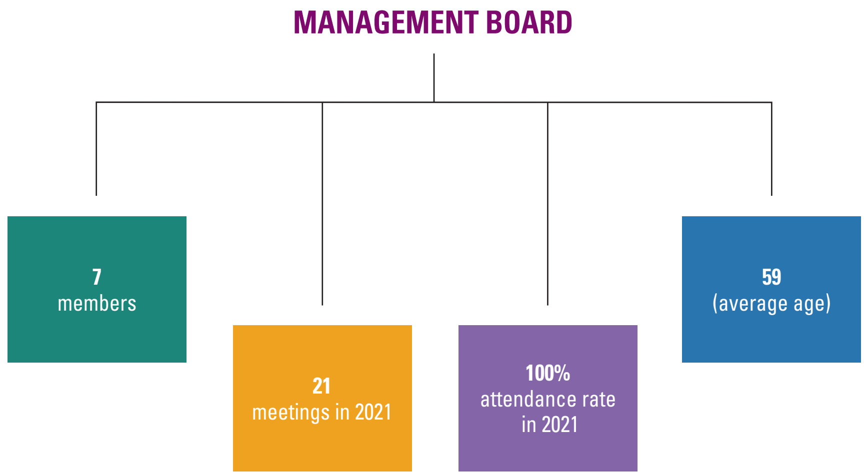
Activity

In 2021, the CSR Committee met twice, with an attendance rate of 100%.

Its work primarily focused on the following matters:

- overseeing the progress of the group's social and environmental objectives (see Sections 4 and 5 of Chapter 2 of this Annual Report – Universal Registration Document);
- the environmental, societal and social pillars of the *"Creation for the Future"* CSR program;
- the CSR risk map;
- regulatory developments;
- non-financial performance reporting and ratings;
- the environmental roadmap;
- the partnership with the *Le Temps Presse* festival;
- joining the UN's SDG Media Compact (participation in a film festival whose selected movies illustrate the objectives of the UN's Sustainable Development Goals (SDGs));
- the Parenting Campus; and
- online training.

1.2. Management Board



1.2.1. GENERAL PROVISIONS

Pursuant to Article 12 of the company's by-laws, the Management Board may be composed of a minimum of two and a maximum of seven members. Members of the Management Board are appointed by the Supervisory Board to serve four-year terms. The terms of office of members of the Management Board expire no later than at the close of the General Shareholders' Meeting held to approve the financial statements for the fiscal year during which the member reaches the age of 68. However, the Supervisory Board may extend that member's term, on one or more occasions, for a period not exceeding two years in total (Article 12 of the company's by-laws).

Pursuant to Article 14 of the company's by-laws, each member of the Management Board may choose to attend meetings by videoconferencing or telecommunication means.

As of 2015, each member of the Management Board acts as an advisor to one or more members of the Supervisory Board. This system fosters greater dialog and exchange between Supervisory Board and Management Board members.

1.2.2. COMPOSITION OF THE MANAGEMENT BOARD

■ 1.2.2.1. Current Composition of the Management Board

Members of the Management Board are appointed by the Supervisory Board upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee. The Supervisory Board ensures that the composition of the Management Board enables it to implement the group's strategy in the best interests of all shareholders and other stakeholders.

The Management Board currently has seven members, whose terms of office are due to expire on June 23, 2022 **(1)**. The individual profiles of the Management Board members are provided below in the section entitled "Main Activities of the Current Members of the Management Board". See Section 1.2.2.2. below for information on greater gender parity and diversity.

Following Vivendi's full consolidation into the financial statements of Bolloré in 2017, the Supervisory Board, upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, decided that it was in the interests of all Vivendi SE shareholders for the Management Board to benefit from the additional experience of two representatives of the Bolloré Group, in charge of intergroup coordination in relation to accounting standards and financial communications, respectively.

(1) Term renewed for a four-year period as from June 24, 2018, pursuant to the Supervisory Board's decision of May 17, 2018.

Since their appointment, the remit of these representatives has been extended to include more of the Vivendi group's operational aspects:

M. Gilles Alix

- Member of the Management Board and Senior Vice President responsible for intergroup coordination since September 1, 2017;
- As from 2019, he helped set up the acquisition of a 20% interest in UMG by a consortium led by Tencent, which was finalized between March 2020 and January 2021;
- In 2020, he stepped down from his position as Chief Executive Officer of the Bolloré Group **(1)**;
- In 2021, he devoted himself full time to the Vivendi group, in particular coordinating the proposed listing of UMG on Euronext Amsterdam and the distribution of 59.87% of UMG's share capital;
- Since September 2021, he has coordinated the public tender offer for Lagardère SA shares;
- He did not receive any compensation within the Bolloré Group for 2021 and will not receive any for 2022;
- The fixed portion of his total compensation, split between Bolloré and Vivendi until 2020, decreased by 33% between 2019 and 2021 **(2)**; and
- No increase in his compensation was decided between 2021 and 2022.

M. Cédric de Bailliencourt

- Member of the Management Board and head of investor relations and intergroup financial communications at Vivendi since September 1, 2017;
- He is also non-executive Vice Chairman of the Boards of Directors of Compagnie de l'Odet and Bolloré SE;
- In 2019, he stepped down from his executive position as Chief Operating Officer of Compagnie de l'Odet;
- His investor relations and intergroup financial communications role has been extended to cover non-financial reporting;
- He has also become more extensively involved in Vivendi's strategic financial projects, notably bank financing projects;
- The fixed portion of his compensation has remained unchanged since September 1, 2017 (annual basis);
- Since he was a member of the Management Board prior to 2021, he was not granted any performance shares; and
- No increase in his compensation was decided between 2021 and 2022.

(1) Gilles Alix ceased to serve as the permanent representative of Bolloré Participations SE on the Board of Directors of Bolloré SE in March 2020.

(2) The table below presents the breakdown of his fixed compensation between Vivendi and Bolloré, showing the reduction in the compensation paid by Bolloré since 2019:

Changes in Gilles Alix's compensation paid by Vivendi and Bolloré between 2019 and 2021

	2019		2020		2021	
	Vivendi	Bolloré	Vivendi	Bolloré	Vivendi	Bolloré
(in euros)	600,000	1,151,360	700,000	701,360	1,170,000	0
Total	**1,751,360**		**1,401,360**		**1,170,000**	

$\underbrace{2019 \rightarrow 2020}_{-20\%}$

$\underbrace{2020 \rightarrow 2021}_{-16.50\%}$

$\underbrace{2019 \rightarrow 2021}_{-33\%}$

1.2.2.2. Management Board succession plan

As the terms of office of the Management Board members are due to expire on June 23, 2022, in accordance with Article 17.2.2 of the AFEP-MEDEF Code, the Corporate Governance, Nominations and Remuneration Committee has drawn up a succession plan which will be presented to the Supervisory Board.

This plan is an essential tool to ensure the continuity of Vivendi's operations, which saw a faster pace of development in 2021, notably due to the increasing integration of the group's businesses and their transformation. These recent changes have led the Corporate Governance, Nominations and Remuneration Committee to select profiles whose diversity and complementarity fit ensure a good balance between Vivendi's organizational stability and continuing business combinations.

For the purpose of this succession plan, at its March 9, 2022 Meeting, the Corporate Governance, Nominations and Remuneration Committee resolved to meet in May 2022 to finalise the selection process of the Management Board members whose renewal or appointment may be presented to the Supervisory Board before June 23, 2022. The Management Board, under the direction of its Chairman, Arnaud de Puyfontaine, will endeavour to seek gender parity in its composition in compliance with Article L. 225-58 of the French Commercial Code.

Management Board Members

Name	Primary position	Age	Date of initial appointment and most recent re-election	Number of positions held in listed companies outside the group (1)	Individual attendance rate of Management Board members	Number of shares held directly or through the PEG (2)
Arnaud de Puyfontaine	Chairman of the Management Board	57	**06/23/2018** 06/24/2014	2	100%	379,466
	Member of the Management Board		**06/23/2018** 11/26/2013			
Gilles Alix	Member of the Management Board and Senior Vice President responsible for intergroup coordination	63	**06/23/2018** 09/01/2017	0	100%	11,682
Cédric de Bailliencourt	Member of the Management Board and Senior Vice President responsible for investor relations and intergroup financial communications	52	**06/23/2018** 09/01/2017	0	100%	17,523
Frédéric Crépin	Member of the Management Board, Group General Counsel and Group Chief Compliance Officer	52	**06/23/2018** 11/10/2015	0	100%	266,408
Simon Gillham	Member of the Management Board, Chairman of Vivendi Village and Senior Executive Vice President, Communications of Vivendi	66	**06/23/2018** 11/10/2015	0	100%	215,514
Hervé Philippe	Member of the Management Board and Chief Financial Officer	63	**06/23/2018** 06/24/2014	0	100%	161,167
Stéphane Roussel	Member of the Management Board and Chief Operating Officer and Chairman and Chief Executive Officer of Gameloft	60	**06/23/2018** 06/24/2014	0	100%	244,505

(1) Number of positions held in companies outside the same scope of consolidation, pursuant to Article 19.2 of the AFEP-MEDEF Code. For a detailed list of current and previous positions, please see the section entitled "Main Activities of the Current Members of the Management Board" below.

(2) Units held in the Group Savings Plan (PEG) are valued based on Vivendi SE's share price at the close of business on December 31, 2021, i.e., €11.890.

Main Activities of the Current Members of the Management Board

ARNAUD DE PUYFONTAINE

Chairman of the Management Board

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Arnaud de Puyfontaine is a graduate of the ESCP Business School (1988), the Multimedia Institute (1992) and Harvard Business School (2000).

He started his career as a consultant at Arthur Andersen and then in 1989 worked as a project manager at Rhône-Poulenc Pharma in Indonesia.

In 1990, he joined *Le Figaro* as Deputy Director.

In 1995, as a member of the founding team of the Emap group in France, he headed *Télé Poche* and *Studio Magazine*, managed the acquisition of *Télé Star* and *Télé Star Jeux*, and launched the Emap Star Division, before becoming Chief Executive Officer of Emap France in 1998.

In 1999, he was appointed Chairman and Chief Executive Officer of Emap France, and, in 2000, joined the Executive Board of Emap plc. He led several M&A deals, and concomitantly, from 2000 to 2005, served as Chairman of EMW, the Emap/Wanadoo digital subsidiary.

In August 2006, he was appointed Chairman and Chief Executive Officer of Editions Mondadori France. In June 2007, he became General Manager of all digital business for the Mondadori group.

In April 2009, Arnaud de Puyfontaine joined the US media group Hearst as Chief Executive Officer of its UK subsidiary, Hearst UK.

In 2011, on behalf of the Hearst group, he led the acquisition from the Lagardère group of 102 magazines published abroad, and, in June 2011, was appointed Executive Vice President of Hearst Magazines International. In August 2013, he was appointed Managing Director of Western Europe. He has also been Chairman of ESCP Europe Alumni.

From January to June 2014, Arnaud de Puyfontaine was a member of the Vivendi Management Board and Senior Executive Vice President in charge of its media and content operations. Since June 24, 2014, he has been Chairman of the Management Board.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Canal+ Group,
  Member of the Supervisory Board
- Havas, Director
- Editis Holding,
  Chairman of the Board of Directors
- Prisma Media,
  Chairman of the Board of Directors

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

None

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Innit, Member of the Advisory Committee
- French-American Foundation,
  Honorary Chairman
- Lagardère SA **(*)**,
  Member of the Board of Directors

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

- Telecom Italia SpA **(*)** (Italy), Director

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Antinea 6, Chairman of the Board of Directors
- Banijay Group (SAS), Permanent representative of Vivendi on the Supervisory Committee
- French-American Foundation, Chairman
- Universal Music France (SAS),
  Chairman of the Supervisory Board

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Universal Music Group, Inc. (USA), Director
- Telecom Italia SpA **(*)** (Italy),
  Executive Chairman, Director and Vice Chairman of the Board of Directors
- Gloo Networks Plc **(*)** (United Kingdom),
  Non-Executive Chairman
- Schibsted Media group, Independent Director

(*) Listed company.

GILLES ALIX

Member of the Management Board

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Gilles Alix is a graduate of the EM Lyon (École Supérieure de Commerce de Lyon) and is a certified public accountant.

He began his auditing career at BEFEC in 1982. He joined the Bolloré Group in 1987 as Chief Financial Officer of the film division based in Brittany. His functions were then extended to all industrial divisions, after which he was appointed Director of Management Control of the group in 1994.

From 1997, Gilles Alix held various positions in the transport and logistics division of the group, notably with SAGA and DELMAS, where he served as Chairman from 1999 to 2006. He then served as Chief Executive Officer of the Bolloré Group until December 31, 2020.

Gilles Alix was appointed to the Vivendi Management Board on September 1, 2017.

He is a Chevalier de la Légion d'Honneur and a Chevalier de l'Ordre National du Mérite.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Vivendi Group Africa (SAS), Chairman

Bolloré Group

- BlueElec (SAS), Chief Executive Officer
- Société Autolib' (SAS), Chairman
- Blue Sun (SAS), Chief Executive Officer
- Compagnie de l'Odet **(*)**, Director
- Compagnie des Tramways de Rouen, Director
- Sofibol, Member of the Supervisory Board
- Bolloré Energy, Permanent representative of Bolloré SE on the Board of Directors
- Financière de Cézembre, Permanent representative of Bolloré SE on the Board of Directors
- MP 42, Permanent representative of Bolloré SE on the Board of Directors
- Société Française Donges-Metz, Permanent representative of Bolloré SE on the Board of Directors

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Bolloré Group

- African Investment Company, Chairman of the Board of Directors
- Participaciones y Gestion Financiera SA, Chairman of the Board of Directors
- Pargefi Helios Iberica Luxembourg, Chairman of the Board of Directors
- Participaciones e Inversiones Portursas SA, Director
- Participaciones Ibero Internacionales SA, Director
- Progosa Investment, Director
- PTR Finances SA, Director
- Sorebol SA, Director
- SNO Investments Ltd, Director
- Sorebol UK Ltd, Director
- JSA Holding B.V., Managing Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Fred & Farid Group (SAS), Director

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS

- Universal International Music B.V. (Netherlands), Director
- Universal Music Group B.V. (Netherlands), Director
- Universal Music Group, Inc. (USA), Director
- Socotab, Permanent representative of MP 42 on the Board of Directors
- Blue Project (SAS), Chairman and Member of the Management Committee
- Société Bordelaise Africaine (SAS), Chairman
- Bolloré Transport & Logistics Gabon (formerly Bolloré Africa Logistics Gabon), Director
- Blue Solutions Canada Inc. (formerly Bathium Canada Inc.), Director
- Empresa de Manutencion y Consignation Maritima SA, Director
- Internacional de Desarrollo Portuarios SA, Director
- Movimientos Porturios Internacionales SA, Director
- Operativa Internacional Porturia SA, Director
- PDI, Director
- Douala International Terminal, Permanent representative of Socopao SA on the Board of Directors
- Conakry Terminal, Permanent representative of Société de Participations Africaines on the Board of Directors
- Bolloré Transport & Logistics Cameroun (formerly Bolloré Africa logistics Cameroun), Permanent representative of SDV Mining Antrak Africa on the Board of Directors
- Camrail, Permanent representative of SCCF on the Board of Directors
- Blue Congo, Chairman of the Management Committee
- Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Congo), Permanent representative of Société d'Exploitation Portuaire Africaine on the Board of Directors
- La Forestière Équatoriale, Permanent representative of Société Bordelaise Africaine on the Board of Directors
- Congo Terminal, Permanent representative of SDV Mining Antrak Africa on the Board of Directors
- Havas Media France (SA), Director
- Havas, Permanent representative of Financière de Sainte-Marine on the Board of Directors
- Bluealliance (SAS), Chairman
- Blue Sun (SAS), Chairman and Chief Executive Officer
- Bluecub (SAS), Chairman
- Bluely (SAS), Chairman
- Bluelib (SAS), Chairman
- Bluestorage, Chairman
- Whaller (SAS), Director – Bolloré Logistics (SAS), Director
- Havas Media Africa (SAS), Member of the Executive Board
- Blue Solutions, Chief Executive Officer
- Bolloré Transport & Logistics Corporate, Chief Executive Officer
- Bluebus, Director
- Camrail, Director
- CD Africa, Member of the Strategic Committee
- Bolloré Logistics (SE), Director
- Bolloré Transport & Logistics Senegal (formerly Bolloré Africa Logistics Senegal), Permanent representative of Société de Participations Africaines on the Board of Directors
- Bolloré Africa Logistics, Director
- Bolloré SE **(*)**, Permanent representative of Bolloré Participations on the Board of Directors

(*) Listed company.

CÉDRIC DE BAILLIENCOURT

Member of the Management Board

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Cédric de Bailliencourt is a graduate of the Bordeaux Institut d'Études Politiques. He holds a Master's degree in Political and Social Communications from the Paris-Sorbonne I University.

He joined the Bolloré Group in 1996 as Chairman of Bolloré Participations. He has served as Chief Financial Officer of the Bolloré Group since 2008 and Vice Chairman of Bolloré SE since 2012. Between 2002 and 2017 he was also Chief Executive Officer of Compagnie de l'Odet, where he now serves as Vice Chairman.

Cédric de Bailliencourt was appointed to the Vivendi Management Board on September 1, 2017.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Bolloré Group

- Compagnie de l'Odet **(*)**, Vice Chairman and Director
- Bolloré SE **(*)**, Vice Chairman and Director
- Compagnie du Cambodge **(*)**, Vice Chairman and Member of the Supervisory Board
- Compagnie des Tramways de Rouen, Chairman of the Board of Directors
- Financière Moncey **(*)**, Chairman of the Board of Directors
- Société des Chemins de Fer et Tramways du Var et du Gard, Chairman of the Board of Directors
- Société Industrielle et Financière de l'Artois **(*)**, Chairman of the Board of Directors
- Compagnie des Glénans, Chairman
- Compagnie de Tréguennec, Chairman
- Compagnie de Guénolé, Chairman
- Compagnie de Guilvinec, Chairman
- Compagnie de Pleuven, Chairman
- Compagnie des deux cœurs, Chairman
- Financière de Kerdevot, Chairman
- Financière V, Chairman
- Financière d'Ouessant, Chairman
- Financière du Perguet, Chairman
- Financière de Pont-Aven, Chairman
- Financière d'Iroise, Chairman
- Imperial Mediterranean, Chairman
- Compagnie de Pont-l'Abbé, Chairman
- Financière de Quimperlé, Chairman
- Compagnie de Concarneau, Chairman
- Compagnie de l'Argol, Chairman
- Compagnie de Loctudy (SAS), Chairman
- Compagnie de Sauzon (SAS), Chairman
- Socarfi, Manager
- Compagnie de Malestroit, Manager
- Bolloré Participations SE, Director
- Omnium Bolloré, Director
- Financière V, Director
- Sofibol, Member of the Supervisory Board
- Socotab, Permanent representative of Bolloré SE on the Board of Directors

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Bolloré Group

- Plantations des Terres Rouges, Chairman of the Board of Directors
- PTR Finances, Chairman of the Board of Directors
- SFA, Chairman of the Board of Directors
- African Investment Company, Director
- Financière du Champ de Mars, Director
- La Forestière Équatoriale **(*)**, Director
- BB Groupe, Director
- PTR Finances, Director
- Sorebol, Director
- Technifin, Director
- Pargefi Helios Iberica Luxembourg, Director
- Participaciones y gestion financiera SA, Permanent representative of Pargefi Helios Iberica Luxembourg SA on the Board of Directors
- Nord-Sumatra Investissements, Permanent representative of Bolloré Participations SE on the Board of Directors

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Banque Hottinguer (formerly Banque Jean-Philippe Hottinguer & Cie), Permanent representative of Compagnie du Cambodge on the Board of Directors
- SC Compagnie des voyageurs de l'impériale, Manager

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

- Socfinde, Permanent representative of Bolloré Participations SE on the Board of Directors

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Compagnie de Cornouaille, Chairman
- Financière de Beg Meil, Chairman
- Compagnie de l'Odet **(*)**, Chief Executive Officer and Deputy Chief Executive Officer
- Compagnie du Cambodge, Chairman of the Management Board
- Blueboat (formerly Compagnie de Bénodet), Chairman
- Financière de Sainte-Marine, Chairman
- SCI Lombertie, Permanent representative of Compagnie du Cambodge, Co-Manager
- Musée National de la Marine, Director
- Vallourec **(*)**, Member of the Supervisory Board
- Havas, Permanent representative of Bolloré SE on the Board of Directors
- Hello Fioul (formerly Financière de l'Argoat), Chairman
- Bluedistrib (formerly Financière de Pluguffan), Chairman
- Bluestorage, Chairman

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Redlands Farm Holding, Chairman
- Socfinaf (formerly Intercultures) **(*)**, Permanent representative of Bolloré Participations on the Board of Directors
- Socfinasia **(*)**, Permanent representative of Bolloré Participations SE on the Board of Directors
- Terrasia, Permanent representative of Bolloré Participations SE on the Board of Directors
- Socfin (formerly Socfinal) **(*)**, Permanent representative of Bolloré Participations SE on the Board of Directors
- Induservices SA, Permanent representative of Bolloré Participations SE on the Board of Directors

(*) Listed company.

FRÉDÉRIC CRÉPIN

Member of the Management Board

French citizen.

VIVENDI

42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Frédéric Crépin is a graduate of the Institut d'Études Politiques de Paris (Sciences-Po), and holds a Master's degree in European business law from the Université Panthéon-Assas (Paris II), a Master's degree in labor and employment law from the Université Paris Ouest Nanterre La Défense (Paris X-Nanterre), and an LLM degree (Master of Laws) from New York University School of Law.

Admitted to the bars of both Paris and New York, Frédéric Crépin began his career working as an attorney at several law firms. He was an associate at Siméon & Associés in Paris from 1995 to 1998 and at Weil Gotshal & Manges LLP in New York from 1999 to 2000.

From July 2000 to August 2005, Frédéric Crépin served as a Special Advisor to the General Counsel and as a member of the Legal department of Vivendi Universal before being appointed Senior Vice President and Head of the Legal department of Vivendi in August 2005. In June 2014, he was named General Counsel of the Vivendi group. In September 2015, he became General Counsel of Canal+ Group, a position he held until 2021. In October 2018, he was appointed Group Chief Compliance Officer.

He was appointed to the Vivendi Management Board on November 10, 2015.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Canal+ Group, Member of the Supervisory Board
- Gameloft SE, Director
- Dailymotion, Director and member of the Audit Committee
- Canal Olympia, Director
- SIG 116 (SAS), Chairman

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Vivendi group

- Vivendi Holding I LLC (United States), Director
- Vivendi Exchangeco Inc. (Canada), Vice Chairman
- Opus TV (Poland), Member of the Supervisory Board

OTHER POSITIONS AND OFFICES HELD

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Studiocanal, Member of the Supervisory Board
- SIG 117 (SAS), Chairman
- SIG 119 (SAS), Chairman
- SIG 120 (SAS), Chairman
- MyBestPro (formerly Wengo), Director
- Société d'Édition de Canal+, Permanent representative of the Canal+ Group on the Board of Directors
- Universal Music France (SAS), Member of the Supervisory Board
- L'Olympia (SAS), Director

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Telecom Italia **(*)**, Director and Member of the Strategy Committee and the Nominations and Remuneration Committee

(*) Listed company.

SIMON GILLHAM

Member of the Management Board

British citizen.

VIVENDI

42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Simon Gillham holds degrees from the Universities of Sussex and Bristol. In 1981, Simon Gillham began his career at Thomson where he was responsible for language and management training. In 1985 he formed his own training and communication company: York Consultants. In 1991 he was appointed Vice President of Communications of Thomson Consumer Electronics and subsequently joined the Carnaud Metalbox group in 1994. In early 1999, Simon Gillham became Vice President of Global Communications of the Valeo group before taking on the role of Vice President of Communications at Havas in April 2001. He joined Vivendi in 2007, serving as Senior Executive Vice President, Communications & CSR.

Simon Gillham is Chairman of Vivendi Village. In this role, he oversees the activities of Vivendi Ticketing, l'Olympia and the Théâtre de l'Œuvre. He is also responsible for Live performance activities, Olympia Production and U Live at Vivendi Village. Simon Gillham is Chairman of The Copyrights Group in the United Kingdom.

He was appointed to the Vivendi Management Board on November 10, 2015.

He is Chairman of CA Brive Rugby Club.

In 2010, Simon Gillham was awarded the OBE (Officer of the British Empire) by Queen Elizabeth II.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Canal+ Group, Member of the Supervisory Board
- Dailymotion, Director
- Vivendi Village (SAS), Chairman
- L'Olympia (SAS), Chairman
- UBU Productions (SAS), Chairman
- OL Production, Director

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

Vivendi group

- Vivendi Live Limited (United Kingdom), Chairman
- See Group Limited (United Kingdom), Chairman of the Board of Directors
- The Way Ahead Group (United Kingdom), Chairman of the Board of Directors
- UK Ticketing Ltd (United Kingdom), Chairman of the Board of Directors
- The Copyrights Group Limited (United Kingdom), Director
- Vivendi Ticketing US LLC (USA), Director
- Paddington and Company Limited (United Kingdom), Director
- Marketreach Licensing Services Limited (United Kingdom), Director
- RBSA (United Kingdom), Director

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- CA Brive Rugby Club (CABCL), Chairman

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- MyBestPro (formerly Wengo) (SAS), Chairman
- Watchever, Chairman of the Board of Directors
- Fnac Darty **(*)**, Permanent representative of Compagnie Financière du 42 avenue de Friedland on the Board of Directors
- Universal Music France (SAS), Member of the Supervisory Board
- See Tickets (ex Digitick), Director

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

None

(*) Listed company.

HERVÉ PHILIPPE

Member of the Management Board

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE ET EXPÉRIENCE

Hervé Philippe is a graduate of the Institut d'Études Politiques de Paris and holds a degree in Economic Sciences. He began his career with Crédit National in 1982 as account manager for business financing in the Île-de-France region.

In 1989, he joined the French market authority, the *Commission des opérations de Bourse* (COB) as manager of the French listed company sector. From 1992 to 1998, he served as Head of the Transactions and Financial Information Department.

In 1998, he joined the Sagem group, where he served first as Director of Legal and Administrative Affairs and then Chief Financial Officer (from 2001). He became a member of the Sagem SA Management Board in 2003.

Hervé Philippe was appointed Chief Financial Officer of the Havas Group in November 2005 and in May 2010, was named Deputy Chief Executive Officer until December 31, 2013.

He has served as Vivendi's Chief Financial Officer since January 1, 2014 and as a member of its Management Board since June 24, 2014.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Canal+ Group, Vice Chairman of the Supervisory Board
- Compagnie Financière du 42 avenue de Friedland (SAS), Chairman
- Dailymotion, Director and Member of the Audit Committee
- Editis Holding, Director
- Havas, Director
- Banijay Group Holding (SAS), Permanent representative of Vivendi Content on the Supervisory Committee
- Prisma Media, Director

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

None

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Sifraba 2, Director
- CA Brive Rugby Club (CABCL), Director

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Antinea 6, Director
- Sifraba, Director
- Jean Bal, Director
- Harvest **(*)**, Director
- Universal Music France (SAS), Member of the Supervisory Board

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Telecom Italia SpA (Italy) **(*)**, Director

(*) Listed company.

STÉPHANE ROUSSEL

Member of the Management Board

French citizen.

VIVENDI
42, avenue de Friedland
75008 Paris – France

EXPERTISE AND EXPERIENCE

Stéphane Roussel is a graduate of the École des Psychologues Praticiens de Paris.

Stéphane Roussel began his career working for the Xerox group from 1985 to 1997.

From 1997 to 2004, he held positions within the Carrefour group. He was first appointed Director of Human Resources for hypermarkets in France before becoming Director of Human Resources Development for international business and then Director of Human Resources France for the entire Carrefour group.

From 2004 to 2009, he served as SFR's Vice President of Human Resources. From 2009 to 2012, Stéphane Roussel held the position of Executive Vice President of Human Resources at Vivendi before being appointed Chairman and Chief Executive Officer of SFR in June 2012, a position he held until May 2013, at which time he joined Vivendi's General Management.

Stéphane Roussel was appointed to the Vivendi Management Board on June 24, 2014. Since November 2015, he has been Vivendi's Chief Operating Officer, after serving as its Senior Executive Vice President, Development and Organization since October 2014.

In June 2016, he was appointed Chairman and Chief Executive Officer of Gameloft SE.

POSITIONS CURRENTLY HELD
(IN FRANCE)

Vivendi group

- Gameloft SE,
  Chairman and Chief Executive Officer
- Canal+ Group,
  Member of the Supervisory Board
- Dailymotion, Director
- Banijay Group (SAS),
  Member of the Supervisory Committee
- Keysquare,
  Member of the Supervisory Committee

POSITIONS CURRENTLY HELD
(OUTSIDE FRANCE)

None

OTHER POSITIONS AND OFFICES HELD
(IN FRANCE)

- Board of Governors of the American Hospital of Paris, Chairman
- WeTechCare, Chairman
- Le Cercle de l'Excellence RH, Chairman
- Les entreprises pour la Cité, Director
- La Charte de la Diversité, Spokesman

OTHER POSITIONS AND OFFICES HELD
(OUTSIDE FRANCE)

None

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(IN FRANCE)

- Vivendi Group Africa (SAS), Chairman
- Fnac Darty **(*)**, Permanent representative of Vivendi on the Board of Directors
- Universal Music France (SAS),
  Member of the Supervisory Board

POSITIONS PREVIOUSLY HELD THAT HAVE EXPIRED DURING THE LAST FIVE YEARS
(OUTSIDE FRANCE)

- Telecom Italia SpA (Italy) **(*)**, Director
- GVT Management (USA), Chairman
- Vivendi Group Africa Benin (SAS), Chairman

(*) Listed company.

1.2.3. FAMILY RELATIONSHIPS

Cédric de Bailliencourt, a member of the Management Board, is a cousin of Yannick Bolloré, Chairman of the Supervisory Board, and of Cyrille Bolloré, a member of the Supervisory Board (see Section 1.1.3. of this chapter).

To the company's knowledge, no other family relationships exist between any of the members of the Management Board, or between any of them and any member of the Supervisory Board.

1.2.4. ABSENCE OF CONFLICTS OF INTEREST

To the company's knowledge, there are no actual or potential conflicts of interest between Vivendi and any member of the Management Board with regard to their personal interests or other responsibilities. During Management Board meetings, Cédric de Bailliencourt, Vice Chairman of the Board of Directors of Bolloré SE, and Gilles Alix, a Director of Compagnie de l'Odet, do not take part in any discussions relating to transactions that could be carried out with the Bolloré Group.

Management Board members are obliged to inform the Group Chief Compliance Officer of any actual or potential conflict of interest they have encountered or might encounter in the future.

1.2.5. ABSENCE OF ANY CONVICTION FOR FRAUD, LIABILITY ASSOCIATED WITH A BUSINESS FAILURE OR PUBLIC INCRIMINATION AND/OR SANCTION

Over the past five years, to the company's knowledge, no member of the Management Board has been convicted of any fraudulent offense, no official public incrimination or sanction has been brought against any member of the Management Board, and no member of the Management Board has been involved in any bankruptcies, receiverships or liquidations while serving on an administrative, management or supervisory body, or has been disqualified by a court from acting as a member of an administrative, management or supervisory body or from acting in the management or conduct of the affairs of any issuer.

1.2.6. AGREEMENTS BETWEEN THE COMPANY AND MEMBERS OF THE MANAGEMENT BOARD – SERVICE AGREEMENTS

As Corporate Officers, members of the Management Board are bound by an employment contract with the company, with the exception of Arnaud de Puyfontaine, who waived the benefit of his employment contract in compliance with the recommendations of the AFEP-MEDEF Code, following his appointment as Chairman of the Management Board by the Supervisory Board at its Meeting held on June 24, 2014.

No member of the Management Board is party to a services agreement entered into with Vivendi SE or any of its subsidiaries, pursuant to which that member may be entitled to receive any benefits.

1.2.7. LOANS AND GUARANTEES GRANTED TO MEMBERS OF THE MANAGEMENT BOARD

The company has not granted any loans or issued any guarantees to any member of the Management Board.

1.2.8. JURISDICTION AND INTERNAL REGULATIONS OF THE MANAGEMENT BOARD

■ 1.2.8.1. Authority of the Management Board Pursuant to French Law and the company's by-laws

With respect to third parties, the Management Board is granted the broadest powers to act in any circumstance on behalf of the company, subject to the scope of the company's corporate purpose and to those situations where such power is expressly granted by law to the Supervisory Board or the Shareholders' Meetings, and to matters that require the prior approval of the Supervisory Board.

■ 1.2.8.2. Internal Regulations

The Internal Regulations of the Management Board is a purely internal document intended to ensure that the company's Management Board functions properly and adheres to the most recent rules and regulations to promote good corporate governance. It is not enforceable against third parties and may not be invoked by them against members of the Management Board.

1.2.9. FUNCTIONS AND ACTIVITIES OF THE MANAGEMENT BOARD IN 2021

The Management Board is responsible for the day-to-day management of the company, the conduct of its business and the implementation of its strategy. Pursuant to applicable laws, the company's by-laws and the Supervisory Board's internal rules, the Management Board must obtain prior approval from the Supervisory Board for certain transactions and projects (see Section 1.1.8. of this chapter).

To perform its management functions and duties, the Management Board relies on several internal committees comprising operational officers or directors at the headquarters and at the group's main subsidiaries.

In 2021, the Management Board met a total of 21 times with an attendance rate of 100%. Its work included examining:

- the group's internal and external growth prospects;
- the principal strategic opportunities and initiatives;
- the activities of the group's main subsidiaries;
- the implementation of the proposed listing of UMG on Euronext Amsterdam and the special distribution in kind of 59.87% of UMG's share capital **(1)**;
- the sale by Vivendi SE to Pershing Square of a 10% stake in UMG;
- the completion of the acquisition of Prisma Media;
- the acquisition of the Lagardère SA shares held by the investment funds managed by Amber Capital, representing 17.93% of Lagardère SA's share capital, and the resulting mandatory public tender offer for all of Lagardère SA's shares;
- the acquisition of a stake in the PRISA group;
- the progress of the Telecom Italia case;
- the assessment of the quality and structure of the group's balance sheet;
- the review and approval of the statutory and consolidated financial statements for fiscal year 2020, the 2021 and 2022 budgets, the 2021 half-year financial statements and the 2021 quarterly revenue information;
- the group's financial position;
- the group's cash position;
- the group's financial communications;
- early redemption of the €1 billion May 26, 2016 bond issue, as part of the Company's dynamic debt management;
- the continuation and renewal of the share repurchase program;
- the intra-group treasury management agreements between Vivendi SE and Bolloré SE and Vivendi SE and Compagnie de l'Odet;
- reviewing the management report and the non-financial performance statement;
- the preparation of quarterly activity reports for the Supervisory Board;
- the compensation policy in place within the group, in particular the grant of a performance-based cash payment in 2021 to the group's key executives and senior managers – replacing the annual grant of performance shares – in connection with the proposed listing of UMG on Euronext Amsterdam and the proposed special distribution in kind of 59.87% of UMG's share capital;
- placing on record the achievement of the performance conditions for the performance shares granted in 2018;
- implementation in 2022 of an employee share ownership plan;
- the development and retention of key talent;
- gender parity and diversity within the group;
- setting gender parity objectives for the group's governing bodies (see Section 4.3.1.2. of Chapter 2 of this Annual Report – Universal Registration Document);
- calling the General Shareholders' Meetings held on March 29 and June 22, 2021; and
- the follow-up of ongoing investigations and legal proceedings, particularly the dispute between Vivendi SE and certain former minority shareholders before the Paris Commercial Court and the settlement reached in the disputes between Vivendi SE and Mediaset and Fininvest.

(1) On September 21, 2021, Vivendi SE paid:
- a €5,312,453,242.85 special dividend in kind (€4.89 per Vivendi SE share), which was paid out of "Retained earnings", as approved by the General Shareholders' Meeting on June 22, 2021 (sixth resolution); and
- a €22,099,807,176.15 special interim dividend in kind (€20.36 per Vivendi SE share), which was paid out of interim earnings as of June 30, 2021, pursuant to the Management Board's decision of September 14, 2021.

1.2.10. INTERNAL COMMITTEES

To perform its management functions and duties, the Management Board relies on several internal committees comprising operational officers or directors at the headquarters and at the group's main subsidiaries.

1.2.10.1. Executive Committee

An Executive Committee, presided over by the Chairman of the Management Board and comprising 14 members, including four women (29%), meets each month with the Management Board members. Its members, each within his/her fields of expertise, assist the Management Board in implementing strategic activities and contribute to the action plans issued by the headquarters and the principal business units.

Its members are:

- Bernard Bacci, Senior Vice President, Head of Taxes;
- Florent de Cournuaud, Vice President, Management and Business Plan Control;
- Laurence Daniel, Senior Vice President, Mergers and Acquisitions;
- Jean-Louis Erneux, Vice President, Press Relations and New Media;
- Stéphanie Ferrier, Vice President, Facilities;
- Xavier Guiffard, Director of Internal Audit;
- Félicité Herzog, Senior Vice President, Strategy & Innovation;
- Xavier Le Roy, Executive Vice President, Investor Relations;
- Caroline Le Masne, Executive Vice President, Legal Affairs, Compliance and CSR;
- Mathieu Peyceré, Executive Vice President, Group Human Resources;
- Marc Reichert, Group Financing & Treasury Director;
- Pierre Le Rouzic, Senior Vice President, Group Consolidation and Financial Reporting;
- Bruno Thibaudeau, Senior Vice President, Business Development & Strategy; and
- Frédéric Vallois, Vice President, Internal Communications & Editorial.

1.2.10.2. Management Committees

At the end of each month, as part of a rigorous review process, the executive managers of all group business units (Canal+ Group, Havas, Editis, Prisma Media, Gameloft, Vivendi Village and New Initiatives) are required to present to the Management Board their results for the month, an analysis of their operational and strategic positioning, their financial targets established in the budget and the monitoring of the completion of such financial targets, their action plans, and other key matters of interest.

1.2.10.3. Investment Committee

Composition

The Investment Committee comprises the Chairman and members of the Management Board, key managers at the headquarters and, where appropriate, the Chief Operating Officers and Chief Financial Officers of the business units.

Powers

The Investment Committee reviews all investment and disposal transactions. This procedure applies to all transactions, whatever the amount, including the acquisition or disposal of equity interests and the launch of new businesses, and to any other financial commitment such as the purchase of rights or real estate agreements.

Any transaction involving amounts greater than €100 million and €300 million must receive the prior approval of the Management Board and the Supervisory Board, respectively.

Activity in 2021

The Investment Committee meets twice a month. The examination of any transaction relies on the work and presentations made beforehand by the Finance Department.

1.2.10.4. Compliance Committee

As part of the group's Compliance Program, the Compliance Committee is responsible for risk identification and prevention measures and procedures, as required by French Law No. 2016-1691 of December 9, 2016 (the "Sapin II" Act), French Law No. 2017-399 of March 27, 2017 on anti-corruption and the duty of care, and EU General Data Protection Regulation no. 2016/679 ("GDPR"). In the exercise of its duties, it works closely with the Risk Committee.

Composition

The Compliance Committee comprises at least five members: the Executive Vice President, Legal Affairs, Compliance and CSR, the Chief Data Officer, the Director of Internal Audit, the Vice President, Compliance & Integrated Reporting, and the Group Chief Compliance Officer, who chairs the committee.

Powers

The Compliance Committee meets at least twice a year. Its role is to make recommendations to the Management Board, contribute to its decisions and issue opinions, notably in relation to the implementation, deployment and monitoring of corruption prevention and detection measures and the personal data protection program.

Activity in 2021

The committee met twice in 2021. Its work during the year mainly focused on monitoring the recommendations of the French Anti-Corruption Agency, reviewing the main operating entities' risk maps and monitoring the work of the Audit Compliance unit.

1.2.10.5. Risk Committee

The role of the Risk Committee is to identify and review risk management systems within business units that are likely to have an influence on the achievement of the group's objectives.

Composition

The committee is chaired by the Chairman of Vivendi SE's Management Board and has the following permanent members: the Chief Operating Officer, the Chief Financial Officer, the Group General Counsel, the Chairman of Vivendi Village and Senior Executive Vice President, Communications for Vivendi, the Senior Vice President responsible for intergroup coordination, the Senior Vice President responsible for investor relations and intergroup financial communications, the Director of Internal Audit, the Executive Vice President, Legal Affairs, Compliance and CSR and the Head of Insurance. Business unit representatives are invited to committee meetings depending on the agenda.

Powers

The role of the Vivendi Risk Committee is to make recommendations to the Management Board in the following areas:

- the identification and assessment of the risks potentially arising from activities carried out within the group, such as regulatory risks, social and environmental risks, risks related to ethics, competition and conflicts of interest and risks related to the security of information systems;
- the examination of the adequacy of the risk coverage and the level of residual risk;
- the review of insurable risks and the insurance program; and
- the review of risk factors and forward-looking statements in the documents issued by the group, in liaison with the Compliance Committee.

A report on the work of the Risk Committee is put before the Audit Committee of Vivendi SE's Supervisory Board.

All the documents submitted to the Risk Committee were brought to the attention of the Statutory Auditors. The Statutory Auditors also receive, at the meetings of the Audit Committee, a summary of the work of the Risk Committee.

Activity in 2021

The Risk Committee met twice in 2021. Its work during the year mainly involved reviewing the impact of the Covid-19 crisis on the group, the use of home working and managing the related cyber risks, the management of liquidity and customer risk within the group's businesses, anti-corruption measures and insurance.

1.2.10.6. Financial Information and Communication Procedures Committee

This committee is responsible for the review and validation of financial information before its release.

Composition

The committee is presided over by the Group General Counsel. Its members are appointed by the Chairman of the Management Board. At a minimum, the committee is made up of the Vivendi executives holding the following positions:

- Group General Counsel;
- Chief Financial Officer;
- Senior Vice President responsible for investor relations and intergroup financial communications;
- Senior Executive Vice President, Communications;
- Senior Vice President, Consolidation and Financial Reporting;
- Group Financing & Treasury Director;
- Director of Internal Audit;
- Executive Vice President, Legal Affairs, Compliance and CSR; and
- Executive Vice President, Investor Relations.

Members of the committee may appoint additional members who are managers from the above-mentioned departments, or alternates. The committee currently comprises 15 regular attendees.

Powers

The committee assists the Chairman of the Management Board and the group's Chief Financial Officer in ensuring that Vivendi fulfills its disclosure requirements to investors, the public and the regulatory and market authorities, specifically the AMF and Euronext Paris in France.

In pursuing its duties and objectives, the committee ensures that Vivendi has established adequate controls and procedures so that:

- any financial information that must be disclosed to investors, the public or the regulatory authorities is reported within the deadlines set forth by applicable laws and regulations;
- all corporate communications are subject to appropriate verification pursuant to the procedures set up by the committee;
- all information requiring disclosure to investors or appearing in the documents recorded or filed with any regulatory authority is communicated to the company's senior management, including the Chairman of the Management Board and the group's Chief Financial Officer, prior to disclosure so that decisions regarding such information can be made in a timely manner;
- assessments of Vivendi's procedures and those of its business units for controlling information as well as internal control procedures, are monitored under the supervision of the Chairman of the Management Board and the group's Chief Financial Officer;
- the Chairman of the Management Board and the group's Chief Financial Officer are advised of any major procedural issues of which the committee should be informed and which are likely to affect Vivendi's procedures for controlling information and its internal control procedures. The committee issues recommendations, where necessary, for changes to be made to these controls and procedures. The committee monitors the implementation of changes approved by the Chairman of the Management Board and the group's Chief Financial Officer; and
- more generally, the Chairman of the Management Board and the group's Chief Financial Officer are assured that they will receive any information they might request.

Activity in 2021

The committee meets at the request of the Chairman of the Management Board, the Chief Financial Officer, the Chairman of the committee or one of its members. Meetings are held following each Meeting of the Audit Committee and are coordinated with the schedule for disclosing financial information on the group's results. In 2021, the committee met five times. Its proceedings primarily consisted of:

- examining the annual and semi-annual account certification letters signed by the Chairman and Chief Financial Officer of each of the group's business units;
- reviewing the financial information published in the annual and half-year financial statements and the quarterly revenue statements and the information published in the Annual Report – Universal Registration Document; and
- reviewing the business report and the non-financial performance statement.

The committee reports on its work to the Chairman of the Management Board and informs the Audit Committee, as necessary.

1.2.10.7. Special Committee Responsible for Regularly Assessing Routine Agreements Entered into on Arm's Length Terms

This Special Committee was formed following the Supervisory Board's decision on November 14, 2019 to set up a formal procedure for regularly assessing whether the group's routine agreements entered into on arm's length terms actually meet these two qualifying criteria.

The Special Committee reports on its assessments to the Audit Committee, which then presents a summary to the Supervisory Board. The Supervisory Board verifies on a yearly basis whether the procedure is still appropriate and makes any necessary updates.

Under this procedure, which was introduced in accordance with Article L. 22-10-29 of the French Commercial Code:

- the two cumulative qualifying criteria, (i.e., whether agreements are routine agreements and are entered into on arm's length terms), will be assessed by the teams concerned within each operating entity, depending on the type of services covered by the agreement(s);
- the decision whether or not to qualify agreements as routine agreements and entered into on arm's length terms must be taken when the agreements are signed, with the assistance, where required, of teams from the Group General Counsel's Department and the Legal Affairs Department; and
- to be classified as routine agreements, such agreements must relate to the following matters: administrative assistance or management services, treasury management or lending/borrowing transactions, tax consolidation agreements, invoicing relating to divestments or acquisitions, or relating to routine activities of operating entities.

The procedure takes into account the analysis of related-party and routine agreements issued by the French Institute of Statutory Auditors in February 2014 and has been relayed to the legal affairs and finance departments of all the group's main operating entities.

Composition

Chaired by the Group General Counsel and Chief Compliance Officer, the Special Committee is made up of the following members: the Executive Vice President, Legal Affairs, Compliance and CSR; the Vice President, Management and Business Plan Control; the Senior Vice President, Head of Taxes; the Senior Vice President, Consolidation and Financial Reporting; the Group Financing & Treasury Director; and the Vice President, Corporate and Securities Law.

The committee's members may seek advice from any other members of the group or from external parties. As set forth in Article L. 22-10-29 of the French Commercial Code, and in accordance with the above-mentioned procedure, any persons who are directly or indirectly concerned by one of these agreements are not permitted to take part in its assessment.

Powers

The Special Committee's role is to regularly assess – prior to the group's annual and half-yearly financial statements being approved for issue – whether routine agreements entered into on arm's length terms meet the two applicable qualification criteria. For the purpose of its assessments, the committee takes into account the financial flows generated by the performance of the agreements as well as the type of agreements concerned and the contracting parties.

It notably takes into consideration the information that the group already requires its entities to report twice a year concerning related-party agreements.

Activity in 2021

The Special Committee met four times in 2021, including prior to the annual and half-yearly financial statements being approved for issue. It did not identify any agreements that did not meet the criteria for qualifying as routine agreements entered into on arm's length terms and which should therefore have been submitted for approval to the Supervisory Board in accordance with Article L. 225-86 of the French Commercial Code.

Intra-group transactions between Vivendi's subsidiaries and subsidiaries of the Bolloré Group – which fully consolidates Vivendi in its financial statements – involve routine commercial relations and mainly cover:

- investments, repayable at Vivendi SE's first request, under the intra-group cash pooling agreements entered into with Compagnie de l'Odet and Bolloré SE;
- income from communication services provided by Havas to the Bolloré Group; and
- expenses related to (i) transport services provided by the Bolloré Group for the Canal+ Group; (ii) rental payments, notably for CanalOlympia in Africa; and (iii) air transport services rendered as part of the economic interest grouping of which Vivendi and the Bolloré Group are members.

The Special Committee decided that these intra-group transactions did not give rise to any conflicts of interest. For a description and quantification of these business relationships, see Note 24.2. "Bolloré Group – Compagnie de l'Odet" to the financial statements and Note 24.4. "Other Related-Party Transactions" to the financial statements for the fiscal year ended December 31, 2021, presented in Chapter 5 of this Annual Report – Universal Registration Document.

SECTION 2. COMPENSATION AND BENEFITS OF VIVENDI SE'S CORPORATE OFFICERS

This section constitutes an integral part of the Corporate Governance report drawn up in accordance with Articles L. 225-68 and L. 22-10-20 of the French Commercial Code (Code de commerce), *which was reviewed by the Supervisory Board at its Meeting held on March 9, 2022.*

2.1. Compensation policy for 2022 for Vivendi SE's Corporate Officers

This section sets out the compensation policy applicable to Vivendi SE's corporate officers, which will be submitted for approval at the April 25, 2022 General Shareholders' Meeting, in accordance with Article L. 22-10-26 of the French Commercial Code. This policy is submitted for shareholder approval every year and whenever any significant amendments are made to it. If the 2022 policy is not approved, the previously approved policy will continue to apply.

In accordance with Article L. 22-10-34 I. of the French Commercial Code, the information referred to in Article L. 22-10-9 I. of said Code – which is set out in the Corporate Governance report – will be submitted in a resolution to the April 25, 2022 General Shareholders' Meeting. If this information is not approved, a revised policy will be put to the vote at the next General Shareholders' Meeting, and payment of the compensation allocated to the members of the Supervisory Board for 2022 will be suspended until the revised policy is approved.

Pursuant to Article L. 22-10-34 II. of the French Commercial Code, payment in 2022 of the variable portion of the compensation of the Chairman and the members of the Management Board in respect of 2021 and any extraordinary compensation for that year is subject to approval at the General Shareholders' Meeting of April 25, 2022. In addition, payment in 2023 of variable compensation in respect of 2022 and any extraordinary compensation for that year will be subject to approval at the General Shareholders' Meeting to be held in 2023. For this reason, the compensation policy does not provide for any deferral or clawback of variable compensation payments.

2.1.1. COMPENSATION POLICY FOR THE CHAIRMAN AND MEMBERS OF THE SUPERVISORY BOARD

2.1.1.1. General information

Since 2017, the compensation policy for the Chairman and members of the Supervisory Board has been put to the vote each year at the General Shareholders' Meeting. The policy is drawn up by the Supervisory Board, based on the recommendations of the Corporate Governance, Nominations and Remuneration Committee and on the procedures described below. As part of the process for drawing up this policy, the terms and conditions of the compensation and employment of the company's employees are reviewed annually, notably taking into account the ratio between the compensation of the Chairman of the Supervisory Board and the average and median salaries paid within Vivendi (see Section 2.6. of this chapter).

In accordance with Article 7-2 of the company's by-laws, each Supervisory Board member is required to own a minimum of 1,000 Vivendi SE shares throughout his or her term of office **(1)**. This holding requirement forms part of an overall strategy of fostering loyalty among Supervisory Board members and closely aligning their interests with those of the company and the other shareholders over the long term.

If, during a given year, a new Chairman or member of the Supervisory Board is elected, or an existing Chairman or member is re-elected, the compensation policy in force at that time applies to them with immediate effect.

Should any major amendments be made to the compensation policy for the Chairman and members of the Supervisory Board, their implementation is subject to approval at the following Annual General Shareholders' Meeting.

(1) Excluding the member representing employee shareholders and the members representing employees.

2.1.1.2. Compensation of the Chairman of the Supervisory Board

Since 2005, when Vivendi became a *société anonyme* with a Management Board and Supervisory Board, the Chairman of the Supervisory Board's compensation has taken into account his degree of involvement in preparing and leading Board meetings and defining and developing the group's strategy, as well as his role in analyzing proposed acquisitions of controlling or minority interests. His compensation is set by the Supervisory Board, without the Chairman attending the relevant meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee. The Chairman of the Supervisory Board receives Board remuneration for his role as Chairman of the Board, which is allocated to him in accordance with Articles L. 225-83 and L. 22-10-27 of the French Commercial Code (formerly "attendance fees") and is added to his other compensation. The Chairman's total compensation is paid on a half-yearly basis, in arrears.

At its meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to set the Chairman of the Supervisory Board's compensation for 2022 at €400,000, in addition to the €60,000 allocated to him in remuneration for his duties as Chairman of the Board (formerly "attendance fees"). The total compensation of the Chairman of the Supervisory Board remained unchanged between 2014 and 2021, at €400,000, including €60,000 for his duties as Chairman of the Board (formerly "attendance fees"), and his total compensation for 2022 is still well below the total average annual compensation for Chairs of CAC 40 companies (c. €600,000).

2.1.1.3. Compensation of Members of the Supervisory Board

In accordance with Articles L. 225-83 and L. 22-10-27 of the French Commercial Code, the remuneration allocated to members of the Supervisory Board is based on actual attendance at meetings of the Board and its Committees and on the number of meetings held (formerly "attendance fees"). The aggregate amount of this compensation is €1.5 million, unchanged since it was first set at the April 24, 2008 General Shareholders' Meeting. This way of allocating Board members' remuneration encourages attendance at meetings and involvement in the work of the Board and its Committees and helps align their interests with those of the company and its shareholders. The remuneration allocated to the members of the Supervisory Board is paid on a half-yearly basis, in arrears.

At its meeting held on June 24, 2014, the Supervisory Board decided that the total amount of remuneration paid to its members would be allocated as follows: each member of the Supervisory Board receives a fixed annual amount of €60,000; each member of the Audit Committee receives a fixed annual amount of €40,000 (€55,000 for its Chairman); each member of the Corporate Governance, Nominations and Remuneration Committee receives a fixed annual amount of €30,000 (€45,000 for its Chairman); and each member of the CSR Committee receives a fixed annual amount of €20,000 (€30,000 for its Chairman). The amount allocated to each Supervisory Board member in accordance with these rules is calculated in proportion to their time spent as a member of the Board in any given year.

The aggregate gross amount (before tax and amounts withheld at source) of the remuneration paid to all of the Supervisory Board members for 2021 was €1,238,571. This amount is itemized in Section 2.2.1.2. below.

In addition to the above remuneration, Supervisory Board members may receive other compensation from the company for special assignments or services.

Members of the Supervisory Board who hold an executive corporate officer's position in a related company within the meaning of Article L. 225-197-2 of the French Commercial Code or who have an employment contract with Vivendi SE or a related company may be granted performance shares in their capacity as an executive corporate officer or an employee, pursuant to the terms and conditions in Articles L. 225-197-1 and L. 22-10-59 of the French Commercial Code.

One of the Supervisory Board members, as well as the employee shareholder representative (appointed pursuant to paragraph 2 of Article 8.I.-1. of the company's by-laws) and the employee representative (appointed by the Social and Economic Committee pursuant to Article L. 225-79-2 of the French Commercial Code **(1)**) hold permanent employment contracts with Vivendi SE under which they receive compensation (salary and incentive plans) that is commensurate with the jobs they perform within the company. The other employee representative on the Board (appointed by the European Company Committee pursuant to Article L. 225-79-2 of the French Commercial Code **(2)**), has a permanent employment contract with Gameloft SE, under which she receives compensation that is likewise commensurate with her job. In accordance with the company-level collective agreements in force, their employment contracts may be terminated subject to (i) three months' notice as from the notification date of resignation or dismissal (other than in the event of gross or willful misconduct) and (ii) the conditions provided for in the French Labor Code *(Code du travail).*

2.1.1.4. Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the compensation policy for the Chairman and members of the Supervisory Board for 2022.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, which describes the compensation policy for corporate officers, in accordance with Article L. 22-10-26 II. of the French Commercial Code, the General Shareholders' Meeting approves the compensation policy for the Chairman and members of the Supervisory Board for 2022, as set out in Chapter 4, Sections 2.1. and 2.1.1. of the 2021 Annual Report – Universal Registration Document.

(1) Véronique Driot-Argentin, Sandrine Le Bihan and Paulo Cardoso are employees of Vivendi SE.
(2) Athina Vasilogiannaki is an employee of Gameloft SE.

2.1.2. COMPENSATION POLICY FOR THE CHAIRMAN AND MEMBERS OF THE MANAGEMENT BOARD

2.1.2.1. General information

Since 2017, the compensation policy for the Chairman and members of the Management Board has been put to the vote each year at the General Shareholders' Meeting. The policy is drawn up by the Supervisory Board, based on the recommendations of the Corporate Governance, Nominations and Remuneration Committee and on the procedures described below. As part of the process for drawing up this policy, the terms and conditions of the compensation and employment of the company's employees are reviewed annually, notably taking into account the ratio between the compensation of the Chairman and members of the Management Board and the average and median salaries paid within Vivendi (see Section 2.6. of this chapter).

If, during a given year, a new Chairman of the Management Board or Management Board member is appointed, or the current Chairman or a current member is re-appointed, the compensation policy in force at that time applies to them with immediate effect. The compensation components of newly appointed or re-appointed Management Board members are set based on their position and level of responsibility, in accordance with the principles and criteria applicable for determining and allocating compensation set out in this section. Under no circumstances may the amount of the average fixed compensation of the Chairman and members of the Management Board exceed the overall cap set for this compensation, as described in this section.

Any major amendments made to the compensation policy for the Chairman and members of the Management Board would be subject to approval at the General Shareholders' Meeting.

The purpose of the compensation policy is to closely align corporate officers' compensation with shareholders' interests, in both the short and longer term, which in turn contributes to the company's ability to deliver on its strategy and ensure its longevity. With this in mind, the three main focuses are:

- the quantitative balance of compensation, with particular attention paid to variable components (short- and long-term) in line with the group's development and growth. The amount of the fixed portion of compensation must be competitive to attract, incentivize and retain people in the group's most senior positions;
- the stringency and relevance of the criteria used to determine the annual variable portion. These criteria are based on financial and non-financial objectives proposed by the Corporate Governance, Nominations and Remuneration Committee and set by the Supervisory Board, which notably take into account ESG issues; and

- the group's long-term development, through performance share grants that are subject to (i) an internal indicator based on criteria linked to the group's financial performance and the reduction in Vivendi's carbon footprint over the medium-term, and (ii) an external indicator based on stock market performance criteria aimed at bringing the interests of executives even closer in line with those of shareholders.

This policy will apply when determining the compensation of the executive management of major subsidiaries, with different weightings and criteria that are adapted to their business operations and their level of responsibility.

Improvements to the compensation policy for 2022 – Review and consideration of the expectations formulated by voting advisory agencies and shareholders at the Annual General Shareholders' Meeting of June 22, 2021

Following the Combined General Shareholders' Meeting of June 22, 2021, and as part of preparing the compensation policy for 2022, Vivendi strengthened its dialog process with certain voting advisory agencies and various shareholders (see also the section entitled "Combination of the roles of Chairman of Vivendi SE's Supervisory Board and Chairman and Chief Executive Officer of Havas" in Section 1 of this chapter).

In January 2022, Yannick Bolloré engaged in direct discussions on behalf of the Supervisory Board with the voting advisory agencies and shareholders concerned, and provided the following explanations:

Expectations of voting advisory agencies and shareholders	Supervisory Board responses and commitments
Compensation structure	**Total compensation of the Chairman of the Management Board**
	▸ Total compensation for 2021: €4,465,346 **(a)**; ▸ Amount determined by comparison with a panel of comparable entities in the content creation and distribution sector, excluding certain non-comparable competitors (including US-listed companies and unlisted EMEA GAFAM subsidiaries) **(b)**; ▸ 2021 fixed portion (unchanged in 2022): €2,000,000 (the fixed portion was unchanged between 2018 and 2020, at €1,400,000); ▸ Since 2021, the fixed portion has taken into account Yannick Bolloré's greater involvement in defining Vivendi's new strategy and creating value for the group, particularly with regard to: – the stock market performance of Vivendi SE shares between June 2014 and December 2021 (up 201.4%) compared to the CAC 40 index (up 96.9%) **(c)**, – selecting the most appropriate timing for the special distribution of 59.87% of UMG's share capital (592.3% in value created between July 2013 and December 2021) **(d)**, and – the complexity of the transactions carried out in implementing Vivendi's strategy (e.g., UMG and Lagardère).
	Weighting of the annual bonus (target of 80% of the fixed portion, maximum of 100%)
	▸ Cap decided as of 2016 with a view to retaining executives over the long term, in particular to ensure that ambitious targets are set in the annual budget, that are aligned with Vivendi's strategy; ▸ As a reminder, prior to the 2016 adjustment of the weighting of the annual bonus: – between 2014 and 2015: the annual bonus target was 100% of the fixed portion, with a 150% cap; and – prior to June 24, 2014 (start of the term of office of the Chairman of the Management Board): the annual bonus target was 120% of the fixed portion with a 200% cap.
	Annual performance share grants
	▸ Vivendi has chosen a larger group of beneficiaries (approximately 600 employees, managers and corporate officers within the group); ▸ Performance shares granted to the Chairman and members of the Management Board: – limited to account for the larger group of beneficiaries, – capped at 0.035% of the share capital per year, or approximately 385,000 shares **(e)**, and – the book value of the grant is also capped at 150% of the fixed portion until 2021. Regarding the 2022 grant, the value of the performance shares granted to the Chairman of the Management Board is capped at 50% of the fixed portion of his compensation. For the other members of the Management Board, the value of each performance share grant is capped at 100% of the fixed portion.

Expectations of voting advisory agencies and shareholders	Supervisory Board responses and commitments
	Transparency of achievement levels of performance criteria (annual bonus and performance shares)
Transparency and readability	**Financial criteria** ► Ex ante: for confidentiality reasons, targets are only published ex post; and ► Ex post: achievement level is published each year against predefined targets (threshold, target and maximum) consistent with best practices **(f)**. **Non-financial criteria** ► Ex ante: enhanced transparency, particularly regarding the publication of ESG targets (threshold, target and maximum) **(g)**; and ► Ex post: achievement level is published each year against predefined targets **(f)**. **Improvement of the calculation method for performance share grants** ► Stock market performance (external indicator: 30% weighting for performance share grants): no shares are granted if the Vivendi SE share performance is lower than that of the STOXX® Europe Media index (20%)/CAC 40 (10%) index over the three-year vesting period **(h)**; ► Removal of the ability to offset the results of each performance criterion: – since the 2019 share grant, the results of the internal and external indicators can no longer be offset against each other **(i)**, and – starting with the 2022 share grant, the results of each criterion set for the internal and external indicators can no longer be offset against each other **(i) (j)**.
	Aligning non-financial performance criteria to Vivendi's strategy
	► Differentiated criteria for the assessment of short-term compensation (annual bonus) and long-term compensation (performance share grants); ► To provide dynamic support to the group's efforts, the nature and weighting of the criteria used are set to reflect the importance of, and progress made in, strategic efforts; ► Increasing the weighting of measurable and material ESG criteria for the assessment: – of the annual bonus: increased from 5% to 12% as of 2020, then from 12% to 15% as of 2022, and – of performance share grants: introduction of a differentiated criterion linked to the reduction in Vivendi's carbon footprint, representing a weighting of 10% from 2022.

(a) Includes €2,000,000 for the 2021 fixed portion, €1,600,000 for the 2021 annual variable portion, €840,000 in replacement of the 2021 annual performance share grant and €25,346 of benefits in kind.

(b) EMEA: Europe, Middle East & Africa; GAFAM: Google, Apple, Facebook, Amazon, Microsoft.

Details of the entities included in the panel used in the benchmarking study for 2022 are presented in the section "Fixed portion" in Section 2.1.2.2. below.

Vivendi's position in relation to the median of the panel of companies used in the 2022 benchmarking study is presented in the section "Calculation of compensation for 2022" in Section 2.1.2.2. below.

(c) Reinvested dividends.

(d) As of December 31, 2021, UMG's market capitalization was €44.9 billion, compared to a valuation of approximately €6.5 billion based on the price offered to Vivendi by Softbank in July 2013.

(e) As a reminder, the maximum amounts approved by the General Shareholders' Meeting of June 22, 2021, are as follows: 1% of the share capital over a period of thirty-six months for all beneficiaries, with a maximum of 0.33% of the share capital per year and 0.035% of the share capital per year for the Chairman and members of the Management Board.

(f) See "Calculation of variable compensation for 2021" in Section 2.2.2.1., and in Section 2.3.4. of this chapter.

(g) See "Criteria for 2022" and "Performance share grants" in Section 2.1.2.2. below.

(h) See the June 8, 2021 communication "Details of the Combined Annual General Meeting of June 22, 2021", available on Vivendi's website: https://www.Vivendi.com/en/shareholders-investors/shareholders-meeting/previous-agms/.

(i) See "Performance share grants" in Section 2.1.2.2. and in Section 2.3.4. of this chapter.

(j) For the internal indicator (70% weighting): Adjusted net income per share (40%), group CFAIT (20%) and reduction in Vivendi's carbon footprint (10%); for the external indicator (30% weighting): change in Vivendi's share price relative to the STOXX® Europe Media index (20%) and the CAC 40 index (10%).

These amendments, which have strengthened the company's compensation policy for 2022, supplement those made in previous years, which were as follows:

- removing the option given to beneficiaries who leave the company to maintain all their rights to performance shares during the three-year vesting period; and
- increasing the minimum achievement level of performance objectives conditioning the payment of severance compensation to the Chairman of the Management Board.

In 2022, Vivendi will pursue its dialog with its shareholders consistent with its policy of policy concerning corporate officers' compensation.

2.1.2.2. Compensation Components of Members of the Management Board

Fixed Portion

Each year, upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board sets the compensation of the members of the Management Board based on the level of responsibility of each member and taking into account benchmarking studies carried out by independent firms on the practices applied by a panel of French and international companies that are comparable with Vivendi or that operate in the same business sectors **(1)**. US-listed companies and unlisted EMEA GAFAM subsidiaries **(2)** are not included in the panel.

The companies in this panel all operate in the content creation or distribution sectors (television, publishing, media, advertising and communication), have an operating presence on at least three continents with a decentralized structure and are comparable to Vivendi in terms of their revenue and number of employees. The panel also takes into account other factors such as the diversity and complexity of each company's businesses or their sensitivity to demand.

Annual Variable Compensation

The annual variable compensation of the Management Board members is based on precise, measurable and appropriate financial and non-financial criteria. To provide dynamic support to the group's efforts, the weighting assigned to the criteria used in calculating the annual variable portion of compensation reflects the importance of and progress made in strategic efforts.

To align application of the compensation policy with the performance of the Chairman and members of the Management Board, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board may, if appropriate, take certain exceptional factors into account that are not reflected in the achievement rates for performance criteria used to determine variable compensation but that have had a material favorable or adverse effect on Vivendi's performance. Under no circumstances will the amount awarded for each performance criterion exceed the maximum amount set in the compensation policy. Shareholders will be informed of any such factors before being asked to vote on the proposed annual variable compensation payments at the Annual General Shareholders' Meeting to be held in 2023.

Financial criteria

Financial criteria are based on the financial indicators that the Corporate Governance, Nominations and Remuneration Committee has deemed most relevant for assessing the financial performance of the group and its major subsidiaries, whose businesses are based on a very similar economic model: the sale of content and services. These indicators are as follows:

- group EBITA, which is an indicator of the operating performance of the group's activities, and therefore their underlying trends; and
- cash flow from operations after interest and tax (group CFAIT), which provides a measure of the cash flow generated from actual operating activities.

These indicators give an accurate measurement of the performance and income recorded by each business unit, in line with Vivendi's value creation and overall strategy. Where appropriate, achievement rates may be adjusted to take into account certain non-recurring factors. Shareholders will be informed of any such factors before being asked to vote on the proposed annual variable compensation payments at the Annual General Shareholders' Meeting to be held in 2023.

(1) ITV (United Kingdom), Lagardère, MediaForEurope (Netherlands), Pearson (United Kingdom), Publicis, RELX group (United Kingdom), Thomson Reuters (Canada), Wolters Kluwer (Netherlands) and WPP (United Kingdom).

(2) EMEA: Europe, Middle East & Africa; GAFAM: Google, Apple, Facebook, Amazon, Microsoft.

Non-financial criteria

The applicable non-financial criteria are based on the strategic assignments allocated to the company's executive corporate officers. They are set in line with the group's overall strategy and the action plans defined for each business unit.

They allow for the assessment of the ability of officers to implement and complete planned disposals or acquisitions, undertake the necessary strategic realignments in an increasingly competitive environment, and identify new directions with regard to content and services offerings.

Criteria for 2022

At its meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board set the following objectives and weightings:

- Financial criteria (60% weighting):
  - 35%: group EBITA **(3)**,
  - 25%: cash flow from operations after interest and tax (group CFAIT); and
- Non-financial criteria (40% weighting):
  - 10%: success of the Lagardère transaction:
    - 4%: if the company holds more than 50% of Lagardère SA's share capital or voting rights following the public tender offer filed on February 21, 2022,
    - 3%: based on the progress of regulatory authorizations,
    - 3%: based on the progress of the HR aspects of the transaction,
  - 15%: further developments to Vivendi's business strategy in 2022, with the new strategy adopted by:
    - shareholders (7.5% weighting),
    - other stakeholders (7.5% weighting),
  - 15%: the implementation of ESG action plans.

The ESG action plans are aligned with Vivendi's sustainable development priorities and also with the performance objectives applicable to the compensation of the main operational directors at the group's headquarters. The detailed objectives are as follows:

- environmental (5%): reduce Vivendi's carbon footprint, based on indicators related to Scope 1 and Scope 2 energy use, as presented in the low-carbon pathway which will be assessed in 2022 based on Science-Based Targets (threshold: 3% reduction in greenhouse gas emissions in $tCO_2eq.$; target: 4% reduction; maximum: 5% reduction) **(4)**;
- HR (5%): promote talent and diversity, based on indicators related to:
  - developing mentoring programs for young job-seekers (objective based on the number of young people who began a mentoring program in 2022) (threshold: 80; target: 100; maximum: 120) **(5)**,
  - increasing gender diversity within the group's Management bodies (threshold: 36%; target: 38%; maximum: 40%) **(6)**,
  - the number of group employees given anti-discrimination training, particularly relating to gender discrimination (threshold: 30%; target: 40%; maximum: 50%); and

(3) Different criterion to that applied for more long-term components (performance share grant) – Adjusted net income per share.

(4) Achievement level as of December 31, 2021: 36,361 $tCO_2eq.$ (see the environmental indicators in Section 5.3. of Chapter 2 of this Annual Report – Universal Registration Document).

(5) See the information on skills volunteering in Section 4.3.3.1. of Chapter 2 of this Annual Report – Universal Registration Document.

(6) See the gender equality policy described in Section 4.3.1.2. of Chapter 2 of this Annual Report – Universal Registration Document.

– governance (5%): deploy the compliance program, based on indicators related to:
  - the number of group employees given anti-corruption training (threshold: 80%; target: 90%; maximum: 100%),
  - personal data protection measures (threshold: 80%; target: 90%; maximum: 100%),
  - the number of group employees given training on the duty of vigilance (threshold: 40%; target: 50%; maximum: 60%).

Shareholders will be informed of corporate officers' achievement rates for the financial and non-financial criteria at the Annual General Shareholders' Meeting to be held in 2023 before being asked to vote on the proposed annual variable compensation payments to be made in 2023.

Weighting of the variable portion compared with the fixed portion (unchanged from 2020)

For 2022, the variable portion is equal to 80% of fixed compensation if the objectives are achieved, with a maximum of 100% if the objectives are substantially exceeded.

Performance share grants

Purpose

Annual compensation is supplemented by deferred compensation that reflects the company's longer-term challenges to align the interests of management with those of shareholders. This deferred compensation takes the form of grants of performance shares, which vest subject to achieving objectives related to (i) an internal indicator comprising several criteria that are separate from those that apply to annual variable compensation (short-term portion) and (ii) an external indicator.

The number of rights granted each year is dependent on the position and level of responsibility of each member of the Management Board. The fair value of the rights is calculated in accordance with IFRS 2, which takes into account the opening price on the date on which the rights were granted, the period of acquisition, the expected dividend yield and the holding period. The value of each share grant may not represent more than 50% of the fixed portion of the compensation of the Chairman of the Management Board and 100% of the fixed portion of compensation for each Management Board member.

On the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board approves the criteria for the final grant of performance shares and sets the limits (threshold, target and maximum) for calculating the level of performance to be achieved, thus determining whether the shares vest in full or in part.

For the performance shares that may be granted in 2022, the following vesting conditions will apply, as assessed over a three-year period (2022-2024):

Weighting	Indicators
70%	**Internal indicator: financial and non-financial objectives**
40%	Adjusted net income per share **(1)**
20%	Cash flow from operations after interest and tax (group CFAIT)
10%	Reduction in Vivendi's carbon footprint, based on indicators related to Scope 3 emissions, as presented in the low-carbon pathway that will be assessed in 2022 based on Science-Based Targets **(2)**
30%	**External indicator: average stock market indices performance (3)**
20%	STOXX® Europe Media index
10%	CAC 40

(1) A different criterion to that used for short-term components (variable portion for 2022) – group EBITA.

(2) See the environmental indicators in Section 5.3. of Chapter 2 of this Annual Report – Universal Registration Document. The final vesting rate will be determined as follows:

	Changes in Scope 3 indicators over the period	Vesting rate
Threshold	6% reduction in greenhouse gas emissions (in $tCO_2eq.$)	50%
Target/Maximum	9% reduction in greenhouse gas emissions (in $tCO_2eq.$)	100%

(3) Reinvested dividends. For each index, the final vesting rate will be determined as follows:

	Vivendi SE share performance over the period	Vesting rate
Threshold	Performance ≥ benchmark index	50%
Target/Maximum	Performance 10% **(*)** higher than the benchmark index	100%

(*) Or +1 point if the performance of the benchmark index is between -10% and +10%.

When assessing the external indicator, as recommended by the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board will take into account any changes in the composition of the panel of benchmark indices.

The achievement of the above performance criteria will be assessed over a three-year vesting period and will be reported on at the Annual General Shareholders' Meeting to be held in 2025.

Calculation

As from the 2022 grant, the number of performance shares that will vest after the three-year vesting period, provided that the beneficiary still forms part of the group, will be determined as follows (without any possibility of offsetting the results of each of the criteria against each other):

- all of the shares will vest if the achievement rate for each criterion is equal to or higher than the target;
- no shares will vest for a criterion if the achievement rate for that criterion is less than the threshold; and
- if the achievement rate for each criterion is between the threshold and the target, then the number of shares that vest will be calculated proportionately.

To align application of the compensation policy with the performance of the Chairman and members of the Management Board, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board may, if appropriate, take certain exceptional factors into account that are not reflected in the achievement rates for performance criteria used to determine the vesting rate but that have had a material favorable or adverse effect on Vivendi's performance. Under no circumstances will the amount awarded for each performance criterion exceed the maximum amount set in the compensation policy. The shareholders will be informed of any such factors, if applicable, at the Annual General Shareholders' Meeting to be held in 2025.

See Section 2.3.4. of this chapter for the achievement rates assessed for each indicator for the 2019 plans.

The table below shows the impact in previous years of applying performance criteria and setting the threshold and target applicable to each of these criteria to the vesting rate of performance share plans.

Year of Vesting	2013	2014	2015	2016	2017	2018	2019
Reference period for the assessment of performance criteria	2013-2014	2014-2015	2015-2017	2016-2018	2017-2019	2018-2020	2019-2021
Vesting rate	76%	75%	75%	75%	75%	75%	100%

Vesting conditions for performance shares held by executive corporate officers

Following the assessment of achievement of the performance criteria linked to the plans, performance shares vest at the end of a three-year period (since 2015), subject to the beneficiaries being present in the company during the vesting period. The shares must also be held by the beneficiaries for an additional two-year period (holding period).

Since the 2019 grants, beneficiaries can no longer retain their rights to performance shares if they resign or leave the company at the initiative of the company. However, these rights may be retained proportionately to the beneficiaries' presence within the group during the vesting period, provided that the applicable performance conditions are met at the end of the three-year vesting period **(1)**.

(1) For the Chairman of the Management Board, see the section below entitled "Conditional Severance Payment for the Chairman of the Management Board upon Termination of his Position".

Extraordinary compensation

No payment of extraordinary compensation or special grants of performance shares are authorized for 2022 other than the partial adjustments provided for in respect of the 2019 and 2020 performance share rights, which were not eligible for the special distribution in kind of 59.87% of UMG's share capital on September 21, 2021 (see "Non-eligibility of 2019 and 2020 performance share rights for the special distribution in kind of one UMG share for one Vivendi SE share" below).

Non-eligibility of 2019 and 2020 performance share rights for the special distribution in kind of one UMG share for one Vivendi SE share

At September 22, 2021 – the record date for the special distribution in kind of 59.87% of UMG's share capital – the rights granted under the 2019 and 2020 performance share plans were in their vesting period, with the related shares due to vest in 2022 and 2023, respectively.

Consequently, the 2019 and 2020 performance share rights (still in their vesting period) of the 600 Vivendi group employees, executives and corporate officers concerned:

- were not eligible for the special distribution in kind of one UMG share for one Vivendi SE share, and no UMG shares were allocated to the performance shares concerned;
- could not be maintained, as the special dividend and the special interim dividend in the form of UMG shares were taken from distributable income. The impact of the distribution in kind on the performance share rights still in their vesting period did not give rise to the legal adjustment provided for in Article L. 228-99 of the French Commercial Code because this legal adjustment for rights in their vesting period only applies in the event of a distribution taken from reserves or share premiums; **(1)** and
- do not take into account – for the performance shares that will vest in 2022 and 2023 – all of the performances achieved since the shares were originally granted in February 2019 and February 2020. In relation to these grants:
  - the book value of the shares on the original grant date was €19.37 per 2019 performance share and €21.68 per 2020 performance share **(2),**
  - the closing Vivendi SE share price on September 20, 2021 – i.e., the day before the ex-date for the special distribution – was €31.53, representing a value creation of around 60% since February 2019 and 45% since February 2020, and
  - the closing Vivendi SE share price for the fourth quarter of 2021 ranged between €10.87 and €11.99 (after the special distribution in kind of UMG shares).

(1) See Section 5 of the report on the special dividend in kind and on the special interim dividend in kind published on April 19 and 22, 2021, available on Vivendi's website at https://www.vivendi.com/en/shareholders-investors/shareholders-meeting/previous-agms/.

(2) These estimated per-share values at the grant dates of February 14, 2019 and February 13, 2020 are given for information purposes only. They were calculated by applying the binomial model used to measure the value of share-based payments pursuant to IFRS 2. This theoretical value does not necessarily represent the gain that could be made on the future sale of the shares, which will depend on the share price on (i) the vesting date (in 2022 and 2023, respectively) and (ii) the date on which the shares are sold (as from 2024 and 2025, respectively).

Many of the Vivendi group employees, executives and corporate officers who are beneficiaries under these plans therefore asked the group's management teams to put a voluntary adjustment mechanism in place to neutralize this reduction in the value of their rights, which was not due to a decline in the group's performance. Consequently, at its meetings of November 18, 2021 and March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, and to continue to align the interests of the company's various stakeholders, the Supervisory Board decided on the principle of paying a gross amount of €7 for each of the performance share rights that vest for the group employees, executives and corporate officers under the 2019 and 2020 performance share plans (subject to (i) the beneficiary's presence in the group on the vesting date and (ii) the achievement levels of the performance criteria set in 2019 and 2020).

Again, with the aim of aligning interests, the conditions applicable to the Chairman and members of the Management Board in relation to this voluntary partial adjustment mechanism will be the same as those for the group's other employees, executives and corporate officers. After the UMG distribution, the adjusted overall grant represents approximately 60% of the closing Vivendi SE share price on the day before the ex-date for the special distribution of UMG shares:

		Before the UMG distribution		After the UMG distribution	
	Number of 2019 performance shares (1)	**Book value (€19.37 per 2019 performance share) (2)**	**Value based on closing Vivendi SE share price as of September 20, 2021 (€31.53) (3)**	**Value based on closing Vivendi SE share price as of December 31, 2021 (€11.89)**	**Amount of partial adjustment (€7 per 2019 performance share)**
Arnaud de Puyfontaine	40,000	€774,800	€1,261,200	€475,600	€280,000
				€755,600	
Gilles Alix	n/a	n/a	n/a	n/a	n/a
Cédric de Bailliencourt	n/a	n/a	n/a	n/a	n/a
Frédéric Crépin	35,000	€677,950	€1,103,550	€416,150	€245,000
				€661,150	
Simon Gillham	30,000	€581,100	€945,900	€356,700	€210,000
				€566,700	
Hervé Philippe	20,000	€387,400	€630,600	€237,800	€140,000
				€377,800	
Stéphane Roussel	40,000	€774,800	€1,261,200	€475,600	€280,000
				€755,600	

n/a: not applicable.

(1) After the final vesting rate has been placed on record (see Section 2.3.4. of this chapter).

(2) The book value is calculated based on the number of 2019 performance shares. The value per performance share used for this table corresponds to the value recognized in the financial statements in accordance with IFRS 2 (see Note 20 to the consolidated financial statements in Chapter 5 of the 2020 Annual Report – Universal Registration Document).

(3) The day before the ex-date for the UMG distribution.

Pursuant to Article L. 22-10-34 II. of the French Commercial Code, the payment of this amount in 2023 on the 2019 performance shares that vest in 2022 will be subject to approval at the Annual General Shareholders' Meeting to be held in 2023.

The payment of the gross amount of €7 for each 2020 performance share right will be contingent on the level of achievement of the performance conditions set in 2020, which will be recorded in 2023 and will be subject to the approval of the Annual General Shareholders' Meeting to be held in 2024.

For further information on the 2019 and 2020 performance share rights covered by this partial adjustment mechanism, see "Non-eligibility of 2019 and 2020 performance share rights for the special distribution in kind of one UMG share for one Vivendi SE share" in Note 21.1.3 to the consolidated financial statements in Chapter 5 of this Annual Report – Universal Registration Document.

Benefits-in-Kind in Addition to Compensation

Benefits-in-kind granted to the Chairman and members of the Management Board may include the use of a company car (with no chauffeur provided), profit sharing (under Vivendi's collective agreement), a time savings account (CET), employer contribution to excess Social Security charges and GSC coverage (job-loss insurance for the Chairman of the Management Board who has waived his employment contract).

Signing Bonus – Deferred Compensation

Signing Bonus

When Management Board members are hired externally, the Supervisory Board may, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, award them a signing bonus in cash or in performance shares to compensate for the loss of deferred compensation in their previous functions outside the Vivendi group.

Long-Term Cash Incentive

No long-term cash incentive plan has been granted to members of the Management Board.

Non-Compete Payments

Members of the Management Board are not entitled to non-compete benefits.

Conditional Severance Payment for the Chairman of the Management Board upon Termination of his Position

At its meeting held on February 27, 2015, the Supervisory Board noted that Arnaud de Puyfontaine no longer held an employment contract, which was waived following his appointment as Chairman of the Management Board, nor was he entitled to any termination benefits if he were to be removed from office. Consequently, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board resolved that if the company were to terminate Arnaud de Puyfontaine's duties, he would be entitled to a severance payment which would be subject to performance conditions as recommended in the AFEP-MEDEF Code. This severance payment would not be payable in the event of willful misconduct *(faute lourde),* resignation or retirement, and would be capped at a gross amount equal to eighteen months of Arnaud de Puyfontaine's target compensation (on the basis of his most recent fixed compensation and his last annual bonus earned over a full year).

At its meeting held on February 14, 2019, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided:

- to increase the achievement rate of performance criteria set for the severance compensation from 80% to 90%; and
- to remove the possibility of maintaining all rights to performance shares should he leave the company. These rights are maintained, where applicable, in proportion to his presence in the company during the vesting period, provided that the applicable performance conditions are met at the end of the three-year vesting period.

If the bonus paid during the reference period (the twelve-month period preceding notification of departure) is:

- greater than the target bonus, the calculation of the severance payment will only take into account the amount of the target bonus; or
- less than the target bonus, the amount of the severance payment will, in any event, be capped at two years of the compensation actually received (in compliance with the AFEP-MEDEF Code) and may not exceed eighteen months of the target compensation.

The severance payment will not be payable if the group's financial results (adjusted net income and cash flow from operations) are less than 90% (compared to 80% previously) of the budget over the two years prior to the Chairman's departure and if Vivendi SE's share performance is less than 90% (compared to 80% previously) of the average performance of a composite index (50% CAC 40 and 50% STOXX® Europe Media) over the last twenty-four months.

The Chairman of the Management Board is not entitled to any other severance payment from any company within the group's scope of consolidation (within the meaning of Article L. 233-16 of the French Commercial Code).

Severance Payment for Members of the Management Board

Members of the Management Board who have an employment contract with the company are not entitled to any type of severance payment due to termination of their office. Except for the Chairman of the Management Board, the executive corporate officers are contractually entitled to a severance payment in the event of termination of their employment contract at the company's initiative. These payments are capped at eighteen months' worth of compensation (fixed + target bonus).

With the exception of the Chairman, the members of the Management Board all hold employment contracts with the company. In accordance with the company-level collective agreement in force within Vivendi, termination of their employment contract is subject to (i) three months' notice as from the notification date of resignation or dismissal (other than in the event of gross or willful misconduct) and (ii) the conditions provided for in the applicable regulations.

The current members of the Management Board are not entitled to any other severance payment from any company within the group's scope of consolidation (within the meaning of Article L. 233-16 of the French Commercial Code).

Supplemental Pension Plan

As is the case for a number of the company's other senior executives, the Chairman and the members of the Management Board are eligible to participate in the defined-benefit supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code *(Code de la Sécurité sociale).* Their entitlement to benefits under the plan was included in the 2020 compensation policy for the Chairman and the members of the Management Board approved at the General Shareholders' Meeting of April 20, 2020 (eighteenth and nineteenth resolutions).

The main terms of this supplemental pension plan are as follows: (i) a minimum of three years' seniority with the company, (ii) accrual of benefits on an annual basis of 1.5% **(1)** (iii) reference compensation used for calculating the pension benefit: fixed and variable compensation received during the year concerned, subject to a dual cap: reference compensation capped at 60 times the French Social Security annual limit – €2,468,160 in 2022 – and accrued benefits limited to 25% of the reference compensation, and (iv) reversionary option in the event of the beneficiary's death. These terms may change depending on the implementing legislation for Government Order No. 2019-697 dated July 3, 2019 on corporate supplemental pension plans.

The Supervisory Board decided to make the increase in the benefit entitlement of the Chairman and members of the Management Board under this supplemental pension plan, for which they are eligible, subject to the following criteria, which will be assessed each year: no increase in benefits will apply if, for the year under consideration, the group's financial results (adjusted net income and cash flow from operations) amount to less than 80% of the budget and if Vivendi SE's stock market performance is less than 80% of the average performance of a composite index (50% CAC 40 and 50% STOXX® Europe Media).

The cumulative amount of benefits accrued under this supplemental pension plan and those accrued up to December 31, 2019 under the previous plan set up in December 2005 **(2)** may not exceed the amount that a beneficiary would have originally received on the exit date under the former plan. In all circumstances, the annual pension annuity may not exceed 25% of 60 times the Social Security annual limit (compared with 30% in the previous plan).

(1) Benefits accrue based on seniority, at an annual rate calculated as follows:

- 0% for the tranche ≤ 4 times the Social Security annual limit (€164,544 in 2022);
- 3% for the tranche > 4 times but ≤ 8 times the Social Security annual limit (€329,088 in 2022); and
- 1.5% for the tranche > 8 times the Social Security annual limit.

(2) As is the case for a number of the company's other senior executives, the Chairman and the members of the Management Board have retained their benefit entitlement accrued in the period to December 31, 2019 under the defined-benefit supplemental pension plan that was set up in December 2005 and approved by the General Shareholders' Meeting of April 20, 2006, following application of the new provisions set out in Article L. 137-11 of the French Social Security Code based on Government Order No. 2019-697 dated July 3, 2019 concerning corporate supplemental pension plans (see "Supplemental pension plan" in Section 2.1.2.2. of Chapter 3 of the 2019 Annual Report – Universal Registration Document).

The other disclosures required under Article D. 22-10-16 of the French Commercial Code are provided in Section 2.2.2.3. of this chapter.

With the exception of the retirement termination payments provided for in the company-level collective agreement in force, the current members of the Management Board are not entitled, under their employment contract, to any other pension benefits from any company within the group's scope of consolidation (within the meaning of Article L. 233-16 of the French Commercial Code).

Calculation of compensation for 2022

Chairman of the Management Board

The compensation of the Chairman of the Management Board must be competitive to attract, incentivize and retain the person holding one of the group's top executive positions.

At its meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board set the compensation of the Chairman of the Management Board for 2022 as follows:

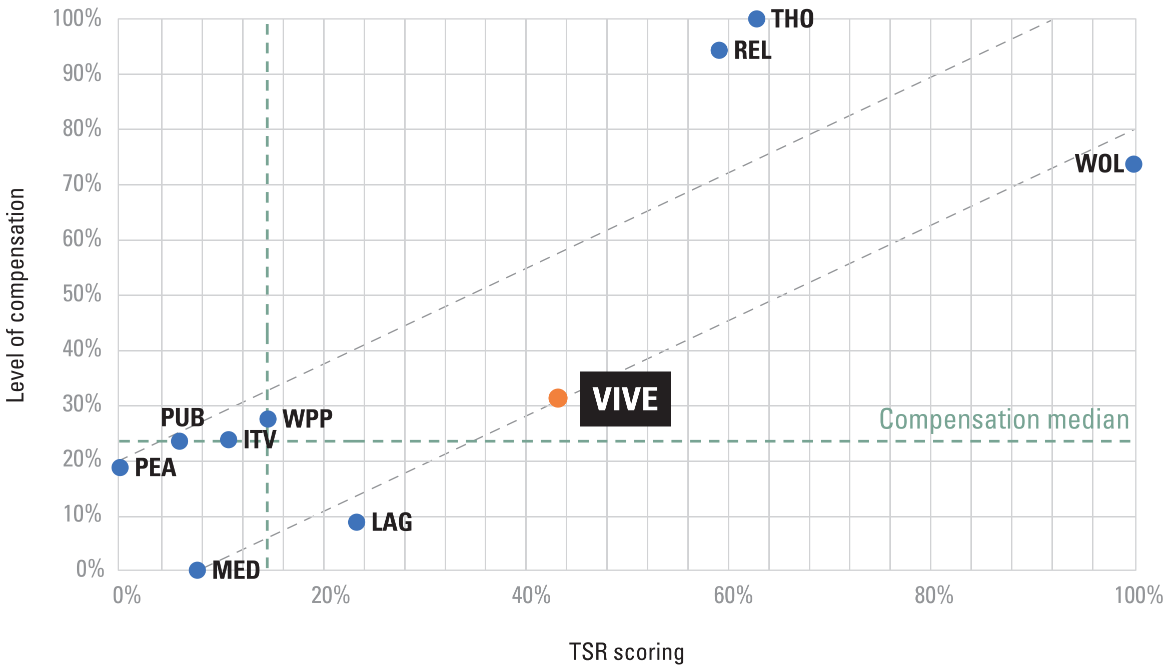
- fixed compensation: €2,000,000 (unchanged from 2021). This amount takes into account the compensation levels observed for the panel of companies included in the benchmarking study **(3)**, as well as the Chairman's increased involvement in defining Vivendi's new strategy to speed the pace of growth, through the growing integration of the group's businesses and their transformation. It also takes into account the creation of value for the group, particularly with regard to **(4)**:
  - Vivendi SE's share performance between June 2014 and December 2021 (up 201.4%) compared to the CAC 40 index (up 96.9%),
  - the decision on the best timing for Vivendi SE and its shareholders for the special distribution in kind of 59.87% of UMG's share capital (592.3% in value created between July 2013 and December 2021),
  - the complexity of the operations carried out in the context of implementing Vivendi's strategy (e.g., UMG and Lagardère); and
- variable compensation: target of 80% of fixed compensation if objectives are met and a maximum of 100% if the objectives are substantially exceeded.

The 2022 performance share grant will be decided by the Supervisory Board, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, after the Management Board's succession plan has been finalized, which is scheduled for June 23, 2022. The performance shares granted under the 2022 plan will all be subject to performance conditions assessed over three years, and the number of shares granted will be capped at 0.035% of the company's share capital, corresponding to an overall 385,000 performance shares to be granted to the Chairman and members of the Management Board. In accordance with his compensation policy, the Chairman of the Management Board may not be granted performance shares in 2022 representing more than 50% of the fixed portion of his compensation (see "Performance share grants" above).

The chart below, based on Total Shareholder Return (TSR), shows Vivendi's position, which approximates the median of the panel of companies included in the benchmarking study **(3)** used to set the components of compensation for the Chairman of the Management Board for 2021. The compensation policy for 2022 does not provide for any increase compared with 2021.

The chart illustrates that the compensation of the Chairman of the Management Board is in line with Vivendi's TSR performance compared with the companies in the panel.

2015-2020: adjusted share price



Source: Cabinet Boracay.

(3) ITV (United Kingdom), Lagardère, MediaForEurope (Netherlands), Pearson (United Kingdom), Publicis, RELX group (United Kingdom), Thomson Reuters (Canada), Wolters Kluwer (Netherlands) and WPP (United Kingdom). See "Fixed portion" above.

(4) See "Improvements to the compensation policy for 2022 – Review and consideration of the expectations formulated by voting advisory agencies and shareholders at the Annual General Shareholders' Meeting of June 22, 2021" in Section 2.1.2.1. of this chapter.

Members of the Management Board

At its Meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board set the following fixed and variable compensation components for 2022 for the Management Board members:

		Variable compensation	
	Fixed compensation (in euros)	**Target**	**Maximum**
Gilles Alix **(1)**	1,170,000	80%	100%
Cédric de Bailliencourt **(1)**	400,000	80%	100%
Frédéric Crépin **(1)**	800,000	80%	100%
Simon Gillham **(1)**	750,000	80%	100%
Hervé Philippe **(1)**	940,000	80%	100%
Stéphane Roussel **(1)**	1,000,000	80%	100%

(1) Compensation unchanged compared to 2021.

The 2022 performance share grant will be decided by the Supervisory Board, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, after the Management Board's succession plan has been finalized, which is scheduled for June 23, 2022. The performance shares granted under the 2022 plan will all be subject to performance conditions assessed over three years, and the number of shares granted will be capped at 0.035% of the company's share capital, corresponding to an overall 385,000 performance shares to be granted to the Chairman and members of the Management Board. In accordance with their compensation policy, the Management Board members (other than the Chairman of the Board) may not be granted performance shares under the 2022 plan representing more than 100% of the fixed portion of their compensation (see "Performance share grants" above).

■ 2.1.2.3. Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the compensation policy for the Chairman of the Management Board for 2022.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, which describes the compensation policy for corporate officers, in accordance with Article L. 22-10-26 II. of the French Commercial Code, the General Shareholders' Meeting approves the compensation policy for the Chairman of the Management Board for 2022, as described in Chapter 4, Sections 2.1. and 2.1.2. of the 2021 Annual Report – Universal Registration Document.

Approval of the compensation policy for members of the Management Board for 2022.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, which describes the compensation policy for corporate officers, in accordance with Article L. 22-10-26 II. of the French Commercial Code, the General Shareholders' Meeting approves the compensation policy for the members of the Management Board for 2022, as described in Chapter 4, Sections 2.1. and 2.1.2. of the 2021 Annual Report – Universal Registration Document.

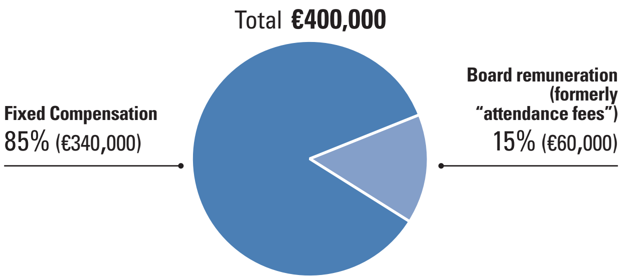
The compensation components of newly appointed Management Board members will be in line with this compensation policy for 2022 (see Section 2.1.2.1. above).

2.2. Components of Compensation and Benefits Paid During or Allocated for 2021 to Vivendi SE's Corporate Officers

This section describes the implementation for 2021 of the compensation policy applicable to the Chairman and members of the Supervisory Board and to the Chairman and members of the Management Board, which was approved in the sixteenth to eighteenth resolutions of the June 22, 2021 General Shareholders' Meeting.

2.2.1. COMPONENTS OF COMPENSATION OF THE CHAIRMAN AND MEMBERS OF THE SUPERVISORY BOARD

■ 2.2.1.1. Compensation of the Chairman of the Supervisory Board – 2021



The gross compensation of the Chairman of the Supervisory Board amounted to €400,000 for 2021, including €60,000 in Board remuneration (formerly "attendance fees"), unchanged from 2020.

Yannick Bolloré is not eligible for any non-compete or severance payments or any supplemental pension plan either in his position as Chairman of Vivendi SE's Supervisory Board or his executive role within the Havas group.

Breakdown of the components of compensation received by Yannick Bolloré within the Vivendi group (1)

- In his capacity as Chairman of the Supervisory Board of Vivendi: for 2021, Yannick Bolloré's compensation (which remained unchanged between 2020 and 2021) amounted to €400,000;
- In his capacity as Chairman and Chief Executive Officer of Havas: the fixed portion of Yannick Bolloré's compensation remained unchanged between 2020 and 2021 (€1,050,000). The variable portion, which is capped at 100% of the fixed portion, is conditioned upon achieving performance conditions based on financial criteria (60% weighting) and non-financial criteria (40% weighting) approved by the Board of Directors of Havas:
  - variable compensation paid in 2020 for 2019: €600,000 (57% of the 2019 fixed portion);
  - variable compensation paid in 2021 for 2020: €420,000 (40% of the 2020 fixed portion); and
  - variable compensation paid in 2022 for 2021: €1,050,000 (100% of the 2021 fixed portion).

No performance shares were granted for 2021 to Vivendi group employees, executives or corporate officers.

This resulted from the fact that when Vivendi listed UMG's shares on Euronext Amsterdam and made the distribution in kind of 59.87% of UMG's share capital on September 21, 2021, Vivendi aimed to ensure compliance with the distribution ratio it had previously announced of one UMG share for one Vivendi SE share.

Consequently, in his capacity as Chairman and Chief Executive Officer of Havas, Yannick Bolloré was granted a cash award in the gross amount of €315,000, calculated based on the same terms and conditions as for the employees, executives and corporate officers of the Vivendi group and subject to the completion in 2021 of the plan to list UMG and distribute UMG shares. This amount corresponds to €21 (gross) for each theoretical right to 2021 performance shares (15,000 theoretical rights to 2021 performance shares, unchanged from those under the 2020 plan). It was calculated based on the achievement levels of the performance criteria, given the success of the UMG distribution, and will be paid in 2022 under the same terms and conditions as those applicable to the Vivendi group's other employees and executive corporate officers **(2)**.

