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COMMUNICATION ON PROGRESS 2015

United Nations Global Compact
July 28, 2016

vivendi



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CEO'S STATEMENT




Vivendi is one of the few media companies to have leadership across the whole value chain of the content businesses.

As a key global player in the media and cultural industry, the group differentiates itself through its approach and contribution to sustainable development. Through its businesses, Vivendi enables present and future generations to satisfy their need to communicate, develop their talent, feed their curiosity, and encourage intercultural living together and dialogue.

Conscious of the human and cultural influence the group has on millions of customers and citizens around the world, we have defined our specific contribution to the promotion of human rights within our sphere of influence, to use the terminology employed in the preface to the United Nations Global Compact.

This sphere of influence is determined by our business activity and our investments in content that amounted to more than €2.3 billion in 2015.

This is why Vivendi defined the promotion of cultural diversity, the empowerment and protection of young people in their digital and cultural practices, the sharing of knowledge and the protection of personal data as the fundamental issues of its corporate social responsibility (CSR), which fosters the global performance of the group. These issues relate to human rights as set out in international texts and standards, such as the Universal Declaration of Human Rights, the United Nations Convention on the Rights of the Child, the Beijing Platform for Action adopted by the 1995 Fourth World Conference on Women, the European Union Charter of Fundamental Rights, the UNESCO Universal Declaration on



Cultural Diversity, the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. They are part of the global sustainable development agenda adopted by the United Nations in September 2015.

As demonstrated by our integrated reporting process, corporate social responsibility fully contributes to financial and societal value creation for the group and its stakeholders: artists, customers, employees, shareholders, suppliers, and more generally, all of civil society. This is why CSR fuels Vivendi's strategy and governance.

The CSR policy is on the agenda of both the Management Board and the Audit Committee of the Supervisory Board. The elaboration of an innovative extra-financial reporting relevant to our sphere of influence, the inclusion of CSR criteria related to human rights in the variable compensation of senior executives, the willingness to report our responsibility to all our stakeholders, are all illustrations of the implementation of the Global Compact's ten Principles within our group.

Media and cultural industries revitalize the economy and employment. This valuable contribution goes with a huge responsibility: that of contributing to the harmonious development of the planet and living together through our ability to feed creation in all its diversity, to build bridges among peoples and generations, and to cultivate the digital trust of our audiences with a taste for our content. I commit myself to promoting the United Nations Global Compact in my own sphere of influence.

Paris, July 28, 2016

Arnaud de Puyfontaine
CEO
Vivendi

AN INTEGRATED MEDIA AND CONTENT GROUP

2015 was marked by the growing strength of Vivendi, as it finalized its program of disposals, and embarked on a significant redeployment in media and content. As the true unifying element among its various business lines, talent is the cementing factor in Vivendi's building process of an integrated and essentially European industrial group.

Our businesses

Vivendi operates businesses throughout the media value chain, from talent discovery to the creation, production and distribution of content.



The main subsidiaries of Vivendi comprise Canal+ Group and Universal Music Group. **Canal+** is the leading pay-TV operator in France, and also serves markets in Africa, Poland and Vietnam. Canal+ operations include Studiocanal, a leading European player in production, sales and distribution of film and TV series. **Universal Music Group** is the world leader in recorded music, music publishing and merchandising, with more than 50 labels covering all genres. A separate division, **Vivendi Village** brings together Vivendi Ticketing (ticketing in the UK, the US and France), MyBestPro (experts counseling), Watchever (subscription video-on-demand), Radionomy (digital radio), the Paris-based concert venue L'Olympia, the CanalOlympia venues in Africa and the Théâtre de l'Œuvre in Paris. With 3.5 billion videos viewed each month, **Dailymotion** is one of the biggest video content aggregation and distribution platforms in the world.

FOCUS

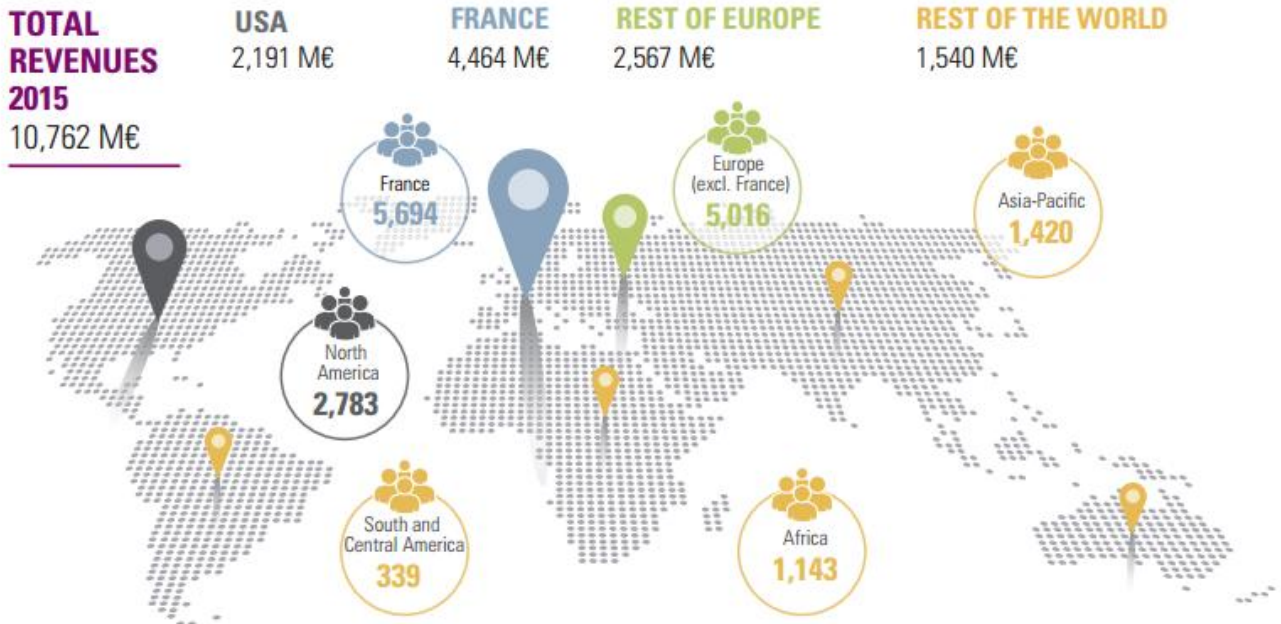
Scope information

This Communication on Progress presents the actions carried out in 2015 by Vivendi's headquarters as well as by Canal+ Group, Universal Music Group, and Vivendi Village. Dailymotion, whose acquisition has been finalized in 2015, will be included in the scope of CSR reporting starting from 2016.

The Group and the CSR Policy at a Glance

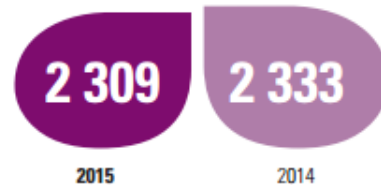
VIVENDI'S KEY FIGURES

Revenues and headcount by geographic region



Headcount  **16,395**

Gross investments in content (M€)*



Revenues by business segment (M€)

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

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

Figures as of 12/31/2015

Scope covered: Universal Music Group, Canal+ Group, Vivendi Village, New initiatives, Vivendi SA

AN INNOVATIVE CSR POSITIONING

Vivendi differentiates itself through its approach and contribution to sustainable development, allowing present and future generations to satisfy their need to communicate, nurture their curiosity, develop their talent, encourage intercultural live together and dialogue. As a publisher and distributor of content, the group has a human, intellectual and cultural influence on society.