On February 13, 2020, the Chairman and Chief Executive Officer of Havas was awarded 15,000 Vivendi SE performance shares (with a book value of €325,200 **(3)**), under the same terms and conditions as those applicable to the group's other employees and executive corporate officers (see Note 21.1, "Plans granted by Vivendi" to the 2021 consolidated financial statements in Chapter 5 of this Annual Report – Universal Registration Document).

The vesting of these performance shares is subject to the achievement of objectives that apply to all employees, executives and corporate officers who are beneficiaries of the plans concerned. These objectives are detailed on page 144 of the 2019 Annual Report – Universal Registration Document.

Yannick Bolloré was also paid a gross amount of €180,000 for 2021 for the key role he played in retaining strategic customers for the Havas Group.

For further information about the fact that Yannick Bolloré holds positions in both Vivendi and Havas, see "Combination of the roles of Chairman of Vivendi SE's Supervisory Board and Chairman and Chief Executive Officer of Havas" in Section 1 of this chapter.

(1) Components of the compensation paid or allocated by companies controlled by Vivendi SE within the meaning of Article L. 233-16 of the French Commercial Code.

(2) See Section 2.2.2. of this chapter.

(3) The book value is calculated based on the number of performance shares. The value per performance share used for this table corresponds to the value recognized in the financial statements in accordance with IFRS 2 (see Note 21 to the 2021 consolidated financial statements in Chapter 5 of this Annual Report – Universal Registration Document for a description of the measurement of equity-settled instruments). The per-share book value of the performance shares granted on February 13, 2020 is €21.68.

Summary table of gross compensation paid (before tax and social security contributions) and the value of performance shares granted to the Chairman of the Supervisory Board during 2020 and 2021 (AMF Recommendations, Table 1)

(in euros)	2020	2021
Gross compensation paid **(*)**	**(1)** 2,062,197	**(1)** 2,062,197
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(3)**	**(2)** 325,200	**(3)** n/a
Total	**2,387,397**	**2,062,197**

n/a: not applicable.

(*) The Chairman of the Supervisory Board's compensation is paid on a half-yearly basis in arrears.

(1) Includes (i) €400,000 paid for Yannick Bolloré's duties as Chairman of Vivendi SE's Supervisory Board and (ii) €1,662,197 for his duties as Chairman and Chief Executive Officer of Havas (including €12,197 of benefits-in-kind).

(2) The book value is calculated based on the number of performance shares. The value per performance share used for this table corresponds to the value recognized in the financial statements in accordance with IFRS 2 (see Note 21 to the 2021 consolidated financial statements in Chapter 5 of this Annual Report – Universal Registration Document for a description of the measurement of equity-settled instruments). The per-share book value of the performance shares granted on February 13, 2020 is €21.68.

(3) Given that no performance shares were granted for 2021 and in view of his duties as Chairman and Chief Executive Officer of Havas, Yannick Bolloré was also granted a gross amount of €315,000, subject to the completion in 2021 of the plan to list UMG and distribute UMG shares. This amount will be paid in 2022.

2.2.1.2. Board remuneration allocated in accordance with Article L. 225-83 of the French Commercial Code

Individual breakdown of the aggregate board remuneration allocated to members of the Supervisory Board (in euros - rounded)

Members of the Supervisory Board	Amounts paid for 2020 (*)	Amounts paid for 2021 (*)	Individual attendance rate at Supervisory Board and Committee meetings in 2021			
			Supervisory Board	Audit Committee	Corporate Governance, Nominations and Remuneration Committee	CSR Committee
Yannick Bolloré, Chairman **(1)**	60,000	60,000	100%	-	-	-
Philippe Bénacin, Vice Chairman	105,000	105,000	100%	-	100%	-
Cyrille Bolloré	130,000	125,714	90%	100%	100%	-
Paulo Cardoso	120,000	120,000	100%	-	100%	100%
Laurent Dassault **(a)**	70,000	95,714	90%	100%	-	-
Dominique Delport	60,000	60,000	100%	-	-	-
Véronique Driot-Argentin **(2)**	80,000	80,000	100%	-	-	100%
Aliza Jabès	90,000	90,000	100%	-	100%	-
Cathia Lawson-Hall	135,000	135,000	100%	100%	-	100%
Sandrine Le Bihan	80,000	80,000	100%	-	-	100%
Michèle Reiser	120,000	120,000	100%	100%	-	100%
Katie Stanton	92,500	87,143	**(b)** 70%	100%	-	-
Athina Vasilogiannaki **(c)**	7,500	80,000	100%	-	-	-
Total	**1,150,000**	**1,238,571**				

n/a: not applicable.

(*) The remuneration allocated to the Supervisory Board's members is paid on a half-yearly basis, in arrears.

(a) Member of the Supervisory Board and member of the Audit Committee since April 20, 2020.

(b) In 2021, Katie Stanton attended seven out of ten Supervisory Board meetings:

– on April 22 and June 22, 2021, she was unable to attend due to time zone differences; and

– on June 9, 2021, she could not attend an extraordinary meeting called at very short notice.

The Supervisory Board noted that Katie Stanton's attendance record during her term of office has been exemplary (between 2018 and 2020: 95.23% attendance at Board meetings, including 100% in 2018 and 2019, and 100% attendance at Audit Committee meetings). The Supervisory Board is satisfied with the level of Katie Stanton's involvement in its work and the quality of her contributions. The situation in 2021 was exceptional and does not call into question her commitment or available time.

(c) Member of the Supervisory Board since September 23, 2020.

(1) For a breakdown of the total compensation of the Chairman of the Supervisory Board, please refer to the summary tables on compensation in Section 2.2.1.1. of this chapter.

(2) In 2021, as a Vivendi SE employee, Véronique Driot-Argentin received €78,000 in gross compensation and €9,574 in profit sharing.

2.2.2. COMPONENTS OF THE COMPENSATION OF THE CHAIRMAN AND MEMBERS OF THE MANAGEMENT BOARD

2.2.2.1. Status and compensation of the Chairman of the Management Board – 2021

In compliance with the recommendations of the AFEP-MEDEF Code, Arnaud de Puyfontaine waived the benefit of his employment contract following his appointment as Chairman of the Management Board by the Supervisory Board at its meeting held on June 24, 2014.

At its meeting held on March 3, 2021, the Supervisory Board set Arnaud de Puyfontaine's fixed and variable compensation and benefits-in-kind for 2021 as follows:

- fixed compensation: €2,000,000;
- variable compensation: target of 80% of fixed compensation if objectives are met and a maximum of 100% if the objectives are substantially exceeded;
- eligibility for performance share grants, which are subject to meeting predefined conditions set by the Supervisory Board and which will vest and be transferable in accordance with the rules of the applicable performance share plan (maximum book value: 150% of Arnaud de Puyfontaine's fixed compensation). As a reminder, the Chairman of the Management Board did not receive any performance shares for 2021. However, he was granted a gross cash amount of €840,000, calculated based on the same terms and conditions as for the other Vivendi group employees, executives and corporate officers and subject to the completion in 2021 of the plan to list UMG and distribute UMG shares (initially capped at 200% of his fixed compensation);
- use of a company car;
- payment of travel and other expenses incurred in the performance of his duties;
- eligibility for the Social Security, AGIRC and ARRCO pension plans, as well as the personal risk insurance plans (health, disability and life insurance) set up for the company's employees, and subject to the same terms and conditions; and
- eligibility for the supplemental pension plan set up in 2020, for which increases in benefits are subject to performance conditions (see Section 2.1.2. of this chapter).

For the purpose of calculating the variable portion for 2021, at its March 9, 2022 meeting, upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board examined the achievement levels of the financial and non-financial objectives set out in the table below.

To ensure that the 2021 compensation policy reflected the Vivendi group's performance, upon the advice of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board exercised its discretionary powers to revise downwards the variable compensation rate for 2021. This rate was therefore reduced from 89.7% to 80% of the fixed portion to factor in the impact of the impairment of Vivendi's interest in Telecom Italia, which is not reflected in the achievement levels of the financial and non-financial performance criteria (see Note 14 to the 2021 consolidated financial statements in Chapter 5 of this Annual Report – Universal Registration Document).

Calculation of variable compensation for 2021

			2021 objectives (*)				Amount (in euros)
			Threshold	Target	Max.	Actual	
Financial criteria: 60% of maximum annual variable compensation	Group EBITA **(1)** (> maximum)	*As a % of fixed compensation*	*0%*	*28%*	*35%*	***35%***	700,000
		Value of the indicator (in millions of euros)	524	552	579	**690**	
	Cash flow from operations after interest and tax (group CFAIT) (> maximum)	*As a % of fixed compensation*	*0%*	*20%*	*25%*	***25%***	500,000
		Value of the indicator (in millions of euros)	69	72	76	**579**	
TOTAL FINANCIAL CRITERIA			**0%**	**48%**	**60%**	**60%**	**1,200,000**
Non-financial criteria: 40% of the maximum annual variable compensation	**Proposed listing of UMG in 2021** UMG's market capitalization > €36 billion (> maximum)	*As a % of fixed compensation*	*0%*	*8%*	*10%*	***10%***	200,000
	Continued development of Vivendi after distribution of UMG shares	*As a % of fixed compensation*					120,000
	▶ Adoption by shareholders (< target): holding discount maintained despite overwhelming support in 2021	– Shareholders	*0%*	*4%*	*5%*	***3%***	
	▶ Adoption by other stakeholders (< target): stable employee share ownership, close to 2.7% of capital between September and December 2021	– Other stakeholders	*0%*	*4%*	*5%*	***3%***	
	Reduction of the group's exposure to risk – legal and tax disputes	*As a % of fixed compensation*					100,000
	▶ Main legal disputes, excluding MediaForEurope (< target): provisions for claims and litigation down 8% between 2020 and 2021	– Legal disputes	*0%*	*3.25%*	*4%*	***2.5%***	
	▶ Major tax disputes (< target): no resolution in 2021	– Tax disputes	*0%*	*3.25%*	*4%*	***2.5%***	
	Implementation of initiatives integrating ESG issues	*As a % of fixed compensation*	*0%*	*9.5%*	*12%*	***8.7%***	174,400
	▶ Environment	*As a % of fixed compensation*	*0%*	*4%*	*5%*	***2.5%***	
	– Standard electricity consumption/group revenue (> maximum)	– Standard electricity	-3%	-4.2%	-5%	**-17.2%**	
	– CO_2 emissions/group revenue (< threshold)	– CO_2	-3%	-4.2%	-5%	**2.2%**	
	▶ Social	*As a % of fixed compensation*	*0%*	*3.2%*	*4%*	***3.8%***	
	– Canal+ Group: increase the share of local program financing (> maximum)	– Canal+ Group	42%	44%	46%	**55%**	
	– Havas: ensure diversity representation in all advertising campaigns (> maximum)	– Havas	2	1	0	**0**	
	– Governing bodies: improve gender balance (> maximum)	– Governing bodies	32%	34%	36%	**34.8%**	
	▶ Governance	*As a % of fixed compensation*	*0%*	*2.4%*	*3%*	***2.4%***	
	– Employee training in anti-corruption (< target)	– Anti-corruption	80%	90%	100%	**82.72%**	
	– In personal data protection measures (> target)	– Data protection	80%	90%	100%	**99.20%**	
	– In the deployment of risk mapping within the framework of the Sapin II Act (= maximum)	– Risk mapping	80%	90%	100%	**100%**	
TOTAL NON-FINANCIAL CRITERIA			**0%**	**32%**	**40%**	**29.7%**	**594,400**
TOTAL VARIABLE COMPENSATION AS A % OF FIXED COMPENSATION			**0%**	**80%**	**100%**	**89.7%**	**1,794,400**
FINAL TOTAL VARIABLE COMPENSATION (AFTER TAKING INTO ACCOUNT THE IMPACT OF IMPAIRMENT OF VIVENDI'S STAKE IN TELECOM ITALIA)						**80%**	**1,600,000**

(*) The objectives set on March 3, 2021 did not take into account the acquisition of Prisma Media on May 31, 2021, or the equity accounting of Lagardère as from July 1, 2021 and UMG as from September 23, 2021. The objectives were therefore adjusted for the impacts of these significant and non-recurring changes in the scope of consolidation, in order to reflect the group's actual performance.

(1) Different criterion to that applied for more long-term components (performance share grant in 2020) – Adjusted net income per share.

At its meeting on March 9, 2022, after noting the achievement levels for each of the above criteria, the Supervisory Board set the variable compensation for the Chairman of the Management Board for 2021 at 80% of his fixed compensation. The amount of variable compensation due to the Chairman of the Management Board for 2021, which will be paid in 2022, subject to approval at the General Shareholders' Meeting on April 25, 2022, therefore totals €1,600,000 before taxes and Social Security contributions.

Award of a gross cash amount of €840,000 as no performance shares were granted for 2021

No performance shares were granted to Vivendi group employees, executives or corporate officers for 2021.

This resulted from the fact that when Vivendi listed UMG's shares on Euronext Amsterdam and made the distribution in kind of 59.87% of UMG's share capital on September 21, 2021, Vivendi aimed to ensure compliance with the distribution ratio it had previously announced of one UMG share for one Vivendi SE share. In addition, Vivendi was not in a position to set performance targets that could be assessed over three years (2021-2023) prior to the approval at the General Shareholders' Meeting on June 22, 2021 of the plan to list UMG and distribute UMG shares.

In view of these factors, and pursuant to the compensation policy for 2021 approved at the General Shareholders' Meeting on June 22, 2021, it was decided that the Chairman and members of the Management Board would be granted a cash amount calculated based on the same terms and conditions as for the other Vivendi group employees, executives and corporate officers and subject to the completion in 2021 of the plan to list UMG and distribute UMG shares.

At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board placed on record that in view of the successful distribution of UMG shares, the relevant performance conditions had been met and therefore decided to grant the Chairman of the Management Board a gross cash amount of €840,000 (i.e., 21% of the maximum authorized amount **(1)**), corresponding to €21 (gross) per theoretical right to 2021 performance shares (40,000 theoretical 2021 performance share rights, unchanged from the 2020 plan).

This cash amount takes into account:

- the involvement of the Chairman of the Management Board in the company's strategic decision-making processes and the selection of the timing for the UMG project;
- his role in coordinating Vivendi's teams to ensure the success of the special distribution in kind of UMG shares on September 21, 2021 and UMG's listing, while respecting the distribution ratio of one UMG share distributed for one Vivendi SE share held; and
- the book value of the performance shares granted to him in 2020 (€867,000 **(2)**), meaning that there was no increase in this compensation component between 2020 and 2021.

Pursuant to Article L. 22-10-34 II. of the French Commercial Code, the payment in 2022 of this cash amount in respect of 2021 will be subject to approval at the Annual General Shareholders' Meeting to be held on April 25, 2022.

2.2.2.2. Status and compensation of members of the Management Board – 2021

With the exception of the Chairman, the members of the Management Board hold employment contracts. At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement of the financial and non-financial objectives used to calculate the variable portion of compensation for the members of the Management Board (target of 80%, maximum of 100%) for 2021.

Based on the achievement levels for each criterion, the variable compensation of the Management Board members for 2021 was set at 80% of their fixed compensation (see table above – Calculation of variable compensation for 2021).

(1) Theoretical cap of 200% of fixed compensation for 2021.

(2) The value of the benefit for each performance share granted in 2020 is €21.68. This estimated value per share is given for information purposes only. It is calculated using the binomial model used to measure the value of share-based payments pursuant to IFRS 2. This theoretical value does not necessarily represent the gain that could be made on the future sale of the shares, which will depend on the share price on the vesting date (in 2023) and the date of sale of the shares (as of 2025).

The amount of variable compensation due to each Management Board member for 2021, whose payment in 2022 is subject to approval at the Annual General Shareholders' Meeting to be held on April 25, 2022, is set out below:

Fixed and variable compensation of Management Board members for 2021

	Fixed compensation (in euros)	Variable compensation				Performance shares (**)
		Target	Maximum	Achieved	Variable (*) (in euros)	
Gilles Alix	1,170,000	80%	100%	80%	936,000	-
Cédric de Bailliencourt	400,000	80%	100%	80%	320,000	-
Frédéric Crépin	800,000	80%	100%	80%	640,000	-
Simon Gillham	750,000	80%	100%	80%	600,000	-
Hervé Philippe	940,000	80%	100%	80%	752,000	-
Stéphane Roussel	1,000,000	80%	100%	80%	800,000	-

(*) Payment in 2022 subject to approval at the Annual General Shareholders' Meeting of April 25, 2022.

(**) Given that no performance shares were granted for 2021, the Management Board members were granted a cash amount calculated based on the same terms and conditions as for the other Vivendi group employees, executives and corporate officers (see the section – "Cash amounts awarded due to no performance shares being granted for 2021" below).

Cash amounts awarded due to no performance shares being granted for 2021

No performance shares were granted to Vivendi group employees, executives or corporate officers for 2021.

This resulted from the fact that when Vivendi listed UMG's shares on Euronext Amsterdam and made the distribution in kind of 59.87% of UMG's share capital on September 21, 2021, Vivendi aimed to ensure compliance with the distribution ratio it had previously announced of one UMG share for one Vivendi SE share. In addition, Vivendi was not in a position to set performance targets that could be assessed over three years (2021-2023) prior to the approval at the General Shareholders' Meeting on June 22, 2021 of the plan to list UMG and distribute UMG shares.

In view of these factors, and pursuant to the compensation policy for 2021 approved at the General Shareholders' Meeting on June 22, 2021, it was decided that the Chairman and members of the Management Board would be allocated a cash amount calculated based on the same terms and conditions as for the other Vivendi group employees, executives and corporate officers and subject to the completion in 2021 of the plan to list UMG and distribute UMG shares in 2021.

At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board placed on record that in view of the successful distribution of UMG shares, the relevant performance conditions had been met and therefore decided to allocate the Management Board members the cash amounts shown in the following table, corresponding to €21 (gross) per theoretical right to 2021 performance shares (number of rights unchanged from the 2020 plan, apart from for Gilles Alix and Cédric de Bailliencourt whose roles in the UMG project are described below).

Pursuant to Article L. 22-10-34 II. of the French Commercial Code, the payment in 2022 of these amounts with respect to 2021 is subject to approval at the Annual General Shareholders' Meeting to be held on April 25, 2022.

	Role played in the plan to list UMG's shares on Euronext Amsterdam and make a special distribution in kind of 59.87% of UMG's share capital on September 21, 2021	**Cash amount** (in euros)	**Comparison with the book value of the 2020 performance shares** (in euros)
Gilles Alix	Carrying out and coordinating the project, in particular between Vivendi's teams and the various external participants (e.g., Statutory Auditors, banks, specialists, market regulators, registrar and local consultants). Given his involvement in the project and the fact that his duties within the Bolloré Group ended in 2020, the theoretical number of Gilles Alix's 2021 performance share rights is 40,000 (compared with 20,000 in 2020).	840,000 (i.e., 40,000 x €21) *(36% of the maximum authorized amount)* **(1)**	433,600 (i.e., 20,000 x €21.68)
Cédric de Bailliencourt	Coordinating and overseeing the work of the banks involved in the project, particularly in relation to the preparation of UMG's Prospectus approved by the Dutch AFM *(Autoriteit Financiële Markten)* and published online on September 14, 2021. Given his involvement in the project, the theoretical number of Cédric de Bailliencourt's 2021 performance share rights is 20,000 (compared with 0 in 2020).	420,000 (i.e., 20,000 x €21) *(52.5% of the maximum authorized amount)* **(1)**	n/a
Frédéric Crépin	Coordinating and implementing the legal aspects of the project, particularly in relation to local stock exchange regulations and the preparation of the Prospectus approved by the Dutch AFM and published online on September 14, 2021. Working on the completion of the sale of a 10% stake in UMG to Pershing Square.	735,000 (i.e., 35,000 x €21) *(46% of the maximum authorized amount)* **(1)**	758,800 (i.e., 35,000 x €21.68)
Simon Gillham	Coordinating and implementing Vivendi's communications about the project and monitoring its progress, particularly via UMG's Capital Markets Day held on August 25, 2021.	630,000 (i.e., 30,000 x €21) *(42% of the maximum authorized amount)* **(1)**	650,400 (i.e., 30,000 x €21.68)
Hervé Philippe	Coordinating and overseeing the work of the banks involved in the project, particularly in relation to the preparation of UMG's Prospectus approved by the Dutch AFM and published online on September 14, 2021.	420,000 (i.e., 20,000 x €21) *(22% of the maximum authorized amount)* **(1)**	433,600 (i.e., 20,000 x €21.68)
Stéphane Roussel	Coordinating and implementing the HR aspects of the project, particularly concerning the consultation procedures with the relevant employee representative bodies and monitoring the consequences of the UMG share distribution on the rights of beneficiaries of Vivendi group stock option and performance share plans.	840,000 (i.e., 40,000 x €21) *(42% of the maximum authorized amount)* **(1)**	867,200 (i.e., 40,000 x €21.68)

(1) Theoretical cap of 200% of fixed compensation for 2021.

n/a: not applicable.

2.2.2.3. Disclosures required by Article D. 22-10-16 of the French Commercial Code

	Seniority within the group as of December 31, 2021 (in years)	Annuity growth rate in 2021 (in %) **(1)**	Annuity accrued for 2021 (in euros) **(2)**	Amount of annuity as of December 31, 2021 (before income tax and payroll taxes) (in euros) **(3)**
Arnaud de Puyfontaine	8	1.50%	37,022	**(4)** 408,368
Gilles Alix	15	1.50%	25,950	**(5)** 263,925
Cédric de Bailliencourt	5	1.50%	10,800	**(6)** 74,700
Frédéric Crépin	22	1.50%	21,600	**(7)** 464,400
Simon Gillham	21	1.50%	20,250	**(8)** 422,250
Hervé Philippe	17	1.50%	25,380	**(9)** 463,420
Stéphane Roussel	18	1.50%	32,850	**(10)** 617,040

(1) Under the supplemental pension plan set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code, benefits accrue for each year of service at an annual rate determined as follows:

– 0% for the tranche ≤ 4 times the Social Security annual limit (€164,544 in 2021);

– 3% for the tranche > 4 times but ≤ 8 times the Social Security annual limit (€329,088 in 2021); and

– 1.5% for the tranche > 8 times the Social Security annual limit.

(2) Benefits accrued under the supplemental pension plan set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code.

(3) As a reminder, the amount of the annuity may under no circumstances exceed 25% of 60 times the Social Security annual limit, including in the event of the cumulation of benefits under the current supplemental pension plan and those accrued up to December 31, 2019 under the previous plan (see "Supplemental pension plan" in Section 2.1.2.2. of Chapter 4 of the 2020 Annual Report – Universal Registration Document).

(4) Including €334,323 for benefits accrued as of December 31, 2019 under the previous supplemental pension plan, pursuant to Article L. 137-11 of the French Social Security Code.

(5) Including €219,375 for benefits accrued as of December 31, 2019 under the previous supplemental pension plan, pursuant to Article L. 137-11 of the French Social Security Code.

(6) Including €52,500 for benefits accrued as of December 31, 2019 under the previous supplemental pension plan, pursuant to Article L. 137-11 of the French Social Security Code.

(7) Including €420,000 for benefits accrued as of December 31, 2019 under the previous supplemental pension plan, pursuant to Article L. 137-11 of the French Social Security Code.

(8) Including €380,625 for benefits accrued as of December 31, 2019 under the previous supplemental pension plan, pursuant to Article L. 137-11 of the French Social Security Code.

(9) Including €411,250 for benefits accrued as of December 31, 2019 under the previous supplemental pension plan, pursuant to Article L. 137-11 of the French Social Security Code.

(10) Including €549,840 for benefits accrued as of December 31, 2019 under the previous supplemental pension plan, pursuant to Article L. 137-11 of the French Social Security Code, and after applying the maximum of 25% of 60 times the Social Security annual limit for calculating the amount of the annuity, taking into account the cumulation of benefits under the current supplemental pension plan and those accrued up to December 31, 2019 under the previous plan.

Calculation of the annuity growth rate for the supplemental pension plan – 2021

At its meeting on March 9, 2022, the Supervisory Board noted that one of the performance criteria had been met for the determination of the annuity growth rate under the supplemental pension plan set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. As the objectives were exceeded, the rate for 2021 was approved.

	2021		
Financial criteria	**Objective (1)**	**Achieved**	**Achievement rate**
Adjusted net income (in millions of euros)	357	649	182%
Cash flow from operations (in millions of euros)	320	748	234%
Average stock market indices performance **(2)**	+33.2%	+55.8%	+22.6 points

(1) Restated to take into account the acquisition of Prisma Media on May 31, 2021, and the equity accounting of Lagardère as from July 1, 2021 and UMG as from September 23, 2021.

(2) Composite index – CAC 40 (50% weighting) and STOXX® Europe Media (50% weighting), reinvested dividends.

The provision recorded in 2021 for members of the Management Board under this pension plan totaled €8.1 million.

2.2.3. HIGHEST COMPENSATION PAID WITHIN THE GROUP

In 2021, the compensation of the company's five highest-paid employees in France totaled €9.9 million, including benefits-in-kind.

2.3. Performance shares granted to the Chairman and members of the Management Board

As an exception to the policies usually applied, no performance shares were granted to Vivendi group employees, executives or corporate officers for 2021 (see Section 2.2.2. of this chapter).

The total number of shares granted each year to all beneficiaries pursuant to the authorization given by the General Shareholders' Meeting of June 22, 2021 (twenty-seventh resolution) cannot exceed 0.33% of the share capital on the grant date and 0.035% for members of the Management Board.

2.3.1. PERFORMANCE SHARES GRANTED TO THE CHAIRMAN AND MEMBERS OF THE MANAGEMENT BOARD IN 2021 (AMF RECOMMENDATIONS, TABLE 6)

	Number of rights to performance shares granted during the year	**Value of rights under the method used for the consolidated financial statements** (in euros)	**Vesting date of the rights**	**Date of availability of shares**	**Performance conditions**
Arnaud de Puyfontaine	-	-	-	-	-
Gilles Alix	-	-	-	-	-
Cédric de Bailliencourt	-	-	-	-	-
Frédéric Crépin	-	-	-	-	-
Simon Gillham	-	-	-	-	-
Hervé Philippe	-	-	-	-	-
Stéphane Roussel	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

2.3.2. HISTORY OF PERFORMANCE SHARES GRANTED (AMF RECOMMENDATIONS, TABLE 8)

	2021	2020	2019	2018	2017
Date of the General Shareholders' Meeting approving the share grant	-	AGM 04/19/2018	AGM 04/19/2018	AGM 04/19/2018	AGM 04/21/2016
Date of the Supervisory Board Meeting	-	02/13/2020	02/14/2019	05/17/2018	02/23/2017
Grant date	-	02/13/2020	02/14/2019	05/17/2018	02/23/2017
Maximum number of performance shares that may be granted pursuant to the authorization of the General Shareholders' Meeting	-	11,845,762	13,062,341	13,000,447	12,870,878
Maximum number of performance shares that may be granted during the year based on grants already made	-	3,909,101	4,310,572	4,290,147	4,247,389
Total number of performance shares granted	-	1,595,050	1,600,830	1,631,750	1,547,750
Number of rights canceled due to the departure of beneficiaries	-	4,100	24,760	7,500	19,500
Number of performance shares awarded to the Chairman and members of the Management Board					
Arnaud de Puyfontaine, Chairman	-	40,000	**(c)** 40,000	**(b)** 50,000	**(a)** 50,000
Gilles Alix	-	20,000	-	-	n/a
Cédric de Bailliencourt	-	-	-	-	n/a
Frédéric Crépin	-	35,000	**(c)** 35,000	**(b)** 35,000	**(a)** 40,000
Simon Gillham	-	30,000	**(c)** 30,000	**(b)** 30,000	**(a)** 30,000
Hervé Philippe	-	20,000	**(c)** 20,000	**(b)** 20,000	**(a)** 40,000
Stéphane Roussel	-	40,000	**(c)** 40,000	**(b)** 40,000	**(a)** 40,000
Vesting date	-	02/14/2023	03/09/2022	05/18/2021	02/24/2020
Date of availability	-	02/17/2025	03/10/2024	05/19/2023	02/25/2022

n/a: not applicable.

(a) As the achievement rate for the performance criteria was 75% for 2017, 2018 and 2019, the number of shares that vested on February 24, 2020 was limited to 37,500, 30,000, 22,500, 30,000 and 30,000, respectively.

(b) As the achievement rate for the performance criteria was 75% for 2018, 2019 and 2020, the number of shares that vested on May 18, 2021 was limited to 37,500, 26,250, 22,500, 15,000 and 30,000, respectively.

(c) As the achievement rate for the performance criteria was 100% for 2019, 2020 and 2021, all of the shares initially granted vested on March 9, 2022.

2.3.3. PERFORMANCE SHARES THAT BECAME AVAILABLE IN 2021 FOR THE CHAIRMAN AND THE MEMBERS OF THE MANAGEMENT BOARD DURING THEIR TERM OF OFFICE (AMF RECOMMENDATIONS, TABLE 7)

Performance shares that became available for each Management Board Member (2016 plan)	Plan number and date	Number of shares that became available	Vesting conditions
Arnaud de Puyfontaine	2016/05-1 05/11/2016	71,250	Yes
Gilles Alix	n/a	n/a	n/a
Cédric de Bailliencourt	n/a	n/a	n/a
Frédéric Crépin	2016/05-1 05/11/2016	37,500	Yes
Simon Gillham	2016/05-1 05/11/2016	37,500	Yes
Hervé Philippe	2016/05-1 05/11/2016	37,500	Yes
Stéphane Roussel	2016/05-1 05/11/2016	37,500	Yes

n/a: not applicable, no grants in 2016

2.3.4. ASSESSMENT OF PERFORMANCE CRITERIA FOR 2019, 2020 AND 2021 FOR SHARES THAT WILL VEST IN 2022 UNDER THE 2019 PERFORMANCE SHARE PLAN: PLAN 2019-02-1

At its meeting held on March 9, 2022, based on a review by the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board approved the achievement rates of the objectives for 2019, 2020 and 2021 (cumulative) relating to the performance shares granted to the members of the Management Board by the Supervisory Board on February 14, 2019. All of the plan's performance criteria were met (see table below).

		2019-2021 objectives (1)					
Weighting	**Indicators**	**Threshold**	**Target**	**Maximum**	**Achieved Vivendi**	**Achievement level (2)**	**Share vesting rate (3)**
	Internal indicator: financial objectives						
50	Adjusted net income per share	0.34	0.36	0.37	0.54	> maximum	50%
20	Cash flow from operations after interest and tax (CFAIT)	185	207	230	527	> maximum	20%
70	**Total internal indicator**						**70%**
	External indicator: average stock market indices performance (4)						
20	STOXX® Europe Media	36.7%	52.4%	68.2%	85.8%	> maximum	20%
10	CAC 40	44.5%	63.5%	82.6%	85.8%	> maximum	10%
30	**Total external indicator**						**30%**
Vesting rate							**100%**

(1) The objectives set on February 14, 2019 did not take into account the acquisition of Prisma Media on May 31, 2021, or the equity accounting of Lagardère as from July 1, 2021 and UMG as from September 23, 2021. The objectives were therefore adjusted for the impacts of these significant and non-recurring changes in the scope of consolidation to reflect the group's actual performance.

(2) No offsetting has been applied between the results of different performance criteria.

(3) The number of performance shares that vested for the Chairman and members of the Management Board are set out in the table below:

	Vesting rate	**Number of vested shares**
Arnaud de Puyfontaine	100%	40,000
Gilles Alix	n/a	n/a
Cédric de Bailliencourt	n/a	n/a
Frédéric Crépin	100%	35,000
Simon Gillham	100%	30,000
Hervé Philippe	100%	20,000
Stéphane Roussel	100%	40,000

(4) Reinvested dividends.

2.3.5. STOCK OPTION GRANTS TO MEMBERS OF THE MANAGEMENT BOARD

The company has not granted any stock options since 2013.

2.3.6. STOCK OPTIONS EXERCISED IN 2021 BY CORPORATE OFFICERS (AMF RECOMMENDATIONS, TABLE 5)

Frédéric Crépin exercised (i) 9,000 stock options at a price of €17.19 each (Plan 2011/04), (ii) 22,000 options at a price of €11.76 each (Plan 2012/04), and (iii) 9,000 options at a price of €13.88 each (Plan 2012/09).

Stéphane Roussel exercised (i) 46,378 stock options at a price of €17.19 each (Plan 2011/04), (ii) 40,799 options at a price of €11.76 each (Plan 2012/04), and (iii) 39,487 options at a price of €13.88 each (Plan 2012/09).

2.3.7. REQUIREMENTS FOR CORPORATE OFFICERS TO HOLD SHARES RECEIVED UPON EXERCISE OF STOCK OPTIONS AND VESTING OF PERFORMANCE SHARES

At its meeting held on March 6, 2007, pursuant to Articles L. 225-185 and L. 225-197-1 of the French Commercial Code, the Supervisory Board approved rules for members of the Management Board in relation to holding shares received on exercised stock options and vested performance shares granted since 2007.

Members of the Management Board must hold, in a registered account and until the end of their term of office, a number of shares received from the exercise of stock options and the grant of performance shares since the 2007 plan was adopted. These must be equal to at least 20% of the net capital gain recorded each year (if a gain is recorded) from exercise of the stock options or sale of the performance shares.

2.3.8. CONDITIONS SPECIFIC TO VIVENDI

At its meeting held on February 27, 2015, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to amend the rules on the obligation for corporate officers and other senior executives of the group to hold Vivendi SE shares.

Under these new rules, within a maximum of five years after they take up their positions:

- the Chairman and the members of the Management Board must hold, in a registered account, a number of shares equal to one year of their gross fixed compensation and target bonus for as long as they remain within the group; and
- other group-level executive managers and the senior executives of each operating subsidiary must hold, in a registered account, a number of shares equal to six months of their gross fixed compensation and target bonus, for as long as they remain within the group.

2.3.9. LARGEST PERFORMANCE SHARE GRANTS AND STOCK OPTION EXERCISES IN 2021, OTHER THAN TO/BY CORPORATE OFFICERS (AMF RECOMMENDATIONS, TABLE 9)

Vivendi SE did not grant any performance shares in 2021 (see Section 2.3.1. of this chapter).

The ten largest stock option exercises, other than by corporate officers, amounted to a total of 98,603 options exercised at a weighted-average unit price of €15.28.

2.4. Compensation Summary Tables

2.4.1. SUMMARY OF GROSS COMPENSATION PAID (BEFORE TAXES AND SOCIAL SECURITY CONTRIBUTIONS) AND VALUE OF PERFORMANCE SHARES GRANTED TO EACH MEMBER OF THE MANAGEMENT BOARD DURING 2020 AND 2021 (AMF RECOMMENDATIONS, TABLE 1)

(in euros)	2020	2021
Arnaud de Puyfontaine, Chairman of the Management Board		
Gross compensation paid	2,685,318	3,145,346
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(a)**	867,200	n/a
Total	**3,552,518**	**3,145,346**
Gilles Alix (1) Member of the Management Board and Senior Vice President in charge of intergroup coordination		
Gross compensation paid	1,260,431	1,752,793
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(a)**	433,600	n/a
Total	**1,694,031**	**1,752,793**
Cédric de Bailliencourt (1) Member of the Management Board and Senior Vice President in charge of investor relations and intergroup financial communication		
Gross compensation paid	780,432	740,729
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(a)**	n/a	n/a
Total	**780,432**	**740,729**
Frédéric Crépin Member of the Management Board and Group General Counsel		
Gross compensation paid	1,571,653	1,491,959
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(a)**	758,800	n/a
Total	**2,330,453**	**1,491,959**
Simon Gillham Member of the Management Board and Senior Executive Vice President, Communications of Vivendi		
Gross compensation paid	1,449,118	1,381,366
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(a)**	650,400	n/a
Total	**2,099,518**	**1,381,366**
Hervé Philippe Member of the Management Board and Chief Financial Officer		
Gross compensation paid	1,812,222	1,718,570
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(a)**	433,600	n/a
Total	**2,245,822**	**1,718,570**

(in euros)	2020	2021
Stéphane Roussel **Member of the Management Board and Chief Operating Officer**		
Gross compensation paid	2,349,405	2,312,292
Book value of stock options granted	n/a	n/a
Book value of performance shares granted **(a)**	867,200	n/a
Total	**3,216,605**	**2,312,292**

n/a: not applicable.

(1) Member of the Management Board since September 1, 2017.

(a) The book value is calculated based on the number of performance shares. The value per performance share used for this table corresponds to the value recognized in the financial statements in accordance with IFRS 2 (see Note 21 to the 2021 consolidated financial statements in Chapter 5 of this Annual Report – Universal Registration Document for a description of the measurement of equity-settled instruments). The per-share book value of the performance shares granted on February 13, 2020 is €21.68.

2.4.2. SUMMARY TABLE OF COMPENSATION (BEFORE TAXES AND SOCIAL SECURITY CONTRIBUTIONS) OF MEMBERS OF THE MANAGEMENT BOARD DURING 2020 AND 2021 (AMF RECOMMENDATIONS, TABLE 2)

	2020		2021	
(in euros)	Amounts paid	Amounts allocated	Amounts paid	Amounts allocated
Arnaud de Puyfontaine, Chairman of the Management Board				
Fixed compensation	1,400,000	1,400,000	2,000,000	2,000,000
Variable compensation for 2019	1,260,000	-	-	-
Variable compensation for 2020	-	1,120,000	1,120,000	-
Variable compensation for 2021	-	-	-	1,600,000
Amount allocated in the absence of performance shares for 2021	-	-	-	840,000
Other compensation	n/a	n/a	n/a	n/a
Board remuneration (formerly "attendance fees")	n/a	n/a	n/a	n/a
Benefits-in-kind **(*)**	25,318	25,318	25,346	25,346
Total	**2,685,318**	**2,545,318**	**3,145,346**	**4,465,346**
Gilles Alix, Member of the Management Board				
Fixed compensation	700,000	700,000	1,170,000	1,170,000
Variable compensation for 2019	540,000	-	-	-
Variable compensation for 2020	-	560,000	560,000	-
Variable compensation for 2021	-	-	-	936,000
Amount allocated in the absence of performance shares for 2021	-	-	-	840,000
Other compensation	n/a	n/a	n/a	n/a
Board remuneration (formerly "attendance fees")	n/a	n/a	n/a	n/a
Benefits-in-kind **(**)**	20,431	20,431	22,793	22,793
Total	**1,260,431**	**1,280,431**	**1,752,793**	**2,968,793**
Cédric de Bailliencourt, Member of the Management Board				
Fixed compensation	400,000	400,000	400,000	400,000
Variable compensation for 2019	360,000	-	-	-
Variable compensation for 2020	-	320,000	320,000	-
Variable compensation for 2021	-	-	-	320,000
Amount allocated in the absence of performance shares for 2021	-	-	-	420,000
Other compensation	n/a	n/a	n/a	n/a
Board remuneration (formerly "attendance fees")	n/a	n/a	n/a	n/a
Benefits-in-kind **(**)**	20,432	20,432	20,729	20,729
Total	**780,432**	**740,432**	**740,729**	**1,160,729**
Frédéric Crépin, Member of the Management Board				
Fixed compensation	800,000	800,000	800,000	800,000
Variable compensation for 2019	720,000	-	-	-
Variable compensation for 2020	-	640,000	640,000	-
Variable compensation for 2021	-	-	-	640,000
Amount allocated in the absence of performance shares for 2021	-	-	-	735,000
Other compensation	n/a	n/a	n/a	n/a
Board remuneration (formerly "attendance fees")	**(1)** 29,166	**(1)** 29,166	**(1)** 29,166	**(1)** 29,166
Benefits-in-kind **(**)**	22,487	22,487	22,793	22,793
Total	**1,571,653**	**1,491,653**	**1,491,959**	**2,226,959**

	2020		2021	
(in euros)	Amounts paid	Amounts allocated	Amounts paid	Amounts allocated
Simon Gillham, Member of the Management Board				
Fixed compensation	750,000	750,000	750,000	750,000
Variable compensation for 2019	675,000	-	-	-
Variable compensation for 2020	-	600,000	600,000	-
Variable compensation for 2021	-	-	-	600,000
Amount allocated in the absence of performance shares for 2021	-	-	-	630,000
Other compensation	n/a	n/a	n/a	n/a
Board remuneration (formerly "attendance fees")	n/a	n/a	n/a	n/a
Benefits-in-kind **(**)**	24,118	24,118	31,366	31,366
Total	**1,449,118**	**1,374,118**	**1,381,366**	**2,011,366**
Hervé Philippe, Member of the Management Board				
Fixed compensation	940,000	940,000	940,000	940,000
Variable compensation for 2019	846,000	-	-	-
Variable compensation for 2020	-	752,000	752,000	-
Variable compensation for 2021	-	-	-	752,000
Amount allocated in the absence of performance shares for 2021	-	-	-	420,000
Other compensation	n/a	n/a	n/a	n/a
Board remuneration (formerly "attendance fees")	n/a	n/a	n/a	n/a
Benefits-in-kind **(**)**	26,222	26,222	26,570	26,570
Total	**1,812,222**	**1,718,222**	**1,718,570**	**2,138,570**
Stéphane Roussel, Member of the Management Board				
Fixed compensation	1,000,000	1,000,000	1,000,000	1,000,000
Variable compensation for 2019	900,000	-	-	-
Variable compensation for 2020	-	800,000	800,000	-
Variable compensation for 2021	-	-	-	800,000
Amount allocated in the absence of performance shares for 2021	-	-	-	840,000
Other compensation	**(2)** 390,000	**(2)** 390,000	**(2)** 450,000	**(2)** 450,000
Board remuneration (formerly "attendance fees")	**(1)** 29,166	**(1)** 29,166	**(1)** 29,166	**(1)** 29,166
Benefits-in-kind **(**)**	30,239	30,239	33,126	33,126
Total	**2,349,405**	**2,249,405**	**2,312,292**	**3,152,292**

n/a: not applicable.

(1) Attendance fees paid by Gameloft SE.

(2) Compensation paid by Gameloft SE.

(*) Benefits-in-kind include the use of a company car (without a chauffeur) and GSC coverage (job-loss insurance for corporate officers).

(**) Benefits-in-kind include, as applicable, the use of a company car (with no chauffeur), profit sharing, employer contribution to excess Social Security charges, and partial liquidation of the time savings account (CET).

2.4.3. SUMMARY OF COMMITMENTS GIVEN TO THE CHAIRMAN AND MEMBERS OF THE MANAGEMENT BOARD (AMF RECOMMENDATIONS, TABLE 11)

	Employment contract		Eligibility for supplemental pension plan (1)		Compensation or other benefits due or that may become due at the end of a term in office		Non-compete payment	
	Yes	No	Yes	No	Yes	No	Yes	No
Arnaud de Puyfontaine, Chairman of the Management Board		X **(2)**	X		X **(3)**			X
Gilles Alix, Member of the Management Board	X		X			X		X
Cédric de Bailliencourt, Member of the Management Board	X		X			X		X
Frédéric Crépin, Member of the Management Board	X		X			X		X
Simon Gillham, Member of the Management Board	X		X			X		X
Hervé Philippe, Member of the Management Board	X		X			X		X
Stéphane Roussel, Member of the Management Board	X		X			X		X

(1) Subject to plan terms and conditions and to the criteria governing the annual annuity growth rate (see Sections 2.1.2.2. and 2.2.2.3. of this chapter).

(2) Arnaud de Puyfontaine waived the benefit of his employment contract following his appointment as Chairman of the Management Board by the Supervisory Board on June 24, 2014.

(3) Commitment approved at the General Shareholders' Meetings held on April 17, 2015 and April 15, 2019.

2.5. Compensation and benefits paid or allocated in 2021 to be submitted to the General Shareholders' Meeting of April 25, 2022 in accordance with Article L. 22-10-34 II. of the French Commercial Code

2.5.1. YANNICK BOLLORÉ – CHAIRMAN OF THE SUPERVISORY BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€340,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, in accordance with the principles and criteria applicable for setting the compensation of the members of the Supervisory Board and its Chairman for 2021, as approved by the Supervisory Board at its March 3, 2021 meeting and by the General Shareholders' Meeting of June 22, 2021 (sixteenth resolution).
2021 variable compensation	n/a	The Chairman of the Supervisory Board does not receive any variable compensation.
2020 variable compensation	n/a	The Chairman of the Supervisory Board did not receive any variable compensation.
Deferred variable compensation	n/a	The Chairman of the Supervisory Board does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	The Chairman of the Supervisory Board does not receive any multi-year variable compensation.
Extraordinary compensation	n/a	The Chairman of the Supervisory Board does not receive any extraordinary compensation.
Stock options	n/a	The company has not granted any stock options since 2013. In addition, pursuant to French Law, the Chairman of the Supervisory Board is not eligible for stock option grants.
Performance shares	n/a	Pursuant to French Law, due to his corporate office, the Chairman of the Supervisory Board is not eligible for performance share grants.
Board remuneration (formerly "attendance fees")	€60,000	Fixed amount.
Benefits-in-kind	n/a	The Chairman of the Supervisory Board does not receive any benefits-in-kind.

Deferred compensation	Amount	Description
Severance payment	n/a	The Chairman of the Supervisory Board is not entitled to receive any severance payment in respect of his corporate office.
Non-compete payment	n/a	The Chairman of the Supervisory Board is not entitled to receive any non-compete payment.
Supplemental pension plan	n/a	The Chairman of the Supervisory Board is not eligible for the company's supplemental defined-benefit pension plan.

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Yannick Bolloré, Chairman of the Supervisory Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Yannick Bolloré in his capacity as Chairman of the Supervisory Board, as set out in Chapter 4, Section 2.5.1. of the 2021 Annual Report – Universal Registration Document.

2.5.2. ARNAUD DE PUYFONTAINE – CHAIRMAN OF THE MANAGEMENT BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€2,000,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, in accordance with the principles and criteria applicable for setting the compensation of the Chairman of the Management Board for 2021, as approved by the Supervisory Board on March 3, 2021 and by the General Shareholders' Meeting of June 22, 2021 (seventeenth resolution).
2021 variable compensation	€1,600,000	At its meeting held on March 9, 2022, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement rates for the financial and non-financial criteria used to determine the Chairman of the Management Board's variable compensation for 2021. His variable compensation represents 80% of his fixed compensation (see Section 2.2.2.1. of this chapter).
2020 variable compensation	€1,120,000	Amount paid following approval at the Annual General Shareholders' Meeting of June 22, 2021 (ninth resolution), in accordance with Article L. 22-10-34 II. of the French Commercial Code.
Deferred variable compensation	n/a	The Chairman of the Management Board does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	The Chairman of the Management Board does not receive any multi-year variable compensation.
Stock options	n/a	The company has not granted any stock options since 2013.
Performance shares	n/a	The Chairman of the Management Board was not granted any performance shares for 2021.
Amount allocated in the absence of performance shares for 2021	€840,000	At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to grant the Chairman of the Management Board a cash amount of €840,000 (i.e., 21% of the maximum authorized amount), subject to the completion in 2021 of the project to list UMG and distribute UMG shares (see Section 2.2.2.1. of this chapter).
Other extraordinary compensation	n/a	The Chairman of the Management Board was not allocated any other extraordinary compensation for 2021.
Board remuneration (formerly "attendance fees")	n/a	In accordance with Article L. 225-83 of the French Commercial Code, the Chairman of the Management Board does not receive any remuneration for his role as Chairman of the Management Board.
Benefits-in-kind	€25,346	Company car (with no chauffeur), job-loss insurance (GSC) and employer contribution to excess Social Security charges.

Deferred compensation	Amount	Description
Severance payment	None	Conditional commitment in the event that the term of office is terminated by the company, subject to performance conditions (see Section 2.2.2.1. of this chapter).
Non-compete payment	None	The Chairman of the Management Board is not entitled to receive any non-compete payment.
Supplemental pension plan	None	As is the case for a number of the company's other senior executives, the Chairman of the Management Board is eligible to participate in the supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. Dual cap: 25% of reference compensation (fixed plus variable) capped at 60 times the Social Security limit. Annuity growth rate in 2021, based on seniority within the group: 1.50% subject to performance criteria. Potential annuity accrued in 2021: €37,022 (see Section 2.2.2.3. of this chapter).

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Arnaud de Puyfontaine, Chairman of the Management Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Arnaud de Puyfontaine in his capacity as Chairman of the Management Board, as set out in Chapter 4, Section 2.5.2. of the 2021 Annual Report – Universal Registration Document.

2.5.3. GILLES ALIX – MEMBER OF THE MANAGEMENT BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€1,170,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 on the recommendation of the Corporate Governance, Nominations and Remuneration Committee in accordance with the principles and criteria applicable for setting the compensation of the members of the Management Board for 2021, as approved by the Supervisory Board on March 3, 2021 and by the General Shareholders' Meeting of June 22, 2021 (eighteenth resolution).
2021 variable compensation	€936,000	At its meeting held on March 9, 2022, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement rates of the financial and non-financial criteria used to determine the amount of Gilles Alix's variable compensation for 2021. His variable compensation represents 80% of his fixed compensation (see Section 2.2.2.2. of this chapter).
2020 variable compensation	€560,000	Amount paid following approval at the Annual General Shareholders' Meeting of June 22, 2021 (tenth resolution), in accordance with Article L. 22-10-34 II. of the French Commercial Code.
Deferred variable compensation	n/a	Gilles Alix does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	Gilles Alix does not receive any multi-year variable compensation.
Stock options	n/a	The company has not granted any stock options since 2013.
Performance shares	n/a	Gilles Alix was not granted any performance shares for 2021.
Amount allocated in the absence of performance shares for 2021	€840,000	At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to grant Gilles Alix a cash amount of €840,000 (i.e., 36% of the maximum authorized amount), subject to the completion in 2021 of the project to list UMG and distribute UMG shares (see Section 2.2.2.1. of this chapter).
Other extraordinary compensation	n/a	Gilles Alix was not allocated any other extraordinary compensation for 2021.
Board remuneration (formerly "attendance fees")	n/a	In accordance with Article L. 225-83 of the French Commercial Code, Gilles Alix does not receive any remuneration in his capacity as member of the Management Board.
Benefits-in-kind	€22,793	No company car; profit sharing (under Vivendi SE's collective agreement) and employer contribution to excess Social Security charges.

Deferred compensation	Amount	Description
Severance payment	None	Gilles Alix is not entitled to receive any severance payment in respect of his corporate office. However, he is eligible for a severance payment equal to eighteen months' salary + target bonus under his employment contract.
Non-compete payment	None	Gilles Alix is not entitled to receive any non-compete payment.
Supplemental pension plan	None	As is the case for a number of the company's other senior executives, Gilles Alix is eligible to participate in the supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. Dual cap: 25% of reference compensation (fixed plus variable) capped at 60 times the Social Security limit. Annuity growth rate in 2021, based on seniority within the group: 1.50% subject to performance criteria. Potential annuity accrued in 2021: €25,950 (see Section 2.2.2.3. of this chapter).

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Gilles Alix, member of the Management Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Gilles Alix in his capacity as member of the Management Board, as set out in Chapter 4, Section 2.5.3. of the 2021 Annual Report – Universal Registration Document.

2.5.4. CÉDRIC DE BAILLIENCOURT – MEMBER OF THE MANAGEMENT BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€400,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 on the recommendation of the Corporate Governance, Nominations and Remuneration Committee in accordance with the principles and criteria applicable for setting the compensation of the members of the Management Board for 2021, as approved by the Supervisory Board on March 3, 2021 and by the General Shareholders' Meeting of June 22, 2021 (eighteenth resolution).
2021 variable compensation	€320,000	At its meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement rates of the financial and non-financial criteria used to determine the amount of Cédric de Bailliencourt's variable compensation for 2021. This amount represents 80% of his fixed compensation (see Section 2.2.2.2. of this chapter).
2020 variable compensation	€320,000	Amount paid following approval at the Annual General Shareholders' Meeting of June 22, 2021 (eleventh resolution), in accordance with Article L. 22-10-34 II. of the French Commercial Code.
Deferred variable compensation	n/a	Cédric de Bailliencourt does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	Cédric de Bailliencourt does not receive any multi-year variable compensation.
Stock options	n/a	The company has not granted any stock options since 2013.
Performance shares	n/a	Cédric de Bailliencourt was not granted any performance shares for 2021.
Amount allocated in the absence of performance shares for 2021	€420,000	At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to grant Cédric de Bailliencourt a cash amount of €420,000 (i.e., 52.5% of the maximum authorized amount), subject to the completion in 2021 of the project to list UMG and distribute UMG shares (see Section 2.2.2.1. of this chapter).
Other extraordinary compensation	n/a	Cédric de Bailliencourt was not allocated any other extraordinary compensation for 2021.
Board remuneration (formerly "attendance fees")	n/a	In accordance with Article L. 225-83 of the French Commercial Code, Cédric de Bailliencourt does not receive any remuneration for his role as a member of the Management Board.
Benefits-in-kind	€20,729	No company car; profit sharing (under Vivendi SE's collective agreement) and employer contribution to excess Social Security charges.

Deferred compensation	Amount	Description
Severance payment	None	Cédric de Bailliencourt is not entitled to receive any severance payment in respect of his corporate office. However, he is eligible for a severance payment equal to eighteen months' salary + target bonus under his employment contract.
Non-compete payment	None	Cédric de Bailliencourt is not entitled to receive any non-compete payment.
Supplemental pension plan	None	As is the case for a number of the company's other senior executives, Cédric de Bailliencourt is eligible to participate in the supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. Dual cap: 25% of reference compensation (fixed plus variable) capped at 60 times the Social Security limit. Annuity growth rate in 2021, based on seniority within the group: 1.50% subject to performance criteria. Potential annuity accrued in 2021: €10,800 (see Section 2.2.2.3. of this chapter).

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Cédric de Bailliencourt, member of the Management Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Cédric de Bailliencourt in his capacity as member of the Management Board, as set out in Chapter 4, Section 2.5.4. of the 2021 Annual Report – Universal Registration Document.

2.5.5. FRÉDÉRIC CRÉPIN – MEMBER OF THE MANAGEMENT BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€800,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee in accordance with the principles and criteria applicable for setting the compensation of the members of the Management Board for 2021, as approved by the Supervisory Board on March 3, 2021 and by the General Shareholders' Meeting of June 22, 2021 (eighteenth resolution).
2021 variable compensation	€640,000	At its meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement rates of the financial and non-financial criteria used to determine Frédéric Crépin's variable compensation for 2021. His variable compensation represents 80% of his fixed compensation (see Section 2.2.2.2. of this chapter).
2020 variable compensation	€640,000	Amount paid following approval at the Annual General Shareholders' Meeting of June 22, 2021 (twelfth resolution), in accordance with Article L. 22-10-34 II. of the French Commercial Code.
Deferred variable compensation	n/a	Frédéric Crépin does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	Frédéric Crépin does not receive any multi-year variable compensation.
Stock options	n/a	The company has not granted any stock options since 2013.
Performance shares	n/a	Frédéric Crépin was not granted any performance shares for 2021.
Amount allocated in the absence of performance shares for 2021	€735,000	At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to grant Frédéric Crépin a cash amount of €735,000 (i.e., 46% of the maximum authorized amount), subject to the completion in 2021 of the project to list UMG and distribute UMG shares (see Section 2.2.2.1. of this chapter).
Other extraordinary compensation	n/a	Frédéric Crépin was not allocated any other extraordinary compensation for 2021.
Board remuneration (formerly "attendance fees")	n/a	In accordance with Article L. 225-83 of the French Commercial Code, Frédéric Crépin does not receive any remuneration for his role as a member of the Management Board.
Benefits-in-kind	€22,793	No company car; profit sharing (under Vivendi SE's collective agreement); employer contribution to excess Social Security charges; and partial liquidation of the time savings account (CET).

Deferred compensation	Amount	Description
Severance payment	None	Frédéric Crépin is not entitled to receive any severance payment in respect of his corporate office. However, he is eligible for a severance payment equal to eighteen months' salary + target bonus under his employment contract.
Non-compete payment	None	Frédéric Crépin is not entitled to receive any non-compete payment.
Supplemental pension plan	None	As is the case for a number of the company's other senior executives, Frédéric Crépin is eligible to participate in the supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. Dual cap: 25% of reference compensation (fixed plus variable) capped at 60 times the Social Security limit. Annuity growth rate in 2021, based on seniority within the group: 1.50% subject to performance criteria. Potential annuity accrued in 2021: €21,600 (see Section 2.2.2.3. of this chapter).

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Frédéric Crépin, member of the Management Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Frédéric Crépin in his capacity as member of the Management Board, as set out in Chapter 4, Section 2.5.5. of the 2021 Annual Report – Universal Registration Document.

2.5.6. SIMON GILLHAM – MEMBER OF THE MANAGEMENT BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€750,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee in accordance with the principles and criteria applicable for setting the compensation of the members of the Management Board for 2021, as approved by the Supervisory Board on March 3, 2021 and by the General Shareholders' Meeting of June 22, 2021 (eighteenth resolution).
2021 variable compensation	€600,000	At its meeting held on March 9, 2022, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement rates of the financial and non-financial criteria used to determine the amount of Simon Gillham's variable compensation for 2021. His variable compensation represents 80% of his fixed compensation (see Section 2.2.2.2. of this chapter).
2020 variable compensation	€600,000	Amount paid following approval at the Annual General Shareholders' Meeting of June 22, 2021 (thirteenth resolution), in accordance with Article L. 22-10-34 II. of the French Commercial Code.
Deferred variable compensation	n/a	Simon Gillham does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	Simon Gillham does not receive any multi-year variable compensation.
Stock options	n/a	The company has not granted any stock options since 2013.
Performance shares	n/a	Simon Gillham was not granted any performance shares for 2021.
Amount allocated in the absence of performance shares for 2021	€630,000	At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to grant Simon Gillham a cash amount of €630,000 (i.e., 42% of the maximum authorized amount), subject to the completion in 2021 of the project to list UMG and distribute UMG shares (see Section 2.2.2.1. of this chapter).
Other extraordinary compensation	n/a	Simon Gillham was not allocated any other extraordinary compensation for 2021.
Board remuneration (formerly "attendance fees")	n/a	In accordance with Article L. 225-83 of the French Commercial Code, Simon Gillham does not receive any remuneration for his role as member of the Management Board.
Benefits-in-kind	€31,366	No company car; profit sharing (under Vivendi SE's collective agreement) and employer contribution to excess Social Security charges.

Deferred compensation	Amount	Description
Severance payment	None	Simon Gillham is not entitled to receive any severance payment in respect of his corporate office. However, he is eligible for a severance payment equal to eighteen months' salary + target bonus under his employment contract.
Non-compete payment	None	Simon Gillham is not entitled to receive any non-compete payment.
Supplemental pension plan	None	As is the case for a number of the company's other senior executives, Simon Gillham is eligible to participate in the supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. Dual cap: 25% of reference compensation (fixed plus variable) capped at 60 times the Social Security limit. Annuity growth rate in 2021, based on seniority within the group: 1.50% subject to performance criteria. Potential annuity accrued in 2021: €20,250 (see Section 2.2.2.3. of this chapter).

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Simon Gillham, member of the Management Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Simon Gillham in his capacity as member of the Management Board, as set out in Chapter 4, Section 2.5.6. of the 2021 Annual Report – Universal Registration Document.

2.5.7. HERVÉ PHILIPPE – MEMBER OF THE MANAGEMENT BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€940,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee in accordance with the principles and criteria applicable for setting the compensation of the members of the Management Board for 2021, as approved by the Supervisory Board on March 3, 2021 and by the General Shareholders' Meeting of June 22, 2021 (eighteenth resolution).
2021 variable compensation	€752,000	At its meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement rates of the financial and non-financial criteria used to determine the amount of Hervé Philippe's variable compensation for 2021. His variable compensation represents 80% of his fixed compensation (see Section 2.2.2.2. of this chapter).
2020 variable compensation	€752,000	Amount paid following approval at the Annual General Shareholders' Meeting of June 22, 2021 (fourteenth resolution), in accordance with Article L. 22-10-34 II. of the French Commercial Code.
Deferred variable compensation	n/a	Hervé Philippe does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	Hervé Philippe does not receive any multi-year variable compensation.
Stock options	n/a	The company has not granted any stock options since 2013.
Performance shares	n/a	Hervé Philippe was not granted any performance shares for 2021.
Amount allocated in the absence of performance shares for 2021	€420,000	At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to grant Hervé Philippe a cash amount of €420,000 (i.e., 22% of the maximum authorized amount), subject to the completion in 2021 of the project to list UMG and distribute UMG shares (see Section 2.2.2.1. of this chapter).
Other extraordinary compensation	n/a	Hervé Philippe was not allocated any other extraordinary compensation for 2021.
Board remuneration (formerly "attendance fees")	n/a	In accordance with Article L. 225-83 of the French Commercial Code, Hervé Philippe does not receive any remuneration for his role as a member of the Management Board.
Benefits-in-kind	€26,570	Company car (with no chauffeur); profit sharing (under Vivendi SE's collective agreement) and employer contribution to excess Social Security charges.

Deferred compensation	Amount	Description
Severance payment	None	Hervé Philippe is not entitled to receive any severance payment in respect of his corporate office. However, he is eligible for a severance payment equal to eighteen months' salary + target bonus under his employment contract.
Non-compete payment	None	Hervé Philippe is not entitled to receive any non-compete payment.
Supplemental pension plan	None	As is the case for a number of the company's other senior executives, Hervé Philippe is eligible to participate in the supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. Dual cap: 25% of reference compensation (fixed plus variable) capped at 60 times the Social Security limit. Annuity growth rate in 2021, based on seniority within the group: 1.50% subject to performance criteria. Potential annuity accrued in 2021: €25,380 (see Section 2.2.2.3. of this chapter).

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Hervé Philippe, member of the Management Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Hervé Philippe in his capacity as member of the Management Board, as set out in Chapter 4, Section 2.5.7. of the 2021 Annual Report – Universal Registration Document.

2.5.8. STÉPHANE ROUSSEL – MEMBER OF THE MANAGEMENT BOARD

Components of compensation paid during 2021 or allocated for that year	Amount or value (before taxes and Social Security contributions)	Description
Fixed compensation	€1,000,000	Gross fixed compensation set by the Supervisory Board on March 3, 2021 based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee in accordance with the principles and criteria applicable for setting the compensation of the members of the Management Board for 2021, as approved by the Supervisory Board on March 3, 2021 and by the General Shareholders' Meeting of June 22, 2021 (eighteenth resolution).
2021 variable compensation	€800,000	At its meeting held on March 9, 2022, on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board reviewed the achievement rates of the financial and non-financial criteria used to determine the amount of Stéphane Roussel's variable compensation for 2021. His variable compensation represents 80% of his fixed compensation (see Section 2.2.2.2. of this chapter).
2020 variable compensation	€800,000	Amount paid following approval at the Annual General Shareholders' Meeting of June 22, 2021 (fifteenth resolution), in accordance with Article L. 22-10-34 II. of the French Commercial Code.
Deferred variable compensation	n/a	Stéphane Roussel does not receive any deferred variable compensation.
Multi-year variable compensation	n/a	Stéphane Roussel does not receive any multi-year variable compensation.
Stock options	n/a	The company has not granted any stock options since 2013.
Performance shares	n/a	Stéphane Roussel was not granted any performance shares for 2021.
Amount allocated in the absence of performance shares for 2021	€840,000	At its March 9, 2022 meeting, based on the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board decided to grant Stéphane Roussel a cash amount of €840,000 (i.e., 42% of the maximum authorized amount), subject to the completion in 2021 of the project to list UMG and distribute UMG shares (see Section 2.2.2.1. of this chapter).
Other extraordinary compensation	n/a	Stéphane Roussel was not allocated any other extraordinary compensation for 2021.
Board remuneration (formerly "attendance fees")	n/a	Stéphane Roussel does not receive any remuneration for his role as a member of the Management Board.
Benefits-in-kind	€33,126	Company car (with no chauffeur); profit sharing (under Vivendi SE's collective agreement) and employer contribution to excess Social Security charges.

Deferred compensation	Amount	Description
Severance payment	None	Stéphane Roussel is not entitled to receive any severance payment in respect of his corporate office. However, he is eligible for a severance payment equal to eighteen months' salary + target bonus under his employment contract.
Non-compete payment	None	Stéphane Roussel is not entitled to receive any non-compete payment.
Supplemental pension plan	None	As is the case for a number of the company's other senior executives, Stéphane Roussel is eligible to participate in the supplemental pension plan that was set up on January 1, 2020 pursuant to Article L. 137-11-2 of the French Social Security Code. Dual cap: 25% of reference compensation (fixed plus variable) capped at 60 times the Social Security limit. Annuity growth rate in 2021, based on seniority within the group: 1.50% subject to performance criteria. Potential annuity accrued in 2021: €32,850 (see Section 2.2.2.3. of this chapter).

n/a: not applicable.

Proposed resolution to be submitted at the General Shareholders' Meeting of April 25, 2022

Approval of the components of compensation and benefits-in-kind paid during or allocated for 2021 to Stéphane Roussel, member of the Management Board.

Having reviewed the corporate governance report drawn up pursuant to Articles L. 225-68 and L. 22-10-20 of the French Commercial Code, in accordance with Article L. 22-10-34 II. of the French Commercial Code, the General Shareholders' Meeting approves the components making up the total compensation and benefits paid during or allocated for 2021 to Stéphane Roussel in his capacity as member of the Management Board, as set out in Chapter 4, Section 2.5.8. of the 2021 Annual Report – Universal Registration Document.

2.6. Comparison between the compensation of executive corporate officers and the average and median salaries of employees

The scope of the information presented below covers the salaried employees of Vivendi SE pursuant to sub-sections 6 and 7 of Article L. 22-10-9 I. of the French Commercial Code and salaried employees in France **(1)** pursuant to the guidelines on executive pay ratio reporting published by AFEP in February 2021. Vivendi has employees in almost 80 countries with widely varying employment situations. For this reason, limiting the reporting scope to Vivendi SE and employees in France is considered the only way of making meaningful comparisons.

The comparison is based on the fixed and variable compensation and benefits paid by Vivendi SE and its French subsidiaries for positions held during the reporting period (2017 to 2021), plus the book value of performance shares granted during the period **(2)**. The amounts shown for the Chairman of the Supervisory Board and the Chairman and members of the Management Board of Vivendi SE correspond exclusively to the amounts paid or allocated to them for their services on the Supervisory Board or Management Board (for 2021, see Sections 2.2.1.1., 2.2.2.1. and 2.2.2.2. of this chapter for details).

The average and median compensation of salaried employees has been calculated on a full-time equivalent basis, which corresponds to a full year of annual compensation. The calculation does not include any severance payments, non-compete benefits, or accrued pension benefits, in accordance with the AFEP guidelines on executive pay ratio reporting published in February 2021.

(1) Employees in France: 11,556 out of a total group workforce of 35,911 as of December 31, 2021.

(2) The book value is calculated based on the number of performance shares. The value per performance share used for this table corresponds to the value recognized in the financial statements in accordance with IFRS 2 (see Note 21 to the 2021 consolidated financial statements in Chapter 5 of this Annual Report – Universal Registration Document for a description of the measurement of equity-settled instruments). This per-share value is €14.37 for the February 2017 plan, €19.85 for the May 2018 plan, €19.37 for the February 2019 plan and €21.68 for the February 2020 plan. No performance shares were granted for 2021 to Vivendi group employees, executives or corporate officers. Instead, they were awarded a gross amount of €21 per theoretical right to 2021 performance shares.

(ratios)	2021	2020	2019	2018	2017 (1)
Chairman of the Supervisory Board (2)					
% change in compensation	0.00%	0.00%	0.00%	0.00%	0.00%
Legal scope (Vivendi SE)					
Mean pay ratio	*2.13*	*2.36*	*2.57*	*2.70*	*2.80*
Median pay ratio	*4.24*	*4.92*	*4.77*	*4.88*	*4.84*
Geographic scope (France)					
Mean pay ratio	*5.79*	*6.01*	*6.11*	*6.30*	*6.34*
Median pay ratio	*7.54*	*8.00*	*8.02*	*8.25*	*8.22*
Chairman of the Management Board					
% change in compensation	**(3)** +12.18%	+3.15%	+2.88%	**(4)** +17.73%	-24.06%
Legal scope (Vivendi SE)					
Mean pay ratio	*21.20*	*20.94*	*20.90*	*22.59*	*19.93*
Median pay ratio	*42.23*	*43.70*	*38.72*	*40.82*	*34.38*
Geographic scope (France)					
Mean pay ratio	*57.66*	*53.35*	*52.60*	*52.76*	*45.05*
Median pay ratio	*75.08*	*71.01*	*69.06*	*69.01*	*58.44*
Members of the Management Board					
Gilles Alix (5)					
% change in compensation	**(6)** +53.05%	**(7)** +70.92%	+12.07%	-1.73%	n/a
Legal scope (Vivendi SE)					
Mean pay ratio	*13.79*	*9.98*	*6.37*	*5.97*	*6.31*
Median pay ratio	*27.47*	*20.84*	*11.81*	*10.79*	*10.88*
Geographic scope (France)					
Mean pay ratio	*37.51*	*25.44*	*15.14*	*13.94*	*14.26*
Median pay ratio	*48.85*	*33.86*	*19.88*	*18.23*	*18.50*
Cédric de Bailliencourt (5)					
% change in compensation	**(8)** +48.73%	+9.39%	+0.80%	-1.71%	n/a
Legal scope (Vivendi SE)					
Mean pay ratio	*6.18*	*4.60*	*4.59*	*4.78*	*5.05*
Median pay ratio	*12.30*	*9.60*	*8.50*	*8.63*	*8.71*

(ratios)	2021	2020	2019	2018	2017 (1)
Geographic scope (France)					
Mean pay ratio	*16.79*	*11.72*	*10.90*	*11.16*	*11.41*
Median pay ratio	*21.87*	*15.60*	*14.31*	*14.59*	*14.80*
Frédéric Crépin					
% change in compensation	-4.50%	+8.59%	+1.00%	+10.07%	-13.76%
Legal scope (Vivendi SE)					
Mean pay ratio	*11.69*	*13.56*	*13.63*	*14.16*	*13.36*
Median pay ratio	*23.29*	*28.31*	*25.25*	*25.59*	*23.05*
Geographic scope (France)					
Mean pay ratio	*31.80*	*34.56*	*32.37*	*33.07*	*30.20*
Median pay ratio	*41.40*	*46.00*	*42.50*	*43.26*	*39.18*
Simon Gillham					
% change in compensation	-4.20%	+9.59%	+2.25%	+17.23%	-17.87%
Legal scope (Vivendi SE)					
Mean pay ratio	*10.70*	*12.37*	*12.32*	*12.65*	*11.20*
Median pay ratio	*21.31*	*25.83*	*22.82*	*22.85*	*19.33*
Geographic scope (France)					
Mean pay ratio	*29.10*	*31.53*	*29.26*	*29.53*	*25.32*
Median pay ratio	*37.89*	*41.97*	*38.42*	*38.62*	*32.85*
Hervé Philippe					
% change in compensation	-4.78%	+9.11%	-1.52%	-6.97%	-12.76%
Legal scope (Vivendi SE)					
Mean pay ratio	*11.38*	*13.24*	*13.23*	*14.11*	*15.75*
Median pay ratio	*22.60*	*27.62*	*25.42*	*25.49*	*27.16*
Geographic scope (France)					
Mean pay ratio	*30.94*	*33.73*	*31.44*	*32.94*	*35.59*
Median pay ratio	*40.29*	*44.89*	*41.27*	*43.09*	*46.18*
Stéphane Roussel					
% change in compensation	-4.44%	+9.50%	-0.73%	+9.36%	-11.04%
Legal scope (Vivendi SE)					
Mean pay ratio	*14.22*	*16.49*	*16.43*	*17.37*	*16.50*
Median pay ratio	*28.32*	*34.41*	*30.43*	*31.38*	*28.46*
Geographic scope (France)					
Mean pay ratio	*38.67*	*42.01*	*39.02*	*40.56*	*37.28*
Median pay ratio	*50.36*	*55.92*	*51.23*	*53.05*	*48.37*

n/a: not applicable.

(1) Between 2016 and 2017, the Supervisory Board decided to establish a better balance between the fixed and variable components of the Management Board members' compensation (see Section 2.1.3. of Chapter 3 of the 2017 Annual Report – Registration Document).

(2) The ratios for 2018 have been calculated based on the compensation paid to the Chairman of the Supervisory Board, on the following proportionate bases: Vincent Bolloré (for the period between January 1 and April 19, 2018) and Yannick Bolloré (for the period between April 19 and December 31, 2018).

(3) In 2021, the fixed portion of the compensation of the Chairman of the Management Board was increased from €1,400,000 gross to €2,000,000 gross (see Section 2.1.2.1. of this chapter).

(4) The Supervisory Board rebalanced the compensation of the Chairman of the Management Board in 2018, following termination of his executive duties at Telecom Italia and due to the fact that in 2018 he was not paid any variable compensation by Telecom Italia for 2017 (see Section 2.2.2.1. of Chapter 2 of the 2018 Annual Report – Registration Document).

(5) Gilles Alix and Cédric de Bailliencourt have been members of the Management Board since September 1, 2017. The ratios for 2018 and 2017 were calculated on an annual basis for their fixed and variable compensation. The ratio for 2017 takes into account a theoretical 2016 variable portion on the basis of an 80% target, consistent with the compensation policy for 2016. Gilles Alix was not granted any performance shares between 2017 and 2019. Cédric de Bailliencourt was not granted any performance shares before 2021.

(6) Gilles Alix did not receive any compensation from the Bolloré Group for 2021. Since 2021, he has worked full time for the Vivendi group and has been granted 40,000 theoretical rights to 2021 performance shares (compared to 20,000 performance shares in 2020). Between 2019 and 2021, the fixed portion of his total compensation, divided between the Bolloré and Vivendi groups, decreased by 33% (see Section 1.2.2.1. of this chapter).

(7) Gilles Alix was granted performance shares for the first time in 2020.

(8) Cédric de Bailliencourt was granted theoretical rights to performance shares for the first time in 2021.

In accordance with sub-section 7 of Article L. 22-10-9 I. of the French Commercial Code, the table below sets out the changes in the performance of the company and the average compensation paid to its employees in the past five years, using the same calculation bases as for the preceding table.

Earnings after tax, depreciation, amortization and provisions – which is the only indicator that effectively shows year-on-year changes in the company's performance over the past five years – is shown below in accordance with the same Article.

Year-on-year changes, over the same period, in the following consolidated data for the Vivendi group are shown below for information purposes: adjusted net income, cash flow from operations (CFFO) and cash flow from operations after interest and tax (CFAIT).

Consolidated data (in millions of euros)	2021	2020	2019	2018	2017
Adjusted net income	649	292	778	482	688
Cash flow from operations (CFFO)	748	646	199	288	344
Cash flow from operations after interest and tax (CFAIT)	579	723	22	208	800
Parent company data (in millions of euros)					
Earnings after tax, depreciation, amortization and provisions	31,521	3,009.4	1,729.8	951.3	703.1
Change in average salary (in %)					
Legal scope (Vivendi SE)	+10.78%	+9.10%	+4.97%	+3.87%	+0.44%
Geographic scope (France)	+3.79%	+1.71%	+3.19%	+0.52%	+2.52%

2.7. Trading in company securities

Stock Trading Ethics

In compliance with European Market Abuse Regulation No. 596/2014 of April 16, 2014, the recommendations of the AFEP-MEDEF Code and the rules applicable within Vivendi, purchase and sale transactions involving the company's securities are prohibited during the period from the date when a member of the Supervisory Board or Management Board becomes aware of precise information concerning the company's day-to-day business or prospects which, if it were made public, would be likely to have a significant effect on the company's share price, up to the date when this information is made public.

In accordance with Vivendi's internal rules, such transactions are also prohibited for 30 calendar days preceding and including the day of publication of the company's half-yearly and annual financial statements and for a period of 15 calendar days preceding and including the day of publication of Vivendi's quarterly financial information.

Vivendi prepares and distributes a summary schedule setting out the blackout periods during which transactions involving the company's shares are prohibited. This schedule also makes clear that the periods indicated do not preclude the existence of other blackout periods that may apply as a result of knowledge of specific market information concerning developments in Vivendi's business or prospects which, if made public, would be likely to have a material impact on the company's share price.

At its Meeting held on January 24, 2007, the company's Management Board prohibited the use of all hedge transactions on stock options, shares resulting from the exercise of stock options, performance shares, and the company's securities in general, through the hedged purchase or sale of shares or the use of any other option mechanism.

These restrictions appear in the rules of the stock option and performance share plans, and beneficiaries of these plans are reminded of them in the individual grant letters. These restrictions also appear in the internal rules of the Supervisory Board and Management Board.

2.7.1. TRADING IN SECURITIES BY MEMBERS OF THE SUPERVISORY BOARD AND MANAGEMENT BOARD IN 2021

Pursuant to Article 223-26 of the General Regulations of the AMF *(Autorité des marchés financiers)*, the table below sets out transactions involving the company’s securities in 2021 and 2022 up to the date of this Annual Report – Universal Registration Document that were reported to the company and to the AMF:

Name	Awards (1) / Purchases (2) / Financing (3)			Exercise of stock subscription options			Sales			Subscriptions (Group Savings Plan)		
	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)
Compagnie de l’Odet (Bolloré Group)	03/04/2021	849,102	**(4)** 28.0067									
	03/04/2021	50,898	27.9815									
	03/05/2021	500,000	**(4)** 27.6154									
	03/08/2021	234,131	**(4)** 27.6950									
	03/08/2021	5,216	27.5484									
	03/09/2021	223,844	**(4)** 27.6445									
	03/09/2021	29,084	27.6414									
	03/10/2021	65,815	**(4)** 27.5768									
	03/10/2021	137,082	27.5848									
	03/12/2021	69,422	**(4)** 27.6968									
	03/12/2021	94,040	27.6667									
	03/15/2021	169,576	**(4)** 27.6043									
	03/15/2021	230,424	27.6327									
	04/01/2021	37,892	**(4)** 27.6976									
	04/01/2021	19,108	27.6679									
	05/12/2021	1,765,887	**(4)** 28.6180									
	05/13/2021	42,654	28.4500									
	06/04/2021	527,569	**(4)** 28.9840									
	06/04/2021	73,159	28.9958									
	06/09/2021	140,436	29.0000									
	06/09/2021	159,564	28.9932									
	06/10/2021	25,000	**(4)** 28.8820									
	06/10/2021	173,146	28.8956									
	06/14/2021	194,952	**(4)** 28.8390									
	06/14/2021	175,048	28.8456									
	06/16/2021	2,510	28.8440									
Compagnie de Cornouaille (Bolloré Group)	05/25/2021	36,810,991	**(5)** 21.3227									
	06/25/2021	5,853,140	**(3) (a)** 28.1900									
	06/25/2021	2,837,886	**(3) (b)** 28.1900									
	07/29/2021	8,909,480	**(3) (c)** 28.0600									
Financière de Larmor (Bolloré Group)	04/23/2021	15,353,436	**(6)** 21.4936									

Name	Awards (1) / Purchases (2) / Financing (3)			Exercise of stock subscription options			Sales			Subscriptions (Group Savings Plan)		
	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)
Yannick Bolloré	05/18/2021	**(1) (a)** 13,500	n/a									
	06/22/2021	**(2)** 2,500	28.9800									
	09/21/2021	**(2)** 5,000	10.5500									
	12/13/2021	**(2)** 46,580	11.2583				12/13/2021	**(10)** 46,580	11.2544			
	12/15/2021	**(2)** 6,400	11.1502				12/15/2021	**(10)** 6,400	11.1450			
	03/10/2022	**(1) (b)** 18,000	n/a									
Cyrille Bolloré	06/24/2021	**(2)** 20,000	**(4)** 28.0143									
	10/27/2021	**(2)** 14,000	11.0650				10/27/2021	**(10)** 14,000	**(4)** 11.0648			
Laurent Dassault	03/05/2021	**(2)** 1,000	27.7600									
Cathia Lawson-Hall	06/24/2021	**(2)** 1,356	28.0189									
Vincent Bolloré	06/07/2021	**(2)** 22,000	**(4)** 29.3748									
Arnaud de Puyfontaine	05/18/2021	**(1) (a)** 37,500	n/a									
	06/22/2021	**(2)** 3,480	28.9071									
	03/10/2022	**(1) (b)** 40,000	n/a									
Gilles Alix	05/13/2021	**(2)** 1,500	28.6000									
	06/24/2021	**(2)** 3,000	28.0500									
	06/24/2021	**(2)** 500	28.0700									
Cédric de Bailliencourt	06/09/2021	**(2)** 3,400	29.0100									
	06/24/2021	**(2)** 3,300	**(4)** 28.1680									
Frédéric Crépin				03/23/2021	**(7)** 9,000	17.1900	03/23/2021	**(10)** 9,000	28.4426			
	05/18/2021	**(1) (a)** 26,250	n/a									
				06/14/2021	**(8)** 22,000	11.7600	06/14/2021	**(10)** 22,000	28.9023			
				06/14/2021	**(9)** 9,000	13.8800	06/14/2021	**(10)** 9,000	28.9482			
	06/25/2021	**(2)** 3,552	28.0700									
	03/10/2022	**(1) (b)** 35,000	n/a									
Simon Gillham	05/18/2021	**(1) (a)** 22,500	n/a									
	03/10/2022	**(1) (b)** 30,000	n/a									

Name	Awards (1) / Purchases (2) / Financing (3)			Exercise of stock subscription options			Sales			Subscriptions (Group Savings Plan)		
	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)	Date	Quantity	Unit price (in euros)
Hervé Philippe	03/05/2021	**(2)** 7,500	27.9500									
	05/18/2021	**(1) (a)** 15,000	n/a									
	06/22/2021	**(2)** 12,000	29.0284									
	03/10/2022	**(1) (b)** 20,000	n/a									
Stéphane Roussel				03/11/2021	**(7)** 46,378	17.1900	03/11/2021	**(10)** 46,378	27.8031			
	05/18/2021	**(1) (a)** 30,000	n/a									
				06/14/2021	**(8)** 40,799	11.7600	06/14/2021	**(10)** 40,799	28.8087			
				08/04/2021	**(9)** 39,487	13.8800	08/04/2021	**(10)** 39,487	28.7501			
	03/10/2022	**(1) (b)** 40,000	n/a									

n/a: not applicable.

(1) (a) Vesting of performance shares (2018-05-1 Plan).

(b) Vesting of performance shares (2019-02-1 Plan).

(2) Purchased on the market.

(3) (a) Loan set up for a total amount of €165,000,016.60, backed by 5,853,140 Vivendi SE shares, with repayment of the loan either in cash or by delivery of the said shares. This loan is secured by a minimum of 8,361,628 Vivendi SE pledged shares and is subject to margin calls and repayments based on daily fluctuations in the Vivendi SE share price, payable in the form of shares up to a maximum of 10,865,770 shares, then in cash. Compagnie de Cornouaille is therefore not exposed to any financial risk in relation to this financing other than that resulting from the shares it owns.

(b) On June 25, 2021, €80,000,006.34 was drawn down under a revolving credit facility, backed by 2,837,886 Vivendi SE shares. This drawdown is guaranteed by the pledge of 3,396,394 Vivendi SE shares in addition to the 8,522,728 shares already registered in the pledged account. The drawdown is subject to margin calls and repayments based on daily fluctuations in the Vivendi SE share price to maintain a guarantee of 120% of the loan amounts. Compagnie de Cornouaille is therefore not exposed to any financial risk in relation to this financing other than that resulting from the shares it owns.

(c) On July 29, 2021, €250,000,008.80 was drawn down under a revolving credit facility, backed by 8,909,480 Vivendi SE shares. This drawdown is secured by the pledge of 10,746,596 Vivendi SE shares in addition to the 11,919,122 shares already registered in the pledged account. The drawdown is subject to margin calls and repayments based on daily fluctuations in Vivendi's share price to maintain a guarantee of 120% of the loan amounts. Compagnie de Cornouaille is therefore not exposed to any financial risk in relation to this financing other than that resulting from the shares it owns.

(4) Aggregate price.

(5) Signature, on April 14, 2021, of a merger agreement between Compagnie de Cornouaille and Financière de Larmor, sister companies and wholly-owned subsidiaries of Bolloré SE, under the terms of which Financière de Larmor (which holds 36,810,991 Vivendi SE shares) would be merged with and into Compagnie de Cornouaille. The merger was completed on May 25, 2021 as announced in the AMF Notices 2021DD741602 (Compagnie de Cornouaille) and 2021DD741601 (Financière de Larmor).

(6) Early repayment, in cash, on April 30, 2021 of loans, each representing a maximum amount of €300,000,000 and on which two drawdowns were made, with each drawdown backed by 7,676,718 Vivendi SE shares (AMF Notice 2018DD580403 dated October 19, 2018 and AMF Notice 2018DD585205 dated November 26, 2018). Following these repayments, the releases relating to the pledged Vivendi SE shares were obtained and the condition precedent to the merger between Financière de Larmor and Compagnie de Cornouaille was satisfied, as a result of which the merger completed on May 25, 2021 (AMF Notices 2021DD741601 and 2021DD741602 dated April 20, 2021).

(7) Exercise of stock options (April 2011 plan).

(8) Exercise of stock options (April 2012 plan).

(9) Exercise of stock options (September 2012 plan).

(10) Sold on the market.

SECTION 3. GENERAL INFORMATION ABOUT THE COMPANY

3.1. Corporate and Commercial Name

Pursuant to Article 1 of the company's by-laws, the corporate name of the company is Vivendi SE.

3.2. Place of Registration and Registration Number

The company is registered with the Paris Trade and Companies Registry under reference number 343 134 763. Its Siret registration number is 343 134 763 00048 and its APE business identifier code is 7010Z.

3.3. Date of Incorporation and Term

As set forth in Article 1 of the by-laws, the company has a term of 99 years beginning December 18, 1987 and ending December 17, 2086, except in the event of extension or early dissolution.

3.4. Registered Office, Legal Form and Laws Applicable to Vivendi SE's Business

Pursuant to Article 3 of the by-laws, the company's registered and head office is located at 42, avenue de Friedland, 75008 Paris, France.

The company does not have any branches in France or abroad.

Pursuant to Article 1 of its by-laws, Vivendi SE is a European company with a Management Board *(Directoire)* and a Supervisory Board *(Conseil de surveillance)*. The company is registered under French law and is governed by (i) the European Council Regulation (EC) No. 2157/2001 of October 8, 2001 on the Statute for a European company (SE), (ii) the European Council Directive 2001/86/EC of October 8, 2001, (iii) the provisions of the French Commercial Code *(Code de commerce)* relating to companies in general and European companies in particular, and (iv) the by-laws.

3.5. Fiscal Year

Pursuant to Article 19 of the by-laws, the company's fiscal year begins on January 1 and ends on December 31 of each year.

3.6. Access to Legal Documents and Regulated Information

Legal documents relating to the issuer are available for review at the company's registered office. Periodic and ongoing regulated information may be found on the company's website (www.vivendi.com) under "Shareholders & investors"/"Regulated Information". Information posted on the company's website does not constitute an integral part of this Annual Report – Universal Registration Document unless incorporated herein by reference.

3.7. Memorandum and by-laws

3.7.1. CORPORATE PURPOSE

Pursuant to Article 2 of the by-laws, the company's main corporate purpose, directly and indirectly, both in France and internationally, is: to provide communication, telecommunication, and interactive services (directly or indirectly) to individuals, businesses or public sector customers; to market products and services related to the foregoing; to engage (directly or indirectly), in commercial, industrial, financial, securities and real estate transactions, which (i) are related (directly or indirectly) to the aforementioned purpose or to any other similar or related purpose, or (ii) contribute to the achievement of such purpose; and more generally the management and acquisition, either by subscription, purchase, contribution, exchange or through any other means, of shares, bonds and any other securities of companies already existing or yet to be formed, including the possibility of selling such securities.

3.7.2. RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO THE COMPANY'S SHARES AND TO EACH CLASS OF EXISTING SHARES, IF APPLICABLE

Pursuant to Articles 4 and 5 of the by-laws, the company's shares are all of the same class and may be held in either registered or bearer form, unless provided otherwise by applicable laws and regulations.

Pursuant to Article 6 of the by-laws, each share carries ownership rights over the company's assets and liquidation surplus, in a proportion equivalent to the portion of the share capital it represents.

Whenever a certain number of shares is necessary to exercise a right, shareholders who do not own said number of shares shall be responsible, if necessary, for grouping the shares corresponding to the required quantity. Subscription rights attached to shares belong to the holder of the usufruct rights *(usufruitier)*.

3.7.3. ACTIONS NECESSARY TO CHANGE THE RIGHTS OF SHAREHOLDERS

The by-laws do not contain any terms and conditions that are more restrictive than those provided for in applicable laws and regulations regarding rights attached to the company's shares and changes to the company's share capital.

3.7.4. SHAREHOLDERS' MEETINGS

Pursuant to Article 16 of the by-laws, Shareholders' Meetings are convened and held in accordance with applicable laws and regulations.

Shareholders' Meetings are held at the company's registered office or at any other place indicated in the meeting notice. When convening such a meeting, the Management Board may decide to publicly broadcast the Shareholders' Meeting in full via videoconference or by another form of remote transmission. If applicable, this decision shall be published in the meeting notice and convening notice.

The Social and Economic Committee may also appoint two of its members to attend Shareholders' Meetings. The Chairman of the Management Board, or any other duly authorized person, notifies the Social and Economic Committee, by any method, of the date and venue of all Shareholders' Meetings called.

Each shareholder, without regard to the number of shares held, is entitled, upon proof of his or her identity and standing as a shareholder, to participate in the Shareholders' Meetings, subject to: (i) the recording of his or her shares on or before midnight (Paris time) on the second business day preceding the Shareholders' Meeting (the "Record Date"), whereby:

- registered shareholders are recorded under their name in the nominative share register on file with the company; and
- bearer shareholders are recorded under the name of their financial intermediary acting as holder of record, in the bearer share register on file with the authorized intermediary,

and (ii) if necessary, the provision of all relevant documents to the company to prove his or her identity as a shareholder in accordance with applicable laws and regulations.

The registration or recording of shares in the bearer share account held by the authorized intermediary is authenticated by a shareholding certificate *(attestation de participation)* delivered by said intermediary in accordance with applicable laws and regulations.

Pursuant to Article 17 of the by-laws, voting rights attached to shares belong to usufruct holders *(usufruitiers)* in Ordinary Shareholders' Meetings and to legal owners of title *(nu-propriétaires)* in Extraordinary or Special Shareholders' Meetings, unless otherwise agreed by both parties and provided that the company is notified of such agreement by said parties.

Subject to applicable laws and regulations, shareholders may send their proxy and voting forms by mail, either in paper form or, where approved by the Management Board and published in the meeting notice and the convening notice, by remote transmission. Proxy or voting forms sent by mail must be received by the company by 3:00 pm (Paris time) on the day prior to the Shareholders' Meeting.

The proxy or voting form may, if necessary, contain the shareholder's electronic signature, authenticated by a reliable and secure process, enabling identification of the shareholder as well as authentication of his or her vote.

Shareholders' Meetings are chaired by the Chairman of the Supervisory Board.

In accordance with applicable statutory provisions, all shares that have been registered in the name of the same owner for more than two years automatically carry double voting rights.

3.7.5. DETERMINATION, ALLOCATION AND DISTRIBUTION OF EARNINGS

Pursuant to Article 20 of the by-laws, the company's statement of earnings summarizes the difference between its income and charges for the fiscal year, less amortization, depreciation and any provisions, and the resulting earnings.

Where applicable, at least 5% of the group's fiscal year's earnings, less any deferred losses, are withheld for allocation to statutory reserves. This ceases to be mandatory when the statutory reserves reach an amount equal to 10% of the share capital, and enters into effect again, if, for any reason, the same statutory reserves fall below this percentage.

The Shareholders' Meeting may set aside such sums as the Management Board deems appropriate for transfer to contingency funds, ordinary or extraordinary reserves, retained earnings, or for distribution.

Distributable earnings are equal to earnings for the fiscal year, less losses carried forward and allocations to reserves, plus earnings carried forward from previous fiscal years.

Dividends are first paid out of current earnings.

Except in the event of a reduction in share capital, no dividends may be distributed to shareholders if the company's equity is, or would become as a result of such distribution, less than the amount of the share capital plus any reserves that may not be distributed under applicable laws, regulations or the by-laws.

Revaluation surpluses may not be distributed but may be wholly or partially capitalized.

The Shareholders' Meeting may resolve to distribute funds deducted from available reserves by specifically identifying the reserve line items from which said deductions are to be made.

The terms of payment of dividends shall be determined by the Shareholders' Meeting or, failing that, by the Management Board. Dividends must be paid no later than nine months after the end of the fiscal year, unless extended by court order.

The Shareholders' Meeting has the right to grant each shareholder the option to receive all or a portion of the annual dividend or interim dividend distributed in the form of cash, shares, or payment-in-kind.

In accordance with the amendment to the by-laws adopted by Extraordinary Shareholders' Meeting of March 29, 2021, the Shareholders' Meeting – or the Management Board in the case of an interim dividend – may decide that all or a portion of the distribution of a dividend, an interim dividend, reserves or premiums, or of a capital reduction, will be made through the delivery of assets-in-kind, including financial securities.

Dividends which remain unclaimed five years after the date of payment will no longer be distributable.

3.7.6. PROVISIONS HAVING THE EFFECT OF DELAYING, DEFERRING OR PREVENTING A CHANGE IN CONTROL

The by-laws do not contain any provisions that would have the effect of delaying, deferring or preventing a change in control of the company.

3.7.7. PROVISIONS GOVERNING THE THRESHOLD ABOVE WHICH SHAREHOLDER OWNERSHIP MUST BE DISCLOSED

Pursuant to Article 5 of the by-laws, the company may, at any time and in accordance with applicable laws and regulations, request that the relevant central depository for Financial Instruments provide it with information in relation to any of the company's securities that confer a right to vote (either immediately or in the future) at Shareholders' Meetings.

Any personal data or information obtained are used solely for the purpose of identifying the owners of bearer shares and analyzing Vivendi SE's share ownership structure on any given date. In accordance with the provisions of data protection laws, in particular Regulation (EU) 2016/679 of April 27, 2016, on personal data protection (GDPR), owners of securities have the right to access, amend and delete any personal information about themselves. To do so, a request must be submitted to Vivendi's Legal department or to the following e-mail address: tpi@vivendi.com.

Failure by shareholders or their intermediaries to disclose such information may, under the conditions provided by applicable laws and regulations, lead to the suspension or forfeiture of dividend or voting rights attached to the shares concerned.

Any person, acting alone or in concert, who becomes the holder (directly or indirectly) of a fraction of the share capital, voting rights or securities giving rights to the share capital of the company which are equivalent to, or in excess of, 0.5%, or a multiple thereof, shall send a notice to the company by registered letter with acknowledgment of receipt. This must be done within 15 calendar days of crossing any of these thresholds. This notice shall specify the aggregate number of shares, voting rights or securities giving future rights to the share capital of the company that said person holds, whether directly or indirectly, alone or in concert.

Any person who fails to comply with this notification requirement is, upon request by one or more shareholders holding at least 0.5% of the company's share capital, subject to penalties in accordance with applicable laws and regulations.

Any person, acting alone or in concert, is also required to inform the company within 15 calendar days if the percentage of share capital or voting rights they hold falls below any of the above-mentioned thresholds.

3.7.8. PROVISIONS GOVERNING CHANGES IN SHARE CAPITAL WHERE SUCH CONDITIONS ARE MORE STRINGENT THAN REQUIRED BY LAW

None.

3.8. Share capital

3.8.1. AMOUNT OF ISSUED SHARE CAPITAL

As of December 31, 2021, the company's share capital was €6,097,085,923.50, divided into 1,108,561,077 shares with a par value of €5.50 each. The number of gross voting rights totaled 1,143,439,581.

All shares may be held in registered or bearer form and are transferable. The shares are traded on Euronext Paris (Compartment A) (ISIN code: FR0000127771). LEI No. 969500FU4DRAEVJW7U54.

3.8.2. SHARES NOT REPRESENTING CAPITAL

None.

3.8.3. AUTHORIZED BUT NON-ISSUED SHARE CAPITAL

The details of the delegations of authority and authorizations approved at the General Shareholders' Meeting of June 22, 2021 and submitted for approval by the General Shareholders' Meeting of April 25, 2022 are presented below.

ISSUES OF SECURITIES WITH PREFERENTIAL SUBSCRIPTION RIGHTS

Transactions	Source (resolution number)	Duration of the authorization (expiry date)	Maximum nominal amount of share capital increase
Capital increase (ordinary shares and marketable securities giving right to the share capital)	24th – 2021	26 months (August 2023)	**(a)** 655 million, i.e., ≈10.04% of the share capital
Capital increase by incorporation of reserves	25th – 2021	26 months (August 2023)	327.5 million, i.e., ≈5.02% of the share capital

ISSUES OF SECURITIES WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS

Transactions	Source (resolution number)	Duration of the authorization (expiry date)	Maximum nominal amount of share capital increase
Contributions-in-kind to the company	26th – 2021	26 months (August 2023)	**(b)** 5% of the share capital

ISSUES RESERVED FOR EMPLOYEES OF VIVENDI

<table>
<tr><th>Transactions</th><th>Source (resolution number)</th><th>Duration of the authorization (expiry date)</th><th>Main Terms</th></tr>
<tr><td rowspan="4">Share capital increase reserved for employees that are members of the Vivendi Group Employee Stock Purchase Plan (plan d'épargne groupe, or PEG)</td><td>25th – 2022</td><td>26 months (June 2024)</td><td>(b) Maximum of 1% of the share capital at the date of the General Shareholders' Meeting</td></tr>
<tr><td>(c) 28th – 2021</td><td>26 months (August 2023)</td><td></td></tr>
<tr><td>26th – 2022</td><td>18 months (October 2023)</td><td></td></tr>
<tr><td>(c) 29th – 2021</td><td>18 months (December 2022)</td><td></td></tr>
<tr><td>Grant of existing or future performance shares</td><td>(c) 27th – 2021</td><td>38 months (August 2024)</td><td>Maximum of 1% of the share capital on the grant date</td></tr>
</table>

SHARE REPURCHASES

Transactions	Source (resolution number)	Duration of the authorization (expiry date)	Main Terms
Share repurchase program	**(d)** 22nd – 2022	10 months (December 2022-October 2023)	10% of the share capital Maximum purchase price per share: 16 euros (110.9 million shares)
	(e) 21st – 2021	18 months (December 2022)	10% of the share capital Maximum purchase price per share: 29 euros (118.6 million shares)
Public share buyback offer (OPRA)	**(d)** 24th – 2022	10 months (December 2022-October 2023)	50% of the share capital Maximum purchase price per share: 16 euros (554.3 million shares)
	23rd – 2021	18 months (December 2022)	50% of the share capital Maximum purchase price per share: 29 euros (593 million shares)
Share cancellations/Share repurchase program	23rd – 2022	10 months (December 2022-October 2023)	10% of the share capital over a 24-month period
	(f) 22nd – 2021	18 months (December 2022)	10% of the share capital over a 24-month period
Share cancellations/OPRA	**(d)** 24th – 2022	10 months (December 2022-October 2023)	50% of the share capital Maximum purchase price per share: 16 euros (554.3 million shares)
	(e) 23rd – 2021	18 months (June 2022)	50% of the share capital Maximum purchase price per share: 29 euros (593 million shares)

(a) Aggregate maximum amount for capital increases, all transactions included.