As early as 2003, Vivendi has based its corporate social responsibility on some “**core**” **strategic issues**, directly linked to its business, which are **related to human rights** and refer to international texts and standards:



Promoting cultural diversity
in the production and distribution of content while fostering the artistic creative process



Empowering and protecting young people
in their use of digital media



Fostering knowledge sharing
which includes pluralism of content, access to media and awareness raising of sustainable development issues



Reconciling the valuation and protection of personal data
to take advantage of the great potential of digital technology, while respecting the customers' privacy

The main focus of the “core” strategic issues

- **promoting cultural diversity**: encourage creation in all its diversity, promote local talent, promote cultural heritage, support female artists and producers of cultural goods and services, support artists and ensure respect for intellectual property;
- **empowering and protecting young people**: allow young people to exercise their creativity and their citizenship and give them a voice, raise the awareness of young people and their circle to the responsible use of goods and services, and encourage media literacy;
- **fostering knowledge sharing**: promote the quality and the pluralism of content, facilitate access to the group's offerings and services, and raise public awareness of the sustainable development issues;
- **reconciling the valuation and the protection of personal data**: cultivate the digital trust of customers in a spirit of loyalty and transparency and exercise digital vigilance (employees, suppliers).

The Group and the CSR Policy at a Glance

AN INTEGRATED REPORTING PROCESS PROMOTING VALUE CREATION

Driven by the will to combine corporate social responsibility (CSR) and value creation, Vivendi has pursued its integrated reporting process. After launching a pilot project focused on cultural capital in 2013, which made it possible to involve the finance directors (headquarters and subsidiaries) more directly in the process, the group presented in 2015 a more in-depth analysis of **value creation for its stakeholders**: artists, employees, shareholders, suppliers, customers, and more generally, all of civil society.

In its Annual Report 2015, Vivendi has described the resources necessary to grow its businesses, the benefits enjoyed by its different partners, and the **human rights considerations specific to its sphere of influence as a media company**.

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

15.5. CREATING VALUE FOR ARTISTS

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

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

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

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

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

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

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

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

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

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

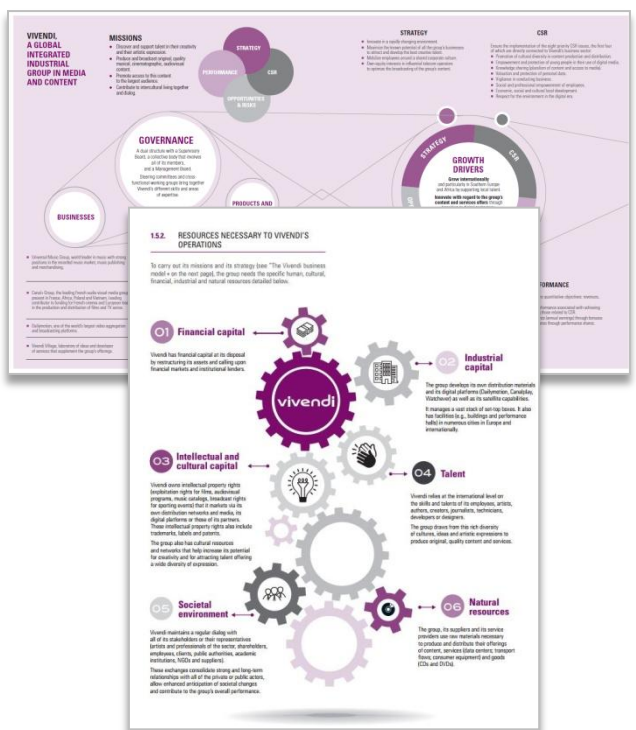
On October 2, 2015, Universal Music France signed a Memorandum of Understanding for the fair development of online music pursuant to which the parties "believe that it is indispensable, in the best interest of the entire industry, to re-establish trust by ensuring the most transparent and the most equitable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

Furthermore, in May, Canal+ signed an agreement with all of the professional organizations of the film industry. This agreement defines in particular the investment commitments of Canal+ "in European and original French expression feature-length cinematographic works" in addition to commitments to a diversified film acquisition policy of French expression feature-length cinematographic works (representatives of the different budget levels of the films selected, balance between newcomers and established directors, financing of a wide variety of genres). This agreement, which lasts 5 years, supports the historical and virtuous partnership between Canal+ and the professionals of the seventh art.

KEY FIGURES*

- 31%** AMOUNT OF MARKETING AND RECORDING INVESTMENT UNIVERSAL MUSIC FRANCE dedicated to new talent (artists releasing their first album as a percentage of total investment)
- 29%** ON AVERAGE OF UNIVERSAL MUSIC FRANCE'S REVENUE from the sale of new products, was generated by new talent (artists releasing their first album)
- 65%** OF UNIVERSAL MUSIC GROUP SALES generated by local artists in their own country
- 20** top French-initiative films and **14** award-winning relative films financed by Canal+.

Source: Canal+.
* Figures as of 12/31/2015.



To find out more, please refer to the integrated reporting process presented in the Annual Report 2015, pp. 15-29