(b) This amount is applied to the maximum aggregate amount of €655 million set in the twenty-fourth resolution of the 2021 General Shareholders' Meeting.

(c) Not used.

(d) Any shares repurchased for the purpose of canceling shares under the twenty-second resolution of the 2022 General Shareholders' Meeting will be deducted from the maximum amount set in the twenty-fourth resolution.

(e) Used for 4.22% of the share capital between August 2, 2021 and March 9, 2022.

(f) Used on July 26, 2021 for 3.56% of the share capital.

3.8.4. SHARES HELD BY THE COMPANY

■ 3.8.4.1. Summary of the Previous Share Repurchase Program (2020-2021)

Following the decision of the Management Board at its meeting on April 27, 2020, and pursuant to the authorization granted in the sixth resolution of the Combined General Shareholders' Meeting of April 20, 2020, the company launched a share repurchase program on April 29, 2020. The maximum purchase price per share under this program was set at €26, in compliance with the €26 cap set at the Shareholders' Meeting.

The maximum share capital that could be repurchased was originally set at 0.7% and was subsequently raised to 7.87% following decisions of the Management Board dated June 15, June 25, and October 19, 2020.

The objective of this program was for the company to repurchase 93,250,000 shares for the purposes of:

- transferring, under employee rights issues, shares to employees and/or officers of Vivendi group entities who are members of the Vivendi Group Employee Stock Purchase Plan *(plan d'épargne groupe*, or PEG) or the International Group Employee Stock Purchase Plan (8,250,000 shares); and
- canceling shares (85,000,000 shares).

This program was implemented through mandates given to a bank acting as an investment services provider.

Aggregate number of purchases and sales/transfers of shares from April 20, 2020 to June 22, 2021

Number of shares held as of April 20, 2020: 35,495,685 (of which 19,103,486 shares allocated for cancellation, 8,142,199 to cover performance share plans and 8,250,000 for employee shareholding transactions).

	Number of shares	Value/share price/ average price per share (in euros)	Total value (in euros)
Period from April 20, 2020 to December 31, 2020 (a)			
Purchase (between April 29 and December 21, 2020)	66,218,897	24.05	1,592,367,433
Sale/Transfer	**(*)** 8,548,988	23.58	201,618,648
Period from January 1, 2021 to June 22, 2021 (b)			
Purchase (between January 5 and February 12, 2021)	7,276,816	25.90	188,464,285
Sale/Transfer	**(**)** 1,084,009	19.34	20,960,285
Cancellation by way of a capital reduction (June 18, 2021)	**(***)** (37,758,609)	24.22	914,503,416

(a) As of December 31, 2020, Vivendi SE directly held 93,165,594 of its own shares with a par value of €5.50 each, representing 7.86% of its share capital, including 77,072,383 shares allocated for cancellation, 7,459,121 shares allocated to cover performance share plans and 8,634,090 shares allocated for employee shareholding transactions.

(b) As of June 22, 2021, Vivendi SE directly held 61,599,792 of its own shares with a par value of €5.50 each, representing 5.36% of its share capital, including 46,590,590 shares allocated for cancellation, 6,375,112 shares to cover performance share plans and 8,634,090 shares allocated for employee shareholding transactions.

(*) Transfers to (i) certain beneficiaries of performance share plans (683,078 shares) and (ii) employees and/or officers of Vivendi group entities who are members of the Vivendi Group Employee Stock Purchase Plan *(plan d'épargne groupe,* or PEG) or the International Group Employee Stock Purchase Plan, under employee rights issues (7,865,910 shares).

(**) Transfer to certain beneficiaries of performance share plans.

(***) See Section 3.8.4.3. of this chapter.

3.8.4.2. Current Share Repurchase Program (2021-2022)

Following the decision of the Management Board at its meeting on July 30, 2021, and pursuant to the authorization granted in the twenty-first resolution of the Combined General Shareholders' Meeting of June 22, 2021, Vivendi launched a share repurchase program on August 2, 2021. The maximum purchase price per share under this program was set at €29, in compliance with the €29 cap set at the General Shareholders' Meeting.

The maximum share capital that could be repurchased was originally set at 0.90% and was subsequently raised to 8.13% following decisions of the Management Board dated September 20, 2021, December 20, 2021 and March 7, 2022.

The objective of the current program is for the company to repurchase 90,159,308 shares for purposes of canceling the shares acquired.

This program was implemented through mandates given to a bank acting as an independent investment services provider. As of March 10, 2022, the total number of shares repurchased since the beginning of the program was 46,745,331, i.e., 4.22% of the capital as of the date of program implementation.

Aggregate number of purchases and sales/transfers of shares from June 22, 2021 to March 10, 2022

Number of shares held as of June 22, 2021: 61,599,792.

	Number of shares	Value/share price/ average price per share (in euros)	Total value (in euros)
Period from June 22, 2021 to December 31, 2021			
Purchase (between August 2 and November 19, 2021)	42,463,317	**(*)** 11.82	501,981,764
Sale/Transfer	**(**)** 2,914	23.58	68,709
Cancellation by way of a capital reduction (July 26, 2021)	**(***)** (40,903,458)	25.24	1,032,438,163
Period from January 1, 2022 to March 10, 2022			
Purchase (between February 24 and March 9, 2022)	4,282,014	10.77	46,119,101
Sale/Transfer	**(**)** 1,334,581	23.58	31,468,219

(*) This price takes into account the detachment of the special in-kind distribution of 59.87% of the Universal Music Group N.V. share capital, which occurred on September 21, 2021 (opening price of Vivendi SE shares: €10.35; opening price of Universal Music Group N.V. shares: €25.25).

(**) Transfer to certain beneficiaries of performance share plans.

(***) See Section 3.8.4.3. of this chapter.

3.8.4.3. Cancellation of Shares through Share Capital Reduction during the last twenty-four months

On June 18, 2021, the Management Board used the authorization granted to it in the twenty-seventh resolution of the Combined General Shareholders' Meeting of April 20, 2020, to cancel 37,758,609 treasury shares, representing 3.18% of the company's share capital in accordance with Article L. 22-10-62 of the French Commercial Code, including:

- 19,103,486 shares purchased on the open market under the 2019-2020 share repurchase program; and
- 18,655,123 shares purchased on the open market under the 2020-2021 share repurchase program.

On July 26, 2021, the Management Board used the authorization granted to it in the twenty-second resolution of the Combined General Shareholders' Meeting of June 22, 2021, to cancel 40,903,458 treasury shares, representing 3.56% of the company's share capital, in accordance with Article L. 22-10-62 of the French Commercial Code, all of which were purchased on the open market under the 2020-2021 share repurchase program.

Consequently, as of July 26, 2021, the company's share capital totaled €6,095,536,133.50, divided into 1,108,279,297 shares with a par value of €5.50 each. The amount deducted from the additional paid-in capital account shown as a liability in the statement of financial position is equal to the difference between the aggregate par value of the shares that were canceled (€432,641,368.50) and their purchase price (€1,946,941,578.64), i.e., €1,514,300,210.14.

3.8.4.4. Vivendi SE Shares held Directly by the company

Position as of December 31, 2021

As of December 31, 2021, Vivendi SE directly held 63,156,737 of its own shares with a par value of €5.50 each, representing 5.70% of its share capital, including 48,150,449 shares allocated for cancellation, 6,372,198 shares allocated to cover performance share plans and 8,634,090 shares allocated for employee shareholding transactions.

As of December 31, 2021, the book value of these shares totaled €968.3 million and the market value was €750.9 million as of that date.

Position as of March 10, 2022

As of March 10, 2022, Vivendi SE directly holds 66,104,170 of its own shares, representing 5.96% of its share capital, including 52,432,463 shares allocated for cancellation, 5,037,617 to cover performance share plans, and 8,634,090 shares allocated for employee shareholding transactions.

3.8.4.5. Liquidity Agreement

There are currently no liquidity agreements in place.

3.8.4.6. Vivendi SE Shares held by Subsidiaries

As of December 31, 2021, the company's subsidiaries held 465 Vivendi SE shares.

3.8.4.7. Open Positions on Derivative Financial Instruments as of December 31, 2021

None.

3.8.5. CONVERTIBLE SECURITIES, EXCHANGEABLE SECURITIES OR WARRANT SECURITIES

3.8.5.1. Bonds Convertible into New Shares and/or Exchangeable for Existing Shares (OCEANE)

No OCEANEs are outstanding.

3.8.5.2. Bonds Mandatorily Redeemable in Shares (ORA)

No ORAs are outstanding.

3.8.5.3. Warrants (BSA)

No BSAs are outstanding.

3.8.6. STOCK PURCHASE OR SUBSCRIPTION PLANS (STOCK OPTIONS)

Since 2013, Vivendi has not granted any stock options.

3.8.7. PERFORMANCE SHARE GRANTS

Grants of performance shares are subject to the achievement of internal financial and environmental targets (70% weighting) and the performance of Vivendi SE shares against two trading indices (30% weighting) (see Section 2.1.2.2. of this chapter).

In 2021, 1,081,433 shares were delivered to French and international beneficiaries under the 2016 and 2018 plans.

3.8.8. ACQUISITION RIGHTS OR OBLIGATIONS IN RESPECT OF AUTHORIZED BUT NON-ISSUED CAPITAL

None.

3.8.9. OPTIONS OR CONDITIONAL OR UNCONDITIONAL AGREEMENTS OVER A GROUP MEMBER

None.

3.8.10. CHANGES IN SHARE CAPITAL OVER THE LAST FIVE YEARS

		Amount		Share capital amounts		
Transactions	**Date**	**Par value** (in euros)	**Premium (*)** (in euros)	**Number of issued shares**	**In shares**	**In euros**
Share capital as of 12/31/2016		5.50			1,287,087,844	7,078,983,142.00
Stock option exercise	04/18/2017	5.50	6.97	220,974	1,287,308,818	7,080,198,499.00
2017 Employee stock purchase plan	07/25/2017	5.50	10.749	4,160,092	1,291,468,910	7,103,079,005.00
Stock option exercise	10/16/2017	5.50	11.43	2,946,981	1,294,415,891	7,119,287,400.50
Stock option exercise	01/15/2018	5.50	13.34	1,642,992	1,296,058,883	7,128,323,856.50
Stock option exercise	04/16/2018	5.50	13.53	3,985,826	1,300,044,709	7,150,245,899.50
2018 Employee stock purchase plan	07/19/2018	5.50	13.827	5,185,878	1,305,230,587	7,178,768,228.50
Stock option exercise	01/21/2019	5.50	10.08	1,003,609	1,306,234,196	7,184,288,078.00
Stock option exercise	04/04/2019	5.50	10.27	3,073,908	1,309,308,104	7,201,194,572.00
Cancellation of treasury shares by way of a capital reduction	06/17/2019	5.50	-	50,000,000	1,259,308,104	6,926,194,572.00
2019 Employee stock purchase plan	07/17/2019	5.50	15.606	5,376,208	1,264,684,312	6,955,763,716.00
Cancellation of treasury shares by way of a capital reduction	07/25/2019	5.50	-	44,679,319	1,220,004,993	6,710,027,461.50
Cancellation of treasury shares by way of a capital reduction	11/26/2019	5.50	-	36,251,491	1,183,753,502	6,510,644,261.00
Stock option exercise	01/13/2020	5.50	10.14	822,702	1,184,576,204	6,515,169,122.00
Stock option exercise	04/14/2020	5.50	10.38	934,481	1,185,510,685	6,520,308,767.50
Stock option exercise	01/11/2021	5.50	10.61	484,936	1,185,995,621	6,522,975,915.50
Stock option exercise	06/15/2021	5.50	8.66	898,574	1,186,894,195	6,527,918,072.50
Cancellation of treasury shares by way of a capital reduction	06/18/2021	5.50	-	37,758,609	1,149,135,586	6,320,245,723.00
Stock option exercise	07/26/2021	5.50	626	47,169	1,149,182,755	6,320,505,152.50
Cancellation of treasury shares by way of a capital reduction	07/26/2021	5.50	-	40,903,458	1,108,279,297	6,095,536,133.50
Stock option exercise	09/20/2021	5.50	6.47	281,780	1,108,561,077	6,097,085,923.50
Share capital as of December 31, 2021		5.50			1,108,561,077	6,097,085,923.50

(*) Weighted average premium in euros.

As of December 31, 2021, the potential share capital of the company totaled €6,097,372,715.50, divided into 1,108,613,221 shares after taking into account 52,144 stock options which may give rise to the issuance of 52,144 shares.

3.8.11. MARKET INFORMATION

3.8.11.1. Places of Listing – Stock Exchange Price

Source: Euronext Paris.

STOCK EXCHANGE PRICE FOR VIVENDI SE ORDINARY SHARES – EURONEXT PARIS

Compartment A (code FR0000127771) (in euros)	Average price	High	Low	Number of shares traded	Transaction amounts
2020					
January	25.3177	26.4200	24.4100	61,009,399	1,541,015,358
February	25.0410	25.7700	22.8700	85,776,491	2,121,310,906
March	20.0957	24.1300	16.6000	166,139,448	3,361,183,261
April	20.2820	21.8900	18.8850	71,011,358	1,438,375,703
May	19.7063	20.6900	18.8050	61,253,834	1,207,003,503
June	22.6318	23.4700	20.5000	72,426,464	1,641,070,812
July	23.1813	24.2100	21.7700	52,249,452	1,206,678,874
August	23.8757	24.4300	22.4200	39,988,851	952,108,660
September	24.0091	24.7800	23.0600	55,413,374	1,326,543,061
October	24.7968	25.7500	23.2800	62,071,614	1,538,186,924
November	25.4829	26.6500	24.7500	63,323,219	1,616,508,987
December	25.7795	26.8500	24.7200	57,682,514	1,481,839,625
2021					
January	26.1875	26.7500	25.3100	40,683,188	1,063,921,238
February	27.8310	32.3500	25.3900	61,386,081	1,753,754,731
March	28.0665	29.5300	27.3000	54,574,096	1,527,768,274
April	28.6080	29.6300	27.6200	37,027,657	1,060,914,992
May	29.4038	30.3100	28.2400	57,449,052	1,690,577,451
June	28.8955	29.8800	27.9500	53,059,309	1,526,423,591
July	28.2245	29.2200	27.3700	42,072,232	1,186,650,729
August	30.5955	33.0400	28.2600	54,350,993	1,675,843,357
September	12.4731	13.8359	10.0000	222,044,838	4,073,428,769
October	11.0960	11.7500	10.8050	120,919,847	1,602,468,501
November	11.1632	11.5050	10.8900	90,139,973	1,011,471,806
December	11.5215	12.0900	11.0700	76,632,376	935,452,989
2022					
January	11.7436	12.2100	11.1200	58,841,126	689,555,513.46
February	11.5445	11.9100	10.9750	55,768,481	640,669,850.47

3.8.11.2. Financial Securities Intermediary

BNP Paribas Securities Services
GCT – Service Émetteurs
Les Grands Moulins de Pantin
9, rue du Débarcadère
93761 Pantin Cedex (France)

3.8.12. AMERICAN DEPOSITARY RECEIPT (ADR) PROGRAM

Vivendi SE does not sponsor any American Depositary Receipt (ADR) program for its shares. Any ADR program currently in existence is “unsponsored” and is not linked in any way to Vivendi. Vivendi denies any responsibility or liability in relation to any such program.

3.9. Major Shareholders

3.9.1. SHARE OWNERSHIP AND VOTING RIGHTS

As of December 31, 2021, the company's share capital totaled €6,097,085,923.50, divided into 1,108,561,077 shares. The number of gross voting rights **(1)** was 1,143,439,581 and the number of net voting rights **(2)** was 1,080,282,379 taking into consideration the number of treasury shares held as of that date.

As of December 31, 2021, to the Management Board's knowledge, the major shareholders who held shares in registered form or who had notified the company that they had crossed a statutory disclosure threshold were as follows:

Shareholder	% of share capital	% voting rights (gross)	Number of shares	Total number of voting rights
Bolloré Group	29.46	29.75	326,572,434	340,164,809
Vivendi employees	2.74	3.73	30,335,485	42,618,373
CDC/CNP/LBP Prévoyance	1.90	1.92	21,052,602	21,902,052
Vivendi SE shares held by the company and by subsidiaries	5.70	5.52	63,157,202	63,157,202
Other shareholders	60.21	59.08	667,443,354	675,597,145
TOTAL	**100.00**	**100.00**	**1,108,561,077**	**1,143,439,581**

(1) After taking into account the number of shares with double voting rights and the number of treasury shares held on this date.

(2) Total number of voting rights attached to the total number of shares less shares deprived of voting rights.

3.9.2. PLEDGE OF COMPANY SHARES HELD IN REGISTERED FORM

As of December 31, 2021, 138,954,365 shares held in registered form were pledged, representing 12.53% of the company's share capital as of that date.

3.9.3. CONTROL OF THE COMPANY – SHAREHOLDERS' AGREEMENTS

As of December 31, 2021, to the company's knowledge, no shareholder other than those listed in the table above held 5% or more of the company's share capital or voting rights, and there were no shareholders' agreements in force, whether publicly disclosed or not, relating to Vivendi SE's securities.

3.9.4. NOTIFICATIONS TO THE COMPANY ABOUT CROSSING STATUTORY DISCLOSURE THRESHOLDS

In 2021, the company received several notifications from Société Générale in relation to the company exceeding and falling below statutory disclosure thresholds.

3.9.5. CHANGES IN SHARE OWNERSHIP OVER THE LAST THREE YEARS (AS OF DECEMBER 31)

	2021			2020			2019		
	Number of shares	% of share capital	% voting rights (gross)	Number of shares	% of share capital	% voting rights (gross)	Number of shares	% of share capital	% voting rights (gross)
Bolloré Group	326,572,434	29.46	29.75	320,521,374	27.03	29.73	320,517,374	27.06	29.64
Vivendi employees	30,335,485	2.74	3.73	35,020,258	2.95	3.74	34,892,951	2.95	4.07
CDC/CNP/LBP Prévoyance	21,052,602	1.90	1.92	24,339,324	2.05	2.00	38,276,382	3.23	3.11
Vivendi SE shares held by the company and by subsidiaries	63,157,202	5.70	5.52	93,166,059	7.86	7.38	14,000,583	1.18	1.11
Other shareholders	667,443,354	60.21	59.08	712,948,606	60.11	57.16	776,888,914	65.59	62.08
TOTAL	**1,108,561,077**	**100.00**	**100.00**	**1,185,995,621**	**100.00**	**100.00**	**1,184,576,204**	**100.00**	**100.00**

Appendix 1: Stock Subscription Option Plans and Performance Share Plans

Details of stock subscription option plans and performance share plans

Stock option plans (in euros)

Date of the General Shareholders' Meeting	Date of the Supervisory Board or Management Board Meeting	Grant date	Number of options granted: Total number: of beneficiaries	Number of options granted: Total number: of options	Number of options granted: of which, number granted to members of governing and managing bodies: Number of beneficiaries	Number of options granted: of which, number granted to members of governing and managing bodies: Number of options	Vesting date	Expiration date	Adjusted exercise price	Number of options(*): exercised in 2021	Number of options(*): canceled in 2021	Number of options(*): outstanding as of 12/31/2021
04/24/2008	02/28/2011	04/13/2011	5	717,500	5	717,500	04/14/2014	04/13/2021	17.19	62,316		0
04/24/2008	02/22/2011	04/13/2011	556	1,809,200	5	270,000	04/14/2014	04/13/2021	17.19	521,127	30,172	0
04/21/2011	10/25/2011	10/25/2011	2	2,000	0	0	10/26/2014	10/25/2021	17.19	1,162		0
04/21/2011	02/28/2012	04/17/2012	544	1,880,259	5	270,000	04/18/2015	04/17/2022	11.76	594,431		52,144
04/21/2011	09/27/2012	09/27/2012	4	135,000	4	135,000	09/28/2015	09/27/2022	13.88	48,487		0
									TOTAL	**1,227,523**	**30,172**	**52,144**

(*) As adjusted following payment in 2010 of the dividend for 2009 by deducting from reserves, the grant of one new share for 30 existing shares in 2012, the payment in 2013 of the dividend for 2012 by deducting from reserves, and the ordinary distribution of €1 per share in 2014 from additional paid-in capital.

Performance share plans

Date of the General Shareholders' Meeting	Date of the Supervisory Board or Management Board Meeting	Grant date	Number of rights to performance shares				Vesting date (*)	Date of availability of shares	Number of rights to performance shares (*)		
			Total number		of which, number granted to members of governing and managing bodies						
			of beneficiaries	of performance shares	Number of beneficiaries	Number of rights to performance shares			Number of rights canceled in 2021	Number of issued shares at the end of the vesting period in 2021	Number of performance share rights outstanding as of 12/31/2021
04/21/2016	05/09/2016	05/11/2016	81	322,030	0	0	05/13/2019	05/13/2021		280,705	0
04/21/2016	02/16/2017	02/23/2017	105	440,810	2	60,000	02/24/2020	02/25/2022		750	**(a)** 292,825
04/19/2018	05/17/2018	05/17/2018	5	175,000	5	175,000	05/18/2021	05/19/2023	43,750	131,250	0
04/19/2018	05/14/2018	05/17/2018	359	945,750	9	168,000	05/18/2021	05/19/2023	224,470	665,764	0
04/19/2018	05/14/2018	05/17/2018	163	511,000	2	58,000	05/18/2021	05/19/2023	119,196	800	**(b)** 337,604
04/19/2018	12/10/2018	12/10/2018	2	4,000	0	0	12/13/2021	12/14/2023	1,086	2,914	0
04/19/2018	02/14/2019	02/14/2019	5	165,000	5	165,000	03/10/2022	03/11/2024			**(c)** 165,000
04/19/2018	02/11/2019	02/14/2019	381	923,160	8	161,280	03/10/2022	03/11/2024	25,092	1,940	**(c)** 879,545
04/19/2018	02/11/2019	02/14/2019	185	512,670	2	58,000	03/10/2022	03/11/2024	22,099	800	**(c) (d)** 446,571
04/19/2018	10/07/2019	10/07/2019	4	18,250	0	0	10/10/2022	10/11/2024			**(c)** 18,250
04/19/2018	11/12/2019	11/12/2019	7	28,000	1	10,000	11/14/2022	11/15/2024	1,368		**(c)** 26,632
04/19/2018	02/13/2020	02/13/2020	6	185,000	6	185,000	02/14/2023	02/17/2025			185,000
04/19/2018	02/10/2020	02/13/2020	405	946,950	8	158,000	02/14/2023	02/17/2025	25,446	2,000	917,404
04/19/2018	02/10/2020	02/13/2020	185	463,100	1	20,000	02/14/2023	02/17/2025	31,664		**(e)** 429,436
04/19/2018	11/16/2020	11/16/2020	16	63,000	1	10,000	11/17/2023	11/18/2025	3,000		60,000
04/19/2018	11/16/2020	11/16/2020	1	1,900	0	0	11/17/2023	11/18/2025			**(e)** 1,900
								TOTAL	**497,171**	**1,086,923**	**3,760,167**

(*) The first day following the end of the vesting period of three years.

(a) Granted to non-French-resident beneficiaries, to be registered in an account in 2022.

(b) Granted to international beneficiaries to be registered in an account in their respective names in 2023.

(c) These plans were subject to a definitive vesting rate of 100% following calculation of the achievement level of the associated performance criteria by the Supervisory Board Meeting of March 9, 2022 (see Section 2.3.4. of this chapter).

(d) Granted to certain non-French-resident beneficiaries, to be registered in an account in 2024.

(e) Granted to certain non-French-resident beneficiaries, to be registered in an account in 2025.

Appendix 2: Statutory Auditors' reports on share capital reductions

COMBINED GENERAL SHAREHOLDERS' MEETING OF APRIL 20, 2020 – 27STH RESOLUTION

To the Shareholders,

In our capacity as Statutory Auditors of your company and pursuant to the provisions of Article L. 225-209 of the French Commercial Code *(Code de commerce)* concerning share capital decreases by cancellation of shares purchased, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed share capital decrease.

Your Management proposes that you delegate it the authority during a period of 18 months starting from this Shareholders' Meeting, to cancel, on one or more occasions, and up to a maximum of 10% of the share capital in any twenty-four-month period, the shares purchased by the Company pursuant to the authorization to purchase its own shares under the provisions of the above-mentioned Article of the French Commercial Code.

This authorization cancels and replaces for the remaining period that given to the Management Board by the Combined General Meeting of April 15, 2019.

We performed the procedures that we considered necessary to comply with the professional guidelines of the French National Institute of Statutory Auditors *(Compagnie nationale des Commissaires aux comptes)* relating to this engagement. Those procedures consisted in examining whether the reasons for and the terms and conditions of the proposed share capital decrease, which does not interfere with the equal treatment of shareholders, are due and proper.

We have no matters to report on the reasons for or terms and conditions of the proposed share capital decrease.

Paris-la Défense, March 3, 2020

The Statutory Auditors

French original signed by:

Ernst & Young et Autres

Jacques Pierres, Claire Pajona

Deloitte & Associés

Thierry Quéron, Géraldine Segond

COMBINED SHAREHOLDERS' MEETING OF JUNE 22, 2021 – 22ND RESOLUTION

To the Shareholders,

In our capacity as Statutory Auditors of your Company and pursuant to the provisions of Article L. 22-10-62 of the French Commercial Code *(Code de commerce)* concerning share capital decreases by cancellation of shares purchased, we hereby report to you on our assessment of the reasons for and the terms and conditions of the proposed share capital decrease.

Your Management Board proposes that you delegate it the authority, for a period of eighteen months starting from this Shareholders' Meeting, to cancel, for up to a maximum of 10% of the share capital in any twenty-four-month period, the shares purchased by the Company pursuant to the authorization to purchase its own shares under the provisions of the above-mentioned Article of the French Commercial Code.

The number of shares that may be purchased for the purpose of their cancellation under this authorization, should it be implemented, shall be deducted from that referred to in the twenty-third resolution submitted to the Shareholders' Meeting.

We conducted the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors *(Compagnie nationale des Commissaires aux comptes)* relating to this engagement. Those procedures consisted in examining whether the reasons for and the terms and conditions of the proposed share capital decrease, which does not interfere with the equal treatment of shareholders, are due and proper.

We have no matters to report on the reasons for or terms and conditions of the proposed share capital decrease.

Paris-la Défense, May 26, 2021

The Statutory Auditors

French original signed by:

Ernst & Young et Autres

Jacques Pierres, Claire Pajona

Deloitte & Associés

Thierry Quéron, Géraldine Segond

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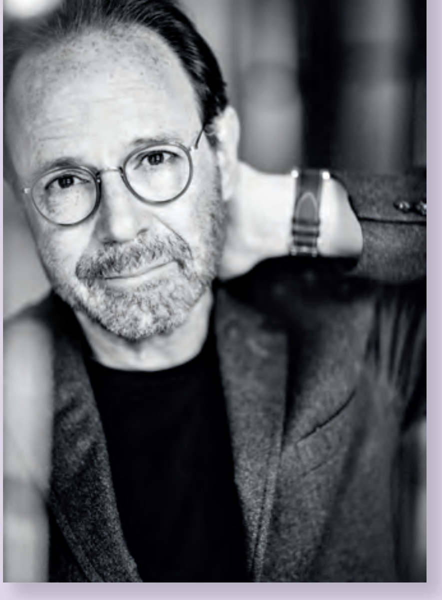


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FINANCIAL REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

CHAPTER 5

NOTE

In accordance with Article 19 of Regulation (EU) No. 2017/1129, the following items are incorporated by reference in this report:

- for the year ended December 31, 2020: the Financial Report and Consolidated Financial Statements for the year ended December 31, 2020, prepared under IFRS and the related Statutory Auditors' report on the Consolidated Financial Statements, presented on page 220 to 348 of the Universal Registration Document *(Document d'enregistrement universel)*, which was filed on April 13, 2021 with the French *Autorité des marchés financiers* (AMF) under No. D.21-0297 and on page 220 to 348 of the English translation of such Universal Registration Document *(Document d'enregistrement universel)*; and
- for the year ended December 31, 2019: the Financial Report and Consolidated Financial Statements for the year ended December 31, 2019, prepared under IFRS and the related Statutory Auditors' report on the Consolidated Financial Statements, presented on page 188 to 317 of the Universal Registration Document *(Document d'enregistrement universel)*, which was filed on March 11, 2020 with the French *Autorité des marchés financiers* (AMF) under No. D.20-0121 and on page 188 to 315 of the English translation of such Universal Registration Document *(Document d'enregistrement universel)*.

Any portions of Universal Registration Document No. D.21-0297 and No. D.20-0121 that are not referred to above are either not relevant to investors, or are covered elsewhere in this Annual Report – Universal Registration Document.

KEY CONSOLIDATED FINANCIAL DATA FOR THE LAST FIVE YEARS

PRELIMINARY COMMENTS

As from September 14, 2021, in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations,* Universal Music Group (UMG) was presented as a discontinued operation in Vivendi's Consolidated Financial Statements. On September 23, 2021, the payment date of the distribution in kind of UMG shares to Vivendi's shareholders, Vivendi ceded control of UMG and deconsolidated its 70% interest in UMG. For a detailed description of this transaction, please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021.

The adjustments to previously published data are presented in the Financial Report for the year ended December 31, 2021, and in Note 31 to the Consolidated Financial Statements for the year ended December 31, 2021. These adjustments were made to all periods, as set out in the table of selected key consolidated financial data below, in respect of data from the Consolidated Statements of Earnings and Cash Flows.

As a reminder, in 2019, Vivendi applied a new accounting standard:

- IFRS 16 – *Leases:* in accordance with IFRS 16, the impact of the change of accounting standard was recorded in the opening balance sheet as of January 1, 2019. In addition, Vivendi applied this change of accounting standard to the Statement of Financial Position, Statement of Earnings and Statement of Cash Flows for the year ended December 31, 2019; therefore, the data relative to prior years is not comparable.

As a reminder, in 2018, Vivendi applied two new accounting standards:

- IFRS 15 – *Revenues from Contracts with Customers:* in accordance with IFRS 15, Vivendi applied this change of accounting standard to revenues as from January 1, 2017; and
- IFRS 9 – *Financial Instruments:* in accordance with IFRS 9, Vivendi applied this change of accounting standard to the Statement of Earnings and Statement of Comprehensive Income for the year ended December 31, 2018, restating its opening balance sheet as of January 1, 2018; therefore, the data in this report relative to prior years is not comparable.

	Year ended December 31				
	2021	2020	2019	2018	2017
Consolidated data					
Revenues	9,572	8,668	8,747	7,916	6,849
Adjusted earnings before interest and income taxes (EBITA) **(a)**	690	298	402	386	207
Earnings before interest and income taxes (EBIT)	404	248	343	361	343
Earnings attributable to Vivendi SE shareowners	24,692	1,440	1,583	127	1,216
Adjusted net income **(a)**	649	292	778	482	688
Net Cash Position/(Financial Net Debt) **(a)**	348	(4,953)	(4,064)	176	(2,340)
Total equity	19,194	16,431	15,575	17,534	17,866
of which Vivendi SE shareowners' equity	18,981	15,759	15,353	17,313	17,644
Cash flow from operations (CFFO) **(a)**	748	646	199	288	344
Cash flow from operations after interest and income tax paid (CFAIT) **(a)**	579	723	22	208	800
Financial investments	(2,124)	(1,634)	(2,221)	(670)	(3,635)
Financial divestments	76	323	1,062	2,283	970
Dividends paid by Vivendi SE to its shareholders	653	690	636	568	499
Special distribution in kind of 59.87% of UMG to Vivendi SE shareowners	25,284				
Purchases/(sales) of Vivendi SE's treasury shares	693	2,157	2,673	-	203
Per share data					
Weighted average number of shares outstanding	1,076.3	1,140.7	1,233.5	1,263.5	1,252.7
Earnings attributable to Vivendi SE shareowners per share	22.94	1.26	1.28	0.10	0.97
Adjusted net income per share	0.60	0.26	0.63	0.38	0.55
Number of shares outstanding at the end of the period (excluding treasury shares)	1,045.4	1,092.8	1,170.6	1,268.0	1,256.7
Equity per share, attributable to Vivendi SE shareowners	18.16	14.42	13.12	13.65	14.04
Dividends per share paid	0.60	0.60	0.50	0.45	0.40

In millions of euros, number of shares in millions, data per share in euros.

(a) The non-GAAP measures of EBITA, Adjusted net income, Net Cash Position (or Financial Net Debt), Cash flow from operations (CFFO) and Cash flow from operations after interest and income tax paid (CFAIT) should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance as presented in the Consolidated Financial Statements and the related Notes, or as described in this Financial Report. Vivendi considers these to be relevant indicators of the group's operating and financial performance. Each of these indicators is defined in the appropriate section of this Financial Report. In addition, it should be noted that other companies may have definitions and calculations for these indicators that differ from those used by Vivendi, thereby affecting comparability.

1. 2021 FINANCIAL REPORT

PRELIMINARY COMMENTS

On March 7, 2022, the Management Board approved the Financial Report and the Audited Consolidated Financial Statements for the year ended December 31, 2021. Upon the recommendation of the Audit Committee, which met on March 7, 2022, the Supervisory Board, at its meeting held on March 9, 2022, reviewed the Financial Report and the Audited Consolidated Financial Statements for the year ended December 31, 2021, as previously approved by the Management Board on March 7, 2022.

The Consolidated Financial Statements for the year ended December 31, 2021 were audited and certified by the Statutory Auditors without qualified opinion. The Statutory Auditors' report on the Consolidated Financial Statements is included in the preamble to the Financial Statements.

As from September 14, 2021, in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations,* Universal Music Group (UMG) was presented as a discontinued operation in Vivendi's Consolidated Financial Statements. On September 23, 2021, the payment date of the distribution in kind of UMG shares to Vivendi's shareholders, Vivendi ceded control of UMG and deconsolidated its 70% interest in UMG. For a detailed description of this transaction, please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021.

The adjustments to previously published data are presented in the appendix to the Financial Report for the year ended December 31, 2021, and in Note 31 to the Consolidated Financial Statements for the year ended December 31, 2021. These adjustments were made in respect of data from the Consolidated Statement of Earnings and Cash Flows.

1.1. Earnings analysis: group and business segments

PRELIMINARY COMMENTS

Non-GAAP measures

"EBITA" and "adjusted net income", all non-GAAP measures, should be considered in addition to, and not as a substitute for, other GAAP measures of operating and financial performance as presented in the Consolidated Financial Statements and the related Notes, or as described in this Financial Report. Vivendi considers these to be relevant indicators for the group's operating and financial performance.

Vivendi Management uses EBITA and adjusted net income for reporting, management and planning purposes because they exclude most non-recurring and non-operating items from the measurement of the business segments' performances. Under Vivendi's definition:

- the difference between EBITA and EBIT consists of the amortization of intangible assets acquired through business combinations and through the other catalogs of rights acquired by Vivendi's content production businesses, the impairment of goodwill and other intangibles acquired through business combinations and through the other catalogs of rights acquired by Vivendi's content production businesses, as well as other income and charges related to transactions with shareowners; and
- adjusted net income includes the following items: EBITA; income from equity affiliates – non-operational; interest (corresponding to interest expense on borrowings net of interest income earned on cash and cash equivalents); income from investments (including dividends and interest received from unconsolidated companies); and taxes and non-controlling interests related to these items. It does not include the following items: amortization of intangible assets acquired through business combinations and related to equity affiliates and through other catalogs of rights acquired by Vivendi's content production businesses; impairment losses on goodwill and other intangible assets acquired through business combinations and through the other catalogs of rights acquired by Vivendi's content production businesses; other charges and income related to transactions with shareowners; other financial charges and income; earnings from discontinued operations; provisions for income taxes and adjustments attributable to non-controlling interests; and non-recurring tax items (in particular, changes in deferred tax assets pursuant to Vivendi SE's Tax Group System).

In addition, it should be noted that other companies may have definitions and calculations for these non-GAAP measures that differ from those used by Vivendi, thereby affecting comparability.

Application of IFRS 5

Income and charges from Universal Music Group have been reported as follows:

- their contribution until September 22, 2021, if any, to each line of Vivendi's Consolidated Statement of Earnings (before non-controlling interests) has been reported on the line "Earnings from discontinued operations";
- in accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information; and
- the share of net income has been excluded from Vivendi's adjusted net income.

1.1.1. CONSOLIDATED STATEMENT OF EARNINGS

	Year ended December 31		
	2021	2020	% Change
Revenues	**9,572**	**8,668**	**+10.4%**
Cost of revenues	(5,360)	(4,904)	
Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations	(3,563)	(3,371)	
Restructuring charges	(49)	(86)	
Income from equity affiliates – operational	90	(9)	
Adjusted earnings before interest and income taxes (EBITA) (*)	**690**	**298**	**x2.3**
Amortization and depreciation of intangible assets acquired through business combinations	(286)	(50)	
Earnings before interest and income taxes (EBIT)	**404**	**248**	**+63.2%**
Income from equity affiliates – non-operational	(13)	126	
Interest	(34)	(22)	
Income from investments	150	35	
Other financial charges and income	(827)	12	
	(711)	***25***	
Earnings before provision for income taxes	**(320)**	**399**	**na**
Provision for income taxes	(218)	(163)	
Earnings from continuing operations	**(538)**	**236**	**na**
Earnings from discontinued operations	25,413	1,371	
Earnings	**24,875**	**1,607**	**x15.5**
Non-controlling interests	(183)	(167)	
Earnings attributable to Vivendi SE shareowners	**24,692**	**1,440**	**x17.2**
of which earnings from continuing operations attributable to Vivendi SE shareowners	(600)	199	
earnings from discontinued operations attributable to Vivendi SE shareowners	25,292	1,241	
Earnings attributable to Vivendi SE shareowners per share – basic (in euros)	22.94	1.26	
Earnings attributable to Vivendi SE shareowners per share – diluted (in euros)	22.87	1.26	
Adjusted net income (*)	**649**	**292**	**x2.2**
Adjusted net income per share – basic (in euros) **(*)**	0.60	0.26	
Adjusted net income per share – diluted (in euros) **(*)**	0.60	0.26	

In millions of euros, except per share amounts.

na: not applicable.

(*) Non-GAAP measures.

1.1.2. ANALYSIS OF THE CONSOLIDATED STATEMENT OF EARNINGS

2021 was marked by the following two major events:

- **the loss of control of UMG,** as a result of its listing on Euronext Amsterdam and the distribution of 59.87% of UMG's share capital to Vivendi's shareholders, which occurred on September 23, 2021. In accordance with IFRS 5, the capital gain on the deconsolidation of 70% of UMG (including 59.87% distributed and 10.03% retained and accounted for under the equity method) amounting to €24,840 million (after tax) was reported in "Earnings from discontinued operations". In the Consolidated Statement of Earnings for the year ended December 31, 2021, in accordance with IFRS 5, UMG's contribution to the group's earnings for the period from January 1 to September 22, 2021 was similarly reported in "Earnings from discontinued operations" and income and charges for fiscal year 2020 were also restated. Prior to this transaction, Vivendi opened up its wholly-owned subsidiary's share capital to strategic minority partners through the sale of 30% of UMG's share capital for total cash proceeds in excess of €9 billion. Please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021; and
- **the strong recovery of Vivendi's businesses:** Organic revenue growth (+8.6%) mainly driven by Canal+ Group, Havas Group and Editis led to a significant improvement in EBITA, which rose to €690 million (compared to €298 million in 2020), to which all businesses contributed, thanks notably to the cost adjustment plans implemented during the pandemic outbreak and a recovery in business momentum in 2021. Please note that EBITA now includes Vivendi's share of UMG's earnings, accounted for under the equity method as from September 23, 2021, and Lagardère's earnings, accounted for under the equity method as from July 1, 2021.

1.1.2.1. Revenues

In 2021, Vivendi's revenues were €9,572 million, compared to €8,668 million in 2020. This increase of €904 million (+10.4%) is mainly due to the growth of Canal+ Group (+€272 million), Havas Group (+€204 million) and Editis (+€131 million). It also included the impact of the consolidation of Prisma Media as from June 1, 2021 (€194 million).

At constant currency and perimeter **(1)**, Vivendi's revenues grew by 8.6%, compared to 2020. This increase was mainly due to the growth of Canal+ Group (+5.2%), as well as the strong recovery of Havas Group (+10.8%) and Editis (+18.1%), particularly impacted by last year's pandemic outbreak.

For the second half of 2021, Vivendi's revenues were €5,178 million, compared to €4,547 million for the second half of 2020. This increase of €631 million (+13.9%) was mainly due to the growth of Canal+ Group (+€164 million), Havas Group (+€175 million) and Vivendi Village (+€65 million). It also included the impact of the consolidation of Prisma Media (€165 million).

At constant currency and perimeter **(1)**, Vivendi's revenues grew by 9.5%, compared to the second half of 2020. This increase was mainly due to the growth of Canal+ Group (+5.7%), as well as the strong recovery of Havas Group (+13.9%) and Vivendi Village (x5.4), particularly impacted by the pandemic outbreak during the second half of 2020.

For the fourth quarter of 2021, Vivendi's revenues were €2,702 million, compared to €2,377 million for the fourth quarter of 2020. This increase of €325 million (+13.7%) was mainly due to the growth of Canal+ Group (+€77 million), Havas Group (+€69 million) and Vivendi Village (+€37 million). It also included the impact of the consolidation of Prisma Media (€90 million).

At constant currency and perimeter **(1)**, Vivendi's revenues grew by 8.7%, compared to the fourth quarter of 2020. This increase was mainly due to the growth of Canal+ Group (+4.9%), as well as the strong recovery of Havas Group (+8.9%), Gameloft (+33.8%) and Vivendi Village (x6.8), particularly impacted by the pandemic outbreak during the fourth quarter of 2020.

For a detailed analysis of revenues by business segment, please refer to Section 1.3 below and to Note 5.1.1 to the Consolidated Financial Statements for the year ended December 31, 2021.

(1) Constant perimeter notably reflects the impacts of the acquisition of Prisma Media on May 31, 2021, as well as the equity accounting of Lagardère since July 1, 2021 and Universal Music Group since September 23, 2021.

1.1.2.2. Operating results

Cost of revenues was €5,360 million, compared to €4,904 million in 2020, an increase of €456 million.

Selling, general and administrative expenses excluding amortization of intangible assets acquired through business combinations were €3,563 million, compared to €3,371 million in 2020, an increase of €192 million.

Amortization and depreciation of tangible and intangible assets are included either in the cost of revenues or in selling, general and administrative expenses. Amortization of tangible and intangible assets, excluding amortization of intangible assets acquired through business combinations, amounted to €523 million (compared to €531 million in 2020) including amortization of rights-of-use relating to leases for €140 million (compared to €160 million in 2020).

EBITA was €690 million in 2021, compared to €298 million in 2020. This increase of €392 million (x2.3) is mainly due to the growth of Havas Group (+€118 million), thanks to the cost adjustment plan implemented in the early stages of last year's pandemic outbreak and to a strong recovery in business momentum in 2021, Canal+ Group (+€45 million), mainly thanks to international activities, particularly in Africa, and Editis (+€12 million). The recovery of other businesses, in particular Vivendi Village (+€39 million) particularly affected during the health crisis, and Gameloft (+€32 million) also contributed to this EBITA increase. 2021 EBITA also included:

- the contribution of Prisma Media (€20 million), consolidated since June 1, 2021, as well as Vivendi's share of the net earnings of UMG (€33 million), accounted for under the equity method as from September 23, 2021, and Lagardère (€19 million), accounted for under the equity method as from July 1, 2021; and
- restructuring charges (€49 million in 2021, compared to €86 million in 2020). These were mainly incurred by Canal+ Group (€22 million in 2021, compared to €42 million in 2020, notably related to the ongoing plan aimed at transforming its French activities), Editis (€15 million in 2021, compared to €6 million in 2020) and Havas Group (€6 million in 2021, compared to €33 million in 2020).

At constant currency and perimeter **(1),** EBITA increased by €402 million (x2.4). Excluding Vivendi's share of UMG and Lagardère's net earnings, EBITA would increase by €309 million (+93.9%).

For a detailed analysis of EBITA by business segment, please refer to Section 1.3 below.

EBIT was €404 million in 2021, compared to €248 million in 2020, an increase of €156 million (+63.2%). It includes amortization and depreciation of intangible assets acquired through business combinations for €286 million, compared to €50 million in 2020. In 2021, it included the goodwill impairment loss related to Gameloft for €200 million, which reflected the decline in Gameloft's operating performance over the recent period. Please refer to Note 11 to the Consolidated Financial Statements for the year ended December 31, 2021.

(1) Constant perimeter notably reflects the impacts of the acquisition of Prisma Media on May 31, 2021, as well as the equity accounting of Lagardère since July 1, 2021 and Universal Music Group since September 23, 2021.

1.1.2.3. Income from equity affiliates – non-operational

In 2021, **income from equity affiliates – non-operational** was a charge of -€13 million, compared to a profit of +€126 million in 2020, an unfavorable change of -€139 million. This amount corresponds to Vivendi's share of Telecom Italia's net earnings, calculated based on the financial information publicly disclosed by Telecom Italia (corresponding to the fourth quarter of the previous year and the first nine months of the current year due to a three-month reporting lag). In 2021, this amount notably included Vivendi's share (-€53 million) of the voluntary redundancy plan involving approximately 1,300 employees announced by Telecom Italia. As a reminder, in 2020, this amount notably included Vivendi's share (+€77 million) of the capital gain recognized by Telecom Italia on the Inwit transaction.

For a detailed analysis, please refer to Note 14.2 to the Consolidated Financial Statements for the year ended December 31, 2021.

1.1.2.4. Financial results

In 2021, **interest** was an expense of €34 million, compared to €22 million in 2020. Of this amount:

- interest expense on borrowings was €41 million, compared to €48 million in 2020. This change mainly reflected the decrease in average outstanding borrowings to €4.9 billion (compared to €6.2 billion in 2020), partially offset by the increase in the average interest rate on borrowings to 0.83% (compared to 0.77% in 2020);
- interest income earned on the investment of cash surpluses was an expense of €2 million, given the negative average interest rate on cash investments of -0.04%, compared to an income of €9 million in 2020, which had a positive average interest rate on cash investments of +0.35%. This unfavorable change was compounded by the increase in the average outstanding cash investments to €4.4 billion (compared to €2.7 billion in 2020); and
- in addition, interest received by Vivendi from intragroup financing granted to UMG was a net amount of €9 million for the period ending on September 22, 2021 (compared to €17 million in 2020).

Income from investments was €150 million in 2021, compared to €35 million in 2020, an increase of €115 million. In 2021, it mainly included dividends received from Mediaset (€102 million; please refer to Note 2.3 to the Consolidated Financial Statements for the year ended December 31, 2021), as well as dividends received from MultiChoice (€21 million) and Telefonica (€20 million).

Other financial charges and income were a net charge of -€827 million in 2021, compared to a net income of +€12 million in 2020, an unfavorable change of -€839 million. In 2021, other financial charges notably included a €728 million write-down of the Telecom Italia shares accounted for under the equity method (-€0.20 per share), notably to take into account the economic environment uncertainties and strategic changes that could affect Telecom Italia's outlook (please refer to Note 14 to the Consolidated Financial Statements for the year ended December 31, 2021). As a reminder, in 2020, following the favorable settlement of a tax litigation in Brazil, Vivendi received an additional payment of €56 million for the sale of GVT in 2015.

1.1.2.5. Provision for income taxes

In 2021, **provision for income taxes reported to adjusted net income** was a net charge of €140 million, compared to a net charge of €160 million in 2020. This €20 million increase in the tax charge reported to adjusted net income reflected the increase in the current savings expected from Vivendi's French Tax Group, as well as the decrease in tax losses generated during the period and not used due to the increase in the taxable income of all businesses, which had fallen sharply in 2020 due to the consequences of the pandemic outbreak. In 2021, the effective tax rate reported to adjusted net income was 19.5%, compared to 50.0% in 2020. In 2020, the effective tax rate reported to adjusted net income was notably affected by the increase in tax losses generated during the period and not used because of the pandemic outbreak.

In 2021, **provision for income taxes reported to net income** was a net charge of €218 million, compared to a net charge of €163 million in 2020. In addition to tax changes reported to adjusted net income, this increase of €55 million in the tax charge on net income included an unfavorable change €76 million in deferred tax assets resulting from tax savings related to Vivendi's French Tax Group. The charge was €94 million in 2021, compared to €18 million in 2020.

For a detailed analysis, please refer to Note 8 to the Consolidated Financial Statements for the year ended December 31, 2021.

1.1.2.6. Earnings from discontinued operations

2021 was marked by the deconsolidation of UMG as a result of its listing on Euronext Amsterdam and the distribution of 59.87% of UMG's share capital to Vivendi's shareholders, which occurred on September 23, 2021. The main impacts of this transaction on the Consolidated Statement of Earnings for the year ended December 31, 2021 were as follows:

- in accordance with IFRS 5; UMG's contribution to the group's earnings for the period from January 1 to September 22, 2021 (net earnings of €573 million, before non-controlling interests) was reported in "**Earnings from discontinued operations**"; in the Consolidated Statement of Earnings for the year ended December 31, 2020, income and charges were similarly restated and, in accordance with IFRS 5, UMG's contribution to the group's earnings in 2020 (net earnings of €1,371 million, before non-controlling interests) was reported in "Earnings from discontinued operations"; and
- the **capital gain on the deconsolidation of 70% of UMG** (59.87% distributed and 10.03% retained and accounted for under the equity method) amounted to €24,840 million (after taxes of €894 million) and, in accordance with IFRS 5, was reported in "Earnings from discontinued operations".

Prior to the listing of UMG and the distribution of 59.87% of UMG's share capital to Vivendi's shareholders, Vivendi opened up its subsidiary's share capital to strategic minority partners through the sale of 30% of UMG's share capital for total cash proceeds in excess of €9 billion. As a reminder, net capital gains (after tax) realized on the sale of 20% of UMG's share capital to a Tencent-led consortium (€2,236 million in 2021 and €2,315 million in 2020) and 10% to Pershing Square Holdings and affiliates (€2,738 million in 2021) were directly recorded as an increase in equity and accounted for as sales of non-controlling interests. Therefore, in accordance with IFRS 10, there was no impact on the consolidated earnings.

Please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021.

1.1.2.7. Non-controlling interests

In 2021, **earnings attributable to non-controlling interests** were €183 million, compared to €167 million in 2020. Earnings from continuing operations attributable to non-controlling interests amounted to €62 million (compared to €38 million in 2020), and for UMG, as a discontinued operation and in accordance with IFRS 5, these earnings amounted to €121 million (compared to €130 million in 2020).

1.1.2.8. Earnings attributable to Vivendi SE shareowners

In 2021, **earnings attributable to Vivendi SE shareowners** amounted to a profit of €24,692 million (or €22.94 per share – basic), compared to €1,440 million (or €1.26 per share – basic) in 2020, an increase of €23,252 million. In 2021, it notably included the capital gain on the deconsolidation of the 70% interest in UMG (€24,840 million, after tax; please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021).

1.1.2.9. Adjusted net income

In 2021, **adjusted net income** was a profit of €649 million (or €0.60 per share – basic), compared to €292 million (or €0.26 per share – basic) in 2020, an increase of €357 million (x2.2). This increase mainly included the growth in EBITA (+€392 million) and income from investments (+€115 million), partially offset by the decline of Vivendi's share of Telecom Italia's earnings, accounted for under the equity method (-€139 million).

	Year ended December 31		
(in millions of euros)	2021	2020	% Change
Revenues	**9,572**	**8,668**	**+10.4%**
EBITA	**690**	**298**	**x2.3**
Income from equity affiliates – non-operational	47	186	
Interest	(34)	(22)	
Income from investments	150	35	
Adjusted earnings from continuing operations before provision for income taxes	**853**	**497**	**+71.6%**
Provision for income taxes	(140)	(160)	
Adjusted net income before non-controlling interests	**713**	**337**	
Non-controlling interests	(64)	(45)	
Adjusted net income	**649**	**292**	**x2.2**

Reconciliation of earnings attributable to Vivendi SE shareowners to adjusted net income

	Year ended December 31	
(in millions of euros)	2021	2020
Earnings attributable to Vivendi SE shareowners (a)	**24,692**	**1,440**
Adjustments		
Amortization and depreciation of intangible assets acquired through business combinations **(a)**	286	50
Amortization of intangible assets related to equity affiliates – non-operational	60	60
Other financial charges and income **(a)**	827	(12)
Earnings from discontinued operations **(a)**	(25,413)	(1,371)
Provision for income taxes on adjustments	78	3
Impact of adjustments on non-controlling interests	119	122
Adjusted net income	**649**	**292**

(a) As reported in the Consolidated Statement of Earnings.

Adjusted net income per share

	Year ended December 31			
	2021		2020	
	Basic	Diluted	Basic	Diluted
Adjusted net income *(in millions of euros)*	**649**	**649**	**292**	**292**
Number of shares *(in millions)*				
Weighted average number of shares outstanding **(a)**	1,076.3	1,076.3	1,140.7	1,140.7
Potential dilutive effects related to share-based compensation	-	3.2	-	4.1
Adjusted weighted average number of shares	1,076.3	1,079.5	1,140.7	1,144.8
Adjusted net income per share (in euros)	**0.60**	**0.60**	**0.26**	**0.26**

(a) Net of the weighted average number of treasury shares (72.5 million shares in 2021, compared to 44.7 million in 2020).

1.1.3. ANALYSIS OF REVENUES AND OPERATING RESULTS BY BUSINESS SEGMENT

	Year ended December 31				
(in millions of euros)	2021	2020	% Change	% Change at constant currency	% Change at constant currency and perimeter (a)
Revenues					
Canal+ Group	5,770	5,498	+4.9%	+5.5%	+5.2%
Havas Group	2,341	2,137	+9.6%	+11.8%	+10.8%
Editis	856	725	+18.1%	+18.1%	+18.1%
Prisma Media	194	na	na	na	+6.4%
Gameloft	265	253	+4.5%	+5.4%	+2.7%
Vivendi Village	104	40	x2.6	x2.6	x2.6
New Initiatives	89	65	+37.0%	+37.0%	+37.0%
Elimination of intersegment transactions	(47)	(50)			
Total Vivendi	**9,572**	**8,668**	**+10.4%**	**+11.4%**	**+8.6%**
EBITA					
Canal+ Group	480	435	+10.4%	+10.1%	+9.5%
Havas Group	239	121	+97.0%	x2.0	+96.9%
Editis	51	38	+32.2%	+32.2%	+32.2%
Prisma Media	20	na	na	na	-24.3%
Gameloft	8	(24)			
Vivendi Village	(20)	(59)			
New Initiatives	(30)	(75)			
Corporate	(110)	(138)			
Subtotal	**638**	**298**	**x2.1**	**x2.2**	**+93.9%**
Vivendi's share of Universal Music Group's earnings **(b)**	33	na			
Vivendi's share of Lagardère's earnings **(b)**	19	na			
Total Vivendi	**690**	**298**	**x2.3**	**x2.3**	**x2.4**

na: not applicable.

(a) Constant perimeter notably reflects the impacts of the acquisition of Prisma Media on May 31, 2021, as well as the equity accounting of Lagardère since July 1, 2021 and Universal Music Group since September 23, 2021.

(b) Companies accounted for by Vivendi under the equity method. Vivendi's share of these operating companies' net earnings was recorded in EBITA. For a detailed description, please refer to Note 14 to the Consolidated Financial Statements for the year ended December 31, 2021.

1.1.3.1. Canal+ Group

(in millions of euros)	Year ended December 31 2021	2020	% Change	% Change at constant currency	% Change at constant currency and perimeter
International TV	2,202	2,135	+3.1%	+4.7%	+4.7%
TV in Mainland France **(a)**	3,094	3,003	+3.0%	+3.0%	+2.9%
Studiocanal	474	360	+31.5%	+30.5%	+27.5%
Revenues	**5,770**	**5,498**	**+4.9%**	**+5.5%**	**+5.2%**
EBITA before restructuring charges	**502**	**477**	**+5.4%**	**+5.1%**	**+4.6%**
EBITA before restructuring charges margin	*8.7%*	*8.7%*	*- pt*		
Restructuring charges	(22)	(42)			
EBITA	**480**	**435**	**+10.4%**	**+10.1%**	**+9.5%**
EBITA margin	*8.3%*	*7.9%*	*+0.4 pt*		
Canal+ Group subscribers *(in thousands)*					
Europe (excluding Mainland France)	5,658	5,430	+228		
Africa	6,847	5,991	+856		
Overseas	835	809	+26		
Asia-Pacific	1,315	1,218	+97		
Overseas and international subscribers	**14,655**	**(b) 13,448**	**+1,207**		
Self-distributed individual subscribers in Mainland France	5,049	4,719	+330		
Wholesale subscribers **(c)**	3,491	3,436	+55		
Collective subscribers in Mainland France	511	523	-12		
Subscribers in Mainland France	**9,051**	**8,678**	**+373**		
Total Canal+ Group subscribers	**23,706**	**22,126**	**+1,580**		

(a) Relates to pay-TV services and free-to-air channels (C8, CStar and CNews) in mainland France.

(b) Relates to the 2020 pro forma data notably including some international wholesale and collective subscribers.

(c) Includes the strategic partnership agreements with Free and Orange, as well as subscribers to Thema packages. Certain subscribers may also have subscribed to a Canal+ offer.

At the end of December 2021, Canal+ Group's total subscriber portfolio (individual and collective) reached 23.7 million, compared to 22.1 million at the end of December 2020 on a pro forma basis.

In 2021, Canal+ Group's revenues were €5,770 million, up 5.2% at constant currency and perimeter compared to 2020.

Revenues from television operations in mainland France increased by 2.9% at constant currency and perimeter compared to 2020. The total subscriber base in mainland France recorded a net increase in subscribers of 373,000 over the past twelve months, and reached 9.05 million subscribers.

Revenues from international operations increased by 4.7% at constant currency and perimeter compared to 2020, thanks again to the significant growth in the number of subscribers (+1.2 million year-on-year). The total subscriber portfolio outside mainland France stood at 14.7 million subscribers at the end of December 2021.

With movie theaters reopening and its TV series and catalogue performing well, Studiocanal's revenues rose sharply by 31.5% (+27.5% at constant currency and perimeter) compared to 2020.

Studiocanal is particularly buoyed by several box office hits, such as *The Stronghold, Black Box* and *The Wolf and the Lion* in France, *Wrath of Man* in Australia, New Zealand and Germany, and *Drunk* in the United Kingdom.

In 2021, Canal+ Group's profitability improved compared to 2020. EBITA amounted to €480 million, compared to €435 million in 2020, an increase of 10.4% (+9.5% at constant currency and perimeter).

These results were supported by major developments across all the group's strategic pillars.

On the international development pillar, Canal+ Group launched in Ethiopia and increased its stake in the South African company MultiChoice, crossing the threshold of 15% of capital.

On the digital pillar, myCanal deployed in Africa in 2021 and is now present in 29 countries in Europe and Africa.

Finally, on the content pillar, Canal+ Group announced the planned acquisition of 70% of SPI International and Studiocanal acquired new production companies (Urban Myth Films and Lailaps Films). In addition, on December 2, 2021, Canal+ Group announced the signing of an agreement with French cinema organisations, extending, at least until 2024, a partnership of more than thirty years. This agreement provides in particular:

- a guaranteed investment of more than €600 million for the next three years in French and European cinema for Canal+ and Ciné+;
- an earlier position in the media chronology for Canal+, providing it with access to titles six months after their theatrical release, in line with its renewed status as the leading contributor to French and European cinema;
- a window of exclusive rights for Canal+ of at least nine months, which can rise to sixteen months with the second window; and
- better ability to exhibit and circulate works on Canal+ Group cinema channels and on myCanal.

Following this agreement, Canal+ Group signed the new media chronology on January 24, 2022. Canal+ is now entitled to broadcast movies six months after their theatrical release, compared to twelve months in 2018.

After Netflix and Disney+, StarzPlay joined Canal+ offers in 2021. In line with this, on February 15, 2022, Canal+ Group and ViacomCBS Networks International announced a long-term strategic partnership based on two pillars:

- the distribution of Paramount+ by the end of the year and nine ViacomCBS channels by Canal+ Group, in France and Switzerland. Canal+ Group will be the only market player in France able to integrate Paramount+ into its commercial offers (in "hard bundle");
- the acquisition of exclusive premium content for Canal+ Group channels and services, covering more than 30 territories. Canal+ Group will notably air Paramount films in exclusive premiere on Canal+ in France and Switzerland six months after their theatrical release.

1.1.3.2. Havas Group

(in millions of euros)	Year ended December 31 2021	2020	% of change	% of change at constant currency	% of change at constant currency and perimeter
Revenues	2,341	2,137	+9.6%	+11.8%	+10.8%
Net revenues (a)	**2,238**	**2,049**	**+9.2%**	**+11.5%**	**+10.4%**
EBITA before restructuring charges	**245**	**154**	**+59.3%**	**+63.6%**	**+59.2%**
EBITA before restructuring charges/net revenues	*10.9%*	*7.5%*	*+3.4 pts*		
Restructuring charges	(6)	(33)			
EBITA	**239**	**121**	**+97.0%**	**x 2.0**	**+96.9%**
EBITA/net revenues	*10.7%*	*5.9%*	*+4.8 pts*		
Net revenues by geographic area					
Europe	1,113	997	+11.7%	+11.0%	+10.4%
North America	826	796	+3.8%	+9.5%	+8.2%
Asia-Pacific and Africa	185	164	+12.1%	+13.1%	+9.8%
Latin America	114	92	+23.6%	+30.8%	+30.8%
	2,238	**2,049**	**+9.2%**	**+11.5%**	**+10.4%**
Net revenues by segment					
Havas Creative	44%	45%			
Havas Health & You	24%	23%			
Havas Media	32%	32%			
	100%	**100%**			

(a) Net revenues, a non-GAAP measure, relates to Havas Group's revenues less pass-through costs chargeable to customers. Please refer to Note 1.3.5.2. to the Consolidated Financial Statements for the year ended December 31, 2021.

In 2021, Havas Group's revenues were €2,341 million, up by 10.8% at constant currency and perimeter compared to 2020.

Net revenues **(1)** were €2,238 million in 2021, up 9.2% compared to 2020. Organic growth was +10.4% compared to 2020. Currency effects were negative at -2.3% and acquisitions contributed +1.1%.

During the fourth quarter of 2021, Havas Group again recorded strong business growth compared to the same period in 2020 and achieved organic growth in net revenues of +9.3%.

All the geographical regions delivered excellent organic performances in 2021, with positive contributions from all divisions: Creative, Media and Health communications. North America and Europe were the biggest contributors, enjoying solid organic growth. Asia-Pacific and Latin America also reported highly satisfactory performances.

At the end of December 2021, EBITA was €239 million, compared to €121 million in 2020 (and €225 million in 2019). This near doubling of EBITA (after restructuring charges) is attributable to the strong momentum of organic growth in net revenues and to the savings achieved through the cost adjustment plan introduced in 2020, the positive benefits of which were felt in 2021.

Havas Group pursued its targeted acquisitions policy and acquired four majority stakes in 2021: BLKJ (a Singapore-based creative agency), Agence Verte (CSR communications in France), Nohup (Customer Experience in Italy) and Raison de Santé (a healthcare communications agency in France).

2021 was a record year for Havas Group in terms of both new client wins and creative awards given to its agencies around the world.

Main accounts and key awards won in 2021:

Main accounts won

In 2021, Havas continued its global development by winning numerous new clients in creative, media expertise and healthcare communications, both locally and globally:

- **Havas Creative:** ASDA, COX Communications, Easyjet, JLL, Nestlé, New York Presbyterian, Petropolis, Telecom Italia, VW, World Bank x IMF;
- **Havas Health & You:** AbbVie, Amgen, Genentech, Hutchison, Medipharma, Ipsen, Myovant, New York Presbyterian, Novartis Otsuka, Pfizer, Sanofi, Trevana, Vifor; and
- **Havas Media:** Boiron, Dolce & Gabbana, Forevermark & DeBeers, IAG Group International Airlines Group (Iberia, Vuelig and IAG Cargo), Land O' Lakes, Ola Group, PEPCO, Pernod Ricard, Red Bull, Sears, Unilever (Western Europe), Weleda.

(1) Net revenues correspond to Havas Group revenues after deduction of costs rebilled to clients.

Key awards won

Fiscal year 2021 was a record year for Havas, which received more than 1,300 awards and distinctions for its work and agencies around the world.

The creativity of the agencies was rewarded at the most prestigious festivals and ceremonies. Starting with the Cannes Lions International Advertising Festival in June, which this year included the 2020 and 2021 editions. The group's agencies won no fewer than 38 Lions (one Grand Prix, five Golds, nine Silvers and 23 Bronzes), led by the *Crocodile Inside* campaign, by BETC Paris for Lacoste, which won the coveted Grand Prix in the Film category as well as a Gold, two Silvers and a Bronze, the Arnold Boston campaign for Red Cross, which won two Golds, a Silver and a Bronze, and the *Undercover Avatar* campaign, by Havas Sports & Entertainment Paris for L'Enfant Bleu, which won a Gold and a Bronze.

At the One Show, another major ceremony, the group's agencies walked away with 20 awards, including four Golds, five Silvers and ten Bronzes, as well as the prestigious Green Pencil, the top prize in the Sustainable category, awarded to the *Water Index* campaign by Havas Turkey for the Reckitt Finish brand. The most awarded campaigns were *Undercover Avatar,* by Havas Sports & Entertainment Paris for L'Enfant Bleu with a Gold and a Silver, *Black Plaque Project,* by Havas London for Nubian Jak Community Trust with a Gold and a Bronze as well as *Migrants on Amazon,* by BETC Paris for L'Auberge des Migrants which won three Silvers and a Bronze.

At the prestigious D&AD 21 ceremony, agencies received 16 awards, including a Gold for Rosa Paris' *Just a Wall* campaign for Innocence in Danger and five Silvers, including two for *HerShe,* by BETC/Havas Sao Paulo for Hershey's. Havas London's *Black Plaque Project* campaign for Nubian Jak Community Trust won one Silver and two Bronze.

At the LIA Awards ceremony, agencies won 53 awards, including the Grand Prix in the Film category, two Gold and three Silver for BETC's *Crocodile Inside* campaign for Lacoste, three Gold and five Bronze for Havas London's *Black Plaque Project* campaign for Nubian Jak Community Trust, with the other campaigns taking four Gold, 15 Silver and 19 Bronze. Finally, the British agency Havas Lynx was awarded the title of "Pharma Agency of the Year Europe".

At the Effie Europe awards, Havas Group won the title of "European Agency of the Year", while Havas Sports & Entertainment won a Gold and a Silver for its *Undercover Avatar* campaign for L'Enfant Bleu and Havas Turkey a Gold for its *Tomorrow's Water* campaign for Reckitt's Finish.

At the Epica Awards ceremony, the Group's agencies won 18 awards, including four Gold, five Silver and nine Bronze, led by Havas Dubai's *Liquid Billboard* campaign for Adidas (two Gold, one Silver and one Bronze).

Finally, Havas Creative and Havas Media respectively took first place in their category in the R3 Europe ranking, which distinguishes the new business performance of industry players.

1.1.3.3. Editis

(in millions of euros)	Year ended December 31 2021	2020	% of change	% of change at constant currency	% of change at constant currency and perimeter
Literature	336	300	+12.0%	+12.0%	+12.0%
Education and Reference	176	185	-4.8%	-4.8%	-4.8%
Diffusion and Distribution	344	240	+43.2%	+43.2%	+43.2%
Revenues	**856**	**725**	**+18.1%**	**+18.1%**	**+18.1%**
EBITA	**51**	**38**	**+32.2%**	**+32.2%**	**+32.2%**

In 2021, book sales sharply increased compared to both 2020 and 2019. The market reached an historic level, notably driven by the Comics-Mangas segment.

In this exceptional context, Editis achieved a record performance. In 2021, Editis' revenues reached €856 million, an increase of 18.1% at constant currency and perimeter compared to the same period in 2020 and 16.5% compared to 2019, even though school reform has less of an impact in 2021 than it had in the two previous years.

In 2021, 10 of Editis' authors ranked in the Top 30 of the most purchased French-speaking authors in modern fiction **(2)** (compared to 9 in 2020), with most of them showing an increase compared to previous years.

The Youth and Comics segments were not outdone, with Editis' growth compared to 2019 exceeding that of the market.

In addition, at the end of 2021, Editis was among the Top 3 in Illustrated Books **(3)**, with a strong presence in the cooking segment and among influencer authors. To cite a few examples: Volume 5 of *Fait maison,* by Cyril Lignac and *Mes desserts faits maison,* by Roxane.

In terms of its third-party publishers, Editis can be proud not only of the Prix Goncourt awarded to *La Plus Secrète Mémoire des hommes,* by M. Mbougar at Philippe Rey, but also of best-selling publications such as *Familía Grande,* by Camille Kouchner or *Les Aventures de Vincent Lacoste,* by Riad Sattouf.

In 2021, Editis' EBITA rose sharply by 32.2%, at €51 million, compared to 2020.

(2) Top GfK authors – Modern Fiction in French – at the end of December 2021 – in volumes – pocket + large format – 111 Editis publishing houses + third-party publishers distributed out of 3,673 audited.

(3) Source: GfK data, s40 to s52 2021 vs 2019, all channels, Internal analysis on Top 300 Adult Illustrated Books.

1.1.3.4. Prisma Media

(in millions of euros)	Year ended 12/31/2021 (a)	12-month pro forma data 2021	2020	% Change at constant currency and perimeter
Distribution	110	180	172	+4.6%
Advertising	73	113	94	+21.0%
Others	11	16	12	+30.6%
Revenues	**194**	**309**	**278**	**+11.2%**
EBITA	**20**	**30**	**14**	**x2.2**

(a) Vivendi has fully consolidated Prisma Media since June 1, 2021.

In 2021, Prisma Media's revenues were €309 million, up 11.2% compared to the same period in 2020 (pro forma).

Since June 1, 2021, the date of Vivendi's consolidation of Prisma Media, Prisma Media's revenues were €194 million, up 6.4% at constant currency and perimeter **(4)** compared to the same period in 2020. Digital revenues reached a record level, up 42.4% compared to 2020, and represented more than 30% of Prisma Media's total revenues.

In 2021, Prisma Media's pro forma EBITA was €30 million, an increase of €16 million compared to 2020. This growth is mainly due to a €3 million improvement in operating performance and a decrease in restructuring charges.

Prisma Media reinforced its leading position on the TV Print magazine market with the acquisition of *TéléZ* in September 2021, adding a new brand to its TV portfolio which includes *Télé Loisirs, TV Grandes Chaînes* and *Télé 2* semaines.

(4) Constant perimeter notably reflects the impact of the acquisition of Prisma Media on May 31, 2021.

Digital audiences reached record levels, and Prisma Media brands confirmed their leading positions: *Télé Loisirs* is no. 1 in the Entertainment segment with 22.3 million unique visitors (UVs – average monthly UVs); *Capital* is No. 1 in the Economic segment with 10.8 million UVs; *Femme Actuelle, Voici* and *Gala* are No. 2, No. 3 and No. 4, respectively, in the Women's segment; *Géo* is No. 2 in the Travel segment with 3.9 million UVs.

Traffic (in page views) on Prisma Media's websites increased by more than 40% compared to 2019 and 10% compared to 2020.

Prisma Media's social media audiences grew strongly compared to 2020 with the number of followers up 17% and the video audience up 35%. The growth has been particularly driven by the increase in followers on TikTok +73% and Instagram +28%. In 2021, Gala became the European media leader on TikTok, with the number of followers up by more than 20% compared to 2020.

In 2021, audio audiences were up 60% compared to 2020 supported by the launch of 60 podcasts and more than 4,000 episodes.

1.1.3.5. Gameloft

(in millions of euros)	Year ended December 31 2021	2020	% Change	% Change at constant currency	% Change at constant currency and perimeter
Revenues	**265**	**253**	**+4.5%**	**+5.4%**	**+2.7%**
Gross margin **(a)**	189	164	15.1%	+16.3%	+12.7%
EBITA	**8**	**(24)**			
Revenues by geographic area					
North America	115	96			
EMEA (Europe, the Middle East, Africa)	88	92			
Asia-Pacific	47	50			
Latin America	15	15			
Total	**265**	**253**			

(a) Gross margin relates to Gameloft's revenues after deducting costs of sales.

In 2021, Gameloft's revenues reached €265 million.

Asphalt 9: Legends, Disney Magic Kingdoms, Dragon Mania Legends, March of Empires, and *Asphalt 8: Airborne* generated 47% of Gameloft's total revenues and were the five-best-selling-games in 2021.

Gameloft's gross margin **(5)** increased by 15.1% and reached €189 million in 2021. This solid growth was driven by the success of its OTT **(6)** and Gameloft for brands **(7)** businesses, which represent 87% of Gameloft's gross margin. Its OTT business grew by 17% thanks to the success of Apple Arcade games, to the resilience of the catalogue and to the diversification on new platforms (Netflix, Facebook, etc.).

Gameloft also benefited in the last few months of 2021 from the success of newly launched titles such as *Heroes of the Dark* and *Sniper Champions*. The excellent performance of Gameloft for brands, whose gross margin increased by 22%, also enabled Gameloft to achieve this strong business growth in 2021.

In 2021, Gameloft's EBITA was €8 million, up €32 million year-on-year.

(5) Gross margin corresponds to Gameloft's revenues after deduction of costs of sales.

(6) OTT: Over-The-Top sales of video games on distribution platforms such as Apple, Google, Nintendo, Microsoft, etc.

(7) Gameloft for brands offers cutting-edge gamified solutions to help brands reconnect with their audience.

1.1.3.6. Vivendi Village

(in millions of euros)	Year ended December 31 2021	2020	% Change	% Change at constant currency	% Change at constant currency and perimeter
Revenues	**104**	**40**	**x2.6**	**x2.6**	**x2.6**
EBITA	**(20)**	**(59)**			

In 2021, Vivendi Village's revenues were €104 million compared to €40 million in 2020 (x2.6 at constant currency and perimeter), thanks to a significant rebound of its activities in the second half of 2021. This rebound results from less stringent sanitary constraints and a pronounced and even reinforced public appetite for live events. Vivendi Village allocates more than €10 million to solidarity actions and cultural access.

Vivendi Village's EBITA was a loss of €20 million (compared to a loss of €59 million in 2020), a €39 million favorable change.

See Tickets, the ticketing company present in nine European countries and the United States, sold 27 million tickets in 2021, including to Winter Wonderland, the traditional Christmas event in Hyde Park in London which attracts several million visitors. Some of the summer festivals produced by Olympia Production and U Live were able to be held in France and the United Kingdom, sometimes with reduced attendance capacity, while several new festivals for 2022 and 2023 were announced, including Inversion Fest in Lyons and the Kite Festival in Oxfordshire. L'Olympia resumed its activities in early September 2021 with 95 public and private events scheduled.

1.1.3.7. New Initiatives

In 2021, New Initiatives, which brings together Dailymotion and the GVA entities, recorded revenues of €89 million, an increase of €24 million (+37.0% at constant currency and perimeter).

New Initiatives' EBITA was a loss of €30 million (compared to a loss of €75 million in 2020), a €45 million favorable change.

Dailymotion's audience for premium content is still growing strongly, with +32% growth in 2021 compared to 2020, and represents more than four-fifths of the overall audience (82%). This growth has been driven by the signing of new partners with Prisma Media, Webedia (in France, Germany, Spain and South America), Unify (in France, the UK, Italy and Germany) and Monrif (in Italy).

In 2021, programmatic video advertising sales on Dailymotion grew by +43% compared to 2020, to represent nearly half of sales, thanks in particular to the strengthening of the partnership with Google.

GVA is an FTTH (Fiber to the Home) operator specialized in the provision of very high-speed Internet access and established in the cities of Sub-Saharan Africa.

GVA's general public and business offers, under the brands Canalbox and Canalbox Business, respectively, are revolutionizing Internet access and usage in Africa by offering the best quality of service, the best speeds and unlimited usage at very competitive rates.

At the end of 2021, GVA covered a potential market of more than one million homes and businesses in Africa with its FTTH networks deployed in Libreville (Gabon), Lomé (Togo), Pointe-Noire (Congo Brazzaville), Abidjan (Ivory Coast), and Kigali (Rwanda) and supplemented in 2021 by the launch of operations in three new cities: Brazzaville (Congo Brazzaville) in April, Ouagadougou (Burkina Faso) in June, and Kinshasa (DRC) in December.

1.1.3.8. Corporate

In 2021, Corporate's EBITA was a net charge of €110 million, compared to a net charge of €138 million in 2020, a favorable change of €28 million, mainly due to non-recurring pension items recognized in 2021. Please refer to Note 20 to the Consolidated Financial Statements for the year ended December 31, 2021.

1.2. Liquidity and capital resources

1.2.1. LIQUIDITY AND EQUITY PORTFOLIO

PRELIMINARY COMMENTS

- The "Net Cash Position" and the "Financial Net Debt", non-GAAP measures, should be considered in addition to, and not as a substitute for, GAAP measures presented in the Consolidated Statement of Financial Position, as well as any other measure of indebtedness reported in accordance with GAAP. Vivendi considers these to be relevant indicators of the group's liquidity and capital resources. Vivendi Management uses these indicators for reporting, management and planning purposes.
- The "Net Cash Position" (and the "Financial Net Debt") is calculated as the sum of:
  - **i.** cash and cash equivalents, as reported in the Consolidated Statement of Financial Position, including (i) cash in banks and deposits, whether or not compensated, corresponding to cash, and (ii) money market funds which meet the qualification requirements of the ANC's and AMF's decision released in November 2018 and other highly liquid short-term investments with initial maturities of generally three months or less corresponding to cash equivalents, defined in accordance with IAS 7;
  - **ii.** cash management financial assets, included in the Consolidated Statement of Financial Position under "financial assets", relating to financial investments, which do not meet the criteria for classification as cash equivalents set forth in IAS 7, and, with respect to money market funds, the qualification requirements of ANC's and AMF's decision released in November 2018. In addition, Vivendi SE and Compagnie de l'Odet, as well as Vivendi SE and Bolloré SE, entered into a cash management agreement on October 26, 2021 and March 20, 2020, respectively, providing for advance payments, repayable at Vivendi SE's first request (please refer to Note 17 to the Consolidated Financial Statements for the year ended December 31, 2021); and
  - **iii.** derivative *Financial Instruments*, net (assets and liabilities) where the underlying instruments are Financial Net Debt items, as well as cash deposits securing borrowings included in the Consolidated Statement of Financial Position under "financial assets";

less:

  - **iv.** the value of borrowings at amortized cost.
- For a detailed description, please refer to Note 17 "Cash position" and Note 22 "Borrowings and other financial liabilities" to the Consolidated Financial Statements for the year ended December 31, 2021.

1.2.1.1. Liquidity

(in millions of euros)	Refer to Notes to the Consolidated Financial Statements	12/31/2021	12/31/2020
Cash and cash equivalents		3,328	976
Cash management financial assets		1,116	120
Cash position	17	**4,444**	**1,096**
Bonds		(4,050)	(5,050)
Bank credit facilities		(23)	(661)
Short-term marketable securities		-	(310)
Other		(23)	(28)
Borrowings at amortized cost	22	**(4,096)**	**(6,049)**
Net Cash Position/(Financial Net Debt)		**348**	**(4,953)**

1.2.1.2. Change in liquidity

(in millions of euros)	Cash and cash equivalents	Borrowings at amortized cost and other financial items (a)	Net Cash Position/ (Financial Net Debt)
Financial Net Debt as of December 31, 2020	**976**	**(5,929)**	**(4,953)**
(Outflows)/inflows of continuing operations:	***1,840***	***2,309***	***4,149***
Operating activities	1,034	-	1,034
Investing activities	(2,286)	988	(1,298)
Financing activities	3,078	1,279	4,357
Foreign currency translation adjustments	14	42	56
(Outflows)/inflows of discontinued operations:	***512***	***640***	***1,152***
Operating activities	603	-	603
Investing activities	(1,466)	2,169	703
Financing activities	1,356	(1,509)	(153)
Foreign currency translation adjustments	19	(20)	(1)
Net Cash Position as of December 31, 2021	**3,328**	**(2,980)**	**348**

(a) "Other financial items" includes cash management financial assets and derivative Financial Instruments relating to interest rate and foreign currency risk management (assets and liabilities).

As of December 31, 2021, Vivendi's Net Cash Position amounted to €348 million, compared to a Financial Net Debt of -€4,953 million as of December 31, 2020, i.e., a favorable change of €5,301 million. This improvement was mainly attributable to the following items:

- on January 29, 2021, Vivendi received a cash inflow of €2,847 million from the sale of an additional 10% of the share capital of Universal Music Group (UMG) to the Tencent-led consortium;
- on August 10, 2021 and September 9, 2021, Vivendi received a total cash inflow of €3,360 million from the sale of 10% of UMG's share capital to Pershing Square Holdings and affiliates;
- Cash flows generated by UMG until its deconsolidation and the impact of the deconsolidation of UMG; i.e., an overall favorable impact of €1,152 million, which breaks down as follows:
  - the impact of cash flow from operations (CFFO) and investments generated by UMG for the period ending on September 22, 2021 (+€619 million);
  - the change in UMG's gross financial debt for the period ending on September 22, 2021 (-€153 million);
  - the impact of the deconsolidation of UMG's Financial Net Debt as of September 22, 2021 (+€1,741 million, including gross financial debt of €2,169 million, net of cash and cash equivalents of €428 million);
  - tax paid by Vivendi SE on the distribution of 59.87% of UMG's share capital (-€774 million); and
  - other expenses paid as part of the distribution of 59.87% of UMG's share capital (-€280 million).

As a reminder, in accordance with IFRS 5, cash flows generated by UMG until its deconsolidation and the impact of the deconsolidation of UMG are presented as "Cash flows from the discontinued operations". For a detailed description, please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021;

- cash flow from operations (CFFO) generated by the group's operations for €748 million.

These items were partially offset by the following:

- on December 16, 2021, Vivendi completed the acquisition of Lagardère shares from Amber Capital for a total amount of €610 million. As a reminder, on September 27, 2021, in consideration for the pledge of the Lagardère shares held by Amber Capital, Vivendi granted a cash collateral of €595 million to the benefit of Amber Capital for the remaining Lagardère shares held by it, representing 17.5% of Lagardère's share capital (please refer to Note 2.1 to the Consolidated Financial Statements for the year ended December 31, 2021);
- on June 25, 2021, Vivendi paid a dividend in respect of fiscal year 2020 of €0.60 per share, representing a €653 million outflow;
- on May 31, 2021, Vivendi completed the acquisition of 100% of Prisma Media (please refer to Note 2.2 to the Consolidated Financial Statements for the year ended December 31, 2021);
- on January 25, 2021, Vivendi announced the acquisition of 9.9% of PRISA's share capital. PRISA is the leader in Spanish-speaking media and education;
- in 2021, Vivendi acquired shares in MultiChoice for €143 million, crossing the threshold of 15% of capital;
- Vivendi repurchased its own shares for €693 million (please refer to Note 18 to the Consolidated Financial Statements for the year ended December 31, 2021); and
- net cash outflows from continuing operations relating to income taxes for €107 million.

Vivendi believes that the cash flow generated by its operating activities, its cash surpluses, net of amounts used to reduce Vivendi's debt, as well as funds available through undrawn bank credit facilities (please refer to Note 22.3 to the Consolidated Financial Statements for the year ended December 31, 2021) will be sufficient to cover the expenses and investments necessary for its operations, its debt service (including redemption of bonds), the payment of income taxes, the distribution of dividends and any potential share repurchases under existing ordinary authorizations, as well as its investment projects, in particular commitments related to the public tender offer for the shares of Lagardère SA (please refer to Note 2.1 to the Consolidated Financial Statements for the year ended December 31, 2021), for the next twelve months.

As of December 31, 2021, Vivendi held a portfolio of listed non-controlling equity interests (including Universal Music Group, Telecom Italia and Lagardère) with an aggregate market value of approximately €9.0 billion (before taxes), compared to €5.3 billion as of December 31, 2020, including Spotify and Tencent Music Entertainment held by UMG for €1.9 billion.

1.2.2. CASH FLOW FROM OPERATIONS ANALYSIS

PRELIMINARY COMMENTS

- Under Vivendi's definition, EBITDA is calculated as EBITA, as presented in the Adjusted Statement of Earnings, before amortization and depreciation of tangible and intangible assets, restructuring charges, gains/(losses) on the sale of tangible and intangible assets, income from equity affiliates – operational and other non-recurring operating items.
- "Cash flow from operations" (CFFO) and "cash flow from operations after interest and income tax paid" (CFAIT), both non-GAAP measures, should be considered in addition to, and not as substitutes for, other GAAP measures of operating and financial performance as presented in the Consolidated Financial Statements and the related notes or as described in this Financial Report. Vivendi considers these to be relevant indicators of the group's operating and financial performance.
- In accordance with IFRS 5, Cash Flows from Universal Music Group have been reported as follows:
  - its contribution until September 22, 2021, if any, to each line of Vivendi's Consolidated Statement of Cash Flows has been reported on the line "Cash Flows of discontinued operations";
  - in accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information; and
  - its cash flow from operations (CFFO), cash flow from operations before capital expenditures (CFFO before capex, net) and cash flow from operations after interest and income taxes (CFAIT) have been excluded from Vivendi's CFFO, CFFO before capex, net and CFAIT.

(in millions of euros)	Year ended December 31 2021	2020	% of change
Revenues	9,572	8,668	+10.4%
Operating expenses excluding depreciation and amortization	(8,393)	(7,732)	-8.6%
EBITDA	***1,179***	***936***	***+26.0%***
Restructuring charges paid	(94)	(94)	-0.1%
Content investments, net	22	36	-39.2%
of which film and television rights, net at Canal+ Group:			
Acquisition paid	*(400)*	*(471)*	*+15.1%*
Consumption	*457*	*615*	*-25.6%*
	57	**144**	**-60.1%**
of which sports rights, net at Canal+ Group:			
Acquisition paid	*(938)*	*(739)*	*-26.4%*
Consumption	*996*	*719*	*+38.4%*
	58	**(20)**	**na**
of which other rights and contents, net at Canal+ Group:			
Acquisition paid	*(238)*	*(207)*	*-15.2%*
Consumption	*207*	*165*	*+25.3%*
	(32)	**(42)**	**+24.5%**
Neutralization of change in provisions included in operating expenses	(31)	230	na
Other cash operating items	(10)	(3)	x 2.9
Other changes in net working capital	75	7	x 10.9
Net cash provided by/(used for) operating activities before income tax paid	***1,141***	***1,112***	***+2.6%***
Dividends received from equity affiliates and unconsolidated companies	218	69	x 3.2
Capital expenditures, net (capex, net)	(456)	(370)	-23.5%
Repayment of lease liabilities and related interest expenses **(a)**	(155)	(165)	+5.8%
Cash flow from operations (CFFO)	**748**	**646**	**+15.9%**
Interest paid, net	(34)	(22)	-53.4%
Other cash items related to financial activities	(28)	(18)	-61.8%
Income tax (paid)/received, net	(107)	117	na
Cash flow from operations after interest and income tax paid (CFAIT)	**579**	**723**	**-20.0%**

na: not applicable.

(a) Included a €136 million repayment of lease liabilities and €19 million of related interest expenses for the year ended December 31, 2021 (compared to €142 million and €23 million for the year ended December 31, 2020, respectively).

1.2.2.1. Changes in cash flow from operations (CFFO)

In 2021, **cash flow from operations (CFFO)** generated by the group's business segments amounted to €748 million (compared to €646 million in 2020), a favorable increase of €102 million. This increase primarily reflected the growth of Vivendi Village (+€139 million) and the favorable growth of Corporate (+€64 million). It also included the impact of the consolidation of Prisma Media (€19 million). This increase was partially offset by the decline of Canal+ Group (-€96 million). Canal+ Group (€449 million) and Havas Group (€267 million) are the main contributors to the group's cash flow from operations (CFFO).

In 2021, the growth of Canal+ Group's activities was offset by the recovery in content investments (-€158 million), while in 2020, Canal+ Group benefited from the temporary postponement of certain content investments due to the pandemic outbreak. By contrast, the growth of Vivendi Village mainly resulted from the recovery of the ticketing activities (+€136 million), leading to a favorable change in working capital (+€105 million) due to the shutdown of live performance activities during last year's pandemic outbreak. In 2021, Vivendi SE notably received dividends from Mediaset (€102 million) and Telecom Italia (€36 million, same as 2020), and Canal+ Group notably received dividends from MultiChoice (€21 million).

Furthermore, **capital expenditures** by the group's business segments amounted to €456 million (compared to €370 million in 2020), an increase of €86 million. This change notably reflected the deployment of a new generation of set-top boxes at Canal+ Group (+€39 million).

1.2.2.2. Cash flow from operations (CFFO) by business segment

	Year ended December 31		
(in millions of euros)	2021	2020	% Change
Canal+ Group	449	545	-17.6%
Havas Group	267	270	-0.9%
Editis	53	71	-26.2%
Prisma Media **(a)**	19	na	
Gameloft	(3)	(13)	
Vivendi Village	53	(86)	
New Initiatives	(101)	(88)	
Corporate	11	(53)	
Cash flow from operations (CFFO)	**748**	**646**	**+15.9%**

na: not applicable.

(a) Vivendi has fully consolidated Prisma Media since June 1, 2021.

1.2.2.3. Changes in cash flow from operations after interest and income tax paid (CFAIT)

In 2021, **cash flow from operations after interest and income tax paid (CFAIT)** was a €579 million net inflow (compared to a €723 million net inflow in 2020), a decrease of €144 million. The increase in net cash flow from operations (+€102 million) was offset by an increase in the net outflow relating to income taxes (-€224 million) and financial activities (-€22 million).

In 2021, **cash flow relating to income taxes** was a €107 million net outflow, compared to a €117 million net inflow in 2020. As a reminder, in 2020, pursuant to a decision of the Versailles Administrative Court of Appeal regarding the use of foreign tax receivables by Vivendi for the payment of income tax in respect of the fiscal year ended December 31, 2012, in January 2020, the tax authorities repaid €250 million to Vivendi, i.e., a balance of €21 million with respect to moratorium interest for fiscal year 2012 and €229 million with respect to fiscal year 2015.

In 2021, **financial activities** generated a €62 million net outflow (compared to €40 million in 2020). In 2021, this amount mainly included net interest paid (-€34 million, compared to -€22 million in 2020). In addition, cash outflows generated by foreign exchange risk hedging instruments was a -€18 million outflow (compared to a -€7 million outflow in 2020).

1.2.2.4. Reconciliation of CFAIT to net cash provided by operating activities

(in millions of euros)	Year ended December 31 2021	2020
Cash flow from operations after interest and income tax paid (CFAIT)	**579**	**723**
Adjustments		
Repayment of lease liabilities and related interest expenses	155	165
Capital expenditures, net (capex, net)	456	370
Dividends received from equity affiliates and unconsolidated companies	(218)	(69)
Interest paid, net	34	22
Other cash items related to financial activities	28	18
Net cash provided by operating activities of continued operations **(a)**	1,034	1,229
Net cash provided by operating activities of discontinued operations **(a)**	603	(3)
Net cash provided by operating activities (a)	**1,637**	**1,226**

(a) As presented in the Consolidated Statement of Cash Flows.

1.2.3. ANALYSIS OF INVESTING AND FINANCING ACTIVITIES

1.2.3.1. Investing activities

(in millions of euros)	Refer to Notes to the Consolidated Financial Statements	Year ended December 31, 2021
Financial investments		
Acquisition of equity securities, including Prisma Media, PRISA and MultiChoice	2; 15	(386)
Acquisition of equity securities in Lagardère	2	(612)
Acquisition of cash management financial assets	17	(364)
Advances under the Bolloré Group – Compagnie de l'Odet current account	24	(630)
Other financial investments		(132)
Total financial investments		***(2,124)***
Financial divestments		
Proceeds from sales of consolidated companies, after divested cash		-
Disposal of financial assets	15	76
Other financial divestments		-
Total financial divestments		***76***
Dividends received from equity affiliates and unconsolidated companies		218
Capital expenditures, net	5	(456)
Net cash provided by/(used for) investing activities of continuing operations (a)		**(2,286)**
Net cash provided by/(used for) investing activities of discontinued operations **(a)**		(1,466)
Net cash provided by/(used for) investing activities (a)		**(3,752)**

(a) As presented in the Consolidated Statement of Cash Flows.

1.2.3.2. Financing activities

(in millions of euros)	Refer to Notes to the Consolidated Financial Statements	Year ended December 31, 2021
Transactions with shareowners		
Sale of an additional 10% of UMG's share capital to Tencent	3	2,847
Sale of 10% of UMG's share capital to Pershing Square	3	3,360
Sale/(purchase) of Vivendi SE's treasury shares	18	(693)
Distribution to Vivendi SE's shareowners	18	(653)
Dividends paid by consolidated companies to their non-controlling interests		(40)
Exercise of stock subscription options by executive management and employees	21	18
Other		(264)
Total transactions with shareowners		***4,575***
Transactions on borrowings and other financial liabilities		
Redemption of bonds	22	(1,000)
Redemption of short-term marketable securities	22	(310)
Interest paid, net	7	(34)
Other		2
Total transactions on borrowings and other financial liabilities		***(1,342)***
Repayment of lease liabilities and related interest expenses	13; 7	(155)
Net cash provided by/(used for) financing activities of continuing operations (a)		**3,078**
Net cash provided by/(used for) financing activities of discontinued operations **(a)**		1,356
Net cash provided by/(used for) financing activities (a)		**4,434**

(a) As presented in the Consolidated Statement of Cash Flows.

1.3. Forward-Looking Statements

1.3.1. CAUTIONARY NOTE

This Financial Report contains forward-looking statements with respect to Vivendi's financial condition, results of operations, business, strategy, plans and outlook, including the impact of certain transactions, and the payment of dividends and distributions, as well as share repurchases. Although Vivendi believes that such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Vivendi's control, including, but not limited to, risks related to antitrust and other regulatory approvals, and to any other approvals that may be required in connection with certain transactions, as well as the risks described in the documents filed by Vivendi with the *Autorité des marchés financiers* (the "AMF") (the French securities regulator), and in its press releases, if any, which are also available in English on Vivendi's website (www.vivendi.com). Accordingly, readers are cautioned against relying on such forward-looking statements. These forward-looking statements are made as of the date of this Financial Report. Vivendi disclaims any intention or obligation to provide, update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

In 2021, notwithstanding the uncertainties created by the Covid-19 pandemic and although its impacts were more significant in certain countries or on certain businesses than others, Vivendi showed resilience in adapting its business activities to continue to best serve and entertain its customers, while reducing costs to preserve its margins. The business activities showed good resilience, in particular pay television services, as well as Havas Group and Editis. However, as expected, the pandemic's effects continued to slow down certain businesses such as Vivendi Village (in particular live entertainment).

Vivendi continually monitors the current and potential consequences of the health crisis. To date, it is difficult to determine how it will impact Vivendi's results in 2022. Nevertheless, the group remains confident in the resilience of its main businesses. It continues to make every effort to ensure the continuity of its business activities, as well as to best serve and entertain its customers and audiences while complying with the health guidelines of authorities in each country where it operates.

Russia's invasion of Ukraine in February 2022 is having a significant impact on the financial markets and the prices of certain commodities and will have repercussions on the entire world economy. Vivendi is mainly present in Ukraine through Gameloft, which is doing everything possible to support its teams in the country and limit the impact of the events on the delivery of its content. The group also has communications activities in Ukraine through companies affiliated with Havas Group and is fully mobilized to help them as much as possible. At this time, it is not possible for Vivendi to assess the indirect consequences that the Ukraine crisis could have on its business activities.

In 2021, Vivendi tested the value of goodwill allocated to its cash-generating units (CGU) or groups of CGU by applying valuation methods consistent with previous years. Vivendi ensured that the recoverable amount of CGU or groups of CGU tested exceeded their carrying value (including goodwill).

In 2021, Vivendi's liquidity increased by €5,301 million, from a Financial Net Debt of €4,953 million as of December 31, 2020, to a Net Cash Position of €348 million as of December 31, 2021. In addition, Vivendi has significant financing capacity. As of December 31, 2021, €2.8 billion of the group's committed credit facilities were available.

As of December 31, 2021, the average "economic" term of the group's gross financial debt, calculated based on the assumption that the available medium-term credit lines may be used to redeem the group's shortest term borrowings, was 4.2 years (compared to 4.8 years as of December 31, 2020).

For a detailed description on borrowings and other financial liabilities and financial risk management, please refer to Note 22 to the Consolidated Financial Statements for the year ended December 31, 2021.

1.4. Other Disclaimers

1.4.1. UNSPONSORED ADRS

Vivendi does not sponsor any American Depositary Receipt (ADR) facility in respect of its shares. Any ADR facility currently in existence is "unsponsored" and has no ties whatsoever to Vivendi. Vivendi disclaims any liability in respect of any such facility.