The Group and the CSR Policy at a Glance

The “core” CSR issues pertain to human rights

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



THE “CORE” CSR ISSUES

PROMOTION OF CULTURAL DIVERSITY IN CONTENT PRODUCTION AND DISTRIBUTION

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

EMPOWERMENT AND PROTECTION OF YOUNG PEOPLE

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

KNOWLEDGE SHARING







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

VALUATION AND PROTECTION OF PERSONAL DATA

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

The Group and the CSR Policy at a Glance

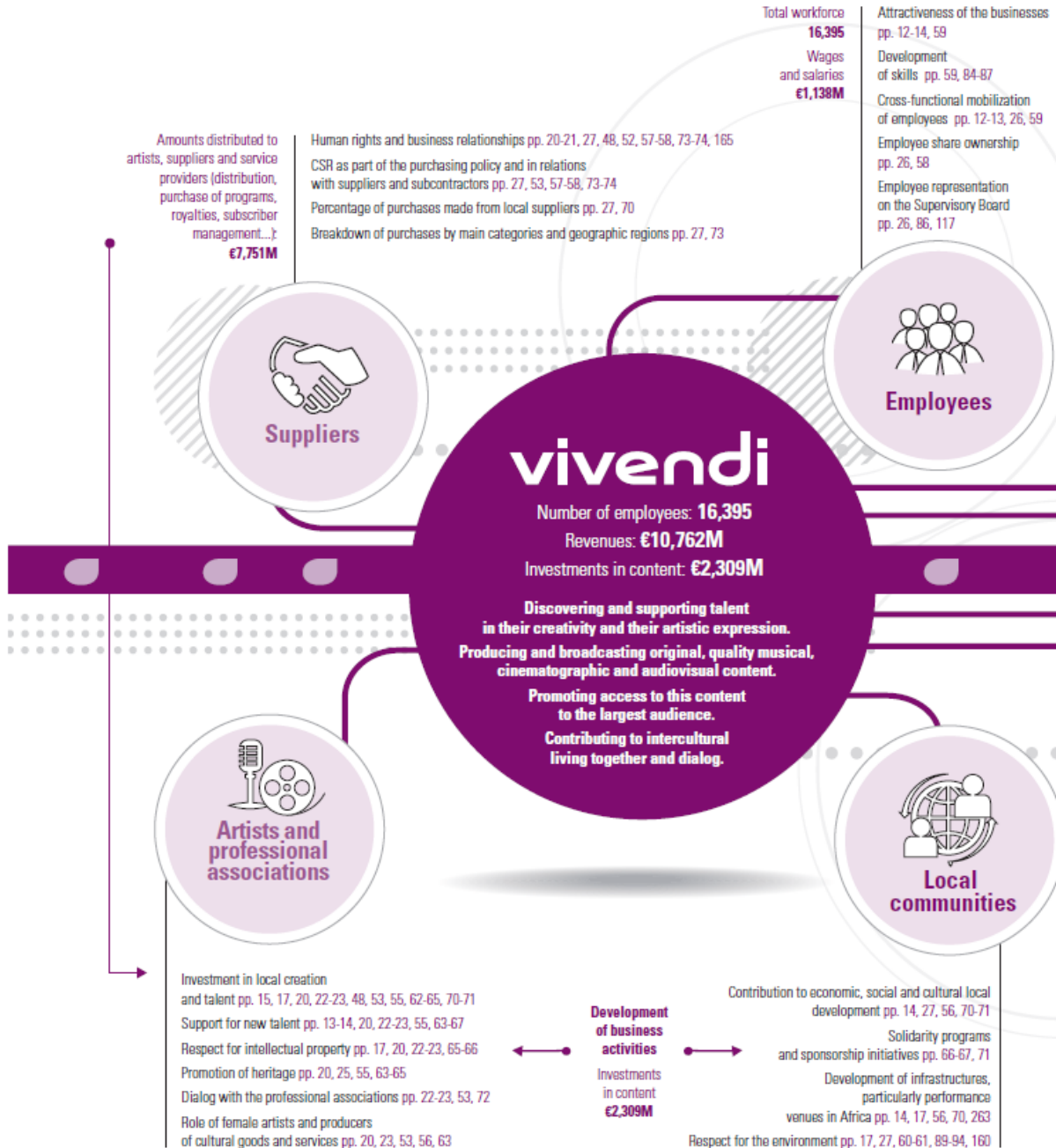
The table below, released for the first time in the Annual Report 2015 (pages 20-21), formalizes Vivendi's "sphere of influence" in human rights, which is at the core of the company's value creation.

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

The Group and the CSR Policy at a Glance

The value creation circuit

The value creation circuit illustrates as a summary the sharing of financial and extra-financial value produced by Vivendi with its main stakeholders. Appearing on pages 28-29 of the Annual Report 2015, the chart completes the analysis of value creation by stakeholder disclosed in the previous pages of the report.



The Group and the CSR Policy at a Glance

The page references below refer to additional information detailed in the Annual Report.

Promotion of cultural diversity pp. 20, 25, 55-56, 62-65

Empowerment and protection of youth pp. 20, 25, 52, 57-58, 66-68, 70

Pluralism of content, access to media and awareness raising of sustainable development issues pp. 20, 25, 56, 68-70

Valuation and protection of personal data pp. 20, 25, 57, 69-70

Dialog with consumer associations pp. 25, 72



Customers

State and local authorities

Taxes on production and income:

€1,216M

Payroll taxes on wages and salaries:

€310M

Dialog with national and international institutions pp. 22, 53, 55-56, 75

Responsible lobbying p. 75

Respect for intellectual property and fight against piracy pp. 20-21, 65-66, 72, 75



Public authorities



Shareholders and financial community

Shareholders*

Dividends paid to shareholders in 2015, for fiscal year 2014: **€1,363M⁽¹⁾**

Financial institutions

Interest paid to banks: **€30M**

Financial communication policy pp. 24, 41-42



Academic institutions and NGO

Regular and constructive dialog through partnerships pp. 17, 53, 56, 66-67, 70-71

Two innovative digital tools: *Culture(s) with Vivendi* and *Vivoice* pp. 23, 52-53, 56-57, 90

Involvement of young citizens pp. 20, 49, 53, 56

Role of women in cultural life pp. 20, 23, 26, 52-53, 56, 59, 76, 81, 85-86, 131

* Employees and former employees hold 3.3% of the share capital.

(1) See also Chapter 4, note 15 to the consolidated financial statements for the year ended December 31, 2015 "Shareholder dividend distribution policy".

REPORTING, STANDARDS AND EXTERNAL ASSURANCE

Vivendi has built an innovative extra-financial reporting process that clearly shows the group's CSR positioning, opportunities, and risks to stakeholders. In the media and cultural industries sector, Vivendi has been at the forefront of reporting and assessment of societal indicators directly related to its activities.



The **Statutory Auditors** assessed the relevance and materiality of the indicators and extra-financial information identified and defined in Vivendi's "Reporting Protocol", which was created in 2004. For fiscal year 2015, one-third of this data is presented in **Chapter 2 of the Annual Report** and was audited by Ernst & Young.

The Reporting Protocol meets the reporting requirements of Article 225 of the **French Grenelle II law** and includes the **Global Compact** principles as well as the **Media Sector Supplement of the GRI**, to which Vivendi actively contributed. In the Annual Report, cross-referencing with the Global Compact principles, the GRI and its Media Sector Supplement, and the **OECD Guidelines for Multinational Enterprises** is provided for each indicator. In addition, Vivendi establishes a cross-reference table between the information published for the previous fiscal year and the main extra-financial reporting standards, including the **United Nations Guiding Principles on Business and Human Rights** for the first time in 2016 (the table will be published on Vivendi's website in summer 2016).

Report from the Statutory Auditors: see AR 2015, pp. 98-99.

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Communication on Progress and external assurance

The information disclosed in the following pages is taken from [Vivendi's Annual Report 2015](#) (AR 2015) and was audited, as such, by the Statutory Auditors. A reference to the pages of the Annual Report is provided under each of the 21 criteria required by the "COP Advanced" level.

IMPLEMENTING THE TEN PRINCIPLES INTO STRATEGIES AND OPERATIONS

Vivendi signed in March 2008 the United Nations Global Compact, five years after defining, in 2003, its strategic issues linked to its activity as a producer and distributor of content. The group has thus identified human rights relating to its core business and those that are inherent to its status of a listed company with a global reach. This innovative approach to sustainable development issues makes Vivendi one of the CSR pioneers in the media and cultural industries sector.

CRITERION

1

The COP describes mainstreaming into corporate functions and business units

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives.
- ✓ Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy.
- Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary.
- ✓ Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs.
- ✓ Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts.
- ✓ Other established or emerging best practices.

The CSR department reports to the Chief Operating Officer, who is a member of Vivendi's Management Board. In accordance with its internal rules, the Supervisory Board regularly examines the group's corporate social responsibility policy (see Criterion 20).

The CSR department defines the strategic guidelines and oversees the implementation of the CSR policy and of the Global Compact's ten Principles through group-wide employee mobilization.

Since 2003, the CSR department has convened meetings of a Committee consisting of representatives of the subsidiaries and of several of the functional departments at corporate headquarters (Legal, Finance, Audit, M&A and Human Resources). Every **CSR Committee** meeting provides an opportunity to invite experts, representatives from civil society or from national, European and international institutions to discuss topics within the group's [eight priority CSR issues](#).

The topics "**Human Rights and Business Relationships**" and "**Environmental Footprint of Models for the Distribution and Consumption of Musical and Audiovisual Content**" were the focus of the meetings of this Committee in 2015. They were linked to discussions about the proposed French legislation on the "duty of vigilance" of companies vis-à-vis their subsidiaries and their suppliers, and to issues surrounding the International Climate Conference (COP 21).

Furthermore, the CSR department carries out cross-departmental functions:

- working with the **Finance department** to manage the integrated reporting process;
- organizing CSR road shows for investors, together with the **Investor Relations department**;
- mapping the risks relating to CSR, together with the **Audit department**;
- disseminating the [Compliance Program](#) in conjunction with the **Legal department**;
- assisting in defining the CSR criteria used to determine the variable compensation of senior executives, in conjunction with the **Human Resources department** and the **Management Board**;
- maintaining regular constructive dialog with the **subsidiaries' functional departments**.

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CSR criteria related to human rights integrated into senior executives' variable compensation

Since 2010 and on the Supervisory Board request, CSR criteria are integrated into senior executives' variable compensation. This means measuring their contribution to **performance objectives linked to the CSR strategic "core" issues** common to all subsidiaries and directly related to their business.

These objectives are established by each subsidiary in close coordination with Vivendi's CSR and Human Resources departments, and are included in the overall assessment of senior executive performance. The extra-financial rating agency Vigeo Eiris assists the group in this process. The Corporate Governance, Nominations and Remuneration Committee of the Supervisory Board assesses the performance of senior executives in relation to each CSR criterion and calculates the corresponding bonus percentage.

In 2015, the senior executives achieved most of the objectives, and even exceeded some of them. The amount of compensation which is contingent on reaching these objectives can account for **up to 10% of variable compensation**. The objectives in question applied to **1,102 senior executives** in Vivendi's subsidiaries and headquarters.

CRITERION

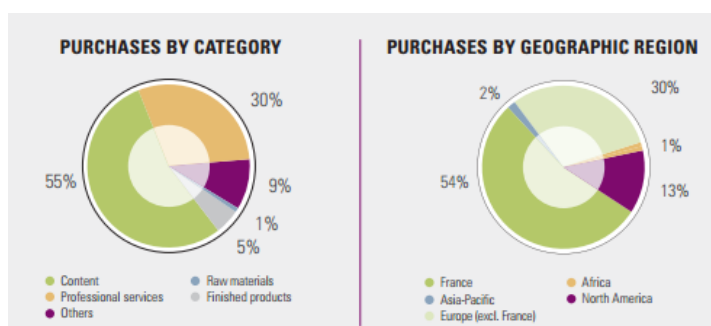
2

The COP describes value chain implementation

- ✓ Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts.
- ✓ Communicate policies and expectations to suppliers and other relevant business partners.
- Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence.
- Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners.
- Other established or emerging best practices.

Corporate actions

Vivendi's commitments in relation to its supply chain are guided by the rules of conduct of the Compliance Program, the United Nations Global Compact and the French Responsible Supplier Relationship Charter, the latter of which the company signed in 2013. Vivendi's [Compliance Program](#) includes a rule that recalls the commitment of commercial partners to provide services in compliance with the group's commercial and social ethical standards.



Figures as of 12/31/2015

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

In the context of its extra-financial reporting, Vivendi analyzes its supply chain and the related risks, primarily through the use of specific indicators relating to purchases from suppliers and subcontractors, who account for at least 75% of the total expenditure of each of the subsidiaries.

Thus, an analysis of fiscal year 2015 reveals that **85%** of purchases concern the purchase of content and professional services, and that **84%** of these purchases are made in Europe.

Vigilance is the focus of **group-wide mobilization involving the decision-making bodies and the businesses**, with a special attention paid to the issues specific to the media and content sector. Within the Supervisory Board, the issue is on the agenda of the Audit Committee, which reviews the group's CSR policy twice a year (see Criterion 20); in addition, in 2015, the Audit department introduced **CSR into the letter certifying the annual financial statements** by the general management of the principal businesses applying the COSO (Committee of Sponsoring Organizations of the Treadway Commission) principles. At group level, the subsidiaries were made particularly aware of the issue of **human rights in business relationships** at a dedicated **CSR Committee** meeting, during which experts gave clarifications on the group's corporate responsibility in its own sphere of influence- the media sector (see Criterion 4).

The CSR department is willing to share these challenging considerations with its various stakeholders and has devoted two special broadcasts on *Vivoice, Vivendi's CSR web radio*, on the themes of "[Responsible purchasing: from commitment to implementation](#)" and "[Companies: the challenge of digital innovation and trust](#)".

Business unit actions

Each of the group's subsidiaries has made **a formal commitment, in the form of a code, charter or clause**, to incorporate social or environmental issues in the purchasing policy.

- Purchases of audiovisual content (films, series, broadcasts, sports events and similar), which account for a substantial portion of the purchases made by Canal+ Group, are made under terms and conditions defined with the rights-holders. For relations with its other suppliers, Canal+ Group has established **contractual prerequisites which require compliance with the provisions of the United Nations Global Compact**, through the systematic insertion of a CSR clause. These contractual prerequisites are included in Canal+ Group's bidding documents (calls for tenders) and in the contracts entered into with suppliers after the bidding process. In addition, the group regularly requires the following of its suppliers: the external call centers to which it assigns part of the management of its customer contacts must obtain and comply with the Social Responsibility Label; suppliers must follow its rules in relation to protection of the personal data of its customers (including external call centers, technical service providers with access to information systems and business partners); and manufacturers of set-top boxes must implement waste management procedures.
- Canal+ Group pays particular attention to ensuring that its **suppliers and service providers are economically independent**. Thus, the proportion of the sales of these suppliers and service providers attributable to Canal+ Group is audited regularly using ERP (Enterprise Resource Planning) purchasing management software. When this proportion becomes significant and reaches 30%, assistance may be offered to the service provider who is then alerted and invited to diversify its clientele. The Purchasing department ensures, as far as possible, not to sign contracts for more than three years. At the end of this period, the supplier must compete in requests for proposals.

- In its main business regions, through its calls for tender, UMG asks its suppliers to sign the **Universal Music Group Supplier Corporate Responsibility Policy**. In addition, suppliers who respond to a call for tender must provide information on the following: the selection and management of ethical and environmental practices in the supply chain; confirmation of adherence to the principles of the **Universal Declaration of Human Rights**; the use of paper, pulp or fibre coming from forests or resources declared legal by European and American standards; and the supplier's status with respect to the ISO 14001, EMAS and REACH standards.
- Bravado Australia, UMG's Australian merchandising subsidiary, is particularly vigilant in relation to the ethics of its suppliers. Suppliers are asked to prove, before any contractual commitment with Bravado, **international accreditation (WRAP, BSCI and Sedex)** that guarantees they meet the ethical requirements. They are also asked to sign a **Manufacturing Agreement** that restates the principles in regard to human rights. Bravado Australia conducts annual audits to ensure that these commitments are adhered to.
- Watchever, a subsidiary of Vivendi Village, also ensures that its contracts contain **clauses** that recall the obligations of the parties in relation to social and labor legislation, compliance with anti-corruption laws, and identification of age restrictions applying to content purchased. More broadly, in 2015, the entities of Vivendi Village included in the scope of reporting were informed of the group's commitments in relation to its supply chain during training sessions on reporting.

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

The goal in 2016 is to consider possible adjustments to the Compliance Program in close coordination with the businesses and all the departments concerned, in order to pool expertise and goals.