1.4.2. TRANSLATION

This Financial Report is an English translation of the French version of the report and is provided solely for the convenience of English-speaking readers. This translation is qualified in its entirety by the French version, which is available on the company's website (www.vivendi.com). In the event of any inconsistencies between the French version of this Financial Report and the English translation, the French version will prevail.

2. APPENDIX TO THE FINANCIAL REPORT

2.1. Quarterly revenues by business segment

	2021			
(in millions of euros)	Three months ended March 31	Three months ended June 30	Three months ended September 30	Three months ended December 31
Revenues				
Canal+ Group	1,357	1,425	1,467	1,521
Havas Group	502	546	590	703
Editis	163	209	230	254
Prisma Media **(a)**	-	29	75	90
Gameloft	55	65	64	81
Vivendi Village	8	16	37	43
New Initiatives	17	21	22	29
Elimination of intersegment transactions	(7)	(12)	(9)	(19)
Total Vivendi	**2,095**	**2,299**	**2,476**	**2,702**

	2020			
(in millions of euros)	Three months ended March 31	Three months ended June 30	Three months ended September 30	Three months ended December 31
Revenues				
Canal+ Group	1,372	1,302	1,380	1,444
Havas Group	524	495	484	634
Editis	116	146	232	231
Gameloft	61	69	63	60
Vivendi Village	23	3	8	6
New Initiatives	15	13	16	21
Elimination of intersegment transactions	(7)	(11)	(13)	(19)
Total Vivendi	**2,104**	**2,017**	**2,170**	**2,377**

(a) Vivendi has fully consolidated Prisma Media since June 1, 2021 (please refer to Note 2.2 to the Consolidated Financial Statements for the year ended December 31, 2021).

2.2. Adjustment of comparative information

As from September 14, 2021, in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations,* Universal Music Group (UMG) was presented as a discontinued operation in Vivendi's Consolidated Financial Statements. On September 23, 2021, the payment date of the distribution in kind of UMG shares to Vivendi's shareholders, Vivendi ceded control of UMG and deconsolidated its 70% interest in UMG. For a detailed description of this transaction, please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021.

Income and charges from Universal Music Group have been reported as follows:

- its contribution until September 22, 2021, if any, to each line of Vivendi's Consolidated Statement of Earnings (before non-controlling interests) has been reported on the line "Earnings from discontinued operations";
- in accordance with IFRS 5, these adjustments have been applied to all periods presented to ensure consistency of information; and
- the share of net income has been excluded from Vivendi's adjusted net income.

The adjustments to previously published data on revenues, adjusted earnings before interest and income taxes (EBITA), as well as adjusted net income are presented below.

2.2.1. RESTATED REVENUES

	2021		
(in millions of euros)	Three months ended March 31	Three months ended June 30	Six months ended June 30
Revenues (as published)	**3,901**	**4,320**	**8,221**
Reclassification related to the application of IFRS 5 to UMG	(1,806)	(2,021)	(3,827)
Revenues (restated)	**2,095**	**2,299**	**4,394**

	2020			
(in millions of euros)	Three months ended March 31	Three months ended June 30	Three months ended September 30	Three months ended December 31
Revenues (as published)	**3,870**	**3,706**	**4,022**	**4,492**
Reclassification related to the application of IFRS 5 to UMG	(1,766)	(1,689)	(1,852)	(2,115)
Revenues (restated)	**2,104**	**2,017**	**2,170**	**2,377**

	2020		
(in millions of euros)	Three months ended June 30	Nine months ended September 30	Year ended December 31
Revenues (as published)	**7,576**	**11,598**	**16,090**
Reclassification related to the application of IFRS 5 to UMG	(3,455)	(5,307)	(7,422)
Revenues (restated)	**4,121**	**6,291**	**8,668**

2.2.2. RESTATED ADJUSTED EARNINGS BEFORE INTEREST AND INCOME TAXES (EBITA)

(in millions of euros)	Six months ended June 30, 2021
EBITA (as published)	**1,066**
Reclassification related to the application of IFRS 5 to UMG	(753)
EBITA (restated)	**313**

(in millions of euros)	Six months ended June 30, 2020	Year ended December 31, 2020
EBITA (as published)	**735**	**1,627**
Reclassification related to the application of IFRS 5 to UMG	(567)	(1,329)
EBITA (restated)	**168**	**298**

2.2.3. RESTATED ADJUSTED NET INCOME

(in millions of euros)	Six months ended June 30, 2021
Adjusted net income (as published)	**724**
Reclassification related to the application of IFRS 5 to UMG	(453)
Adjusted net income (restated)	**271**
Adjusted net income per share (as published)	0.67
Adjusted net income per share (restated)	**0.25**

(in millions of euros)	Six months ended June 30, 2020	Year ended December 31, 2020
Adjusted net income (as published)	**583**	**1,228**
Reclassification related to the application of IFRS 5 to UMG	(419)	(936)
Adjusted net income (restated)	**164**	**292**
Adjusted net income per share (as published)	0.51	1.08
Adjusted net income per share (restated)	**0.14**	**0.26**

3. AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

3.1. Statutory Auditors' report on the Consolidated Financial Statements

To the Annual General Meeting of Vivendi SE,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Vivendi SE for the year ended 31 December 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at 31 December 2021 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de Commissaire aux comptes)* for the period from 1 January 2021 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the Covid-19 pandemic, the financial statements for this period have been prepared and audited under special circumstances. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and on how audits are performed.

It is in this complex, evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of some goodwill allocated to cash-generating units (CGUs) or groups of CGUs, notably Gameloft

(Notes 1.3.6.2, 1.3.6.8 and 11 to the consolidated financial statements)

Key audit matter	Our response
As at 31 December 2021, goodwill is recorded in the balance sheet for a net carrying amount of €9,447 million, for a total balance sheet of €33,367 million. It has been allocated to the cash generating units (CGUs) or, where applicable, groups of cash-generating units, of the activities into which the companies acquired have been integrated. The goodwill relating to Gameloft totals €399 million after impairment of €(200) million recorded for the period. Each year, management ensures that the carrying amount of the goodwill does not exceed its recoverable amount. The impairment test methods thus implemented by management, sometimes with the assistance of an independent expert, are described in the notes to the consolidated financial statements and take into account the projected holding period for equity investments defined by the group; they involve significant judgements and assumptions, notably concerning, as the case may be: ► future cash-flow forecasts; ► perpetual growth rates used for projected flows; ► discount rates applied to estimated cash flows; ► the selection of sample companies included among the transaction or stock market comparables. Consequently, any variation in these assumptions may have a significant impact on the recoverable amount of the goodwill and necessitate the recognition of an impairment loss, where applicable. We consider the valuation of goodwill to be a key audit matter due to (i) its materiality in the group's financial statements, (ii) the judgements and assumptions required to determine its recoverable amount.	We analysed the compliance of the methods adopted by your company with the accounting standards in force, in particular concerning the determination of the CGUs and the methods used to estimate the recoverable amount. We obtained the impairment tests for each CGU or group of CGUs and examined the determination of the value of each CGU, with the assistance of our valuation experts. We paid particular attention to those for which the carrying amount is close to the estimated recoverable amount, those for which the historical performance showed differences in relation to the forecasts, and those operating in volatile economic environments. We assessed the competence of the independent evaluators appointed by your company for the valuation of certain CGUs or groups of CGUs. We took note of the key assumptions used for all the CGUs or groups of CGUs and, as the case may be: ► compared the business forecasts underpinning the determination of cash flows with the information available, including the market prospects and past achievements, and in relation to management's latest estimates (assumptions, budgets and strategic plans where applicable); ► compared the perpetual growth rates used for the projected flows with market analyses and the consensus of the main professionals concerned; ► compared the discount rates used with our internal databases, assisted by financial valuation specialists included in our teams; ► examined the selection of companies included among the transaction or stock market comparables in order to compare it with the samples we considered to be relevant based on our knowledge of the operating sectors; ► compared the market data used with available public and non-public information. We obtained and reviewed the sensitivity analyses performed by management, which we compared with our own calculations to assess what level of variation in the assumptions would require the recognition of goodwill impairment. Finally, we assessed the appropriateness of the information disclosed in the notes to the consolidated financial statements.

Valuation of the Telecom Italia equity affiliate

(Notes 1.3.3 and 14.1 to the consolidated financial statements)

Key audit matter	Our response
The net value of the Telecom Italia equity-accounted investment amounts to €2,390 million as at 31 December 2021, after impairment of €(728) million recognized for the period, corresponding to a value per share of €0.657. The recoverable amount was estimated using the usual valuation methods (value in use determined by discounting future cash flows, and fair value determined based on market data or recent acquisitions of similar companies). Your company used the services of an independent evaluator to assist you in the valuation of this asset's recoverable amount. Given the uncertain economic environment and the strategic changes liable to affect Telecom Italia's prospects, we consider the valuation of this equity-accounted investment to be a key audit matter.	We obtained the documentation relating to the valuation of the equity-accounted value of Telecom Italia. We assessed the competence of the independent evaluator appointed by your company. With the assistance of our valuation specialists: ▸ we took note of the models and key assumptions used to determine discounted cash flows (perpetual growth rate, discount rate), comparing these items with the information in our internal databases; ▸ we took note of the market multiples used by the independent evaluator to assess the relevance of the estimates resulting from the discounted cash flows method, comparing these items with market practice and data; ▸ assessed the compatibility of this analysis with the principle of forward holding of Telecom Italia expressed by Vivendi's management. Finally, we assessed the appropriateness of the information disclosed in the notes to the consolidated financial statements.

Measurement of the capital gain on the deconsolidation of the Universal Music Group

(Notes 3.4 and 8.2 to the consolidated financial statements)

Key audit matter	Our response
As at 31 December 2021, the line "Earnings from discontinued operations" in the consolidated income statement includes a capital gain on the deconsolidation of its 70% investment in Universal Music Group (UMG), amounting to €24,840 million after tax and related costs, following an exceptional distribution of dividends corresponding to 59.87% of the capital shares of UMG, held by Vivendi, and then their effective distribution on 23 September following their listing on Euronext Amsterdam on 21 September 2021. This capital gain on deconsolidation is calculated based on the fair value of the deconsolidated assets on the basis of a value of €23.29 per UMG share, corresponding to the volume-weighted average UMG share price quoted over the five trading days following the payment of the dividends. We consider the measurement of the capital gain on the deconsolidation of UMG to be a key audit matter, given the materiality of the amounts at stake and the degree of judgement required for the determination of its value.	We obtained the detailed calculation and all the supporting documentation for the measurement of the capital gain on the deconsolidation of UMG, in accordance with IFRS 13, and its presentation, in accordance with IFRS 5. In particular: ▸ we assessed the method used to measure the fair value of the deconsolidated assets (price of 23.29 euros per share); ▸ we gained an understanding of the audit procedures performed by the auditors of the UMG group and of their findings as at 30 September 2021, and of any adjustments performed by Vivendi on the material transactions carried out between 23 and 30 September 2021; ▸ we reviewed the legal documentation related to these transactions; ▸ we analyzed the tax treatment with the assistance of our tax experts; ▸ we assessed the nature of the costs taken into account in the calculation of the capital gain, and the related documentation; ▸ we redid the arithmetical calculation of the amount of the capital gain. Finally, we assessed the appropriateness of the information disclosed in the notes to the consolidated financial statements.

Analysis of the disputes with the foreign institutional investors

(Notes 1.3.9, 1.5, 19 and 26 to the consolidated financial statements)

Key audit matter	Our response
The group's activities are conducted in a constantly evolving environment and within a complex international regulatory framework. The group is not only subject to significant changes in the legislative environment and in the application and interpretation of regulations, but it also has to contend with litigation arising in the normal course of its business. Your company exercises its judgement in assessing the risks relating to the disputes with the foreign institutional investors, and recognizes a provision when the expense liable to result from these disputes is probable and the amount can either be quantified or estimated within a reasonable range. We consider these disputes to be a key audit matter given the amounts at stake and the level of judgement required for the determination of any provisions.	We analysed all the information made available to us, relating to the disputes between your company and certain foreign institutional investors concerning alleged harm resulting from financial communications of your company and its former CEO between 2000 and 2002. We examined the risk estimates performed by management and notably compared them with the information provided in the answers received from the lawyers and legal advisers in response to our requests for confirmation concerning these disputes. Finally, we verified the information concerning these disputes disclosed in the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the group given in the Management Board's management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code *(Code de commerce)* is included in the group management report, it being specified that, in accordance with Article L. 823-10 of said Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of presentation of the consolidated financial statements intended to be included in the annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by Statutory Auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements intended to be included in the annual Financial Report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code *(Code monétaire et financier),* prepared under the responsibility of the Chairman of the Management Board, complies with the single electronic format defined in Commission Delegated Regulation (EU) no. 2019/815 of 17 December 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned Regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements intended to be included in the annual Financial Report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual Financial Report filed with the AMF *(Autorité des marchés financiers)* agree with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Vivendi SE by the Annual General Meetings held on 25 April 2017 for Deloitte et Associés and on 15 June 2000 for Ernst & Young et Autres.

As at December 31, 2021, Deloitte et Associes was in its fifth year and Ernst & Young et Autres in its twenty-second year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the Financial Reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and Financial Reporting procedures.

The consolidated financial statements were approved by your Management Board.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code *(Code de commerce),* our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and Financial Reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de Commissaire aux comptes).* Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-la Défense, 10 March 2022

The Statutory Auditors

French original signed by:

DELOITTE & ASSOCIÉS	ERNST & YOUNG et Autres
Thierry Quéron and Géraldine Segond	Claire Pajona

PRELIMINARY COMMENTS

As from September 14, 2021, in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations,* Universal Music Group (UMG) was presented as a discontinued operation in Vivendi's Consolidated Financial Statements. On September 23, 2021, the payment date of the distribution in kind of UMG shares to Vivendi's shareholders, Vivendi ceded control of UMG and deconsolidated its 70% interest in UMG. For a detailed description of this transaction, please refer to Note 3 to the Consolidated Financial Statements for the year ended December 31, 2021.

The adjustments to previously published data are presented in Note 31 to the Consolidated Financial Statements for the year ended December 31, 2021. These adjustments were made in respect of data from the Consolidated Statement of Earnings and Cash Flows.

3.2. Consolidated Statement of Earnings

	Note	Year ended December 31 2021	2020
Revenues	5	**9,572**	**8,668**
Cost of revenues		(5,360)	(4,904)
Selling, general and administrative expenses		(3,619)	(3,421)
Restructuring charges	5	(49)	(86)
Impairment losses on intangible assets acquired through business combinations	5	(230)	-
Income from equity affiliates – operational		90	(9)
Earnings before interest and income taxes (EBIT)	5	**404**	**248**
Income from equity affiliates – non-operational	14	(13)	126
Interest	7	(34)	(22)
Income from investments		150	35
Other financial income	7	34	99
Other financial charges	7	(861)	(87)
		(711)	***25***
Earnings before provision for income taxes		**(320)**	**399**
Provision for income taxes	8	(218)	(163)
Earnings from continuing operations		**(538)**	**236**
Earnings from discontinued operations	3	25,413	1,371
Earnings		24,875	1,607
Of which			
Earnings attributable to Vivendi SE shareowners		**24,692**	**1,440**
of which earnings from continuing operations attributable to Vivendi SE shareowners		(600)	199
earnings from discontinued operations attributable de Vivendi SE shareowners		25,292	1,241
Non-controlling interests		**183**	**167**
of which earnings from continuing operations		62	37
earnings from discontinued operations		121	130
Earnings from continuing operations attributable to Vivendi SE shareowners per share – basic	9	(0.56)	0.17
Earnings from continuing operations attributable to Vivendi SE shareowners per share – diluted	9	(0.56)	0.17
Earnings from discontinued operations attributable to Vivendi SE shareowners per share – basic	9	23.50	1.09
Earnings from discontinued operations attributable to Vivendi SE shareowners per share – diluted	9	23.43	1.09
Earnings attributable to Vivendi SE shareowners per share – basic	9	**22.94**	**1.26**
Earnings attributable to Vivendi SE shareowners per share – diluted	9	22.87	1.26

In millions of euros, except per share amounts, in euros.

The accompanying notes are an integral part of the Consolidated Financial Statements.

3.3. Consolidated Statement of Comprehensive Income

		Year ended December 31	
(in millions of euros)	Note	2021	2020
Earnings		**24,875**	**1,607**
Actuarial gains/(losses) related to employee defined benefit plans, net		50	12
Financial assets at fair value through other comprehensive income		59	(118)
Comprehensive income from equity affiliates, net	14	4	2
Items not subsequently reclassified to profit or loss		**113**	**(104)**
Foreign currency translation adjustments		342	(672)
Unrealized gains/(losses), net		1	2
Comprehensive income from equity affiliates, net	14	32	(167)
Other impacts, net		42	(1)
Items to be subsequently reclassified to profit or loss		**417**	**(838)**
Charges and income directly recognized in equity	10	**530**	**(942)**
TOTAL COMPREHENSIVE INCOME		**25,405**	**665**
Of which			
Total comprehensive income attributable to Vivendi SE shareowners		**25,171**	**576**
Total comprehensive income attributable to non-controlling interests		234	89

The accompanying notes are an integral part of the Consolidated Financial Statements.

3.4. Consolidated Statement of Financial Position

(in millions of euros)	Note	12/31/2021	12/31/2020
ASSETS			
Goodwill	11	9,447	14,183
Non-current content assets	12	336	3,902
Other intangible assets		777	848
Property, plant and equipment		961	1,125
Rights-of-use relating to leases	13	766	1,068
Investments in equity affiliates	14	8,398	3,542
Non-current financial assets	15	1,727	4,285
Deferred tax assets	8	234	736
Non-current assets		**22,646**	**29,689**
Inventories		256	366
Current tax receivables	8	101	128
Current content assets	12	861	1,346
Trade accounts receivable and other	16	5,039	5,482
Current financial assets	15	1,136	135
Cash and cash equivalents	17	3,328	976
Current assets		**10,721**	**8,433**
TOTAL ASSETS		**33,367**	**38,122**
EQUITY AND LIABILITIES			
Share capital		6,097	6,523
Additional paid-in capital		865	2,368
Treasury shares		(971)	(2,441)
Retained earnings and other		12,990	9,309
Vivendi SE shareowners' equity		**18,981**	**15,759**
Non-controlling interests		213	672
Total equity	18	**19,194**	**16,431**
Non-current provisions	19	678	1,060
Long-term borrowings and other financial liabilities	22	3,496	4,171
Deferred tax liabilities	8	395	1,166
Long-term lease liabilities	13	758	1,070
Other non-current liabilities		48	916
Non-current liabilities		**5,375**	**8,383**
Current provisions	19	467	670
Short-term borrowings and other financial liabilities	22	783	2,230
Trade accounts payable and other	16	7,363	10,095
Short-term lease liabilities	13	125	221
Current tax payables	8	61	92
Current liabilities		**8,798**	**13,308**
Total liabilities		14,173	21,692
TOTAL EQUITY AND LIABILITIES		**33,367**	**38,122**

The accompanying notes are an integral part of the Consolidated Financial Statements.

3.5. Consolidated Statement of Cash Flows

(in millions of euros)	Note	Year ended December 31 2021	2020
Operating activities			
EBIT	6	404	248
Adjustments	23	640	821
Content investments, net		22	36
Gross cash provided by operating activities before income tax paid		***1,066***	***1,105***
Other changes in net working capital		75	7
Net cash provided by operating activities before income tax paid		***1,141***	***1,112***
Income tax (paid)/received, net	8	(107)	117
Net cash provided by operating activities of continuing operations		**1,034**	**1,229**
Net cash provided by operating activities of discontinued operations	3	603	(3)
Net cash provided by operating activities		**1,637**	**1,226**
Investing activities			
Capital expenditures	5	(460)	(373)
Purchases of consolidated companies, after acquired cash	2	(254)	(92)
Investments in equity affiliates	14	(612)	(118)
Increase in financial assets	15	(1,258)	(1,425)
Investments		***(2,584)***	***(2,008)***
Proceeds from sales of property, plant, equipment and intangible assets	5	4	3
Proceeds from sales of consolidated companies, after divested cash	3	-	64
Disposal of equity affiliates	14	-	9
Decrease in financial assets	15	76	249
Divestitures		***80***	***325***
Dividends received from equity affiliates	14	74	39
Dividends received from unconsolidated companies	15	144	30
Net cash provided by/(used for) investing activities of continuing operations		**(2,286)**	**(1,614)**
Net cash provided by/(used for) investing activities of discontinued operations	3	(1,466)	(31)
Net cash provided by/(used for) investing activities		**(3,752)**	**(1,645)**
Financing activities			
Net proceeds from issuance of common shares in connection with Vivendi SE's share-based compensation plans	21	18	153
Sales/(purchases) of Vivendi SE's treasury shares	18	(693)	(2,157)
Distributions to Vivendi SE's shareowners	18	(653)	(690)
Other transactions with shareowners	2; 3	5,943	2,784
Dividends paid by consolidated companies to their non-controlling interests		(40)	(65)
Transactions with shareowners		***4,575***	***25***
Setting up of long-term borrowings and increase in other long-term financial liabilities	22	5	5
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	22	(3)	(1)
Principal payment on short-term borrowings	22	(1,375)	(1,061)
Other changes in short-term borrowings and other financial liabilities	22	93	35
Interest paid, net	7	(34)	(22)
Other cash items related to financial activities		(28)	(18)

		Year ended December 31	
(in millions of euros)	Note	2021	2020
Transactions on borrowings and other financial liabilities		***(1,342)***	***(1,062)***
Repayment of lease liabilities and related interest expenses	13; 7	(155)	(165)
Net cash provided by/(used for) financing activities of continuing operations		**3,078**	**(1,202)**
Net cash provided by/(used for) financing activities of discontinued operations	3	1,356	527
Net cash provided by/(used for) financing activities		**4,434**	**(675)**
Foreign currency translation adjustments of continuing operations		14	(24)
Foreign currency translation adjustments of discontinued operations		19	(36)
Change in cash and cash equivalents		**2,352**	**(1,154)**
Cash and cash equivalents			
At beginning of the period	17	976	2,130
At end of the period	17	3,328	976

The accompanying notes are an integral part of the Consolidated Financial Statements.

3.6. Consolidated Statements of Changes in Equity

Year ended December 31, **2021**

		Capital					Retained earnings and other			
		Common shares								
(in millions of euros, except number of shares)	Note	Number of shares (in thousands)	Share capital	Additional paid-in capital	Treasury shares	Subtotal	Retained arnings	Other comprehensive income	Subtotal	Total equity
BALANCE AS OF DECEMBER 31, 2020		**1,185,996**	**6,523**	**2,368**	**(2,441)**	**6,450**	**11,827**	**(1,846)**	**9,981**	**16,431**
Attributable to Vivendi SE shareowners		*1,185,996*	*6,523*	*2,368*	*(2,441)*	***6,450***	*11,150*	*(1,841)*	***9,309***	***15,759***
Attributable to non-controlling interests		*-*	*-*	*-*	*-*	***-***	*677*	*(5)*	***672***	***672***
Contributions by (distributions to) Vivendi SE shareowners		**(77,435)**	**(426)**	**(1,503)**	**1,470**	**(459)**	**(25,948)**	**-**	**(25,948)**	**(26,407)**
Capital reduction through cancellation of treasury shares	15	(78,662)	(433)	(1,514)	1,952	**5**	(5)	-	**(5)**	**-**
Sales/(purchases) of treasury shares	18	-	-	-	(504)	**(504)**	-	-	**-**	**(504)**
Dividend paid on June 25, 2021 with respect to fiscal year 2020 (€0.60 per share)	18	-	-	-	-	**-**	(653)	-	**(653)**	**(653)**
Distribution of 59.87% of Universal Music Group's share capital paid on September 23, 2021	3	-	-	-	-	**-**	(25,284)	-	**(25,284)**	**(25,284)**
Capital increase related to share-based compensation plans	21	1,227	7	11	22	**40**	(6)	-	**(6)**	**34**
of which exercise of stock-options by executive management and employees		*1,227*	*7*	*11*	*-*	***18***	*-*	*-*	***-***	***18***
Changes in non-controlling interests that result in a gain/(loss) of control		**-**	**-**	**-**	**-**	**-**	**33**	**(514)**	**(481)**	**(481)**
of which distribution of 59.87% of Universal Music Group's share capital paid on September 23, 2021	*3*	*-*	*-*	*-*	*-*	***-***	*33*	*(514)*	***(481)***	***(481)***
Changes in Vivendi SE's ownership interest in its subsidiaries that do not result in a loss of control		**-**	**-**	**-**	**-**	**-**	**5,017**	**(79)**	**4,938**	**4,938**
of which sale of an additional 20% of Universal Music Group's share capital	*3*	*-*	*-*	*-*	*-*	***-***	*5,052*	*(78)*	***4,974***	***4,974***
Changes in equity attributable to Vivendi SE shareowners (A)		**(77,435)**	**(426)**	**(1,503)**	**1,470**	**(459)**	**(20,898)**	**(593)**	**(21,491)**	**(21,950)**
Contributions by (distributions to) non-controlling interests		-	-	-	-	**-**	(126)	-	**(126)**	**(126)**
Changes in non-controlling interests that result in a gain/(loss) of control		-	-	-	-	**-**	(1,407)	(152)	**(1,559)**	**(1,559)**
of which distribution of 59.87% of Universal Music Group's share capital paid on September 23, 2021		*-*	*-*	*-*	*-*	***-***	*(1,408)*	*(152)*	***(1,560)***	***(1,560)***
Changes in non-controlling interests that do not result in a gain/(loss) of control		-	-	-	-	**-**	915	78	**993**	**993**
of which sale of an additional 20% of Universal Music Group's share capital	*3*	*-*	*-*	*-*	*-*	***-***	*914*	*78*	***992***	***992***
Changes in equity attributable to non-controlling interests (B)		**-**	**-**	**-**	**-**	**-**	**(618)**	**(74)**	**(692)**	**(692)**
Earnings		-	-	-	-	**-**	24,875	-	**24,875**	**24,875**
Charges and income directly recognized in equity	10	-	-	-	-	**-**	42	488	**530**	**530**
Total comprehensive income (C)		**-**	**-**	**-**	**-**	**-**	**24,917**	**488**	**25,405**	**25,405**
Total changes over the period (A+B+C)		***(77,435)***	***(426)***	***(1,503)***	***1,470***	***(459)***	***3,401***	***(179)***	***3,222***	***2,763***
Attributable to Vivendi SE shareowners		*(77,435)*	*(426)*	*(1,503)*	*1,470*	***(459)***	*3,832*	*(151)*	***3,681***	***3,222***
Attributable to non-controlling interests		*-*	*-*	*-*	*-*	***-***	*(431)*	*(28)*	***(459)***	***(459)***
BALANCE AS OF DECEMBER 31, 2021		**1,108,561**	**6,097**	**865**	**(971)**	**5,991**	**15,228**	**(2,025)**	**13,203**	**19,194**
Attributable to Vivendi SE shareowners		*1,108,561*	*6,097*	*865*	*(971)*	***5,991***	*14,982*	*(1,992)*	***12,990***	***18,981***
Attributable to non-controlling interests		*-*	*-*	*-*	*-*	***-***	*246*	*(33)*	***213***	***213***

The accompanying notes are an integral part of the Consolidated Financial Statements

Year ended December 31, **2020**

	Capital					Retained earnings and other			
	Common shares								
(in millions of euros, except number of shares)	Number of shares (in thousands)	Share capital	Additional paid-in capital	Treasury shares	Subtotal	Retained arnings	Other comprehensive income	Subtotal	Total equity
BALANCE AS OF DECEMBER 31, 2019	**1,184,576**	**6,515**	**2,353**	**(694)**	**8,174**	**8,303**	**(902)**	**7,401**	**15,575**
Attributable to Vivendi SE shareowners	*1,184,576*	*6,515*	*2,353*	*(694)*	***8,174***	*8,059*	*(880)*	***7,179***	***15,353***
Attributable to non-controlling interests	-	-	-	-	-	*244*	*(22)*	***222***	***222***
Contributions by (distributions to) Vivendi SE shareowners	**1,420**	**8**	**15**	**(1,747)**	**(1,724)**	**(756)**	**-**	**(756)**	**(2,480)**
Sales/(purchases) of treasury shares	-	-	-	(1,986)	**(1,986)**	-	-	-	**(1,986)**
Dividend paid on April 23, 2020 with respect to fiscal year 2019 (€0.60 per share)	-	-	-	-	-	(690)	-	**(690)**	**(690)**
Capital increase related to share-based compensation plans	1,420	8	15	239	**262**	(66)	-	**(66)**	**196**
of which employee Stock Purchase Plans (July 21, 2020)	-	-	-	*190*	***190***	*(60)*	-	***(60)***	***130***
of which exercise of stock-options by executive management and employees	*1,420*	*8*	*15*	-	***23***	-	-	-	***23***
Changes in Vivendi SE's ownership interest in its subsidiaries that do not result in a loss of control	**-**	**-**	**-**	**-**	**-**	**2,413**	**(103)**	**2,310**	**2,310**
of which sale of 10% of Universal Music Group's share capital	-	-	-	-	-	*2,419*	*(103)*	***2,316***	***2,316***
Changes in equity attributable to Vivendi SE shareowners (A)	**1,420**	**8**	**15**	**(1,747)**	**(1,724)**	**1,657**	**(103)**	**1,554**	**(170)**
Contributions by (distributions to) non-controlling interests	-	-	-	-	-	(94)	-	**(94)**	**(94)**
Changes in non-controlling interests that result in a gain/(loss) of control	-	-	-	-	-	-	-	-	-
Changes in non-controlling interests that do not result in a gain/(loss) of control	-	-	-	-	-	354	101	**455**	**455**
of which sale of 10% of Universal Music Group's share capital	-	-	-	-	-	*354*	*101*	***455***	***455***
Changes in equity attributable to non-controlling interests (B)	**-**	**-**	**-**	**-**	**-**	**260**	**101**	**361**	**361**
Earnings	-	-	-	-	-	1,607	-	**1,607**	**1,607**
Charges and income directly recognized in equity	-	-	-	-	-	-	(942)	**(942)**	**(942)**
Total comprehensive income (C)	**-**	**-**	**-**	**-**	**-**	**1,607**	**(942)**	**665**	**665**
Total changes over the period (A+B+C)	**1,420**	**8**	**15**	**(1,747)**	**(1,724)**	**3,524**	**(944)**	**2,580**	**856**
Attributable to Vivendi SE shareowners	*1,420*	*8*	*15*	*(1,747)*	***(1,724)***	*3,091*	*(961)*	***2,130***	***406***
Attributable to non-controlling interests	-	-	-	-	-	*433*	*17*	***450***	***450***
BALANCE AS OF DECEMBER 31, 2020	**1,185,996**	**6,523**	**2,368**	**(2,441)**	**6,450**	**11,827**	**(1,846)**	**9,981**	**16,431**
Attributable to Vivendi SE shareowners	*1,185,996*	*6,523*	*2,368*	*(2,441)*	***6,450***	*11,150*	*(1,841)*	***9,309***	***15,759***
Attributable to non-controlling interests	-	-	-	-	-	*677*	*(5)*	***672***	***672***

The accompanying notes are an integral part of the Consolidated Financial Statements.

3.7. Notes to the Consolidated Financial Statements

Vivendi is a European company, which since January 7, 2020, has been subject to the provisions of French commercial company law that are applicable to it in France, including Council Regulation EC no. 2157/2001 of October 8, 2001 on the statute for a European company (SE) and the French Commercial Code *(Code de commerce)*. Vivendi was incorporated on December 18, 1987, for a term of 99 years expiring on December 17, 2086, except in the event of an early dissolution or unless its term is extended. Its registered office is located at 42, avenue de Friedland – 75008 Paris (France). Vivendi's shares are listed on Euronext Paris (Compartment A).

Vivendi is an integrated content, media and communications group. The company operates businesses throughout the media value chain, from talent discovery to the creation, production and distribution of content. Canal+ Group is the leading pay-TV operator in France, also operating in Benelux, Poland, Central Europe, Africa and Asia. Its subsidiary, Studiocanal, is a leading European player in the production, sale and distribution of movies and TV series. Havas Group is one of the world's largest global communications group covering communications disciplines: creativity, media expertise and healthcare/wellness. Editis is the second-largest French-language publishing group with more than 50 prestigious publishing houses and a large portfolio of internationally-acclaimed authors. Prisma Media is the market leader in French magazine publishing, online video and daily digital audience. Gameloft is one of the leading mobile game publishers in the world, with 1.5 million games downloaded daily across all platforms. Vivendi Village brings together Vivendi Ticketing (in Europe, the United Kingdom and the United States), as well as live performances through Olympia Production, Festival Production and venues in Paris (l'Olympia and Théâtre de l'Œuvre) and in Africa (CanalOlympia). New Initiatives groups together Dailymotion, one of the world's largest video content aggregation and distribution platforms and group Vivendi Africa (GVA), a subsidiary dedicated to the development of ultra-high-speed Internet service in Africa.

As from September 14, 2021, in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations*, Universal Music Group (UMG) was presented as a discontinued operation in Vivendi's Consolidated Financial Statements. On September 23, 2021, the payment date of the distribution in kind of UMG shares to Vivendi's shareholders, Vivendi ceded control of UMG and deconsolidated its 70% interest in UMG. For a detailed description of this transaction, please refer to Note 3.

The Consolidated Financial Statements reflect the financial and accounting situation of Vivendi and its subsidiaries (the "group") together with interests in equity affiliates. Amounts are reported in euros and all values are rounded to the nearest million.

On March 7, 2022, at a meeting held at the headquarters of Vivendi, the Management Board approved the Financial Report and the Audited Consolidated Financial Statements for the year ended December 31, 2021. They were reviewed by the Audit Committee at its meeting held on March 7, 2022 and by the Supervisory Board at its meeting held on March 9, 2022.

The Consolidated Financial Statements for the year ended December 31, 2021 will be submitted to Vivendi's shareholders for approval at the Annual General Shareholders' Meeting to be held on April 25, 2022.

NOTE 1. ACCOUNTING POLICIES AND VALUATION METHODS

1.1. COMPLIANCE WITH ACCOUNTING STANDARDS

The 2021 Consolidated Financial Statements of Vivendi SE have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU), and in accordance with IFRS published by the International Accounting Standards Board (IASB) with mandatory application as of December 31, 2021.

Amendments to IFRS standards and IFRIC interpretations issued by the IASB applicable as from January 1, 2021, had no material impact on Vivendi's Consolidated Financial Statements.

In particular, the application of the final agenda decision of May 2021 relating to IAS 19 – *Employee Benefits*, regarding the attribution of post-employment benefits to periods of service or periods of benefits' accrual under certain defined benefit pension plans for which benefits accrued are conditional on the beneficiary's presence at retirement date had no material impact for Vivendi.

1.2. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.2.1. Consolidated Statement of Earnings

The main line items presented in Vivendi's Consolidated Statement of Earnings are revenues, income from equity affiliates, interest, provision for income taxes, net earnings from discontinued or held for sale operations, and net earnings. The Consolidated Statement of Earnings presents a subtotal of Earnings Before Interest and Tax (EBIT) equal to the difference between charges and income (excluding financing activities, discontinued or held for sale operations, and income taxes).

The charges and income relating to financing activities consist of interest, income from investments, as well as other financial charges and income as defined in paragraph 1.2.3 and presented in Note 7.

1.2.2. Consolidated Statement of Cash Flows

Net cash provided by operating activities

Net cash provided by operating activities is calculated using the indirect method based on EBIT. EBIT is adjusted for non-cash items and changes in net working capital. Net cash provided by operating activities excludes the cash impact of financial charges and income and net changes in working capital related to property, plant and equipment, and intangible assets.

Net cash used for investing activities

Net cash used for investing activities includes changes in net working capital related to property, plant and equipment, and intangible assets as well as cash from investments (particularly dividends received from equity affiliates). It also includes any cash flows arising from the gain or loss of control of subsidiaries.

Net cash used for financing activities

Net cash used for financing activities includes net interest paid on borrowings, cash and cash equivalents, bank overdrafts, the cash impact of other items related to financing activities such as premiums from the early redemption of borrowings and the settlement of derivative instruments, as well as the cash payments for the principal amount of the lease liability and any interest thereon. It also includes cash flows from changes in ownership interests in a subsidiary that do not result in a loss of control (including increases in ownership interests).

1.2.3. Operating performance of each operating segment and the group

Vivendi considers Adjusted Earnings Before Interest and Tax (EBITA), Adjusted net income (ANI), and Cash Flow From Operations (CFFO), all non-GAAP measures, to be relevant indicators of the group's operating and financial performance.

EBITA

Vivendi considers EBITA, a non-GAAP measure, to be a relevant measure to assess the performance of its operating segments as reported in the segment data. It enables Vivendi to compare the operating performance of operating segments regardless of whether their performance is driven by the operating segment's organic growth or by acquisitions. To calculate EBITA, the accounting impact of the following items is excluded from the income from EBIT:

- the amortization of intangible assets acquired through business combinations as well as of other rights catalogs acquired by Vivendi's media and content businesses;
- impairment losses on goodwill, other intangibles acquired through business combinations and other rights catalogs acquired by Vivendi's media and content businesses; and
- other income and charges related to transactions with shareowners, as defined above in Note 1.2.1.

When the companies over which Vivendi exercises a significant influence engage in operations that are similar in nature to the group's operations, income from equity affiliates is classified as "Adjusted Earnings Before Interest and Tax" (EBITA).

Adjusted net income

Vivendi considers adjusted net income, a non-GAAP measure, to be a relevant measure to assess the group's operating and financial performance. Vivendi Management uses adjusted net income because it better illustrates the underlying performance of continuing operations by excluding most non recurring and non-operating items. Adjusted net income includes the following items:

- EBITA **(**)**;
- income from equity affiliates – non-operational **(*)**;
- interest **(*)**, equal to interest expense on borrowings net of interest income earned on cash and cash equivalents;
- income from investments **(*)**, including dividends and interest received from unconsolidated companies; and
- taxes and non-controlling interests related to these items.

It does not include the following items:

- amortization of intangibles acquired through business combinations and of other rights catalogs acquired by Vivendi's media and content businesses **(**)**, as well as impairment losses on goodwill, other intangibles acquired through business combinations, and other rights catalogs acquired by Vivendi's media and content businesses **(*) (**)**;
- other financial charges and income **(*)**, equal to capital gains or losses related to divestitures, or the depreciation of equity affiliates and other financial investments, the profit and loss recognized in business combinations as well as the profit and loss related to the change in value of financial assets and the termination or change in value of financial liabilities, which primarily include changes in the fair value of derivative instruments, premiums from the early redemption of borrowings, the early unwinding of derivative instruments, the cost of issuing or cancelling credit facilities, the cash impact of foreign exchange transactions (other than those related to operating activities, included in EBIT), as well as the effect of undiscounting assets and liabilities (including lease liabilities), and the financial components of employee benefits (interest cost and expected return on plan assets);
- earnings from discontinued operations **(*)**; and
- provisions for income taxes and adjustments attributable to non-controlling interests and non-recurring tax items (notably the changes in deferred tax assets pursuant to Vivendi SE's tax group and the Consolidated Global Profit Tax Systems, and the reversal of tax liabilities relating to risks extinguished over the period).

(*) Items as presented in the Consolidated Statement of Earnings.
(**) Items as presented by operating segment in the segment data.

Cash Flow From Operations (CFFO)

Vivendi considers cash flow from operations (CFFO), a non-GAAP measure, to be a relevant measure to assess the group's operating and financial performance. CFFO includes net cash provided by operating activities, before income tax paid, as presented in the Statement of Cash Flows, dividends received from equity affiliates and unconsolidated companies, as well as cash payments for the principal of the lease liability and any interest thereon, which are presented as financing activities in the consolidated statement of cash flows. It also includes capital expenditures, net that relate to cash used for capital expenditures, net of proceeds from sales of property, plant and equipment, and intangible assets, which are included in net cash used for investing activities, as well as income tax paid.

Net cash provided by operating activities of discontinued operations are excluded from CFFO.

1.2.4. Consolidated Statement of Financial Position

Assets and liabilities that are expected to be realized, or intended for sale or consumption, within the entity's normal operating cycle (generally twelve months), are recorded as current assets or liabilities. If their maturity exceeds this period, they are recorded as non-current assets or liabilities. Moreover, certain reclassifications were made to the 2020 and 2019 Consolidated Financial Statements to conform to the presentation of the 2021 and 2020 Consolidated Financial Statements.

1.3. PRINCIPLES GOVERNING THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to IFRS principles, the Consolidated Financial Statements have been prepared on a going concern basis and on a historical cost basis, with the exception of certain assets and liabilities, notably IFRS 13 – *Fair Value Measurement* relating to measurement and disclosures to be provided. Relevant categories are detailed below.

The Consolidated Financial Statements include the financial statements of Vivendi and its subsidiaries after eliminating intragroup items and transactions. Vivendi has a December 31 year-end. Subsidiaries that do not have a December 31 year-end prepare interim financial statements as of that date, except when their year-end falls within the three months preceding December 31.

Acquired subsidiaries are included in the Consolidated Financial Statements of the group as of the date of acquisition.

1.3.1. Use of estimates

The preparation of Consolidated Financial Statements in compliance with IFRS requires the group's Management to make certain estimates and assumptions that they consider reasonable and realistic. Although these estimates and assumptions are regularly reviewed by Vivendi Management, based in particular on past or anticipated achievements, facts and circumstances may lead to changes in these estimates and assumptions which could have an impact on the reported amount of group assets, liabilities, equity or earnings.

The main estimates and assumptions relate to the measurement of:

- revenue: estimates of provisions for returns and price guarantees (please refer to Note 1.3.5);
- goodwill and other intangible assets: valuation methods used to identify intangible assets acquired through business combinations (please refer to Note 1.3.6.2);
- goodwill, intangible assets with indefinite useful lives and assets in progress: assumptions relating to impairment tests performed on each of the group's cash-generating units (CGUs), future cash flows and discount rates are updated annually (please refer to Notes 1.3.6.8 and 11);
- provisions: risk estimates performed on an individual basis, noting that the occurrence of events during the course of procedures may lead to a risk reassessment at any time (please refer to Notes 1.3.9 and 19);
- employee benefits: assumptions are updated annually, such as the probability of employees remaining within the group until retirement, expected changes in future compensation, the discount rate and the inflation rate (please refer to Notes 1.3.9 and 20);
- share-based compensation: assumptions are updated annually, such as the estimated term, volatility and the estimated dividend yield (please refer to Notes 1.3.11 and 21);
- lease liabilities and right-of-use assets, at the commencement date of each lease contract (please refer to Notes 1.3.6.7 and 13):
  - assessing the lease term that relates to the non-cancellable period of the lease, taking into account all options to extend the lease that Vivendi is reasonably certain to exercise and all options to terminate the lease that Vivendi is reasonably certain not to exercise, and
  - estimating the lessee's incremental borrowing rate, taking into account their residual lease term and their duration to reflect the interest rate of a loan with a similar payment profile to the lease payments;
- deferred taxes: estimates used for the recognition of deferred tax assets are updated annually with factors such as expected tax rates and future tax results of the group (please refer to Notes 1.3.10 and 8); and
- certain Financial Instruments: valuation method at fair value defined according to the three following classification levels (please refer to Notes 1.3.6.9, 1.3.8, 15, 17 and 22):
  - level 1: fair value measurement based on quoted prices in active markets for identical assets or liabilities,
  - level 2: fair value measurement based on observable market data (other than quoted prices included under Level 1), and
  - level 3: fair value measurement based on valuation techniques using inputs for the asset or liability that are not based on observable market data.

The fair value of trade accounts receivable, and other cash and cash equivalents, and trade accounts payable is a reasonable estimate of fair value, due to the short maturity of these instruments.

1.3.2. Consideration of climate change

The preparation of financial statements involves taking into account climate change issues, in particular in the context of the information presented in Chapter 2, "Non-financial performance" of the 2021 Universal Registration Document.

The consequences of climate change and the commitments made by Vivendi described in this chapter had no significant impact on Vivendi's Consolidated Financial Statements as at December 31, 2021.

In addition, Vivendi Management ensured that the assumptions supporting the estimates of the Consolidated Financial Statements incorporate the future effects deemed to be the most probable relating to these issues (e.g., assumptions used for goodwill impairment testing). Vivendi considers that the consequences of climate change and the commitments made by the group do not have a significant impact on its medium-term activities.

1.3.3. Principles of consolidation

For a list of Vivendi's major subsidiaries, joint ventures and associated entities, please refer to Note 27.

Consolidation

All companies in which Vivendi has a controlling interest, namely those in which it has the power to govern financial and operational policies to obtain benefits from their operations, are fully consolidated.

Control as defined by IFRS 10 – *Consolidated Financial Statements* is based on the three criteria below to be fulfilled cumulatively to assess if the parent company exercises control:

- a parent company has power over a subsidiary when the parent company has existing rights that give it the current ability to direct the relevant activities of the subsidiary, i.e., the activities that significantly affect the subsidiary's returns. Power may arise from existing or potential voting rights, or contractual arrangements. Voting rights must be substantial, i.e., exercisable at any time without limitation, particularly during decision-making processes related to significant activities. Assessment of the exercise of power depends on the nature of the subsidiary's relevant activities, the internal decision-making process, and the allocation of rights among the subsidiary's other shareowners;
- the parent company is exposed, or has rights, to variable returns from its involvement with the subsidiary which may vary as a result of the subsidiary's performance. The concept of returns is broadly defined and includes, among other things, dividends and other economic benefit distributions, changes in the value of the investment in the subsidiary, economies of scale, and business synergies; and
- the parent company has the ability to use its power to affect the returns. Exercising power without having any impact on returns does not qualify as control.

Consolidated Financial Statements of a group are presented as if the group was a single economic entity with two categories of owners: (i) the owners of the parent company (Vivendi SE shareowners) and (ii) the owners of non-controlling interests (minority shareholders of the subsidiaries). A non-controlling interest is defined as the interest in a subsidiary that is not attributable, whether directly or indirectly, to a parent company. As a result, changes to a parent company's ownership interest in a subsidiary that do not result in a loss of control only impact equity, as control of the economic entity does not change. Hence, in the event of the acquisition of an additional interest in a consolidated entity after January 1, 2009, Vivendi recognizes the difference between the acquisition price and the carrying value of non-controlling interests acquired as a change in equity attributable to Vivendi SE shareowners. Conversely, any acquisition of control achieved in stages or a loss of control gives rise to profit or loss in the statement of earnings.

Accounting for joint arrangements

IFRS 11 – *Joint Arrangements* establishes principles for financial reporting by parties to a joint arrangement.

In a joint arrangement, parties are bound by a contractual arrangement, giving these parties joint control of the arrangement. An entity that is a party to an arrangement shall assess whether the contractual arrangement gives all the parties or a group of the parties control of the arrangement collectively. Once it has been established that all the parties or a group of the parties collectively control the arrangement, joint control exists only when decisions about the relevant activities require the unanimous consent of the parties that collectively control the arrangement.

Joint arrangements are classified into two categories:

- joint operations: these are joint arrangements whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators. A joint operator shall recognize 100% of wholly-owned assets/liabilities, expenses/revenues of the joint operation, and its share of any of those items held jointly; and
- joint ventures: these are joint arrangements whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers. Each joint venturer shall recognize its interest in a joint venture as an investment and shall account for that investment using the equity method in accordance with IAS 28 – *Investments in Associates and Joint Ventures* (please see below).

Equity accounting

Entities over which Vivendi exercises significant influence as well as joint ventures are accounted for under the equity method.

Significant influence is deemed to exist when Vivendi holds, whether directly or indirectly, at least 20% of the voting rights in an entity unless it can be clearly established that Vivendi does not exercise a significant influence. Significant influence can be evidenced through further criteria, such as representation on the entity's board of directors or equivalent governing body, participation in policy-making of financial and operational processes, material transactions with the entity or the interchange of managerial personnel.

1.3.4. Foreign currency translation

The Consolidated Financial Statements are presented in millions of euros. The functional currency of Vivendi SE and the presentation currency of the group is the euro.

Foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency of the entity at the exchange rate prevailing at the date of the transaction. At the closing date, foreign currency monetary assets and liabilities are translated into the entity's functional currency at the exchange rate prevailing on that date. All foreign currency differences are expensed, except for differences resulting from borrowings in foreign currencies which constitute a hedge of the net investment in a foreign entity. These differences are allocated directly to charges and income directly recognized in equity until the divestiture of the net investment.

Financial statements denominated in a foreign currency

Except in cases of significant exchange rate fluctuation, financial statements of subsidiaries, joint ventures or other associated entities for which the functional currency is not the euro are translated into euros as follows: the Consolidated Statement of Financial Position is translated at the exchange rate at the end of the period, and the Consolidated Statement of Earnings and the Consolidated Statement of Cash Flows are translated using average monthly exchange rates for the period. The resulting translation gains and losses are recorded as foreign currency translation differences in charges and income directly recognized in equity. In accordance with IFRS 1, Vivendi elected to reverse the accumulated foreign currency translation differences against retained earnings as of January 1, 2004. These foreign currency translation differences resulted from the translation into euros of the financial statements of subsidiaries that use foreign currencies as their functional currencies. Consequently, these adjustments are not applied to earnings on the subsequent divestiture of subsidiaries, joint ventures or associates whose functional currency is not the euro.

1.3.5. Revenues and associated costs

Revenues from contracts with customers are recorded when performance obligations promised in the contract are satisfied, and for an amount for which it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Revenues are reported net of discounts.

Vivendi has made the accounting of intellectual property licensing revenues a major point of attention.

Intellectual property licensing

These licenses transfer to a customer either a right to use an entity's intellectual property as it exists at the point in time at which the license is granted (static license), or a right to access an entity's intellectual property as it exists throughout the license period (dynamic license).

Revenues are accounted for when the performance obligation promised in the contract is satisfied (static license) or over time upon satisfaction (dynamic license), i.e., when the seller transfers the risks and rewards of the right to use/access the intellectual property and the customer obtains control of the use/access of that license. Consequently, revenues from static licenses are recognized at the point in time when the license is transferred and the customer is able to use and benefit from the license. Revenues from dynamic licenses are accounted for over time, over the license period from the date the customer is able to use and benefit from the license.

Analysis of the Agent/Principal relationship in sales transactions involving a third party

If the nature of the entity's promise is a performance obligation to provide the specified goods or services itself, then the entity acts on its own behalf and it is the "principal" in the sale transaction: it accounts for revenue the gross amount of consideration to which it expects to be entitled in exchange for the goods or services provided, and the commission due to the third-party as cost of revenues. If the entity arranges for a third-party to provide the goods or services specified in the contract, then it recognizes as revenues the net amount of consideration to which it expects to be entitled in exchange for the goods or services provided.

1.3.5.1. Canal+ Group

Terrestrial, satellite or ADSL television subscription services

Subscription to programs

Each subscription to a contract for pay-TV services is considered as a series of distinct services that are substantially the same and that have the same pattern of transfer to the customer. The provision of set-top boxes, digital cards and access fees do not represent distinct services or goods, and they are combined with the subscription service as a single performance obligation satisfied over time, as the customer simultaneously receives and consumes the benefits provided by Canal+ Group's performance as the pay-TV services are supplied. In its relationship with the third-party distributor and the end customer, Canal+ Group acts as the "principal" in the transaction with the end customer for the self-distribution contracts as it is responsible for the activation of the subscription of the end customer and for setting the selling price.

Revenues, net of potential gratuities granted, are then accounted for over the period the service is provided, starting from the activation date of the subscription and as the service is provided.

Video-on-demand and television-on-demand services

The video-on-demand service, which allows customers to have unlimited access to a catalog of programs through streaming and the television-on-demand service, and the provision of access to one-time programs by downloading or streaming, are distinct services from the subscription service. In its relationship with the third-party distributor and the end customer, Canal+ Group is not the "principal", as the third-party distributor is responsible for the performance of the service both technically and commercially.

The video-on-demand service is a performance obligation which is satisfied over time, and the revenues are accounted for over the period it is provided to the customer. The television-on-demand service is a performance obligation satisfied at a point in time, and the revenues are accounted for when the content is available for broadcasting.

Sales of advertising spaces

These are sales of television advertising spaces (in the form of classic TV commercials and of partnerships for shows or events) or online advertising spaces (videos and advertising banners).

Pay and free-to-air television

Regarding commercials, the distinct performance obligation is the reach of a given gross rating point (GRP) which generally comprises a set of advertising messages aimed at a specific target audience and satisfied over time. Revenues from these sales, net of rebates if any, are accounted for over the period of the advertising campaign, generally because the advertising commercials are broadcasted considering potential free periods granted.

Website

Each type of advertising imprint (advertising display) represents a distinct performance obligation, because the advertiser can benefit separately from each type of advertising imprint, satisfied at a point in time. Revenues from the sale of online advertising spaces, net of rebates, if any, are accounted for when the advertising imprints are produced, i.e., when the advertisements are broadcasted on the website.

Film and television programs

Physical sales of movies (DVDs and Blu-rays)

These intellectual property licenses are static licenses transferring to the customer a right to use Canal+ Group's recordings as they exist at the point in time at which the license is granted, i.e., on the physical device sold.

Revenues from the physical sales of movies, net of a provision for estimated returns (please refer to Note 1.3.5.6) and rebates, if any, are accounted for, either: (i) upon the sale to the distributor, at the shipping point for products sold free on board (FOB) or on delivery for products sold free on destination; or (ii) upon the sale to the final customer for consignment sales.

Sales of exploitation rights of audiovisual works

These sales are intellectual property licenses granted by Canal+ Group to broadcasters or to distributors and which give them certain rights over its audiovisual works. These licenses are static licenses because they transfer a right to use the films as they exist at the point in time at which the licenses are granted. In its relationship with the third-party distributor and the end customer, Canal+ Group is not the "principal" in the transaction with the end customer, as the distributor is responsible for the delivery of the film and for the price setting to the end customer.

Revenues from the sale of the exploitation rights are recorded from the moment the client is able to use it and obtain the remaining benefits. When the consideration paid by the customer is a fixed price, revenues from the sales of exploitation rights are recorded from the latest of the delivery and the opening of the exploitation window set contractually or legally (refer to the media chronology in France). When the consideration paid by the customer is variable in the form of a sales-based royalty to the end customer, revenues are recognized as the subsequent sale occurs.

1.3.5.2. Havas Group

Revenues from Havas Group derive substantially from fees and commissions for its activities:

- Creative: advice and services provided in the fields of communications and media strategy; and
- Media: planning and purchase of advertising spaces.

For each sale transaction, Havas Group identifies if it acts as the "principal" or not, based on its level of responsibility in the execution of the performance obligation, the control of the inventory and the price setting. Revenues are then recognized, net of costs incurred for production when Havas Group does not act as the "principal".

When Havas Group acts as the "principal", certain pass-through costs chargeable to customers, which were deducted from revenues in accordance with IAS 18 (applicable until December 31, 2017), are now recorded as revenues and as costs of revenues in accordance with IFRS 15. Given that these pass-through costs are not included in the measurement of the operating performance, Havas Group decided to use a new indicator, "net revenues", corresponding to revenues less these pass-through costs chargeable to customers.

Commissions are accounted for at a point in time, either at the date the service is performed or at the date the media is aired or published.

Fees are accounted for as revenues as per the following:

- one-off or project fees are recognized at the point in time when the service is performed. If these fees include a qualitative aspect, their result is assessed by the client at the end of the project; and
- fixed fees are generally recognized over time on a straight-line basis reflecting the expected duration of the service; fees based on time spent are recognized as work is performed.

Certain contractual arrangements with clients also include performance incentives pursuant to which Havas Group is entitled to receive additional payments based upon its performance for the client, measured against specified qualitative and quantitative objectives. Havas Group recognizes the incentive portion of the revenue under these contractual arrangements when it is considered highly probable that the qualitative and quantitative goals are achieved in accordance with the arrangements.

1.3.5.3. Editis

Physical sales of books

The intellectual property licenses presented in Note 1.3.6.3 are static licenses transferring to the customer a right to use books sold by Editis as they exist at the point in time at which the license is granted, i.e., on the physical device sold.

Revenues from the physical sales of books, net of a provision for estimated returns (please refer to Note 1.3.5.6) and rebates, if any, are accounted for at the shipping point of products.

1.3.5.4. Prisma Media

Press Release – Magazine

Revenues from sales linked to the distribution of press and magazines on physical and/or digital media, net of a provision for estimated returns (see note 1.3.5.6) are accounted for on the publication date of the issue, commonly on the delivery date, these two dates being generally concomitant.

Sales of advertising spaces

The advertising display in an issue or on a digital medium is an advertising impression corresponding to a distinct performance obligation, satisfied at a point in time, when the advertisements are published.

Revenue from the sale of advertising space, net of rebates if any, are accounted for when the advertising impressions are produced, i.e., when the advertisements are published. Prisma Media is usually the "principal" in the sale transaction with the customer, notably when Prisma Media is responsible for the execution and setting the price.

Sales of advertising spaces can be made through non-monetary exchange transactions and are accounted for in the balance sheet at their fair value and are reversed on the date on which the performance obligation is satisfied.

1.3.5.5. Gameloft

Digital sales of video games on mobile devices

The gaming experience sold by Gameloft is composed of a license to use a video game on mobile devices (which can be pre-set on the mobile terminal), and, if any, add-ins, which allows the player to progress in the video game (virtual elements, time-limited events and multi-player functionality).

The grant of a video game to an end customer through a third-party distributor, digital platform, telecom operator or mobile device manufacturer, as well as the virtual elements acquired in the video game, the time-limited events and the multi-player functionality, represent a single performance obligation in the form of an intellectual property license granted by Gameloft to third-party distributors.

These licenses are static because they transfer a right to use the video game as it exists at the point in time at which the license is granted, as Gameloft has no obligation to update the video game. In its relationship with the third-party distributor and the end customer, Gameloft acts as the "principal" in the transaction with the end customer, when Gameloft is responsible for providing the video game license and for setting the price to the end customer.

The consideration paid by the third-party distributor is variable in the form of a sales-based royalty. Revenues are then accounted for when the subsequent sale occurs.

Sales of advertising spaces in video games, in the form of videos and advertising banners

The advertising display in a video game is an advertising impression corresponding to a distinct performance obligation, as the advertiser can benefit separately from each type of advertising impression, satisfied at a point in time.

Revenues from the sale of advertising spaces in video games, net of rebates if any, are then accounted for when the advertising impressions are produced, i.e., when the advertisements are published. When the sale is made by a third party (media agency or auction platform), Gameloft is generally the "principal" in the sale transaction with the advertiser, notably when Gameloft is responsible for technically supplying the advertising impression, as well as for setting the price.

1.3.5.6. Other

Provisions for estimated returns and price guarantees are deducted from sales of products to customers through distributors. The provisions are estimated based on past sales statistics and take into account the economic environment and product sales forecast to final customers.

Selling, general and administrative expenses primarily include salaries and employee benefits, consulting and service fees, insurance costs, travel and entertainment expenses, administrative department costs, provisions for receivables and other operating expenses.

Advertising costs are expensed when incurred.

Slotting fees and cooperative advertising expenses are recorded as a reduction in revenues. However, cooperative advertising is treated as a marketing expense and expensed when its expected benefit is individualized and can be estimated.

1.3.6. Assets

1.3.6.1. Capitalized financial interest

When appropriate, Vivendi capitalizes financial interest incurred during the construction and acquisition period of intangible assets, and property, plant and equipment, these interests being included in the cost of qualifying assets.

1.3.6.2. Goodwill and business combinations

Business combinations from January 1, 2009

Business combinations are recorded using the acquisition method. Under this method, upon the initial consolidation of an entity over which the group has acquired exclusive control:

- the identifiable assets acquired and the liabilities assumed are recognized at their fair value on the acquisition date; and
- non-controlling interests are measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This option is available on a transaction-by-transaction basis.

On the acquisition date, goodwill is initially measured as the difference between:

i. the fair value of the consideration transferred, plus the amount of non-controlling interests in the acquiree and, in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; and

ii. the net fair value of the identifiable assets and liabilities assumed on the acquisition date.

The measurement of non-controlling interests at fair value results in an increase in goodwill up to the extent attributable to these interests, thereby leading to the recognition of a "full goodwill". The purchase price allocation shall be performed within twelve months after the acquisition date. If goodwill is negative, it is recognized in the Statement of Earnings. Subsequent to the acquisition date, goodwill is measured at its initial amount less recorded accumulated impairment losses (please refer to Note 1.3.6.8 below).

In addition, the following principles are applied to business combinations:

- on the acquisition date, to the extent possible, goodwill is allocated to each cash-generating unit likely to benefit from the business combination;
- contingent consideration in a business combination is recorded at fair value on the acquisition date, and any subsequent adjustment occurring after the purchase price allocation period is recognized in the Statements of Earnings;
- acquisition-related costs are recognized as expenses when incurred;
- in the event of the acquisition of an additional interest in a subsidiary, Vivendi recognizes the difference between the acquisition price and the carrying value of non-controlling interests acquired as a change in equity attributable to Vivendi SE shareowners; and
- goodwill is not amortized.

Business combinations prior to January 1, 2009

Pursuant to IFRS 1, Vivendi elected not to restate business combinations that occurred prior to January 1, 2004. IFRS 3, as published by the IASB in March 2004, retained the acquisition method. However, its provisions differed from those of its revised standard in respect of the main following items:

- minority interests were measured at their proportionate share of the acquiree's net identifiable assets as there was no option for measurement at fair value;

- contingent consideration was recognized in the cost of acquisition only if the payment was likely to occur and the amounts could be reliably measured;
- transaction costs that were directly attributable to the acquisition formed part of acquisition costs; and
- in the event of the acquisition of an additional interest in a subsidiary, the difference between the acquisition cost and the carrying value of minority interests acquired was recognized as goodwill.

1.3.6.3. Content assets

Canal+ Group

Film, television or sports broadcasting rights

When entering into contracts for the acquisition of film, television or sports broadcasting rights, the rights acquired are classified as contractual commitments. They are recorded in the Statement of Financial Position and classified as content assets as follows:

- film and television broadcasting rights are recognized at their acquisition cost when the program is available for screening and are expensed over their broadcasting period;
- sports broadcasting rights are recognized at their acquisition cost at the opening of the broadcasting period of the related sports season or upon the first significant payment and are expensed over their broadcasting period; and
- expensing of film, television or sports broadcasting rights is included in cost of revenues.

Theatrical films and television rights produced or acquired to be sold to third parties

Theatrical films and television rights produced or acquired before their initial exhibition to be sold to third parties, are recorded as a content asset at capitalized cost (mainly direct production and overhead costs) or at their acquisition cost. The cost of theatrical films and television rights are amortized, and other related costs are expensed, pursuant to the estimated revenue method (i.e., based on the ratio of the current period's gross revenues to estimated total gross revenues from all sources on an individual production basis). Vivendi considers that amortization pursuant to the estimated revenue method reflects the rate at which the entity plans to consume the future economic benefits related to the asset, and there is a high correlation between revenue and the consumption of the economic benefits embodied in the intangible assets.

Where appropriate, estimated losses in value are provided in full against earnings for the period in which the losses are estimated, on an individual product basis.

Film and television rights catalogs

Catalogs comprise film rights acquired for a second television screening, or produced or acquired film and television rights that are sold to third parties after their first television screening (i.e., after their first broadcast on a free terrestrial channel). They are recognized as an asset at their acquisition or transfer cost and amortized as groups of films, or individually, based respectively on the estimated revenue method.

Editis

Editorial creation

Editorial creation costs include all expenses incurred during the first phase of the production of a work (i.e., pre-press, reading, correction, flat-rate translation, photo rights, illustration, iconographic research and layout). The editorial phase covers the period of conception, creation and fine-tuning of a final layout.

Editorial creation expenditures are accounted for as a fixed asset if and only if:

- the costs can be reliably measured and relate to clearly individualized projects;
- the publishing company can demonstrate the technical and commercial feasibility of the project; and
- the publishing company can demonstrate the existence and intent of probable future economic benefits and the availability of sufficient resources to complete the development and marketing of the book.

Expenses relating to research budgets and market research are considered as expenses when incurred. For all projects, criteria for the recognition of intangible assets and the classification of expenditures are determined so as to be allocated by project.

Copyrights

Advances paid to authors (e.g., capital gains, guaranteed advances and minimum guaranteed payments) are recorded as intangible assets.

1.3.6.4. Research and development costs

Research costs are expensed when incurred. Development expenses are capitalized when the feasibility and, in particular, profitability of the project can reasonably be considered certain.

Cost of internal use software

Direct internal and external costs incurred for the development of computer software for internal use, including website development costs, are capitalized during the application development stage. Application development stage costs generally include software configuration, coding, installation and testing. Costs of significant upgrades and enhancements resulting in additional functionality are also capitalized. These capitalized costs are amortized over 5 to ten years. Maintenance, minor upgrades, and enhancement costs are expensed as they are incurred.

Cost of developing video games

Development costs of video games are capitalized when, notably, both the technical feasibility and the management's intention to complete the game so that it will be available for use and sale are verified, and when the recoverability is reasonably assured. Because of the uncertainty that exists regarding those criteria, the recognition requirements of IAS 38 are usually not met until the game is launched. Therefore, costs of developing mobile games are usually expensed as incurred.

1.3.6.5. Other intangible assets

Intangible assets separately acquired are recorded at cost, and intangible assets acquired in connection with a business combination are recorded at their fair value at the acquisition date. The historical cost model is applied to intangible assets after they have been recognized. Assets with an indefinite useful life are not amortized but are subject to an annual impairment test. Amortization is accrued for assets with a finite useful life. Useful life is reviewed at the end of each reporting period.

Other intangible assets include trade names and customer bases. By contrast, catalogs, trade names, subscribers' bases and market shares generated internally are not recognized as intangible assets.

1.3.6.6. Property, plant and equipment

Property, plant and equipment are carried at historical cost less any accumulated depreciation and impairment losses. Historical cost includes the acquisition cost or production cost, costs directly attributable to transporting an asset to its physical location and preparing it for its operational use, the estimated costs relating to the demolition and the collection of property, plant and equipment, and the rehabilitation of the physical location resulting from the incurred obligation.

When property, plant and equipment include significant components with different useful lives, they are recorded and amortized separately. Amortization is calculated using the straight-line method based on the estimated useful life of the assets. Useful lives of the main components are reviewed at the end of each reporting period and are as follows:

- buildings: 5 to 40 years;
- equipment and machinery: 3 to 8 years;
- set-top boxes: 5 to 7 years; and
- other: 2 to 10 years.

After initial recognition, the cost model is applied to property, plant and equipment.

Vivendi has elected not to apply the option available under IFRS 1, involving the remeasurement of certain property, plant and equipment at their fair value as of January 1, 2004.

Until December 31, 2018, and in accordance with IFRS 1, Vivendi decided on January 1, 2004, to apply IFRIC Interpretation 4 – *Determining whether an arrangement contains a lease*, which mainly applies to commercial supply agreements for the Canal+ Group satellite capacity, which are commercial service agreements that, in general, do not convey a right to use a specific asset. Contract costs under these agreements are consequently expensed as operational costs for the period.

1.3.6.7. Leases

Vivendi applies IFRS 16 with retrospective effect as from January 1, 2019 without restating comparative periods in the consolidated financial statements.

Licenses of intellectual property granted by a lessor and rights held by a lessee under licensing agreements being excluded from the scope of IFRS 16, and commercial supply agreements for the Canal+ Group satellite capacity being in general commercial service agreements for which contract costs are expensed as operational costs for the period, the main lease contracts for Vivendi correspond to real estate leases for which Vivendi is the lessee.

Real estate leases for which Vivendi is the lessee are recorded at the commencement date and result in the recognition of a lease liability equal to the present value of future lease payments, against a right-of-use asset relating to leases.

The determination of the lease liability as of January 1, 2019 was made by:

1. analyzing operating leases for which contractual obligations were disclosed as off-balance sheet commitments until December 31, 2018 (please refer to Note 22 "Contractual obligations and other commitments" to the Consolidated Financial Statements for the year ended December 31, 2018, page 302 of the 2018 Annual Report);
2. assessing the lease term that relates to the non-cancellable period of the lease, and taking into account all options to extend the lease which Vivendi is reasonably certain to exercise and all options to terminate the lease which Vivendi is reasonably certain not to exercise. Vivendi determined that real estate lease terms in France are generally nine years; and
3. estimating the incremental borrowing rate as of January 1, 2019 of each lease contract, taking into account its residual lease term at this date and its duration to reflect the interest rate of a loan with a similar payment profile to the lease payments.

As of January 1, 2019, regarding the main impacts, it is specified that:

- this valuation does not include the impact of the consolidation of Editis as from February 1, 2019;
- for some leases, as permitted by IFRS 16, Vivendi used hindsight; and
- Vivendi has applied the practical expedient provided by IFRS 16 to exclude initial direct costs from the measurement of the right-of-use asset at the date of initial application.

From that date, for each lease, the lease term assessment and incremental borrowing rate estimate are determined at the commencement date.

After initial recognition, the liability is:

- increased by the effect of undiscounting (interest expense on lease liabilities);
- decreased by the cash out for lease payments; and
- reassessed in the event of an amendment to the lease contract.

The right-of-use asset is recognized at cost at the effective date. The cost of the right-of-use asset includes:

- the lease liability;
- the initial direct costs (incremental costs of obtaining the lease);
- payments made prior to the commencement date less lease incentives received from the lessor;
- dismantling and restoration costs (measured and recognized in accordance with IAS 37); and
- the amortization period used is the lease term.

The lease liability is a current or non-current operating liability excluded from the calculation of Financial Net Debt. Depreciation of right-of-use assets is included in Adjusted Earnings Before Interest and Income Taxes (EBITA). The effect of undiscounting the lease liability (interest expense on lease liabilities) is included in other financial charges and is therefore excluded from adjusted net income (ANI). Cash payments for the principal of the lease liability and any interest thereon, which are presented as financing activities in the consolidated statement of cash flows, impact Cash Flow From Operations (CFFO).

1.3.6.8. Asset impairment

Each time events or changes in the economic environment indicate a risk of impairment of goodwill, other intangible assets, property, plant and equipment, and assets in progress, Vivendi re-examines the value of these assets. In addition, in accordance with applicable accounting standards, goodwill, other intangible assets with an indefinite useful life, and intangible assets in progress are all subject to an annual impairment test undertaken in the fourth quarter of each fiscal year. This impairment test is performed to compare the recoverable amount of each Cash Generating Unit (CGU) or, if necessary, groups of CGU to the carrying value of the corresponding assets (including goodwill). A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Vivendi operates through different media and content businesses. Each business offers different products and services that are marketed through various channels. CGUs are independently defined at each business level, corresponding to the group operating segments. For a description of Vivendi's CGUs and groups of CGUs, please refer to Note 11.

The recoverable amount is determined for each individual asset as the higher of: (i) its value in use; and (ii) its fair value (less costs to sell) as described hereafter. If the asset does not generate cash inflows that are largely independent of other assets or groups of assets, the recoverable amount is determined for the group of assets. In particular, an impairment test of goodwill is performed by Vivendi for each CGU or group of CGUs, depending on the level at which Vivendi Management measures return on operations.

The value in use of each asset or group of assets is determined, subject to exceptions, as the discounted value of future cash flows (Discounted Cash Flow method (DCF)) by using cash flow projections consistent with the budget of the following year and the most recent forecasts prepared by the operating segments.

Applied discount rates are determined by reference to available external sources of information, usually based on financial institutions' benchmarks, and reflect the current assessment by Vivendi of the time value of money and risks specific to each asset or group of assets.

Perpetual growth rates used for the evaluation of CGUs are those used to prepare budgets for each CGU or group of CGUs, and beyond the period covered, are consistent with growth rates estimated by the business by extrapolating growth rates used in the budgets, without exceeding the long-term average growth rate for the markets in which the group operates.

The fair value (less costs to sell) is the price that would be received from the sale of an asset or group of assets in an orderly transaction between market participants at the measurement date, less costs to sell. These values are generally determined on the basis of market data (stock market prices or comparison with similar listed companies, with the value attributed to similar assets or companies in recent transactions) or, in the absence of such data, on the basis of discontinued cash flows.

If the recoverable amount is lower than the carrying value of an asset or group of assets, an impairment loss equal to the difference is recognized in EBIT. In the case of a group of assets, this impairment loss is first recorded against goodwill.

The impairment losses recognized in respect of property, plant and equipment, and intangible assets (other than goodwill) may be reversed in a later period if the recoverable amount becomes greater than the carrying value, within the limit of impairment losses previously recognized. Impairment losses recognized in respect of goodwill cannot be reversed at a later date.

1.3.6.9. Financial assets

Financial assets are initially recognized at fair value corresponding, in general, to the consideration paid, which is best evidenced by the acquisition cost (including associated acquisition costs, if any). Thereafter, financial assets are measured at fair value or at amortized cost depending on which financial asset category they belong to.

From January 1, 2018, financial assets are classified into the accounting categories "financial assets at amortized cost", "financial assets at fair value through other comprehensive income" and "financial assets at fair value through profit or loss".

This classification depends on the entity's business model for managing the financial assets and on contractual terms enabling to determine whether the cash flows are solely payments of principal and interest (SPPI). The financial assets that contain an embedded derivative should be considered in full to determine whether their cash flows are SPPI.

Financial assets at fair value

These include financial assets at fair value through other comprehensive income, derivative financial instruments with a positive value (please refer to Note 1.3.8) and other financial assets measured at fair value through profit or loss. Most of these financial assets are actively traded in organized financial markets, as their fair value is calculated by reference to the published market price at the period end. Fair value is estimated for financial assets which do not have a published market price on an active market. As a last resort, when a reliable estimate of fair value cannot be made using valuation techniques in the absence of an active market, the group values financial assets at historical cost, less any impairment losses.

Financial assets at fair value through other comprehensive income include:

- unconsolidated companies that are not held for trading: Vivendi elected to classify these into the category "fair value through other comprehensive income". Unrealized gains and losses on financial assets at fair value through other comprehensive income are recognized in charges and income directly recognized in equity until the financial asset is sold, collected or removed from the Statement of Financial Position in another way, at which time the accumulated gain or loss previously reported in charges and income directly recognized in equity is transferred to retained earnings and never reclassified to profit or loss. Dividends and interest received from unconsolidated companies are recognized in profit or loss; and
- debt instruments held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Unrealized gains and losses on financial assets at fair value through other comprehensive income are recognized in charges and income directly recognized in equity until the financial asset is sold, collected or removed from the Statement of Financial Position in other ways, at which time the accumulated gain or loss previously reported in charges and income directly recognized in equity is expensed in other financial charges and income.

Other financial assets measured at fair value through profit or loss mainly consist of assets held for trading which Vivendi intends to sell in the near future (primarily marketable securities) and other financial assets unless it is measured at amortized cost or at fair value through other comprehensive income. Unrealized gains and losses on these assets are recognized in other financial charges and income.

Financial assets at amortized cost

Financial assets at amortized cost consist of debt instruments held within a business model whose objective is to hold financial assets to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. At the end of each period, these assets are measured at amortized cost using the effective interest method. If there is objective evidence that an impairment loss has been incurred, the amount of this loss, measured as the difference between the financial asset's carrying value and its recoverable amount (equal to the present value of estimated future cash flows discounted at the financial asset's initial effective interest rate), is recognized in profit or loss. Impairment losses may be reversed if the recoverable amount of the asset subsequently increases in the future.

Impairment of financial assets

Vivendi assesses the expected credit loss associated with its financial assets recognized at amortized cost and debt instrument recognized at fair value through other comprehensive income on a prospective basis. A loss allowance for expected credit loss based on probability of default is recognized at initial recognition. The loss allowance is updated for changes in these expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

To assess whether there has been a significant increase in credit risk, Vivendi compares the credit risk at the reporting date with the credit risk at the date of initial recognition based on reasonable forward-looking information and events, including credit ratings if available, significant adverse economic changes (actual or expected), financial or business environment that are expected to result in a material change in the borrower's ability to meet its obligations.

The definition of default and write off policy are defined specifically within each operating entity.

1.3.6.10. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost comprises purchase costs, production costs and other supply and packaging costs. These are usually calculated using the weighted average cost method. Net realizable value is the estimated selling price in the normal course of business, less estimated completion costs and selling costs.

1.3.6.11. Trade accounts receivable

Trade accounts receivable are initially recognized at fair value, which is generally equal to their nominal value. Expected loss rates on trade receivables are calculated by the relevant operating entities over their lifetime from initial recognition and are based on historical data that also incorporates forward-looking information. In addition, account receivables from customers subject to insolvency proceedings or customers with whom Vivendi is involved in litigation or a dispute are generally impaired in full.

1.3.6.12. Cash and cash equivalents

The "cash and cash equivalents" category, defined in accordance with IAS 7, consists, on the one hand, of cash in banks and remunerated or unremunerated demand deposits which correspond to cash, and, on the other hand, monetary UCITS, which meet the qualification requirements of the ANC's and AMF's decision released in November 2018, and other highly liquid investments with initial maturities of generally three months or less which correspond to cash equivalents.

Investments in securities, investments with initial maturities of more than three months without an early termination option and bank accounts subject to restrictions (blocked accounts), other than restrictions due to regulations specific to a country or activity sector (e.g., exchange controls), are not classified as cash equivalents but as financial assets.

Moreover, the historical performances of the investments are monitored regularly to confirm their cash equivalents accounting classification.

1.3.7. Assets held for sale and discontinued operations

A non-current asset or a group of assets and liabilities is held for sale when its carrying value may be recovered principally through its divestiture and not by its continued utilization. To meet this definition, the asset must be available for immediate sale and the divestiture must be highly probable. These assets and liabilities are recognized as assets held for sale and liabilities associated with assets held for sale, without offset. The related assets recorded as assets held for sale are valued at the lowest value between the fair value (net of divestiture fees) and the carrying value (i.e., at their cost less accumulated depreciation and impairment losses), and are no longer depreciated.

An operation is qualified as discontinued when it represents a separate major line of business and the criteria for classification as an asset held for sale have been met or when Vivendi has sold the asset. Discontinued operations are reported on a single line of the Statement of Earnings for the periods reported, comprising the earnings after tax of discontinued operations until divestiture and the gain or loss after tax on sale or fair value measurement, less costs to divest the assets and liabilities of the discontinued operations. In addition, cash flows generated by discontinued operations are reported on a separate line of the Statement of Consolidated Cash Flows for the relevant periods.

Accounting principles and valuation methods applicable specifically to Universal Music Group (UMG), a business divested in 2021

Revenues and associated costs

Recorded Music

The sales of recorded music (physical, digital downloading or streaming) are intellectual property licenses granted by UMG to distributors or digital platforms and which give them certain rights over the company's musical works. In its relationship with the distributor/digital platform and the end customer, UMG cannot be the "principal", as the distributor or the digital platform is responsible for setting the transfer of control conditions of the right of use granted by the license to the end customer (broadcasting, price setting and conditions for reselling the physical devices).

Physical sales of recorded music (CDs, DVDs and Vinyls)

These intellectual property licenses are static licenses transferring to the customer a right to use UMG's recordings as they exist at the point in time at which the license is granted, i.e., on the physical device sold.

Revenues from the physical sales of recorded music, net of a provision for estimated returns (please refer to Note 1.3.5.6) and rebates, if any, are accounted for, either: (i) upon the sale to the distributor, at the shipping point for products sold free on board (FOB) or on delivery for products sold free on destination; or (ii) upon the sale to the final customer for consignment sales.

Digital sales of recorded music, via downloading or streaming by subscription or free of charge

These intellectual property licenses are generally dynamic licenses providing a right to access the entire catalog of recorded music as it exists throughout the license period considering potential add-ons to, or withdrawals from, the catalog during that period.

The consideration paid by the digital platform is variable in the form of a sales-based or a usage-based royalty. Revenues are then accounted for when these subsequent sales or usages occur. Revenues from digital sales of recorded music, for which UMG has sufficient, accurate, and reliable data from digital platforms, are recognized at the end of the month in which the sale or usage is made by the end customer. If such data is not available, revenues are recognized when the digital platform notifies UMG of the sale or usage by the end customer.

For digital sales of recorded music streaming by subscription or free of charge, certain contracts may include a non-refundable minimum guarantee which is generally recoupable and is in substance an advance payment. In the case of a dynamic license, the minimum guarantee is spread over the period to which it relates and takes into account the amount of royalties that are actually recoupable. The minimum guarantee is hence apportioned in accordance with the accounting for these royalties.

Music publishing

Music publishing relates to the use by a third party of the copyrights on musical works owned or administered by UMG, which are intellectual property licenses that UMG grant to the third party and which provides a right to access a catalog of recorded music, as these intellectual property licenses are dynamic licenses.

The consideration paid by the third-party, notably a collection society (e.g., a company for the collective management of intellectual-property rights) is variable in the form of a royalty based on the usage by the third party. The variable consideration being accounted for when these subsequent usages occur, revenues from music publishing are accounted for when the collection society notifies UMG of the usage by the end customer and collectability is assured.

Merchandising

Revenues from merchandising are recognized either upon sale to the end customer, from direct sales during touring, concessions and over the Internet; on delivery for sales by a third-party distributor; when a contract is signed; or when an invoice has been issued and the collectability is assured for sales of rights attached to merchandising products.

Content assets

Royalty advances to artists, songwriters, and co-publishers are capitalized as an asset when their current popularity and past performances provide a reasonable basis to conclude that the probable future recoupment of such royalty advances against earnings otherwise payable to them is reasonably assured. Royalty advances are recognized as an expense as subsequent royalties are earned by the artist, songwriter or co-publisher. Any portion of capitalized royalty advances not deemed to be recoverable against future royalties is expensed during the period in which the loss becomes evident. These expenses are recorded in cost of revenues.

Royalties earned by artists, songwriters, and co-publishers are recognized as an expense in the period during which the sale of the product occurs, less a provision for estimated returns.

Music rights and catalogs include music catalogs, artists' contracts and music publishing rights acquired. The annual review of the value of the intangible assets, undertaken by Vivendi at year-end 2016 led to a change in the amortization method of music rights and catalogs as from January 1, 2017, which notably resulted in an extension of the amortization period from 15 to 20 years.

1.3.8. Financial liabilities

Long-term and short-term borrowings and other financial liabilities include:

- bonds and credit facilities, as well as various other borrowings (including commercial paper and debt related to finance leases) and related accrued interest;
- obligations arising out of commitments to purchase non-controlling interests;
- bank overdrafts; and
- the negative value of other derivative financial instruments. Derivatives with positive values are recorded as financial assets in the Statement of Financial Position.

Borrowings

All borrowings are initially accounted for at fair value net of transaction costs directly attributable to the borrowing. Borrowings bearing interest are subsequently valued at amortized cost, applying the effective interest method. The effective interest rate is the internal yield rate that discounts future cash flows over the term of the borrowing. In addition, where the borrowing comprises an embedded derivative (e.g., an exchangeable bond) or an equity instrument (e.g., a convertible bond), the amortized cost is calculated for the debt component only, after separation of the embedded derivative or equity instrument. In the event of a change in expected future cash flows (e.g., redemption occurs earlier than initially expected), the amortized cost is adjusted against earnings to reflect the value of the new expected cash flows, discounted at the initial effective interest rate.

Commitments to purchase non-controlling interests

Vivendi has committed to purchase the non-controlling interests of some of the minority shareowners of its fully consolidated subsidiaries. These purchase commitments may be optional (e.g., put options) or mandatory (e.g., forward purchase contracts).

The following accounting treatment has been applied in respect of commitments made on or after January 1, 2009:

- upon initial recognition, the commitment to purchase non-controlling interests is recognized as a financial liability for the present value of the purchase price under the put option or forward purchase contract, mainly offset by the book value of non-controlling interests and the remaining balance through equity attributable to Vivendi SE shareowners;
- subsequent changes to the value of the commitment are recognized as a financial liability through an adjustment to equity attributable to Vivendi SE shareowners; and
- upon maturity of the commitment, if the non-controlling interests are not purchased, the previously recognized entries are reversed; if the non-controlling interests are purchased, the amount recognized in financial liabilities is reversed, offset by the cash outflow relating to the purchase of the non-controlling interests.

Derivative financial instruments

Vivendi uses derivative financial instruments to manage and reduce its exposure to fluctuations in interest rates, and foreign currency exchange rates. All instruments are either listed on organized markets or traded over-the-counter with highly-rated counterparties. These instruments include interest rate and currency swaps, and forward exchange contracts. All these derivative financial instruments are used for hedging purposes. At the inception of the hedging relationship there is the formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.

Derivatives are initially measured at fair value on the settlement date and are subsequently remeasured at fair value on each succeeding reporting date. The recognition of subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if applicable, the nature of the hedged item and the type of hedging relationship designated. When these contracts qualify as hedges for accounting purposes, gains and losses arising on these contracts are offset in earnings against the gains and losses relating to the hedged item.

When forward contracts are used as hedging instruments, Vivendi only qualifies as hedging instruments the change in the fair value of the forward contract related to the variation of the spot exchange rate. Changes in the forward points are excluded from the hedging relationship and are recognized in the financial result.

Fair value hedge

When the derivative financial instrument hedges exposures to fluctuations in the fair value of an asset or a liability recognized in the Statement of Financial Position or of a firm commitment which is not recognized in the Statement of Financial Position, it is a fair value hedge. The instrument is remeasured at fair value in earnings, with the gains or losses arising on remeasurement of the hedged portion of the hedged item offset on the same line of the Statement of Earnings, or, as part of a forecasted transaction relating to a non-financial asset or liability, at the initial cost of the asset or liability.

Cash flow hedge

When the derivative financial instrument hedges cash flows, it is a cash flow hedge. The hedging instrument is remeasured at fair value and the portion of the gain or loss that is determined to be an effective hedge is recognized through charges and income directly recognized in equity, whereas its ineffective portion is recognized in earnings; when the hedged item is realized, accumulated gains and losses recognized in equity are released to the Statement of Earnings and recorded on the same line as the hedged item; as part of a forecasted transaction on a non-financial asset or liability, they are recognized at the initial cost of the asset or liability.

Net investment hedge

When the derivative financial instrument hedges a net investment in a foreign operation, it is recognized in the same way as a cash flow hedge. Derivative Financial Instruments which do not qualify as a hedge for accounting purposes are remeasured at fair value and resulting gains and losses are recognized directly in earnings, without remeasurement of the underlying instrument.

Furthermore, income and expenses relating to foreign currency instruments used to hedge highly probable budget exposures and firm commitments contracted pursuant to the acquisition of editorial content rights (including sports, audiovisual and film rights) are recognized in EBIT. In all other cases, gains and losses arising on the fair value remeasurement of instruments are recognized in other financial charges and income.

1.3.9. Other liabilities

Provisions

Provisions are recognized when, at the end of the reporting period, Vivendi has a legal obligation (statutory, regulatory or contractual) or a constructive obligation, as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the obligation can be reliably estimated. Where the effect of the time value of money is material, provisions are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. If the amount of the obligation cannot be reliably estimated, no provision is recorded and a disclosure is made in the Notes to the Consolidated Financial Statements.

Employee benefit plans

In accordance with the laws and practices of each country in which it operates, Vivendi participates in, or maintains, employee benefit plans providing retirement pensions, post-retirement health care, life insurance and post-employment benefits to eligible employees, former employees, retirees and such of their beneficiaries who meet the required conditions. Retirement pensions are provided for substantially all employees through defined contribution plans, which are integrated with local social security and multi-employer plans, or defined benefit plans, which are generally managed via group pension plans. The plan funding policy implemented by the group is consistent with applicable government funding requirements and regulations.

Defined contribution plans

Contributions to defined contribution and multi-employer plans are expensed during the year.

Defined benefit plans

Defined benefit plans may be funded by investments in various instruments such as insurance contracts or equity and debt investment securities, excluding Vivendi shares or debt instruments.

Pension expenses and defined benefit obligations are calculated by independent actuaries using the projected unit credit method over the vesting period. This method is based on annually updated assumptions, which include the probability of employees remaining with Vivendi until retirement, expected changes in future compensation and an appropriate discount rate for each country in which Vivendi maintains a pension plan. The assumptions adopted and the means of determining these assumptions, are presented in Note 20. A provision is recorded in the Statement of Financial Position equal to the difference between the actuarial value of the related benefits (actuarial liability) and the fair value of any associated plan assets, and this includes past service costs and actuarial gains and losses.

The cost of defined benefit plans consists of three components recognized as follows:

- the service cost is included in selling, general and administrative expenses. It comprises current service cost, past service cost resulting from a plan amendment or a curtailment, immediately recognized in profit and loss, and gains and losses on settlement;
- the financial component, recorded in other financial charges and income, consists of the undiscounting of the obligation, less the expected return on plan assets determined using the discount rate retained for the valuation of the benefit obligation; and
- the remeasurements of the net defined benefit liability (asset), recognized in items of other comprehensive income not reclassified as profit and loss, mainly consist of actuarial gains and losses, i.e., changes in the present value of the defined benefit obligation and plan assets resulting from changes in actuarial assumptions and experience adjustments (representing the differences between the expected effect of some actuarial assumptions applied to previous valuations and the effective impact).

Where the value of plan assets exceeds benefit obligations, a financial asset is recognized up to the present value of future refunds and the expected reduction in future contributions.

Some other post-employment benefits, such as life insurance and medical coverage (mainly in the United States) are subject to provisions which are assessed through an actuarial calculation comparable to the method used for pension provisions.

On January 1, 2004, in accordance with IFRS 1, Vivendi decided to record unrecognized actuarial gains and losses against consolidated equity.

1.3.10. Deferred taxes

Differences existing at closing between the tax base value of assets and liabilities and their carrying value in the Consolidated Statement of Financial Position give rise to temporary differences. Pursuant to the liability method, these temporary differences result in the accounting of:

- deferred tax assets, when the tax base value is greater than the carrying value (expected future tax saving); and
- deferred tax liabilities, when the tax base value is lower than the carrying value (expected future tax expense).

Deferred tax assets and liabilities are measured at the expected tax rates for the year during which the asset will be realized or the liability settled, based on tax rates (and tax regulations) enacted or substantially enacted by the closing date. They are reviewed at the end of each year, in line with any changes in applicable tax rates.

Deferred tax assets are recognized for all deductible temporary differences, tax loss carry-forwards and unused tax credits, insofar as it is probable that a taxable profit will be available, or when a current tax liability exists to make use of those deductible temporary differences, tax loss carry-forwards and unused tax credits, except where the deferred tax asset associated with the deductible temporary difference is generated by initial recognition of an asset or liability in a transaction which is not a business combination, and that, at the transaction date, does not impact earnings, nor tax income or loss.

For deductible temporary differences resulting from investments in subsidiaries, joint ventures and other associated entities, deferred tax assets are recorded to the extent that it is probable that the temporary difference will reverse in the foreseeable future and that a taxable profit will be available against which the temporary difference can be utilized.

The carrying value of deferred tax assets is reviewed at each closing date, and revalued or reduced to the extent that it is more or less probable that a taxable profit will be available to allow the deferred tax asset to be utilized. When assessing the probability of a taxable profit being available, account is taken, primarily, of prior years' results, forecasted future results, non-recurring items unlikely to occur in the future and the tax strategy. As such, the assessment of the group's ability to utilize tax losses carried forward is to a large extent judgment-based. If the future taxable results of the group proved to differ significantly from those expected, the group would be required to increase or decrease the carrying value of deferred tax assets with a potentially material impact on the Statement of Financial Position and Statement of Earnings of the group.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability results from goodwill or initial recognition of an asset or liability in a transaction which is not a business combination, and that, at the transaction date, does not impact earnings, tax income or loss.

For taxable temporary differences resulting from investments in subsidiaries, joint ventures and other associated entities, deferred tax liabilities are recorded except to the extent that both of the following conditions are satisfied: the parent, investor or venturer is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future.

Current tax and deferred tax shall be charged or credited directly to equity, and not earnings, if the tax relates to items that are credited or charged directly to equity.

1.3.11. Share-based compensation

With the aim of aligning the interests of its executive management and employees with its shareholders' interests by providing them with an additional incentive to improve the company's performance and increase its share price on a long-term basis, Vivendi maintains several share-based compensation plans (share purchase plans, performance share plans and bonus share plans) or other equity instruments based on the value of the Vivendi share price (stock options), which are settled either in equity instruments or in cash. Grants under these plans are approved by the Management Board and the Supervisory Board. In addition, the definitive grant of stock options and performance shares is contingent upon the achievement of specific performance objectives set by the Management Board and the Supervisory Board. Moreover, all granted plans are conditional upon active employment at the vesting date.

In addition, Dailymotion has set up a long-term incentive plan for certain key executives. This plan will be settled in cash and the value will be derived from the growth of Dailymotion's enterprise value.

Please refer to Note 21 for details of the features of these plans.

Share-based compensation is recognized as a personnel cost at the fair value of the equity instruments granted. This expense is spread over the vesting period, i.e., three years for stock option plans and for performance share plans (two years for performance shares granted before June 24, 2014), and two years for Vivendi's bonus share plans, other than in specific cases.

Vivendi uses a binomial model to assess the fair value of such instruments. This method relies on assumptions updated at the valuation date such as the calculated volatility of the relevant shares, the discount rate corresponding to the risk-free interest rate, the expected dividend yield, and the probability of relevant managers and employees remaining employed within the group until the exercise of their rights.

However, depending on whether the instruments granted are equity-settled or cash-settled, the valuation and recognition of the expense will differ:

Equity-settled instruments

- the expected term of the option granted is deemed to be the mid-point between the vesting date and the end of the contractual term,
- the value of the instruments granted is estimated and fixed at grant date, and
- the expense is recognized with a corresponding increase in equity;

Cash-settled instruments

- the expected term of the instruments granted is deemed to be equal to one-half of the residual contractual term of the instrument for vested rights, and to the average of the residual vesting period at the remeasurement date and the residual contractual term of the instrument for unvested rights,
- the value of instruments granted is initially estimated at grant date and is then re-estimated at each reporting date until the payment date and the expense is adjusted pro rata taking into account the vested rights at each such reporting date,
- the expense is recognized as a provision, and
- moreover, as plans settled in cash are primarily denominated in US dollars, the value fluctuates based on the EUR/USD exchange rate.

Share-based compensation cost is allocated to each operating segment, pro rata to the number of equity instruments or equivalent instruments granted to their managers and employees.

The dilutive effect of stock options and performance shares settled in equity through the issuance of Vivendi shares which are in the process of vesting is reflected in the calculation of diluted earnings per share.

In accordance with IFRS 1, Vivendi elected to retrospectively apply IFRS 2 as of January 1, 2004. Consequently, all share-based compensation plans for which rights remained to be vested as of January 1, 2004 were accounted for in accordance with IFRS 2.

1.4. RELATED PARTIES

Group-related parties are those companies over which the group exercises exclusive control, joint control or significant influence, shareholders exercising joint control over group joint ventures, non-controlling interests exercising significant influence over group subsidiaries, Corporate officers, group management and directors and companies over which the latter exercise exclusive control, joint control, or significant influence.

The transactions with subsidiaries over which the group exercises control are eliminated within the intersegment transactions (a list of the group's major consolidated entities is set out in Note 27). Moreover, commercial relationships among subsidiaries of the group, aggregated in operating segments, are conducted on an arm's length basis on terms and conditions similar to those which would be offered to third parties. The operating costs of Vivendi SE's headquarters, after the allocation of a portion of these costs to each of the group's businesses, are included in the Corporate operating segment.

1.5. CONTRACTUAL OBLIGATIONS AND CONTINGENT ASSETS AND LIABILITIES

Once a year, Vivendi and its subsidiaries prepare detailed reports on all contractual obligations, commercial and financial commitments and contingent obligations, for which they are jointly and severally liable and that are material to the group. These detailed reports are updated by the relevant departments and reviewed by senior management on a regular basis. To ensure completeness, accuracy and consistency of these reports, some dedicated internal control procedures are carried out, including (but not limited to) the review of:

- minutes of meetings of the shareholders, Management Board, Supervisory Board and committees of the Supervisory Board in respect of matters such as contracts, litigation, and authorization of asset acquisitions or divestitures;
- pledges and guarantees with banks and financial institutions;
- pending litigation, claims (in dispute) and environmental matters as well as related assessments for unrecorded contingencies with internal and/or external legal counsels;
- tax examiner's reports and, if applicable, notices of reassessments and tax expense analyses for prior years;
- insurance coverage for unrecorded contingencies with the Risk Management department and insurance agents and brokers with whom the group contracted;
- related-party transactions for guarantees and other given or received commitments; and
- more generally, major contracts and agreements.

1.6. NEW IFRS STANDARDS AND IFRIC INTERPRETATIONS THAT HAVE BEEN PUBLISHED BUT ARE NOT YET EFFECTIVE

IFRS standards and IFRIC interpretations issued by the IASB and endorsed by the EU as of the date of approval of these Consolidated Financial Statements, but which are not yet effective, and for which Vivendi has not elected for an earlier application, should have no material impact on Vivendi's Consolidated Financial Statements.

NOTE 2. MAJOR EVENTS

2.1. INCREASED OWNERSHIP IN LAGARDÈRE AND PROPOSED PUBLIC TENDER OFFER

On August 10, 2020, Vivendi and Amber Capital, not acting in concert, entered into a shareholders' agreement providing for a five-year reciprocal first offer and pre-emption rights relating to Lagardère shares.

On September 14, 2021, Vivendi and Amber Capital entered into a conditional sale and purchase agreement pursuant to which Vivendi agreed to acquire 25,305,448 Lagardère shares from Amber Capital at a price of €24.10 per share.

Further to the announcement made on September 15, 2021, on September 28, 2021, Vivendi completed the acquisition of a minority portion of these shares, i.e., 620,340 Lagardère shares from Amber Capital for a total consideration of €15 million.

On December 9, 2021, Vivendi announced that its Management Board had authorized the acquisition of the remaining Lagardère shares from Amber Capital and that authorizations to acquire the control of Lagardère would be applied for by Vivendi with the European Commission and other relevant competition authorities in the course of 2022.

On December 16, 2021, Vivendi completed the acquisition of the remaining 24,685,108 Lagardère shares from Amber Capital, representing 17.5% of Lagardère's share capital, at a price of €24.10 per share, i.e., €595 million. Pursuant to this acquisition, Vivendi owns 45.13% of Lagardère's share capital.

As a result of the completion of this acquisition, in compliance with applicable rules and regulations, Vivendi announced on December 16, 2021, its intention to file with the *Autorité des marchés financiers* (the "AMF", the French securities regulator), a proposed public tender offer for all Lagardère shares not yet owned by it at a price of €24.10 per share, the same price paid to Amber Capital. The filing of this proposed tender offer was made as of February 21, 2022 (see below). This offer is not conditioned upon obtaining any regulatory authorization other than the conformity statement by the French securities regulator.