HUMAN RIGHTS MANAGEMENT POLICIES AND PROCEDURES

CRITERION

3

The COP describes robust commitments, strategies or policies in the area of human rights

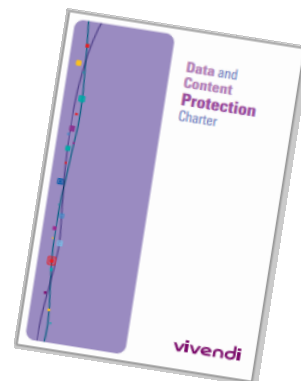
- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g., the Universal Declaration of Human Rights, Guiding Principles on Human Rights).
- ✓ Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company.
- ✓ Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services.
- ✓ Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties.
- Other established or emerging best practices.

By setting the standard in the area of responsibility of companies in the media and cultural industries as early as 2003, Vivendi has defined its CSR strategic “core” issues directly linked to the core focus of its activity and related them to human rights. The table appearing on pages 8-9 of this Communication on Progress, and taken from the Annual Report, shows how **the CSR strategic issues refer to key international texts and standards, notably those of the United Nations**. Vivendi thus puts into practice the **preamble of the UN Global Compact** which encourages businesses to act in favor of human rights “in their sphere of influence”.

Vivendi’s commitment with regard to human rights is presented in Chapters 1 and 2 of the Annual Report, a document which engages the group’s responsibility towards its stakeholders and is published under the responsibility of **Vivendi’s CEO**. In addition, Vivendi’s specific responsibility in terms of human rights is set out in Chapter 3’s Report on Corporate Governance, Internal Audits and Risk Management, signed by the **Chairman of the Supervisory Board**. It was recalled on the occasion of the [2016 Shareholders’ Meeting](#) by the Chairwoman of the Audit Committee.

Furthermore, Vivendi’s [Compliance Program](#) formalizes the group’s commitments concerning, amongst others, the rights of employees on the form of rules of conduct. Adherence to these rules is a condition for belonging to Vivendi. The Compliance Program establishes rules of conduct based on general principles of international law, including those established by the OECD, ILO and European Union law, as well as legislation in Europe and various countries, principally those of France and countries with legal systems based on common law.

Finally, the [Data and Content Protection Charter](#) adopted in 2008 affirms Vivendi's commitments to respecting **freedom of expression** and defines the group's rules on **protecting young audiences**, gathering and managing customers' **personal data** and **protecting content**. The Charter sets forth the principles to be respected by each of the group's business units depending on their activity and specific organization in each of the countries in which it is active. For instance, the Charter states that "the procedures for collecting and processing these personal data must (...) **respect certain basic rights in a spirit of fairness and transparency.**" It also includes a rule recalling that "Vivendi is concerned that its **business partners should respect its values and codes of conduct** in each country where it is active".



FOCUS

A recognized positioning

Vivendi's positioning was applauded by the **Worldwide Movement for Human Rights (FIDH)** which, in November 2014, added Vivendi to its Libertés et Solidarité socially responsible investment fund (Sicav), a fund managed by Banque Postale Asset Management since 2001. In particular, FIDH recognized "the innovative efforts undertaken by Vivendi to understand, measure and improve its impact on human rights." FIDH noted that "establishing and reporting on indicators measuring the impact on human rights of the content distributed by Vivendi is especially innovative."

Furthermore, in 2013, Vivendi was positioned third in the latest ranking of the companies in the CAC 40 in relation to taking into account the "**Children's Rights and Business Principles**", established in 2012 by UNICEF, the United Nations Global Compact and the Save the Children NGO.

CRITERION

4

The COP describes effective management systems to integrate the human rights principles

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Process to ensure that internationally recognized human rights are respected.
- ✓ On-going due diligence process that includes an assessment of actual and potential human rights impacts.
- ✓ Internal awareness-raising and training on human rights for management and employees.
- Operational-level grievance mechanisms for those potentially impacted by the company's activities.
- Allocation of responsibilities and accountability for addressing human rights impacts.
- Internal decision-making, budget and oversight for effective responses to human rights impacts.
- Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to.
- ✓ Process and programs in place to support human rights through: core business; strategic philanthropic/social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action.
- Other established or emerging best practices.

Vigilance and impact assessment

Linking the “core” CSR issues to human rights allows Vivendi to integrate this vigilance into its **governance** (extra-financial reporting, information verification work on the part of its auditors, inclusion of these issues in the variable compensation of senior executives, risk mapping) **and its strategy**. In 2015, this policy was entered on the agenda of the Vivendi Audit Committee.

The CSR objectives integrated into the senior executives' variable remuneration make it possible to assess the relevance of the group's actions in relation with human rights through measurable and verifiable criteria. Below are a few examples of the objectives set out for fiscal year 2015.

Promoting cultural diversity:

- commitment by Canal+ to promoting local talent globally and to further increasing the inclusion of women experts on air as guests;
- empowerment by UMG of local talent in emerging and developing markets.

Empowering and protecting young people:

- commitment by UMG to establish a forum bringing together the most important five countries in terms of revenues, in order to develop a guide to best practices to classify video clips by age rating or content descriptor;

- promotion of this guide to best practices in these five countries.

Valuating and protecting personal data:

- commitment by UMG to expand employee training on the topic of personal data protection beyond employees working in the Legal, Customer Relations or Marketing departments who have already undergone training;
- providing specific training for Canal+ customer relations advisers.

As soon as 2004, the assessment of the group's human right impacts has been a central focus of stakeholder dialogue, particularly with investors, NGOs and companies in the media and cultural sector. Extra-financial reporting, as a management tool, makes it possible to involve the operational departments and the subsidiaries in the process, especially through the Reporting Protocol annual updating process and through the Steering Committee (made up of members of the Management Board and of Legal, Human Resources and CSR departments) that regularly evaluates changes to reporting within the group. The integrated reporting approach (see pages 7-9) enables to go even further in the human rights impact analysis by putting it into the wider perspective of value creation for the group's stakeholders.

Vigilance is also exercised through the monitoring mechanisms set up by Vivendi's Compliance Program: an annual progress report is prepared by Vivendi's General Counsel's office and presented to the Audit Committee. In addition, Vivendi has implemented a number of mechanisms to promote the respect of human rights among its suppliers and providers (see Criterion 2).

Awareness raising

Many awareness raising actions are carried out throughout the year to reaffirm Vivendi's human rights positioning towards internal and external stakeholders. Below are two examples:

- a **CSR Committee dedicated to "Human Rights and Business Relationships"** was organized in 2015; it was composed of 18 Directors (Strategy, Purchasing, Finance, Legal, Business Affairs, Ethics and CSR) of Canal+ Group, Universal Music and Vivendi Village. Discussions on the mechanisms to monitor and control the supply chain within the group were enhanced by the contribution of two Paris attorneys who focused their attention on the group's responsibility in connection with its business activity.
- *Vivoice*, Vivendi's CSR web radio, offers regular insights on human rights issues and challenges, and on those specific to the media sector more particularly. "**Human rights at the digital age**", **personal data protection, cultural diversity and intercultural dialogue, corporate responsibility vis-à-vis suppliers and subcontractors, and gender equality** were some of the topics discussed on *Vivoice* as of December 31, 2015.

Supporting human rights through the core business

Conscious of the influence the group can have on its clients directly through its offer of content and services, or indirectly through its business relations with external commercial partners, Vivendi's subsidiaries have adopted **policies** and **processes** designed to limit potential adverse human right impacts and to promote human rights through their core business. Below are some recent examples.