As announced on December 9, 2021, pursuant to Article 7(2) of Regulation (EC) No 139/2004 on the control of concentrations between undertakings, Vivendi will not exercise the voting rights attached to all of the Lagardère shares acquired from Amber Capital, or that will be tendered into its mandatory tender offer, until the approvals required for the acquisition of the control of Lagardère are received from the competition authorities. During this period, Vivendi's interest in Lagardère will amount to 22.3% of the theoretical voting rights.

The acquisition by Vivendi of Amber Capital's Lagardère shares terminates the Lagardère shareholders' agreement, dated as of August 10, 2020, entered into by and between Amber Capital and Vivendi.

As of December 31, 2021, Vivendi held 45.13% of the share capital and 22.3% of the theoretical voting rights of Lagardère SA. Since July 1, 2021, Lagardère is accounted for under the equity method by Vivendi (please refer to Note 14).

On February 18, 2022, as part of the proposed public tender offer for the shares of Lagardère declared on December 16, 2021, Vivendi decided to guarantee to Lagardère shareholders the per share price of €24.10 until December 15, 2023, and to increase the price of its tender offer to €25.50 per share, from which the 2021 Lagardère dividend would be deducted, to the shareholders who would elect to sell their shares immediately.

On February 21, 2022, Vivendi filed a draft public tender offer document for the shares of Lagardère SA with the French securities regulator *(Autorité des marchés financiers)*.

On that date, Vivendi, which held 63,693,239 Lagardère shares with an equal number of voting rights, representing 45.13% of the share capital and 37.10% of the voting rights of this company **(1)**, irrevocably undertook:

- as a Principal Offer, to acquire, at a price of €25.50 per share (dividend attached), all the outstanding Lagardère shares that it did not own, i.e., a total of 77,440,047 shares, representing 54.87% of the share capital of this company, as well as shares that may be issued as a result of the final acquisition and delivery of free shares, i.e., a maximum of 345,960 Lagardère shares; and
- as a Subsidiary Offer, to offer Lagardère shareholders, subject to a proration and allocation adjustment, for each Lagardère share tendered into the Subsidiary Offer and not withdrawn until the closing date (inclusive) of the public tender offer, or if applicable, the reopened offer, a right (a transfer right) to sell such share to Vivendi at a price of €24.10 until December 15, 2023 (inclusive).

These transfer rights will be transferable but not tradable and exercisable from the day after the settlement-delivery date of the reopened offer until December 15, 2023 (both dates inclusive). Transfer rights not exercised by the end of the exercise period will lapse. Each transfer right entitles its holder to transfer to Vivendi only one Lagardère share and may be exercised only once.

If the number of shares tendered into the Principal Offer during the initial offer period is insufficient to enable Vivendi to reach 51% of Lagardère's share capital outstanding as of the closing date of the initial offer period, i.e., 71,977,976 shares as of February 21, 2022 (the validity threshold), Vivendi will acquire for cash at the offer price under the Principal Offer such portion of shares tendered into the Secondary Offer as is necessary to reach the validity threshold.

Pursuant to Article 231-9, I of the AMF General Regulation, the public tender offer will lapse if, at the closing date of the initial offer period, Vivendi does not hold a number of shares representing more than 50% of the share capital or voting rights of Lagardère.

Vivendi does not intend to request the implementation of a mandatory squeeze-out following closing of the public tender offer, or to request the delisting of Lagardère's shares from Euronext Paris.

In support of the proposed offer, Vivendi filed a draft tender offer document *(note d'information)* (Article 231-18 of the AMF General Regulation) with the AMF, which is being distributed pursuant to Articles 231-13 and 231-16 of the AMF General Regulation.

Lagardère's draft document in response to the public tender offer, including the independent appraiser's report and the reasoned opinion of Lagardère's board of directors, will be subsequently filed with the AMF (Article 231-26 I, 2° of the AMF General Regulation).

As a reminder, the provisions of the AMF General Regulation relating to trading in Lagardère securities (Articles 231-38 to 231-43 of the AMF General Regulation) and the reporting of transactions on Lagardère securities (Articles 231-44 to 231-52 of the AMF General Regulation) are applicable.

If this offer is successful and the required regulatory approvals are obtained, Vivendi would like Arnaud Lagardère to remain as Chairman and Chief Executive Officer of Lagardère and intends to continue to rely on the skills of his management team.

The indicative timetable envisages the opening of the offer on April 14, 2022, for a period of 25 market days.

(1) Based on a share capital of 141,133,286 shares, representing 171,693,464 voting rights pursuant to Article 223-11 paragraph 2 of the AMF General Regulation.

2.2. ACQUISITION OF PRISMA MEDIA

On December 14, 2020, Vivendi announced that it had entered into exclusive negotiations to acquire 100% of Prisma Media. Then, on December 23, 2020, Vivendi announced that it had entered into a put option agreement for 100% of Prisma Media, following exclusive negotiations with Gruner+Jahr/Bertelsmann and the favorable opinion of Vivendi's employee representative bodies.
In accordance with applicable regulations, the acquisition was subject to the information and consultation process with Prisma Media's employee representative bodies as well as finalization of the legal documentation.

On April 29, 2021, the French Competition Authority authorized the transaction unconditionally, and on May 31, 2021, Vivendi completed the acquisition of 100% of Prisma Media's share capital.

Prisma Media is France's number one magazine publishing group, in print and digital, with some 20 leading brands.

As of May 31, 2021, provisional goodwill amounted to €208 million. The purchase price and its allocation will be finalized within the twelve months following the acquisition date, as prescribed by accounting methods.

2.3. FININVEST AND MEDIAFOREUROPE (FORMERLY MEDIASET) AGREEMENTS

On May 3, 2021, Vivendi, Fininvest and Mediaset reached a global agreement to put an end to their disputes by terminating all litigation and waiving all claims between them.

Vivendi will support Mediaset's international development by voting in favor of the transfer of Mediaset's headquarters to the Netherlands and of the proposed resolutions on the termination of the double voting right mechanism. In addition, Vivendi and Mediaset entered into a good neighbor agreement in free-to-air television and standstill commitments for a five-year term.

On June 23, 2021, at the Annual General Meeting of Mediaset, Fininvest proposed the distribution to all shareholders of an extraordinary dividend of €0.30 per share for payment on July 21, 2021 representing an aggregate amount of €102 million for Vivendi; Vivendi and Fininvest undertook to vote in favor of such resolution.

Vivendi has undertaken to progressively sell on the market the entire 19.19% stake in Mediaset's share capital held by Simon Fiduciaria SpA over a period of five years. Fininvest will have the right to purchase any unsold shares in each twelve-month period, at the established annual price.

On July 22, 2021, Vivendi, Fininvest and Mediaset announced the closing of the global agreement reached on May 3, 2021, to put an end to their disputes, mutually waiving all pending lawsuits and complaints (please refer to Note 26).

In particular, Fininvest acquired 5.0% of the share capital of Mediaset held directly by Vivendi, at a price of €2.70 per share (taking into account the ex-dividend date and the dividend payment, which took place on July 19 and July 21, 2021, respectively). Vivendi will remain a shareholder of Mediaset with a residual 4.61% interest and will be free to retain or sell this interest at any time and at any price.

On November 18, 2021, Vivendi, Fininvest and Mediaset announced that they had agreed to amend certain provisions of the agreements entered into on May 3, 2021 and July 22, 2021 to take account of the matters upon which Mediaset's General Shareholders' Meeting would vote on November 25, 2021, with particular reference to the introduction – subject to approval by the Shareholders' Meeting – of a dual-class share structure (ordinary A shares and ordinary B shares) through the conversion of each outstanding Mediaset share into an ordinary B share and the grant of an ordinary A share to each ordinary B share.

As a result, with reference to Vivendi's undertaking to sell the entire interest in Mediaset currently held through Simon Fiduciaria on the market over a period of five years, on November 18, 2021, it was agreed that one-fifth of the ordinary A shares and the ordinary B shares will be sold each year (starting from July 22, 2021) at a minimum price per share of €1.375 in year 1, €1.40 in year 2, €1.45 in year 3, €1.5 in year 4, and €1.55 in year 5 (unless Vivendi authorizes the sale of these shares at a lower price); in any case, Vivendi will be entitled to sell the ordinary A shares and/or ordinary B shares held through Simon Fiduciaria at any time if their price per share reaches €1.60. This is without prejudice to Fininvest's right to purchase any unsold shares in each twelve-month period, at the revised agreed annual price.

On November 25, 2021, Vivendi voted in favor of Mediaset's Board of Directors' proposals on the introduction of a dual-class share structure. The parties had agreed, in partial derogation from what was originally agreed on May 3, 2021, that, at Mediaset's General Shareholders' Meeting of November 25, 2021, Vivendi would be entitled to exercise the voting rights attached to the shares it holds directly – and instruct Simon Fiduciaria to exercise the voting rights attached to the shares held on behalf of Vivendi – by voting in favor of the proposal to create two classes of shares. As from this date, Mediaset is renamed MediaForEurope.

NOTE 3. UNIVERSAL MUSIC GROUP

As announced on July 30, 2018, prior to the initial public offering (IPO) of Universal Music Group (UMG), Vivendi opened up its wholly-owned subsidiary's share capital to strategic minority partners through the sale of 30% of UMG's share capital for total cash proceeds in excess of €9 billion, as follows:

- 20% of UMG's share capital was sold to a Tencent-led consortium (i.e., 10% sold on March 31, 2020, followed by an additional 10% sold on January 29, 2021), pursuant to which it received aggregate cash proceeds of €5,689 million; and
- 10% of UMG's share capital was sold to Pershing Square Holdings and affiliates (Pershing Square) (i.e., 7.1% sold on August 10, 2021, followed by an additional 2.9% sold on September 9, 2021), pursuant to which it received aggregate cash proceeds of US $3,949 million (i.e., €3,360 million).

As announced on February 13, 2021, at the General Shareholders' Meeting held on June 22, 2021, Vivendi proposed to its shareholders the planned distribution of 60% of UMG's share capital and its listing on the regulated market of Euronext Amsterdam and obtained approval from them. UMG's stock market listing and the effective distribution of 59.87% of UMG's share capital to Vivendi's shareholders were made on September 21, 2021 and September 23, 2021, respectively.

The impact of the UMG transactions on equity attributable to Vivendi shareowners is as follows:

- net capital gain on the sale of 10% of UMG's share capital to a Tencent-led consortium (March 31, 2020): +€2,315 million;
- net capital gain on the sale of an additional 10% of UMG's share capital to a Tencent-led consortium (January 29, 2021): +€2,236 million;
- net capital gain on the sale of 10% of UMG's share capital to Pershing Square (August 10 and September 9, 2021): +€2,738 million;
- distribution of 59.87% of UMG to Vivendi SE shareowners (September 21, 2021): -€25,284 million; and
- net capital gain on the deconsolidation of 70% of UMG (September 23, 2021): +€24,840 million, i.e., a favorable net impact of +€6,331 million, taking into account the recycling of foreign currency translation adjustments (€514 million) in the capital gain on the deconsolidation of UMG.

3.1. SALE OF 20% OF UNIVERSAL MUSIC GROUP'S SHARE CAPITAL TO A TENCENT-LED CONSORTIUM

On August 6, 2019, Vivendi announced that it was entering into preliminary negotiations with Tencent Holdings Limited ("Tencent") for a minority strategic investment in UMG. On December 31, 2019, Vivendi and a Tencent-led consortium entered into an agreement, which contemplated the purchase of 10% of UMG's share capital by this consortium, based on an enterprise value of €30 billion for 100% of UMG's share capital, and the grant of a call option to this consortium to acquire up to an additional 10% of the capital of UMG, such option to be exercisable until January 15, 2021, at the same price and under the same conditions as the initial investment.

On March 31, 2020, Vivendi completed the sale of 10% of UMG's share capital to a Tencent-led consortium pursuant to which it received cash proceeds of €2,842 million.

On December 17, 2020, the consortium decided to exercise its option to acquire an additional 10% of UMG's share capital. On January 29, 2021, Vivendi completed the sale of the additional 10% of UMG's share capital to a Tencent-led consortium pursuant to which it received cash proceeds of €2,847 million. Taking into account the 10% previously acquired, the Tencent-led consortium held 20% of UMG's share capital on that date.

In accordance with IFRS standards, the sale of 20% of UMG's share capital to a Tencent-led consortium was recorded as a sale of non-controlling interests and therefore does not impact the Consolidated Financial Statement of Earnings. In Vivendi's Consolidated Financial Statements, in accordance with IFRS 10 "*Consolidated Financial Statements*", the capital gain on the sale of 20% of UMG's share capital, equal to the difference between the sale price and the value of sold non-controlling interests in the Consolidated Financial Statements, was directly recorded as an increase in equity attributable to Vivendi shareowners for a net aggregate amount of €4,551 million (after sales fees and after tax), i.e., a net capital gain of €2,315 million recorded in 2020 and a net capital gain of €2,236 million recorded in 2021.

3.2. SALE OF 10% OF UNIVERSAL MUSIC GROUP'S SHARE CAPITAL TO PERSHING SQUARE

On June 4, 2021, Vivendi and Pershing Square Tontine Holdings, Ltd. (PSTH) entered into discussions regarding the sale by Vivendi of 10% of UMG's share capital to PSTH. On June 20, 2021, Vivendi announced that it had entered into an agreement with PSTH for the sale of 10% of the share capital of UMG, based on an enterprise value of €35 billion for 100% of UMG's share capital.

On July 19, 2021, PSTH informed Vivendi that it intended to assign its rights and obligations to acquire 10% of the share capital of UMG pursuant to the agreement announced on June 20, 2021 to investment funds with significant economic interests or management positions held by Mr. William Ackman. Vivendi approved this request.

On August 10, 2021, Vivendi sold 7.1% of UMG's share capital to Pershing Square Holdings and affiliates ("Pershing Square"), which are managed by Mr. William Ackman, pursuant to which Vivendi received cash proceeds of US $2,800 million, i.e., €2,389 million.

On September 9, 2021, Vivendi sold an additional 2.9% of UMG to Pershing Square, under the same terms and conditions as the initial investment made by Pershing Square, pursuant to which it received cash proceeds of US $1,149 million, i.e., €971 million.

On that date, considering the 7.1% stake already owned by it, Pershing Square held 10% of UMG's share capital.

As with the sale of 20% of UMG's share capital to a Tencent-led consortium, in accordance with IFRS standards, the sale of 10% of UMG's share capital to Pershing Square was accounted for as a sale of non-controlling interests and therefore does not impact the Consolidated Financial Statement of Earnings. In the Consolidated Financial Statements, in accordance with IFRS 10, the capital gain on the sale of 10% of UMG's share capital, equal to the difference between the sale price and the value of sold non-controlling interests in the Consolidated Financial Statements, is directly recorded as an increase in equity attributable to Vivendi shareowners for a net amount of €2,738 million (after sales fees and after tax).

3.3. UNIVERSAL MUSIC GROUP'S BANK CREDIT FACILITIES

As a reminder, since 2020, Universal Music Group, Inc. (UMG Inc.) has been an additional borrower under five of Vivendi SE's eight bilateral credit facilities up to the aggregate limit of €750 million as of December 31, 2020, which was reduced to €450 million as of June 30, 2021.

In addition, UMG Inc. had its own credit facilities maturing in 2021 for an aggregate amount of US $570 million, i.e., €470 million as of June 30, 2021, including a committed credit facility of €247 million maturing in September 2021. On July 7, 2021, UMG Inc. repaid and canceled these facilities.

On March 24, 2021, Universal Music Group B.V. (UMG B.V.) and UMG Inc. secured an agreement for a syndicated revolving bank credit facility of €2 billion (drawings made in euros for UMG B.V. and in US dollars for UMG Inc.) for a five-year period, with two one-year extension options.

On that same date, UMG B.V. entered into a term loan of €1 billion maturing in October 2026. The ability for UMG to draw on these bank credit facilities was conditional upon its strict ring-fencing from Vivendi. On July 7, 2021, Vivendi's and UMG's cash pooling and financing arrangements were fully separated after completion of the following transactions:

- the termination of UMGT SAS's cash pooling agreement with Vivendi SE, involving the deposited amount of €146 million as of June 30, 2021;
- the repayment by UMG Inc. of its drawings on Vivendi SE's bilateral bank credit facilities for €216 million as of June 30, 2021;
- the repayment by Universal International Music B.V. (UIM B.V.) of its intra-group borrowing from Vivendi SE for €2,368 million.

On July 7, 2021, to finance the repayment of UIM B.V.'s intra-group borrowing from Vivendi SE, UMG B.V. drew on its term loan of €1 billion, as well as on the revolving credit facility for €1.24 billion. In addition, UMG Inc. drew on the same credit facility for US $500 million, i.e., €416 million.

3.4. DISTRIBUTION OF 59.87% OF UNIVERSAL MUSIC GROUP'S SHARE CAPITAL AND ITS STOCK MARKET LISTING

3.4.1. Description of the transaction

On February 13, 2021, Vivendi announced that it would study the planned distribution of 60% of UMG's share capital and its listing on the stock market by year-end 2021.

On February 26, 2021, Vivendi and the consortium led by Tencent contributed their respective 80% and 20% shares in the share capital of both Universal International Music B.V. (UIM B.V.) and Universal Music Group, Inc. (UMG Inc.) to a new single holding company, Universal Music Group B.V. (UMG B.V.), based on an equity value of €33 billion for 100% of the share capital of UMG, equal to an enterprise value of €35 billion for 100% of UMG, as determined by experts. This internal reorganization of UMG's shareholding structure was scheduled to take place pursuant to an agreement entered into by and between Vivendi and the Tencent-led consortium in December 2019, as a condition to UMG's listing on the stock market.

On March 29, 2021, Vivendi held an Extraordinary General Shareholders' Meeting to amend the company's by-laws to introduce the principle of a distribution in kind pursuant to which Vivendi would be allowed to pursue the contemplated transaction. At this meeting, the amendment to the company's by-laws allowing Vivendi to distribute dividends or interim dividends, reserves or premiums by means of the delivery of assets in kind, including financial securities, was approved by an affirmative vote of 99.98% of the votes cast.

On June 22, 2021, in accordance with the recommendations of the French securities regulator (the *Autorité des marchés financiers* or "AMF") on the sale and acquisition of significant assets and the recommendations of the AFEP-MEDEF Code, Vivendi's General Shareholders' Meeting was consulted and issued a favorable opinion, with 99.99% of the votes cast in favor, on the proposed special distribution in kind of 60% of UMG's share capital to Vivendi's shareholders. In this context, Vivendi's Management Board proposed to its shareholders the distribution of a special dividend in kind in the form of UMG shares with respect to fiscal year 2020, representing a distributed amount of €5,312 million, subject to the two following conditions:

i. the approval by the Dutch Authority for the Financial Markets *(Stichting Autoriteit Financiële Markten* – AFM) of the listing prospectus and the effective admission of UMG's shares to trading on the regulated market of Euronext Amsterdam;

ii. a decision by Vivendi's Management Board, subject to an interim balance sheet as of June 30, 2021, showing distributable earnings at least equal to the proposed amount of the interim dividend to be distributed with such amount having been certified by the Statutory Auditors, to supplement the special dividend in kind with a special interim dividend in kind in the form of UMG shares with respect to fiscal year 2021.

On September 14, 2021, the AFM approved the listing prospectus and the effective admission of UMG's ordinary shares to trading on the regulated market of Euronext Amsterdam. As a result, and as anticipated, Vivendi's Management Board supplemented the special dividend in kind with respect to fiscal year 2020 with the payment of an interim special dividend in kind based on earnings recorded in the interim balance sheet as of June 30, 2021.

On September 21, 2021, the listing of UMG's shares began on the market of Euronext Amsterdam. The opening price per share was €25.25, a reference value applicable to the tax consequences of the distribution. On this basis:

- Vivendi confirmed that the distribution in kind of UMG shares to Vivendi shareholders would be paid as contemplated on the basis of one UMG share distributed for every eligible Vivendi share; and
- the total value of the distribution in kind amounted to €27,412.3 million (€25.25 per Vivendi share), as follows:
  - a distribution of €5,312.5 million (€4.89 per Vivendi share) by means of a special dividend in kind paid out of existing reserves as of December 31, 2020, approved by Vivendi's General Shareholders' Meeting held on June 22, 2021; and
  - a distribution of €22,099.8 million (€20.36 per Vivendi share) by means of payment of a special interim dividend in kind based on earnings as recorded in an interim balance sheet as of June 30, 2021, further to the decision of Vivendi's Management Board made on September 14, 2021.

The distribution in kind detachment date was September 21, 2021, and the settlement of the distribution was effective on September 23, 2021.

3.4.2. Accounting treatment of the transaction

In accordance with IFRIC Interpretation 17 – *Distributions on non-cash assets to owners*, the liability to pay a dividend is recognized when the dividend is appropriately authorized and is no longer at the discretion of the entity. In addition, the liability to pay a dividend in the form of a distribution of non-cash assets must be measured at the fair value of the assets to be distributed. Finally, when an entity settles the dividend payable, the difference between the carrying amount of the assets distributed and the carrying amount of the dividend payable is recognized in the Statement of Earnings.

The principle of the special distribution in kind of 60% of UMG was submitted to the consultative opinion of Vivendi's General Shareholders' Meeting held on June 22, 2021 (fifth resolution), which approved it. In practice, the special distribution in kind was made pursuant to two legally separate transactions that became jointly enforceable upon satisfaction of the following conditions precedent:

i. the approval of the distribution of a special dividend in kind in the form of UMG shares with respect to fiscal year 2020 at Vivendi's General Shareholders' Meeting held on June 22, 2021 (sixth resolution);

ii. the distribution of a special interim dividend in kind in the form of UMG shares, decided by Vivendi's Management Board on September 14, 2021, according to the interim balance sheet of Vivendi as of June 30, 2021, subject to the conditions precedent of obtaining the approval by the AFM of the listing prospectus and the effective admission of UMG's shares to trading on Euronext Amsterdam. Until such decision is taken by the Management Board, the special distribution in kind was considered to be at Vivendi's discretion according to the criteria of the IFRIC Interpretation 17.

On September 23, 2021, at the time of the effective payment of the special distribution in kind of 59.87% of the shares of UMG, Vivendi ceded control of UMG. Taking into account the 20% interest previously sold to the Tencent-led consortium and the 10% interest previouly sold to Pershing Square, Vivendi retained a 10% interest in UMG, which is recorded using the equity method, Vivendi having a significant influence on UMG due to the concerted shareholders' agreement, entered into on September 8, 2021, by and between Compagnie de l'Odet, Vivendi and the Tencent-led consortium. For a detailed description, please refer to Note 24.2.3.

In Vivendi's consolidated financial statements, these transactions were recorded as follows:

- on September 14, 2021, following the decision by Vivendi's Management Board to distribute the special interim dividend;
  - in accordance with IFRIC Interpretation 17, Vivendi recorded a distribution liability of €19,800 million, i.e., 60% of the fair value of UMG known at that date, against consolidated equity (attributable to Vivendi SE shareowners);
  - in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations*, Vivendi reclassified UMG as a discontinued operation in the statement of earnings and statement of cash flows. For a detailed description of the adjustment to previously published data, please refer to Note 31;
- on September 23, 2021, following the effective settlement on the special distribution:
  - in accordance with IFRS 13 – *Fair value measurement*, Vivendi adjusted the distribution liability in the consolidated financial statements to reflect the fair value of 59.87% of UMG on that date, amounting to €25,284 million, i.e., the number of UMG shares distributed (1,085,634,076 shares) multiplied by the retained value of the UMG share (€23.29 per share, equal to the average UMG share price calculated over the five trading days following the effective payment of the special distribution, weighted by daily trading volumes),
  - Vivendi deconsolidated UMG's consolidated net assets by 70%,
  - Vivendi recorded in the Statement of Financial Position, among the equity affiliates, the fair value of 10% of UMG at that date, amounting to €4,235 million i.e., the number of UMG shares retained (181,798,729 shares) multiplied by the retained value of the UMG share (€23.29 per share), and
  - conversely, Vivendi recorded in the statement of earnings on the line "Earnings from discontinued operations" in accordance with IFRS 5, the capital gain of the deconsolidation of its 70% interest in UMG, amounting to a net amount of €24,840 million (after sale fees and after tax), equal to the difference between the fair value of the deconsolidated assets (including 59.87% of UMG distributed and 10% of UMG retained and accounted for under the equity method) and their carrying amount on that date. This amount included the related tax of €895 million. For a detailed description, please refer to Note 8.2.

3.4.3. Statement of earnings from discontinued operations

In accordance with IFRS 5, the line "Earnings from discontinued operations" presented in Vivendi's consolidated Statement of Earnings includes UMG's earnings for 2020 and from January 1, 2021 to September 22, 2021, before non-controlling interests, as well as the capital gain on the deconsolidation of 70% of UMG, net of tax.

(in millions of euros)	From January 1 to September 22, 2021	Year ended December 31, 2020
Revenues	**5,761**	**7,432**
Adjusted earnings before interest and income taxes (EBITA)	1,099	1,329
Earnings before interest and income taxes (EBIT)	998	1,220
Interest	(12)	(14)
Other financial charges and income	(252)	577
Earnings before provision for income taxes	**734**	**1,783**
Provision for income taxes	(161)	(412)
Earnings	**573**	**1,371**
Net capital gain on the deconsolidation of 70% of UMG	24,840	na
Earnings from discontinued operations	**25,413**	**1,371**
Of which attributable to Vivendi SE shareowners	25,292	1,241
non-controlling interests	121	130

na: not applicable.

3.4.4. Statement of cash flows from discontinued operations

In accordance with IFRS 5, the line "Cash Flows from discontinued operations" presented in Vivendi's Consolidated Statement of Cash Flows includes cash flow generated by UMG in 2020 and from January 1, 2021 to September 22, 2021, as well as the impact of the deconsolidation of UMG.

(in millions of euros)	From January 1 to September 22, 2021	Year ended December 31, 2020
EBIT	998	1,220
Adjustments	152	214
Content investments, net	(303)	(1,517)
Gross cash provided by operating activities before income tax paid	***847***	***(83)***
Other changes in net working capital	(52)	286
Net cash provided by operating activities before income tax paid	***795***	***203***
Income tax (paid)/received, net	(192)	(206)
Net cash provided by operating activities	**603**	**(3)**
Net cash provided by/(used for) investing activities	**16**	**(31)**
Net cash provided by/(used for) financing activities	**1,356**	**527**
Foreign currency translation adjustments	19	(36)
Impact of the deconsolidation of UMG	(1,482)	na
Of which impact of the deconsolidation of UMG as of September 22, 2021	*(428)*	*na*
tax paid by Vivendi SE on the distribution of 59.87% of UMG's share capital	*(774)*	*na*
other expenses paid as part of the distribution of 59.87% of UMG's share capital	*(280)*	*na*
Change in cash and cash equivalents	**512**	**457**

na: not applicable.

NOTE 4. COVID-19 PANDEMIC IMPACTS

In 2021, notwithstanding the uncertainties created by the Covid-19 pandemic and although its impacts were more significant in certain countries or on certain businesses than others, Vivendi showed resilience in adapting its business activities to continue to best serve and entertain its customers, while reducing costs to preserve its margins. The business activities showed good resilience, in particular pay television services, as well as Havas Group and Editis. However, as expected, the pandemic's effects continued to slow down certain businesses such as Vivendi Village (in particular live entertainment).

Vivendi continually monitors the current and potential consequences of the health crisis. To date, it is difficult to determine how it will impact Vivendi's results in 2022. Nevertheless, the group remains confident in the resilience of its main businesses. It continues to make every effort to ensure the continuity of its business activities, as well as to best serve and entertain its customers and audiences while complying with the health guidelines of authorities in each country where it operates.

In 2021, Vivendi tested the value of goodwill allocated to its cash-generating units (CGU) or groups of CGU by applying valuation methods consistent with previous years. Vivendi ensured that the recoverable amount of CGU or groups of CGU tested exceeded their carrying value (including goodwill).

As of December 31, 2021, Vivendi's liquidity improved by €5,301 million, up from a Financial Net Debt of €4,953 million as of December 31, 2020 to a Net Cash Position of €348 million as of December 31, 2021. In addition, Vivendi has significant financing capacity. As of December 31, 2021, €2.8 billion of the group's committed credit facilities were available.

As of December 31, 2021, the average "economic" term of the gross financial debt, calculated on the assumption that the available medium-term credit lines may be used to redeem the group's shortest term borrowings, was 4.2 years (compared to 4.8 years as of December 31, 2020).

For a detailed description on borrowings and other financial liabilities, please refer to Note 22.

NOTE 5. SEGMENT DATA

Vivendi Management evaluates the performance of its business segments and allocates necessary resources to them based on certain operating performance indicators (segment earnings and cash flow from operations). EBITA reflects the earnings of each business segment.

The operating segments presented hereunder are strictly identical to the information given to Vivendi's Management Board.

Vivendi's main businesses are aggregated within the following operating segments:

- **Canal+ Group:** publishing and distribution of premium and thematic pay-TV and free-to-air channels in France, Benelux, Poland, Central Europe, Africa and Asia, and production, sales and distribution of movies and TV series;
- **Havas Group:** communications group spanning all the communications disciplines (creativity, media expertise and healthcare/wellness);
- **Editis:** publishing group in France with leading positions in the fields of literature, educational and reference books, as well as in book selling and distribution;
- **Prisma Media:** market leader in French magazine publishing, online video and daily digital audience;
- **Gameloft:** creation and publishing of downloadable video games for mobile phones, tablets, triple-play boxes and smart TVs;
- **Vivendi Village:** Vivendi Ticketing (in Europe, the United Kingdom and the United States through See Tickets) and live performances through Olympia Production, Festival Production, and the venues in Paris (l'Olympia and Théâtre de l'Œuvre) and Africa (CanalOlympia);
- **New Initiatives:** Dailymotion (video content aggregation and distribution platform) and group Vivendi Africa (development of ultra-high-speed Internet service in Africa); and
- **Corporate:** centralized services.

Intersegment commercial operations are conducted on an arm's-length basis on terms and conditions similar to those that would be offered by third parties.

5.1. STATEMENT OF EARNINGS BY BUSINESS SEGMENT

Consolidated Statement of Earnings

Year ended December 31, 2021 (in millions of euros)	**Canal+ Group**	**Havas Group**	**Editis**	**Prisma Media**	**Gameloft**	**Vivendi Village**	**New Initiatives**	**Corporate**	**Eliminations and other**	**Total Vivendi**
Revenues	**5,770**	**2,341**	**856**	**194**	**265**	**104**	**89**	**-**	**(47)**	**9,572**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(4,974)	(1,974)	(719)	(164)	(245)	(113)	(141)	(95)	47	(8,378)
Charges related to share-based compensation plans	(4)	(4)	(1)	-	(1)	-	-	(5)	-	(15)
EBITDA (*)	**792**	**363**	**136**	**30**	**19**	**(9)**	**(52)**	**(100)**	**-**	**1,179**
Restructuring charges	(22)	(6)	(15)	(2)	(1)	(2)	-	(1)	-	(49)
Gains/(losses) on sales of tangible and intangible assets	(3)	-	(1)	-	-	-	-	-	-	(4)
Depreciation of tangible assets	(137)	(41)	(6)	(1)	(3)	(4)	(7)	(2)	-	(201)
Amortization of intangible assets excluding those acquired through business combinations	(114)	(8)	(50)	(1)	(3)	(1)	(4)	(1)	-	(182)
Amortization of rights-of-use relating to leases	(37)	(70)	(11)	(5)	(4)	(4)	(3)	(6)	-	(140)
Income from equity affiliates – operational	1	1	-	-	-	-	36	-	52	90
of which Universal Music Group									*33*	*33*
Lagardère									*19*	*19*
Other operating charges and income	-	-	(2)	(1)	-	-	-	-	-	(3)
Adjusted earnings before interest and income taxes (EBITA) (*)	**480**	**239**	**51**	**20**	**8**	**(20)**	**(30)**	**(110)**	**52**	**690**
Amortization of intangible assets acquired through business combinations	(44)	-	(2)	-	(1)	-	(1)	-	(8)	(56)
Impairment losses on intangible assets acquired through business combinations	(1)	-	(1)	-	(200)	(28)	-	-	-	(230)
Earnings before interest and income taxes (EBIT)										**404**
Income from equity affiliates – non-operational										(13)
Interest										(34)
Income from investments										150
Other financial charges and income										(827)
Earnings before provision for income taxes										**(320)**
Provision for income taxes										(218)
Earnings from continuing operations										(538)
Earnings from discontinued operations										25,413
Earnings										**24,875**
of which										
Earnings attributable to Vivendi SE shareowners										**24,692**
Earnings from continuing operations attributable to Vivendi SE shareowners										(600)
Earnings from discontinued operations attributable to Vivendi SE shareowners										25,292
Non-controlling interests										**183**

(*) Non-GAAP measures.

Year ended December 31, 2020 (in millions of euros)	**Canal+ Group**	**Havas Group**	**Editis**	**Gameloft**	**Vivendi Village**	**New Initiatives**	**Corporate**	**Eliminations**	**Total Vivendi**
Revenues	**5,498**	**2,137**	**725**	**253**	**40**	**65**	**-**	**(50)**	**8,668**
Operating expenses excluding amortization and depreciation as well as charges related to share-based compensation plans	(4,721)	(1,830)	(611)	(257)	(80)	(118)	(132)	50	(7,699)
Charges related to share-based compensation plans	(10)	(10)	(1)	(3)	(1)	-	(8)	-	(33)
EBITDA (*)	**767**	**297**	**113**	**(7)**	**(41)**	**(53)**	**(140)**	**-**	**936**
Restructuring charges	(42)	(33)	(6)	(2)	(2)	-	(1)	-	(86)
Gains/(losses) on sales of tangible and intangible assets	(10)	(1)	-	-	-	-	-	-	(11)
Depreciation of tangible assets	(135)	(43)	(4)	(4)	(5)	(5)	(2)	-	(198)
Amortization of intangible assets excluding those acquired through business combinations	(105)	(14)	(47)	(2)	(1)	(4)	-	-	(173)
Amortization of rights-of-use relating to leases	(41)	(84)	(12)	(8)	(4)	(4)	(7)	-	(160)
Income from equity affiliates – operational	1	(1)	-	-	-	(9)	-	-	(9)
Other operating charges and income	-	-	(6)	(1)	(6)	-	12	-	(1)
Adjusted earnings before interest and income taxes (EBITA) (*)	**435**	**121**	**38**	**(24)**	**(59)**	**(75)**	**(138)**	**-**	**298**
Amortization of intangible assets acquired through business combinations	(46)	-	(2)	(1)	-	(1)	-	-	(50)
Impairment losses on intangible assets acquired through business combinations	-	-	-	-	-	-	-	-	-
Earnings before interest and income taxes (EBIT)									**248**
Income from equity affiliates – non-operational									126
Interest									(22)
Income from investments									35
Other financial charges and income									12
Earnings before provision for income taxes									**399**
Provision for income taxes									(163)
Earnings from discontinued operations									1,371
Earnings									**1,607**
Of which									
Earnings attributable to Vivendi SE shareowners									**1,440**
Earnings from continuing operations attributable to Vivendi SE shareowners									199
Earnings from discontinued operations attributable to Vivendi SE shareowners									1,241
Non-controlling interests									**167**

(*) Non-GAAP measures.

5.1.1. Revenues

By business segment

	Year ended December 31	
(in millions of euros)	2021	2020
Subscription services	5,056	4,940
Advertising	2,751	2,406
Intellectual property licensing	1,562	1,312
Merchandising and other	250	60
Elimination of intersegment transactions	(47)	(50)
Revenues	**9,572**	**8,668**

By geographic area

Revenues are broken down by customer location.

	Year ended December 31			
(in millions of euros)	2021		2020	
France	4,863	*51%*	4,448	*51%*
Rest of Europe	2,200	*23%*	1,972	*23%*
Americas	1,264	*13%*	1,138	*13%*
Africa	844	*9%*	737	*9%*
Asia/Oceania	401	*4%*	373	*4%*
Revenues	**9,572**	***100%***	**8,668**	***100%***

5.2. STATEMENT OF FINANCIAL POSITION BY OPERATING SEGMENT

Segment assets and liabilities

(in millions of euros)	12/31/2021	12/31/2020
Segment assets (a)		
Canal+ Group	10,369	9,814
Havas Group	5,848	5,438
Editis	1,430	1,372
Prisma Media	341	-
Gameloft	542	734
Vivendi Village	315	309
New Initiatives	402	360
Corporate	10,456	5,218
of which investments in equity affiliates	*8,094*	*3,179*
listed equity securities	*883*	*1,700*
Total Vivendi	**29,703**	**23,245**
Universal Music Group	na	13,036
	29,703	**36,281**
Segment liabilities (b)		
Canal+ Group	3,366	2,946
Havas Group	4,412	4,024
Editis	603	545
Prisma Media	164	-
Gameloft	124	117
Vivendi Village	258	159
New Initiatives	76	72
Corporate	436	499
Total Vivendi	**9,439**	**8,362**
Universal Music Group	na	5,670
	9,439	**14,032**

na: not applicable.

(a) Segment assets include goodwill, content assets, other intangible assets, property, plant and equipment, rights-of-use relating to leases, equity affiliates, financial assets, inventories and trade accounts receivable, and other.

(b) Segment liabilities include provisions, other non-current liabilities, short-term and long-term lease liabilities and trade accounts payable and other.

For additional operating segment data, please refer to the following Notes: Note 11 “Goodwill” and Note 12 “Content assets and commitments”.

Segment assets by geographic area

(in millions of euros)	12/31/2021		12/31/2020	
France	15,352	*52%*	13,197	*36%*
Rest of Europe	12,036	*40%*	11,520	*32%*
Americas	1,157	*4%*	10,303	*28%*
Africa	834	*3%*	710	*2%*
Asia/Oceania	324	*1%*	551	*2%*
Segment assets	**29,703**	***100%***	**36,281**	***100%***

5

Capex, increase in tangible and intangible assets and rights-of-use

	Year ended December 31	
(in millions of euros)	2021	2020
Capital expenditures, net (capex net) (a)		
Canal+ Group	324	305
Havas Group	25	25
Editis	22	7
Prisma Media	2	-
Gameloft	2	1
Vivendi Village	5	5
New Initiatives	42	26
Corporate	34	1
	456	**370**
Increase in tangible and intangible assets and rights-of-use relating to leases		
Canal+ Group	497	327
Havas Group	67	98
Editis	24	6
Prisma Media	3	-
Gameloft	4	8
Vivendi Village	6	18
New Initiatives	43	26
Corporate	34	1
	678	**484**

(a) Relates to cash used for capital expenditures, net of proceeds from sales of property, plant and equipment, and intangible assets.

NOTE 6. EBIT

6.1. PERSONNEL COSTS AND AVERAGE EMPLOYEE NUMBERS

(in millions of euros)	Note	Year ended December 31 2021	2020
Salaries		1,946	1,742
Social security and other employment charges		496	453
Capitalized personnel costs		(27)	(23)
Wages and expenses		**2,415**	**2,172**
Share-based compensation plans	21	15	33
Employee benefit plans	20	37	85
Other		52	49
Personnel costs		**2,519**	**2,339**
Annual average number of full-time equivalent employees (in thousands)		*34.3*	*34.0*

6.2. ADDITIONAL INFORMATION ON OPERATING EXPENSES

Advertising costs amounted to €299 million in 2021 (compared to €249 million in 2020).

Expenses recorded in the Statement of Earnings, with respect to service contracts related to satellite transponders amounted to €134 million in 2021 (compared to €130 million in 2020).

Research and Development costs amounted to a net charge of €102 million in 2021 (compared to €107 million in 2020).

6.3. TAXES ON PRODUCTION

Taxes on production amounted to €115 million in 2021 (compared to €119 million in 2020).

NOTE 7. FINANCIAL CHARGES AND INCOME

7.1. INTEREST

(in millions of euros)	Note	Year ended December 31 2021	2020
(Charge)/Income			
Interest expense on borrowings	22	(41)	(48)
Interest income from cash, cash equivalents and investments		(2)	9
Interest income from intra-group financing granted to UMG		9	17
Interest		**(34)**	**(22)**
Fees and premiums on borrowings and credit facilities issued		*(2)*	*(2)*
		(36)	**(24)**

7.2. OTHER FINANCIAL INCOME AND CHARGES

	Year ended December 31	
(in millions of euros)	2021	2020
Capital gain and revaluation on financial investments	8	**(a)** 74
Effect of undiscounting assets **(b)**	-	-
Expected return on plan assets related to employee benefit plans	6	6
Foreign exchange gain	3	10
Change in value of derivative instruments	16	4
Other	1	5
Other financial income	**34**	**99**
Write-down of the Telecom Italia shares accounted for under the equity method	**(c)** (728)	-
Capital loss and downside adjustment on financial investments	(22)	(6)
Effect of undiscounting liabilities **(b)**	-	(1)
Interest cost related to employee benefit plans	(13)	(14)
Fees and premiums on borrowings and credit facilities issued	(2)	(2)
Interest expenses on lease liabilities	(19)	(23)
Foreign exchange loss	(15)	(18)
Other	(62)	(23)
Other financial charges	**(861)**	**(87)**
Net total	**(827)**	**12**

(a) In 2020, it mainly included the additional payment of €56 million which Vivendi received for the sale of GVT in 2015, following the favorable settlement of a tax litigation in Brazil.

(b) In accordance with applicable accounting standards, where the effect of the time value of money is material, assets and liabilities are initially recorded in the Statement of Financial Position at the present value of the expected revenues and expenses. At the end of each subsequent period, the present value of such assets and liabilities is adjusted to account for the passage of time.

(c) Please refer to Note 14.

NOTE 8. INCOME TAXES

8.1. FRENCH TAX GROUP AND CONSOLIDATED GLOBAL PROFIT TAX SYSTEMS

Vivendi SE benefits from the French Tax Group System and, up until December 31, 2011 inclusive, it benefited from the Consolidated Global Profit Tax System pursuant to Article 209 quinquies of the French Tax Code. As from January 1, 2012, Vivendi SE benefits only from the French Tax Group System.

- Under the French Tax Group System, Vivendi is entitled to consolidate its own tax profits and losses with the tax profits and losses of the French subsidiaries that are at least 95% owned, directly or indirectly, by it. As of December 31, 2021, this mainly applies to Canal+ Group, Havas Group, Editis and Gameloft entities in France, as well as the companies involved in the group's development projects in France (e.g., Vivendi Village and Dailymotion).
- Up until December 31, 2011, the Consolidated Global Profit Tax System enabled Vivendi to obtain a tax authorization which allowed the company to consolidate its own tax profits and losses with the tax profits and losses of subsidiaries that were at least 50% owned, directly or indirectly, by it and that were also located in France or abroad. This authorization was granted for an initial five-year period – from January 1, 2004 to December 31, 2008 – and was then renewed, on May 19, 2008, for a three-year period – from January 1, 2009 to December 31, 2011. As a reminder, on July 6, 2011, Vivendi filed a request with the French Ministry of Finance to renew its authorization to use the Consolidated Global Profit Tax System for a three-year period – from January 1, 2012 to December 31, 2014.
- In 2011, pursuant to changes in French Tax Law, the Consolidated Global Profit Tax System was terminated as of September 6, 2011, and the deduction for tax losses carried forward was capped at 60% of taxable income. Since 2012, the deduction for tax losses carried forward has been capped at 50% of taxable income.

The French Tax Group and Consolidated Global Profit Tax Systems have the following impact on the valuation of Vivendi's tax attributes (tax losses, foreign tax receivables and tax credits carried forward).

- In 2012, Vivendi, considering that it was entitled to use the Consolidated Global Profit Tax System up until the end of the authorization period granted by the French Ministry of Finance (i.e., until December 31, 2011), filed a contentious claim for a €366 million refund in respect of fiscal year 2011. In a decision dated October 25, 2017, marking the end of legal proceedings brought before administrative courts, the French Council of State (*Conseil d'Etat*) recognized that Vivendi had a legitimate expectation that it would be afforded the Consolidated Global Profit Tax System for the entire period covered by the authorization, including for the fiscal year ending December 31, 2011. Given that the power of final adjudication is vested in the French Council of State the amount of €366 million paid to Vivendi, coupled with moratorium interest of €43 million, was definitively acquired by Vivendi. As a result, Vivendi recorded a tax income of €409 million for the fiscal year ended December 31, 2017.

- Vivendi, considering that its foreign tax receivables available upon the exit from the Consolidated Global Profit Tax System could be carried forward after the end of the authorization period, requested a refund of the tax paid in respect of the fiscal year ended December 31, 2012. At the end of the legal proceedings initiated by Vivendi before the Administrative Court of Montreuil followed by the Versailles Administrative Court of Appeal, on December 19, 2019, Vivendi received a favorable decision from the French Council of State (*Conseil d'Etat*) regarding the use of foreign tax receivables upon exit from the Consolidated Global Profit Tax System. In addition, in light of the decision of the Court of First Instance in its litigation relating to the year 2012, Vivendi requested a refund of tax due for the year ended December 31, 2015. The decision of the French Council of State (*Conseil d'Etat*) on December 19, 2019, led the tax authorities to issue a refund of the tax paid by Vivendi for 2012 and to reduce the tax paid by Vivendi for 2015 automatically.
- After having succeeded before the French Council of State (*Conseil d'Etat*), which recognized Vivendi's right to (i) use the Consolidated Global Profit Tax System until the end of the authorization granted to it (French Council of State decision no. 403320 dated October 25, 2017, in respect of fiscal year 2011) and (ii) use foreign tax receivables upon exit from the regime in accordance with Article 122 bis of the French General Tax Code, i.e., over five years (French Council of State decision no. 426730 dated December 19, 2019, in respect of fiscal year 2012), Vivendi is now initiating proceedings relating to the enforceability of the five-year carry-forward rule. The objective of this litigation is to restore Vivendi's right to use the remaining tax receivables it held as of December 31, 2021, i.e., a total of €793 million in tax receivables, without limitation of duration. Accordingly, Vivendi has requested from the tax authorities, by means of a contentious claim filed on November 25, 2020, the refund of the tax paid in respect of fiscal year ended December 31, 2017, for €7 million.
- The decision of the French Council of State *(Conseil d'État)* on December 19, 2019 resulted in the following measures:
  - in its Financial Statements for the year ended December 31, 2019, Vivendi recorded a current tax income of €473 million, i.e., €244 million with respect to fiscal year 2012 (€218 million principal and €26 million moratorium interest) and €229 million with respect to fiscal year 2015 (€203 million principal and €26 million moratorium interest); and
  - on December 27, 2019, the tax authorities repaid €223 million to Vivendi (€218 million principal and €5 million moratorium interest). In addition, in January 2020, the tax authorities repaid €250 million to Vivendi, i.e., a balance of €21 million with respect to moratorium interest for fiscal year 2012 and €229 million with respect to fiscal year 2015 (€203 million principal and €26 million moratorium interest).
- This decision allowed Vivendi to seek a refund of any additional Corporate tax payment already made for the 2012-2016 period, notably following audit of its integrated subsidiaries, and will finally allow Vivendi to pay any future tax amount that will be claimed as a result of its own situation, or of its integrated subsidiaries, for the same 2012-2016 period.

In the Financial Statements for the year ended December 31, 2021, the tax results of the subsidiaries comprised within the scope of Vivendi SE's French Tax Group System are calculated based on estimates. After taking into account the effects of the ongoing tax audits on the amount of tax attributes admitted by the tax authorities, Vivendi SE carried forward €201 million of tax losses as of January 1, 2021, deducted in full for calculating the 2021 Corporate tax. Consequently, as of December 31, 2021, Vivendi SE no longer carries forward tax losses. However, Vivendi SE contests the result of these ongoing controls and requests the restoration of €2,304 million of tax losses to its profit (please refer to Note 8.6).

8.2. TAX RELATED TO THE SALE OF UMG

Prior to UMG's initial public offering (IPO), Vivendi sold 30% of its subsidiary's share capital to strategic minority partners: (i) 10% of UMG's share capital sold to a Tencent-led consortium on March 31, 2020; (ii) an additional 10% of UMG's share capital sold to a Tencent-led consortium on January 29, 2021; and (iii) 10% of UMG's share capital sold to Pershing Square Holdings and affiliates ("Pershing Square"), i.e., 7.1% sold on August 10, 2021, followed by an additional 2.9% sold on September 9, 2021.

In 2020, since Vivendi recorded a tax loss, the sale of 10% of UMG's share capital to a Tencent-led consortium had no impact on the tax charge.

In 2021, the tax related to the sales of an additional 10% of UMG's share capital to a Tencent-led consortium and 10% of UMG's share capital to Pershing Square amounted to €168 million. In accordance with IFRS 10, the sale of 20% of UMG's share capital to a Tencent-led consortium, as well as the sale of 10% of UMG's share capital to Pershing Square, were recorded as sales of non-controlling interests, the capital gain on which is recognized in Vivendi shareowners' equity. The related tax was therefore recorded as a decrease in Vivendi shareowners' equity according to the same accounting classification as the capital gains, except for the portion of tax relating to the difference between the tax and accounting values in the Consolidated Financial Statements, recorded in the statement of earnings for €8 million in accordance with IAS 12.

In addition, on September 21, 2021, Vivendi distributed 59.87% of UMG's share capital to its shareholders. Effective payment was made on September 23, 2021, taking into account the settlement-delivery period. From a tax perspective, this distribution is treated as a sale of securities. The tax related to the distribution of 59.87% of UMG's share capital amounted to €775 million, which was recorded in the statement of earnings on the line "Earnings from discontinued operations" in accordance with IFRS 5.

Finally, the difference between the tax value of Vivendi's remaining 10.03% interest in UMG's share capital and its equity value in the Consolidated Financial Statements led to the recognition of a deferred tax liability of €119 million, in accordance with IAS 12, through the counterparty entry in "Earnings from discontinued operations".

In 2021, the taxes related to the UMG transactions amounted to a total of €1,063 million, primarily with respect of Vivendi's capital gains, of which €895 million were recorded in "Earnings from discontinued operations", €8 million were recorded in "Earnings from continued operations" and €160 million recorded as a decrease in Vivendi shareowners' equity.

8.3. PROVISION FOR INCOME TAXES AND INCOME TAX PAID BY GEOGRAPHIC AREA

Provision for income taxes

In 2021, provision for income taxes was a net charge of €1,273 million, of which €1,063 million related to the UMG transactions (please refer to Note 8.2); provision for income taxes recognized in respect of continuing operations was a net charge of €218 million, which was as follows:

	Year ended December 31	
(in millions of euros)	**2021**	**2020**
(Charge)/Income		
Current		
France	(19)	(60)
Rest of Europe	(33)	(8)
United States	(30)	(35)
Rest of the world	(50)	(39)
	(132)	**(142)**
Deferred		
France **(a)**	(105)	(16)
Rest of Europe	2	(17)
United States	14	5
Rest of the world	3	7
	(86)	**(21)**
Provision for income taxes	**(218)**	**(163)**

Income tax paid

In 2021, income tax paid was a net outflow of €1,047 million, of which €940 million in France related to the UMG transactions, and income tax paid for continued operations was an outflow of €107 million, as follows:

	Year ended December 31	
(in millions of euros)	**2021**	**2020**
France **(b)**	11	214
Rest of Europe	(20)	(22)
United States	(35)	(30)
Rest of the world	(63)	(45)
Income tax (paid)/collected	**(107)**	**117**

(a) Includes a charge of €94 million in 2021, compared to a charge of €18 million in 2020 corresponding to changes in deferred tax assets related to tax savings and to Vivendi's Tax Group in France.

(b) As a reminder, in January 2020, following the favorable decision of the Council of State of December 19, 2019 on Vivendi's tax attributes, the tax authorities repaid €250 million to Vivendi.

8.4. EFFECTIVE TAX RATE

	Year ended December 31	
(in millions of euros, except %)	2021	2020
Earnings from continuing operations	**(538)**	**236**
Eliminations		
Income from equity affiliates	(77)	(116)
Provision for income taxes	218	163
Earnings from continuing operations before provision for income taxes and income from equity affiliates	**(397)**	**283**
French statutory tax rate	*28.41%*	*32.02%*
Theoretical provision for income taxes based on French statutory tax rate	**113**	**(91)**
Reconciliation of the theoretical and effective provision for income taxes		
Earnings tax rates differences	15	18
Impacts of the changes in tax rates	2	(7)
Use or recognition of tax losses	166	141
Depreciation or non-recognition of tax losses	(86)	(124)
Changes in deferred tax assets related to Vivendi SE's French Tax Group	(94)	(18)
Adjustments to tax expense from previous years	1	3
Impairment of goodwill related to Gameloft	(57)	-
Write-down of the Telecom Italia shares accounted for under the equity method	(207)	-
Tax on Corporate value added (Cotisation sur la valeur ajoutée des entreprises)	(13)	(28)
Withholding tax	(29)	(29)
Other	(29)	(28)
Provision for income taxes	**(218)**	**(163)**
Effective tax rate	***-54.9%***	***57.5%***

8.5. DEFERRED TAX ASSETS AND LIABILITIES

Changes in deferred tax assets/(liabilities), net

	Year ended December 31	
(in millions of euros)	2021	2020
Opening balance of deferred tax assets/(liabilities), net	**(430)**	**(255)**
Provision for income taxes **(a)**	(140)	(153)
Charges and income directly recorded in equity	21	(31)
Business combinations	22	(2)
Deconsolidation of Universal Music Group	382	-
Changes in foreign currency translation adjustments and other	(16)	11
Closing balance of deferred tax assets/(liabilities), net	**(161)**	**(430)**

(a) Includes Universal Music Group's provision for income taxes until September 22, 2021: in accordance with IFRS 5, these amounts are reclassified on the line "Earnings from discontinued operations" of the Consolidated Statement of Earnings in 2021 and 2020.

Components of deferred tax assets and liabilities

(in millions of euros)	12/31/2021	12/31/2020
Deferred tax assets		
Recognizable deferred taxes		
Tax attributes – Vivendi SE Tax Group **(a) (b)**	-	711
Tax attributes – US Tax Group **(a) (c)**	-	95
Tax attributes – Havas Group **(a)**	227	246
Tax attributes – Other subsidiaries **(a)**	254	337
Other	334	776
Of which non-deductible provisions	*31*	*91*
employee benefits	*140*	*191*
working capital	*21*	*170*
Total gross deferred taxes	**815**	**2,165**
Deferred taxes, unrecognized		
Tax attributes – Vivendi SE Tax Group **(a) (b)**	-	(617)
Tax attributes – US Tax Group **(a) (c)**	-	(95)
Tax attributes – Havas Group **(a)**	(217)	(234)
Tax attributes – Other subsidiaries **(a)**	(251)	(327)
Other	(113)	(155)
Total deferred tax assets, unrecognized	**(581)**	**(1,428)**
Recorded deferred tax assets	**234**	**737**
Deferred tax liabilities		
Asset revaluations **(d)**	(138)	(381)
Other	(257)	(786)
Recorded deferred tax liabilities	**(395)**	**(1,167)**
Deferred tax assets/(liabilities), net	**(161)**	**(430)**

(a) The amount of tax attributes presented in this table is estimated at the end of the relevant fiscal years. In jurisdictions which are significant to Vivendi, mainly France and the United States, tax returns are filed at the latest on May 1 and October 15 of the following year, respectively. As a result, the amount of tax attributes shown in this table and the amount reported to tax authorities may differ, and if necessary, may need to be adjusted in this table at the end of the following year.

(b) Related to deferred tax assets recognizable in respect of tax attributes by Vivendi SE as head of the French Tax Group (please refer to Note 8.1). After taking into account the potential outcomes of ongoing tax audits (please refer to Note 8.6), there would no longer be tax losses carried forward as of December 31, 2021. In France, tax losses can be carried forward indefinitely and the foreign tax receivables can be carried forward upon exit from the Consolidated Global Profit Tax System.

(c) Primarily related to deferred tax assets recognizable in respect of tax credits carried forward by Universal Music Group, Inc. in the United States as head of the US Tax Group.

(d) These tax liabilities, stemming from asset revaluations as part of the purchase price allocation of entities acquired by the group, are cancelled upon amortization or divestiture of the related assets and never generate any current tax liabilities.

8.6. TAX LITIGATION

In the normal course of their business, Vivendi SE and its subsidiaries are subject to tax audits by the relevant tax authorities in the countries in which they conduct or conducted business. Various tax authorities have proposed adjustments to the financial results reported by Vivendi and its subsidiaries for fiscal year 2019 and prior years, under statutes of limitation applicable to Vivendi and its subsidiaries. In the event of litigation, Vivendi's policy is to pay the taxes it intends to contest, and to seek a refund through appropriate legal proceedings. Regarding ongoing tax audits, no provision is recorded where the impact that could result from an unfavorable outcome cannot be reliably assessed. Vivendi Management believes that it has solid legal grounds to defend its positions for determining the taxable income of all its subsidiaries. Vivendi Management therefore considers that the outcome of the ongoing tax audits is unlikely to have a material impact on the group's financial position or liquidity.

Regarding the tax audit for fiscal years 2008 to 2012, Vivendi SE is subject to a rectification procedure under which the tax authorities challenge the accounting and tax treatment of NBC Universal shares received in consideration of the sale of Vivendi Universal Entertainment shares in 2004. Additionally, the tax authorities challenge the deduction of the €2.4 billion loss recorded as part of the sale of these shares in 2010 and 2011. Proceedings were brought before the National Direct Tax System *(Commission nationale des impôts directs),* which rendered its opinion on December 9, 2016 (and which was notified to Vivendi SE on January 13, 2017), in which it declared that the adjustments suggested by the tax authorities should be discontinued. Moreover, given that the disagreement was based on administrative doctrine, Vivendi requested its cancellation on the ground that it was tantamount to adding to the law. On May 29, 2017, the French Council of State *(Conseil d'État)* held in favor of Vivendi's appeal for misuse of authority. Subsequently, by a letter dated April 1, 2019 and following various appeals, the tax authorities confirmed the continuation of the rectification procedure. On June 18, 2019, Vivendi initiated legal proceedings before the Tax Department that issued the taxation in question. As no reply was received from the tax authorities, on December 30, 2019, Vivendi filed a complaint before the administrative Court of Montreuil. On December 2, 2021, the administrative Court of Montreuil dismissed Vivendi's complaint. On February 9, 2022, Vivendi filed a request to appeal to the Paris administrative Court of Appeal. A decision is expected in 2023 at the earliest.

Regarding the tax audit for fiscal years 2013 to 2017 in respect of the group's consolidated earnings, on June 14, 2021, the tax authorities proposed an adjustment to Vivendi SE. As of December 31, 2021, the proceedings on tax audit are still in progress.

Regarding the tax audit to Vivendi's individual earnings, on June 4, 2020, the tax authorities proposed a set of adjustments for €33 million (base) for these four financial years. This proposal will lead to a correction of Vivendi's tax losses carried forward and will not result in any current tax liabilities as any tax claimed will be paid by way of foreign tax receivables. Following Vivendi's reply to this proposal on July 21, 2020, the administration confirmed its position on September 14, 2020. Vivendi does not fully agree with the positions taken by the tax authorities but does not intend, considering the issues at stake, to challenge them.

In respect of the litigation concerning the right to defer foreign tax receivables upon the exit from the Consolidated Global Profit Tax System without time limitation, the registry of the administrative Court of Montreuil informed Vivendi of the closing of the hearing scheduled on April 29, 2022. A decision is therefore expected in 2022 at the earliest.

In respect of the US Tax Group, the tax audit for fiscal years 2011, 2012, and 2013 is now closed. On January 31, 2018, Vivendi was informed by the US tax authorities that fiscal years 2014, 2015 and 2016 were under audit, ongoing until December 31, 2021.

Concerning Canal+ Group, in proposed adjustments issued on June 4 and June 7, 2021, the French tax authorities challenged Canal+ Group's right to break down, by type of service and VAT rate, the revenues of composite offer comprising services that, if marketed separately, would be subject to different VAT rates. However, the tax authorities did not consider circumstances where, due to the French Treasury, Canal+ increased the amount of VAT by using this breakdown method. They also failed to take into account the deductibility of VAT from the Corporate tax base for which they expected payment for the years 2016 to 2019. The tax authorities also intend to impose penalties for deliberate non-compliance, even if Canal+ Group can demonstrate that its practice relies on formal positions taken by the tax authorities, both in the context of either direct responses that may have been given to it or previous tax audits or litigation initiated by the audited companies. On August 3, 2021, Canal+ formally contested these recalls. To date, no response to Canal+ comments has been sent by the French tax authorities. In this context, Vivendi Management believes that it has solid legal grounds to defend its positions on the VAT assessment of its subsidiaries. Vivendi Management, therefore, considers that the outcome of the ongoing tax audits is unlikely to have a material impact on the group's financial position or liquidity.

With regard to the Havas Group, Havas SA initiated legal proceedings for the refund of the withholding tax paid by the company between 2000 and 2002 on the redistribution of dividends from European subsidiaries (€34 million). On July 28, 2017, following the filing of the case before the Paris Administrative Court and Court of Appeal and the Versailles Court of Appeal, the French Council of State (*Conseil d'État*) found that the appeal in the Court of Cassation made by Havas against the decision of the Versailles Court of Appeal was inadmissible. This decision irrevocably ended the tax litigation and barred Havas from obtaining a refund of the withholding tax. To restore Havas's right to compensation, three combined actions were taken: (i) a claim before the European Commission, (ii) a filing before the European Court of Human Rights, and (iii) a claim for compensation under an action for damages against the French state.

At the time of the sale of GVT to Telefônica Brasil in May 2015, Vivendi realized a capital gain that was subject to withholding tax in Brazil. On March 2, 2020, the Brazilian tax authorities challenged the methods of calculating this capital gain and asked Vivendi to pay an amount of 1 billion BRL (i.e., approximately €160 million) in duties, late interest and penalties. This additional tax assessment, and the refusal to take into account the reduction of the capital gain resulting from price adjustments were unsuccessfully challenged before the administrative authorities. Vivendi took legal action to assert its rights and believes that it has a strong chance of succeeding. Accordingly, no provision has been recorded in the financial statements for the year ended December 31, 2021 in respect of this assessment.

NOTE 9. EARNINGS PER SHARE

	Year ended December 31			
	2021		2020	
Earnings (in millions of euros)	Basic	Diluted	Basic	Diluted
Earnings from continuing operations attributable to Vivendi SE shareowners	(600)	(600)	199	199
Earnings from discontinued operations attributable to Vivendi SE shareowners	25,292	25,292	1,241	1,241
Earnings attributable to Vivendi SE shareowners	**24,692**	**24,692**	**1,440**	**1,440**
Number of shares (in millions)				
Weighted average number of shares outstanding **(a)**	1,076.3	1,076.3	1,140.7	1,140.7
Potential dilutive effects related to share-based compensation	-	3.2	-	4.1
Adjusted weighted average number of shares	**1,076.3**	**1,079.5**	**1,140.7**	**1,144.8**
Earnings per share (in euros)				
Earnings from continuing operations attributable to Vivendi SE shareowners per share	(0.56)	(0.56)	0.17	0.17
Earnings from discontinued operations attributable to Vivendi SE shareowners per share	23.50	23.43	1.09	1.09
Earnings attributable to Vivendi SE shareowners per share	**22.94**	**22.87**	**1.26**	**1.26**

(a) Net of the weighted average number of treasury shares (72.5 million shares in 2021, compared to 44.7 million shares in 2020).

NOTE 10. CHARGES AND INCOME DIRECTLY RECOGNIZED IN EQUITY

10.1. DETAILS OF CHANGES IN EQUITY RELATED TO OTHER COMPREHENSIVE INCOME

	Items not subsequently reclassified to profit or loss		Items to be subsequently reclassified to profit or loss			
			Unrealized gains/(losses)			
(in millions of euros)	Actuarial gains/(losses) related to employee defined benefit plans (a)	Financial assets at fair value through other comprehensive income	Hedging instruments (b)	Foreign currency translation adjustments	Other comprehensive income from equity affiliates, net	Other comprehensive income
Balance as of December 31, 2019	**(385)**	**(468)**	**77**	**(99)**	**(28)**	**(903)**
Charges and income directly recognized in equity	13	(88)	2	(672)	(165)	(910)
Tax effect	(1)	(30)	-	-	-	(31)
Other	-	-	-	-	(2)	(2)
Balance as of December 31, 2020	**(373)**	**(586)**	**79**	**(771)**	**(195)**	**(1,846)**
Charges and income directly recognized in equity	56	33	1	342	36	468
Tax effect	(6)	26	-	-	-	20
Deconsolidation of Universal Music Group	25	2	(83)	(601)	(9)	(666)
Other	-	-	-	2	(2)	-
Balance as of December 31, 2021	**(298)**	**(525)**	**(3)**	**(1,028)**	**(c) (170)**	**(2,024)**

(a) Please refer to Note 20.

(b) Please refer to Note 22.7.

(c) Included foreign currency translation from Telecom Italia for -€194 million as of December 31, 2021 (compared to -€218 million as of December 31, 2020).

NOTE 11. GOODWILL

(in millions of euros)	12/31/2021	12/31/2020
Goodwill, gross	16,002	27,924
Impairment losses	(6,555)	(13,741)
Goodwill	**9,447**	**14,183**

11.1. CHANGES IN GOODWILL

(in millions of euros)	12/31/2020	Impairment losses	Business combinations	Divestitures completed or in progress	Changes in foreign currency translation adjustments and other	12/31/2021
Canal+ Group	5,663	(1)	46	-	(3)	5,705
Havas Group	2,008	-	37	-	71	2,116
Editis	838	-	-	-	-	838
Prisma Media	-	-	**(a)** 224	-	-	224
Gameloft	600	**(b)** (200)	(1)	-	-	399
Vivendi Village	156	(2)	4	-	4	162
New Initiatives	3	-	-	-	-	3
Universal Music Group	4,915	-	1	**(c)** (5,128)	**(d)** 212	-
Total	**14,183**	**(203)**	**311**	**(5,128)**	**284**	**9,447**

(in millions of euros)	12/31/2019	Impairment losses	Business combinations	Divestitures completed or in progress	Changes in foreign currency translation adjustments and other	12/31/2020
Canal+ Group	5,660	-	12	-	(9)	5,663
Havas Group	2,053	-	45	-	(90)	2,008
Editis	837	-	1	-	-	838
Gameloft	594	-	6	-	-	600
Vivendi Village	162	-	(2)	-	(4)	156
New Initiatives	3	-	-	-	-	3
Universal Music Group	5,381	-	7	-	**(c)** (473)	4,915
Total	**14,690**	**-**	**69**	**-**	**(576)**	**14,183**

(a) Mainly included the provisional goodwill recognized pursuant to the acquisition of Prisma Media consolidated since June 1, 2021 for €208 million (please refer to Note 2.2).

(b) Vivendi Management concluded that Gameloft's recoverable amount was less than its carrying amount as of December 31, 2021, which led to a goodwill impairment loss of €200 million and reflected the decline in Gameloft's operating performance over the recent period.

(c) Vivendi deconsolidated Universal Music Group as of September 23, 2021, following the effective payment of the special distribution in kind of 59.87% of UMG's share capital to Vivendi's shareholders (please refer to Note 3).

(d) Primarily included the foreign currency translation of the dollar (USD) against the euro.

11.2. GOODWILL IMPAIRMENT TEST

In 2021, Vivendi tested the value of goodwill allocated to its cash-generating units (CGU) or groups of CGUs by applying valuation methods consistent with previous years. Vivendi ensured that the recoverable amount of CGU or groups of CGUs tested exceeded their carrying value (including goodwill). The recoverable amount is determined as the higher of the value in use, determined by the discounted value of future cash flows (Discounted Cash Flow method (DCF)), and the fair value (less costs to sell), determined on the basis of market data (stock market prices, comparable listed companies, comparison with the value attributed to similar assets or companies in recent acquisition transactions). For a description of the methods used for the impairment test, please refer to Note 1.3.6.8.

In 2021, notwithstanding the uncertainties created by the Covid-19 pandemic and although its impacts were more significant in certain countries or on certain businesses than others, Vivendi showed resilience in adapting its business activities to continue to best serve and entertain its customers, while reducing costs to preserve its margins. The business activities showed good resilience, in particular pay television services, as well as Havas Group and Editis. However, as expected, the pandemic's effects continued to slow down certain businesses such as Vivendi Village (in particular live entertainment).

During the fourth quarter of 2021, Vivendi performed a goodwill impairment test on each CGU or group of CGUs, on the basis of valuations of recoverable amounts determined through internal valuations or with the assistance of third-party appraisers. As a result, Vivendi Management concluded that, except for Gameloft, as of December 31, 2021, the recoverable amount for each CGU or group of CGUs tested exceeded their carrying value.

Vivendi tested the value of goodwill on Gameloft. Gameloft's recoverable amount value was determined using standard valuation methods, in particular the value in use, based on the DCF approach (discounted value of future cash flows). In this respect, the cash flow forecasts and financial parameters used are the most recent validated by the group's Management and updated to reflect the decline in Gameloft's operating performance over the recent period. On this basis, Vivendi Management concluded that Gameloft's recoverable amount was less than its carrying amount as of December 31, 2021, which led to a related goodwill impairment loss of €200 million.

Presentation of CGU or groups of CGUs

Operating Segments	Cash Generating Units (CGU)	CGU or groups of CGUs tested
Canal+ Group	Pay-TV in Mainland France	Canal+ Group excluding Studiocanal **(b)**
	Canal+ International **(a)**	
	Platforma Canal+ (Poland)	
	M7 (Central Europe and Benelux)	
	Free-to-air TV in France	
	Studiocanal	Studiocanal
Havas Group **(c)**	Havas Creative Group	Havas Group **(b)**
	Havas Health & You	
	Havas Media Group	
Editis	Editis	Editis
Prisma Media (d)	Prisma Media	Prisma Media
Gameloft	Gameloft	Gameloft
Vivendi Village	Paddington	Paddington
	Live entertainment in France	Live entertainment in France
	Live entertainment in the United Kingdom	Live entertainment in the United Kingdom
	Venues in France	Venues in France
	See Tickets France and Switzerland	Ticketing (Vivendi Ticketing) **(b)**
	See Tickets United Kingdom	
	See Tickets United States	
	See Tickets BV	
New Initiatives	Dailymotion	Dailymotion
	Group Vivendi Africa	Group Vivendi Africa

(a) Relates to pay-TV in overseas France, Africa and Asia.

(b) Corresponds to the level of monitoring return on investments.

(c) In 2020, CGUs were redefined to reflect the current operational organization of the Havas Group, with the inclusion of Creative and Media activities within the Havas Villages, as well as the development of the Health & You division. As from December 31, 2020, Vivendi has performed a goodwill impairment test for the Creative, Health & You and Media activities at the level of the consolidated Havas Group CGU, which is the level at which return on these investments is monitored.

(d) As of December 31, 2021, no goodwill impairment test attributable to Prisma Media was completed given that the acquisition date (May 31, 2021) was close to the financial closing date.

Presentation of key assumptions used for the determination of recoverable amounts

The value in use of each CGU or group of CGUs is usually determined as the discounted value of future cash flows by using cash flow projections consistent with the 2022 budget and the most recent forecasts prepared by the operating segments. These forecasts are prepared on the basis of financial targets as well as the following main key assumptions: discount rate, perpetual growth rate and EBITA as defined in Note 1.2.3, capital expenditures, the competitive and regulatory environments, technological developments and level of commercial expenses. When the business plan of a CGU or group of CGUs is not available at the time of the re-examination of the value of goodwill, Vivendi ensures that the recoverable amount exceeds the carrying value on the basis of market data only. The recoverable amount used for the relevant CGU or group of CGUs was determined based on its value in use based upon the main key assumptions set out below.

Operating segments	CGU or groups of CGU tested	Valuation Method		Discount Rate (a)		Perpetual Growth Rate	
		2021	2020	2021	2020	2021	2020
Canal+ Group	Canal+ Group excluding Studiocanal **(b)**	Comparables	Comparables	na	na	na	na
	Studiocanal	DCF	DCF	7.80%	7.70%	1.00%	1.00%
Havas Group	Havas Group	DCF & comparables model **(c)**	DCF & comparables model **(c)**	8.10%	7.80%	1.50%	1.50%
Editis	Editis	DCF & comparables model	DCF & comparables model	6.90%	6.90%	1.50%	1.50%
Gameloft	Gameloft	DCF & comparables model	DCF & comparables model	11.00%	10.00%	1.50%	2.00%
Vivendi Village	Paddington	DCF	DCF	8.50%	8.80%	1.00%	1.00%
	Live entertainment in France	DCF	DCF	10.10%	9.50%	1.00%	1.00%
	Live entertainment in the United Kingdom	DCF	DCF	10.10%	10.10%	1.00%	1.00%
	Venues in France	DCF	DCF	9.00%	9.00%	1.00%	1.00%
	Ticketing (Vivendi Ticketing)	DCF	DCF	9.10%	9.30%	2.00%	2.00%

na: not applicable.

(a) The determination of recoverable amounts using a post-tax discount rate applied to post-tax cash flows provides recoverable amounts consistent with the ones that would have been obtained using a pre-tax discount rate applied to pre-tax cash flows.

(b) Based on multiple valuations observed in recent acquisitions, Vivendi considered that Canal+ Group's recoverable amount exceeded its carrying value.

(c) Please refer to reference c. in the table above.

Sensitivity of recoverable amounts of CGUs or groups of CGUs whose value in use is determined in particular by the DCF method

	12/31/2021				
	Discount rate		Perpetual growth rate		Discounted cash flows
	Applied rate (in %)	Increase in the discount rate required for the recoverable amount to be equal to the carrying amount (in number of points)	Applied rate (in %)	Decrease in the perpetual growth rate required for the recoverable amount to be equal to the carrying amount (in number of points)	Decrease in the discounted cash flows required for the recoverable amount to be equal to the carrying amount (in %)
Canal+ Group					
Studiocanal	7.80%	+3.55 pts	1.00%	-7.29 pts	-36%
Havas Group (a)	**8.10%**	**+11.62 pts**	**1.50%**	**-30.10 pts**	**-65%**
Editis	**6.90%**	**+1.47 pts**	**1.50%**	**-2.65 pts**	**-24%**
Gameloft	**na**	**na**	**na**	**na**	**na**

	12/31/2020				
	Discount rate		Perpetual growth rate		Discounted cash flows
	Applied rate (in %)	Increase in the discount rate required for the recoverable amount to be equal to the carrying amount (in number of points)	Applied rate (in %)	Decrease in the perpetual growth rate required for the recoverable amount to be equal to the carrying amount (in number of points)	Decrease in the discounted cash flows required for the recoverable amount to be equal to the carrying amount (in %)
Canal+ Group					
Studiocanal	7.70%	+1.27 pts	1.00%	-2.12 pts	-17%
Havas Group (a)	**7.80%**	**+8.59 pts**	**1.50%**	**-24.31 pts**	**-62%**
Editis	**6.90%**	**+1.14 pts**	**1.50%**	**-2.14 pts**	**-19%**
Gameloft	**na**	**na**	**na**	**na**	**na**

na: not applicable.

(a) Please refer to reference c. in the table above.

(b) Vivendi Management considered that Gameloft's recoverable amount as of December 31, 2020, which was determined using standard valuation methods (the value in use, determined as the discounted value of future cash flows, and the fair value, determined on the basis of market data: stock market prices, comparable listed companies, comparison with the value attributed to similar assets or companies in recent acquisition transactions) was at least equal to its carrying value.

NOTE 12. CONTENT ASSETS AND COMMITMENTS

12.1. CONTENT ASSETS

	12/31/2021		
(in millions of euros)	Content assets, gross	Accumulated amortization and impairment losses	Content assets
Film and television costs	7,525	(6,971)	554
Sports rights	578	-	578
Editorial creations	960	(917)	43
Music catalogs and publishing rights	-	-	-
Advances to artists and repertoire owners	-	-	-
Merchandising contracts and artists services	-	-	-
Other	54	(32)	22
Content assets	**9,117**	**(7,920)**	**1,197**
Deduction of current content assets	(874)	13	(861)
Non-current content assets	**8,243**	**(7,907)**	**336**

	12/31/2020		
(in millions of euros)	Content assets, gross	Accumulated amortization and impairment losses	Content assets
Film and television costs	7,064	(6,486)	579
Sports rights	416	-	416
Editorial creations	902	(859)	43
Music catalogs and publishing rights	9,196	(6,866)	2,330
Advances to artists and repertoire owners	1,859	-	1,859
Merchandising contracts and artists services	20	(20)	-
Other	48	(27)	21
Content assets	**19,505**	**(14,258)**	**5,248**
Deduction of current content assets	(1,366)	20	(1,346)
Non-current content assets	**18,139**	**(14,238)**	**3,902**

Changes in content assets

(in millions of euros)	Year ended December 31 2021	2020
Opening balance	**5,248**	**4,169**
Amortization of content assets excluding those acquired through business combinations	(74)	**(a)** (75)
Amortization of content assets acquired through business combinations	(101)	**(a)** (108)
Impairment losses on content assets acquired through business combinations	-	-
Increase	2,887	3,987
Decrease	(2,578)	(2,530)
Business combinations	-	-
Deconsolidation of Universal Music Group	(4,514)	-
Foreign currency translation adjustments and other	328	(195)
Closing balance	**1,196**	**5,248**

(a) Relates to the amortization of content assets as reported in the 2020 Universal Registration Document. These amounts have not been adjusted for the impact of the application of IFRS 5 on the consolidated statement of earnings.

12.2. CONTRACTUAL CONTENT COMMITMENTS

Commitments given recorded in the Statement of Financial Position: content liabilities

Content liabilities are mainly recorded in "Trade accounts payable and other" or in "Other non-current liabilities" whether they are current or non-current, as applicable.

	Minimum future payments as of 12/31/2021				
		Payments due in			
(in millions of euros)	Total	2022	2023 -2026	After 2026	Total minimum future payments as of 12/31/2020
Film and television rights	206	206	-	-	174
Sports rights	455	455	-	-	275
Music royalties to artists and repertoire owners	-	-	-	-	2,315
Other	87	83	3	1	535
Content liabilities	**748**	**744**	**3**	**1**	**3,299**

Off-balance sheet commitments given/(received)

(in millions of euros)	Minimum future payments as of 12/31/2021 Total	Payments due in 2022	2023 -2026	After 2026	Total minimum future payments as of 12/31/2020
Film and television rights **(a)**	3,256	1,220	2,016	20	4,063
Sports rights	**(b)** 2,638	951	1,609	78	2,601
Other	38	30	7	1	**(c)** 1,374
Given commitments	**5,932**	**2,201**	**3,632**	**99**	**8,038**
Film and television rights **(a)**	(112)	(89)	(23)	-	(176)
Sports rights	(371)	(145)	(226)	-	(52)
Other			not available **(c)**		
Other	(7)	(3)	(2)	(2)	(7)
Received commitments	**(490)**	**(237)**	**(251)**	**(2)**	**(235)**
Total net	**5,442**	**1,964**	**3,381**	**97**	**7,803**

(a) Mainly includes contracts valid over several years for movies and TV production broadcasting rights (primarily exclusivity contracts with major US studios), pre-purchases of rights in the French cinema industry, Studiocanal's film production and co-production commitments (given and received), and Canal+ Group multichannel digital TV package broadcasting rights. They are recorded as content assets when the broadcast is available for initial release or after the initial significant payment. As of December 31, 2021, provisions recorded in respect of these commitments amounted to €40 million (compared to €52 million as of December 31, 2020).

In addition, these amounts do not include commitments under contracts for channel diffusion rights and non-exclusive distribution of channels, in respect of which Canal+ Group did not grant or receive minimal guaranteed amounts. The variable amount of these commitments cannot be reliably determined and is not reported in either the Statement of Financial Position or in the commitments and is instead recorded as an expense for the period in which it was incurred. Based on an estimate of the future subscriber base at Canal+ Group, given commitments would have increased by a net amount of €22 million as of December 31, 2021, compared to €380 million as of December 31, 2020. These amounts notably included the distribution agreement signed with beIN Sports for the period from June 1, 2020 to May 31, 2025.

Moreover, on November 8, 2018, Canal+ Group announced the renewal of its May 7, 2015 agreement with all the cinema professional organizations (ARP, BLIC and BLOC), extending until December 31, 2022, the historic partnership of more than 30 years between Canal+ and French cinema. Pursuant to this agreement, the Canal+ channel undertook to invest 12.5% of its annual revenues every year in the financing of European cinematographic works. With respect to audiovisual, pursuant to the agreements entered into with producers' and authors' organizations in France, the Canal+ channel is required to invest 3.6% of its total net annual revenue in the financing of heritage works every year. Only films for which an agreement in principle is made with producers are accounted for in the off-balance sheet commitments, as it is otherwise not possible to reliably determine a future and total estimate of commitments under agreements with cinema professional organizations and with producers' and authors' organizations.

On December 2, 2021, Canal+ Group announced the signing of a historic agreement in French cinema, thus extending a partnership of more than 30 years with French cinema organizations until year-end 2024 at least. This agreement notably provides for:

– a guaranteed investment of more than €600 million for the next three years in French and European cinema for Canal+ and Ciné+;

– an earlier position in the media chronology for Canal+, providing it with access to titles six months after their theatrical release, in line with its renewed status as the leading contributor to French and European cinema;

– a period of exclusive rights for Canal+ of at least nine months, which could be extended for up to sixteen months under a second period; and

– better capacity for exhibiting and circulating works on Canal+ Group cinema channels and on myCanal.

(b) Notably includes broadcasting rights held by Canal+ Group to the following sporting events:

– lot 3 of the French professional Soccer League 1 from 2022/2023 and 2023/2024 with the sub-licensing agreement entered into with beIN Sports on February 12, 2020. Canal+ Group terminated the sub-licensing agreement but was ordered, pursuant to the decision of the Tribunal de Commerce de Nanterre on August 5, 2021, to continue to implement this agreement until a decision on the merits is reached regarding termination of this agreement. This broadcasting right is subject to litigation (please refer to Note 26 Litigation);

– the Soccer Champions League, on an exclusive basis for the two premium lots for the seasons 2022/2023 and 2023/2024, of which Canal+ Group has granted exclusive co-broadcasting rights to Altice Group under a sub-license agreement, for the same seasons;

– the English Premier League: on July 8, 2021, Canal+ Group announced the extension of the agreement in France for three additional seasons, i.e., from 2022/2023 to 2024/2025. Canal+ Group is continuing its international development by acquiring the exclusive rights to the Premier League in its entirety in the Czech Republic and Slovakia, for three consecutive seasons starting with the 2022/2023 season and ending after the 2024/2025 season;

– the National French Rugby Championship Top 14, on an exclusive basis, until the end of the season 2022/2023. On March 3, 2021, Canal+ Group announced the extension of the agreement for four seasons until the end of the season 2026/2027;

– Formula 1, Formula 2 and GP3 racings on an exclusive basis until the 2024 season;

– MotoGP™, Moto2 and Moto3 on an exclusive basis until the 2028 season.

These commitments are accounted for in the Statement of Financial Position either upon the start of every season or upon an initial significant payment.

(c) As of December 31, 2020, primarily relates to UMG, which routinely commits to pay agreed amounts to artists and other parties upon delivery of content or other products ("Creative talent and employment agreements"). Until the artist or the other party has delivered his or her content or until the repayment of an advance, UMG discloses its obligation as an off-balance sheet given commitment. While the artist or the other party is obligated to deliver content or another product to UMG (these arrangements are generally exclusive), this counterpart cannot be reliably determined and, thus, is not reported in received commitments.

NOTE 13. LEASES

13.1. RIGHTS-OF-USE RELATING TO LEASES

As of December 31, 2021, the rights-of-use relating to leases amounted to €766 million (€1,068 million as of December 31, 2020) less the accumulated amortization and impairment losses for €583 million as of December 31, 2021 (€822 million as of December 31, 2020). These rights-of-use relate to real estate leases.

Changes in the rights-of-use

	Year ended December 31	
(in millions of euros)	2021	2020
Opening balance	**1,068**	**1,245**
Amortization	(191)	**(a)** (228)
Acquisitions/increase	244	132
Sales/decrease	(2)	(1)
Business combinations	26	-
Deconsolidation of UMG	(397)	-
Foreign currency translations and other	18	(80)
Closing balance	**766**	**1,068**

(a) In 2020, this amount related to amortization of leases as published in the 2020 Universal Registration Document. It is not adjusted for the impact of the application of IFRS 5 on the Consolidated Statement of Earnings.

13.2. MATURITY OF LEASE LIABILITIES

(in millions of euros)	12/31/2021	12/31/2020
< 1 year	125	221
Between 1 and 5 years	469	619
> 5 years	289	451
Lease liabilities	**883**	**1,291**

13.3. LEASE-RELATED EXPENSES

Lease-related expenses recorded in the Statement of Earnings amounted to €160 million in 2021, compared to €182 million in 2020.

NOTE 14. INVESTMENTS IN EQUITY AFFILIATES

14.1. MAIN INVESTMENTS IN EQUITY AFFILIATES

As of December 31, 2021, the main companies accounted for by Vivendi under the equity method were as follows:

- Universal Music Group (UMG): the world leader in recorded music, music publishing and merchandising with its registered office located in Hilversum (Netherlands);
- Lagardère: publishing, media and retail group in passenger travel areas with its registered office located in Paris (France);
- Telecom Italia: fixed and mobile telephony operator in Italy and Brazil with its registered office located in Milan (Italy); and
- Banijay Group Holding: producer and distributor of television programs with its registered office located in Paris (France).

	Ownership interest as of December 31		Voting interest as of December 31		Net carrying value of equity affiliates	
(in millions of euros)	2021	2020	2021	2020	12/31/2021	12/31/2020
Universal Music Group **(a)**	10.03%	90.00%	10.03%	90.00%	4,235	na
Lagardère **(b)**	45.13%	29.20%	22.3%	22.12%	1,469	na
Telecom Italia **(c)**	17.04%	17.04%	23.75%	23.75%	2,390	3,179
Banijay Group Holding	32.90%	32.90%	32.90%	32.90%	254	238
Other					50	125
					8,398	**3,542**

na: not applicable.

(a) As of December 31, 2021, Vivendi held 181.8 million UMG shares, representing 10.03% of the share capital and voting rights in UMG. As of September 23, 2021, Vivendi ceded control and deconsolidated 70% of Universal Music Group, following the effective payment of the special distribution in kind of 59.87% of UMG's share capital to Vivendi's shareholders (please refer to Note 3). As from this date, UMG is accounted for by Vivendi under the equity method, with Vivendi having a significant influence on UMG notably pursuant to the shareholders' agreement entered into by and between Compagnie de l'Odet, Vivendi and the Tencent-led consortium which was signed prior to UMG's initial public offering (IPO) and establishing a concerted action under Dutch law. For a detailed description of the shareholders' agreement, please refer to Note 24.2.3. As of December 31, 2021, the stock market price of UMG shares was €24.780 per share and the value of these shares accounted for under the equity method on the Consolidated Statement of Financial Position was €23.29 per share.

(b) As of December 31, 2021, Vivendi held 63.7 million Lagardère shares, representing 45.13% of the share capital of Lagardère, taking into account the 24.7 million shares acquired from Amber Capital on December 16, 2021, pursuant to the agreement entered into by and between Vivendi and Amber Capital on September 14, 2021. In accordance with Article 7(2) of Regulation (EC) no 139/2004 on the control of concentrations between undertakings, Vivendi will not exercise the voting rights attached to all of the Lagardère shares acquired from Amber Capital or as part of the public tender offer, until the authorization required for the takeover of Lagardère by the competition authorities is obtained. During this period, Vivendi's interest in Lagardère will amount to 22.3% of the theoretical voting rights. Since July 1, 2021, Lagardère has been accounted for by Vivendi under the equity method, Vivendi having a significant influence on Lagardère following the Shareholders' Meeting of the general partners and limited shareholders of Lagardère SCA, held on June 30, 2021, which approved the conversion of the company into a French limited liability company (*société anonyme*) with a Supervisory Board and appointed new members of Lagardère SA's Supervisory Board, including Mr. Arnaud de Puyfontaine, Chairman of Vivendi's Management Board (please refer to Note 2.1). As of December 31, 2021, the stock market price of Lagardère shares was €24.380 per share and the value of these shares accounted for under the equity method on Consolidated Statement of Financial Position was €23.06 per share.

(c) As of December 31, 2021, Vivendi held 3,640.1 million Telecom Italia ordinary shares with voting rights, representing 23.75% of the ordinary shares with voting rights and 17.04% of the total share capital of Telecom Italia, taking into account non-voting savings shares with privileged dividend rights. On that date, the stock market price of Telecom Italia ordinary shares (€0.434 per share) showed a decrease compared to the average purchase price paid by Vivendi (€1.071 per share) and the value of Telecom Italia shares accounted for under the equity method (€0.857 per share). With no change compared to the previous year-ends, Vivendi tested the interest in Telecom Italia to determine whether its recoverable amount was greater than its carrying value. With the assistance of a third-party appraiser, Vivendi performed standard valuation methods: the value in use, determined as the discounted value of future cash flows; the fair value, determined on the basis of market data including, stock market prices, comparable listed companies and comparison with the value attributed to similar assets or companies in recent acquisition transactions. Notwithstanding Vivendi's expectations of an improvement in Telecom Italia's value, Vivendi wrote down the value of its interest in Telecom Italia accounted for under the equity method for €728 million (-€0.20 per share) notably to take into account the economic environment uncertainties and strategic changes that could affect Telecom Italia's outlook. In Vivendi's consolidated financial statements for the year ended December 31, 2021, the value of Telecom Italia shares accounted for under the equity method amounted to €0.657 per share.

Change in value of investments in equity affiliates

	Year ended December 31	
(in millions of euros)	2021	2020
Opening balance	**3,542**	**3,520**
Acquisitions/increase	5,676	119
Sales/decrease	-	-
Write-down of Telecom Italia	(728)	-
Income from equity affiliates **(a)**	79	108
Change in other comprehensive income	36	(166)
Deconsolidation of Universal Music Group	(103)	-
Dividends received	(76)	(40)
Other	(28)	1
Closing balance	**8,398**	**3,542**

(a) As of December 31, 2021, mainly includes Vivendi's share of Universal Music Group, Lagardère and Telecom Italia's net earnings. As of December 31, 2020, mainly includes Vivendi's share of Telecom Italia's net earnings.

14.2. FINANCIAL INFORMATION DATA

In 2021, the main aggregates in the Consolidated Financial Statements, as publicly disclosed by Universal Music Group, Lagardère and Telecom Italia are as follows:

(in millions of euros)		Universal Music Group	Lagardère	Telecom Italia
Statement of Financial Position		June 30, 2021 **(a)**	June 30, 2021 **(a)**	September 30, 2021 **(b)**
	Date of publication:	*July 28, 2021*	*July 26, 2021*	*October 28, 2021*
Non-current assets		7,808	5,260	61,916
Current assets		2,865	3,096	11,065
Total assets		**10,673**	**8,356**	**72,981**
Total equity		1,487	686	30,640
Non-current liabilities		2,308	4,332	28,870
Current liabilities		6,878	3,338	13,471
Total liabilities		**10,673**	**8,356**	**72,981**
of which net financial position/(debt) ***(c)***		*205*	*(1,716)*	*(22,492)*

(in millions of euros)		Universal Music Group	Lagardère	Telecom Italia
Statement of Earnings		Year ended December 31, 2021 **(a)**		Nine months Financial Statements as of September 30, 2021 **(b)**
	Date of publication:	*March 3, 2022* ***(d)***	*February 17, 2022* ***(e)***	*October 28, 2021*
Revenues		8,504	5,130	11,403
EBITDA/Recurring EBIT **(c)**		1,686	249	4,394
Earnings attributable to shareowners		886	(101)	22
of which continuing operations		*886*	*(103)*	*22*
discontinued operations		-	*2*	-
Vivendi's share of net earnings		**(a) 25**	**(a) 19**	**(b) (13)**
Other items in comprehensive income		11	11	18
Dividends paid to Vivendi SE		(36)	na	(36)

na: not applicable.

(a) Vivendi relies on the public financial information published by Universal Music Group and Lagardère to account for these interests under the equity method. At the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021, Universal Music Group and Lagardère had published their Statement of Earnings, on March 3, 2022 and February 17, 2022, respectively, but had not yet published their Statement of Financial Position. Pending the publication of their complete Consolidated Financial Statements, Vivendi presents the Statement of Financial Position of Universal Music Group and Lagardère as of June 30, 2021, the last Statement of Financial Position published. Vivendi's share of Universal Music Group's net earnings amounted to €25 million, after amortization of assets for -€8 million related to the purchase price allocation. As for Lagardère, Vivendi's share of its earnings amounted to €19 million; the purchase price allocation is in progress.

(b) Vivendi relies on Telecom Italia's public financial information to account for its interest in Telecom Italia under the equity method. Given Vivendi's and Telecom Italia's respective publication dates of their financial statements, Vivendi always accounts for its share of Telecom Italia's net earnings with a three-month reporting lag. Therefore, in 2021, Vivendi's earnings take into account its share of Telecom Italia's net earnings for the fourth quarter of 2020 and for the first nine months of 2021, i.e., a share loss of €13 million (after amortization of assets for -€60 million related to the purchase price allocation). As of December 31, 2020, in accordance with Decree no. 104/2020 (Art. 110, subsections 8 and 8a), Telecom Italia benefited from the option to reassess the tax value of its assets by aligning it with their carrying value. Consequently, as from 2021, Telecom Italia is able to generate a tax savings resulting from the amortization of the revalued tax value for a net amount of €5,877 million, which can be amortized over an eighteen-year period. Accordingly, the current tax savings expected by Telecom Italia amounted to €326 million per year, of which Vivendi's share is €56 million per year. In accordance with Vivendi's accounting policies and due to a three-month reporting lag in the recognition of Vivendi's share of Telecom Italia's net earnings, as of December 31, 2021, Vivendi has (i) for the first quarter of 2021, reversed its share (€1,009 million) of the deferred tax income recognized by Telecom Italia in the fourth quarter of 2020; and (ii) for the second, third and fourth quarters of 2021, included its share (€42 million) of Telecom Italia's current tax savings for the first nine months of 2021. For information, Telecom Italia's earnings attributable to shareowners for the year ended December 31, 2021, as published on March 3, 2022, represent a loss amounting of -€8,652 million, notably due to: (i) the goodwill impairment loss on domestic activities (-€4,120 million), as well as (ii) in accordance with Decree no. 104/2020 (Art. 110, subsections 8 and 8a), the partial depreciation (-€3,785 million) in deferred tax asset related to the amortization of the revalued tax value of some assets, which led Telecom Italia to the recognition of a deferred tax income, which was not taken into account by Vivendi, of €5,877 million in earnings attributable to shareowners in the fourth quarter of 2020. Given (i) the write-down (-€728 million) of Telecom Italia's shares recorded by Vivendi as of December 31, 2021, as well as (ii) Vivendi's failure to take into account its share (€1,009 million) of the deferred tax income recorded by Telecom Italia in the fourth quarter of 2020, Telecom Italia's share of earnings recognized by Vivendi as of December 31, 2021 is not affected by impairment/depreciation recognized by Telecom Italia in the fourth quarter of 2021.

(c) Non-GAAP measures, including EBITDA as publicly disclosed by Universal Music Group and Telecom Italia, as well as recurring EBIT (recurring operating profit of fully consolidated companies) as publicly disclosed by Lagardère, used as main performance indicators.

(d) The financial information publicly disclosed by Universal Music Group were unaudited, given that the audit report was in progress.

(e) Lagardère's consolidated financial statements have been audited. The audit report will be signed off once the specific verifications have been completed.

(in millions of euros)		**Nine months Financial Statements as of September 30, 2020 (a)** **Telecom Italia**
	Date of publication:	*November 10, 2020*
Non-current assets		55,819
Current assets		9,036
Total assets		**64,855**
Total equity		21,473
Non-current liabilities		33,002
Current liabilities		10,380
Total liabilities		**64,855**
of which net financial debt ***(b)***		*25,632*
Revenues		**11,657**
EBITDA (b)		**5,118**
Earnings attributable to shareowners		**1,178**
of which continuing operations		*1,178*
discontinued operations		-
Other items in comprehensive income attributable to shareowners		929
Total comprehensive income/(loss) attributable to shareowners		249
Vivendi's share of net earnings		**(a) 186**
Other items in comprehensive income		**(c)** (159)
Dividends paid to Vivendi SE		(36)

(a) Given Vivendi's and Telecom Italia's respective publication dates of their financial statements, Vivendi always accounts for its share of Telecom Italia's net earnings with a three-month reporting lag. Therefore, in 2020, Vivendi's earnings take into account its share of Telecom Italia's net earnings for the fourth quarter of 2019 and for the first nine months of 2020, i.e., a share gain of €126 million (after amortization of assets for -€60 million related to the purchase price allocation).

(b) Non-GAAP measures ("Alternative Performance Measures"), as publicly disclosed by Telecom Italia.

(c) Notably included -€209 million related to foreign currency translation adjustments.

NOTE 15. FINANCIAL ASSETS

(in millions of euros)	12/31/2021 Total	Current	Non-current	12/31/2020 Total	Current	Non-current
Financial assets at fair value through profit or loss						
Term deposits **(a)**	124	124	-	-	-	-
Level 1						
Listed equity securities	-	-	-	1,862	-	1,862
Level 2						
Unlisted equity securities	-	-	-	43	-	43
Derivative Financial Instruments	30	6	24	7	3	4
Other financial assets **(a)**	292	292	-	50	50	-
Level 3 – Other financial assets **(b)**	59	-	59	39	1	38
Financial assets at fair value through other comprehensive income						
Level 1 – Listed equity securities	1,380	-	1,380	2,095	-	2,095
Level 2 – Unlisted equity securities	10	1	9	20	-	20
Level 3 – Unlisted equity securities	10	-	10	24	-	24
Financial assets at amortized cost	**258**	**13**	**245**	**210**	**11**	**199**
Bolloré Group – Compagnie de l'Odet current accounts **(a)**	700	700	-	70	70	-
Financial assets	**2,863**	**1,136**	**1,727**	**4,420**	**135**	**4,285**

The three classification levels for the measurement of financial assets at fair value are defined in Note 1.3.1.

(a) Relates to cash management financial assets included in the cash position (please refer to Note 17).