Cultural diversity, a pillar of Canal+ Group's editorial line

In May 2015, Canal+ signed an **agreement with all of the professional organizations of the French film industry** which supports the historical and virtuous partnership between Canal+ and the professionals of the seventh art. This agreement defines in particular the **investment commitments** of Canal+ "in European and original French expression feature-length cinematographic works" in addition to commitments to a diversified film acquisition policy of French expression feature-length cinematographic works. Canal+ Group also plays a significant role in Africa where it contributes to the influence and development of the local film industry, but also to the empowerment of talents of the audiovisual sector through A+, the group's 100% African TV channel.

Children's rights protection adapted to the digital environment

In addition to providing secure spaces for young audiences on both linear and on-demand media services (such as Canalplay Kids and Kids by Watchever), Vivendi's subsidiaries provide parents with a number of control tools and with content classification by age group for content available on the Internet. For instance, See Tickets, a subsidiary of Vivendi Village, informs its customers about the **age limit for concerts** offered on its site. In 2015, Universal Music Group **expanded the scope of its online video age rating project**, launched in the United Kingdom in 2014, to include four other top countries in terms of revenue: France, Germany, Japan and the United States.

Dedicated structures and processes

- **Protecting young people:** the Piwi+ channel dedicated to young viewers relies on an **advisory ethics committee** composed of pediatricians, educators and parents to ensure that its offer is in line with Canal+'s commitments to protect children and teenagers, enshrined in the group's Ethics Charter and in the agreements with Conseil supérieur de l'audiovisuel (CSA), the French broadcast media regulator. nc+, Canal+ Group's subsidiary in Poland, ensures supervision of advertising communications targeting the youngest audience: commercials are assessed on the basis of an **internal charter**, the principles of which were established in compliance with national and international regulations (including the 1989 International Convention on the Rights of the Child).

- **Sharing knowledge:** the principles of journalism ethics are enshrined in Canal+ Group's **Ethics Charter** and in the **collective agreement** of Canal+ Economic and Social Unit (UES Canal+) for journalists. The collective bargaining agreement indicates the ethical rules that must be adhered to by journalists in their professional activities.
- **Protecting personal data:** at Canal+ Group, a **dedicated team** within the Legal department develops the personal data protection policy, monitors it, and manages relations with the CNIL (the French data protection authority). An **intensity relations team** also ensures that during customer relations, communications are harmonious and personal information is treated respectfully. In 2015, UMG appointed a **Privacy Officer** whose mission is to ensure that the procedures established by the group properly protect the personal data of its customers and employees, and to review the data transfer provisions contained in contracts with upstream and downstream third parties.

Employee training

The issue of personal data protection was largely taken into account in the training provided to employees in 2015. As part of the **NF Service "Customer Relations" certification** delivered by AFNOR and retained by Canal+ in 2015, the group included a section on raising awareness of data confidentiality in the training provided to customer advisors. The Polish subsidiary of Canal+ Group has a strict policy covering security of personal customer data, and in 2015 more than 500 of its staff were trained on this topic. At UMG, **more than 2,300 staff** underwent online training devoted to protecting personal data.

Regarding human rights in business relations, emphasis is also placed on training of the purchasing teams. In the United Kingdom, the UMG purchasing team has been made aware of the **Modern Slavery Act**, adopted in 2015, which requires greater vigilance and transparency by companies in regard to their suppliers.

Additional information are presented under Criteria 15 to 18.

CRITERION

5

The COP describes effective monitoring and evaluation mechanisms of human rights integration

- *Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.*
- ✓ *System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain.*
- ✓ *Monitoring drawn from internal and external feedback, including affected stakeholders.*
- ✓ *Leadership review of monitoring and improvement results.*
- *Process to deal with incidents the company has caused or contributed to for internal and external stakeholders.*
- *Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights compatible, a source of continuous learning, and based on engagement and dialogue.*
- *Outcomes of integration of the human rights principles.*
- *Other established or emerging best practices.*

Three main monitoring and evaluation mechanisms are in place at Vivendi:

- **Extra-financial reporting** makes it possible to monitor the effective implementation of CSR policies through qualitative and quantitative indicators, part of which is audited by Statutory Auditors and disclosed in the Annual Report. In the media sector, Vivendi has been at the forefront of reporting having introduced indicators to assess the specific human rights impact of the group's core businesses as soon as 2004 (see opposite).
- The **involvement of the Management Board and of the Supervisory Board** (see Criterion 20) allows the evaluation of the group's CSR performance, and of the human-rights related issues more particularly, to be made by the highest corporate bodies (e.g., by the Corporate Governance, Nominations and Remuneration Committee of the Supervisory Board which assesses the achievement of the CSR criteria included in the senior executives' variable remuneration).
- **Active stakeholder dialogue** (see Criterion 21) enables the group to maintain regular discussions on the impacts of its content and services on its different audiences. At Canal+ Group, for instance, dialogue with clients is overseen by the Head of External Consumer Relations and Customer Dialogue and by the Customer Service department, which hold a plenary consultation meeting with consumer associations every year in France.


 FOCUS

Examples of indicators – fiscal year 2015

- 65% of Universal Music Group sales generated by local artists in their own country
- 44 – number of languages sung by UMG artists
- 31% – amount of marketing and recording investment of Universal Music France dedicated to new talent (artists releasing their first album) as a percentage of total investment
- 18% of investments excluding sports of Canal+ Afrique allocated to the production of local African content
- 134 million of Euros – investments by Studiocanal in European works
- 1.1 million of Euros invested by Studiocanal to restore and digitize 36 movies from the catalogue
- 19 feature-length films from filmmakers of 5 different nationalities co-produced by Studiocanal
- 55% of CNC-approved French-initiative films financed by Canal+
- 20 first French-initiative films and 14 second French-initiative films financed by Canal+
- 25% of the films bought up by Canal+ in 2015 directed by women
- 5 Vietnamese films co-produced by K+, subsidiary of Canal+ Group
- Canal+ reference channel for films for 86% of subscribers
- 5 countries involved in UMG's video rating project
- 2,000 videos available on educational channel Campus
- 100% of the Canal+ channel's programs in France close captioned for the deaf or hearing impaired
- 2,300 UMG staff underwent training devoted to protecting personal data

LABOUR MANAGEMENT POLICIES AND PROCEDURES

CRITERION

6

The COP describes robust commitments, strategies or policies in the area of labour

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies.
- ✓ Reflection on the relevance of the labour principles for the company.
- ✓ Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national).
- ✓ Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners.
- Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation.
- Participation and leadership in wider efforts by employers' organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government).
- Structural engagement with a global union, possibly via a Global Framework Agreement.
- Other established or emerging best practices.

Vivendi supports and implements the fundamental principles of labour rights and promotes them among its suppliers and providers (see Criterion 2).

“The essential principles which form Vivendi’s employment policy — in the context of a **constructive dialog** between management and the competent bodies representing employees which respect their prerogatives — are to ensure the safety of its employees wherever they may be, to respect their **employment rights**, to give each of them recruitment, employment and promotion prospects based on their abilities and sense of responsibility, and to maintain **employment conditions which respect their individual dignity and private life**.” This is the first rule of conduct of Vivendi’s [Compliance Program](#).