(b) These financial assets notably include the fair value of the bond redeemable for either shares or cash (ORAN 2) subscribed to by Vivendi in 2016 in connection with its investment in Banijay Group Holding.

15.1. LISTED EQUITY AND FINANCIAL ASSETS PORTFOLIO

	12/31/2021							
	Number of shares held	Ownership interest	Average purchase price (a)	Stock market price	Carrying value	Change in value over the period	Cumulative unrealized capital gain/(loss)	*Sensitivity at +/-10 pts*
	(in thousands)		(€/share)		(in millions of euros)			
MediaForEurope **(b)**	562,096	24.21%	1.85	na	602	15	(438)	*+60/-60*
of which Shares A	*281,052*		*1.85*	*0.90*	*252*			
Shares B	*281,044*		*1.85*	*1.25*	*350*			
Other **(c)**					778	(32)	(113)	
Total					**1,380**	**(17)**	**(551)**	

	12/31/2020							
	Number of shares held	Ownership interest	Average purchase price (a)	Stock market price	Carrying value	Change in value over the period	Cumulative unrealized capital gain/(loss)	*Sensitivity at +/-10 pt*
	(in thousands)		(€/share)		(in millions of euros)			
Mediaset **(b)**	340,246	28.80%	3.70	2.09	710	(195)	(549)	*+71/-71*
Other **(c)**					601	(82)	(81)	
Lagardère **(d)**	38,297	29.20%	15.53	20.48	784	189	189	*+78/-78*
Spotify **(e)**	6,487	3.44%	6.58	257.34	1,669	798	1,627	*+167/-167*
Tencent Music Entertainment **(e)**	12,246	0.74%	na	15.74	193	64	193	*+19/-19*
Total					**3,957**	**774**	**1,379**	

na: not applicable.

(a) Includes acquisition fees and taxes.

(b) On July 22, 2021, Fininvest acquired 5.0% of Mediaset's (renamed MediaForEurope as from November 25, 2021) share capital from Vivendi at a price of €2.70 per share. For a detailed description, please refer to Note 2.3. As a reminder, on April 9, 2018, in compliance with the undertakings given to the Italian communications authority (AGCOM), Vivendi transferred the portion of its voting rights in excess of 10% to an independent Italian trustee (please refer to Note 26).

(c) Notably includes interests in MultiChoice (>15% of share capital as of December 31, 2021), in PRISA (9.9% of share capital since January 25, 2021), and in Telefonica (approximately 1% of share capital).

(d) Since July 1, 2021, Lagardère is accounted for under the equity method by Vivendi, please refer to Note 14.

(e) As of December 31, 2020, Spotify and Tencent Music Entertainment were held by Universal Music Group. As a reminder, on September 23, 2021, Vivendi deconsolidated Universal Music Group, which is now an equity accounted company. For a detailed description, please refer to Note 3.

15.2. EQUITY MARKET VALUE RISKS

As part of a sustainable investing strategy, Vivendi has built an equity portfolio comprising listed and non-listed French and European companies in the telecommunication and media sectors that are leaders in the production and distribution of content.

As of December 31, 2021, Vivendi held a portfolio of listed non-controlling equity interests (including Universal Music Group, Lagardère and Telecom Italia). The aggregate market value was approximately €9.0 billion (before taxes). Vivendi is exposed to the risk of fluctuation in the value of these interests: as of December 31, 2021, the net unrealized capital gains or losses represented a net unrealized capital loss amounting to approximately €2.3 billion (before taxes). A 10% uniform decrease in the value of all of these shares, valued as of December 31, 2021, would have a cumulative negative impact of approximately €0.9 billion on Vivendi's financial position.

NOTE 16. NET WORKING CAPITAL

16.1. CHANGES IN NET WORKING CAPITAL

(in millions of euros)	31/12/2020	Changes in operating working capital (a)	Business combinations	Divestitures completed or in progress	Changes in foreign currency translation adjustments	Other (b)	31/12/2021
Inventories	366	(49)	11	(89)	12	5	256
Trade accounts receivable and other	5,482	447	110	(1,080)	98	(18)	5,039
Of which trade accounts receivable	*3,645*	*401*	*116*	*(435)*	*67*	*(65)*	*3,729*
write-offs	*(223)*	*2*	*(34)*	*49*	*(1)*	*28*	*(179)*
Working capital assets	**5,848**	**398**	**121**	**(1,169)**	**110**	**(13)**	**5,295**
Trade accounts payable and other	10,095	484	151	(3,910)	247	296	7,363
Other non-current liabilities	916	(11)	1	(708)	13	(164)	47
Working capital liabilities	**11,011**	**473**	**152**	**(4,618)**	**260**	**132**	**7,410**
Net working capital	**(5,163)**	**(75)**	**(31)**	**3,449**	**(150)**	**(145)**	**(2,115)**

(in millions of euros)	12/31/2019	Changes in operating working capital (a)	Business combinations	Divestitures completed or in progress	Changes in foreign currency translation adjustments	Other (b)	12/31/2020
Inventories	277	109	-	-	(19)	(1)	366
Trade accounts receivable and other	5,661	10	18	10	(226)	9	5,482
Of which trade accounts receivable	*3,979*	*(206)*	*18*	*5*	*(152)*	*1*	*3,645*
write-offs	*(205)*	*(12)*	*(2)*	*1*	*6*	*(11)*	*(223)*
Working capital assets	**5,938**	**119**	**18**	**10**	**(245)**	**8**	**5,848**
Trade accounts payable and other	10,494	400	23	14	(467)	(369)	10,095
Other non-current liabilities	183	13	4	-	(19)	735	916
Working capital liabilities	**10,677**	**413**	**27**	**14**	**(486)**	**366**	**11,011**
Net working capital	**(4,739)**	**(294)**	**(9)**	**(4)**	**241**	**(358)**	**(5,163)**

(a) Excludes content investments. In 2020, related to amounts as published in the 2020 Universal Registration Document; does not include the adjustments from the impact of applying IFRS 5 on the Consolidated Statement of Cash Flow.

(b) Mainly includes the change in net working capital relating to content investments, capital expenditures and other investments.

16.2. TRADE ACCOUNTS RECEIVABLE AND OTHER

Credit risk

Vivendi does not consider there to be a significant risk of non-recovery of trade accounts receivables for its business segments: the large individual customer base, the broad variety of customers and markets, as well as the geographic diversity of its business segments enable Vivendi to minimize the risk of credit concentration related to trade accounts receivable.

Vivendi's operational subsidiaries have set up procedures and systems for tracking their trade accounts receivable and recovering outstanding amounts. In addition, Havas has insured its main client credit risks worldwide with a leading credit insurer.

16.3. TRADE ACCOUNTS PAYABLE AND OTHER

(in millions of euros)	Note	12/31/2021	12/31/2020
Trade accounts payable		5,104	4,498
Music royalties to artists and repertoire owners	12.2	-	2,305
Other		2,259	3,292
Trade accounts payable and other		**7,363**	**10,095**

NOTE 17. CASH POSITION

Vivendi's cash position comprises cash and cash equivalents, as well as cash management financial assets classified as current financial assets. As defined by Vivendi, cash management financial assets relate to financial investments, which do not satisfy the criteria for classification as cash equivalents set forth in IAS 7, and, with respect to money market funds, the ANC's and AMF's decision released in November 2018.

	12/31/2021			12/31/2020		
(in millions of euros)	Carrying value	Fair value	*Level (a)*	Carrying value	Fair value	*Level (a)*
Term deposits	124	na	*na*	-	na	*na*
Bolloré Group – Compagnie de l'Odet current accounts **(b)**	700	na	*na*	70	na	*na*
Other financial assets	292	292	*2-3*	50	50	*2*
Cash management financial assets	**1,116**			**120**		
Cash	278	na	*na*	314	na	*na*
Term deposits and current accounts	2,629	na	*na*	662	na	*na*
Money market funds	220	na	*na*	-	na	*na*
Other financial assets	201	201	*2*	-		
Cash and cash equivalents	**3,328**			**976**		
Cash position	**4,444**			**1,096**		

na: not applicable.

(a) The three classification levels for the measurement of financial assets at fair value are defined in Note 1.3.1.

(b) Vivendi SE set up an intra-group cash management agreement, on market terms, with Bolloré SE on March 20, 2020, and Compagnie de l'Odet on October 26, 2021, to optimize the investment and financing capacities, in accordance with Article L. 511-7 of the French Monetary and Financial Code (please refer to Note 24.2).

In 2021, the average interest rate on Vivendi's investments was a negative investment rate of -0.04% (compared to a positive investment rate of +0.35% in 2020).

17.1. INVESTMENT RISK AND COUNTERPARTY RISK

Vivendi SE centralized cash surpluses (cash pooling) of all controlled entities which (i) are not subject to local regulations restricting the transfer of financial assets, or (ii) which are not subject to other contractual obligations.

As of December 31, 2021, the group's cash position amounted to €4,444 million (compared to €1,096 million as of December 31, 2020), of which €3,438 million was held by Vivendi SE (compared to €258 million as of December 31, 2020).

Vivendi's investment policy mainly aims to minimize its exposure to counterparty risk. Consequently, Vivendi allocates a portion of the amounts available within (i) mutual funds with a low risk class (1 or 2) as defined by the European Securities and Markets Authority's (ESMA) synthetic risk and reward indicator (SRRI) which comprises seven risk classes, and (ii) credit institutions with high long-term and/or short-term credit ratings (at least A – (Standard & Poor's)/A3 (Moody's) and A-2 (Standard & Poor's)/P-2 (Moody's), respectively). Moreover, Vivendi allocates investments among selected credit institutions and limits the amount of each such investment.

17.2. LIQUIDITY RISK

As of March 7, 2022, (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021), Vivendi considers that the cash flows generated by its operating activities, its cash surpluses, net of the cash used to reduce its debt, as well as the cash available through undrawn bank credit facilities (please refer to Note 22.3) will be sufficient to cover its operating expenses and investments, its debt service (including redemption of bonds), the payment of income taxes, the distribution of dividends and any potential share repurchases under existing ordinary authorizations, as well as its investment projects, in particular commitments related to the public tender offer for the shares of Lagardère SA (please refer to Note 2.1), for the next twelve months.

In addition, as of December 31, 2021, Vivendi held a portfolio of listed non-controlling equity interests (including Universal Music Group, Telecom Italia and Lagardère) with an aggregate market value of approximately €9.0 billion (before taxes), compared to €5.3 billion as of December 31, 2020, including Spotify and Tencent Music Entertainment held by UMG for €1.9 billion.

NOTE 18. EQUITY

18.1. CHANGES IN THE SHARE CAPITAL OF VIVENDI SE

(in thousands)	12/31/2021	12/31/2020
Number of shares comprising the share capital (nominal value: €5.5 per share)	**1,108,561**	**1,185,996**
Treasury shares	(63,157)	(93,166)
Number of shares, net	**1,045,404**	**1,092,830**
Number of voting rights, gross	**1,143,439**	**1,262,578**
Treasury shares	(63,157)	(93,166)
Number of voting rights, net	**1,080,282**	**1,169,412**

As of December 31, 2021, Vivendi SE's share capital amounted to €6,097 million, divided into 1,108,561 thousand shares. In addition, as of December 31, 2021, 52 thousand stock options and 3,760 thousand performance shares were outstanding (please refer to Note 21.1), representing a potential maximum nominal share capital increase of €21 million (i.e., 0.34%).

As of December 31, 2021, Vivendi held 63,157 thousand treasury shares, representing 5.70% of its share capital, of which 48,151 thousand shares were designated for cancellation, 8,634 thousand shares were allocated to covering employee shareholding plans and 6,372 thousand shares were allocated to covering performance share plans.

As of March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021), Vivendi held 65,498 thousand treasury shares, representing 5.91% of its capital, of which 50,784 thousand shares were designated for cancellation, 8,634 thousand shares were allocated to covering employee shareholding plans and 6,080 thousand shares were allocated to covering performance share plans.

18.2. SHARE REPURCHASES AND CANCELLATION

In 2021

Between January 1 and December 31, 2021, Vivendi SE repurchased 49,740 thousand shares for an aggregate amount of €691 million, excluding fees and taxes of €2 million.

In accordance with the authorization from the General Shareholders' Meeting held on April 20, 2020, between January 5 and February 12, 2021, Vivendi repurchased 7,277 thousand shares at an average price of €25.90 per share, for an aggregate amount of €189 million.

On June 18, 2021, Vivendi's Management Board cancelled 37,759 thousand treasury shares **(1)**, representing 3.18% of the share capital, pursuant to the authorization granted in the twenty-seventh resolution of the General Shareholders' Meeting held on April 20, 2020.

On June 22, 2021, the General Shareholder's Meeting approved the following two resolutions relating to share repurchases:

- the renewal of the authorization granted to the Management Board to repurchase shares of the company within the limit of 10% of the share capital at a maximum purchase price of €29 per share (2021-2022 program), and to cancel the shares acquired up to a limit of 10% of the share capital; and
- the renewal of the authorization granted to the Management Board to purchase shares of the company pursuant to a Public Share Buyback Offer (OPRA) within the limit of 50% of Vivendi's share capital at a maximum price of €29 per share (or 40% depending on repurchases made under the 2021-2022 program that are deducted from this 50% limit), and to cancel the shares acquired.

(1) Including 19,103 thousand shares repurchased under the previous share repurchase program (2019-2020) and 18,655 thousand shares repurchased under the current share repurchase program (2020-2021).

Since the authorization granted at the Shareholders' Meeting of June 22, 2021, major transactions on Vivendi SE's share capital were as follows:

	2021-2022 share repurchase program			Cancellation of shares in thousands of shares			
	% of the share capital (a)	In thousands of shares	In millions of euros	*From the 2020-2021 share repurchase program*	*Others*	Total	% of the share capital (a)
Cancellation of treasury shares on July 26, 2021				*40,903*	-	40,903	3.56%
Share repurchases made between August 2 and August 6, 2021	0.20%	**(b)** 2,231	64				
Share repurchases made between Sept 21 and Nov 19, 2021	3.63%	**(b)** 40,232	438				
Position as of December 31, 2021	**3.83%**	**42,463**	**502**	***40,903***	**-**	**40,903**	**3.56%**
Share repurchases made between Feb 24 and March 7, 2022 **(c)**	0.24%	**(b)** 2,634	28				
Transactions authorized at the Shareholders' Meeting of June 22, 2021	**4.07%**	**45,097**	**530**	***40,903***	**-**	**40,903**	**3.56%**

(a) At the share repurchase program's implementation date.

(b) Shares acquired for cancelation purposes.

(c) At the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021.

In 2020

Between January 1 and December 31, 2020, Vivendi SE repurchased 89,240 thousand shares at an average price of €24.09 per share, for an aggregate amount of €2,150 million excluding fees and taxes of €7 million. In 2020, Vivendi did not cancel any treasury shares.

On April 20, 2020, the General Shareholder's Meeting adopted the following two resolutions relating to share repurchases:

- the renewal of the authorizations granted to the Management Board by the Shareholders' Meeting of April 15, 2019 to repurchase shares of the company of up to 10% of the share capital at a maximum purchase price of €26 per share (2020-2021 share repurchase program), with the option of cancelling the shares acquired up to the limit of 10% of the share capital; and
- the renewal of the authorizations granted to the Management Board to purchase shares of the company pursuant to a Public Share Buyback Offer (OPRA) of up to 30% of Vivendi's share capital at a maximum price of €26 per share (or 20% depending on repurchases made under the 2020-2021 share repurchase program that are deducted from this 30% limit), and to cancel the shares acquired.

Since the authorization granted at the Shareholders' Meeting of April 20, 2020, major transactions on Vivendi SE's share capital were as follows:

	2020-2021 share repurchase program			Cancellation of shares in thousands of shares			
	% of the share capital (a)	In thousands of shares	In millions of euros	*From the 2020-2021 share repurchase program*	*Others*	Total	% of the share capital (a)
Share repurchases made between April 29 and May 20, 2020	0.70%	**(b)** 8,250	160				
Share repurchases made between July 28 and July 30, 2020	0.05%	**(c)** 609	14				
Share repurchases made between July 31 and October 20, 2020	2.32%	**(c)** 27,549	666				
Share repurchases made between Oct 22 and Dec 31, 2020	2.51%	**(c)** 29,811	758				
Position as of December 31, 2020	**5.59%**	**66,219**	**1,598**	**-**	**-**	**-**	**-**
Share repurchases made between Jan 5 and Feb 12, 2021	0.61%	7,277	189				
Cancellation of treasury shares on June 18, 2021				*37,759*	-	37,759	3.18%
Transactions authorized at the Shareholders' Meeting of April 20, 2020	**6.20%**	**73,496**	**1,787**	***37,759***	**-**	**37,759**	**3.18%**

(a) At the share buyback program's implementation date.

(b) Allocated to employee shareholding plans.

(c) Shares acquired for cancelation purposes.

18.3. ORDINARY CASH DIVIDEND DISTRIBUTION TO SHAREHOLDERS

On March 7, 2022 (the date of Vivendi's Management Board Meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021, and the allocation of earnings for the fiscal year then ended), the Management Board decided to propose to shareholders the payment of an ordinary dividend of €0.25 per share. This proposal was presented to, and approved by, Vivendi's Supervisory Board at its meeting held on March 9, 2022, and will be submitted to the approval of the General Shareholders' Meeting to be held on April 25, 2022.

On June 25, 2021, with respect to fiscal year 2020, an ordinary dividend of €0.60 per share was paid (following the coupon detachment on June 23, 2021), representing a total distribution of €653 million.

18.4. SPECIAL DISTRIBUTION IN KIND OF 59.87% OF UNIVERSAL MUSIC GROUP'S SHARE CAPITAL TO VIVENDI SHAREHOLDERS

Please refer to Note 3.3.

NOTE 19. PROVISIONS

(in millions of euros)	Note	12/31/2021	12/31/2020
Employee benefits **(a)**		478	839
Restructuring costs **(b)**		50	89
Litigations	26	449	411
Losses on onerous contracts		48	77
Contingent liabilities due to disposal **(c)**		11	10
Other **(d)**		109	304
Provisions		**1,145**	**1,730**
Deduction of current provisions		(467)	(670)
Non-current provisions		**678**	**1,060**

(a) Includes deferred employee compensation as well as provisions for employee defined benefit plans but excludes employee termination reserves recorded under restructuring costs.

(b) Primarily included provisions for restructuring at Canal+ Group (€27 million as of December 31, 2021, compared to €77 million as of December 31, 2020), Prisma Media (€17 million) and Editis (€5 million as of December 31, 2021, compared to €1 million as of December 31, 2020). As of December 31, 2020, provisions for restructuring at UMG amounted to €11 million.

(c) Certain commitments given in relation to divestitures are the subject of provisions. These provisions are not significant, and the amount is not disclosed because such disclosure could be prejudicial to Vivendi.

(d) Notably includes litigation provisions for which the amount and nature are not disclosed because such disclosure could be prejudicial to Vivendi.

19.1. CHANGES IN PROVISIONS

	Years ended December 31	
(in millions of euros)	2021	2020
Opening balance	**1,730**	**1,621**
Addition	243	507
Utilization	(270)	(206)
Reversal	(122)	(165)
Business combinations	39	6
Deconsolidation of Universal Music Group	(433)	-
Divestitures, changes in foreign currency translation adjustments and other	(42)	(33)
Closing balance	**1,145**	**1,730**

NOTE 20. EMPLOYEE BENEFITS

20.1. ANALYSIS OF EXPENSES RELATED TO EMPLOYEE BENEFIT PLANS

The table below provides information about the cost of employee benefit plans, excluding its financial component. The total cost of defined benefit plans is set forth in Note 20.2.2 below.

		Year ended December 31	
(in millions of euros)	Note	2021	2020
Employee defined contribution plans		32	33
Employee defined benefit plans	20.2.2	5	52
Employee benefit plans		**37**	**85**

20.2. EMPLOYEE DEFINED BENEFIT PLANS

20.2.1. Assumptions used in the evaluation and sensitivity analysis

Discount rate, expected return on plan assets, and rate of compensation increase

The assumptions underlying the valuation of defined benefit plans were made in compliance with the accounting policies presented in Note 1.3.8 and have been applied consistently for several years. Demographic assumptions (including notably the rate of compensation increase) are company specific. Financial assumptions (notably the discount rate) are determined by independent actuaries and other independent advisors and are reviewed by Vivendi's Finance Department. The discount rate is therefore determined for each country by reference to yields on notes issued by investment grade companies having a credit rating of AA and maturities identical to that of the valued plans, generally based on relevant rate indices. The discount rates selected are therefore used, at year-end, to determine a best estimate by Vivendi's Finance Department of expected trends in future payments from the first benefit payments.

In accordance with IAS 19, the expected return on plan assets is estimated by using the selected discount rate to value the obligations of the previous year.

In weighted average

	Pension benefits		Post-retirement benefits	
	2021	2020	2021	2020
Discount rate **(a)**	1.5%	1.2%	2.9%	2.4%
Rate of compensation increase	1.6%	1.4%	na	na
Duration of the benefit obligation (in years)	11.1	14.4	8.4	9.2

na: not applicable.

(a) A 50 basis point increase (or a 50 basis point decrease, respectively) to the 2021 discount rate would have led to a decrease of €0.7 million in pre-tax expense (or an increase of €0.4 million, respectively) and would have led to a decrease in the obligations of pension and post-retirement benefits of €48 million (or an increase of €58 million, respectively).

Assumptions used in accounting for pension benefits, by country

	United States		United Kingdom		Germany		France	
	2021	2020	2021	2020	2021	2020	2021	2020
Discount rate	3.00%	2.50%	2.00%	1.50%	0.75%	0.75%	0.75%	0.75%
Rate of compensation increase (weighted average)	na	na	na	na	1.75%	1.75%	3.47%	3.38%

na: not applicable.

Assumptions used in accounting for post-retirement benefits, by country

	United States		Canada	
	2021	2020	2021	2020
Discount rate	3.00%	2.50%	2.75%	2.50%
Rate of compensation increase (weighted average)	na	na	na	na

na: not applicable.

Allocation of pension plan assets

	12/31/2021	12/31/2020 (a)
Equity securities	8%	7%
Debt securities	34%	28%
Diversified funds	13%	9%
Insurance contracts	11%	37%
Real estate	3%	1%
Cash and other	31%	18%
Total	**100%**	**100%**

(a) Included UMG's pension plan assets consolidated as of December 31, 2020.

Pension plan assets are mainly financial assets actively traded in organized financial markets.

These assets do not include occupied buildings or assets used by the Vivendi group nor shares or debt instruments of the group.

Cost evolution of post-retirement benefits

For the purpose of measuring post-retirement benefits, Vivendi assumed the annual growth in the per capita cost of covered health care benefits would slow down from 5.8% for the under 65 years of age and the 65 years of age and older categories in 2021, to 4.3% in 2030 for these categories. In 2021, a one-percentage-point increase in the assumed cost evolution rates would have increased post-retirement benefit obligations by €3.4 million and the pre-tax expense by €0.1 million. Conversely, a one-percentage-point decrease in the assumed cost evolution rates would have decreased post-retirement benefit obligations by €3.1 million and the pre-tax expense by €0.1 million.

20.2.2. Analysis of the expense recorded and of the amount of benefits paid

	Pension benefits		Post-retirement benefits		Total	
(in millions of euros)	2021	2020	2021	2020	2021	2020
Current service cost	29	29	-	-	29	29
Past service cost **(a)**	(25)	22	-	-	(25)	22
(Gains)/losses on settlements	-	-	-	-	-	-
Other	1	1	-	-	1	1
Impact on selling, administrative and general expenses	**5**	**52**	**-**	**-**	**5**	**52**
Interest cost	11	11	2	3	13	14
Expected return on plan assets	(6)	(6)	-	-	(6)	(6)
Impact on other financial charges and income	**5**	**5**	**2**	**3**	**7**	**8**
Net benefit cost recognized in profit or loss	**10**	**57**	**2**	**3**	**12**	**60**

(a) In 2021, past service cost was a net operating income of €25 million, which included:

- an operating charge of €11 million (compared to €12 million in 2020), corresponding to the residual cost of Vivendi SE's supplemental and differential defined benefit pension plans over the remaining employment period of the beneficiaries, which is now closed to vesting as a result of the French "Pacte Law";
- an operating income of €35 million, which notably included the impact of the loss of rights resulting from the departure of beneficiaries in 2021 (€19 million), notably related to the sale of UMG, and the impact in respect of fiscal years 2020 and 2021 (€9 million) of the capping of accrued rights under Vivendi SE's new supplemental and differential defined benefit pension plans, implemented under the French "Pacte Law".

In 2020, past service cost also included an operating charge of €9 million following the execution of an amendment to Vivendi SE's company-level collective agreement impacting the end-of-career compensation plan on December 7, 2020.

In 2021, benefits paid amounted to (i) €31 million with respect to pensions (€31 million in 2020), of which €12 million was paid by pension funds (€12 million in 2020), and (ii) €9 million was paid with respect to post-retirement benefits (€9 million in 2020).

20.2.3. Analysis of net benefit obligations with respect to pensions and post-retirement benefits

Changes in value of benefit obligations, fair value of plan assets, and funded status

		Employee defined benefit plans		
		Year ended 12/31/2021		
		Benefit obligation	Fair value of plan assets	Net (provision)/ asset recorded in the statement of financial position
(in millions of euros)	Note	(A)	(B)	(B)-(A)
Opening balance		**1,431**	**639**	**(792)**
Current service cost		31		(31)
Past service cost		(25)		25
(Gains)/losses on settlements		(1)	(1)	-
Other		-	(1)	(1)
Impact on selling, administrative and general expenses				***(7)***
Interest cost		16		(16)
Expected return on plan assets			7	7
Impact on other financial charges and income				***(9)***
Net benefit cost recognized in profit or loss (a)				**(16)**
Experience gains/(losses) **(b)**		(21)	-	21
Actuarial gains/(losses) related to changes in demographic assumptions		(20)	-	20
Actuarial gains/(losses) related to changes in financial assumptions		(13)	-	13
Adjustment related to asset ceiling		-	-	-
Actuarial gains/(losses) recognized in other comprehensive income				**54**
Contributions by plan participants		2	2	-
Contributions by employers		-	75	75
Benefits paid by the fund		(15)	(15)	-
Benefits paid by the employer		(40)	(40)	-
Business combinations **(c)**		15	-	(15)
Divestitures of businesses **(d)**		(419)	(208)	211
Transfers		-	-	-
Foreign currency translation and other		8	25	17
Closing balance		**949**	**483**	**(466)**
of which wholly or partly funded benefits		*708*		
*wholly unfunded benefits **(e)***		*241*		
of which assets related to employee benefit plans				*4*
*provisions for employee benefit plans **(f)***	*19*			*(470)*

		Employee defined benefit plans		
		Year ended 12/31/2020		
		Benefit obligation	Fair value of plan assets	Net (provision)/ asset recorded in the statement of financial position
(in millions of euros)	Note	(A)	(B)	(B)-(A)
Opening balance		**1,472**	**665**	**(807)**
Current service cost		31		(31)
Past service cost		22		(22)
(Gains)/losses on settlements		-	-	-
Other		-	(1)	(1)
Impact on selling, administrative and general expenses				***(54)***
Interest cost		19		(19)
Expected return on plan assets			9	9
Impact on other financial charges and income				***(10)***
Net benefit cost recognized in profit or loss (a)				**(64)**
Experience gains/(losses) **(b)**		(17)	1	18
Actuarial gains/(losses) related to changes in demographic assumptions				-
Actuarial gains/(losses) related to changes in financial assumptions		6		(6)
Adjustment related to asset ceiling		-	(2)	(2)
Actuarial gains/(losses) recognized in other comprehensive income				**10**
Contributions by plan participants		1	1	-
Contributions by employers		-	58	58
Benefits paid by the fund		(13)	(13)	-
Benefits paid by the employer		(43)	(43)	-
Business combinations		-	-	-
Divestitures of businesses		-	-	-
Transfers		-	-	-
Foreign currency translation and other		(47)	(36)	11
Closing balance		**1,431**	**639**	**(792)**
of which wholly or partly funded benefits		*969*		
*wholly unfunded benefits **(e)***		*462*		
of which assets related to employee benefit plans				*10*
*provisions for employee benefit plans **(f)***	*19*			*(802)*

(a) In 2021, includes employee benefit plan expenses related to UMG's defined benefit plans until the deconsolidation on September 23, 2021. In 2020, related to employee benefit plan expenses related to the defined benefit plans disclosed in Vivendi's 2020 Universal Registration Document. These amounts have not been restated for the impact of the application of IFRS 5 on the Consolidated Statement of Earnings.

(b) Includes the impact on the benefit obligations resulting from the difference between actuarial assumptions at the previous year-end and effective benefits during the year, and the difference between the expected return on plan assets at the previous year-end and the actual return on plan assets during the year.

(c) Mainly includes the impact of the acquisition of Prisma Media on May 31, 2021.

(d) Includes the impact of the deconsolidation of UMG on September 23, 2021, following the effective payment of the special distribution in kind of 59.87% of UMG's share capital to Vivendi's shareholders (please refer to Note 3).

(e) In accordance with local laws and practices, certain plans are not covered by plan assets. As of December 31, 2021, such plans principally comprised supplementary pension plans and post-retirement benefit plans in the United States. As of December 31, 2020, they related to UMG pension plans in Germany.

(f) Included a current liability of €83 million as of December 31, 2021 (compared to €72 million as of December 31, 2020).

Benefit obligation, fair value of plan assets, and funded status detailed by country

	Pension benefits (a)		Post-retirement benefits (b)		Total	
	December 31		December 31		December 31	
(in millions of euros)	2021	2020	2021	2020	2021	2020 (c)
Benefit obligation						
US companies	97	104	81	99	178	203
UK companies	343	529	-	3	343	532
German companies **(d)**	-	184	-	-	-	184
French companies	375	412	2	3	377	415
Other	42	88	9	9	51	97
	857	**1,317**	**92**	**114**	**949**	**1,431**
Fair value of plan assets						
US companies	46	46	-	-	46	46
UK companies	330	467	-	-	330	467
German companies **(d)**	-	2	-	-	-	2
French companies	99	70	-	-	99	70
Other	8	54	-	-	8	54
	483	**639**	**-**	**-**	**483**	**639**
Net provision						
US companies	(51)	(58)	(81)	(99)	(132)	(157)
UK companies	(13)	(62)	-	(3)	(13)	(65)
German companies **(d)**	-	(182)	-	-	-	(182)
French companies	(276)	(342)	(2)	(3)	(278)	(345)
Other	(34)	(34)	(9)	(9)	(43)	(43)
	(374)	**(678)**	**(92)**	**(114)**	**(466)**	**(792)**

(a) No employee defined benefit plan individually exceeded 10% of the aggregate value of the obligations and net provision under these plans.

(b) Primarily relates to medical coverage (hospitalization, surgery, doctor visits and drug prescriptions), post-retirement and life insurance benefits for certain employees and retirees in the United States. In accordance with current regulations in relation to the funding policy of this type of plan, the plan is not funded. The main risks for the group relate to changes in discount rates as well as increases in the cost of benefits (please refer to the sensitivity analysis described in Note 20.2.1).

(c) Includes the obligations and assets of UMG's plan consolidated as of December 31, 2020.

(d) Related to UMG's defined benefit plans in Germany in 2020.

20.2.4. Benefits estimation and future payments

For 2022, hedge fund contributions and benefit payments by Vivendi to retirees are estimated at €74 million in respect of pensions, of which €3 million relates to pension funds and €8 million relates to post-retirement benefits.

Estimates of future benefit payments to beneficiaries by the relevant pension funds or by Vivendi (in nominal value for the following 10 years) are as follows:

(in millions of euros)	Pension benefits	Post-retirement benefits
2022	74	9
2023	26	8
2024	58	8
2025	35	8
2026	35	8
2027-2031	213	33

NOTE 21. SHARE-BASED COMPENSATION PLANS

21.1. PLANS GRANTED BY VIVENDI SE

21.1.1. Equity-settled instruments

Transactions relating to outstanding instruments that occurred in 2020 and 2021 were as follows:

	Stock options		Performance shares
	Number of outstanding stock options (in thousands)	**Weighted average strike price of outstanding stock options** (in euros)	**Number of outstanding performance shares** (in thousands)
Balance as of December 31, 2019	**3,078**	**15.3**	**5,282**
Granted	-	na	1,660
Exercised/Issued	**(a)** (1,419)	15.9	(1,173)
Forfeited	(349)	15.8	-
Cancelled	-	na	**(b)** (425)
Balance as of December 31, 2020	**1,310**	**14.4**	**5,344**
Granted	-	na	-
Exercised/Issued	**(a)** (1,228)	14.4	(1,087)
Forfeited	(30)	17.2	-
Cancelled	-	na	**(b)** (497)
Balance as of December 31, 2021	**52**	**11.8**	**(c) 3,760**
Acquired/Exercisable as of December 31, 2021	**52**	**11.8**	**-**
Rights acquired as of December 31, 2021	**52**	**11.8**	**631**

na: not applicable.

(a) In 2021, beneficiaries exercised stock options at the weighted average stock market price of €28.4 (compared to €22.8 for stock options exercised in 2020).

(b) At its meeting held on March 3, 2021, after a review by the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board acknowledged the achievement level of the objectives set for the cumulative fiscal years 2018, 2019 and 2020 under the performance share plan granted by the Supervisory Board on May 17, 2018. It was confirmed that all the criteria had been significantly met. However, given that the negative impact of the situation in Italy over the period was not reflected in the financial results, the Supervisory Board decided to set the final vesting rate of the 2018 performance share plan at only 75% of the initial grant. Consequently, 380,209 rights to performance shares, which were granted in 2018, were cancelled, of which 43,750 of such cancelled rights related to members of the Management Board. In addition, 116,962 rights were cancelled due to the termination of employment of certain beneficiaries.

For the performance share plan granted in 2017, at its meeting held on February 13, 2020, after a review by the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board approved the achievement level of objectives set for the cumulative fiscal years 2017, 2018 and 2019. It was confirmed that all the criteria had been met with a maximum rate of 100%. However, given that the negative impact of the situation in Italy was not reflected in the financial results, the Supervisory Board decided to set the final vesting rate of the 2017 performance share plan at only 75% of the initial grant. Consequently, 349,403 rights to performance shares, which were granted in 2017, were cancelled, of which 50,000 of such cancelled rights related to members of the Management Board. In addition, 74,839 rights were cancelled due to the termination of employment of certain beneficiaries.

(c) The weighted-average remaining period prior to the delivery of performance shares was 1.1 year.

Please refer to Note 18 for a description of the potential impact on the share capital of Vivendi SE of the outstanding stock options and performance shares.

Outstanding stock options as of December 31, 2021

Range of strike prices	Number (in thousands)	Weighted average strike price (in euros)	Weighted average remaining life (in years)
Under €11	-	na	-
€11-€12	52	11.8	0.3
More than €12	-	na	-
	52	**11.8**	**0.3**

na: not applicable.

Performance share plan

In 2021, Vivendi SE did not grant any performance shares (please refer to Note 21.1.3).

On February 13, 2020, Vivendi SE granted 1,595 thousand performance shares to employees and executive management, of which 185 thousand were granted to members of the Management Board. As of February 13, 2020, the share price was €25.19 and the expected dividend yield was 2.38%. After taking into account the cost associated with the retention period of the shares (described below), the discount for non-transferability was set at 7.0% of the share price as of February 13, 2020. Consequently, the fair value of each granted performance share was estimated at €21.68, corresponding to an aggregate fair value of the plan of €35 million.

Subject to satisfaction of the performance criteria, performance shares definitively vest at the end of a three-year period, subject to the presence of the beneficiaries within the group (vesting period). Furthermore, the shares must be held by the beneficiaries for an additional two-year period (retention period). The compensation cost is recognized on a straight-line basis over the vesting period. The accounting methods that are applied to estimate and recognize the value of these granted plans are described in Note 1.3.11.

Satisfaction of the objectives that determine the definitive vesting of performance shares is assessed over a three-year consecutive period based on the following performance criteria:

- internal indicators (with a weighting of 70%):
  - the adjusted net income per share (50%), and
  - the group's cash flow from operations after interest and income tax paid – CFAIT (20%);
- external indicators (with a weighting of 30%) tied to changes in Vivendi's share price compared to the STOXX® Europe Media index (20%) and to the CAC 40 index (10%).

The granted shares correspond to the same class of common shares making up the share capital of Vivendi SE, and as a result, at the end of the three-year vesting period, beneficiaries will be entitled to the dividends and voting rights attached to these shares. The compensation cost recognized corresponds to the estimated value of the equity instruments granted to the beneficiary, and is equal to the difference between the fair value of the shares to be received and the aggregate discounted value of the dividends that were not received over the vesting period.

In 2021, the charge recognized with respect to all performance share plans amounted to €15 million, compared to €23 million in 2020.

21.1.2. Employee stock purchase and leveraged plans

In 2021, Vivendi SE did not implement any employee shareholding schemes within the framework of an employee stock purchase plan or leveraged plan, reserved for employees, retirees or Corporate officers of the group.

On July 21, 2020, Vivendi SE implemented an employee shareholding plan through the sale of treasury shares pursuant to an employee stock purchase plan and leveraged plan, reserved for employees, retirees and Corporate officers of the group. The shares were previously repurchased by Vivendi SE pursuant to the authorization granted at the General Shareholders' Meeting of April 15, 2019.

These shares, which are subject to certain sale or transfer restrictions during a five-year period, were acquired by the beneficiaries referred to above at a discount of up to 15% on the average opening market price for Vivendi shares during the 20 trading days preceding the date on which the Management Board meeting set the acquisition price for the new shares. The difference between the acquisition price for the shares and the share price on that date represents the benefit granted to the beneficiaries. In addition, Vivendi applied a discount for non-transferability during a five-year period, which is deducted from the benefit granted to the employees. The value of the acquired shares is estimated and fixed at the date on which the acquisition price for the new shares is set.

The applied valuation assumptions were as follows:

	2020
Grant date	June 18
Data at grant date:	
Share price (in euros)	22.77
Expected dividend yield	2.64%
Risk-free interest rate	-0.48%
5-year interest rate	3.91%
Repo rate	0.36%
Discount for non-transferability per share	18.64%

Under the employee stock purchase plan (ESPP), 1,187 thousand shares were acquired in 2020 through a company mutual fund (*Fonds commun de placement d'entreprise*) at a price per share of €16.554 subscribed for in 2020. The benefit granted to the beneficiaries, which is equal to the positive difference between the acquisition price and the stock price at the end of the subscription period on June 18, 2020 (discount of 27.3%), was higher than the discount for non-transferability (18.6%). In 2020, the charge recognized with respect to the employee stock purchase plan amounted to €2 million (excluding UMG which is classified as a discontinued operation in accordance with IFRS 5).

Under the leveraged plan, 6,486 thousand shares were acquired in 2020 through a company mutual fund at a price per share of €16.554. The leveraged plan entitled employees, retirees and Corporate officers, who are beneficiaries of Vivendi SE and its French and foreign subsidiaries, to acquire Vivendi shares at a discounted price and to ultimately receive the capital gain (calculated pursuant to the terms and conditions of the plan) equal to 10 shares for each acquired share. A financial institution mandated by Vivendi hedged this transaction. In addition, 193 thousand shares were acquired as part of an identical employee shareholding plan implemented for employees of the group's Japanese subsidiaries. In 2020, the charge recognized with respect to the leveraged plan amounted to nearly €8 million (excluding UMG which is classified as a discontinued operation in accordance with IFRS 5).

21.1.3. Cash awards and partial offset in connection with the distribution of 59.87% of UMG's share capital

No grant of performance shares in 2021

At its meeting on March 3, 2021, on the recommendation of the Governance, Nominations and Remuneration Committee, the Supervisory Board approved in principle the granting of cash awards to employees, executive management and Corporate officers of the group eligible for annual performance share grants **(1)**, as follows:

- the payment of the cash award is conditioned upon completion, before year-end 2021, of the planned distribution of 60% of UMG's share capital and the planned listing of the shares of UMG on the regulated market of Euronext Amsterdam; and
- if the cash payment is made, no performance shares will be granted to employees and executive management for 2021.

Considering that no Vivendi performance shares were granted for 2021, employees, executive management and Corporate officers were granted a cash award, conditioned upon the completion in 2021 of the plan to list and distribute Universal Music Group N.V.'s shares. The gross amount of the grant was set at €21 for each theoretical right to performance shares in 2021. Based on the 1,620,809 theoretical rights to performance shares in 2021, a gross amount of €34 million will be paid in 2022, subject to the presence of the beneficiaries.

Pursuant to Article L. 22-10-34 II. of the French Commercial Code, the payment of the amounts allocated in this context to the Chairman and members of the Management Board in respect with 2021 is subject to approval at the Annual General Shareholders' Meeting to be held on April 25, 2022 (a description is included in Section 2 of Chapter 4 of the 2021 Annual Report – Universal Registration Document).

(1) In 2020, 1.660 million performance shares were granted.

Non-eligibility of 2019 and 2020 performance share rights for the special distribution of UMG shares

As a reminder, the performance share rights granted in 2019 and 2020 (approximately 600 beneficiaries) were not eligible for the special distribution of 59.87% of UMG's share capital, on the basis of one UMG share for every one Vivendi SE share held, as of September 21, 2021. As stated in the report on the special dividend in kind and special interim dividend in kind published on April 19 and April 22, 2021, pursuant to the provisions of Article L. 228-99 of the French Commercial Code, since these dividends were charged against distributable earnings, they did not give rise to adjustments to the rights of the beneficiaries of grants of performance shares under the 2019 and 2020 performance share plans.

At its meeting held on March 9, 2022, the Supervisory Board, on the recommendation of the Governance, Nominations and Remuneration Committee, decided to authorize in principle the payment of a gross amount of €7 for each of the 1,264,360 performance share rights definitely granted to employees, executive management and Corporate officers of the group under the 2019 performance share plan, subject to the level of achievement of the performance criteria set in 2019 and subject to the presence of the beneficiaries. The corresponding gross amount of €9 million will be paid in 2022. For the 2020 grant, the payment of a gross amount of €7 could also be applied under the same conditions to each of the 1,422,100 performance share rights that could be definitely granted to employees, executive management and Corporate officers of the group. The corresponding gross amount of €10 million would be paid in 2023.

In accordance with the provisions of the French Commercial Code, the principle and payment of amounts granted in this context to the Chairman and members of the Management Board are subject to approval at the Annual General Shareholders' Meeting (a description is included in Section 2 of Chapter 4 of the 2021 Annual Report – Universal Registration Document).

Non-eligibility of certain 2017 and 2018 performance share rights for the special distribution of UMG shares

In addition, the management of certain group subsidiaries decided to pay a cash amount for each performance share rights granted in 2017 and 2018 to certain employees not resident in France. Their rights vested 3 years after the date of grant, and due notably to local tax regulations, these employees receive their performance shares only after at the end of a five-year period. Therefore, they were not eligible for the special distribution of UMG shares in 2021. The gross amount of this cash payment was set at €25.25 per performance share, corresponding to UMG's first listing price on September 21, 2021. It applied to 118,075 performance share rights granted in 2017 and to 205,353 performance share rights granted in 2018, representing a gross amount of €3 million and €5 million, respectively, with payment in 2021, 2022 and 2023, as applicable.

21.2. DAILYMOTION'S LONG-TERM INCENTIVE PLAN

From 2015 until June 30, 2020, certain Corporate officers of Dailymotion and Universal Music Group benefited from a long-term incentive plan tied to the growth of Dailymotion's enterprise value compared to its acquisition price. As of June 30, 2020, the plan expired without any cash payments having been made.

In 2021, certain Corporate officers of Dailymotion benefited from a new long-term incentive plan that will expire on June 30, 2023, tied to the growth of Dailymotion's enterprise value compared to its acquisition price as of June 30, 2015, as such value would result from the sale of at least 10% of the company's share capital or based upon an independent appraisal carried out at the end of the plan. In the event of an increase in Dailymotion's value, the compensation with respect to the incentive plan will be capped at a percentage, of such increase, depending on the beneficiary. In accordance with IFRS 2, a charge representative of this compensation must be estimated and recognized at each fiscal year end until the payment date. As of December 31, 2021, no expenses were recorded under this plan.

NOTE 22. BORROWINGS AND OTHER FINANCIAL LIABILITIES AND FINANCIAL RISK MANAGEMENT

		12/31/2021			12/31/2020		
(in millions of euros)	Note	Total	Long-term	Short-term	Total	Long-term	Short-term
Bonds	22.2	4,050	3,350	700	5,050	4,050	1,000
Bank credit facilities	22.3	23	-	23	661	-	661
Short-term marketable securities		-	-	-	310	-	310
Bank overdrafts		4	-	4	10	-	10
Accrued interest to be paid		12	-	12	16	-	16
Cumulative effect of amortized cost	22.1	(12)	(12)	-	(17)	(16)	(1)
Other		19	13	6	19	11	8
Borrowings at amortized cost		**4,096**	**3,351**	**745**	**6,049**	**4,045**	**2,004**
Commitments to purchase non-controlling interests		175	144	31	324	108	**(a)** 216
Derivative Financial Instruments		8	1	7	28	18	10
Borrowings and other financial liabilities		**4,279**	**3,496**	**783**	**6,401**	**4,171**	**2,230**
Lease liabilities	13	883	758	125	1,291	1,070	221
Total		**5,162**	**4,254**	**908**	**7,692**	**5,241**	**2,451**

(a) As of December 31, 2020, includes the commitment of €189 million related to the share repurchase mandate effective as of December 31, 2020.

22.1. FAIR MARKET VALUE OF BORROWINGS AND OTHER FINANCIAL LIABILITIES

	12/31/2021			12/31/2020		
(in millions of euros)	Carrying value	Fair market value	*Level (a)*	Carrying value	Fair market value	*Level (a)*
Nominal value of borrowings	4,108			6,066		
Cumulative effect of amortized cost	(12)			(17)		
Borrowings at amortized cost	**4,096**	**4,202**	*1 -2*	**6,049**	**6,228**	*1 -2*
Commitments to purchase non-controlling interests	175	175	*3*	**(b)** 324	324	*1 -3*
Derivative Financial Instruments	8	8	*2*	28	28	*2*
Borrowings and other financial liabilities	**4,279**	**4,385**		**6,401**	**6,580**	

(a) The three classification levels for the measurement of financial liabilities at fair value are defined in Note 1.3.1.

(b) Includes the firm commitment (classified at fair value of Level 1) related to the share repurchase mandate effective as of December 31, 2020; between January 5 and February 12, 2021, Vivendi repurchased 7,277 thousand of its own shares at an average price of €25.90 per share, for an aggregate amount of €189 million. For a detailed description, please refer to Note 18.

22.2. BONDS

(in millions of euros)	Interest rate (%) nominal	effective	Maturity	12/31/2021	12/31/2020
Bonds issued by Vivendi SE					
€700 million (June 2019)	0.000%	0.17%	Jun-22	700	700
€700 million (June 2019)	0.625%	0.67%	Jun-25	700	700
€700 million (June 2019)	1.125%	1.27%	Dec-28	700	700
€850 million (September 2017)	0.875%	0.99%	Sep-24	850	850
€600 million (November 2016)	1.125%	1.18%	Nov-23	600	600
€500 million (May 2016)	1.875%	1.93%	May-26	500	500
€1 billion (May 2016)	0.750%	0.90%	May-21	**(a)** -	1,000
Nominal value of bonds				**4,050**	**5,050**

(a) This bond was redeemed in full on April 26, 2021.

Bonds issued by Vivendi SE are registered on Euronext Paris.

Bonds issued by Vivendi SE contain customary provisions related to events of default, negative pledge and rights of payment *(pari-passu* ranking). They also contain an early redemption clause in the event of a change of control **(1)** that would apply if, as a result of such event, the long-term rating of Vivendi SE is downgraded below grade status Baa3.

(1) Bolloré Group was carved out of the change-of-control provision under the bonds.

22.3. BANK CREDIT FACILITIES

Vivendi SE

As part of the separation of the cash pooling and financing arrangements between Vivendi SE and Universal Music Group (UMG), implemented on July 7, 2021 (please refer to Note 3.3), Vivendi SE agreed with its banks to reduce the amount of its credit facilities.

On June 28, 2021, Vivendi SE's syndicated credit facility was reduced to €1.5 billion (compared to €2.2 billion previously) maturing in January 2026. As of July 7, 2021, Vivendi SE's eight bilateral credit facilities were reduced to an aggregate amount of €800 million.

These credit facilities do not require compliance with financial covenants, but contain customary provisions relating to events of default and covenants applicable to Vivendi in terms of negative pledge and merger transactions.

As of December 31, 2021, €2.3 billion of Vivendi SE's credit facilities were available.

As of March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021), €2.3 billion of Vivendi SE's credit facilities were available.

Havas SA

Havas SA has committed credit facilities, undrawn as of December 31, 2021, granted by leading banks for an aggregate amount of €510 million, of which €150 million is maturing in 2023, €280 million maturing in 2024 and €80 million maturing in 2025. These credit facilities are not subject to any financial covenant.

As of March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021), €460 million of the Havas SA's facilities were available taking into account the short-term marketable securities issued and backed by these credit facilities for €50 million.

Vivendi group

As of December 31, 2021, €2.8 billion of the Vivendi group's committed credit facilities were available.

As of March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021), €2.8 billion of the Vivendi group's facilities were available.

22.4. BORROWINGS BY MATURITY

(in millions of euros)	12/31/2021		12/31/2020	
Maturity				
< 1 year **(a)**	746	*18%*	2,004	*33%*
Between 1 and 2 years	608	*15%*	706	*12%*
Between 2 and 3 years	852	*21%*	602	*10%*
Between 3 and 4 years	701	*17%*	851	*14%*
Between 4 and 5 years	501	*12%*	702	*11%*
> 5 years	700	*17%*	1,201	*20%*
Nominal value of borrowings	**4,108**	***100%***	**6,066**	***100%***

(a) Mainly includes Vivendi SE's bond maturing in June 2022 for €700 million. As of December 31, 2020, they notably included Vivendi SE's bond redeemed in April 2021 for €1 billion, marketable securities issued by Vivendi SE for €310 million and credit facility drawings made by UMG Inc. for €635 million as of December 31, 2020.

The average "economic" term of the group's gross financial debt, calculated on the assumption that available medium-term credit lines may be used to redeem the group's shortest term borrowings, was 4.2 years (compared to 4.8 years as of December 31, 2020).

As of December 31, 2021, the future undiscounted cash flows related to borrowings and other financial liabilities amounted to €4,423 million (compared to €6,584 million as of December 31, 2020) with a carrying value of €4,279 million (compared to €6,401 million as of December 31, 2020) and are set out in Note 25.1 in the group's contractual minimum future payments schedule.

22.5. INTEREST RATE RISK MANAGEMENT

Vivendi's interest rate risk management seeks to reduce its net exposure to interest rate increases. Therefore, to the extent needed, Vivendi uses interest rate swaps. These instruments enable the group to manage and reduce the volatility of future cash flows related to interest payments on borrowings.

As of December 31, 2021, the nominal value of borrowings at fixed interest rate amounted to €4,073 million (compared to €5,090 million as of December 31, 2020) and the nominal value of borrowings at floating interest rate amounted to €35 million (compared to €976 million as of December 31, 2020).

As of December 31, 2021, and 2020, Vivendi had not entered into any interest rate swaps.

22.6. FOREIGN CURRENCY RISK MANAGEMENT

Breakdown by currency

(in millions of euros)	12/31/2021		12/31/2020	
Euro – EUR	4,074	*99%*	5,385	*89%*
US dollar – USD	-	-	**(b)** 635	*10%*
Other	34	*1%*	46	*1%*
Nominal value of borrowings before hedging	**4,108**	***100%***	**6,066**	***100%***
Currency swaps USD	*396*		*492*	
Other currency swaps	*(36)*		*213*	
Net total of hedging instruments (a)	***360***		***705***	
Euro – EUR	4,434	*108%*	6,090	*100%*
US dollar – USD	(396)	*-10%*	143	*3%*
Other	70	*2%*	(167)	*-3%*
Nominal value of borrowings after hedging	**4,108**	***100%***	**6,066**	***100%***

(a) Notional amounts of hedging instruments translated into euros at the closing rates.

(b) Relates to credit facility drawings made by Universal Music Group Inc. for €635 million as of December 31, 2020.

Foreign currency risk

The group's foreign currency risk management is centralized by Vivendi SE's Financing and Treasury Department for all its controlled subsidiaries, except if, during a transition period, an acquired subsidiary is authorized to pursue, at its level, spot and forward exchange transactions. This policy primarily seeks to hedge budget exposures resulting from monetary flows generated by operations performed in currencies other than the euro as well as from external firm commitments, relating to the acquisition of editorial content (e.g., sports, audiovisual and film rights) and certain capital expenditures (e.g., set-top boxes), realized in currencies other than the euro. The hedging instruments are foreign currency swaps or forward contracts that mostly have maturity periods of less than one year. Considering the foreign currency hedging instruments set up, an unfavorable and uniform euro change of 1% against all foreign currencies in position as of December 31, 2021 would have a non-significant cumulative impact on net earnings. In addition, the group may hedge foreign currency exposure resulting from foreign-currency denominated financial assets and liabilities. Moreover, due to their non-significant nature, net exposures related to subsidiaries' net working capital (internal flows of royalties as well as external purchases) are generally not hedged. The associated risks are reduced at the end of each month by translating the amounts into the functional currency of the relevant operating entities.

The following tables set out the foreign currency risk management instruments used by the group; the positive amounts relate to currencies to be received and the negative amounts relate to currencies to be delivered at contractual exchange rates:

	12/31/2021						
	Notional amounts					Fair value	
(in millions of euros)	Total	USD	PLN	GBP	Other	Assets	Liabilities
Sales against the euro	(401)	(121)	(97)	(14)	(169)	4	3
Purchases against the euro	1,201	791	104	215	91	23	5
Other	-	77	(77)	-	-	5	-
	800	**747**	**(70)**	**201**	**(78)**	**32**	**8**
Breakdown by accounting category of foreign currency hedging instruments							
Cash Flow Hedge							
Sales against the euro	(145)	(1)	(15)	(3)	(126)	1	1
Purchases against the euro	76	9	6	(4)	65	-	1
Other	-	16	(16)	-	-	1	-
	(69)	**24**	**(25)**	**(7)**	**(61)**	**2**	**2**
Fair Value Hedge							
Sales against the euro	(217)	(93)	(82)	(11)	(31)	3	2
Purchases against the euro	939	782	-	145	12	23	3
Other	-	61	(61)	-	-	4	-
	722	**750**	**(143)**	**134**	**(19)**	**30**	**5**
Economic Hedging (a)							
Sales against the euro	(39)	(27)	-	-	(12)	-	-
Purchases against the euro	186	-	98	74	14	-	1
Other	-	-	-	-	-	-	-
	147	**(27)**	**98**	**74**	**2**	**-**	**1**

	12/31/2020						
	Notional amounts					Fair value	
(in millions of euros)	Total	USD	PLN	GBP	Other	Assets	Liabilities
Sales against the euro	(430)	(192)	(71)	(30)	(137)	2	4
Purchases against the euro	1,690	1,026	106	140	418	6	19
Other	-	169	(112)	1	(58)	-	5
	1,260	**1,003**	**(77)**	**111**	**223**	**8**	**28**
Breakdown by accounting category of foreign currency hedging instruments							
Cash Flow Hedge							
Sales against the euro	(95)	(14)	-	-	(81)	-	1
Purchases against the euro	103	59	-	2	42	-	1
Other	-	19	(8)	-	(11)	-	-
	8	**64**	**(8)**	**2**	**(50)**	**-**	**2**
Fair Value Hedge							
Sales against the euro	(315)	(178)	(71)	(30)	(36)	2	3
Purchases against the euro	931	855	-	67	9	3	18
Other	-	102	(102)	1	(1)	-	4
	616	**779**	**(173)**	**38**	**(28)**	**5**	**25**
Economic Hedging (a)							
Sales against the euro	(20)	-	-	-	(20)	-	-
Purchases against the euro	656	112	106	71	367	3	-
Other	-	48	(2)	-	(46)	-	1
	636	**160**	**104**	**71**	**301**	**3**	**1**

(a) The economic hedging instruments relate to derivative financial instruments that are not eligible for hedge accounting pursuant to IFRS 9.

22.7. DERIVATIVE FINANCIAL INSTRUMENTS

Value on the Statement of Financial Position

		12/31/2021		12/31/2020	
(in millions of euros)	Note	Assets	Liabilities	Assets	Liabilities
Interest rate risk management	22.5	-	-	-	-
Foreign currency risk management	22.6	32	8	8	28
Other		-	-	-	-
Derivative financial instruments		**32**	**8**	**8**	**28**
Deduction of current derivative financial instruments		(8)	(7)	(4)	(10)
Non-current derivative financial instruments		**24**	**1**	**4**	**18**

Unrealized gains and losses recognized directly in equity

(in millions of euros)	Cash Flow Hedge: Interest rate risk management	Cash Flow Hedge: Foreign currency risk management	Net Investment Hedge	Total
Balance as of December 31, 2019	**-**	**(4)**	**81**	**77**
Charges and income directly recognized in equity	-	2	-	2
Items to be reclassified as profit or loss	-	-	-	-
Tax effect	-	-	-	-
Balance as of December 31, 2020	**-**	**(2)**	**81**	**79**
Charges and income directly recognized in equity	-	1	-	1
Items to be reclassified as profit or loss	-	-	-	-
Tax effect	-	-	-	-
Deconsolidation of Universal Music Group	-	-	(83)	(83)
Balance as of December 31, 2021	**-**	**(1)**	**(2)**	**(3)**

22.8. CREDIT RATINGS

As of March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021), Vivendi's credit ratings were as follows:

Rating agency	Type of debt	Ratings	
Moody's	Long-term senior unsecured debt	Baa2	Negative outlook

NOTE 23. CONSOLIDATED CASH FLOW STATEMENT

23.1. ADJUSTMENTS

(in millions of euros)	Note	Year ended December 31: 2021	2020
Items related to operating activities with no cash impact			
Amortization and depreciation of intangible and tangible assets	5	809	581
Change in provision, net		(78)	215
Other non-cash items from EBIT		(5)	5
Other			
Income from equity affiliates – operational		(90)	9
Proceeds from sales of property, plant, equipment and intangible assets		4	11
Adjustments		**640**	**821**

23.2. INVESTING AND FINANCING ACTIVITIES WITH NO CASH IMPACT

In 2021, the distribution of 59.87% of Universal Music Group's share capital had no cash impact (please refer to Note 3). In 2020, there were no significant investing and financing activities with no cash impact.

NOTE 24. RELATED PARTIES

Vivendi's related parties are Corporate officers, members of Vivendi's Supervisory and Management Boards, as well as other related parties, including:

- companies fully consolidated by Vivendi. The transactions between these companies have been disregarded for the purposes of the preparation of Vivendi's Consolidated Financial Statements;
- companies over which Vivendi exercises a significant influence and which are accounted for under the equity method;
- all companies in which Corporate officers or their close relatives hold significant voting rights;
- minority shareholders exercising a significant influence over the group's subsidiaries; and
- Bolloré Group's related parties, since Vivendi has been fully consolidated by Bolloré Group since April 26, 2017.

24.1. CORPORATE OFFICERS

Supervisory Board

The Supervisory Board currently comprises 13 members, including an employee shareholder representative and two employee representatives. It is made up of seven women, i.e., a ratio of 55% (in accordance with French Law no. 2011-103 of January 27, 2011, the two employee representatives are not taken into account for the calculation of this percentage). In 2021 and 2020, the composition of the Supervisory Board changed as follows:

- on June 22, 2021, Vivendi SE's General Shareholders' Meeting renewed the terms of Ms. Véronique Driot-Argentin as a Supervisory Board member and Ms. Sandrine Le Bihan as a Supervisory Board member representing employee shareholders for a four-year term, pursuant to paragraph 2 of Article 8-I.1. of Vivendi's by-laws;
- on April 20, 2020, Vivendi SE's General Shareholders' Meeting renewed the term of office of Mr. Yannick Bolloré and appointed Mr. Laurent Dassault as a member of the Supervisory Board for a four-year term. In addition, on the same date, the Supervisory Board renewed the term of office of Mr. Yannick Bolloré as Chairman of the Supervisory Board for a four-year term.

  At its meeting held on September 23, 2020, the European company Committee appointed Ms. Athina Vasilogiannaki as an employee representative on the Supervisory Board for a three-year term. In addition, Vivendi SE's Employee Representative Committee *(Comité social et économique)* renewed Mr. Paulo Cardoso's term of office, as an employee representative on the Supervisory Board for a three-year term as from October 19, 2020.

With respect to fiscal year 2021, the gross compensation of Mr. Yannick Bolloré, as Chairman of the Supervisory Board of Vivendi SE amounted to €400,000 (compared to €400,000 with respect to fiscal year 2020), from which the amount of his remuneration (formerly called "attendance fees") of €60,000 (compared to €60,000 with respect to fiscal year 2020) is deducted in accordance with Article L. 225-83 of the French Commercial Code *(Code de commerce)*.

In addition, as Chairman and Chief Executive Officer of Havas, a Vivendi subsidiary, Mr. Yannick Bolloré received compensation, as well as benefits in kind, totaling a gross amount of €1,662,197 in 2021 (including a gross payment of €180,000 with respect to fiscal year 2021 and a gross variable component of €420,000 paid in 2021 with respect to fiscal year 2020), compared to €1,662,197 in 2020 (including a gross variable component of €600,000 paid in 2020 with respect to fiscal year 2019). In view of the lack of a Vivendi performance share grant in respect of fiscal year 2021, the Chairman and Chief Executive Officer of Havas received a gross cash award of €315,000, conditioned upon the completion in 2021 of the plan to list and distribute Universal Music Group N.V's shares, which will be paid in 2022. On February 13, 2020, the Chairman and Chief Executive Officer of Havas was granted 15,000 Vivendi performance shares (with a book value of €325,200 **(1)**), subject to the satisfaction of certain performance criteria as described in Note 21.1.1.

With respect to fiscal year 2021, the gross amount of the compensation paid to the members of the Supervisory Board of Vivendi SE was an aggregate amount of €1,238,571 (compared to €1,150,000 with respect to fiscal year 2020).

Management Board

The Management Board currently comprises seven members.

In 2021, the gross compensation paid by the Vivendi group to the Management Board members amounted to €12.5 million (compared to €11.9 million paid in 2020). This amount included:

- fixed compensation of €7.1 million (compared to €6.0 million in 2020);
- variable compensation of €4.8 million paid in 2021 with respect to fiscal year 2020 (compared to €5.3 million paid in 2020 with respect to fiscal year 2019);
- other compensation paid or allocated by controlled subsidiaries; and
- benefits in kind.

The charge recorded by Vivendi with respect to equity-settled share-based compensation plans granted to the members of the Management Board and to the executive management amounted to €2.1 million in 2021 (compared to €3.1 million in 2020).

The group supplemental pension plan is described in the compensation policy of the Chairman and members of the Management Board for 2021, as approved at the Shareholders' Meeting held on June 22, 2021, and which is included in the report on Corporate Governance, pursuant to Articles L. 22-10-20 and L. 225-68 of the French Commercial Code, and included in Section 2 of Chapter 4 of the Annual Report – 2020 Universal Registration Document. The Supervisory Board, at its meeting held on March 9, 2022, confirmed that the performance criteria applying to the pension rights growth rate under this plan had been met with respect to fiscal year 2021. The charge recorded by Vivendi related to pension commitments toward Management Board members and executive management amounted to €7.2 million in 2021 (€16.5 million in 2020). As of December 31, 2021, the net pension commitments toward the Management Board members and the executive management under the group benefit supplemental pension plan was an aggregate amount of €56.4 million (€72.4 million as of December 31, 2020). In accordance with Article D. 22-10-16 of the French Commercial Code *(Code de commerce)*, information on commitments under benefit supplemental pension plans are included in the compensation components of the Chairman and members of the Management Board, in Section 2 of Chapter 4 of the Annual Report – 2021 Universal Registration Document.

(1) The book value is calculated based on the number of performance shares. The value per performance share used for this table is equal to the value recognized in the financial statements in accordance with IFRS 2 (please refer to Note 21.1.1 for a description of the measurement of equity-settled instruments). This per-share value is €21.68 for the February 13, 2020 plan.

The Chairman of the Management Board, Mr. Arnaud de Puyfontaine, waived his employment contract. In accordance with the resolutions approved at the General Shareholders' Meeting held on April 17, 2015, he is entitled to severance compensation upon an involuntary termination, subject to the satisfaction of performance conditions. At its meeting held on February 14, 2019, the Supervisory Board, upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, decided to:

- increase from 80% to 90% the minimum achievement level of performance criteria conditioning the payment of the severance compensation; and
- revoke his right to maintain all rights to performance shares. These rights may be maintained, if appropriate, pro rata to the duration of his presence within the group during the vesting period, subject to the satisfaction of the related performance criteria.

In view of the lack of a Vivendi performance share grant in respect of fiscal year 2021, the Chairman of Vivendi's Management Board received a gross cash award of €840,000, conditioned upon the completion in 2021 of the plan to list and distribute Universal Music Group N.V's shares. Pursuant to Article L. 22-10-34 II. of the French Commercial Code, payment of this amount is subject to approval at the General Shareholders' Meeting to be held on April 25, 2022 (please refer to the compensation policy of the Chairman and the members of the Management Board for 2021, as approved at the Shareholders' Meeting held on June 22, 2021, and which is included in the report on Corporate Governance referred to in Articles L. 22-10-20 and L. 225-68 of the French Commercial Code included in Section 2 of Chapter 4 of the Annual Report – 2020 Universal Registration Document). On February 13, 2020, the Chairman of the Management Board was granted 40,000 Vivendi performance shares (with a book value of €867,200 **(1)**), subject to the satisfaction of certain performance criteria, as described in Note 21.1.1.

The report on Corporate Governance is included in Section 2 of Chapter 4 of the Annual Report. The 2021 Universal Registration Document contains a detailed description of the compensation policy applicable to Vivendi's Corporate officers for 2022. This chapter also contains details of the fixed and variable components of their compensation and the benefits in any kind paid or attributed in fiscal year 2021.

Other executive management

At its meeting held on April 15, 2019, following the Shareholders' Meeting and upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, the Supervisory Board unanimously appointed Mr. Vincent Bolloré as a non-voting board member *(censeur)* for a four-year period and as Advisor to the Chairman of Vivendi's Management Board. As a non-voting board member *(censeur),* Mr. Vincent Bolloré receives no compensation. Pursuant to his employment contract as Advisor to the Chairman of Vivendi's Management Board, Mr. Vincent Bolloré received a compensation, as well as benefits in kind, totaling a gross amount of €1,220,851.86 in 2021 (including a gross variable portion of €450,000 paid in 2021 with respect to fiscal year 2020), compared to a gross amount of €964,962 in 2020 (including a gross variable portion of €450,000 paid in 2020 with respect to fiscal year 2019). In view of the lack of a Vivendi performance share grant in respect of fiscal year 2021, the Advisor to the Chairman of Vivendi's Management Board received a gross cash award of €420,000, conditioned upon the completion in 2021 of the plan to list and distribute Universal Music Group N.V's shares, which will be paid in 2022. On February 13, 2020, he was granted 20,000 Vivendi performance shares (with a book value of €433,600 **(1)**), subject to the satisfaction of certain performance criteria as described in Note 21.1.1.

24.2. BOLLORÉ GROUP – COMPAGNIE DE L'ODET (FORMERLY FINANCIÈRE DE L'ODET SE)

Following Vivendi's General Shareholders' Meeting held on April 25, 2017, based on the analysis conducted by Bolloré Group of certain facts and circumstances that indicate its ability to direct the relevant activities of Vivendi, Bolloré Group determined that the conditions of control within the meaning of IFRS 10 were fulfilled. The shareholding in Vivendi, which had previously been accounted for using the equity method since October 7, 2016, was fully consolidated as from April 26, 2017.

As of December 31, 2020, Bolloré Group, through Compagnie de Cornouaille and Financière de Larmor, two wholly-owned subsidiaries of Bolloré SE, held 320,521,374 Vivendi shares bearing 375,309,383 voting rights, i.e., 27.03% of Vivendi SE's share capital and 29.73% of the gross voting rights.

On May 25, 2021, Compagnie de Cornouaille **(2)**, a simplified joint stock company, reported that it had individually crossed the 25% threshold of Vivendi SE's share capital and that it individually held 320,511,374 Vivendi shares representing 350,293,383 voting rights, i.e., 27.01% of Vivendi's share capital and 28.29% of its voting rights **(3)**. This threshold crossing is the result of the merger of the company Financière de Larmor with and into Compagnie de Cornouaille on that same date.

On that date, through Compagnie de Cornouaille and Compagnie de l'Odet (previously known as Financière de l'Odet SE) **(4)** which he controls, Mr. Vincent Bolloré did not indirectly cross any threshold and directly and indirectly held 325,058,806 Vivendi SE shares representing 354,833,558 voting rights, i.e., 27.39% of Vivendi SE's share capital and 28.66% of its voting rights **(3)** (see AMF notice no. 221C1222 of May 27, 2021).

On June 25, 2021, as part of the dividend payment made by Vivendi SE to its shareholders with respect to fiscal year 2020, Bolloré Group received a dividend of €198 million (compared to a dividend with respect to fiscal year 2019 of €192 million paid in 2020).

On September 23, 2021, as part of Vivendi SE's distribution of 59.87% of Universal Music Group N.V.'s (UMG) share capital to its shareholders (please refer to Note 3), Bolloré Group received 326,506,933 UMG shares (including 5,995,559 shares for Compagnie de l'Odet and 320,511,374 shares for its sub-subsidiary Compagnie de Cornouaille). As a reminder, prior to this distribution, Compagnie de l'Odet and its sub-subsidiary Compagnie de Cornouaille acquired 2 and 98 UMG shares from Vivendi SE, respectively (please refer to Note 24.2.3).

As of December 31, 2021, through Compagnie de l'Odet and Compagnie de Cornouaille which he controls, Mr. Vincent Bolloré directly and indirectly held 326,572,434 Vivendi SE shares bearing 340,164,809 voting rights, i.e., 29.46% of Vivendi's share capital and 29.75% of its SE's gross voting rights.

(1) The book value is calculated based on the number of performance shares. The value per performance share used for this table is equal to the value recognized in the financial statements in accordance with IFRS 2 (please refer to Note 21.1.1 for a description of the measurement of equity-settled instruments). This per-share value is €21.68 for the February 13, 2020 plan.

(2) Controlled by Bolloré SE, which is ultimately controlled by Mr. Vincent Bolloré.

(3) Based on a share capital of 1,186,700,603 shares representing 1,238,224,305 voting rights, as determined pursuant to the second paragraph of Article 223-11 of the General Regulations of the French *Autorité des marchés financiers* (AMF).

(4) Since May 26, 2021, Financière de l'Odet SE is named "Compagnie de l'Odet".

24.2.1. Cash management agreement between Vivendi SE, Bolloré SE and Compagnie de l'Odet

On October 26, 2021, in accordance with Article L. 511-7 of the French Monetary and Financial Code, Vivendi SE and Compagnie de l'Odet entered into an intra-group cash management agreement on market terms to optimize investment and financing capacities within the two groups. Under this cash management agreement, Vivendi SE advanced €100 million to Compagnie de l'Odet, repayable on first request by Vivendi SE. As of December 31, 2021, the outstanding amount of this advance was €100 million.

On March 20, 2020, in accordance with Article L. 511-7 of the French Monetary and Financial Code, Vivendi SE and Bolloré SE entered into an intra-group cash management agreement on market terms to optimize investment and financing capacities within the two groups. As of December 31, 2021, the outstanding amount of this advance was €600 million (compared to €70 million as of December 31, 2020), repayable on first request by Vivendi SE.

24.2.2. Regulated related-party agreement between Vivendi SE and Compagnie de l'Odet regarding Mediaset

On May 4, 2021, Vivendi SE and Compagnie de l'Odet entered into an agreement in the context of settlement negotiations between Vivendi SE and Mediaset and Fininvest.

Mediaset and Fininvest requested that Financière de l'Odet SE, acting on its own behalf and on behalf of its subsidiaries, together with Vivendi SE, enter into a five-year standstill commitment regarding the share capital of Mediaset and Mediaset España, as well as the share capital of any company holding more than 3% of either company. This commitment also included divestment obligations and penalties, and a ban on exercising the rights attached to the shares concerned.

Compagnie de l'Odet, together with Vivendi SE, agreed to comply with the aforementioned standstill commitment for a five-year period. In return, Vivendi SE agreed to be liable, without limitation as to amount or duration, for all the consequences, damages, expenses and costs that Compagnie de l'Odet or any of its subsidiaries may incur as a result of an actual or alleged breach of the obligations undertaken by Vivendi SE under this standstill commitment, without Compagnie de l'Odet losing control over any litigation to which it may be subject.

Since Compagnie de l'Odet indirectly holds more than 10% of the voting rights in Vivendi SE, and since four of its directors are members of Vivendi SE's Supervisory Board or Management Board, Vivendi SE's Supervisory Board, at its meeting held on May 3, 2021, after having reviewed the agreement between Vivendi SE and Compagnie de l'Odet, authorized the execution of such agreement in compliance with Article L. 225-86 of the French Commercial Code.

After several years of legal proceedings, the execution of this agreement between Vivendi SE and Compagnie de l'Odet, enables Compagnie de l'Odet to give the requested commitment and satisfy a necessary condition to the completion of the proposed transaction with Mediaset and Fininvest (please refer to Note 26).

Information on this agreement was published as provided for under Article L. 22-10-30 of the French Commercial Code.

In accordance with Article L. 225-88 of the French Commercial Code, this agreement was approved at the General Shareholders' Meeting held on June 22, 2021.

24.2.3. Regulated related-party agreements between Vivendi SE, Compagnie de l'Odet and Compagnie de Cornouaille regarding Universal Music Group N.V.

In connection with the special distribution in kind by Vivendi SE to its shareholders of 59.87% of the share capital of Universal Music Group N.V. (UMG) and the admission of UMG shares to trading on Euronext Amsterdam, on September 8, 2021, Vivendi SE, the Tencent-led consortium, and Compagnie de l'Odet and its sub-subsidiary Compagnie de Cornouaille, the latter two of which together received 18% of UMG's share capital and voting rights in the distribution, agreed to use their respective powers as UMG shareholders to cause UMG to declare and pay semi-annual dividends in an aggregate amount of not less than 50% of UMG's annual earnings.

To this effect, as from the date of admission of UMG's shares to trading on Euronext Amsterdam, Vivendi SE, the Tencent-led consortium and Compagnie de l'Odet and Compagnie de Cornouaille are committed to vote in favor of all distribution-related resolutions that comply with this dividend policy and to vote against all resolutions that deviate from it. They will also cause a resolution to be placed on the agenda of UMG's Shareholders' Meetings, where appropriate, to pay a dividend in accordance with this dividend policy. Furthermore, for a two-year period expiring on the date of UMG's annual General Shareholders' Meeting to be held in 2024, the parties will use their respective powers to ensure that the Tencent-led consortium has two members on the UMG Board of Directors for so long as they together hold at least 10% of UMG's share capital, and one member for so long as they together hold at least 5% of the share capital.

This agreement has a five-year term as from the date UMG's shares were admitted to trading on Euronext Amsterdam. A description of this agreement is provided in the prospectus on the admission of UMG's shares to trading on Euronext Amsterdam **(1)**.

Under Dutch law, this agreement constitutes concerted action between the parties, which together hold approximately 48% of the share capital and voting rights in UMG following the special distribution in kind. To avoid the parties having to file a mandatory public tender offer, which is required under Dutch law when the threshold of 30% of the voting rights is crossed, the concerted action has been reinforced by the inclusion of, among other things, a declaration by the parties acting in concert, a cooperation clause between the parties concerning Shareholders' Meetings and various customary undertakings by the parties, which do not affect any potential transfer by Vivendi SE of its UMG shares after the admission of UMG's shares to trading on Euronext Amsterdam and during the term of the agreement. This agreement allows the parties to benefit from a grandfathering clause exempting them from the obligation to file a mandatory public tender offer for 100% of UMG's share capital so long as they hold, together, at least 30% of UMG's voting rights. It is noted that each UMG share bears one voting right.

In anticipation of the entry into force of this agreement and to ensure that all parties to the agreement had the status as a UMG shareholder prior to the admission of UMG's shares to trading on Euronext Amsterdam, i.e., prior to the receipt of the approval from the Dutch Financial Markets Authority (Autoriteit Financiële Markten) on September 14, 2021, Vivendi SE sold, on September 8, 2021, 100 UMG shares out of the 1,813,241,160 shares comprising the share capital of UMG on that date to Compagnie de l'Odet and Compagnie de Cornouaille in proportion to their respective shareholdings in Vivendi SE, i.e., 2 and 98 UMG shares, respectively.

(1) The prospectus is available on the websites of Vivendi (www.vivendi.com/en/shareholders-investors/financial-operations/) and UMG (https://investors.universalmusic.com).

Since Compagnie de l'Odet indirectly, through Compagnie de Cornouaille, holds more than 10% of the voting rights of Vivendi SE, and since four of the directors of Compagnie de l'Odet are either members of Vivendi SE's Supervisory Board (Yannick Bolloré and Cyrille Bolloré) or its Management Board (Gilles Alix and Cédric de Bailliencourt), pursuant to Article L. 225-86 of the French Commercial Code, at its meeting of July 28, 2021, Vivendi SE's Supervisory Board, after having reviewed the agreement between Vivendi SE, Compagnie de l'Odet and Compagnie de Cornouaille, authorized the execution of this agreement and the sale of 100 UMG shares by Vivendi SE to Compagnie de l'Odet and Compagnie de Cornouaille.

The agreement to act in concert and the UMG share sale meet the conditions set forth under Dutch law for an exemption from the obligation to make a mandatory public tender offer for UMG, provided that the parties to the act in concert agreement together hold at least 30% of UMG's voting rights.

This agreement to act in concert has a zero price for the parties. The sale price for the 100 UMG shares is €18.20 per share, i.e., €1,820. This price corresponds to the valuation resulting from the financial valuation work made by PwC and confirmed by EY, in connection with the contribution transactions that led to the merger, on February 26, 2021, within UMG of the entire share capital of each of Universal Music Group, Inc. and Universal International Music B.V.

Information on these agreements was published as provided for under Article L. 22-10-30 of the French Commercial Code.

Pursuant to Article L. 225-88 of the French Commercial Code, these agreements are to be submitted to the approval of Vivendi SE's General Shareholders' Meeting to be held on April 25, 2022.

24.3. REGULATED RELATED-PARTY AGREEMENT BETWEEN VIVENDI SE AND LAGARDÈRE SA

As announced on December 9 and December 16, 2021, Vivendi SE now holds 45.13% of Lagardère SA's share capital (please refer to Notes 2.1 and 14).

Vivendi SE will request authorization from the European Commission and other relevant competition authorities to acquire control of Lagardère SA during 2022. The approval of Arcom **(1)** on the change in the indirect ownership of Lagardère's broadcasting subsidiaries will also be sought by the latter depending on the outcome of Vivendi SE's public tender offer for all the Lagardère SA shares that it does not own, which is expected to be filed in February 2022.

To prepare the required regulatory notifications, Vivendi SE and Lagardère SA have agreed to exchange certain information under the terms and conditions of a clean team, confidentiality and reciprocal cooperation agreement entered into on December 20, 2021.

(1) Arcom *(Autorité de régulation de la communication audiovisuelle et numérique)*, the French regulatory authority for audiovisual and digital communication, replace the Conseil supérieur de l'audiovisuel (CSA) and the Haute autorité pour la diffusion des œuvres et la protection des droits sur Internet (HADOPI) as of January 1, 2022.

Lagardère SA and Vivendi SE have appointed an independent third party, whose costs will be borne exclusively by Vivendi SE, to establish and manage each party's clean team so that it can receive any confidential information from the other party that is needed solely for the purpose of preparing the required regulatory notifications. This independent third party is responsible for the exchange of information under the supervision of the parties' external legal counsels.

Given that Mr. Arnaud de Puyfontaine is Chairman of the Management Board of Vivendi SE and a director of Lagardère SA, Vivendi SE's Supervisory Board, at its meetings held on September 15 and November 18, 2021, following a review of the matter, authorized the execution of this clean team, confidentiality and cooperation agreement, in accordance with Article L. 225-86 of the French Commercial Code.

This agreement allows the parties to prepare the above-mentioned required regulatory notifications, while limiting the exchange of information to what is strictly necessary, in accordance with applicable regulations and appropriate safeguards.

The total cost of this agreement, to be calculated based on an average gross hourly rate of €370, will depend on the actual number of hours worked by the independent third party, which cannot be determined at this time.

Information on this agreement was published as provided for under Article L. 22-10-30 of the French Commercial Code.

Pursuant to Article L. 225-88 of the French Commercial Code, this agreement is to be submitted to the approval of Vivendi SE's General Shareholders' Meeting to be held on April 25, 2022.

24.4. OTHER RELATED-PARTY TRANSACTIONS

Vivendi's other related parties are companies over which Vivendi exercises a significant influence (i.e., primarily Universal Music Group, Telecom Italia, Banijay Group Holding and Lagardère as from July 1, 2021: please refer to Note 14) and companies in which Vivendi's Corporate officers or their close relatives hold significant voting rights. They notably include Bolloré Group and its subsidiaries, either directly or indirectly controlled by Mr. Vincent Bolloré, executive management at Vivendi, and his family. Moreover, as Bolloré Group has fully consolidated Vivendi since April 26, 2017, Vivendi's related parties also include Bolloré Group's related parties (in particular Mediobanca until the end of 2020).

In addition, certain Vivendi subsidiaries maintain business relationships, on an arm's-length basis, involving non-material amounts, with Groupe NUXE (controlled by Ms. Aliza Jabès, a member of Vivendi's Supervisory Board), Interparfums (controlled by Mr. Philippe Bénacin, Vice Chairman of Vivendi's Supervisory Board) and groupe Dassault (of which Mr. Laurent Dassault is a Corporate officer and, as from April 20, 2020, a member of Vivendi's Supervisory Board).

(in millions of euros)	12/31/2021	12/31/2020
Assets		
Non-current financial assets	135	113
Of which Banijay Group Holding and Lov Banijay loans	*118*	*97*
Trade accounts receivable and other	47	53
Of which Bolloré Group	*5*	*5*
Universal Music Group ***(a)***	*3*	*3*
Lagardère ***(b)***	*1*	*na*
Telecom Italia ***(c)***	*34*	*36*
Banijay Group Holding ***(d)***	*1*	*2*
Other current financial assets	700	70
Of which Bolloré SE current account ***(e)***	*600*	*70*
Compagnie de l'Odet current account ***(e)***	*100*	*na*
Liabilities		
Trade accounts payable and other	20	48
Of which Bolloré Group	*12*	*14*
Universal Music Group ***(a)***	*1*	*21*
Lagardère ***(b)***	*-*	*na*
Banijay Group Holding ***(d)***	*1*	*5*
Off-balance sheet contractual obligations, net	**66**	**87**
Of which Banijay Group Holding ***(d)***	*55*	*97*

	Year ended December 31	
(in millions of euros)	2021	2020
Statement of earnings		
Operating income	**64**	**84**
Of which Bolloré Group	*5*	*5*
Universal Music Group ***(a)***	*10*	*31*
Lagardère ***(b)***	*-*	*na*
Telecom Italia ***(c)***	*12*	*12*
Banijay Group Holding ***(d)***	*8*	*2*
Other (Interparfums, Groupe NUXE and groupe Dassault) ***(f)***	*1*	*-*
Operating expenses	**(90)**	**(101)**
Of which Bolloré Group	*(37)*	*(28)*
Universal Music Group ***(a)***	*(7)*	*(5)*
Lagardère ***(b)***	*(2)*	*na*
Banijay Group Holding ***(d)***	*(31)*	*(41)*
Other (Interparfums, Groupe NUXE and groupe Dassault) ***(f)***	*-*	*-*

na: not applicable.

(a) Since September 23, 2021, Vivendi has ceded control of Universal Music Group (holding Vevo), which is no longer fully consolidated and is accounted for under the equity method, and which therefore remains a related party to Vivendi. In addition, as of December 31, 2020, Universal International Music B.V. had borrowed €2,368 million from Vivendi SE and Universal Music Group Treasury had placed its cash surpluses of €815 million with Vivendi SE.

(b) Since July 1, 2021, Lagardère is a related party to Vivendi.

(c) Certain Vivendi subsidiaries have rendered operating services to Telecom Italia and its subsidiaries, on an arm's-length basis (mainly communication services) representing an operating income of €8.9 million for Havas Group in 2021 (compared to €8.5 million in 2020) and €3.0 million for Gameloft in 2021 (compared to €3.1 million in 2020).

(d) Vivendi and its subsidiaries (mainly Canal+ Group) entered into production and program purchase agreements with certain Banijay Group Holding subsidiaries on an arm's-length basis.

(e) Vivendi SE and Compagnie de l'Odet, as well as Vivendi SE and Bolloré SE, entered into an intra-group cash management agreement, on October 26, 2021 and March 20, 2020, respectively, on market terms to optimize investment and financing capacities within the two groups, in accordance with Article L. 511-7 of the French Monetary and Financial Code, please refer to Note 24.2.1.

(f) Certain Vivendi subsidiaries maintain business relationships with Interparfums, Groupe NUXE and groupe Dassault, on an arm's-length basis for insignificant amounts.

The following constitutes supplemental information regarding certain related-party transactions (the amounts of which are included in the table above):

- CanalOlympia (Vivendi Village subsidiary) and Bolloré Africa Logistics (Bolloré Group subsidiary) entered into an agreement to take over the operations of nine of Bolloré Africa Logistics' Bluezones and two of its Bluebus lines, for an eight-year period starting January 1, 2018, with the aim of supporting the development of the network of CanalOlympia's venues in Africa. For the occupancy of land and buildings, and for the solar energy supply, CanalOlympia paid rent of €1.5 million in 2020. The entities entered into an amendment concerning the solar energy supply, which will no longer be stored, but used as it is produced and supplemented by the use of the national electricity grid. This change will be made on each of the Bluezones during 2021 and 2022 according to a predefined schedule, which will allow the annual rent to be lowered in relation to the maintenance of electrical equipment. Thus, CanalOlympia will pay rent of €1 million per year until 2025. Given that CanalOlympia and Bolloré Africa Logistics have no directors and executive managers in common, this agreement is not regulated by the procedure applying to related-party agreements;
- on June 2, 2017, Vivendi SE acquired a 5% interest in the Economic Interest Grouping (GIE – *Groupement d'intérêt économique)* Fleet Management Services, a Bolloré Group's subsidiary dedicated, among other things, to providing air transport operations, for a consideration of €0.1 million. This acquisition resulted in the correlative transfer of the portion of the corresponding reciprocal receivables and payables related to the special depreciation of the GIE's assets, i.e., receivables for €2.1 million (compared to €2.0 million as of December 31, 2020) and payables for €3.5 million as of December 31, 2021 (compared to €3.3 million as of December 31, 2020). In addition, on that same date, Havas Group acquired a 2% interest in this GIE. The charge recognized with respect to the use of the GIE's services by Vivendi group amounted to €3.7 million in 2021 (compared to €3.5 million in 2020).

In addition, the Supervisory Board, at its meeting held on November 14, 2019, formalized a procedure for regularly assessing agreements on ordinary transactions and entered into on an arm's length basis, pursuant to Article L. 22-10-29 of the French Commercial Code. This procedure and its implementation are included in section 1.2.10.7 of Chapter 4 of the Annual Report – 2020 Universal Registration Document.

NOTE 25. CONTRACTUAL OBLIGATIONS AND OTHER COMMITMENTS

Vivendi's material contractual obligations and contingent assets and liabilities include:

- certain contractual obligations relating to the group's business operations, such as content commitments (please refer to Note 12.2), contractual obligations and commercial commitments recorded in the Statement of Financial Position, including leases and off-balance sheet commercial commitments, such as long-term service contracts and purchase or investment commitments;
- commitments related to the group's consolidation scope made in connection with acquisitions or divestitures such as share purchase or sale commitments, contingent assets and liabilities subsequent to given or received commitments related to the divestiture or acquisition of shares, commitments under shareholders' agreements and collateral and pledges granted to third parties over Vivendi's assets;
- commitments related to the group's financing: undrawn confirmed bank credit facilities as well as the management of interest rate, foreign currency and liquidity risks (please refer to Note 22.3); and
- contingent assets and liabilities resulting from legal proceedings in which Vivendi and/or its subsidiaries are either plaintiff or defendant (please refer to Note 26).

25.1. CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

		Minimum future payments as of 12/31/2021				Total minimum future payments as of 12/31/2020
			Payments due in			
(in millions of euros)	Note	Total	2022	2023 -2026	After 2026	
Borrowings and other financial liabilities		4,423	807	2,885	731	6,584
Lease liabilities		883	125	469	289	1,291
Content liabilities	12.2	748	744	3	1	3,299
Consolidated statement of financial position items		**6,054**	**1,676**	**3,357**	**1,021**	**11,174**
Contractual content commitments	12.2	5,442	1,963	3,381	98	7,803
Commercial commitments		805	199	419	187	(3,337)
Net commitments not recorded in the Consolidated Statement of Financial Position		**6,247**	**2,162**	**3,800**	**285**	**(a) 4,466**
Total contractual obligations and commercial commitments		**12,301**	**3,838**	**7,157**	**1,306**	**15,640**

(a) As of December 31, 2020, the contribution of Universal Music Group (UMG) to contractual content commitments represented a given commitment of €1,337 million and with respect to commercial commitments a received amount of €3,975 million. As of December 31, 2020, UMG's net contribution was a received net commitment of €2,638 million.

Off-balance sheet commercial commitments

(in millions of euros)	Minimum future payments as of 12/31/2021				Total minimum future payments as of 12/31/2020
		Due in			
	Total	2022	2023 -2026	After 2026	
Satellite transponders	511	68	268	175	568
Investment commitments	217	114	103	-	89
Other	621	241	358	22	703
Given commitments	**1,349**	**423**	**729**	**197**	**1,360**
Satellite transponders	(83)	(41)	(33)	(9)	(90)
Other **(a)**	(461)	(185)	(276)	-	(4,607)
Received commitments	**(544)**	**(226)**	**(309)**	**(9)**	**(4,697)**
Net total	**805**	**197**	**420**	**188**	**(3,337)**

(a) Includes minimum guarantees to be received by the group pursuant to distribution agreements entered into with third parties, notably Internet Service Providers and other digital platforms.

In addition, Canal+ Group and the telecom operators Free, Orange and Bouygues Telecom entered into distribution agreements for Canal channels. The variable amounts of these commitments, which are based on the number of subscribers, cannot be reliably determined and are not reported in either the Statement of Financial Position or described in the commitments. They are recorded as an expense or income in the period in which they were incurred.

25.2. OTHER COMMITMENTS GIVEN OR RECEIVED RELATING TO OPERATIONS

Given commitments amounted cumulatively to €40 million (compared to €111 million as of December 31, 2020). In addition, Vivendi and Havas Group have granted guarantees in various forms to financial institutions or third parties on behalf of their subsidiaries in the course of their operations.

As of December 31, 2021, received commitments amounted cumulatively to €14 million (compared to €4 million as of December 31, 2020).

25.3. SHARE PURCHASE AND SALE COMMITMENTS

In connection with the purchase or sale of operations and financial assets, Vivendi has granted or received commitments to purchase or sell securities:

- Vivendi has undertaken to progressively sell on the market its entire 19.19% interest in the share capital of Mediaset (renamed MediaForEurope as from November 25, 2021) held by Simon Fiduciaria SpA over a five-year period. Fininvest will have the right to purchase any unsold shares in each twelve-month period, at the established annual price (please refer to Note 2.3);
- on February 21, 2022, Vivendi filed a draft public tender offer document for the shares of Lagardère SA with the French securities regulator (*Autorité des marchés financiers*). As a reminder, on February 18, 2022, Vivendi decided to guarantee to Lagardère shareholders the per share price of €24.10 until December 15, 2023, and to increase the price of its tender offer to €25.50 per share, from which the 2021 Lagardère dividend would be deducted, to the shareholders who would elect to sell their shares immediately. For a detailed description, please refer to Note 2.1.

In addition, Vivendi and its subsidiaries granted or received put and call options on shares in equity affiliates and unconsolidated investments.

25.4. CONTINGENT ASSETS AND LIABILITIES SUBSEQUENT TO GIVEN OR RECEIVED COMMITMENTS RELATED TO THE DIVESTITURE OR ACQUISITION OF SHARES

Ref.	Context	Main terms (nature and amount)	Expiry
	Contingent liabilities		
	Sale of Ubisoft (October 2018)	Unlimited specific warranties	
	Sale of GVT (May 2015)	Representations and warranties, notably limited to specifically identified tax matters, capped at BRL 180 million.	-
	Sale of Maroc Telecom group (May 2014)	Customary representations and warranties given to Etisalat (capped at 50% of the sale price and at 100% in respect of claims related to SPT) expired on December 31, 2020.	-
(a)	Sale of Activision Blizzard (October 2013)	– Unlimited general warranties; and	-
		– Tax warranties capped at $200 million, under certain circumstances.	-
	Divestiture of PTC shares (December 2010)	Commitments undertaken to end litigation over the share ownership of PTC:	
		– guarantees given to the Law Debenture Trust Company (LDTC), for an amount of up to 18.4% for the first €125 million, 46% between €125 million and €288 million, and 50% thereafter; and	-
		– guarantee given to Poltel Investment's (Elektrim) judicial administrator.	-
	NBC Universal transaction (May 2004) and subsequent amendments (2005 -2010)	– Breaches of tax representations; and	-
		– Obligation to cover the Most Favored Nation provisions.	-
	Other contingent liabilities	No additional impacts as of December 31, 2021 and 2020.	
	Contingent assets		
	Acquisition of the companies that own and manage all Paddington intellectual property rights, except for the publishing rights (June 2016)	General and specific warranties (including tax matters and warranties related to the intellectual property).	2023
	Acquisition of EMI Recorded Music (September 2012)	– Commitments relating to full pension obligations in the United Kingdom assumed by Citi; and	-
		– Warranties relating to losses stemming from taxes and litigation claims, in particular those related to pension obligations in the United Kingdom.	-
	Acquisition of Kinowelt (April 2008)	Specific warranties, expired as of December 31, 2021, notably on film rights granted by the sellers.	-
	Other contingent assets	Cumulated amount of €83 million (compared to €58 million as of December 31, 2020).	-

The accompanying notes are an integral part of the contingent assets and liabilities described above.

(a) In connection with the sale of 88% of Vivendi's interest in Activision Blizzard, which was completed on October 11, 2013 (the "Closing Date"), Vivendi, ASAC II LP, and Activision Blizzard gave certain reciprocal commitments customary for this type of transaction (i.e., representations, warranties and covenants). Vivendi, ASAC II LP, and Activision Blizzard undertook to indemnify each other against any losses stemming from any breach of their respective commitments. Such indemnification is unlimited as to time and amount.

In addition, Vivendi has agreed to indemnify Activision Blizzard with respect to any tax or other liabilities of Amber Holding Subsidiary Co. ("Amber"), the Vivendi subsidiary acquired by Activision Blizzard, relating to periods preceding the Closing Date. Such indemnification is unlimited as to time and amount. Tax attributes (mainly net operating loss) held by Amber and assumed by Activision Blizzard were estimated at more than $700 million, which represent a potential future tax benefit of approximately $245 million. Vivendi agreed to indemnify Activision Blizzard, under certain circumstances, with respect to these tax attributes, subject to a cap of $200 million limited to fiscal years ending on or prior to December 31, 2016.

As a reminder, in connection with the creation of Activision Blizzard in July 2008, Activision and Vivendi entered into customary agreements for this type of transaction, including tax sharing and indemnity agreements.

Several guarantees given during prior years in connection with asset acquisitions or disposals have expired. However, the time periods or statute of limitation of certain guarantees relating, among other things, to employees, environment and tax liabilities, in consideration of share ownership, or given notably in connection with the winding-up of certain businesses or the dissolution of entities are still in effect. To the best of Vivendi's knowledge, no material claims for indemnification against such liabilities have been made to date.

In addition, when settling disputes and litigation, Vivendi regularly delivers commitments for damages to third parties that are customary for transactions of this type.

Earn-out commitments related to the divestiture or acquisition of shares

Vivendi and its subsidiaries entered into agreements with certain minority shareholders providing for earn-out payments. They notably included capped earn-outs payable in 2022 under the agreement entered into in June 2016 for the acquisition of 100% of the companies that own and manage all Paddington intellectual property rights, except for the publishing rights.

25.5. SHAREHOLDERS' AGREEMENTS

Under existing shareholders' agreements (in particular at Universal Music Group N.V.: please refer to Note 24.2.3), Vivendi holds certain rights (e.g., pre-emptive rights and rights of first offer) that give it control over the capital structure of its consolidated companies with minority shareholders. Conversely, Vivendi has granted similar rights to these other shareholders in the event that it sells its interests to third parties.

Moreover, pursuant to other shareholders' agreements or the bylaws of other consolidated entities, equity affiliates or unconsolidated interests, Vivendi or its subsidiaries have given or received certain rights (pre-emptive and other rights) entitling them to maintain their rights as shareholder.

In addition, in accordance with Article L. 225-100-3 of the French Commercial Code, it is hereby stated that certain rights and obligations of Vivendi under existing shareholders' agreements may be amended or terminated in the event of a change of control of Vivendi or a tender offer for Vivendi's shares.

These shareholders' agreements are subject to confidentiality provisions.

Canal+ Polska SA

In 2020, Canal+ Polska SA (formerly ITI Neovision SA) announced that it was working collaboratively with its shareholders and their respective advisors to explore the conditions of exercise by the minority shareholders of their liquidity rights under the shareholders' agreement, including by means of a potential initial public offering (IPO) of the company. In 2021, following the closing of the liquidity period set out in the shareholders' agreement, the Polish financial market authority (KNF) was informed that the planned IPO had been definitively cancelled.

25.6. COLLATERALS AND PLEDGES

As of December 31, 2021 and 2020, no material asset in Vivendi's Statement of Financial Position was subject to a pledge or mortgage for the benefit of third parties.

NOTE 26. LITIGATION

In the normal course of its business, Vivendi is subject to various lawsuits, arbitrations and governmental, administrative or other proceedings (collectively referred to herein as "Legal Proceedings").