The Program states that “Acting with probity, complying with the law, **respecting the dignity and individual rights of employees**, protecting confidentiality, placing business ethics above the search for economic performance, protecting the Group’s property and resources: these are all principles which must guide the professional conduct of employees to ensure the Group’s business is conducted ethically and legally.” In the Compliance Program, the group also recalls that “**Behavior which offends the dignity of individuals**, and in particular psychological and sexual harassment and discrimination based on unlawful selection criteria such as sex, age, lifestyle, race, ethnicity, nationality, disability, religious or political opinions or beliefs, or union membership, is contrary to the values of tolerance and respect for the individual and is in-compatible with the employment policy that the group intends to apply.”

Vivendi is committed to respecting the fundamental principles of the ILO. In the area of labour law, these commitments require compliance with the four fundamental pillars of the ILO: **freedom of association** and recognition of the **right to collective bargaining**, the elimination of all forms of **forced or compulsory labour**, combating **child labour**, and **eliminating discrimination** in the area of employment and profession. **Two of these four principles (freedom of association and combating discrimination) are of particular relevance to Vivendi** (see the “Social Indicators” Section of Vivendi’s Annual Report 2015).

- **Respect of freedom of association and of right to collective bargaining:** with its social partners, Vivendi promotes **social dialogue and consultation** at all levels. In 2015 all employees based in France and in the overseas departments and territories were covered by collective bargaining agreements. World-wide, **42%** of employees were covered by such agreements.
- **Eliminating discrimination in employment:** Vivendi has affirmed its commitment to **diversity** in recruitment and combating discrimination in employment. The group’s **Compliance Program** calls for active prevention of all forms of discrimination based on selection criteria such as gender, age, lifestyle, ethnic identity, nationality, disability, or religious, political or trade union opinions and commitments. These commitments are applied in practice through **policies relating to gender equality, diversity and non-discrimination**, and in the employment and job placement policies for **workers with a disability** (see Section 3.2.6 of Chapter 2 of Vivendi’s Annual Report 2015).

Furthermore, Vivendi bans all forms of forced labor. Child labor is strictly prohibited in the group. In certain specific cases, such as filmmaking or music recordings, where minors may be required to make a contribution, all regulatory requirements are rigorously complied with.

CRITERION

7

The COP describes effective management systems to integrate the labour principles

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Risk and impact assessments in the area of labour.
- ✓ Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards.
- Allocation of responsibilities and accountability within the organization.
- ✓ Internal awareness-raising and training on the labour principles for management and employees.
- ✓ Active engagement with suppliers to address labour-related challenges.
- ✓ Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers.
- Other established or emerging best practices.

Ongoing social dialogue at all group levels

At group level, dialogue is organized around the group's **corporate works committee** and the **European Social Dialog Committee** (IDSE), as well as the **works council** at Vivendi's headquarters. The social partners of these bodies are informed regularly about the group's strategy, its financial position, its social policy and the principal achievements of the year. In addition to the annual plenary sessions of these corporate bodies, in 2015, several extraordinary sessions of the extended bodies were organized with the Chairman of the Management Board.

In 2015, the annual combined two-day **training session** of the corporate works committee and the IDSE allowed representatives to obtain a better understanding of the group's strategy in the area of **corporate social responsibility**. New challenges in the areas of **health and insurance coverage** were also addressed during this session.

Within the subsidiaries, dialogue and social discussion are organized in line with the employment laws and regulations for each country, according to guidelines given to the human resources policy of each business unit. In 2015, there were **23 agreements or supplemental agreements signed or renewed** by the group's entities in France; most of them concerned **compensation** (55%), **social dialogue** (9%) and **restructuring** (9%). Other subjects included **gender equality** and **methods of work organization**.

Two employee representatives on Vivendi's Supervisory Board

Starting from 2014, two Vivendi employees sit on Vivendi's Supervisory Board. In addition to the employee representative who represents the **employee shareholders** and was appointed for a four-year term at the 2013 Shareholders' Meeting, Vivendi chose to have an **employee appointed by the Works Council** under the employment security law of June 14, 2013 providing for the appointment of an employee representative as a member of the Supervisory Board.

Occupational health and safety

Occupational health and safety are issues of concern addressed by the whole group and defined by each business unit by way of implementation of **action plans and preventive measures**. With respect to workplace health, the methodology for identifying risks involves the following steps: identifying and assessing the professional risks related to the activity; assessing the degree of control exercised over the risks; identifying individual and collective preventive measures to eliminate or reduce each risk; and defining a safety management and workplace health program aimed at controlling any residual risks, or a training program.

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

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

Gender equality

With **6 women out of 14 members sitting on the Supervisory Board**, Vivendi has surpassed the obligation for listed companies to meet a 40% quota for women on their boards (this does not include the employee representative in accordance with applicable legislation - Law 2001-103 of January 27, 2011).

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

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

Several measures are taken to enhance existing provisions for gender equality (see Chapter 2 of the Annual Report 2015, Section 3.2.6). For instance, Universal Music and Canal+ Group make their **partner recruitment firms** aware of the objective of increasing the number of women on their shortlist of applicants.

Promoting diversity and non-discrimination policies

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

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

The Vivendi group is aware of the issue of diversity and pursues a policy in favor of equal opportunities, as defined in various ways depending on the subsidiary: providing employee **training** on diversity issues; implementing **agreements** on employing disabled workers; negotiating and signing agreements on remote working arrangements; establishing **inter-company nurseries** to facilitate a balance between personal and professional life; continuing the commitment to select **applicants** exclusively from the standpoint of diversity; and contributing to the action plan, programs or collective bargaining agreements related to **gender parity**. Universal Music encourages diversity in all of its activities and has committed itself to eliminating all forms of discrimination through its Equal Opportunity policy which applies to all employees and also to temporary workers and job applicants as well as to the numerous contractors, suppliers and consultants.

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

CRITERION

8

The COP describes effective monitoring and evaluation mechanisms of labour principles integration

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ System to track and measure performance based on standardized performance metrics.
- ✓ Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future.
- Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards.
- Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices.
- Outcomes of integration of the labour principles.
- Other established or emerging best practices.

The social dialogue mechanisms described in the previous pages enable a regular exchange with labour representatives. Evaluation is also based on the extra-financial reporting, which covers all of French Grenelle II law social information categories; social data has been verified by the Statutory Auditors since 2008.

FOCUS

Examples of indicators – fiscal year 2015

- 3.3% of Vivendi's capital held by employees
- 2 employees on the Supervisory Board
- 6 women on the Supervisory Board
- 42% of managers are women
- 68% of employees are between the ages of 25 and 44 and 65% of them work in Europe
- 52 health and safety committees
- 10,040 employees trained in the year

ENVIRONMENTAL MANAGEMENT POLICIES AND PROCEDURES

CRITERION

9

The COP describes robust commitments, strategies or policies in the area of environmental stewardship

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development).
- ✓ Reflection on the relevance of environmental stewardship for the company.
- ✓ Written company policy on environmental stewardship.
- ✓ Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners.
- Specific commitments and goals for specified years.
- Other established or emerging best practices.

Vivendi defends environmental awareness and takes full responsibility in this domain, while it operates in **business sectors where exposure to environmental risks is relatively low**. The seventh rule of the [Compliance Program](#) defines the commitment of Vivendi:

"Vivendi undertakes to promote the **respect of the environment** in all its activities. It is up to each Group employee to contribute, within the scope of his or her duty, to the Group effort to protect the environment:

- by becoming familiar and complying with laws and regulations, instructions and procedures set out by its company;
- by immediately reporting, to the attention of the persons responsible for managing such situations, any non compliance with regulation, risk situation or incidents which he or she is aware of."