The costs which may result from these Legal Proceedings are only recognized as provisions where they are likely to be incurred and where the obligation can reasonably be quantified or estimated, in which case, the amount of the provision represents Vivendi's best estimate of the risk and is based on a case-by-case assessment of the risk level, provided that Vivendi may, at any time, reassess such risk if events occur during such proceedings. As of December 31, 2021, provisions recorded by Vivendi for all claims and litigation were €449 million, compared to €411 million as of December 31, 2020 (please refer to Note 19).

To the company's knowledge, there are no Legal Proceedings or any facts of an exceptional nature (including any pending or threatened proceedings in which it is a defendant), which may have or have had in the previous twelve months a material effect on the company and on its group's financial position, profit, business and property, other than those described herein.

The status of proceedings disclosed hereunder is described as of March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021).

LBBW et al. against Vivendi

On March 4, 2011, 26 institutional investors from Germany, Canada, Luxembourg, Ireland, Italy, Sweden, Belgium and Austria filed a complaint against Vivendi with the Paris Commercial Court seeking to obtain damages for losses they allegedly incurred as a result of four financial communications issued by Vivendi in October and December 2000, September 2001 and April 2002. Subsequently, on April 5 and April 23, 2012, respectively, two similar complaints were filed against Vivendi: the first by a US pension fund, the Public Employee Retirement System of Idaho, and the second by six German and British institutional investors. Lastly, on August 8, 2012, the British Columbia Investment Management Corporation also filed a complaint against Vivendi based on the same grounds. On January 7, 2015, the Paris Commercial Court appointed an independent court officer responsible for verifying the standing of the plaintiffs and reviewing the documentation provided by them to evidence their alleged holding of securities, before commencing the proceedings on the merits. On July 7, 2021, the Court issued its decisions in these various cases. The Court found Vivendi not liable in the absence of fault relating to the publication of inaccurate financial statements, the dissemination of false information and Vivendi's general communications from October 2000 to August 2002. The Court therefore dismissed all the plaintiffs' claims and ordered them to reimburse Vivendi's costs in the amount of €1,085,000. The Court also ordered the provisional execution of the judgment. Most of the plaintiffs have appealed against the ruling of the Court.

California State Teachers Retirement System et al. against Vivendi

On April 27, 2012, 67 institutional foreign investors filed a complaint against Vivendi before the Paris Commercial Court seeking damages for losses they allegedly incurred as a result of the financial communications made by Vivendi between 2000 and 2002. On June 7 and September 5 and 6, 2012, 26 new plaintiffs joined these proceedings. In November 2012 and March 2014, 12 plaintiffs withdrew from these proceedings. On January 7, 2015, the Paris Commercial Court appointed an independent court officer responsible for verifying the standing of the plaintiffs and reviewing the documentation provided by them to evidence their alleged holding of securities, before commencing the proceedings on the merits. On July 7, 2021, the Court issued its decisions in these various cases. The Court found Vivendi not liable in the absence of fault relating to the publication of inaccurate financial statements, the dissemination of false information and Vivendi's general communications from October 2000 to August 2002. The Court therefore dismissed all the plaintiffs' claims and ordered them to reimburse Vivendi's costs in the amount of €2,450,000. The Court also ordered the provisional execution of the judgment. Most of the plaintiffs have appealed against the ruling of the Court.

Mediaset against Vivendi

On April 8, 2016, Vivendi and Mediaset entered into a strategic partnership agreement pursuant to which the parties agreed to swap a 3.5% interest in Vivendi in exchange for a 3.5% interest in Mediaset and 100% of the share capital of the pay-TV company Mediaset Premium, a subsidiary of Mediaset.

Vivendi's purchase of Mediaset Premium was based on financial assumptions delivered by Mediaset to Vivendi in March 2016, which raised various questions within Vivendi that were addressed to Mediaset. As contractually agreed under the agreement dated April 8, 2016, a due diligence review was subsequently conducted (which was made on behalf of Vivendi by the advisory firm Deloitte). It became apparent from this audit and from Vivendi's analyses that the numbers provided by Mediaset prior to signing the agreement were not realistic and were calculated on an artificially inflated basis.

Although Vivendi and Mediaset had been in discussions in an effort to find an alternative transaction structure to the April 8, 2016 agreement, on July 26, 2016, Mediaset terminated these discussions by publicly rejecting the proposal Vivendi had submitted to it. This proposal consisted of a swap of 3.5% of Vivendi's share capital in exchange for 20% of Mediaset Premium's share capital and 3.5% of Mediaset's share capital and, for the balance, the issuance by Mediaset to Vivendi of bonds convertible into Mediaset shares.

Subsequently, in August 2016, Mediaset together with its affiliate RTI, and Fininvest, Mediaset's majority shareholder, each filed a complaint against Vivendi before the Milan Civil Court seeking to obtain specific performance of the April 8, 2016 agreement and the related shareholders' agreement as well as compensation for alleged damages. In particular, the plaintiffs claimed that Vivendi had not filed its notification to the European Commission with respect to the transaction and had thus prevented the last condition precedent to the completion of the transaction from being satisfied. Vivendi considered that despite its timely completion of the pre-notification process with the Commission, the Commission would not have accepted a formal filing while the parties were discussing their differences.

At the first hearing held in the case, the judge encouraged the parties to try to reach an amicable resolution of their dispute. To this end, on May 3, 2017, the parties began mediation proceedings before the Chamber of National and International Arbitration of Milan.

Despite this mediation, on June 9, 2017, Mediaset, RTI and Fininvest filed a further complaint against Vivendi seeking damages totaling €2 billion for Mediaset and RTI, and €1 billion for Fininvest, in connection with Vivendi's acquisition of Mediaset shares at the end of 2016. According to the plaintiffs, these acquisitions were made in breach of the April 8, 2016 agreement and of Italian media regulations and constitutive of unfair competition. In addition, the complaint included a demand that Vivendi be required to divest the Mediaset shares that were allegedly purchased in breach of applicable law and the April 8, 2016 agreement. Lastly, the plaintiffs had requested that, pending such divestiture, Vivendi be enjoined from exercising its rights (including voting rights) on such Mediaset shares.

On February 27, 2018, the Court noted the termination of the mediation proceedings. During a hearing held on December 4, 2018, Fininvest, RTI and Mediaset dropped, in respect of their first complaint, their claim for specific performance of the April 8, 2016 agreement, while pursuing their claim for compensation for alleged damages, in the amount of up to (i) €720 million for Mediaset and RTI, for non-performance of the April 8, 2016 agreement, and (ii) €1.3 billion for Fininvest, for non-performance of the above-mentioned shareholders' agreement, for the loss resulting from the change in the Mediaset share price between July 26 and August 2, 2016 and various damages relating to the alleged illegal acquisition of Mediaset shares by Vivendi at the end of 2016. Fininvest also sought damages for an amount to be determined by the Court for damages to its decision-making process and image.

At a hearing held on March 12, 2019, Vivendi requested that the Court suspend part of the proceedings pending the ruling of the Court of Justice of the European Union on the analysis of the compatibility of the Italian law on the protection of media pluralism (the "TUSMAR") with the Treaty on the Functioning of the European Union, which suspension was granted. The proceedings resumed following the decision of the Court of Justice of the European Union dated September 3, 2020 (see below), and a final discussion hearing was held before the Court of Milan on February 11, 2021, during which the parties presented their arguments.

The Court of Milan issued its decision on April 19, 2021. With respect to the first proceeding concerning the April 8, 2016 agreement relating to the acquisition of Mediaset Premium, the Court dismissed Fininvest's claim for damages (by ordering it to pay Vivendi approximately €345,000 in legal costs) and ordered Vivendi to pay Mediaset and RTI the total amount of €1,716,586 (plus approximately €46,000 in legal costs) for not having complied with certain preliminary contractual obligations under such agreement. With respect to the second proceeding concerning Vivendi's acquisition of Mediaset shares in the last quarter of 2016, the Court dismissed all of the claims of the Mediaset group and its shareholder Fininvest by ordering them to pay Vivendi approximately €374,000 for the costs of the proceedings.

On May 3, 2021, the parties entered into a global agreement to end their disputes by waiving all litigation and claims between them. This agreement also provides for a gradual withdrawal of Vivendi from Mediaset's share capital over a five-year period and includes a standstill commitment, as well as a "good neighbor" agreement regarding free-to-air television. This settlement agreement took effect on July 22, 2021.

Other proceedings related to Vivendi's entry into the share capital of Mediaset

Following Vivendi's entry into the share capital of Mediaset by means of open market purchases of shares during the months of November and December 2016, culminating in a 28.80% shareholding, Fininvest stated that it had filed a complaint for market manipulation with the Milan public prosecutor's office and the Consob, the Italian financial markets regulator. As a result of this complaint, on December 11, 2020, the former Chairman of Vivendi's Supervisory Board and the Chairman of Vivendi's Management Board were notified of the "end of a preliminary investigation". Pursuant to the agreement entered into between Vivendi, Mediaset and Fininvest on May 3, 2021, which became effective on July 22, 2021, Fininvest withdrew its complaint. On November 16, 2021, the Milan public prosecutor's office filed a motion to dismiss the case,

In addition, on December 21, 2016, the AGCOM, the Italian communications authority, opened an investigation into the compatibility between the increase in Vivendi's holdings in Mediaset's share capital and its position as shareholder of Telecom Italia under Italian media regulations.

On April 18, 2017, the AGCOM issued a decision in which it determined that Vivendi was not compliant with the regulations. Vivendi, which had twelve months to become compliant, appealed against this decision to the Regional Administrative Court of Lazio. Pending the decision on this appeal, the AGCOM acknowledged Vivendi's proposed action plan setting out how it would comply with the decision. On April 9, 2018, in compliance with the undertakings given to the AGCOM, Vivendi transferred the portion of its shareholding in excess of 10% of Mediaset's voting rights to an independent trustee, Simon Fiduciaria SpA. On November 5, 2018, the Regional Administrative Court of Lazio decided to suspend its decision and referred to the European Court of Justice the analysis of the compatibility of the Italian rule under Article 43 of the TUSMAR, as applied by AGCOM, with the free movement principle enshrined in the Treaty on the Functioning of the European Union. On September 3, 2020, the Court of Justice of the European Union ruled that the Italian regulations on the protection of media pluralism were contrary to EU law. Following this decision, on December 23, 2020, the Regional Administrative Court of Lazio annulled the above-mentioned AGCOM decision of April 18, 2017. On January 22, 2021, Mediaset appealed against this decision. Mediaset dropped this appeal following the agreement reached between Vivendi, Mediaset and Fininvest on May 3, 2021, which came into effect on July 22, 2021.

Prior to these latest developments, on December 11, 2020, AGCOM announced the opening of a new investigation against Vivendi, based on a provision (the "Salva Mediaset" amendment) passed by the Italian Parliament as part of the approval, in early December 2020, of emergency measures related to the health crisis. On the same day, Vivendi filed a complaint with the European Commission against this provision. On February 2, 2021, Vivendi challenged the opening of this investigation before the Regional Administrative Court of Lazio. On June 24, 2021, in light of the above-mentioned May 3, 2021 agreement, AGCOM issued a decision whereby it closed the investigation.

Proceedings related to the change in Mediaset's Corporate structure

On July 2, 2019, Vivendi filed a complaint against Mediaset and Fininvest before the Milan Civil Court requesting the Court to (i) annul the resolution of the Mediaset Board of Directors adopted on April 18, 2019, preventing Vivendi from exercising the voting rights associated with the shares not transferred to Simon Fiduciaria SpA following the AGCOM's decision of April 18, 2017 (representing 9.61% of the share capital and 9.9% of the voting rights) at Mediaset's Extraordinary General Shareholders' Meeting held on April 18, 2019, and (ii) annul the resolution adopted by that meeting approving the implementation of a double voting rights system for shareholders who have held their shares for at least two years and who request such rights.

On June 7, 2019, Mediaset announced a plan to create MediaforEurope (MFE), a Netherlands-based holding company that would result from the merger of Mediaset SpA and Mediaset España. On September 4, 2019, the merger plan was approved by the Shareholders' Meetings of the Italian and Spanish companies, and then re-approved (due to the appeals filed by Vivendi) by the Shareholders' Meetings of Mediaset SpA and Mediaset España on January 10 and February 5, 2020, respectively. At both of the meetings held in Italy, Simon Fiduciaria SpA was deprived of its voting rights by Mediaset's Board of Directors and Vivendi initiated legal proceedings in Spain, Italy and the Netherlands. Following interim rulings issued by the Spanish and Dutch courts in Vivendi's favor, this merger plan, as initially envisaged, was abandoned.

On July 22, 2021, pursuant to the agreement entered into on May 3, 2021, among Vivendi, Mediaset and Fininvest, all pending proceedings in this matter were terminated.

Telecom Italia

On August 5, 2017, the Italian Government informed Vivendi that it was opening a formal investigation into whether certain provisions of Law Decree no. 21 of March 15, 2012 on special powers of the Italian Government relative to the defense and national security sectors (Article 1) and to activities of strategic importance in the fields of energy, transport and communications (Article 2), had been respected by Telecom Italia and Vivendi. Vivendi considered the provisions of that decree inapplicable to Vivendi. In particular, (i) Article 1, concerning the defense and national security sectors had never been hitherto declared or communicated to the market given the nature of the activities carried out by Telecom Italia, and (ii) Article 2, which relates to the energy, transport and communications sectors, does not apply to Vivendi since it refers to purchases of significant shareholdings made by non-European entities.

Additionally, and in the same timeframe as the above-mentioned investigation, on September 13, 2017, the Consob declared that Vivendi exercises de facto control over Telecom Italia. Vivendi and Telecom Italia formally contest this position and appealed to the Lazio Regional Administrative Court. On April 17, 2019, the Lazio Regional Administrative Court dismissed the appeal brought by Telecom Italia and Vivendi, each of which filed an appeal with the Italian Council of State on July 16 and 17, 2019, respectively. On December 14, 2020, the Italian Council of State ruled in favor of Vivendi and Telecom Italia. On June 11, 2021, Consob appealed against this decision before the Italian Court of Cassation. On July 21, 2021, Vivendi filed its statement of defense *(controricorso).*

On September 28, 2017, the Presidency of the Council of Ministers declared that (i) the notification made by Vivendi under Article 1 of the aforementioned legislative decree as a precautionary measure was made late and (ii) Telecom Italia had not made a notification under Article 2 of the decree following a change of control over its assets that are of strategic importance in the fields of energy, transport and communications. Therefore, the Presidency of the Council of Ministers launched proceedings against Telecom Italia for failing to make the required notification under Article 2 of the same legislative decree. Vivendi and Telecom Italia have appealed this finding.

Furthermore, by a decree dated October 16, 2017, the Italian Government decided to exercise the special powers laid down in Article 1 of the 2012 legislative decree, relative to the defense and national security sectors. This decree imposes a number of organizational and governance measures on Vivendi and Telecom Italia and its two subsidiaries, Telecom Italia Sparkle Spa ("Sparkle") and Telsy Elettronica e Telecomunicazioni Spa ("Telsy"). In particular, Telecom Italia, Sparkle and Telsy must have a division in charge of supervising all activities related to defense and national security, which is fully autonomous and endowed with human and financial resources sufficient to guarantee its independence, and to appoint to their governing bodies a member who is an Italian citizen, who is approved by the Italian Government and who has security clearance. It also requires the establishment of a Supervisory Committee under the auspices of the Council of Ministers *(Comitato di monitoraggio)* to monitor compliance with these obligations. On February 13, 2018, Vivendi and Telecom Italia filed an appeal against this decree with the Italian Presidency of the Council of Ministers. This appeal was dismissed on November 13, 2019.

In addition, by a decree dated November 2, 2017, the Italian Government decided to implement the special powers conferred by Article 2 of the 2012 legislative decree, relative to the fields of energy, transport and communications. This decree imposes on Telecom Italia the obligation to implement development, investment and maintenance plans for its networks to guarantee their operation and security, to provide universal service, and, more generally, to satisfy public interest in the medium and long term, under the control of the *Comitato di monitoraggio*, who must be notified of any reorganization of the Telecom Italia group's holdings or any project having an impact on the security, availability and operation of the networks. On March 2, 2018, Vivendi and Telecom Italia filed an appeal against this decree with the Italian Presidency of the Council of Ministers which was suspended on November 22, 2019.

Finally, by a decree dated May 8, 2018, the Italian Government imposed an administrative fine of €74 million on Telecom Italia for failure to comply with its information obligations (failure to notify under Article 2 of Law Decree No. 21 of March 15, 2012, see above). On July 5, 2018, the Regional Administrative Court of Lazio suspended the enforcement of such fine.

Parabole Réunion

In July 2007, Parabole Réunion filed legal proceedings before the Paris Tribunal of First Instance following the termination of its rights to exclusively distribute the TPS channels in Reunion Island, Mayotte, Madagascar and Mauritius and the alleged deterioration of the quality of channels made available to it. Pursuant to a decision dated September 18, 2007, Canal+ Group was prohibited, subject to being fined, from allowing third parties to broadcast these channels (or replacement channels substituted for these channels) and was ordered to replace the TPS Foot channel in the event it was dropped. Canal+ Group appealed this decision. In a ruling dated June 19, 2008, the Paris Court of Appeal partially overturned the decision and stated that these replacement channels were not to be granted exclusively if the channels had not been made available to third parties prior to the merger with TPS. Parabole Réunion was unsuccessful in its claims concerning the content of the channels in question. On November 10, 2009, the French Supreme Court dismissed the appeal brought by Parabole Réunion.

On September 24, 2012, Parabole Réunion filed a claim against Canal+ France, Canal+ Group and Canal+ Distribution before the enforcement magistrate of the Nanterre Court of First Instance seeking enforcement of the fine imposed by the Paris Tribunal of First Instance and confirmed by the Court of Appeal. On November 6, 2012, Parabole Réunion expanded its claim to cover the TPS Star, CinéCinéma Classic, Cult and Star channels. On April 9, 2013, the enforcement magistrate partially dismissed Parabole Réunion's claim and declared the rest inadmissible. He noted that Canal+ Group had no legal obligation with respect to the content or the maintenance of programming on channels made available to Parabole Réunion and held, after noting that the TPS Foot channel was still being produced, that there was no need to replace this channel. On April 11, 2013, Parabole Réunion filed a first appeal against this decision. On May 22, 2014, the Versailles Court of Appeal declared this appeal inadmissible due to Parabole Réunion's lack of representative capacity. On February 14, 2014, Parabole Réunion filed an appeal on points of law and filed a second appeal against the April 9, 2013 decision. On April 9, 2015, the French Supreme Court overturned the May 22, 2014 decision of the Versailles Court of Appeal in which the appeal filed by Parabole Réunion on April 11, 2013 was declared inadmissible. The case was remanded to the Paris Court of Appeal which, on May 12, 2016, upheld the decision of the Court of First Instance and dismissed all of Parabole Réunion's claims. In a decision issued on September 28, 2017, the French Supreme Court dismissed Parabole Réunion's appeal against the decision of the Paris Court of Appeal.

Concomitantly, on August 11, 2009, Parabole Réunion filed a complaint against Canal+ Group before the Paris Tribunal of First Instance, requesting that the Tribunal order Canal+ Group to (i) make available a channel with a level of attractiveness similar to that of TPS Foot in 2006 and (ii) pay damages. On April 26, 2012, Parabole Réunion also filed a complaint against Canal+ France, Canal+ Group and Canal+ Distribution before the Paris Tribunal of First Instance requesting the Tribunal to acknowledge the failure of the companies of the group to fulfill their contractual obligations to Parabole Réunion and their commitments to the Ministry of Economy. These two legal proceedings were consolidated into a single proceeding. On April 29, 2014, the Paris Tribunal of First Instance partially recognized the admissibility of Parabole Réunion's claim with respect to the period following June 19, 2008 and established the contractual liability of Canal+ Group due to the deterioration of the quality of channels made available to Parabole Réunion. The Tribunal also ordered an expert report on the damages suffered by Parabole Réunion, rejecting the assessment provided by Parabole Réunion. On June 3, 2016, the Paris Court of Appeal upheld the April 29, 2014 decision of the Paris Tribunal of First Instance. Canal+ Group filed an appeal against this decision with the French Supreme Court, which was dismissed on January 31, 2018.

In an order issued on October 25, 2016, the Pre-Trial Judge held that the April 29, 2014 decision, in which Canal+ Group was ordered to compensate Parabole Réunion, established in principle a debt of Canal+ Group, even if the assessment of its amount was still to be finalized. The Judge ordered Canal+ Group to make an advance payment of €4 million. On January 17, 2017, the Paris Tribunal of First Instance ordered Canal+ Group to pay the sum of €37,720,000, with provisional enforceability. On February 23, 2017, Parabole Réunion appealed against this decision to the Paris Court of Appeal.

On May 29, 2017, Parabole Réunion raised an incidental question in order to have the court appoint an additional expert to assess the loss in value of its business. On October 12, 2017, the Pre-Trial Judge of the Paris Court of Appeal granted this request and a judicial expert was appointed. On December 17, 2018, Parabole Réunion raised a new incidental question before the Pre-Trial Judge of the Paris Court of Appeal in order to have the court clarify the role of the judicial expert, who had halted his work. In an order issued on April 4, 2019, the Pre-Trial Magistrate of the Paris Court of Appeal decided that the judicial expert would formulate a hypothetical estimate of damages for the loss in value of the business based on the number of subscribers proposed by Parabole Réunion (i.e., 40,000), with the judicial expert specifying, if appropriate, whether the loss in value of the business resulted from the loss of 40,000 subscribers and/or potential new subscribers attributable to Canal+ Group. However, the Pre-Trial Magistrate (i) rejected Parabole Réunion's request to include in the judicial expert's additional work the assumption that the 40,000 subscribers referred to above had generated a certain EBIT margin and (ii) ordered Parabole Réunion to bear the costs of the incidental procedure. The judicial expert resumed his work in mid-April 2019. On January 15, 2021, the judicial expert filed his final report. On March 30, 2021, Parabole Réunion filed a motion seeking the recusal of the Pre-Trial Judge and submitted arguments for the nullity of the judicial expert's report. On May 18, 2021, the Pre-Trial Judge sent a letter to the parties informing them that Parabole Réunion's request for his recusal was denied.

On February 11, 2022, the Paris Court of Appeal issued its decision. It rejected the request for nullity of the judicial expert's report and upheld the January 17, 2017 decision in its entirety, except for the amount of damages awarded for operating losses suffered by Parabole Réunion. Consequently, the Paris Court of Appeal ordered Canal+ Group to pay the sum of €48.55 million to compensate for operating losses for the period 2008/2012, and €29.5 million to compensate for operating losses for the period 2013/2016, all of which is to be capitalized at an interest rate of 11% for the period January 1, 2013 to December 31, 2016. It also ordered Canal+ Group to pay damages of one million euros for loss of reputation and moral damages of €500,000. Canal+ Group is considering the possibility of appealing to the French Supreme Court. On February 17, 2022, Parabole Réunion filed two motions with the Paris Court of Appeal: one requesting the correction of material errors, notably in relation to the amount of compensation awarded for operating losses as of December 31, 2012; and the other requesting a ruling on interest and the capitalization rate applicable between January 1, 2017, and February 11, 2022.

Canal+ Group against TF1, M6 and France Télévision

On December 9, 2013, Canal+ Group filed a complaint with the French Competition Authority against the practices of the TF1, M6 and France Télévision groups in the French-language film market. Canal+ Group claims that the defendants added certain pre-emption rights to co-production contracts aimed at restricting competition. On February 23, 2018, the French Competition Authority served a notification of grievances on France Télévision, TF1 and M6. On February 13, 2019, the case was reviewed by the French Competition Authority, which, on May 25, 2019, rendered a decision dismissing the case. On July 2, 2019, Canal+ Group appealed against this decision and its appeal was rejected on October 8, 2020. On October 29, 2020, Canal+ Group filed an appeal before the French Supreme Court, which is currently under review.

Touche Pas à Mon Poste

On June 7, 2017, the French Broadcasting Authority *(Conseil supérieur de l'audiovisuel)* (the "CSA" – which was replaced by the French regulatory authority for audiovisual and digital communication *(Autorité de régulation de la communication audiovisuelle et numérique* – the "Arcom")) decided to sanction C8 for a sequence broadcast on the show *TPMP* on December 7, 2016. The CSA considered that this sequence, in which the presenter of the show, Cyril Hanouna, and one of its columnists, Capucine Anav, are seen engaging in a game on set during an "off" sequence, undermined the image of women. The sanction consisted of the suspension of advertising broadcasts during the show, *Touche Pas à Mon Poste* and its rebroadcasts, as well as during the fifteen minutes before and the fifteen minutes after its broadcast, for a period of two weeks.

On the same date, the CSA sanctioned C8 for another sequence broadcast on the show *TPMP! La grande Rassrah* on November 3, 2016. The CSA considered that this new sequence, the filming by hidden camera of Matthieu Delormeau, a columnist for the show, violated his dignity. This sanction consisted of the suspension of advertising broadcasts during the show, *Touche Pas à Mon Poste* and its rebroadcasts, as well as during the fifteen minutes before and the fifteen minutes after its broadcast, for a period of one week.

On July 3, 2017, following the two decisions of the CSA, C8 filed two actions for annulment with the French Council of State *(Conseil d'État)*. On July 4, 2017, C8 filed two claims for compensation with the CSA, which were tacitly rejected. On November 2, 2017, C8 appealed against each of these to the Council of State. On June 18, 2018, the Council of State dismissed C8's action for annulment of the CSA's first decision, but granted the second action, overturning the CSA's second decision. The Council of State's decision to dismiss C8's action for annulment of the CSA's first decision is the subject of an appeal pending before the European Court of Human Rights (ECHR), filed in December 2018. On November 13, 2019, the Council of State rejected the first claim for compensation but upheld the second, ordering the CSA to pay €1.1 million to C8 in compensation for the loss of a week's worth of advertising on its airwaves.

On July 26, 2017, the CSA decided to sanction C8 for a sequence broadcast on the show *TPMP Baba hot line* on May 18, 2017, considering that the channel violated the principle of respect for privacy and its obligation to combat discrimination, and imposed a monetary fine of €3 million. Following this decision, on September 22, 2017, C8 filed an action for annulment before the Council of State, which was dismissed on June 18, 2018. This decision is the subject of an appeal pending before the European Court of Human Rights, filed in December 2018. In addition, C8 filed a claim for compensation with the CSA, whose implicit rejection of it was challenged before the Council of State on January 25, 2018. On September 7, 2018, C8 withdrew its claim for compensation. In connection with the same case, on February 18, 2019, Canal+ Group sent a letter to the CSA requesting the cancellation of the aforementioned €3 million fine in light of the November 2018 statements made by a representative of the French association, Le Refuge, explaining that it had not received a complaint from an alleged victim of the hoax, contrary to its initial statements. On April 5, 2019, this request was rejected. An appeal against this decision was filed with the Council of State on June 5, 2019. The appeal was rejected on September 28, 2020. In March 2021, an appeal was filed with the ECHR against this decision.

Canal+ Group against Mediapro

On September 18, 2020, Canal+ Group filed a complaint against Mediapro before the Nanterre Commercial Court for unequal treatment and discriminatory practices in the context of discussions that had taken place between the two companies regarding the distribution of the Telefoot channel, which has been discontinued. On October 2, 2020, the Nanterre Commercial Court referred the case to the Paris Commercial Court.

On November 20, 2020, Mediapro filed a complaint against Canal+ Group before the Paris Commercial Court, requesting the Court to rule that Canal+ Group (i) abused its dominant position in the channel distribution market by unfairly discriminating against Mediapro and (ii) made disparaging statements constituting unfair competition. The two cases were joined at a hearing on February 8, 2021.

In parallel, Mediapro referred the matter to the French Competition Authority, which has opened an investigation. In this context, on June 21, 2021, Canal+ Group responded to a request for information from the French Competition Authority and the CSA (now the Arcom).

Canal+ Group against the French Professional Football League

- On July 4, 2019, following the cancellation of a number of League 1 matches between December 2018 and April 2019 due to the "Yellow Vest" protests in France with their postponement having been decided by the French Professional Football League (Ligue de Football Professionnel, LFP) unilaterally, Canal+ Group filed a complaint against the LFP seeking damages for the loss suffered as a result of these postponements. Canal+ Group considers that, having acquired, at the time of the call for tenders, broadcasting rights to matches and magazines for identified time slots for the periods 2016/2017 to 2019-2020, the LFP infringed the rights acquired following the call for tenders. Canal+ Group is seeking €46 million in damages. During a hearing held on November 25, 2019, the LFP requested the dismissal of Canal+ Group's claims and raised a counterclaim requesting that the Canal+ Group be ordered to pay damages for the prejudice allegedly caused to it by the publicity surrounding these proceedings. On June 1, 2021, the Paris Commercial Court denied Canal+ Group's claims and ordered it to pay €10,000 to the LFP for the wrongful act of disparagement, as well as €50,000 for legal fees. Canal+ Group has appealed against this decision. In turn, the LFP filed a cross-appeal requesting that the amount of damages awarded against for disparagement (related to the publication of the complaint in the newspaper L'Équipe) be increased from €10,000 to €500,000.
- On January 22, 2021, Canal+ Group brought summary proceedings against the LFP before the Paris Commercial Court, following the call for tenders launched by the LFP on January 19, 2021 for the sale of the League 1 rights returned by Mediapro and seeking, among other things, the cancellation of the call for tenders and an order requiring the LFP to pay Canal+ Group the difference between the price of lot 3 acquired by it in connection with the 2018 call for tenders and not included in the challenged call for tenders and its actual economic value. On March 11, 2021, the Paris Commercial Court issued its judgment, dismissing all of Canal+ Group's claims and ordering it to pay €50,000 for legal fees. On April 6, 2021, Canal+ Group appealed against this decision before the Paris Court of Appeal.
- On January 29, 2021, Canal+ Group also filed a complaint and a request for protective measures against the LFP before the French Competition Authority, in particular seeking to require the LFP to organize a new call for tenders for all League 1 broadcasting rights. On June 11, 2021, the French Competition Authority denied Canal+ Group's request for interim measures for lack of sufficiently probationary evidence. Canal+ Group has appealed against this decision.
- On July 26, 2021, beIN Sports, supported by Canal+ Group, filed a complaint against the LFP before the Paris Judicial Court requesting that the Court declare the contract relating to Lot 3 null and void or, alternatively, terminate it pursuant to Article 1195 of the French Civil Code.
- On December 24, 2021, Canal+ Group filed a second complaint and a request for protective measures against the LFP before the French Competition Authority. Canal+ Group is seeking a finding by the French Competition Authority that the LFP has engaged in discriminatory practices by awarding the bulk of the broadcasting rights to League 1 matches to Amazon for an amount of €250 million per season, whereas Canal+ is compelled to broadcast a League 1 lot awarded in 2018 for an amount of €332 million per season, and that these practices constitute an abuse of a dominant position. It is also seeking to have the French Competition Authority declare the contracts entered into between the LFP and beIN Sports in May 2018, and between the LFP and Amazon in June 2021 null and void and impose any and all financial penalties it deems appropriate on the companies involved. Lastly, Canal+ Group is seeking protective measures consisting of (i) the suspension of the agreement entered into between the LFT and Amazon on June 11, 2021, upon completion of the broadcasting of the 2021-2022 League 1 season and (ii) the reallocation of lot 3 and the lots operated by Amazon for the 2022/2023 to 2023/2024 seasons under non-discriminatory conditions.

beIN Sports against Canal+ Group

As part of the 2018 call for tenders for the rights to broadcast the League 1 soccer championship for the 2020/2021 to 2023/2024 seasons, beIN Sports was awarded lot 3 and subsequently sub-licensed these rights to Canal+ Group. Following the return of the League 1 championship rights for lots 1, 2, 4, 5 and 7 by Mediapro in January 2021, the French Professional Football League (LFP) subsequently awarded these rights to Amazon on June 11, 2021, for an amount of €250 million (compared to the €780 million paid for these same lots when they were awarded to Mediapro). Considering the price paid by Canal+ Group for the rights to broadcast the lot 3 matches compared to the price of the matches sold to Amazon, Canal+ Group believes that it has been subjected to serious inequality of treatment and discriminatory practices. Accordingly, it has notified the LFP that it will no longer broadcast this lot 3 once the championship resumes in August 2021.

In parallel, Canal+ Group, in its capacity as licensee of the rights to lot 3, enjoined beIN Sports to take all legal measures to have the agreement relating to lot 3 that was signed between beIN Sports and the LFP declared null and void and to refer the matter to the French Competition Authority on the grounds of discriminatory practices and distortion of competition. Faced with beIN Sports' inaction, on July 12, 2021, Canal+ Group notified beIN Sports that it was suspending the performance of its obligations under the sub-license agreement, considering that beIN Sports had failed to fulfill its essential obligation to take the above-mentioned legal measures. On July 16, 2021, beIN Sports, considering that the suspension of the performance of the sub-license agreement constituted a manifestly unlawful disturbance and exposed beIN Sports to imminent damages vis-à-vis the LFP, summoned Canal+ Group to appear before the Nanterre Commercial Court, requesting that the Court issue an order, subject to a fine in the event of non-compliance, requiring Canal+ Group to produce, broadcast and pay for the matches in lot 3 of the French League 1 championship.

On July 23, 2021, the Nanterre Commercial Court dismissed beIN Sports' claims.

On July 29, 2021, beIN Sports brought a new action against Canal+ Group before the Nanterre Commercial Court seeking to have the Court compel Canal+ Group to perform its obligations under the sub-license agreement. On August 5, 2021, the Nanterre Commercial Court issued a summary order requiring Canal+ Group to fulfill all of its obligations under the sub-license agreement pending a decision on the merits of the action to terminate or nullify the agreement. The Court also imposed a penalty payment of one million euros per day, up to a maximum of 90 days. Canal+ Group has appealed against this decision. The hearing before the Versailles Court of Appeal was held on February 9, 2022. A decision is expected at the end of March 2022.

In addition, on February 2, 2022, beIN Sports brought summary proceedings against Canal+ Group before the Paris Commercial Court, seeking a ruling that the cancellation clause contained in the sub-license agreement does not comply with the mandatory requirements of Article 1225 of the French Civil Code and is therefore ineffective and, consequently, to order Canal+ Group to perform all of its obligations under the sub-license agreement.

Eurosport against Canal+ Group

On January 13, 2021, Eurosport filed a complaint against Canal+ Group before the Paris Judicial Court, alleging that Canal+ Group had failed to pay certain royalties due to the non-broadcasting of certain sporting events and competitions on Eurosport channels in 2020. Eurosport is seeking (i) the payment of unpaid royalties for the period from mid-March 2020 to mid-May 2020 and (ii) damages for acts of unfair competition. In January 2022, the parties entered into a settlement agreement which terminated this dispute.

Proceedings before the – Bobigny Labor Court

Several employees of the Canal+ Group telephone call center located in Saint-Denis brought an action against Canal+ Group before the Bobigny Labor Court seeking the annulment of their dismissal on the grounds that the job protection plan implemented in the call center had been discriminatory. Pursuant to two decisions issued in May and October 2021, the plaintiffs' case was dismissed. The plaintiffs have appealed against these decisions.

Maïtena Biraben against Canal+

On July 29, 2016, Maïtena Biraben challenged her termination by Canal+ for gross misconduct before the French Labor Court (Conseil de Prud'hommes). On September 27, 2018, the French Labor Court rendered its decision, finding that Ms. Biraben's termination was without justified cause. The Court ordered SECP to pay total amount of €3,246,456, representing €38,456 in backpay and paid leave, €148,000 in severance pay, €510,000 in damages and €2,550,000 in termination compensation. SECP appealed against this judgment. On June 23, 2021, the Versailles Court of Appeal upheld this first-instance judgment. Canal+ Group filed an appeal against this ruling before the French Supreme Court.

Thierry Ardisson, Ardis, Télé Paris against C8 and SECP

On September 24, 2019, following the non-renewal of the television programs *Les Terriens du samedi* and *Les Terriens du Dimanche,* Thierry Ardisson, Ardis and Télé Paris brought an action against C8 and SECP before the Paris Commercial Court for the termination of commercial relations without prior notice. The plaintiffs, alleging a situation of economic dependence, sought an award in solidum against C8 and SECP to pay damages to Ardis in the amount of €5,821,680, Télé Paris in the amount of €3,611,429, and Thierry Ardisson in the amount of €1 million. On January 21, 2020, the Court issued a judgment ordering C8 to pay €811,500 to Ardis and €269,333 to Télé Paris. Thierry Ardisson's claim was dismissed and SECP was acquitted. On March 16, 2020, Thierry Ardisson, Ardis and Télé Paris appealed against this decision. On September 10, 2021, the Paris Court of Appeal ordered C8 to pay damages to Ardis in the amount of €3,800,476 and Télé Paris in the amount of €2,293,657, as well as €417,587 of damages to the latter as a result of its termination on economic grounds, i.e., a total amount of €6.5 million. On September 20, 2021, C8 filed an appeal against this ruling before the French Supreme Court. The French Supreme Court's decision is expected in the fourth quarter of 2022.

Canal+ Group against Technicolor

In December 2016, Canal+ Group and Technicolor entered into an agreement to manufacture and deliver G9 (for mainland France) and G9 Light (for Poland) set-top boxes. In 2017, Technicolor challenged the prices agreed with Canal+ Group and ultimately decided to terminate this agreement at the end of 2017. As a result, Canal+ Group brought summary proceedings against Technicolor before the Nanterre Commercial Court for breach of contract. On December 15, 2017, Canal+ Group's claim was dismissed. However, on December 6, 2018, the Versailles Court of Appeal ruled in its favor, recognizing the wrongful nature of the termination of the agreement by Technicolor. Technicolor filed an appeal before the French Supreme Court, which was dismissed on June 24, 2020.

In parallel, on September 2, 2019, Canal+ Group filed a complaint before the Paris Commercial Court against Technicolor for breach of its contractual commitments. In its complaint, Canal+ Group alleged that Technicolor failed to deliver the G9 and G9 Light set-top boxes in accordance with the manufacturing and delivery agreements entered into between the two companies. Canal+ Group is seeking reimbursement of additional costs incurred, alternative transportation costs, late payment penalties and the payment of damages. In turn, on October 9, 2019, Technicolor filed a claim for unpaid invoices against Canal+ Group, Canal+ Reunion, Canal+ Antilles and Canal+ Caledonia before the Nanterre Commercial Court. On September 2, 2020, the Paris Commercial Court dismissed the case due to lack of jurisdiction and referred it to the Nanterre Commercial Court. On October 22, 2021, the Nanterre Commercial Court issued a decision in which it recognized the wrongful nature of Technicolor's termination of the agreement and its requests for a price increase. The Court also ordered an expert appraisal to calculate the amounts claimed by Canal+ Group in this dispute. Technicolor has appealed against this decision. On February 3, 2022, a hearing was held on Technicolor's appeal, which was dismissed in a decision dated on March 3, 2022. The proceedings before the Nanterre Commercial Court are continuing with respect to the expert opinion that was ordered.

Canal+ Group against Pace

On November 14, 2019, Canal+ Group filed a complaint before the Paris Commercial Court against Pace, a supplier of G5 satellite and DTT set-top boxes, alleging that a number of malfunctions and defects in the G5 decoders prevent it from offering them to its customers. Canal+ Group sought enforcement of the contractual warranty provisions and corresponding payments, as well as damages, for a total amount of €24 million. In parallel, Pace filed a complaint against Canal+ International, thereby extending the aforementioned proceedings to the latter. The Paris Commercial Court proposed mediation, which the parties accepted. A settlement was reached on December 3, 2021, and is currently being formalized.

"Free-to-air" cases

On April 22, 2021, TF1, TMC, TFX, TF1 Séries Films, LCI, TF1 Films Production and GIE TF1 Acquisition of Rights filed a complaint against Canal+ Group and SECP before the Paris Judicial Court, claiming that Canal+'s national free-to-air broadcasting in March 2020 during the first lockdown constituted an act of piracy and unfair or prejudicial competition against them. The total amount of their claim is €11.3 million.

On April 23, 2021, France Télévision, France 2 Cinéma and France 3 Cinéma filed a complaint against SECP before the Paris Judicial Court on similar grounds. The total amount of their claim is €29.87 million.

Following a proposal of the Pre-Trial Judge, the parties in these two cases entered into mediation proceedings, which are ongoing.

Audiovisual production obligations matter

On March 24, 2021, the CSA (now the Arcom) issued a formal notice to the Canal+ channel to "comply, in the future, with its obligations to contribute to the development of the production of heritage audiovisual works, independent heritage audiovisual works and French original heritage audiovisual works". The failures considered by the CSA relate to the 2018 and 2019 fiscal years. On May 19, 2021, Canal+ filed an appeal with the French Council of State (*Conseil d'Etat*) against this formal notice.

Investigation by US federal prosecutors into business practices in the advertising industry

On June 11, 2018, Havas received a subpoena for documents relating to one of its Spanish subsidiaries, Havas Media Alliance WWSL. These documents have been provided to the relevant US authorities. This request by the federal prosecutors appears to relate to business practices involving discounts and rebates. At this stage, Havas is not a party to any proceedings and is not being interviewed.

Investigation into the services provided by Havas Paris to Business France

On February 7, 2019, Havas Paris, a subsidiary of Havas SA, was indicted for having benefited from favoritism in an amount of €379,319. This indictment was brought in the context of a judicial investigation opened by the Paris Public Prosecutor's Office for the offence of favoritism allegedly committed by Business France when it organized a communication event which it entrusted to Havas Paris. Havas Paris denies the claims against it and has appealed against this decision.

Glass Egg Digital Media Limited against Gameloft Inc., Gameloft SE, Gameloft Iberica and Vivendi

On August 23, 2017, Glass Egg Digital Media Limited, a company specializing in the design of 3D cars for use in video games, sued Gameloft Inc., Gameloft SE, Gameloft Iberica and Vivendi in the United States District Court for the Northern District of California San Francisco Division. It is seeking damages for copyright infringement, unfair competition and misappropriation of trade secrets. The Court allowed the plaintiff to amend its initial complaint three times. On September 17, 2018, Gameloft Inc. responded to Glass Egg's fourth amended complaint, denying all its claims. Discovery is ongoing.

In addition, in an order dated February 12, 2018, the Court determined that it had no jurisdiction over Gameloft Iberica and Vivendi SA. The admissibility of the complaint against Gameloft SE remains challenged and the Court ordered limited discovery to determine whether it has jurisdiction. This discovery ended on September 30, 2021. At the end of the discovery process, Glass Egg filed supplemental pleadings opposing Gameloft's motion to dismiss challenging the U.S. District Court's jurisdiction over Gameloft SE.

In parallel, a motion to dismiss Glass Egg's complaint if the US District Court were to assert jurisdiction over Gameloft SE has been filed. This motion challenges the merits and validity of Glass Egg's various claims.

Swiss Competition Commission against Interforum Suisse

On March 13, 2008, following a complaint lodged by local booksellers, the Secretariat of the Swiss Competition Commission (COMCO) opened an investigation into distributors of French-language books operating in Switzerland, including Interforum Suisse.

On May 27, 2013, COMCO imposed a fine of CHF 3,792,720 on Interforum Suisse, considering that Interforum Suisse was a party to unlawful market-partitioning agreements. On July 12, 2013, Interforum Suisse filed an appeal with the Swiss Federal Administrative Court (TAF) challenging this decision.

On October 30, 2019, the appeal was dismissed and the amount of the fine imposed by the COMCO was confirmed. On January 13, 2020, Interforum Suisse filed an appeal before the Swiss Federal Supreme Court and requested a suspension of the provisional enforcement of the TAF's decision, which it was granted on January 31, 2020.

Hachette Livre and Biblio Participations against Editis, BSA and Beccaria consorts

On May 13, 2020, Editis Holding acquired a minority interest in groupe Margot, composed of the L'Iconoclaste and Les Arènes publishing houses and the distribution subsidiary Rue Jacob Diffusion. Prior to the acquisition of this interest, the group had been reorganized to simplify its organizational structure, including the creation of a holding company. Since 2014, Hachette has been responsible for the diffusion and distribution activities of groupe Margot, and was granted pre-emptive rights on certain transfers of control of groupe Margot companies. Following Editis's acquisition of an interest in the group, groupe Margot terminated its broadcasting and distribution contract with Hachette to entrust distribution to Interforum as of January 1, 2021. In September 2020, Hachette brought a joint and several action against the sellers and Editis before the Paris Commercial Court seeking (i) the annulment of the reorganization transactions that made it possible for Editis to acquire an interest in groupe Margot, and (ii) an order to pay €4.4 million in damages for the unlawful termination of the diffusion and distribution contract as well as damage to its image caused by the way in which the group communicated on the termination.

EPAC against Interforum and Editis

In 2015, Interforum and EPAC Technologies Ltd entered into an agreement for on-demand printing of books. In 2020, a disagreement arose regarding the performance of such agreement. On March 29, 2021, EPAC informed Interforum and Editis that it was terminating the agreement entered into in 2015, effective as of March 31, 2021, and filed a complaint against them before the Supreme Court of the State of New York. EPAC claims that the defendants have failed to pay invoices and failed to comply with several contractual obligations and is seeking damages from the defendants. Interforum and Editis deny these allegations. On July 20, 2021, EPAC expanded its complaint to include Vivendi, which on September 30, 2021, filed a motion to dismiss the complaint in the New York courts. In September 2021, discovery proceedings were initiated against Editis. On December 29, 2021, EPAC also sought discovery from Vivendi. All the defendants are challenging these requests.

Reti Televisive Italiane (RTI) against Dailymotion

Since 2012, several legal actions were filed by RTI, a subsidiary of Mediaset, against Dailymotion before the Civil Court of Rome. Similar to claims it has made against other major online video platforms, RTI is sought damages for infringement of its neighboring rights (audiovisual production and broadcasting rights) and unfair competition as well as the removal of the contested content from the Dailymotion platform.

In one of these cases, on July 15, 2019, following a complaint filed on April 12, 2012, the Civil Court of Rome ordered Dailymotion to pay €5.5 million in damages to RTI and to remove the videos in question under penalty of fine. On September 11, 2019, Dailymotion appealed against the decision to the Rome Court of Appeal and filed an application for a suspension of the provisional execution of the decision, which was granted on October 31, 2019.

In another proceeding, following a claim dated September 28, 2015, the Civil Court of Rome, on January 10, 2021, ordered Dailymotion to pay €22 million in damages to RTI and to withdraw the videos in question or be subject to a fine.

On July 22, 2021, as part of the global agreement entered into among Vivendi, Mediaset and Fininvest on May 3, 2021 (see above), a one-time lump sum payment of €26.3 million was made to RTI, putting an end to all of these disputes.

NOTE 27. MAJOR CONSOLIDATED ENTITIES OR ENTITIES ACCOUNTED FOR UNDER THE EQUITY METHOD

As of December 31, 2021, approximately 820 entities were consolidated or accounted for under the equity method (compared to approximately 1,200 entities as of December 31, 2020).

		12/31/2021			12/31/2020		
	Country	Accounting Method	Voting Interest	*Ownership Interest*	Accounting Method	Voting Interest	*Ownership Interest*
Vivendi SE	**France**	**Parent company**			**Parent company**		
Groupe Canal+ SA	**France**	**C**	**100%**	***100%***	**C**	**100%**	***100%***
Société d'Édition de Canal Plus	France	C	100%	*100%*	C	100%	*100%*
Canal+ Thématiques SAS	France	C	100%	*100%*	C	100%	*100%*
Canal+ International SAS	France	C	100%	*100%*	C	100%	*100%*
C8	France	C	100%	*100%*	C	100%	*100%*
Studiocanal SA	France	C	100%	*100%*	C	100%	*100%*
M7	Luxembourg	C	100%	*100%*	C	100%	*100%*
Canal+ Polska SA	Poland	C	51%	*51%*	C	51%	*51%*
VSTV **(a)**	Vietnam	C	49%	*49%*	C	49%	*49%*
Havas SA	**France**	**C**	**100%**	***100%***	**C**	**100%**	***100%***
Havas Health, Inc	United States	C	100%	*100%*	C	100%	*100%*
Havas Media Group USA, LLC	United States	C	100%	*100%*	C	100%	*100%*
Havas Worldwide New York, Inc.	United States	C	100%	*100%*	C	100%	*100%*
BETC	France	C	100%	*100%*	C	100%	*100%*
Creative Lynx Ltd.	United Kingdom	C	100%	*100%*	C	100%	*100%*
Havas Paris	France	C	99%	*99%*	C	99%	*99%*
Havas Media France	France	C	100%	*100%*	C	100%	*100%*
Havas Edge, LLC	United States	C	100%	*100%*	C	100%	*100%*
Havas Media Limited	United Kingdom	C	100%	*100%*	C	100%	*100%*
Havas Media Germany GmbH	Germany	C	100%	*100%*	C	100%	*100%*
Editis Holding SA	**France**	**C**	**100%**	***100%***	**C**	**100%**	***100%***
SOGEDIF SAS **(b)**	France	C	100%	*100%*	C	100%	*100%*
Editis SAS **(b)**	France	na	na	*na*	C	100%	*100%*
SEJER	France	C	100%	*100%*	C	100%	*100%*
Interforum	France	C	100%	*100%*	C	100%	*100%*
Edi 8	France	C	100%	*100%*	C	100%	*100%*
Univers Poche	France	C	100%	*100%*	C	100%	*100%*
Prisma Media SAS (c)	**France**	**C**	**100%**	***100%***	**na**	**na**	***na***
Prisma Media SAS	France	C	100%	*100%*	na	na	*na*
Cerise Media SAS	France	C	100%	*100%*	na	na	*na*
Pitcheo SARL	France	C	100%	*100%*	na	na	*na*
EPM 2000	France	C	100%	*100%*	na	na	*na*
Upload Production SAS	France	C	100%	*100%*	na	na	*na*
Gameloft SE	**France**	**C**	**100%**	***100%***	**C**	**100%**	***100%***
Gameloft Inc.	United States	C	100%	*100%*	C	100%	*100%*
Gameloft Inc. Divertissement	Canada	C	100%	*100%*	C	100%	*100%*
Gameloft Iberica SA	Spain	C	100%	*100%*	C	100%	*100%*
Gameloft Company Limited	Vietnam	C	100%	*100%*	C	100%	*100%*
Gameloft S. de RL de CV	Mexico	C	100%	*100%*	C	100%	*100%*

		12/31/2021			12/31/2020		
	Country	**Accounting Method**	**Voting Interest**	***Ownership Interest***	**Accounting Method**	**Voting Interest**	***Ownership Interest***
Vivendi Village SAS	**France**	**C**	**100%**	***100%***	**C**	**100%**	***100%***
See Tickets SAS	France	C	100%	*100%*	C	100%	*100%*
See Tickets UK	United Kingdom	C	100%	*100%*	C	100%	*100%*
See Tickets US	United States	C	100%	*100%*	C	100%	*100%*
See Tickets BV	Netherlands	C	100%	*100%*	C	100%	*100%*
See Tickets AG	Switzerland	C	100%	*100%*	C	100%	*100%*
L'Olympia	France	C	100%	*100%*	C	100%	*100%*
CanalOlympia	France	C	100%	*100%*	C	100%	*100%*
Olympia Production	France	C	100%	*100%*	C	100%	*100%*
Festival Production	France	C	70%	*70%*	C	70%	*70%*
Paddington and Company Ltd.	United Kingdom	C	100%	*100%*	C	100%	*100%*
New Initiatives							
Dailymotion	France	C	100%	*100%*	C	100%	*100%*
Group Vivendi Africa	France	C	100%	*100%*	C	100%	*100%*
Vivendi Content	France	C	100%	*100%*	C	100%	*100%*
Banijay Group Holding	France	E	32.9%	*32.9%*	E	32.9%	*32.9%*
Corporate							
Universal Music Group, N.V. **(d)**	Netherlands	E	10.03%	*10.03%*	na	na	*na*
Universal Music Group, Inc.	United States	ME	10.03%	*10.03%*	C	90%	*90%*
Universal International Music B.V.	Netherlands	ME	10.03%	*10.03%*	C	90%	*90%*
Lagardère **(e)**	France	ME	22.3%	*45.13%*	na	na	*na*
Telecom Italia	Italia	E	23.75%	*17.04%*	E	23.75%	*17.04%*
Boulogne Studios	France	C	100%	*100%*	C	100%	*100%*
Poltel Investment	Poland	C	100%	*100%*	C	100%	*100%*

C: consolidated; E: equity affiliates.

na: not applicable.

(a) VSTV (Vietnam Satellite Digital Television Company Limited) is held at 49% by Canal+ Group and 51% by VTV (the Vietnamese public television company). This company has been consolidated by Vivendi because Canal+ Group has both operational and financial control over it pursuant to an overall delegation of power that was granted by the majority shareholder and under the company's bylaws.

(b) On April 30, 2021, Editis SAS was dissolved, with universal transmission of its property to Sogedif SAS

(c) Vivendi has fully consolidated Prisma Media since June 1, 2021 (please refer to Note 2.2).

(d) On February 26, 2021, Vivendi and the consortium led by Tencent contributed their respective 80% and 20% shares in Universal International Music B.V. (UIM B.V.) and Universal Music Group, Inc. (UMG Inc.) to a new single holding company, Universal Music Group N.V. (UMG N.V.). Since September 23, 2021, the payment date of the distribution in kind of UMG shares to Vivendi's shareholders, UMG is accounted for by Vivendi under the equity method (please refer to Notes 3 and 14).

(e) Since July 1, 2021, Lagardère is accounted for by Vivendi under the equity method (please refer to Note 14).

NOTE 28. STATUTORY AUDITORS FEES

Fees paid by Vivendi SE in 2021 and 2020 to its statutory auditors and members of the statutory auditor firms were as follows:

	Deloitte et Associés				Ernst & Young et Autres					
	Amount		%		Amount		%		Total	
(in millions of euros)	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Statutory audit, certification, consolidated and individual financial statements audit										
Issuer	0.7	0.6	*8%*	*6%*	0.7	0.7	*18%*	*10%*	1.4	1.3
Fully consolidated subsidiaries	7.2	8.6	*77%*	*81%*	1.8	4.4	*48%*	*67%*	9.0	13.0
Subtotal	**7.9**	**9.2**	***85%***	***87%***	**2.5**	**5.1**	***66%***	***77%***	**10.4**	**14.3**
Services other than certification of financial statements as required by laws and regulations ***(a)***										
Issuer	-	-	-	-	0.2	0.2	*5%*	*3%*	0.2	0.2
Fully consolidated subsidiaries	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**0.2**	**0.2**	***5%***	***3%***	**0.2**	**0.2**
Services other than certification of financial statements provided upon the entity's request ***(a)***										
Issuer	0.4	0.9	*4%*	*8%*	0.9	1.1	*24%*	*16%*	1.3	2.0
Fully consolidated subsidiaries	1.0	0.5	*11%*	*5%*	0.2	0.3	*5%*	*4%*	1.2	0.8
Subtotal	**1.4**	**1.4**	***15%***	***13%***	**1.1**	**1.4**	***29%***	***20%***	**2.5**	**2.8**
Total	**9.3**	**10.6**	***100%***	***100%***	**3.8**	**6.7**	***100%***	***100%***	**13.1**	**17.3**

(a) Includes services required by law and regulation (e.g., reports on capital transactions, comfort letters, validation of the consolidated statement of non-financial performance) as well as services provided upon the request of Vivendi or its subsidiaries (due diligence, legal and tax assistance, various reports).

NOTE 29. AUDIT EXEMPTIONS

In the past, Vivendi SE has granted a number of guarantees on behalf of subsidiaries of UMG B.V. to third parties in relation to audit exemption procedures in the United Kingdom and the Netherlands. It obtained a counter-guarantee from UMG B.V. to indemnify it against any claims that could arise under these commitments as from the date of the distribution of UMG B.V. shares.

NOTE 30. SUBSEQUENT EVENTS

The significant events that occurred between the closing date as of December 31, 2021 and March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021) were as follows:

- on February 21, 2022, Vivendi filed a draft public tender offer document for the shares of Lagardère SA with the French securities regulator *(Autorité des marchés financiers)*. As a reminder, on February 18, 2022, Vivendi decided to guarantee to Lagardère shareholders the per share price of €24.10 until December 15, 2023, and to increase the price of its tender offer to €25.50 per share, from which the 2021 Lagardère dividend would be deducted, to the shareholders who would elect to sell their shares immediately. For a detailed description, please refer to Note 2.1; and
- Russia's invasion of Ukraine in February 2022 is having a significant impact on the financial markets and the prices of certain commodities and will have repercussions on the entire world economy. Vivendi is mainly present in Ukraine through Gameloft, which is doing everything possible to support its teams in the country and limit the impact of the events on the delivery of its content. The group also has communications activities in Ukraine through companies affiliated with Havas Group and is fully mobilized to help them as much as possible. At this time, it is not possible for Vivendi to assess the indirect consequences that the Ukraine crisis could have on its business activities.

NOTE 31. ADJUSTMENT OF COMPARATIVE INFORMATION

PRELIMINARY COMMENTS

As from September 14, 2021, in accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations,* Universal Music Group (UMG) was presented as a discontinued operation in Vivendi's Consolidated Financial Statements. On September 23, 2021, the payment date of the distribution in kind of UMG shares to Vivendi's shareholders, Vivendi ceded control of UMG and deconsolidated its 70% interest in UMG. For a detailed description of this transaction, please refer to Note 3.

In accordance with IFRS 5 – *Non-current assets held for sale and discontinued operations,* Vivendi reclassified UMG as a discontinued operation, in the statement of earnings and statement of cash flows. The adjustments to published data in 2020 are presented below.

Adjustment made for the Consolidated Statement of Earnings for the year ended December 31, 2020

	Year ended 12/31/2020		
	Published (A)	Reclassifications related to IFRS 5 to UMG (B)	Adjusted (A+B)
Revenues	**16,090**	**-7,422**	**8,668**
Cost of revenues	(8,812)	+3,908	(4,904)
Selling, general and administrative expenses	(5,685)	+2,264	(3,421)
Restructuring charges	(106)	+20	(86)
Impairment losses on intangible assets acquired through business combinations	(1)	+1	-
Income from equity affiliates – operational	(18)	+9	(9)
Earnings before interest and income taxes (EBIT)	**1,468**	**-1,220**	**248**
Income from equity affiliates – non-operational	126	-	126
Interest	(37)	+15	(22)
Income from investments	36	-1	35
Other financial income	704	-605	99
Other financial charges	(115)	+28	(87)
	588	***-563***	***25***
Earnings before provision for income taxes	**2,182**	**-1,783**	**399**
Provision for income taxes	(575)	+412	(163)
Earnings from continuing operations	**1,607**	**-1,371**	**236**
Earnings from discontinued operations	-	+1,371	1,371
Earnings	**1,607**	**-**	**1,607**
Of which			
Earnings attributable to Vivendi SE shareowners	**1,440**	**-**	**1,440**
of which earnings from continuing operations attributable to Vivendi SE shareowners	*1,440*	*-1,241*	*199*
earnings from discontinued operations attributable de Vivendi SE shareowners	-	*+1,241*	*1,241*
Non-controlling interests	**167**	**-**	**167**
of which earnings from continuing operations	*167*	*-130*	*37*
earnings from discontinued operations	-	*+130*	*130*
Earnings from continuing operations attributable to Vivendi SE shareowners per share – basic	1.26	-1.09	0.17
Earnings from continuing operations attributable to Vivendi SE shareowners per share – diluted	1.26	-1.09	0.17
Earnings from discontinued operations attributable to Vivendi SE shareowners per share – basic	-	+1.09	1.09
Earnings from discontinued operations attributable to Vivendi SE shareowners per share – diluted	-	+1.09	1.09
Earnings attributable to Vivendi SE shareowners per share – basic	**1.26**	**-**	**1.26**
Earnings attributable to Vivendi SE shareowners per share – diluted	1.26	-	1.26

In millions of euros, except per share amounts, in euros.

Adjustment made for Cash Flows for the year ended December 31, 2020

	Year ended 12/31/2020		
(in millions of euros)	Published (A)	Reclassifications related to IFRS 5 to UMG (B)	Adjusted (A+B)
Operating activities			
EBIT	1,468	-1,220	248
Adjustments	1,035	-214	821
Content investments, net	(1,481)	+1,517	36
Gross cash provided by operating activities before income tax paid	***1,022***	***+83***	***1,105***
Other changes in net working capital	293	-286	7
Net cash provided by operating activities before income tax paid	***1,315***	***-203***	***1,112***
Income tax (paid)/received, net	(89)	+206	117
Net cash provided by operating activities of continuing operations	**1,226**	**+3**	**1,229**
Net cash provided by operating activities of discontinued operations	**-**	**-3**	**(3)**
Net cash provided by operating activities	**1,226**	**-**	**1,226**
Investing activities			
Capital expenditures	(438)	+65	(373)
Purchases of consolidated companies, after acquired cash	(96)	+4	(92)
Investments in equity affiliates	(120)	+2	(118)
Increase in financial assets	(1,425)	-	(1,425)
Investments	***(2,079)***	***+71***	***(2,008)***
Proceeds from sales of property, plant, equipment and intangible assets	3	-	3
Proceeds from sales of consolidated companies, after divested cash	65	-1	64
Disposal of equity affiliates	10	-1	9
Decrease in financial assets	285	-36	249
Divestitures	***363***	***-38***	***325***
Dividends received from equity affiliates	41	-2	39
Dividends received from unconsolidated companies	30	-	30
Net cash provided by/(used for) investing activities of continuing operations	**(1,645)**	**+31**	**(1,614)**
Net cash provided by/(used for) investing activities of discontinued operations	**-**	**-31**	**(31)**
Net cash provided by/(used for) investing activities	**(1,645)**	**-**	**(1,645)**
Financing activities			
Net proceeds from issuance of common shares in connection with Vivendi SE's share-based compensation plans	153	-	153
Sales/(purchases) of Vivendi SE's treasury shares	(2,157)	-	(2,157)
Distributions to Vivendi SE's shareowners	(690)	-	(690)
Other transactions with shareowners	2,759	+25	2,784
Dividends paid by consolidated companies to their non-controlling interests	(98)	+33	(65)
Transactions with shareowners	***(33)***	***+58***	***25***
Setting up of long-term borrowings and increase in other long-term financial liabilities	5	-	5
Principal payment on long-term borrowings and decrease in other long-term financial liabilities	(1)	-	(1)
Principal payment on short-term borrowings	(1,071)	+10	(1,061)
Other changes in short-term borrowings and other financial liabilities	739	-704	35
Interest paid, net	(37)	+15	(22)
Other cash items related to financial activities	(22)	+4	(18)

(in millions of euros)	Year ended 12/31/2020 Published (A)	Reclassifications related to IFRS 5 to UMG (B)	Adjusted (A+B)
Transactions on borrowings and other financial liabilities	***(387)***	***-675***	***(1,062)***
Repayment of lease liabilities and related interest expenses	(255)	+90	(165)
Net cash provided by/(used for) financing activities of continuing operations	**(675)**	**-527**	**(1,202)**
Net cash provided by/(used for) financing activities of discontinued operations	**-**	**+527**	**527**
Net cash provided by/(used for) financing activities	**(675)**	**-**	**(675)**
Foreign currency translation adjustments of continuing operations	(60)	+36	(24)
Foreign currency translation adjustments of discontinued operations	-	-36	(36)
Change in cash and cash equivalents	**(1,154)**	**-**	**(1,154)**
Cash and cash equivalents			
At beginning of the period	2,130	-	2,130
At end of the period	976	-	976

4. VIVENDI SE – 2021 STATUTORY FINANCIAL STATEMENTS

4.1. Statutory Auditors' report on the financial statements

This is a translation into English of the Statutory Auditors' report on the financial statements of the company issued in French and it is provided solely for the convenience of English speaking users.

This Statutory Auditors' report includes information required by French Law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French Law and professional auditing standards applicable in France.

For the year ended December 31, 2021

To the Vivendi SE Shareholders' Meeting

OPINION

In compliance with the engagement entrusted to us by the Annual General Meeting, we have audited the accompanying financial statements of Vivendi SE for the year ended December 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at December 31, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of ethics for statutory auditors *(Code de déontologie de la profession de Commissaire aux comptes)* for the period from January 1, 2021 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the Covid-19 pandemic, the financial statements for this period have been prepared and audited under special circumstances. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. These measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and on how audits are performed.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments, particulary Gameloft and Havas, and equity portfolio securities

(Notes 1.3 and 7 of the notes to the financial statements)

Key audit matter	Our response
Equity investments and equity portfolio securities amount to a net value of €17,839 million as at December 31, 2021, for a total balance sheet of €26,865 million. In particular, the net carrying amounts of the shares of Gameloft and Havas amounted to €403 million, after impairment of €(224) million recorded for the period, and €3,944 million respectively. The realizable value of equity investments and equity portfolio securities is determined in relation to their value in use, generally calculated based on discounted future cash flows, although methods can be used such as those based on comparable stock market values, values resulting from recent transactions or stock market prices. These methods may involve a significant judgements and assumptions, notably concerning, as the case may be: ► future cash-flow forecasts; ► perpetual growth rates used for projected flows; ► discount rates applied to estimated cash flows; ► the selection of sample companies included among the transaction or stock market comparables; ► assessment of the impact of the crisis relating to Covid-19 on long-term prospects. Consequently, any variation in these assumptions may have a significant impact on the value in use of these equity investments and equity portfolio securities and necessitate the recognition of an impairment loss, where applicable. We consider the valuation of the equity investments, especially Gameloft and Havas and equity portfolio securities to be a key audit matter due to (i) their materiality in your company's accounts, (ii) the judgements and assumptions required to determine their value in use.	We analyzed the compliance of the methods adopted by your company with the accounting standards in force, regarding the methods of estimating the value in use of equity investments and equity portfolio securities. We obtained the valuation reports for each of the equity investments concerned or the analyses carried out by your company where applicable. We paid particular attention to those where the carrying amount is close to the estimated value in use, those for which the historical performance showed differences in relation to the forecasts and those operating in volatile economic environments. We assessed the competence of the independent evaluators appointed by your company. In particular, for the equity investments valued according to the discounted future cash flows method, we took note of the key assumptions used and, as the case may be: ► compared the business forecasts underpinning the determination of cash flows with the information available, including the market prospects and past achievements, and in relation to management's latest estimates (assumptions, budgets and strategic plans where applicable); ► compared the perpetual growth rates used for the projected flows with market analyses and the consensus of the main financial valuation professionals concerned; ► compared the discount rates used with our internal databases, assisted by financial valuation specialists integrated into our teams. For valuations based on a market based approach, we examined the selection of companies included among the transaction or stock market comparables in order to compare it with the samples that seem relevant to us according our knowledge of the operating sectors, and compared the market data used with available public and non-public information. We obtained and reviewed the sensitivity analyses performed by management, which we compared with our own calculations to assess what level of variation in the assumptions that would require the recognition of an impairment loss on the equity investments concerned. Finaly, we reviewed the information relating to these risks presented in the notes to the financial statements.

Analysis of the disputes with foreign institutional investors
(Notes 1.7 and 25 to the financial statements)

Key audit matter	Our response
The company's activities are conducted in a constantly evolving environment and within a complex international regulatory framework. The company is not only subject to significant changes in the legislative environment and in the application and interpretation of regulations, but it also has to contend with litigation arising in the normal course of its business. Your company exercises its judgement in assessing the risks relating to the disputes with certain foreign institutional investors, and recognizes a provision when the expense liable to result from these disputes is probable and the amount can either be quantified or estimated within a reasonable range. We consider these disputes to be a key audit matter given the amounts at stake and the level of judgement required for the determination of any provisions.	We analyzed all the information made available to us, relating to the disputes between your company and some foreign institutional investors concerning alleged harm resulting from financial communications of your company and its former CEO between 2000 and 2002. We examined the risk estimates performed by management and notably compared them with the information disclosed in the answers received from the lawyers and legal advisers in response to our requests for confirmation concerning these disputes. Finally, we assessed the appropriateness of the information disclosed in the notes to the financial statements.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Management Board's management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code *(Code de commerce)*.

We attest that the non-financial statement required by Article L. 225-102-1 of the French Commercial Code *(Code de commerce)* is included in the management report, it being specified that, in accordance with Article L. 823-10 of this code, we have verified neither the fair presentation nor the consistency with the financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code *(Code de commerce)*.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code *(Code de commerce)* relating to remunerations and benefits received by, or allocated to the members of the Management Board and of the Supervisory Board and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code *(Code de commerce)*, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French Law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

OTHER LEGAL AND REGULATORY VERIFICATIONS OR INFORMATION

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditors regarding to the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code *(Code monétaire et financier)*, prepared under the responsibility of the Chairman of the Management Board, complies with the single electronic format defined in the Commission Delegated Regulation (EU) No. 2019/815 of December 17, 2018.

On the basis of our work, we conclude that the preparation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF *(Autorité des marchés financiers)* agree with those on which we have performed our work.

Appointment of the statutory auditors

We were appointed as statutory auditors of Vivendi SE by the Annual General Meetings held on April 25, 2017 for Deloitte & Associés and on June 15, 2000 for Ernst & Young et Autres.

As at December 31, 2021, Deloitte & Associés was in its fifth year and Ernst & Young et Autres in its twenty-second year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by your Management Board.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code *(Code de commerce)*, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of ethics for statutory auditors *(Code de déontologie de la profession de Commissaire aux comptes)*. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-la Défense, March 10, 2022

The Statutory Auditors

French original signed by:

Ernst & Young et Autres	Deloitte & Associés	
Claire Pajona	Thierry Quéron	Géraldine Segond

4.2. 2021 Statutory Financial Statements

4.2.1. STATEMENT OF EARNINGS

(in millions of euros)	Note	2021	2020
Operating income:			
Total revenues		56.8	91.4
Reversal of provisions and expense reclassifications		41.2	18.9
Other income			
Total I		**98.0**	**110.3**
Operating expenses:			
Other purchases and external charges		178.0	114.3
Duties and taxes other than income tax		8.5	12.7
Wages and salaries and social security contributions		108.2	62.2
Depreciation, amortization and charges to provisions		30.7	52.4
Other expenses		1.4	1.2
Total II		**326.9**	**242.9**
Loss from operations (I – II)	2	**(228.8)**	**(132.6)**
Financial income:			
From equity affiliates and other long-term securities (dividends)		562.7	311.2
From long-term receivables		71.7	80.4
Other interest and similar income		66.6	882.4
Reversal of provisions, depreciation and expense reclassifications		100.0	9.0
Foreign exchange gains		322.6	635.1
Net proceeds from the sale of marketable securities			0.1
Total III		**1,123.7**	**1,918.2**
Financial expenses:			
Depreciation, amortization and charges to financial provisions		1,356.6	566.2
Interest and similar charges		70.9	95.0
Foreign exchange losses		322.0	634.2
Net expenses on marketable securities sales		4.0	0.2
Total IV		**1,753.5**	**1,295.6**
Net financial income/(loss) (III – IV)	3	**(629.8)**	**622.6**
Earnings/(losses) from ordinary operations before tax (I – II + III – IV)		**(858.7)**	**490.0**
Exceptional income:			
From non-capital transactions			1.7
From capital transactions		36,626.9	2,898.0
Reversal of provisions, depreciation and expense reclassifications		503.1	66.3
Total V		**37,130.0**	**2,966.0**
Exceptional expenses:			
Related to non-capital transactions		223.0	20.3
Related to capital transactions		3,633.2	503.3
Exceptional depreciation, amortization and charges to provisions		70.5	30.3
Total VI		**3,926.7**	**554.0**
Net exceptional items (V – VI)	4	**33,203.3**	**2,412.0**
Income tax (charge)/credit (VII)	5	**(823.6)**	**107.4**
Total income (I + III + V + VII)		**38,351.7**	**5,101.9**
Total expenses (II + IV + VI + VII)		**6,830.7**	**2,092.5**
EARNINGS FOR THE YEAR		**31,521.0**	**3,009.4**

4.2.2. STATEMENT OF FINANCIAL POSITION

ASSETS

(in millions of euros)	Note	Gross	Depreciation, amortization and provisions	Net 12/31/2021	Net 12/31/2020
Non-current assets					
Intangible assets	6	**3.9**	**3.0**	**0.9**	**0.9**
Property, plant and equipment	6	**91.6**	**57.3**	**34.3**	**1.9**
Long-term investments (a)	7	**24,536.0**	**5,501.8**	**19,034.2**	**22,730.3**
Investments in affiliates and Long-term portfolio securities		21,550.9	3,711.6	17,839.3	18,398.5
Loans to subsidiaries and affiliates		1,791.9	1,789.9	2.1	2,371.4
Other long-term investment securities		649.4		649.4	1,906.0
Loans					
Other		543.7	0.3	543.4	54.3
Total I		**24,631.5**	**5,562.1**	**19,069.4**	**22,733.1**
Current assets	8				
Receivables (b)		**5,648.0**	**393.0**	**5,255.0**	**4,257.0**
Trade accounts receivable and related accounts		**12.2**	**3.6**	**8.6**	**14.0**
Other receivables		5,635.8	389.4	5,246.4	4,243.0
Marketable securities		**986.5**	**100.9**	**885.5**	**470.5**
Treasury shares	9	319.2	100.3	218.9	340.2
Other securities	10	667.3	0.6	666.6	130.3
Cash at bank and in hand	10	**1,632.0**		**1,632.0**	**58.8**
Prepayments (b)		**16.3**		**16.3**	**15.5**
Total II		**8,282.7**	**493.9**	**7,788.8**	**4,801.8**
Deferred charges (III)	12	**6.6**		**6.6**	**9.3**
Unrealized foreign exchange losses (IV)	13				
Total assets (I + II + III + IV)		**32,920.8**	**6,056.1**	**26,864.7**	**27,544.3**
***(a)** Portion due in less than one year*				*597.5*	*64.0*
***(b)** Portion due in more than one year*				*16.1*	*13.1*

EQUITY AND LIABILITIES

(in millions of euros)	Note	12/31/2021	12/31/2020
Equity	14		
Share capital		6,097.1	6,523.0
Additional paid-in capital		5,678.5	7,181.8
Reserves			
Legal reserve		752.7	752.7
Other reserves			
Retained earnings			2,955.6
Earnings for the year		31,521.0	3,009.4
Interim dividends		(22,099.8)	
Total I		**21,949.5**	**20,422.5**
Provisions	16	195.8	137.7
Total II		**195.8**	**137.7**
Liabilities (a)			
Convertible and other bond issues	17	4,061.4	5,065.9
Bank borrowings **(b)**	17	27.7	363.2
Other borrowings	17	529.4	1,378.4
Trade accounts payable and related accounts		24.1	40.2
Tax and employee-related liabilities		44.8	24.2
Amounts payable in respect of PP&E and related accounts			
Other liabilities		29.1	111.9
Deferred income		0.9	0.4
Total III		**4,717.3**	**6,984.1**
Unrealized foreign exchange gains (IV)	13	**2.1**	
Total equity and liabilities (I + II + III + IV)		**26,864.7**	**27,544.3**
(a) *Portion due in more than one year*		*3,359.9*	*4,059.9*
Portion due in less than one year		*1,357.4*	*2,924.2*
(b) *Includes current bank facilities and overdrafts*		*26.8*	*52.1*

4.2.3. STATEMENT OF CASH FLOWS

(in millions of euros)	2021	2020
Earnings for the year	31,521.0	3,009.4
Neutralization of capital gains, capital contributions and distributions in kind	(33,089.0)	(3,174.1)
Elimination of non-cash income and expenses:		
Charges to amortization	4.3	3.9
Charges to depreciation and provisions net of reversals:		
Operating	(14.8)	29.9
Financial	1,256.0	557.2
Exceptional	(432.6)	(35.9)
Other income and charges without cash impact	7.6	(1.3)
Operating cash flows before changes in working capital	**(747.4)**	**389.1**
Changes in working capital	(38.3)	267.5
Net cash provided by/(used in) operating activities	**(785.7)**	**656.6**
Capital expenditure	(33.9)	(0.8)
Purchases of investments in affiliates and securities	(678.2)	(975.9)
Increase in loans to subsidiaries and affiliates	(59.9)	(2,431.8)
Escrow	(75.0)	
Receivables related to the sale of non-current assets and other financial receivables	(413.0)	132.3
Proceeds from sales of intangible assets and PP&E		
Proceeds from sales of investments in affiliates and securities	6,358.9	2,882.8
Decrease in loans to subsidiaries and affiliates	2,365.3	
Increase in deferred charges relating to Financial Instruments		
Net cash provided by/(used in) investing activities	**7,464.2**	**(393.5)**
Net proceeds from issuance of shares	17.7	22.6
Dividends paid	(652.5)	(690.0)
New long-term borrowings secured		
Principal payments on long-term borrowings	(1,000.0)	
Increase (decrease) in short-term borrowings	(335.5)	(576.0)
Net Change in current accounts	(1,908.2)	1,796.8
Treasury shares	(690.4)	(2,019.6)
Net cash provided by/(used in) financing activities	**(4,568.9)**	**(1,466.2)**
Change in cash	2,109.5	(1,203.0)
Opening net cash **(a)**	189.1	1,392.1
Closing net cash (a)	**2,298.6**	**189.1**

(a) Cash and marketable securities net of impairment (excluding treasury shares)

4.2.4. NOTES TO THE 2021 STATUTORY FINANCIAL STATEMENTS

SIGNIFICANT EVENTS IN 2021

Universal Music Group

As announced on July 30, 2018, prior to the initial public offering (IPO) of Universal Music Group (UMG), Vivendi opened up its wholly-owned subsidiary's share capital to strategic minority partners, by selling 30% of UMG's share capital for total cash proceeds in excess of €9 billion, as follows:

- 20% of UMG's share capital was sold to a Tencent-led consortium (i.e., 10% sold on March 31, 2020, followed by an additional 10% sold on January 29, 2021), pursuant to which it received aggregate cash proceeds of €5,689 million;
- 10% of UMG's share capital was sold to Pershing Square Holdings and affiliates (i.e., 7.1% sold on August 10, 2021, followed by 2.9% sold on September 9, 2021), pursuant to which it received aggregate cash proceeds of US $3,949 million (i.e., €3,360 million).

As announced on February 13, 2021, at the General Shareholders' Meeting held on June 22, 2021, Vivendi proposed to its shareholders the planned distribution of 60% of UMG's share capital and its listing on the regulated market of Euronext in Amsterdam and obtained approval from them. UMG's stock market listing and the effective distribution of 59.87% of UMG's share capital to Vivendi's shareholders were made on September 21, 2021 and September 23, 2021, respectively.

- Distribution of 59.87% of Universal Music Group's share capital and its stock market listing:

  On February 13, 2021, Vivendi announced that it would study the planned distribution of 60% of UMG's share capital and its listing on the stock market by year-end 2021.

  On February 26, 2021, Vivendi and the consortium led by Tencent contributed their respective 80% and 20% shares in the share capital of both Universal International Music B.V. (UIM B.V.) and Universal Music Group, Inc. (UMG, Inc.) to a new single holding company, Universal Music Group N.V. (UMG N.V.), based on an equity value of €33 billion for 100% of the share capital of UMG, as determined by experts. This internal reorganization of UMG's shareholding structure was scheduled to take place pursuant to an agreement entered into by and between Vivendi and the Tencent-led consortium in December 2019, as a condition to UMG's listing on the stock market.

  On March 29, 2021, Vivendi held an Extraordinary General Shareholders' Meeting to amend the company's by-laws to introduce the principle of a distribution in kind pursuant to which Vivendi would be allowed to pursue the contemplated transaction. At this meeting, the amendment to the company's by-laws allowing Vivendi to distribute dividends or interim dividends, reserves or premiums by means of the delivery of assets in kind, including financial securities, was approved by an affirmative vote of 99.98% of the votes cast.

  On June 22, 2021, in accordance with the recommendations of the French securities regulator (the *Autorité des marchés financiers* or "AMF") on the sale and acquisition of significant assets and the recommendations of the AFEP-MEDEF Code, Vivendi's General Shareholders' Meeting was consulted and issued a favorable opinion, with 99.99% of the votes cast in favor, on the proposed special distribution in kind of 60% of UMG's share capital to Vivendi's shareholders. In this context, Vivendi's Management Board proposed to its shareholders the distribution of a special dividend in kind in the form of UMG shares representing a distributed amount of €5,312 million, subject to the two following conditions:

  i. the approval by the Dutch Authority for the Financial Markets *(Stichting Autoriteit Financiële Markten* – AFM) of the listing prospectus and the effective admission of UMG's shares to trading on the regulated market of Euronext Amsterdam; and

  ii. a decision by Vivendi's Management Board, subject to an interim balance sheet as of June 30, 2021, showing distributable earnings at least equal to the proposed amount of the interim dividend to be distributed with such amount having been certified by the Statutory Auditors, to supplement the special dividend in kind with a special interim dividend in kind in the form of UMG shares with respect to fiscal year 2021.

  On September 14, 2021, the AFM approved the listing prospectus and the effective admission of UMG's ordinary shares to trading on the regulated market of Euronext Amsterdam. As a result, and as anticipated, Vivendi's Management Board supplemented the special dividend in kind with respect to fiscal year 2020 with the payment of an interim special dividend in kind based on earnings recorded in the interim balance sheet as of June 30, 2021.

  On September 21, 2021, the listing of UMG's shares began on the market of Euronext Amsterdam. The opening price per share was €25.25, a reference value applicable to the tax consequences of the distribution. On this basis:

  i. Vivendi confirmed that the distribution in kind of UMG shares to Vivendi shareholders would be paid as contemplated on the basis of one UMG share distributed for every eligible Vivendi share;

  ii. the total value of the distribution in kind amounted to €27,412.3 million (€25.25 per Vivendi share), as follows:

     – a distribution of €5,312.5 million (€4.89 per Vivendi share) by means of a special dividend in kind paid out of existing reserves as of December 31, 2020, approved by Vivendi's General Shareholders' Meeting of on June 22, 2021,

     – a distribution of €22,099.8 million (€20.36 per Vivendi share) by means of payment of a special interim dividend in kind based on earnings as recorded in an interim balance sheet as of June 30, 2021, further to the decision of Vivendi's Management Board made on September 14, 2021.

The distribution in kind detachment date was September 21, 2021, and the settlement of the distribution was effective on September 23, 2021.

Finally, Vivendi SE still holds ~10% of UMG N.V's share capital.

For the impact of the UMG-related transactions on Vivendi SE's financial statements, see Note 4 "Net Exceptional Items", Note 7 "Long-term Investments", and Note 14 "Equity".

Increased ownership in Lagardère and proposed public tender offer for its shares

Increased ownership in Lagardère

On August 10, 2020, Vivendi and Amber Capital, not acting in concert, entered into a shareholders' agreement providing for a five-year reciprocal first offer and pre-emption rights relating to Lagardère shares.

On September 14, 2021, Vivendi and Amber Capital entered into a conditional sale and purchase agreement pursuant to which Vivendi agreed to acquire 25,305,448 Lagardère shares from Amber Capital at a price of €24.10 per share.

Further to the announcement made on September 15, 2021, on September 28, 2021, Vivendi completed the acquisition of a minority portion of these shares, i.e., 620,340 Lagardère shares, held by Amber Capital for €15 million.

On December 9, 2021, Vivendi announced that its Management Board had authorized the acquisition of the remaining Lagardère shares from Amber Capital and that authorizations to acquire the control of Lagardère would be applied for by Vivendi with the European Commission and other relevant competition authorities in the course of 2022.

On December 16, 2021, according to the terms announced on September 15, 2021, Vivendi completed the acquisition of the remaining 24,685,108 Lagardère shares owned by Amber Capital. These shares, representing 17.5% of Lagardère's share capital, were acquired at a price of €24.10 per share, i.e., €595 million. Pursuant to this transaction, Vivendi owns 45.13% of Lagardère's share capital.

As a result of the completion of this acquisition, on February 21, 2022, Vivendi filed with the French securities regulator *(Autorité des marchés financiers)* a draft public tender offer for all Lagardère shares not yet owned by it at a price of €25.50 per share (See below). This offer is not conditioned upon obtaining any regulatory authorization other than the conformity statement by the French securities regulator.

As announced on December 9, 2021, pursuant to Article 7(2) of Regulation (EC) no. 139/2004 on the control of concentrations between undertakings, Vivendi will not exercise the voting rights attached to all of the Lagardère shares acquired from Amber Capital, or that will be tendered into its mandatory tender offer, until the approvals required for the acquisition of the control of Lagardère have been received from the competition authorities. During this period, Vivendi's interest in Lagardère will amount to 22.3% of the theoretical voting rights.

The acquisition of the Amber Capital shares terminates the Lagardère shareholders' agreement, dated as of August 10, 2020, entered into by and between Amber Capital and Vivendi.

As of December 31, 2021, Vivendi held 45.13% of the share capital and 22.3% of the theoretical voting rights of Lagardère SA.

Proposed public tender offer

On February 21, 2022, Vivendi filed a draft public tender offer document for the shares of Lagardère SA with the French securities regulator *(Autorité des marchés financiers).*

On that date, Vivendi, which held 63,693,239 Lagardère shares with an equal number of voting rights, representing 45.13% of the share capital and 37.10% of the voting rights of this company, irrevocably undertook:

i. as a Principal Offer, to acquire, at a price of €25.50 per share (dividend attached), all the outstanding Lagardère shares that it did not own, i.e., a total of 77,440,047 shares, representing 54.87% of the share capital of this company, as well as shares that may be issued as a result of the final acquisition and delivery of free shares, i.e., a maximum of 345,960 Lagardère shares; and

ii. as a Subsidiary Offer, to offer Lagardère shareholders, subject to a proration and allocation adjustment, for each Lagardère share tendered into the Subsidiary Offer and not withdrawn until the closing date (inclusive) of the public tender offer, or if applicable, the reopened offer, a right (a transfer right) to sell such share to Vivendi at a price of €24.10 until December 15, 2023 (inclusive).

These transfer rights will be transferable but not tradable and exercisable from the day after the settlement-delivery date of the reopened offer until December 15, 2023 (both dates inclusive). Transfer rights not exercised by the end of the exercise period will lapse. Each transfer right entitles its holder to transfer to Vivendi only one Lagardère share and may be exercised only once.

If the number of shares tendered into the Principal Offer during the initial offer period is insufficient to enable Vivendi to reach 51% of Lagardère's share capital outstanding as of the closing date of the initial offer period, i.e., 71,977,976 shares as of February 21, 2022 (the validity threshold), Vivendi will acquire for cash at the offer price under the Principal Offer such portion of shares tendered into the Secondary Subsidiary Offer as is necessary to reach the validity threshold.

Pursuant to Article 231-9, I of the AMF General Regulation, the public tender offer will lapse if, at the closing date of the initial offer period, Vivendi does not hold a number of shares representing more than 50% of the share capital or voting rights of Lagardère.

Vivendi does not intend to request the implementation of a mandatory squeeze-out following closing of the public tender offer.

In support of the offer, Vivendi filed a draft tender offer document *(note d'information)* (Article 231-18 of the AMF general Regulation) with the AMF, which is being distributed pursuant to Article 231-13 and 231-16 of the AMF general Regulation.

Lagardère's draft document in response to the public tender offer, including the independent appraiser's report and the reasoned opinion of Lagardère's Board of Directors, will be subsequently filed with the AMF (Article 231-26 I, 2° of the AMF General Regulation).

As a reminder, the provisions of the AMF General Regulation relating to trading in Lagardère securities (Articles 231-38 to 231-43 of the AMF General Regulation) and the reporting of transactions on Lagardère securities (Articles 231-44 to 231-52 of the AMF General Regulation) are applicable.

The indicative timetable envisages the opening of the offer on April 14, 2022, for a period of 25 market days.

If this offer is successful and the required regulatory approvals are obtained, Vivendi would like Arnaud Lagardère to remain as Chairman and Chief Executive Officer of Lagardère and intends to continue to rely on the skills of his management team.

Acquisition of Prisma Media

On December 14, 2020, Vivendi announced that it had entered into exclusive negotiations to acquire 100% of Prisma Media. Then, on December 23, 2020, Vivendi announced that it had entered into a put option agreement for 100% of Prisma Media.

On April 29, 2021, the French Competition Authority authorized the transaction unconditionally, and on May 31, 2021, Vivendi completed the acquisition of 100% of Prisma Media's share capital through its subsidiary SIG 123.

Prisma Media is France's number one magazine publishing group, in print and digital, with some 20 leading brands.

Fininvest and MediaForEurope (formerly Mediaset) agreements

On May 3, 2021, Vivendi, Fininvest and Mediaset reached a global agreement to put an end to their disputes by terminating all litigation and waiving all claims between them.

Vivendi will support Mediaset's international development by voting in favor of the transfer of Mediaset's headquarters to the Netherlands and of the proposed resolutions on the termination of the double voting right mechanism. In addition, Vivendi and Mediaset entered into a good neighbor agreement in free-to-air television and standstill commitments for a five-year term.

On June 23, 2021, at the Annual General Meeting of Mediaset, Fininvest proposed the distribution to all shareholders of an extraordinary dividend of €0.30 per share for payment on July 21, 2021 representing an aggregate amount of €102 million for Vivendi; Vivendi and Fininvest undertook to vote in favor of such resolution.

Vivendi has undertaken to progressively sell on the market the entire 19.19% stake in Mediaset's share capital held by Simon Fiduciaria SpA over a period of five years. Fininvest will have the right to purchase any unsold shares in each 12-month period, at the established annual price.

On July 22, 2021, Vivendi, Fininvest and Mediaset announced the closing of the global agreement reached on May 3, 2021, to put an end to their disputes, mutually waiving all pending lawsuits and complaints (please refer to Note 25, Litigation).

In particular, Fininvest acquired 5.0% of the share capital of Mediaset held directly by Vivendi, at a price of €2.70 per share (taking into account the ex-dividend date and the dividend payment, which took place on July 19 and July 21, 2021, respectively). Vivendi will remain a shareholder of Mediaset with a residual 4.61% interest and will be free to retain or sell this interest at any time and at any price.

On November 18, 2021, Vivendi, Fininvest and Mediaset announced that they had agreed to amend certain provisions of the agreements entered into on May 3, 2021 and July 22, 2021 to take account of the matters upon which Mediaset's General Shareholders' Meeting will resolve on November 25, 2021, with particular reference to the introduction – subject to approval by the Shareholders' Meeting – of a dual-class share structure (ordinary A shares and ordinary B shares) through the conversion of each outstanding Mediaset share into an ordinary B share and the grant of an ordinary A share to each ordinary B share.

As a result, with reference to Vivendi's undertaking to sell the entire interest in Mediaset currently held through Simon Fiduciaria on the market over a period of five years, on November 8, 2021, it was agreed that one-fifth of the ordinary A shares and the ordinary B shares will be sold each year (starting from July 22, 2021) at a minimum price per share of €1.375 in year one, €1.40 in year two, €1.45 in year three, €1.5 in year four, and €1.55 in year five (unless Vivendi authorizes the sale of these shares at a lower price); in any case, Vivendi will be entitled to sell the ordinary A shares and/or ordinary B shares held through Simon Fiduciaria at any time if their price per share reaches €1.60. This is without prejudice to Fininvest's right to purchase any unsold shares in each twelve-month period, at the revised agreed annual price.

On November 25, 2021, Vivendi voted in favor of Mediaset's Board of Directors' proposals on the introduction of a dual-class share structure. The parties have agreed, in partial derogation from what was originally agreed on May 3, 2021, that, at Mediaset's General Shareholders' Meeting of November 25, 2021, Vivendi is entitled to exercise the voting rights attached to the shares it holds directly – and instruct Simon Fiduciaria to exercise the voting rights attached to the shares held on behalf of Vivendi – by voting in favor of the proposal to create two classes of shares. As from this date, Mediaset is renamed MediaForEurope.

For the impact of these transactions on Vivendi SE's financial statements, see Note 3 "Net Financial Income" and Note 4 "Net Exceptional Items".

Share capital

Between January 1, 2021 and December 31, 2021, Vivendi SE repurchased 49,740 thousand shares for an aggregate amount of €690.4 million.

In accordance with the authorization from the the General Shareholders' Meeting of April 20, 2020, between January 5, and February 12, 2021, Vivendi repurchased 7,277 thousand shares at an average price of €25.90 per share, for an aggregate amount of €188.5 million.

On June 18, 2021, Vivendi's Management Board cancelled 37,759 thousand treasury shares, representing 3.18% of the share capital, pursuant to the authorization granted in the twenty-seventh resolution of the General Shareholders' Meeting held on April 20, 2020.

On June 22, 2021, the General Shareholders' Meeting approved the following relating to share repurchases:

- the renewal of the authorization granted to the Management Board to repurchase shares of the company within the limit of 10% of the share capital at a maximum purchase price of €29 per share (2021-2022 program), and to cancel the shares acquired up to a limit of 10% of the share capital;
- the renewal of the authorization granted to the Management Board to purchase shares of the company by way of a Public Share Buyback Offer (OPRA) within the limit of 50% of Vivendi's share capital at a maximum price of €29 per share. The shares acquired will be cancelled.

On August 2, 2021, the company launched a share repurchase program upon the decision of the Management Board on July 30, 2021, pursuant to the authorization granted in the twenty-first resolution of the Combined General Shareholders' Meeting of June 22, 2021.

The maximum repurchase percentage, initially 0.9% of the share capital, was raised to 8.13% by decision of the Management Board on September 20 and December 20, 2021.

The objective of this program is to repurchase, depending on market conditions, up to 90,159,308 shares for purposes of canceling the shares acquired.

This program was implemented through mandates given to a bank acting as an investment services provider.

As of February 28, 2022, the total number of shares repurchased since the beginning of the program was 42,480,029, i.e., 3.70% of the capital stock as of the date of implementation of the program (see Note 23 "Financial Commitments and Contingent Liabilities").

Covid-19 pandemic impacts

In 2021, notwithstanding the uncertainties created by the Covid-19 pandemic and although its impacts were more significant in certain countries or on certain businesses than others, Vivendi showed resilience in adapting its business activities to continue to best serve and entertain its customers, while reducing costs to preserve its margins.

Vivendi continually monitors the current and potential consequences of the health crisis. To date, it is difficult to determine how it will impact Vivendi's results in 2022. Businesses related to live performance have a risk of being impacted. Nevertheless, the group remains confident in the resilience of its main businesses. It continues to make every effort to ensure the continuity of its business activities, as well as to best serve and entertain its customers and audiences while complying with the health guidelines of authorities in each country where it operates.

NOTE 1. ACCOUNTING RULES AND METHODS

1.1. GENERAL PRINCIPLES AND CHANGE IN ACCOUNTING METHODS

The Statutory Financial Statements for the fiscal year ended December 31, 2021 have been prepared and presented in accordance with applicable French laws and Regulations, and in particular ANC Regulation No. 2014-03 of the ANC *(Autorité des normes comptables),* France's national accounting standards authority, relating to the general accounting plan *(Plan comptable général* or "PCG").

The accounting principles and methods are identical to those applied for the preparation of the 2020 Statutory Financial Statements.

The company makes certain estimates and assumptions that it considers reasonable and reliable. Despite regular review, in particular based on past or anticipated events, facts and circumstances may lead to changes in such estimates and assumptions, which may have an impact on the amount of assets, liabilities, equity or earnings recognized by the company. These estimates and assumptions relate in particular to the measuring of asset impairment (see Note 7 "Long-term Investments") and provisions (see Note 16 "Provisions") as well as to employee benefits (see Note 1.9 "Employee benefit plans").

The annual Statutory Financial Statements are available online at vivendi.com.

Consolidating companies

The Vivendi group is fully consolidated by Bolloré Group, whose parent companies are Bolloré SE (Siren: 055 804 124) and Compagnie de l'Odet SE (Siren: 056 801 046).

Vivendi SE is the parent company of the Vivendi group.

1.2. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets and property, plant and equipment are valued at acquisition cost.

Depreciation and amortization are calculated using the straight-line method and, where appropriate, the declining balance method over the useful lives of the relevant assets.

1.3. LONG-TERM INVESTMENTS

Investments in affiliates and long-term portfolio securities and other investment securities

Shares of companies, the long-term ownership of which is deemed to be beneficial to Vivendi's business, are classified as investments in affiliates.

Long-term portfolio securities include securities of companies for which Vivendi expects to realize satisfactory returns over the medium to long term without interfering with the management of such companies.

Investments in affiliates, long-term portfolio securities and other investment securities are recorded at acquisition cost. If their value exceeds their value-in-use, an impairment loss is recorded for the difference between the two.

Investments in affiliates are valued based on their value-in-use (PCG, Article 221-3). Value-in-use is generally determined based on the discounted value of future cash flows. However, a more suitable method may be used where appropriate, such as comparative stock market values, values resulting from recent transactions, stock market prices in the case of listed entities, or the share held in net equity.

Long-term portfolio securities are valued based on their market value taking into consideration the general prospects of the companies concerned (PCG, Article 221-5).

The value-in-use of securities in foreign currencies is calculated using the exchange rate applicable on the closing date for both listed securities (PCG, Article 420-3) and unlisted securities.

Vivendi expenses investment and security acquisition costs in the fiscal year during which they are incurred.

Loans to subsidiaries and affiliates

Loans to subsidiaries and affiliates consist of medium and long-term loans to group companies. They do not include current account agreements with group subsidiaries that are used for day-to-day management of cash surpluses and shortfalls. Impairment losses are recorded based on the risk of non-recovery.

Treasury shares

All treasury shares held by Vivendi that are: (i) in the process of cancellation, (ii) allocated to covering share exchange and external growth transactions, or (iii) acquired pursuant to a liquidity contract, are recorded as Long-term Investments. Impairment losses are recorded on shares held for the purpose of a share exchange or external growth transactions and on shares acquired under a liquidity contract if their value-in-use, which corresponds to the average share price during the closing month, is lower than their book value (PCG, Article 221-6).

All remaining treasury shares held by Vivendi are recorded as marketable securities (see Note 1.5 "Marketable securities").

1.4. OPERATING RECEIVABLES

Operating receivables are recorded at nominal value. A provision is therefore made, as appropriate, based on the risk of non-recovery.

1.5. MARKETABLE SECURITIES

Treasury shares

Treasury shares purchased for delivery to employees and corporate officers pursuant to performance share plans, or for sale in connection with employee shareholding plans, are recorded as marketable securities.

At year-end, the shares allocated to specific plans are not depreciated but the probable outflow of resources corresponding to the expected loss in value when the shares are delivered to the beneficiaries is subject to a provision (see Note 1.8 "Stock option plans and performance share plans"). For those shares not allocated to specific plans, an impairment loss is recognized, as appropriate, to reduce their net value down to their stock market value based on the average share price during the month of closing.

Other marketable securities

All other marketable securities are recorded at acquisition cost. An impairment loss is recorded for the difference between the two if the estimated value-in-use at the end of the period is lower than the acquisition cost. The value-in-use of securities in foreign currencies is calculated using the exchange rates applicable on the closing date.

1.6. DEFERRED CHARGES RELATING TO FINANCIAL INSTRUMENTS

Issue costs in relation to bonds and lines of credit are amortized equally over the term of such instruments.

1.7. PROVISIONS

A provision is recorded if Vivendi has an obligation to a third party and it is probable or certain that an outflow of resources will be necessary to settle this obligation, without receipt of equivalent consideration from the third party.

The provision is equal to the best estimate, taken at period-end, of the outflow of resources necessary to settle the obligation, where the risk exists at the end of the period.

The assumptions underlying the provisions are regularly reviewed and any necessary adjustments are recorded.

Where it is not possible to provide a reliable estimate for the amount of the obligation, a provision is not recorded and a disclosure is made in the notes to the financial statements (see Note 25 "Litigation").

1.8. STOCK OPTION PLANS AND PERFORMANCE SHARE PLANS

A provision is recognized when the company implements a performance share plan or a stock option plan that is settled by the delivery of treasury shares. This provision is calculated based on the market price of Vivendi shares as at the grant date or the estimated share purchase price at year-end. In the case of stock option plans, the probable outflow of resources making up the provision is equal to the cost of the shares repurchased less the exercise price paid by the employees (PCG, Article 624-8).

Pursuant to the PCG, Article 624-14, expenses, charges and reversals in relation to the grant of stock options and free shares to company employees are recorded as personnel costs.

1.9. EMPLOYEE BENEFIT PLANS

Vivendi applies the reference method defined by ANC Regulation no. 2018-01 (PCG, Article 324-1) and uses method 1 of ANC Recommendation no. 2013-02 regarding the valuation of, and accounting methods for, pension commitments and similar benefits. The update of this recommendation by the French Accounting Standards Authority's *(Autorité des normes comptables)* Board at the meeting held on November 5, 2021 had no impact on the retirement plan.

The provision recorded for obligations in relation to employee benefit plans includes all Vivendi employee benefit plans, i.e., retirement/termination payments, pensions and supplemental pensions. It is calculated as the difference between the value of the actuarial obligations and plan assets, net of actuarial gains and losses and unrecognized past service costs.

The actuarial obligation is calculated using the projected unit credit method (each period of activity generates additional entitlement). Actuarial gains and losses are recognized using the "corridor method". This consists of recording, in the profit and loss account for the relevant period, the amortization calculated by dividing the portion of actuarial gains and losses that exceeds the greater of 10% of: (i) the obligation and (ii) the fair value of the plans' assets as of the beginning of the fiscal year, by the average remaining working life expectancy of the beneficiaries.

1.10. FOREIGN CURRENCY-DENOMINATED TRANSACTIONS

Foreign currency-denominated income and expense items are translated using average monthly rates or, as applicable, using the exchange rate negotiated during specific transactions.

Foreign currency-denominated receivables, payables, loans, marketable securities and cash balances are translated at the exchange rates applicable on the accounting closing date (PCG, Article 420-5).

Unrealized gains and losses recognized on translation of foreign currency borrowings, loans, receivables and payables, using exchange rates prevailing on the accounting closing date, are recorded in the Statement of Financial Position as unrealized foreign exchange gains and losses. A provision for foreign exchange losses is recorded in respect of unhedged and unrealized exchange losses (PCG, Article 420-5).

Cash and foreign currency current accounts existing at the end of the fiscal year are converted into local currency at the exchange rate on the last business day of the period. Translation differences recognized on these assets and liabilities are recorded in the profit and loss account for the year, except when the provisions relating to hedging transactions are applicable (PCG, Article 420-7).

Vivendi seeks to secure the exchange rate of assets and liabilities denominated in foreign currencies, particularly through the implementation of derivative Financial Instruments. Foreign exchange gains and losses realized on the hedging instruments are classified in the Statement of Financial Position as deferred revenue or expenses until the gain or loss on the hedged item is recognized (see Note 1.11 "Derivative Financial Instruments and hedging operations").

1.11. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING OPERATIONS

Vivendi uses derivative Financial Instruments to: (i) reduce its exposure to market risks associated with interest and foreign exchange rate fluctuations and (ii) secure the value of certain financial assets. These instruments are traded over-the-counter with highly-rated counterparties.

Pursuant to Article 628-11 of the PCG, unrealized or realized income and expenses generated by interest rate and currency hedging instruments are recorded with the income and expenses of the hedged items.

Unrealized gains on derivative instruments not eligible for hedge accounting (isolated open positions) are not included in the calculation of income. Conversely, unrealized losses on these instruments are recorded as net financial charges.

As a result, changes in the value of hedging instruments are not recognized in the Statement of Financial Position, unless the full or partial recognition of these variations ensures a symmetrical treatment with the hedged item.

Premiums and discounts associated with foreign currency forward sales and purchases are spread over the duration of the hedge and recognized as financial income or expense.

NOTE 2. OPERATING LOSSES

2.1. REVENUES

Revenues consisting of charges for services provided by Vivendi and rebilling of costs to its subsidiaries amounted to €56.8 million in 2021, compared to €91.4 million in 2020.

2.2. OPERATING EXPENSES AND EXPENSE RECLASSIFICATIONS

Operating expenses amounted to €326.9 million in 2021, compared to €242.9 million in 2020.

Within this total, "other purchases and external charges" represented €178.0 million in 2021, compared to €114.3 million in 2020. Other purchases and external charges, including amounts rebilled to subsidiaries (recorded in revenues) and expense reclassifications (recorded in the Statement of Earnings as reversal of provisions and expense reclassifications), are broken down as follows.

The increase in commissions and professional fees in 2021 was mainly due to the UMG transactions, i.e., the sale of minority interests and the capital contribution and distribution transactions.

The increase in the amount of insurance was due to payments made in 2021 in respect of the supplemental employee benefit plans (see Note 16 "Provisions").

(in millions of euros)	2021	2020
Non-stored purchases	0.9	1.2
Rent	8.2	8.2
Insurance	45.0	23.3
Service providers, temporary staff and sub-contracting	6.1	7.7
Commissions and professional fees	99.4	56.3
Bank services	3.7	3.5
Other external services	14.6	14.1
Sub-total other purchases and external charges	**178.0**	**114.3**
Amounts rebilled to subsidiaries (revenues)	(18.6)	(16.8)
Expense reclassifications		(0.3)
Total net of rebilled expenses and expense reclassifications	**159.4**	**97.2**

NOTE 3. NET FINANCIAL INCOME / (LOSS)

Net financial income is broken down as follows:

(in millions of euros)	2021	2020
Income from long-term receivables	71.7	80.4
Interest and similar income and charges – External	(43.7)	(37.6)
Interest income and charges – Group and related parties Current Accounts	39.7	38.4
Dividends received	562.7	311.2
Foreign exchange gains and losses	0.6	0.9
Net proceeds and expenses on the sales of marketable securities	(4.0)	(0.1)
Movements in impairment	(1,236.8)	(557.2)
Movements in financial provisions	(19.8)	
Other financial income and expenses	(0.3)	786.6
Total	**(629.8)**	**622.6**

3.1. INTEREST AND SIMILAR INCOME AND EXPENSES – EXTERNAL

The net external cost of interest and similar income and expenses was -€43.7 million in 2021, compared -€38.1 million in 2020, which, among other items, included:

- expenses resulting from bond issuances of -€41.4 million in 2021, compared to -€47.3 million in 2020 (see Note 17 "Borrowings");
- investment income and bank and similar interest charges of -€6.5 million net in 2021, compared to €2.7 million net in 2020;
- premiums and discounts associated with forward currency transactions used for hedging, resulting in a positive net amount of €4.3 million in 2021, compared to €6.5 million in 2020.

3.2. DIVIDENDS RECEIVED

In 2021, Income from affiliates was €562.7 million, which primarily comprised dividends from UMG for €374.0 million, from Mediaset for €102.2 million, including €68 million in income from other investments in affiliates, from Telecom Italia for €36.4 million, and from Telefonica for €17.3 million, net of withholding taxes.

In 2020, Income from affiliates was €311.2 million, which primarily comprised dividends from UIM B.V., the parent company (until February 2021) of the non-US UMG entities, for €255.2 million and from Telecom Italia for €36.4 million.

3.3. FINANCIAL PROVISIONS AND IMPAIRMENTS

Impairment tests are undertaken by Vivendi on the basis of recoverable amounts determined through internal valuations or with the assistance of third-party appraisers.

- Based on multiple valuations observed in recent acquisitions, Vivendi considers that Canal+ Group's recoverable amount is at least equal to its carrying value.
- Vivendi Management considers that the recoverable amounts of Havas and Editis as of December 31, 2021 and as of December 31, 2020, which were determined using standard valuation methods (value in use determined by discounting future cash flows, or fair value, determined on the basis of market data: stock market prices, comparable listed companies, comparison with the value attributed to similar assets or companies in recent acquisition transactions) are at least equal to their value at the acquisition date.
- In addition, in 2021, Vivendi SE recognized an impairment loss of €40 million on the current account advanced to Dailymotion.
- Concerning Gameloft, the recoverable amount value was determined using standard valuation methods, in particular the value in use, based on the DCF approach (discounted value of future cash flows). In this respect, the cash flow forecasts and financial parameters used are the most recent validated by the group's management and updated to reflect the decline in Gameloft's operating performance over the recent period. On this basis, Vivendi management concluded that Gameloft's recoverable amount was less than its carrying amount as of December 31, 2021, which led to a related impairment loss of the shares for €224 million.
- Concerning Telecom Italia, the average stock market price of its ordinary shares in December 2021 (€0.445 per share) decreased compared to the average purchase price paid by Vivendi (€1.08 per share). As a reminder, as of December 31, 2018, Vivendi wrote-down the value of its interest in Telecom Italia by €801 million, resulting in a net book value of Telecom Italia shares of €3,130.5 million (€0.86 per share). As of December 31, 2020, as it did as of December 31, 2019, Vivendi assessed whether there was any indication that its interest in Telecom Italia may have become impaired for both periods. As every year, the test was performed end of 2021 with the assistance of a third-party appraiser and the value determined using standard valuation methods (the value in use, determined as the discounted value of future cash flows, and the fair value, determined on the basis of market data: stock market prices, comparable listed companies, comparison with the value attributed to similar assets or companies in recent acquisition transactions). Vivendi management concluded that the value of its interest had decreased compared to December 31, 2020, based on a share price of €0.66 per share. In Vivendi SE's Financial Statements for the year ended December 31, 2021, Vivendi SE recorded an impairment charge of €728 million, and the net book value of Telecom Italia shares was €2,402.5 million.
- Concerning MediaForEurope N.V. (formerly Mediaset), the impairment losses recorded in 2021 included (i) the impairment charge of €78.9 million on the rights over the assets transferred to an independent trustee, based on the annual closing prices of MFE A and MFE B shares, and (ii) the impairment loss of €19.1 million on the MFE A and MFE B shares held directly by Vivendi on December 31, 2021, based on the average prices of Mediaset shares during December 2021 (PCG, Article 833-7).
- Concerning Compagnie du Dôme, Vivendi Village's parent company, the business plans of Vivendi Village's entities were generally in line with the long-term valuation outlook. However, in 2021, the business unit increased its debt, leading to a write-down of €52 million on the Compagnie du Dôme shares.
- Vivendi wrote down the value of its treasury shares covering employee shareholding plans and those covering performance share plans and not allocated to specific plans for an amount of €100.3 million (see Note 9 "Treasury shares").

3.4. OTHER FINANCIAL INCOME AND CHARGES

In March 2020, Vivendi SE recorded a gain on the universal transfer of assets and liabilities from UMG SAS in the amount of €787.5 million.

NOTE 4. NET EXCEPTIONAL ITEMS

The net exceptional gain recorded in 2021 amounted to €33,203.3 million and mainly included the capital gains net of charges related to the various transactions involving UMG's share capital. In 2020, the net exceptional gain amounted to €2,412.0 million. More specifically, the following items were included in the 2021 net exceptional gain:

- concerning UMG (see Significant Events in 2021):
  - a capital gain of €2,429 million on the sale to the Tencent-led consortium of 10% of the share capital of each of the two parent holding companies of the UMG Group:
  - a capital gain of €23,361 million, realized in February 2021, on the contribution by Vivendi of its 80% interest in the share capital of each of UMG Inc. and UIM B.V. to UMG B.V., pursuant to the agreement entered into with Tencent in 2020,
  - a capital gain of €31 million, recorded in August and September 2021, based on the contribution value, on the sale of a 10% interest in the share capital of UMG B.V. to Pershing Square Holdings and affiliates,
  - an additional capital gain of €7,387 million recognized upon the listing on the regulated market of Euronext Amsterdam of ~60% of the shares of UMG N.V. (formerly UMG B.V.) on September 21, 2021.
- regarding Mediaset (see Significant Events in 2021), the total positive effect of €54 million in exceptional income, resulting from (i) the implementation in July of the agreements entered into on May 3, 2021 (in particular the sale of 5.0% of Mediaset's share capital held by Vivendi), and (ii) the conversion of Vivendi's directly held Mediaset shares and the Mediaset shares transferred by Vivendi to an independent trustee, into MFE B shares, and the issuance of MFE A shares in favor of the holders of MFE B shares, concomitant transactions approved by Mediaset's General Shareholders' Meeting on November 25, 2021;
- finally, a net charge of -€56 million, which includes the cost of performance shares delivered to non-Vivendi beneficiaries and charges to or reversals of provisions related to outstanding and settled performance share plans.

NOTE 5. INCOME TAXES

5.1. FRENCH TAX GROUP AND CONSOLIDATED GLOBAL PROFIT TAX SYSTEMS

Vivendi SE benefits from the French Tax Group System and considers that, until December 31, 2011, inclusive, it benefited from the Consolidated Global Profit Tax System pursuant to Article 209 quinquies of the French Tax Code. As from January 1, 2012, Vivendi SE only benefits from the French Tax Group System.

- Under the French Tax Group System, Vivendi is entitled to consolidate its own tax profits and losses with the tax profits and losses of French subsidiaries that are at least 95% owned, directly or indirectly, by it. As of December 31, 2020, this mainly applies to Canal+ Group, Havas, Editis and Gameloft entities in France, as well as the companies involved in the group's development projects in France (e.g., Vivendi Village, Dailymotion).
- Up until December 31, 2011, the Consolidated Global Profit Tax System which had been applied pursuant to a tax authorization granted upon request, allowed Vivendi to consolidate its own tax profits and losses with the tax profits and losses of subsidiaries that were at least 50% owned, directly or indirectly, by it and that were also located in France or abroad. This authorization was granted for an initial five-year period (from January 1, 2004 to December 31, 2008) and was then renewed, on May 19, 2008, for a three-year period (from January 1, 2009 to December 31, 2011). As a reminder, on July 6, 2011, Vivendi filed a request with the French Ministry of Finance to renew its authorization to use the Consolidated Global Profit Tax System for a three-year period (from January 1, 2012 to December 31, 2014).
- In 2011, pursuant to changes in French Tax Law, the Consolidated Global Profit Tax System was terminated as of September 6, 2011, and the deduction for tax losses carried forward was capped at 60% of taxable income. Since 2012, the deduction for tax losses carried forward has been capped at 50% of taxable income.

The French Tax Group and Consolidated Global Profit Tax Systems have the following impact on the valuation of Vivendi's tax attributes (tax losses, foreign tax receivables and tax credits carried forward):

- In 2012, Vivendi, considering that it was entitled to use the Consolidated Global Profit Tax System up until the end of the authorization period granted by the French Ministry of Finance (i.e., until December 31, 2011), filed a contentious claim for a €366 million refund in respect of fiscal year 2011. In a decision dated October 25, 2017, marking the end of legal proceedings brought before administrative courts, the French Council of State *(Conseil d'État)* recognized that Vivendi had a legitimate expectation that it would be afforded the Consolidated Global Profit Tax System for the entire period covered by the authorization, including for the fiscal year ending December 31, 2011. Given that the power of final adjudication is vested in the French Council of State *(Conseil d'État),* the amount of €366 million paid to Vivendi, coupled with moratorium interest of €43 million, was definitively acquired by Vivendi. As a result, Vivendi recorded a reversal of tax provision of €409 million for the fiscal year ended December 31, 2017.
- Vivendi, considering that its foreign tax receivables available upon the exit from the Consolidated Global Profit Tax System could be carried forward after the end of the authorization period, requested a refund of the tax paid in respect of the fiscal year ended December 31, 2012. At the end of the legal proceedings initiated by Vivendi before the Administrative Court of Montreuil followed by the Versailles Administrative Court of Appeal, on December 19, 2019, Vivendi received a favorable decision from the French Council of State *(Conseil d'État)* regarding the use of foreign tax receivables upon exit from the Consolidated Global Profit Tax System. In addition, in light of the decision of the Court of First Instance in its litigation relating to the year 2012, Vivendi requested a refund of tax due for the year ended December 31, 2015. The decision of the French Council of State *(Conseil d'État)* on December 19, 2019, led the tax authorities to issue a refund of the tax paid by Vivendi for 2012 and to reduce the tax paid by Vivendi for 2015 automatically.

- After having succeeded before the French Council of State *(Conseil d'État),* which recognized Vivendi's right to (i) use the Consolidated Global Profit Tax System until the end of the authorization granted to it (French Council of State decision no. 403320 dated October 25, 2017, in respect of fiscal year 2011) and (ii) use foreign tax receivables upon exit from the regime in accordance with Article 122 bis of the French general tax code, i.e., over five years (French Council of State decision no. 426730 dated December 19, 2019, in respect of fiscal year 2012), Vivendi is now initiating proceedings relating to the enforceability of the five-year carry-forward rule. The purpose of this litigation is to restore Vivendi's right to use its remaining tax receivables as of December 31, 2021, i.e., a total of €793 million of tax receivables that can be used without any time limit. Vivendi therefore requested from the tax authorities, by means of a contentious claim filed on November 25, 2020, the refund of the tax paid for the fiscal year ended December 31, 2017, for €7 million.
- The decision of the French Council of State *(Conseil d'État)* on December 19, 2019 resulted in the following measures:
  - in its Financial Statements for the year ended December 31, 2019, Vivendi recorded (i) a reversal of provision for €442 million, including €239 million with respect to fiscal year 2012 (€218 million principal and €21 million in moratorium interest) and €203 million with respect to fiscal year 2015 and (ii) a current tax income of €31 million relating to additional moratorium interest, i.e., €5 million with respect to fiscal year 2012 and €26 million with respect to fiscal year 2015,
  - on December 27, 2019, the tax authorities repaid €223 million to Vivendi (€218 million principal and €5 million in moratorium interest). In addition, in January 2020, the tax authorities repaid €250 million to Vivendi, i.e., a balance of €21 million with respect to moratorium interest for fiscal year 2012 and €229 million with respect to fiscal year 2015 (€203 million principal and €26 million in moratorium interest).
- This decision allowed Vivendi to seek a refund of any additional corporate tax payment already made for the 2012-2016 period, notably following audit of its integrated subsidiaries, and will finally allow Vivendi to pay any future tax amount that will be claimed as a result of its own situation, or of its integrated subsidiaries, for the same 2012-2016 period.
- In the Financial Statements for the year ended December 31, 2021, the tax results of the subsidiaries comprised within the scope of Vivendi SE's French Tax Group System are calculated based on estimates. After taking into account the effects of the ongoing tax audits on the amount of tax attributes admitted by the tax authorities, Vivendi SE carried forward €201 million of tax losses as of January 1, 2021, deducted in full for calculating the 2021 corporate tax; Vivendi SE therefore no longer carries forward tax losses as of December 31, 2021. However, Vivendi SE contests the result of these ongoing controls and requests the restoration of €2,304 million of tax losses to its profit (see below, tax litigation).
- Consequently, income tax with respect to fiscal year 2021 was a net charge of €823.6 million.

5.2. TAX LITIGATION

In the normal course of its business, Vivendi SE is subject to tax audits by the relevant tax authorities. In litigation situations, Vivendi's policy is to pay the taxes it intends to contest, and to seek a refund through appropriate legal proceedings. Regarding ongoing tax audits, no provision is recorded where the impact that could result from an unfavorable outcome cannot be reliably assessed. Vivendi Management believes that it has solid legal grounds to defend its positions for determining the taxable income of Vivendi SE as head of the French Tax Group. Vivendi Management therefore considers that the outcome of the ongoing tax audits are unlikely to have a material impact on the company's financial position or liquidity.

Regarding the tax audit for fiscal years 2008 to 2012, Vivendi SE is subject to a rectification procedure for which the tax authorities challenge the accounting and tax treatment of NBC Universal shares received in consideration of the sale of Vivendi Universal Entertainment shares in 2004. Additionally, the tax authorities challenge the deduction of the €2.4 billion loss recorded as part of the sale of these shares in 2010 and 2011. Proceedings were brought before the National Direct Tax System *(Commission nationale des impôts directs),* which rendered its opinion on December 9, 2016 (which was notified to Vivendi SE on January 13, 2017), in which it declared the discontinuation of the adjustments suggested by the tax authorities. Moreover, given that the disagreement was based on administrative doctrine, Vivendi asked for its cancellation on the ground that it was tantamount to adding to the law. On May 29, 2017, the French Council of State *(Conseil d'État)* favorably received Vivendi's appeal for misuse of authority. By letter dated April 1, 2019 and following various appeals, the tax authorities confirmed the continuation of the rectification procedure. On June 18, 2019, Vivendi therefore initiated legal proceedings before the Tax Department that issued the taxation in question. As no reply was received from the tax authorities, on December 30, 2019, Vivendi filed a complaint before the administrative Court of Montreuil. On December 2, 2021, the administrative Court of Montreuil dismissed Vivendi's complaint. On February 9, 2022, Vivendi filed a request to appeal to the Paris administrative Court of Appeal. A decision is expected in 2023 at the earliest.

Regarding the tax audit for fiscal years 2013 to 2017 in respect of the group's consolidated earnings, Vivendi SE was proposed an adjustment on June 14, 2021. As of December 31, 2021, the proceedings on tax audit are still in progress.

Regarding the tax audit to Vivendi's individual earnings, on June 4, 2020, the tax authorities proposed a set of adjustments for €33 million (base) for these financial years. This proposal will lead to a correction of Vivendi's tax losses carried forward and will not result in any current tax liabilities as any tax claimed will be paid by way of foreign tax receivables. Following Vivendi's reply to this proposal on July 21, 2020, the administration confirmed its position on September 14, 2020. Vivendi does not fully agree with the positions taken by the tax authorities but does not intend, considering the issues at stake, to challenge them.

In respect of the litigation concerning the right to defer foreign tax receivables upon the exit from the Consolidated Global Profit Tax System without time limitation, the registry of the administrative Court of Montreuil informed Vivendi of the closing of the hearing scheduled on April 29, 2022. A decision is therefore expected in 2022 at the earliest.

At the time of the sale of GVT to Telefonica Brazil in May 2015, Vivendi realized a capital gain that was subject to withholding tax in Brazil. On March 2, 2020, the Brazilian tax authorities challenged the methods for calculating this capital gain and requested Vivendi to pay an amount of 1 billion BRL (i.e., approximately €160 million) in duties, late interest and penalties. This additional tax assessment and the refusal to take into account the reduction of the capital gain resulting from price adjustments were unsuccessfully challenged before the administrative authorities. Vivendi will take legal action to assert its rights and believes that it has a strong chance of succeeding. Accordingly, no provision has been recorded in the financial statements for the year ended December 31, 2021 in respect of this assessment.

NOTE 6. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

6.1. GROSS VALUES

(in millions of euros)	Opening gross value	Additions	Disposals	Closing gross value
Intangible assets	3.6	0.3		3.9
Property, plant and equipment	58.0	33.6		91.6
Total	**61.6**	**33.9**	**0.0**	**95.5**

6.2. DEPRECIATION AND AMORTIZATION

(in millions of euros)	Opening accumulated depreciation/ amortization	Charge	Reversal	Closing accumulated depreciation/ amortization
Intangible assets	2.7	0.4		3.0
Property, plant and equipment	56.1	1.1		57.3
Total	**58.8**	**1.5**	**0.0**	**60.3**

NOTE 7. LONG-TERM INVESTMENTS

7.1. CHANGE IN LONG-TERM INVESTMENTS

(in millions of euros)	Opening gross value	Additions	Contributions	Reductions (a)	Foreign currency translation adjustments	Closing gross value
Investments in affiliates and Long-term portfolio securities	21,533.7	1,378.0	26,400.0	(27,760.8)		21,550.9
Loans to subsidiaries and affiliates	4,097.6	65.9		(2,371.6)		1,791.9
Other long-term investment securities	1,906.0	690.4		(1,947.0)		649.4
Loans and other long-term investments	54.3	568.7		(80.8)	1.6	543.7
Total	**27,591.6**	**2,703.0**	**26,400.0**	**(32,160.2)**	**1,6**	**24,536,0**

(a) Disposals and related transactions

7.2. INVESTMENTS IN AFFILIATES AND LONG TERM PORTFOLIO SECURITIES

The main changes in investments in affiliates and long-term portfolio securities as described in the Significant Events in 2021 section are as follows:

- Additions for €1,378.0 million, of which:
  - the acquisition of Lagardère shares for €611.6 million,
  - the recording of MediaForEurope (MFE A and MFE B) ordinary shares for €135.6 million and the recording of the rights over the assets transferred to an independent trustee (MFE A et MFE B) for €564.0 million,
  - the acquisition of approximately 10% of PRISA 's share capital for €66.6 million.
- Contributions consisting of the 80% interest in the share capital of each of UMG Inc. and UIM B.V. contributed by Vivendi to UMG B.V. in February 2021, based on an equity value of €33 billion for 100% of UMG (valuation retained at the time of the contribution in February 2021, as determined by experts), in connection with UMG's stock market listing;
- Reductions for €27,760.8 million, mainly corresponding to the sum of the following book values:
  - 10% of the shares of each of UMG Inc. and UIM B.V. sold to the Tencent-led consortium for €379.9 million, and 10% of the shares of UMG B.V. sold to Pershing Square Holdings and affiliates for €3,300.0 million,
  - 80% of the shares of UMG Inc. and UIM B.V. contributed to UMG B.V. for €3,039.1 million,
  - ~60% of the shares of UMG N.V. (formerly UMG B.V.) distributed on September 21, 2021, upon UMG's stock market listing for €19,757.9 million,
  - 9.6% of Mediaset's share capital held directly by Vivendi (5% of the shares were sold and 4.6% were converted into MFE B shares) for €493.2 million,
  - the rights over the Mediaset assets transferred to an independent trustee for €757.2 million when converted to MFE B shares and the issuance of MFE A shares (19.52% of the number of shares and 19.24% of the share capital of MediaForEurope).

- At year-end, the book value and market value of the Lagardère shares held by Vivendi was €1,204.4 million and €1,527.9 million, respectively, and the book value and market value of Vivendi's UMG N.V. shares was €3,308.6 million and €4,511.2 million, respectively. The market values were calculated using the average share prices of December (PCG Art. 133-7).

7.3. LOANS TO SUBSIDIARIES AND AFFILIATES

The complete separation of Vivendi and UMG's cash and financing activities occurred on July 7, 2021. On that date, UIM B.V. repaid its intra-group borrowing from Vivendi SE for €2,368 million.

7.4. OTHER LONG-TERM INVESTMENTS

Treasury shares held for cancellation

See Significant Events in 2021 and Note 9, Treasury Shares.

7.5. LOANS AND OTHER LONG-TERM INVESTMENTS

Cash term deposits

In 2021, Vivendi invested €171.9 million (€125.0 million and $55.0 million) in short-term investments. As of December 31, 2021, these investments amounted to €173.5 million.

In addition, pursuant to the agreements entered into between Vivendi and Mediaset on May 3, 2021, a portion of the proceeds from the sale of 5% of Vivendi's Mediaset shares in July 2021 have been placed in an escrow account in the amount of €75 million, which will be released in one-third installments over a period of three years, beginning on August 21, 2022.

Other cash assets

In 2021, Vivendi invested €321.6 million and sold cash assets (OPCM) with a book value of €80.8 million. As of December 31, 2021, these investments amounted to €290.8 million compared to €50.1 million as of December 31, 2020.

7.6. IMPAIRMENT

(in millions of euros)	Opening accumulated depreciation/ amortization	Charge	Reversal recorded in financial income	Reversal recorded in exceptional income	Closing accumulated depreciation/ amortization
Investments in affiliates and Long-term portfolio securities	3,135.2	1,131.9	(17.8)	(537.6)	3,711.6
Loans to subsidiaries and affiliates	1,726.1	63.8			1,789.9
Other long-term investment securities					
Loans and other long-term investments		0.3			0.3
Total	**4,861.3**	**1,196.0**	**(17.8)**	**(537.6)**	**5,501.8**

NOTE 8. CURRENT ASSETS

8.1. RECEIVABLES

As of December 31, 2021, receivables, net of impairment, amounted to €5,255.0, compared to €4,257.0 million as of December 31, 2020. They included:

- current account advances by Vivendi to its subsidiaries for a net amount of €5,158.5 million compared to €4,111.9 million as of December 31, 2020; and
- tax receivables of €34.0 million compared to €63.3 million as of December 31, 2020.

8.2. PREPAID EXPENSES

(in millions of euros)	2021	2020
Expenses relating to the following periods	7.0	2.9
Discount paid to subscribers of bonds	9.3	12.6
Total	**16.3**	**15.5**

NOTE 9. TREASURY SHARES

9.1. CHANGE IN TREASURY SHARES

	Long-term investment securities		Marketable securities			
	Shares held for cancellation		Shares backing performance share plans		Shares covering employee shareholding plans	
	No. Shares	Gross value	No. Shares	Gross value	No. Shares	Gross value
		(in millions of euros)		(in millions of euros)		(in millions of euros)
As of December 31,2020	77,072,383	1,905.6	7,459,121	171.9	8,634,090	168.4
purchases	49,740,133	690.4				
cancellations	(78,662,067)	(1,946.9)				
deliveries or sales			(1,086,923)	(21.0)		
As of December 31, 2021	**48,150,449**	**649.1**	**6,372,198**	**150.9**	**8,634,090**	**168.4**

The 63,156,737 treasury shares represent 5.70% of the share capital and have a book value of €968.4 million. Their market value of €750.9 million as of December 31, 2021, was calculated based on the closing price for Vivendi shares on that date.

Pursuant to Article 833-11/2 of the PCG,, the impairment loss that would be recognized on treasury shares in the process of cancellation if they were to be valued in accordance with the usual rules for capitalized securities would be €94.4 million as of December 31, 2021.

The treasury shares recorded as marketable securities and not allocated to specific performance share plans were written down for €100.3 million (see Note 1.3 “Long-term investments – Treasury shares” and Note 1.5 “Marketable securities – Treasury shares”).

NOTE 10. OTHER MARKETABLE SECURITIES AND CASH

(in millions of euros)	2021	2020
Monetary and Bonds funds	421.4	
Other similar accounts	245.8	130.3
Depreciation	(0.6)	
Sub-total marketable securities equivalent receivables	**666.6**	**130.3**
Cash	1,632.0	58.8
Total	**2,298.6**	**189.1**

NOTE 11. RECEIVABLES MATURITY SCHEDULE

(in millions of euros)	Gross value	Maturing in less than one year	Maturing in more than one year
Non-current assets (1)			
Loans to subsidiaries and affiliates	1,791.9	11.4	1,780.5
Other long-term investments	543.7	489.3	54.4
Current assets			
Trade accounts receivable and related accounts	12.2	12.2	
Other receivables	5,635.8	5,232.9	13.5
Prepaid expenses	16.3	13.7	2.6
Total	**7,999.9**	**5,759.5**	**1,851.0**

(1) Non-current assets excluding investments: investments include a portion due in less than one year for €96.8 million regarding the rights of the assets transferred to an independent trustee (MFE A and MFE B shares), excluded from this balance.

Loans to subsidiaries and affiliates due in more than one year and other receivables due in more than one year are fully impaired.

NOTE 12. DEFERRED CHARGES

12.1. DEFERRED CHARGES RELATING TO FINANCIAL INSTRUMENTS

(in millions of euros)	Opening balance	Increase	Amortization	Closing balance
Deferred charges relating to credit lines	2.7		(0.7)	2.0
Issue costs of bonds	6.6		(2.0)	4.6
Total	**9.3**	**0.0**	**(2.8)**	**6.6**

NOTE 13. UNREALIZED FOREIGN EXCHANGE GAINS AND LOSSES

As of December 31, 2021, the unrealized foreign exchange losses were €2.1 million. There were no unrealized foreign exchange gains.

As of December 31, 2020, there were no unrealized foreign exchange gains and losses.

NOTE 14. EQUITY

14.1. CHANGES IN EQUITY

Transactions (in millions of euros)	Number of shares (1)	Share capital	Additional paid-in capital	Legal Reserve	Retained earnings	Interim dividend	Earnings	Total
As of December 31, 2020	1,185,995,621	6,523.0	7,181.8	752.7	2,955.6		3,009.4	20,422.5
Allocation of earnings and dividends					2,356.8		(3,009.4)	(652.5)
Special dividend in kind and special interim dividend **(2)**					(5,312.5)	(22,099.8)		(27,412.3)
Stock options	1,227,523	6.8	11.0					17.7
Earnings for the year							31,521.0	31,521.0
Share capital reduction	(78,662,067)	(432.6)	(1,514.3)					(1,946.9)
As of December 31, 2021	**1,108,561,077**	**6,097.1**	**5,678.5**	**752.7**	**0.0**	**(22,099.8)**	**31,521.0**	**21,949.5**

(1) Par value of €5.50 per share.

(2) Distribution of 59.87% of the share capital of UMG N.V. (See Significant Events in 2021).

14.2. ALLOCATION OF EARNINGS AND DISTRIBUTION OF DIVIDENDS TO SHAREHOLDERS

On March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Financial Statements for the year ended December 31, 2021, and the allocation of earnings for the fiscal year then ended), the Management Board decided to propose to shareholders the following allocation of earnings. This proposal was presented to and approved by Vivendi's Supervisory Board at its meeting held on March 9, 2022.

The allocation of distributable earnings to be proposed to the Annual General Shareholders' Meeting to be held on April 25, 2022, is as follows:

Distributable earnings (in euros)	
Retained Earnings	0.00
2021 Earnings	31,521,031,426.73
Total	**31,521,031,426.73**
Proposed allocation (in euros)	
Allocation to the legal reserve	
Allocation to other reserves	7,000,000,000.00
Total dividend	22,361,227,289.40
of which special interim dividend in kind ***(a)***	*22,099,807,176.15*
of which ordinary cash dividend ***(b)***	*261,420,113.25*
Allocation to Retained Earnings	2,159,804,137.33
Total	**31,521,031,426.73**

(a) Vivendi's General Shareholders' Meeting of June 22, 2021, approved the special distribution in kind in the form of shares of Universal Music Group N.V. (UMG) on the basis of one (1) UMG share for one (1) Vivendi SE share. This distribution consisted of a special dividend in kind of €4.89 per share, approved by the General Shareholders' Meeting of June 22, 2021 (sixth resolution), and a special interim dividend in kind of €20.36 per share, approved by Vivendi's Management Board on September 14, 2021, according to the certified interim balance sheet as of June 30, 2021. This special distribution (dividend and interim dividend) in kind was paid on September 23, 2021. It qualifies as distributed income for tax purposes in its entirety.

(b) At a rate of €0.25 per share. This amount is calculated based on the number of treasury shares held as of February 28, 2022, and will be adjusted to reflect the actual number of shares entitled to the dividend on the ex-dividend date (payable as from April 28, 2022).

Ordinary dividends paid in respect of the past three fiscal years were as follows:

Year	**2020**	**2019**	**2018**
Number of shares (in millions) **(a)**	1,087.5	1,150.0	1,271.1
Dividend per share (in euros)	**(b)** 0.60	0.60	0.50
Total distribution (in millions of euros)	**652.5**	**690.0**	**635.5**

(a) Number of shares entitled to the dividend as of January 1 of the relevant year, after elimination of treasury shares held at the dividend payment dates.

(b) On June 22, 2021, with respect to fiscal year 2020, Vivendi's General Shareholders' Meeting approved the payment of an ordinary dividend of €0.60 per share, representing a total distribution of €652.5 million.

NOTE 15. STOCK OPTION PLANS AND PERFORMANCE SHARE PLANS

15.1. STOCK SUBSCRIPTION OPTION PLANS

No stock option plans were granted in 2020 or 2021.

As of December 31, 2010, the number of shares that may be issued upon the exercise of stock subscription options granted prior to 2013 is 52,144.

15.2. PERFORMANCE SHARE PLANS

As of December 31, 2021, the total number of outstanding rights to performance shares (2017 to 2020 plans) amounted to 3,760,167.

No performance shares were granted in 2021.

The main features of the plans granted during the prior fiscal year are as follows (please refer to the PCG, Article 833-20/2):

	Number of performance share rights granted						Number of performance share rights		
	Total number of		of which granted to members of governing bodies						
Grant date	**beneficiaries**	**performance share rights**	**Number of beneficiaries**	**Number of performance share rights**	**Vesting date (*)**	**Availability date**	**Number of performance share rights cancelled in 2020**	**Number of shares created at the end of the vesting period in 2020**	**Number of performance share rights outstanding as of December 31, 2020**
02/13/2020	6	185,000	6	185,000	02/14/2023	02/17/2025			185,000
02/13/2020	405	946,950	8	158,000	02/14/2023	02/17/2025	25,446	2,000	917,404
02/13/2020	185	463,100	1	20,000	02/14/2023	02/17/2025	31,664		**(a)** 429,436
11/16/2020	16	63,000	1	10,000	11/17/2023	11/18/2025	3,000		60,000
11/16/2020	1	1,900			11/17/2023	11/18/2025			**(a)** 1,900
						Total	**60,110**	**2,000**	**1,593,740**

(*) First day following the end of the three-year vesting period.

(a) Granted to international beneficiaries to be registered in an account in their respective names in 2025.

All performance shares granted in 2020 are subject to the satisfaction of the following performance criteria:

- the internal indicator (70%): the group's adjusted net income per share (50%) and the group's cash flow from operations after interest and taxes (CFAIT) (20%), between January 1, 2020 and December 31, 2022;
- the external indicator (30%): Vivendi share performance, dividends reinvested, between January 1, 2020 and December 31, 2022, compared to two indices: the STOXX® Europe Media index (20%) and the CAC 40 (10%), dividends reinvested.

The satisfaction of such performance criteria is assessed over a three-year period.

The definitive grant of performance shares will be effective subject to the presence of the beneficiaries in the group at the end of a three-year period (vesting period), without any possibility of offsetting the results of each of the two indicators (internal and external) against each other:

- all of the shares will vest if the achievement rate for each indicator (internal and external) is 100% or higher;
- no shares will vest if the achievement rate for each indicator (internal and external) is below 50%;
- if the achievement rate for each indicator (internal and external) is between 50% and 100%, then the number of shares that will vest will be calculated proportionately.

No shares will vest if the achievement rates for both indicators (internal and external) are below 50%.

NOTE 16. PROVISIONS

16.1. SUMMARY TABLE OF PROVISIONS

Nature of provisions (in millions of euros)	**Opening balance**	**Charge**	**Reversal**	**Utilization**	**Closing balance**
Employee benefits	94.1	17.7		(39.8)	72.1
Other provisions	43.6	112.0	(14.2)	(17.6)	123.7
Total – Provisions	**137.7**	**129.8**	**(14.2)**	**(57.4)**	**195.8**
Charges and reversals:					
– operating		*39.4*		*(41.2)*	
– financial					
– exceptional		*70.5*	*(14.2)*	*(16.2)*	

The provision for employee benefits decreased by €22 million from €94.1 million at year-end 2020 to €72.1 million at year-end 2021 (see Note 1.9 "Employee benefit plans"), notably taking into account the payments relative to the supplemental pension plans for €31.5 million in 2021.

Related obligations are valued using the following assumptions: (i) 4.0% wage increase rates, (ii) a 0.75% discount rate for the general statutory scheme (retirement termination payments) and supplementary schemes and (iii) a retirement age of between 62 (retirement termination payments) to 65. As of December 31, 2021, pension commitments amounted to €213.7 million, compared to €234.8 million as of December 31, 2020.

Supplemental pension obligations, other than retirement termination payments, are partially funded by external insurance policies, the present value of which is deducted from the actuarial obligation. The expected rate of return on plan assets is 2.5%.

As of December 31, 2021, plan assets (consisting of 75% bonds and 14% equities) and unrecognized actuarial losses were €71.6 million and €90.6 million, respectively, compared to €43.4 million and €112.1 million, respectively, as of December 31, 2020.

As of December 31, 2021, "other provisions" totaled €123.7 million, mainly including a provision of €89.3 million compared to €36.2 million as of December 31, 2020 to cover the performance share plans granted to employees of Vivendi and its subsidiaries in 2017 and 2018 (residual plans), and in 2019 and 2020.

NOTE 17. BORROWINGS

As of December 31, 2021, borrowings totaled €4,618.5 million, compared to €6,807.5 million as of December 31, 2020.

17.1. BOND ISSUES

As of December 31, 2021, bond issues totaled €4,050.0 million, following the €1,000 million redemption in April 2021.

As of December 31, 2020, bond issues amounted to €5,050.0 million.

Accrued interest on bonds was €11.4 million as of December 31, 2021, compared to €15.9 million as of December 31, 2020.

Amounts in millions of euros	**Issue date**	**Maturity date**	**Nominal rate**
500.0	2016/05	2026/05	1.88%
600.0	2016/11	2023/11	1.13%
850.0	2017/09	2024/09	0.88%
700.0	2019/06	2022/06	0.00%
700.0	2019/06	2025/06	0.625%
700.0	2019/06	2028/12	1.125%
4,050.0			

Bonds issued by Vivendi SE contain customary provisions related to events of default, negative pledge and rights of payment (pari-passu ranking). They also contain an early redemption clause in the event of a change of control (for the bonds issued in May 2016 and November 2016, Bolloré Group was carved out of the change-of-control provision) if, as a result of any such event, the long-term rating of Vivendi SE is downgraded below investment grade status (Baa3).

17.2. BANK BORROWINGS

As of December 31, 2021, the aggregate amount of loans and borrowings from credit institutions was €27.7 million, compared to €363.2 million as of December 31, 2020, which primarily included accounting overdrafts for €26.8 million, compared to €52.1 million as of December 31, 2020.

As of December 31, 2021, Vivendi had not drawn on its credit facilities. As of December 31, 2020, Vivendi SE had issued short-term marketable securities (NEU CP) for €310.0 million, backed by these credit facilities.

As part of the separation of the cash pooling and financing arrangements between Vivendi and UMG, Vivendi SE agreed with its banks to reduce the amount of its credit facilities. On June 28, 2021, Vivendi SE's syndicated credit facility maturing in January 2026 was reduced to €1.5 billion (compared to €2.2 billion previously). As of the same date, Vivendi SE's eight bilateral credit facilities maturing in January 2024 were reduced to an aggregate amount of €950 million (compared to €1.2 billion previously), and to an aggregate amount of €800 million on July 7, 2021.

These credit facilities are no longer required to comply with financial covenants but they contain customary provisions relating to events of default and covenants applicable to Vivendi in terms of negative pledge and merger transactions.

17.3. OTHER BORROWINGS

As of December 31, 2021, other borrowings amounted to €529.4 million, compared to €1,378.4 million as of December 31, 2020. They primarily comprised current account deposits made by subsidiaries.

NOTE 18. DEBT MATURITY SCHEDULE

Liabilities (including accrued interest) (in millions of euros)	**Gross value**	**Due in less than one year**	**Due in one to five years**	**Due within more than five years**
Bond issues	4,061.4	711.4	2,650.0	700.0
Bank borrowings	27.7	27.7		
Other borrowings	529.4	529.4		
Trade accounts payable and related accounts	24.1	24.1		
Tax and employee-related liabilities	44.8	44.8		
Amounts payable in respect of PP&E and related accounts				
Other liabilities	29.1	19.2	9.9	
Deferred income	0.9	0.9		
Total	**4,717.3**	**1,357.4**	**2,659.9**	**700.0**

NOTE 19. ITEMS IMPACTING SEVERAL ITEMS OF THE STATEMENT OF FINANCIAL POSITION

The assets in the table below are shown at gross value.

ASSETS

(in millions of euros)	**Accrued income**
Investments in affiliates	
Loans to subsidiaries and affiliates	11.4
Other long-term investment securities	
Loans	
Other long-term investments	
Trade accounts receivable and related accounts	
Other receivables	4.9
Deferred charges	
Prepaid expenses	
Unrealized foreign exchange losses	
Total	**16.3**

LIABILITIES

(in millions of euros)	**Accrued expenses**
Other bond issues	11.4
Bank borrowings	0.9
Other borrowings	
Trade accounts payable and related accounts	21.8
Tax and employee-related liabilities	44.1
Amounts payable in respect of PP&E and related accounts	
Other liabilities	
Deferred income	
Unrealized foreign exchange gains	2.1
Total	**80.2**

NOTE 20. COMPENSATION OF CORPORATE OFFICERS

Total gross compensation (including benefits in kind, incentive plans and other) for members of the Management Board paid by Vivendi in 2021 was €12.0 million, compared to €11.5 million in 2020.

Members of the Management Board who received compensation from Vivendi SE also benefited from a supplemental pension plan, the cost of which was €8.1 million in 2021.

With respect to fiscal year 2021, the aggregate gross amount of compensation paid by Vivendi SE to the members of the Supervisory Board was €1.2 million pursuant to Article L. 225-83 of the French Commercial Code *(Code de commerce)*. The gross compensation paid to the Chairman of the Supervisory Board was €400,000, including the amount paid pursuant to Article L. 225-83 of the French Commercial Code *(Code de commerce)* of €60,000.

NOTE 21. MANAGEMENT SHARE OWNERSHIP

As of December 31, 2021, members of the Management Board, the Supervisory Board and General Management directly held an aggregate of 0.137% of the share capital of the company.

NOTE 22. NUMBER OF EMPLOYEES

In 2021, the annual average number of employees, as defined in Article D 123-200 of the French commercial code (PCG, Article 833-19), was 200 (including 6 employees whose wages were recharged to subsidiaries) compared to 197 in 2020 (including 8 employees whose wages were recharged to subsidiaries)

The breakdown of employees by category is as follows:

	2021	2020
Engineers and executives	172	172
Supervisors	24	21
Other employees	4	4
Total	**200**	**197**

NOTE 23. FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES

Vivendi SE has entered into various commitments on its own account or on behalf of its subsidiaries, the main terms and conditions of which are detailed below.

23.1. SHARE PURCHASE AND SALE COMMITMENTS AND OTHER CONTRACTUAL OBLIGATIONS

In connection with the purchase or sale of operations and financial assets, Vivendi has granted or received commitments to purchase or sell securities:

- as part of a share buyback program launched on August 2, 2021, pursuant to the authorization granted by the General Shareholders' Meeting of June 22, 2021, as set out in the program's description published on July 30, 2021, and its supplement published on December 20, 2021, Vivendi is committed to an independent banking institution in connection with an irrevocable mandate to purchase treasury shares, the purpose of which is the cancellation. Between December 20, 2021 and March 9, 2022, the termination date of the mandate, the total number of shares that could be repurchased under this mandate and depending on market conditions was 47,695,991 shares, at a maximum purchase price of €29 per share as fixed by the General Shareholders' Meeting (as of February 28, 2022, 16,712 shares had been acquired);
- Lagardère SA shares: On February 21, 2022 Vivendi filed a draft public tender offer document for the shares of Lagardère SA with the French securities regulator *(Autorité des marchés financiers)* a at a price of €25.50 per share (see Significant events in 2021). As a reminder, on February 18, 2022, Vivendi decided to guarantee to Lagardère shareholders the per share price of €24.10 until December 15, 2023, and to increase the price of its tender offer to €25.50 per share, from which the 2021 Lagardère dividend would be deducted, to the shareholders who would elect to sell their shares immediately;
- Vivendi made the commitment to refrain from purchasing Ubisoft shares for a period of five years starting in October 2018;
- Vivendi has undertaken to progressively sell on the market the entire 19.19% stake in Mediaset's (renamed MediaForEurope as of November 25, 2021) share capital held by Simon Fiduciaria SpA over a period of five years. Fininvest will have the right to purchase any unsold shares in each twelve-month period, at the established annual price (see Significant Events in 2021).

23.2. CONTINGENT LIABILITIES SUBSEQUENT TO GIVEN OR RECEIVED COMMITMENTS RELATED TO THE DIVESTITURE OR ACQUISITION OF SHARES

The main contingent liabilities include:

- Ubisoft: uncapped guarantees granted at the time of the October 2018 sale;
- sale of GVT (May 2015): representations and warranties limited to specifically-identified tax matters, capped at BRL 180 million;
- sale of Activision Blizzard (October 2013): unlimited general warranties and tax warranties capped at $200 million, subject to certain conditions;
- divestiture of Polska Telefonia Cyfrowa (PTC) shares (December 2010), with commitments to end litigation over the share ownership of PTC:
  - guarantees given to the Law Debenture Trust Company (LDTC), for an amount of up to 18.4% of the first €125 million, 46% between €125 million and €288 million, and 50% thereafter,
  - guarantees given to Poltel Investment's (Elektrim) judicial administrator;
- merger between NBC and VUE (May 2004) and subsequent amendments (2005-2010): breaches of tax representations and an obligation to apply the Most Favored Nation provisions;
- Vivendi and its subsidiaries have entered into agreements with certain minority shareholders providing for purchase price supplements. They include, in particular, the cap applicable on earn-outs payable in 2022 under the contract signed in June 2016 for the acquisition of 100% of the companies that own and manage all Paddington intellectual property rights (except for the publishing rights). These purchase price supplements are part of an overall guarantee capped at £80 million expiring on December 31, 2024;
- several warranties given in connection with asset acquisitions or disposals during previous years have expired. However, the time periods or statutes of limitations of certain warranties relating, among other things, to employee, environment and tax liabilities, in consideration for share ownership or given in connection with the dissolution or winding-up of certain businesses, are still in effect. To the best of Vivendi's knowledge, no material claims for indemnification against such liabilities have been made to date;
- in addition, Vivendi regularly delivers commitments for damages to third parties at the settlement of disputes and litigation. These commitments are typical in such transactions.

23.3. OTHER GUARANTEES

- On behalf of Canal+, Vivendi has granted guarantees related to sports broadcasting rights to beIN Sports, UEFA and the satellite operator SES, the latter also benefiting from a bank guarantee in the amount of €5 million.
- Havas benefits from a €510 million guarantee granted by Vivendi and valid until July 31, 2022 for the benefit of the holders of its Negotiable European Commercial Paper (NEU CP).
- As of December 31, 2021, in addition to standard comfort letters, Vivendi gave guarantees to several banks that had granted credit facilities to certain subsidiaries to cover working capital requirements, including in an amount of approximately €8.5 million and $60.4 million for Canal+.
- Vivendi has provided a guarantee (letters of comfort) in favor of GVA for investments in the telecom sector in Africa for an aggregate amount of €25 million.
- Vivendi gave guarantees to certain of its operating subsidiaries (including Ticketing, Prisma Media and Olympia Production) to cover their third-party commitments.
- Vivendi has granted guarantees to the Dutch tax authorities on behalf of Canal+ Luxembourg.
- Vivendi gave counter-guarantees to US financial institutions that issued a certain number of letters of credit in favor of certain US operating subsidiaries for an aggregate amount of $6 million.
- As of December 31, 2021, Vivendi had given a certain number of real estate lease commitments for a total net amount of €282.3 million, including €45.2 million on its own behalf, and the remaining for its subsidiaries.
- As part of the cash management of Canal+ Group, Vivendi provided comfort letters to a number of banks for an approximate amount of €40 million at year-end 2021.
- In connection with the reorganization of the USH English pension plan for certain current and former employees based in the United Kingdom, and the transfer of pension commitments under this plan to Metlife, Vivendi SE, on behalf of Centenary Holdings Limited, its subsidiary, guaranteed the liabilities under the plan for an estimated amount of £7 million as of December 31, 2021, which does not represent an additional financial commitment for the group.

23.4. COLLATERALS AND PLEDGES

Under the terms of the agreements entered into between Vivendi and Mediaset on May 3, 2021, a portion of the proceeds from the sale of 5% of Vivendi's Mediaset shares in July 2021 have been placed in an escrow account in the amount of €75 million, which will be released in one-third installments over a period of three years, beginning on August 21, 2022 (see Note 7 "Loans and other long-term investments").

As of December 31, 2021, no material asset in Vivendi's Statement of Financial Position was subject to a pledge or mortgage for the benefit of third parties.

23.5. FINANCIAL COVENANTS

As part of the separation of the cash pooling and financing arrangements between Vivendi and UMG, Vivendi SE agreed with its banks to reduce the amount of its credit facilities. On June 28, 2021, Vivendi SE's syndicated credit facility was reduced to €1.5 billion (compared to €2.2 billion previously) maturing in January 2026. On July 7, 2021, Vivendi SE's eight bilateral credit facilities were reduced to an aggregate amount of €800 million. (see Note 17 "Bank borrowings").

All these credit facilities are no longer required to comply with financial covenants but they contain customary provisions relating to events of default and covenants applicable to Vivendi in terms of negative pledge and merger transactions.

23.6. SHAREHOLDERS' AGREEMENTS

- Under existing shareholders' agreements (in particular at Universal Music Group N.V.: please see below), Vivendi holds certain rights (e.g., pre-emptive rights and rights of first offer) that give it control over the capital structure of its consolidated companies with minority shareholders. Conversely, Vivendi has granted similar rights to these other shareholders in the event that it sells its interests to third parties.
- Universal Music Group N.V.:
  - In connection with the special distribution in kind by Vivendi SE to its shareholders of 59.87% of the share capital of Universal Music Group N.V. (UMG) and the admission of UMG shares to trading on Euronext Amsterdam, on September 8, 2021, Vivendi SE, the Tencent-led consortium, and Compagnie de l'Odet and its sub-subsidiary Compagnie de Cornouaille, the latter two of which together received 18% of UMG's share capital and voting rights in the distribution, agreed to use their respective powers as UMG shareholders to cause UMG to declare and pay semi-annual dividends in an aggregate amount of not less than 50% of UMG's annual earnings.
  - To this effect, as from the date of admission of UMG shares to trading on Euronext Amsterdam, Vivendi SE, the Tencent-led consortium and Compagnie de l'Odet and Compagnie de Cornouaille undertake to vote in favor of all distribution-related resolutions that comply with this dividend policy and to vote against all resolutions that deviate from it. They will also cause a resolution to be placed on the agenda of UMG's Shareholders' Meetings, where appropriate, to pay a dividend in accordance with this dividend policy. Furthermore, for a two-year period expiring on the date of UMG's annual General Shareholders' Meeting to be held in 2024, the parties will use their respective powers to ensure that the Tencent-led consortium have two members on the UMG Board of Directors for so long as they together hold at least 10% of UMG's share capital, and one member for so long as they together hold at least 5% of the share capital.

This agreement has a five-year term as from the date UMG's shares were admitted to trading on Euronext Amsterdam. It is described in the prospectus on the admission of UMG's shares to trading on Euronext Amsterdam.

Under Dutch law, this agreement constitutes concerted action between the parties, which will together hold approximately 48% of the share capital and of voting right in UMG following the special distribution in kind. To avoid the parties having to file a mandatory public tender offer, which is required under Dutch law when the threshold of 30% of the voting rights is crossed, the concerted action has been reinforced by the inclusion of, among other things, a declaration by the parties acting in concert, a cooperation clause between the parties concerning Shareholders' Meetings and various customary undertakings by the parties, which do not affect any potential transfer by Vivendi SE of its UMG shares after the admission of UMG's shares to trading on Euronext Amsterdam and during the term of the agreement. This agreement allows the parties to benefit from a grandfathering clause exempting them from the obligation to file a mandatory public tender offer for 100% of UMG's share capital so long as they hold, together, at least 30% of UMG's voting rights. It is noted that each UMG share bears one voting right.

NOTE 24. RELATED PARTIES

Intra-group cash management agreements were entered into on March 20, 2020 between Vivendi SE and Bolloré SE and on October 26, 2021 between Vivendi SE and the Compagnie de l'Odet SE. These agreements were concluded to optimize investment and financing capacities within Vivendi and Bolloré, in accordance with Article L. 511-7 of the French Monetary and Financial Code and are repayable on first request.

As of December 31, 2021, the outstanding amount of the advances to Bolloré SE and Compagnie de l'Odet SE amounted to €600 million (compared to €70 million as of December 31, 2020) and €100 million respectively.

The commercial relations with related parties are also conducted on market terms

NOTE 25. LITIGATION

In the normal course of its business, Vivendi is subject to various lawsuits, arbitrations and governmental, administrative or other proceedings (collectively referred to herein as "Legal Proceedings").

The costs which may result from these Legal Proceedings are only recognized as provisions when they are likely to be incurred and when the obligation can reasonably be quantified or estimated, in which case, the amount of the provision represents Vivendi's best estimate of the risk and is based on a case-by-case assessment of the risk level, provided that Vivendi may, at any time, reassess such risk if events occur during such proceedings.

To the company's knowledge, there are no Legal Proceedings or any facts of an exceptional nature (including any pending or threatened proceedings in which it is a defendant), which may have or have had in the previous twelve months a material effect on the company's financial position, profit, business and property, other than those described herein.

The status of proceedings disclosed hereunder is described as of March 7, 2022 (the date of Vivendi's Management Board meeting that approved the Financial Statements for the year ended December 31, 2021).

LBBW *et al.* against Vivendi

On March 4, 2011, 26 institutional investors from Germany, Canada, Luxembourg, Ireland, Italy, Sweden, Belgium and Austria filed a complaint against Vivendi with the Paris Commercial Court seeking to obtain damages for losses they allegedly incurred as a result of four financial communications issued by Vivendi in October and December 2000, September 2001 and April 2002. Subsequently, on April 5 and April 23, 2012, respectively, two similar complaints were filed against Vivendi: the first by a US pension fund, the Public Employee Retirement System of Idaho, and the second by six German and British institutional investors. Lastly, on August 8, 2012, the British Columbia Investment Management Corporation also filed a complaint against Vivendi based on the same grounds. On January 7, 2015, the Paris Commercial Court appointed an independent court officer responsible for verifying the standing of the plaintiffs and reviewing the documentation provided by them to evidence their alleged holding of securities, before commencing the proceedings on the merits. On July 7, 2021, the Court issued its decisions in these various cases. The Court found Vivendi not liable in the absence of fault relating to the publication of inaccurate financial statements, the dissemination of false information and Vivendi's general communications from October 2000 to August 2002. The Court therefore dismissed all the plaintiffs' claims and ordered them to reimburse Vivendi's costs in the amount of €1,085,000. The Court also ordered the provisional execution of the judgment. Most of the plaintiffs have appealed against the ruling of the Court.

California State Teachers Retirement System *et al.* against Vivendi

On April 27, 2012, 67 institutional foreign investors filed a complaint against Vivendi before the Paris Commercial Court seeking damages for losses they allegedly incurred as a result of the financial communications made by Vivendi between 2000 and 2002. On June 7 and September 5 and 6, 2012, 26 new plaintiffs joined these proceedings. In November 2012 and March 2014, 12 plaintiffs withdrew from these proceedings. On January 7, 2015, the Paris Commercial Court appointed an independent court officer responsible for verifying the standing of the plaintiffs and reviewing the documentation provided by them to evidence their alleged holding of securities, before commencing the proceedings on the merits. On July 7, 2021, the Court issued its decisions in these various cases. The Court found Vivendi not liable in the absence of fault relating to the publication of inaccurate financial statements, the dissemination of false information and Vivendi's general communications from October 2000 to August 2002. The Court therefore dismissed all the plaintiffs' claims and ordered them to reimburse Vivendi's costs in the amount of €2,450,000. The Court also ordered the provisional execution of the judgment. Most of the plaintiffs have appealed against the ruling of the Court.

Mediaset against Vivendi

On April 8, 2016, Vivendi and Mediaset entered into a strategic partnership agreement pursuant to which the parties agreed to swap a 3.5% interest in Vivendi in exchange for a 3.5% interest in Mediaset and 100% of the share capital of the pay-TV company Mediaset Premium, a subsidiary of Mediaset.

Vivendi's purchase of Mediaset Premium was based on financial assumptions delivered by Mediaset to Vivendi in March 2016, which raised various questions within Vivendi that were addressed to Mediaset. As contractually agreed under the agreement dated April 8, 2016, a due diligence review was subsequently conducted (which was made on behalf of Vivendi by the advisory firm Deloitte). It became apparent from this audit and from Vivendi's analyses that the numbers provided by Mediaset prior to signing the agreement were not realistic and were calculated on an artificially inflated basis.

Although Vivendi and Mediaset had been in discussions in an effort to find an alternative transaction structure to the April 8, 2016 agreement, on July 26, 2016, Mediaset terminated these discussions by publicly rejecting the proposal Vivendi had submitted to it. This proposal consisted of a swap of 3.5% of Vivendi's share capital in exchange for 20% of Mediaset Premium's share capital and 3.5% of Mediaset's share capital and, for the balance, the issuance by Mediaset to Vivendi of bonds convertible into Mediaset shares.

Subsequently, in August 2016, Mediaset together with its affiliate RTI, and Fininvest, Mediaset's majority shareholder, each filed a complaint against Vivendi before the Milan Civil Court seeking to obtain specific performance of the April 8, 2016 agreement and the related shareholders' agreement as well as compensation for alleged damages. In particular, the plaintiffs claimed that Vivendi had not filed its notification to the European Commission with respect to the transaction and had thus prevented the last condition precedent to the completion of the transaction from being satisfied. Vivendi considered that despite its timely completion of the prenotification process with the Commission, the Commission would not have accepted a formal filing while the parties were discussing their differences.

At the first hearing held in the case, the judge encouraged the parties to try to reach an amicable resolution of their dispute. To this end, on May 3, 2017, the parties began mediation proceedings before the Chamber of National and International Arbitration of Milan.

Despite this mediation, on June 9, 2017, Mediaset, RTI and Fininvest filed a further complaint against Vivendi seeking damages totaling €2 billion for Mediaset and RTI, and €1 billion for Fininvest, in connection with Vivendi's acquisition of Mediaset shares at the end of 2016. According to the plaintiffs, who had unsuccessfully requested that this action be consolidated with the first two, these acquisitions were made in breach of the April 8, 2016 agreement and of Italian media Regulations and constitutive of unfair competition. In addition, the complaint included a demand that Vivendi be required to divest the Mediaset shares that were allegedly purchased in breach of applicable law and the April 8, 2016 agreement. Lastly, the plaintiffs had requested that, pending such divestiture, Vivendi be enjoined from exercising its rights (including voting rights) on such Mediaset shares.

On February 27, 2018, the Court noted the termination of the mediation proceedings. During a hearing held on December 4, 2018, Fininvest, RTI and Mediaset dropped, in respect of their first complaint, their claim for specific performance of the April 8, 2016 agreement, while pursuing their claim for compensation for alleged damages, in the amount of up to (i) €720 million for Mediaset and RTI, for non-performance of the April 8, 2016 agreement, and (ii) €1.3 billion for Fininvest, for non-performance of the above-mentioned shareholders' agreement, for the loss resulting from the change in the Mediaset share price between July 26 and August 2, 2016 and various damages relating to the alleged illegal acquisition of Mediaset shares by Vivendi at the end of 2016. Fininvest also sought damages for an amount to be determined by the Court for damages to its decision-making process and image.

At a hearing held on March 12, 2019, Vivendi requested that the Court suspend part of the proceedings pending the ruling of the Court of Justice of the European Union on the analysis of the compatibility of the Italian law on the protection of media pluralism (the "TUSMAR") with the Treaty on the Functioning of the European Union, which suspension was granted. The proceedings resumed following the decision of the Court of Justice of the European Union dated September 3, 2020 (see below), and a final discussion hearing was held before the Court of Milan on February 11, 2021, during which the parties presented their arguments.

The Court of Milan issued its decision on April 19, 2021. With respect to the first proceeding concerning the April 8, 2016 agreement relating to the acquisition of Mediaset Premium, the Court dismissed Fininvest's claim for damages (by ordering it to pay Vivendi approximately €345,000 in legal costs) and ordered Vivendi to pay Mediaset and RTI the total amount of €1,716,586 (plus approximately €46,000 in legal costs) for not having complied with certain preliminary contractual obligations under such agreement. With respect to the second proceeding concerning Vivendi's acquisition of Mediaset shares in the last quarter of 2016, the Court dismissed all of the claims of the Mediaset group and its shareholder Fininvest by ordering them to pay Vivendi approximately €374,000 for the costs of the proceedings.

On May 3, 2021, the parties entered into a global agreement to end their disputes by waiving all litigation and claims between them. This agreement also provides for a gradual withdrawal of Vivendi from Mediaset's share capital over a five-year period and includes a standstill commitment, as well as a "good neighbor" agreement regarding free-to-air television. This settlement agreement took effect on July 22, 2021.

Other proceedings related to Vivendi's entry into the share capital of Mediaset

Following Vivendi's entry into the share capital of Mediaset by means of open market purchases of shares during the months of November and December 2016, culminating in a 28.80% shareholding, Fininvest stated that it had filed a complaint for market manipulation with the Milan public prosecutor's office and the Consob, the Italian financial markets regulator. As a result of this complaint, on December 11, 2020, the former Chairman of Vivendi's Supervisory Board and the Chairman of Vivendi's Management Board were notified of the "end of a preliminary investigation". Pursuant to the agreement entered into between Vivendi, Mediaset and Fininvest on May 3, 2021, which became effective on July 22, 2021, Fininvest withdrew its complaint. On November 16, 2021, the Milan public prosecutor's office filed a motion to dismiss the case.

In addition, on December 21, 2016, the AGCOM, the Italian communications authority, opened an investigation into the compatibility between the increase in Vivendi's holdings in Mediaset's share capital and its position as shareholder of Telecom Italia under Italian media Regulations.

On April 18, 2017, the AGCOM issued a decision in which it determined that Vivendi was not compliant with the Regulations. Vivendi, which had twelve months to become compliant, appealed against this decision to the Regional Administrative Court of Lazio. Pending the decision on this appeal, the AGCOM acknowledged Vivendi's proposed action plan setting out how it would comply with the decision. On April 9, 2018, in compliance with the undertakings given to the AGCOM, Vivendi transferred the portion of its shareholding in excess of 10% of Mediaset's voting rights to an independent trustee, Simon Fiduciaria SpA. On November 5, 2018, the Regional Administrative Court of Lazio decided to suspend its decision and referred to the European Court of Justice the analysis of the compatibility of the Italian rule under Article 43 of the TUSMAR, as applied by AGCOM, with the free movement principle enshrined in the Treaty on the Functioning of the European Union. On September 3, 2020, the Court of Justice of the European Union ruled that the Italian Regulations on the protection of media pluralism were contrary to EU law. Following this decision, on December 23, 2020, the Regional Administrative Court of Lazio annulled the above-mentioned AGCOM decision of April 18, 2017. On January 22, 2021, Mediaset appealed against this decision. Mediaset dropped this appeal following the agreement reached between Vivendi, Mediaset and Fininvest on May 3, 2021, which came into effect on July 22, 2021.

Prior to these latest developments, on December 11, 2020, AGCOM announced the opening of a new investigation against Vivendi, based on a provision (the "Salva Mediaset" amendment) passed by the Italian Parliament as part of the approval, in early December 2020, of emergency measures related to the health crisis. On the same day, Vivendi filed a complaint with the European Commission against this provision. On February 2, 2021, Vivendi challenged the opening of this investigation before the Regional Administrative Court of Lazio. On June 24, 2021, in light of the above-mentioned May 3, 2021 agreement, AGCOM issued a decision whereby it closed the investigation.

Proceedings related to the change in Mediaset's corporate structure

On July 2, 2019, Vivendi filed a complaint against Mediaset and Fininvest before the Milan Civil Court requesting the Court to (i) annul the resolution of the Mediaset Board of Directors adopted on April 18, 2019, preventing Vivendi from exercising the voting rights associated with the shares not transferred to Simon Fiduciaria SpA following the AGCOM's decision of April 18, 2017 (representing 9.61% of the share capital and 9.9% of the voting rights) at Mediaset's Extraordinary General Shareholders' Meeting held on April 18, 2019, and (ii) annul the resolution adopted by that meeting approving the implementation of a double voting rights system for shareholders who have held their shares for at least two years and who request such rights.

On June 7, 2019, Mediaset announced a plan to create MediaforEurope (MFE), a Netherlands-based holding company that would result from the merger of Mediaset SpA and Mediaset España. On September 4, 2019, the merger plan was approved by the Shareholders' Meetings of the Italian and Spanish companies, and then re-approved (due to the appeals filed by Vivendi) by the Shareholders' Meetings of Mediaset SpA and Mediaset España on January 10 and February 5, 2020, respectively. At both of the meetings held in Italy, Simon Fiduciaria SpA was deprived of its voting rights by Mediaset's Board of Directors and Vivendi initiated legal proceedings in Spain, Italy and the Netherlands. Following interim rulings issued by the Spanish and Dutch courts in Vivendi's favor, this merger plan, as initially envisaged, was abandoned.

On July 22, 2021, pursuant to the agreement entered into on May 3, 2021, among Vivendi, Mediaset and Fininvest, all pending proceedings in this matter were terminated.

Telecom Italia

On August 5, 2017, the Italian government informed Vivendi that it was opening a formal investigation into whether certain provisions of Law Decree no. 21 of March 15, 2012 on special powers of the Italian government relative to the defense and national security sectors (Article 1) and to activities of strategic importance in the fields of energy, transport and communications (Article 2), had been respected by Telecom Italia and Vivendi. Vivendi considered the provisions of that decree inapplicable to Vivendi. In particular, (i) Article 1, concerning the defense and national security sectors had never been hitherto declared or communicated to the market given the nature of the activities carried out by Telecom Italia, and (ii) Article 2, which relates to the energy, transport and communications sectors, does not apply to Vivendi since it refers to purchases of significant shareholdings made by non-European entities.

Additionally, and in the same timeframe as the above-mentioned investigation, on September 13, 2017, the Consob declared that Vivendi exercises de facto control over Telecom Italia. Vivendi and Telecom Italia formally contest this position and appealed to the Lazio Regional Administrative Court. On April 17, 2019, the Lazio Regional Administrative Court dismissed the appeal brought by Telecom Italia and Vivendi, each of which filed an appeal with the Italian Council of State on July 16 and 17, 2019, respectively. On December 14, 2020, the Italian Council of State ruled in favor of Vivendi and Telecom Italia. On June 11, 2021, Consob appealed against this decision before the Italian Court of Cassation. On July 21, 2021, Vivendi filed its statement of defense *(controricorso).*

On September 28, 2017, the Presidency of the Council of Ministers declared that (i) the notification made by Vivendi under Article 1 of the aforementioned legislative decree as a precautionary measure was made late and (ii) Telecom Italia had not made a notification under Article 2 of the decree following a change of control over its assets that are of strategic importance in the fields of energy, transport and communications. Therefore, the Presidency of the Council of Ministers launched proceedings against Telecom Italia for failing to make the required notification under Article 2 of the same legislative decree. Vivendi and Telecom Italia have appealed this finding.

Furthermore, by a decree dated October 16, 2017, the Italian government decided to exercise the special powers laid down in Article 1 of the 2012 legislative decree, relative to the defense and national security sectors. This decree imposes a number of organizational and governance measures on Vivendi and Telecom Italia and its two subsidiaries, Telecom Italia Sparkle SpA ("Sparkle") and Telsy Elettronica e Telecomunicazioni SpA ("Telsy"). In particular, Telecom Italia, Sparkle and Telsy must have a division in charge of supervising all activities related to defense and national security, which is fully autonomous and endowed with human and financial resources sufficient to guarantee its independence, and to appoint to their governing bodies a member who is an Italian citizen, who is approved by the Italian government and who has security clearance. It also requires the establishment of a supervisory Committee under the auspices of the Council of Ministers *(Comitato di monitoraggio)* to monitor compliance with these obligations. On February 13, 2018, Vivendi and Telecom Italia filed an appeal against this decree with the Italian Presidency of the Council of Ministers. This appeal was dismissed on November 13, 2019.

In addition, by a decree dated November 2, 2017, the Italian government decided to implement the special powers conferred by Article 2 of the 2012 legislative decree, relative to the fields of energy, transport and communications. This decree imposes on Telecom Italia the obligation to implement development, investment and maintenance plans for its networks to guarantee their operation and security, to provide universal service, and, more generally, to satisfy public interest in the medium and long term, under the control of the *Comitato di monitoraggio,* who must be notified of any reorganization of the Telecom Italia group's holdings or any project having an impact on the security, availability and operation of the networks. On March 2, 2018, Vivendi and Telecom Italia filed an appeal against this decree with the Italian Presidency of the Council of Ministers, which was suspended on November 22, 2019.

Finally, by a decree dated May 8, 2018, the Italian government imposed an administrative fine of €74 million on Telecom Italia for failure to comply with its information obligations (failure to notify under Article 2 of Law Decree No. 21 of March 15, 2012, see above). On July 5, 2018, the Regional Administrative Court of Lazio suspended the enforcement of such fine.

Glass Egg Digital Media Limited against Gameloft Inc., Gameloft SE, Gameloft Iberica and Vivendi

On August 23, 2017, Glass Egg Digital Media Limited, a company specializing in the design of 3D cars for use in video games, sued Gameloft Inc., Gameloft SE, Gameloft Iberica and Vivendi in the United States District Court for the Northern District of California, San Francisco Division. It is seeking damages for copyright infringement, unfair competition and misappropriation of trade secrets. The Court allowed the plaintiff to amend its initial complaint three times. On September 17, 2018, Gameloft Inc. responded to Glass Egg's fourth amended complaint, denying all its claims. Discovery is ongoing.

In addition, in an order dated February 12, 2018, the Court determined that it had no jurisdiction over Gameloft Iberica and Vivendi SA. The admissibility of the complaint against Gameloft SE remains challenged and the Court ordered limited discovery to determine whether it has jurisdiction. This discovery ended on September 30, 2021. At the end of the discovery process, Glass Egg filed supplemental pleadings opposing Gameloft's motion to dismiss challenging the US District Court's jurisdiction over Gameloft SE.

In parallel, a motion to dismiss Glass Egg's complaint if the US District Court were to assert jurisdiction over Gameloft SE has been filed. This motion challenges the merits and validity of Glass Egg's various claims.

NOTE 26. INSTRUMENTS USED TO MANAGE BORROWINGS

Vivendi's interest rate risk management seeks to reduce its net exposure to interest rate increases. Therefore, Vivendi uses, if needed, interest rate swaps. These instruments enable the group to manage and reduce the volatility of future cash flows related to interest payments on borrowings.

As of December 31, 2021 and December 31, 2020, Vivendi had not entered into any interest rate swaps.

As of December 31, 2021, there were no internal interest rate hedging arrangements between Vivendi SE and its subsidiaries.

NOTE 27. FOREIGN CURRENCY RISK MANAGEMENT

The group's foreign currency risk management is centralized at Vivendi's Financing and Treasury Department for all controlled subsidiaries, except in some instances where, during a transition period, an acquired subsidiary is permitted to continue spot foreign exchange transactions or standard forward foreign exchange hedging transactions at its level.

Vivendi's foreign currency risk management seeks to hedge highly probable budget exposures, resulting primarily from monetary flows generated by transactions performed in currencies other than the euro and from firm commitment contracts in relation to the acquisition by subsidiaries of editorial content including sports, audiovisual and film rights and certain capital expenditures, realized in foreign currencies. Most of the hedging instruments are foreign currency swaps or forward contracts. All instruments are traded over-the-counter with highly-rated counterparties.

The table below shows the notional amount of currency to be delivered or received under currency instruments (currency swaps and forward contracts). Positive amounts indicate currencies receivable and negative amounts represent currencies to be delivered.

	12/31/2021				
(in millions of euros)	USD	PLN	GBP	Other currencies	Total
Sales against the euro	(110.8)	(96.9)	(11.4)	(92.7)	(311.8)
Purchases against the euro	404.9	98.1	102.3	37.9	643.2
Other	77.7	(77.3)	0.7	(1.2)	(0.1)
	371.8	**(76.1)**	**91.6**	**(56.0)**	**331.3**

NOTE 28. FAIR VALUE OF DERIVATIVE INSTRUMENTS

As of December 31, 2021, the market values of derivative instrument portfolios classified as interest rate and currency hedges were €0 million and +€27.7 million, respectively (theoretical cost of unwinding). As of December 31, 2020, the fair values of these hedging portfolios were €0 million and -€16.5 million, respectively.

NOTE 29. SUBSEQUENT EVENTS

The significant event that occurred between the closing date as of December 31, 2021 and March 7, 2021 (the date of Vivendi's Management Board meeting that approved the Financial Statements for the year ended December 31, 2021) was as follows:

- On February 21, 2022, Vivendi filed a draft public tender offer document for the shares of Lagardère SA with the French securities regulator *(Autorité des marchés financiers)* (See Significant events in 2021).

SUBSIDIARIES AND AFFILIATES

(in millions of euros, unless otherwise stated)	Share capital	Equity excl. share capital (a)	% share capital held	Book value of investments – Gross	Book value of investments – Net	Outstanding loans and advances granted by Vivendi (b)	Guarantees and endorsements granted by Vivendi (c)	2020 Revenues	2021 Revenues	2020 Earnings	2021 Earnings	Dividends received by Vivendi during 2021	Comments – impairment of advances – allocations for the year
Subsidiaries and affiliates													
Groupe Canal + SA **(d)** 1, place du Spectacle 92130 Issy-les-Moulineaux	100.0	2,020.2	100.00	5,198.1	4,158.1	2,406.4		1,665.3	1,674.8	53.5	(4.8)		
SECP 1, place du Spectacle 92130 Issy-les-Moulineaux	95.0	183.6	51.53	522.2	522.2	-		1,542.3	1,541.8	(0.8)	(11.6)		
Havas SA 29/30, quai de Dion-Bouton 92800 Puteaux	170.5	1,786.0	100.00	3,944.5	3,944.5	389.8		84.9	89.0	(90.0)	105.5	32.8	
Editis holding SA 92, avenue de France 75013 Paris	64.2	254.3	100.00	591.5	591.5	159.1		0.5	24.3	(14.0)	52.9		
Gameloft SE 14, rue Auber 75009 Paris	4.4	(59.7)	100.00	627.5	403.5	57.9		230.4	245.1	(33.6)	(16.0)		
SIG 123 **(e)** 59 bis, avenue Hoche 75008 Paris	0.0	(4.2)	100.00	0.0	0.0	174.9				0.0	(4.2)		
Compagnie du Dôme 59 bis, avenue Hoche 75008 Paris	103.3	(48.9)	99.99	443.6	53.8	34.6	-	-	-	(81.4)	(51.3)		
Lagardère SA 4 rue de Presbourg 75016 Paris	860.9	**(g)** 2,051.0	45.13	1,204.4	1,204.4	-		50.0	n/d	(30.0)	n/d		
Poltel Investment ul. Złota 59 00-120 Warszawa (Poland)	PLN 10,008.1 million	PLN (18,042.7) **(g)** million	100.00	207.0	0.0	1,788.1		-	n/d	PLN (868.1) million	n/d		(62.0)
UMG N.V. Gravelandseweg 80 1217 EW HilversumNetherlands	18,133.8	n/d	10.03	3,308.6	3,308.6			-	n/d	-	n/d	374.0	
Telecom Italia SpA Via Gaetano Negri 1 20123 Milan (Italy)	11,677.0	**(g)** 13,331.0	**(h)** 23.75	3,931.2	2,402.5	-		12,030	n/d	7.2	n/d	36.4	
MediaForEurope N.V. (formerly Mediaset) **(i)** Viale Europa 46, Cologno Monzese (MI) (Italy)	777.2	n/d	4.63	135.6	116.5	-		1.8	n/d	17.0	n/d	102.1	
Promotora de informaciones SA (PRISA) Gran Vía, 3228013 Madrid (Spain)	70.9	**(g)** 225.9	9.94	66.6	37.1	-		6.6	n/d	(49.1)	n/d		
Other subsidiaries and Affiliates **(j)** (Global Information)	-	-	-	1,369.9	1,096.5	2,204.6		-	-	-	-	17.5	(22.4)
TOTAL	**-**	**-**	**-**	**21,550.9**	**17,839.3**	**7,215.4**		**-**	**-**	**-**	**-**	**562.7**	

(a) Includes earnings (losses) of the year.

(b) Includes current accounts advances.

(c) Vivendi grants guarantees in various forms to financial institutions or third parties on behalf of its subsidiaries in the course of their operations.

(d) The entity holding of the Canal + Group.

(e) The company owns 100% of the share capital of Prisma Media (acquired May 31, 2021).

(f) Vivendi held 45.13% of the share capital and 22.3% of the theoretical voting rights of Lagardère SA.

(g) For information as of December 31, 2020.

(h) As of December 31, 2021, Vivendi holds 23.75% of the voting rights representing 17.04% of the share capital, taking into account priority dividend shares without voting rights.

(i) Shares held (excluding rights on assets transferred to an independent trustee).

(j) Of which rights on net assets transferred to an independent Italian trustee (MediaForEurope N.V.: gross value of €564 million [or 19.24% of the share capital] and net value of €485.1 million).

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4.3. Maturity of trade payables and trade receivables

Pursuant to Article L. 441-6-1 of the French Commercial Code, unpaid invoices received from suppliers that were past due as of December 31, 2021 amounted to €1.9 million. This amount is broken down as follows:

	As of 12/31/2021				
(in millions of euros)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total
I. Past due					
Invoices from suppliers **(a)**	**(b)** 1.6	0.1	0.1		1.9
	1.6	**0.1**	**0.0**	**0.2**	**1.9**
II. Payable excluded from (I), related to payables in litigation					
Invoices from suppliers					0.0
	0.0	**0.0**	**0.0**	**0.0**	**0.0**
	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total
(a) as a percentage of total purchases for the year (excl. VAT):	1.0%	0.1%	0.1%	0.0%	1.2%

(b) Invoices paid in full during January 2022

Pursuant to Article D. 441-4 of the French Commercial Code, unpaid invoices issued to customers that were past due as of December 31, 2021 amounted to €3.8 million. This amount is broken down as follows:

	As of 12/31/2021				
(in millions of euros)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total
I. Past due					
Accounts receivable **(a)**:	**(b)** 0.1	0.1		0.1	0.2
	0.1	**0.0**	**0.1**	**0.1**	**0.2**
II. Receivables excluded from (I), related to receivables in litigation					
Accounts receivable:					3.6
	0.0	**0.0**	**0.0**	**0.0**	**3.6**
	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total
(a) as a percentage of total revenue of the year (excl. VAT):	0.1%	0.1%	0.0%	0.1%	0.4%

(b) Invoices from group entities

4.4. Financial results of the last five years

(in millions of euros)	2021	2020	2019	2018	2017
Share capital at the end of the year					
Share capital	6,097.1	6,523.0	6,515.2	7,184.3	7,128.3
Number of shares outstanding	1,108,561,077	1,185,995,621	1,184,576,204	1,306,234,196	1,296,058,883
Potential number of shares to be issued upon:					
Exercise of stock subscription options	52,144	1,309,839	3,077,770	7,244,977	13,201,910
Grant of bonus shares or performance shares **(a)**			3,455,322		
Results of operations:					
Revenues	56.8	91.4	73.5	68.3	66.5
Earnings/(loss) before tax, depreciation, amortization and provisions	33,158.2	3,457.0	1,225.1	1,789.2	153.6
Income tax – income/(charge)	(823.6)	107.4	160.4	130.3	518.3
Earnings/(loss) after tax, depreciation, amortization and provisions	31,521.0	3,009.4	1,729.8	951.3	703.1
Ordinary profits distributed	**(b)** 261.4	**(c)** 652.5	**(c)** 690	**(c)** 635.5	**(c)** 567.5
Per share data (in euros):					
Earnings/(loss) after tax but before depreciation, amortization and provisions **(d)**	29.17	3.01	1.17	1.47	0.52
Earnings/(loss) after tax, depreciation, amortization and provisions **(d)**	28.43	2.54	1.46	0.73	0.54
Ordinary dividend paid per share	**(b)** 0.25	**(b)** 0.60	0.60	0.50	0.45
Employees					
Number of employees (annual average)	200	197	233	247	237
Payroll **(e)**	58.3	38.6	45.8	43.8	40.3
Employee benefits (social security contributions, social works, etc.)	30.1	18.2	20.0	20.1	20.4

(a) Amount net of treasury shares held to cover performance share plans (see Note 9 "Treasury shares").

(b) Vivendi's General Shareholders' Meeting of June 22, 2021, approved the special distribution in kind in the form of shares of Universal Music Group N.V. (UMG) on the basis of one (1) UMG share for one (1) Vivendi SE share. This distribution consisted of a special dividend in kind of €4.89 per share, approved by the General Shareholders' Meeting of June 22, 2021 (sixth resolution), and a special interim dividend in kind of €20.36 per share, approved by Vivendi's Management Board on September 14, 2021, according to the certified interim balance sheet as of June 30, 2021.

This special distribution (dividend and interim dividend) in kind was paid on September 23, 2021.

In addition, the General Shareholders' Meeting to be held on April 25, 2022 will be asked to approve the distribution of an ordinary cash dividend of €0.25 per share with respect to 2021, i.e., a total of €261.4 million, based on the number of treasury shares held as of February 28, 2022, and will be adjusted to reflect the actual number of shares entitled to the dividend on the ex-dividend date (payable as from April 28, 2022).

(c) Based on the number of shares entitled to a dividend as of January 1, after deduction of treasury shares at the dividend payment date.

(d) Based on the number of shares outstanding at year-end.

4.5. Statutory Auditors' special report on related party agreements

This is a translation into English of a report issued in French 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.

Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2021

To the Shareholders' Meeting of Vivendi SE,

In our capacity as statutory auditors of your company, we hereby report to you on related party agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have identified during the course of our audit, as well as the reasons justifying that such agreements are in the company's interest. We are not required to express an opinion on their usefulness and appropriateness or ascertain the existence of other agreements, if any. It is your responsibility, pursuant to Article R. 225-58 of the French Commercial Code *(Code de commerce)*, to assess the relevance of these agreements prior to approving them.

We are also required, where applicable, to inform you in accordance with Article R. 225-58 of the French Commercial Code *(Code de commerce)* of the implementation, during the year ended December 31, 2021, of agreements previously approved by the Shareholders' Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by of the French Institute of statutory auditors *(Compagnie nationale des Commissaires aux comptes)* applicable to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED FOR APPROVAL TO THE SHAREHOLDERS' MEETING

In accordance with Article L. 225-88 of the French Commercial Code *(Code de commerce)*, we have been notified of the following agreements entered into during the year which received prior authorization from the Supervisory Board.

Conclusion of a shareholders' agreement for Universal Music Group N.V. (UMG) by your company and conclusion of UMG share transfer agreements as part of the distribution of 59.87% of its share capital to shareholders of your company

Agreement authorized by the Supervisory Board on July 28, 2021.

Shareholder concerned

Compagnie de l'Odet, with an indirect holding via Compagnie de Cornouaille of more than 10% of the voting rights of Vivendi SE.

Executives concerned

Yannick Bolloré, Chairman of the Supervisory Board of Vivendi SE and Director of Compagnie de l'Odet (formerly Financière de l'Odet SE).

Cyrille Bolloré, Member the Supervisory Board of Vivendi SE and Director of Compagnie de l'Odet.

Gilles Alix and Cédric de Bailliencourt, Members of the Management Board of Vivendi SE and Directors of Compagnie de l'Odet.

Nature and purpose

In the context of the exceptional distribution in kind by Vivendi SE to its shareholders of 59.87% of the share capital of UMG and the listing of UMG shares on the Euronext Amsterdam stock market, on September 8, 2021 the Vivendi SE Supervisory Board authorized the signature, in accordance with the provisions of Article L. 225-86 of the French Commercial Code *(Code de commerce)* of:

- an agreement to act in concert between Vivendi SE, Compagnie de l'Odet and Compagnie de Cornouaille;
- the sale of 100 UMG shares held by Vivendi SE to Compagnie de l'Odet and Compagnie de Cornouaille.

Pursuant to the terms of the agreement to act in concert, Vivendi SE, the consortium led by Tencent and Compagnie de l'Odet and its sub-subsidiary Compagnie de Cornouaille, which together received 18% of the share capital and voting rights of UMG following the exceptional distribution in kind, undertook to use their powers as UMG shareholders to ensure the latter declares and pays dividends in two half-yearly installments of a total amount at least equal to 50% of UMG's results on an annual basis.

To this end, as from the listing of the UMG shares on the Euronext Amsterdam stock market, Vivendi SE, the consortium led by Tencent and Compagnie de l'Odet and Compagnie de Cornouaille undertake to vote in favor of all distribution resolutions in accordance with this dividend policy and against any resolution deviating from this policy, and to include on the agenda of all UMG Shareholders' Meetings, a resolution on a distribution in accordance with this dividend policy. Furthermore, for a period of two years expiring on the date of the UMG Annual Shareholders' Meeting to be held in 2024, the parties will use their powers to guarantee that the consortium led by Tencent can appoint two members to the Board of Directors of UMG provided it holds at least 10% of the UMG share capital, and one member for at least 5% of the share capital.

This shareholders' agreement has a term of five years from the date of listing of the UMG shares on the Euronext Amsterdam stock market. It is described in the prospectus for the admission to listing of the UMG shares on the Euronext Amsterdam market.

Within the meaning given to it by Dutch Law, this agreement is an action in concert between signatory parties together holding around 48% of the share capital and voting rights of UMG following the exceptional distribution in kind. So that the parties are not required to file a mandatory public offer, the threshold for which is set by Dutch Law at 30% of voting rights, the action in concert was strengthened by the inclusion, notably, of a declaration of acting in concert, a cooperation clause between the parties with a view to shareholders' meetings and various standard commitments by the parties that do not however impact the share transfers that Vivendi SE could plan following the listing of UMG shares on the Euronext Amsterdam stock market during the term of the agreement. This agreement allows the parties to benefit from a grandfathering clause, exempting them from the requirement to file a mandatory public offer for the entire share capital of UMG for as long as they together hold at least 30% of the voting rights of UMG. It is recalled that each UMG share carries the right to one vote.

In addition, with a view to the entry into effect of this agreement and to ensure the parties to the agreement are UMG shareholders prior to the listing of the UMG shares on the Euronext Amsterdam stock market – that is before the Dutch Financial Markets Authority *(Autoriteit Financiële Markten)* issued its approval on 14 September 2021 – on September 8, 2021, Vivendi SE sold 100 of the 1,813,241,160 shares comprising UMG's share capital at that date to Compagnie de l'Odet and Compagnie de Cornouaille in proportion to each company's stake in Vivendi SE, that is, 2 and 98 UMG shares respectively.

This agreement to act in concert and share transfer agreement meet the application conditions under Dutch Law to benefit from the exemption from the requirement to file a mandatory public offer for UMG, provided the parties to the concert together hold at least 30% of the voting rights.

The price of this agreement to act in concert is nil for the parties. The price for the sale of 100 UMG shares is €18.20 per share, or €1,820. This price corresponds to the valuation resulting from financial appraisal procedures conducted by PwC and confirmed by EY upon the contribution transactions resulting in leading to the grouping, on February 26, 2021, of the entire share capital of Universal Music Group Inc. and Universal International Music B.V. within UMG.

Pursuant to Article R. 22-10-19 of the French Commercial Code *(Code de commerce),* it is noted that the most recent annual profit published by Vivendi SE at that date was €3,009.4 million for the year ended December 31, 2020.

Agreement between Vivendi SE and Lagardère SA with a view to preparing the regulatory notifications required in the context of the public tender offer for Lagardère SA shares that Vivendi SE filed on February 21, 2022

Agreement authorized by the Supervisory Board on September 15 and November 18, 2021.

Executive concerned

Arnaud de Puyfontaine, Chairman of the Management Board of Vivendi SE and Director of Lagardère SA.

Nature and purpose

On 20 December 2021, the Supervisory Board authorized the signature of a clean team confidentiality and reciprocal cooperation agreement between Vivendi SE and Lagardère SA with a view to preparing the regulatory notifications required in the context of the proposed public tender offer for Lagardère SA shares filed by Vivendi SE on February 21, 2022.

As announced on December 9 and 16, 2021, Vivendi SE now holds 45.13% of the share capital of Lagardère SA. Authorization requests for the takeover of Lagardère SA will be filed with the European Commission and other relevant competition authorities by Vivendi SE in 2022. Arcom approval of the change in indirect share ownership of the Lagardère subsidiaries providing broadcasting services will be sought by these subsidiaries depending on the outcome of the public tender offer for all Lagardère SA shares not held by Vivendi SE. The draft offer was filed on February 21, 2022.

An independent third party was appointed by Lagardère SA and Vivendi SE, solely at the expense of the latter, to set up and manage each party's clean team that will receive the confidential information from the other party that is strictly necessary to the preparation of the required regulatory notifications. Information exchanges will be conducted by this independent third party under the control of the parties' external legal advisors.

This agreement enables the parties to prepare the above authorization requests while limiting exchanges to information that is strictly necessary, in accordance with the applicable regulations and appropriate guarantees.

The total cost of this agreement, calculated on the basis of on an average gross hourly rate of €370, will depend on the effective working hours of the independent third party, which are currently unknown.

Pursuant to Article R. 22-10-19 of the French Commercial Code *(Code de commerce),* it is noted that this price is not material with regard to the most recent annual profit published by Vivendi SE at this date of €3,009.4 million for the year ended December 31, 2020.

AGREEMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

We were also informed that the following agreement, previously approved by the Shareholders' Meeting of June 22, 2021 on the basis of the statutory auditors' special report of May 11, 2021, had continuing effect during the year.

Agreement between Vivendi SE and Compagnie de l'Odet as part of settlement negotiations with Mediaset (MFE – MediaForEurope) and Fininvest

Agreement authorized by the Supervisory Board on May 3, 2021.

Nature and purpose

Within the framework of settlement negotiations between Vivendi SE and Mediaset and Fininvest, the latter two companies request that Compagnie de l'Odet, acting on its own behalf and that of its subsidiaries, subscribes for a five-year period, alongside Vivendi SE, to a standstill commitment regarding the share capital of Mediaset and Mediaset España as well as the share capital of any company holding more than 3% of either company. This commitment will also include divestment obligations and penalties and a ban on exercising the rights attached to the shares.

Conditions

Vivendi SE undertakes to bear, without limitation as to amount or duration, all the impacts, damages, expenses and costs that may arise for Compagnie de l'Odet or its subsidiaries in the event of the alleged or actual breach by Vivendi SE of the obligations undertaken under this standstill commitment, and without Compagnie de l'Odet losing control over any legal proceedings brought against it, where applicable.

This agreement was signed between Vivendi SE and Compagnie de l'Odet on May 4, 2021.

Paris-la Défense, March 10, 2022

The Statutory Auditors

French original signed by:

Ernst & Young et Autres	Deloitte & Associés	
Claire Pajona	Thierry Quéron	Géraldine Segond

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RECENT EVENTS, OUTLOOK

CHAPTER 6

SECTION 1. RECENT EVENTS

The significant events that occurred between December 31, 2021 and the date of filing of the *Rapport annuel – Document d'enregistrement universel* (the French version of this Annual Report) with the *Autorité des marchés financiers* (the French securities regulator) are described in the following chapters of this report:

- Chapter 1: "Group Profile, Strategy and Global Performance, Businesses, Financial Communication"; and
- Chapter 5: "Audited Consolidated Financial Statements for the year ended December 31, 2021", as approved by Vivendi's Management Board on March 7, 2022.

Since March 7, 2022, the following significant event has occurred:

- On March 9, 2022, Vivendi announced the continuation of the share repurchase program authorized by the General Shareholders' Meeting of June 22, 2021 (please refer to Note 18 of the Consolidated Financial Statements for the year ended December 31, 2021 in Chapter 5 of this Annual Report – Universal Registration Document). This program runs until May 6, 2022, for the remaining balance of 45.1 million shares, i.e., 4.1% of the share capital of the company, that could be repurchased at a maximum price of €29 per share.

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SECTION 2. OUTLOOK

Dividend

On March 7, 2022 (the date of Vivendi's Management Board Meeting that approved the Consolidated Financial Statements for the year ended December 31, 2021 and the allocation of earnings for the fiscal year then ended), the Management Board decided to propose to shareholders the payment of an ordinary dividend of €0.25 per share. This proposal was presented to, and approved by, Vivendi's Supervisory Board at its meeting held on March 9, 2022, and will be submitted to the General Shareholders' Meeting to be held on April 25, 2022 for approval. The ex-dividend date would be April 26, 2022, and payment would be made as from April 28, 2022.


BRIVE
FESTIVAL


SUNDOWN

7 RESPONSIBILITY FOR AUDITING THE FINANCIAL STATEMENTS

CHAPTER 7

SECTION 1. RESPONSIBILITY FOR AUDITING THE FINANCIAL STATEMENTS

1.1. Statutory Auditors

Deloitte & Associés

6, place de la Pyramide

92908 Paris-la Défense Cedex

Appointed at the General Shareholders' Meeting of April 25, 2017.

Represented by Mr. Thierry Quéron and Ms. Géraldine Segond.

Initial appointment: General Shareholders' Meeting of April 25, 2017, for a term of six fiscal years to expire at the close of the General Shareholders' Meeting to be held to approve the financial statements for fiscal year 2022.

Ernst & Young et Autres

1/2, place des Saisons

92400 Courbevoie – Paris-la Défense 1

Appointed at the General Shareholders' Meeting of June 15, 2000.

Represented by Ms. Claire Pajona.

Most recent reappointment: General Shareholders' Meeting of April 19, 2018, for a term of six fiscal years to expire at the close of the General Shareholders' Meeting to be held to approve the financial statements for fiscal year 2023.

1.2. Alternate Statutory Auditors

None

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ISSN 2948-390X

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Editorial

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The Annual Report – Universal Registration Document is available on the Company's website **www.vivendi.com**

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