Ensuring reliability of environmental reporting, engaging in certification processes, considering the environmental issues of digital technologies, and better controlling energy consumption which makes up for the majority of the group's CO₂ emissions: these are the focus areas of Vivendi's approach to environmental responsibility that the group has adapted to its business sector. More details are provided under Criterion 10.

Furthermore, in 2015, an initial assessment of the impacts of the supply chain helped to define **environmental criteria to be used for the selection of suppliers**. These criteria take into consideration an assessment of the service provider's environmental performance, a measurement of its energy efficiency, and recycling of the equipment at the end of its life by the service provider. These criteria can be used in competitive bidding procedures by the subsidiaries that wish to do so.

CRITERION**10**

The COP describes effective management systems to integrate the environmental principles

- ✓ *Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.*
- ✓ *Environmental risk and impact assessments.*
- ✓ *Assessments of lifecycle impact of products, ensuring environmentally sound management policies.*
- *Allocation of responsibilities and accountability within the organisation.*
- ✓ *Internal awareness-raising and training on environmental stewardship for management and employees.*
- *Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts.*
- *Other established or emerging best practices.*

The environmental challenges of digital

To gain a better understanding of the environmental footprint of digital, the CSR department has been studying and assessing the group's environmental impacts since 2013. This work focuses on the **digital supply chain** and on the **distribution and consumption** of musical and audiovisual content. This analysis brings together the representatives of Universal Music France, Canal+, Studiocanal and Vivendi's corporate headquarters in a dedicated working group.

To better evaluate the direct and indirect environmental impact of the value chain for its media group activity, Vivendi undertook an **analysis of the lifecycle of its content offers**. The group compared environmental performance (CO₂ emissions, water and energy consumption) of electronic content offers (downloads and streaming) with the performance of offers of physical content (CD and DVD). This study calls for three main observations:

- the results of environmental performance related to physical content show that the manufacturing stage for the relevant hardware and the packaging stage for CDs and DVDs represent **75%** of the impact related to CD and DVD consumption;
- in the case of digital content, the transfer of data (audiovisual content) between the distributor and the consumer, through the Internet service provider, could represent up to **90%** of the impact of viewing by downloading or streaming; and
- concerning the behavior of digital consumers, the study shows that the end user, depending on their listening/viewing medium (mobile, tablet, computer and television) may be responsible for **80%** of the environmental impacts of the entire value chain (storage of the content at Vivendi, transfer of data and viewing/listening).

The goal is to continue this analysis to identify priority areas of intervention so as to ensure better control of the environmental impact of the value chain.

The certification process

Several sites of the group located in Europe and in the United States have been engaged for several years in a process of environmental certification in order to better assess the impact of these sites on the environment and ensure that they are correctly managed by relying on management systems that use internationally recognized standards.

The Canal+ Group site, which gathers all the free channels, is certified BREEAM (BRE Environmental Assessment Method), a method for assessing the environmental performance of buildings, and continues its policy to control energy use.



In England, the NGO Julie's Bicycle, an environmental certification agency for the creative industries sector, awarded UMG UK and Abbey Road Studios a "one star award" for their commitment to reduce their CO₂ footprint and has therefore allowed them to join the Creative Industry Green. Creative Industry Green is the first environmental certification system in the United Kingdom for the cultural sector. UMG UK and Abbey Road Studios are respectively the first company and the first recording studio in the music industry to receive this certification.



In 2015, the headquarters of Universal Music Group in Santa Monica received, for the ninth time in a row, the "Energy Star" certification issued by the US Environmental Protection Agency (EPA). This site is also certified "Green Business" by the city of Santa Monica. The Woodland Hills sites also received the LEED Gold (Leadership in Energy and Environmental Design) certification, which recognizes the high environmental quality of their buildings.



Since 2009, Vivendi's headquarters have been registered under the EMAS (Eco-Management and Audit Scheme) European Regulation with the Ministry of the Environment, the Energy and the Sea. This **registration was renewed in 2012 and 2015** and illustrates the efforts made by Vivendi's headquarters on environmental matters. Decisions about action to be taken to reduce environmental impacts are made within the Green Team committee; this committee gathers ten members from different departments and the service provider responsible for the maintenance of the site. **For the 2015-2017 period, Vivendi's headquarter has defined new goals** that focus, among other things, on reduction of the CO₂ emissions related to business travel (**-20%** compared to the 2009 level) and on control of energy consumption (**10% reduction** in electricity consumption and **5% drop** in steam consumption compared to 2014).



A better control of energy consumption

Vivendi's business units have continued to strive, in 2015, for greater energy efficiency in their infrastructure and equipment.

In 2015, Universal Music France, Canal+ and Studiocanal finalized the **measurement of the energy impacts of their operations with their suppliers** and defined a series of criteria intended to report their suppliers' environmental performance when issuing calls for tenders.

IT equipment, which contributes significantly to energy consumption, is given special consideration. In Poland, nc+ set up in its two call centers an automatic shut-off system for computers which avoids consumption peaks. A part of the employees' computers was replaced with equipment that offers better energy efficiency.

Air conditioning systems, which are very high energy consumers, are also monitored carefully. K+ in Vietnam replaced the air conditioning equipment with equipment that offers better environmental performance and also ensures temperature regulation within the sites to avoid too much demand being placed on the air conditioning system. In the context of the action plan it defined in conjunction with the environmental certification of its sites, UMG UK has adopted measures designed to monitor the cooling of the IT servers.

Management of electric and electronic equipment

The group's subsidiaries, particularly Canal+ Group, must offer their customers the best performing equipment to give them an optimal user experience. The **processing of used set-top boxes** is therefore taken into account to extend the life of the equipment or to recycle it through a recycling stream. In Madagascar, Canal+ Group repairs defective set-top boxes sold by other African entities and returns them to the sales circuit. In Gabon, the group met with representatives of the Ministry of the Environment to plan the launch in 2016 of an operation to recover defective set-top boxes from subscribers for recycling.

Raising employee awareness

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

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

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

Information categories

Vivendi, with regard to its businesses, has **relatively little exposure to environmental risks**. Within the framework of the preparation of the verification work by the Statutory Auditors, the following information categories (extracted from the French *Grenelle II* law) were deemed **irrelevant** in 2015 with regard to the group's media and content businesses:

- measures to prevent environmental risks and pollution;
- financial provisions and guarantees for environmental risks;
- prevention, reduction or remedying of emissions into the air, water and soil;
- consideration shown for noise pollution and any other form of pollution specific to an activity;
- land use;
- adaptation to climate change;
- measures taken to preserve or develop biodiversity.

CRITERION

11

The COP describes effective monitoring and evaluation mechanisms for environmental stewardship

- *Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.*
- ✓ *System to track and measure performance based on standardized performance metrics.*
- ✓ *Leadership review of monitoring and improvement results.*
- *Process to deal with incidents.*
- ✓ *Audits or other steps to monitor and improve the environmental performance of companies in the supply chain.*
- *Outcomes of integration of the environmental principles.*
- *Other established or emerging best practices.*

Since 2008, environmental data has been **verified by the Statutory Auditors**, who then issue a limited assurance report on this data. The verification work ensures the reliability of the data through audits within the different subsidiaries.

These audits are an opportunity for Vivendi to assist its subsidiaries in an ongoing process of improvement and to discuss good practices among the various group entities. Once completed, the verification work is the subject of review meetings, which allow Vivendi's **Management Board**, amongst others, to decide on the **recommendations to be implemented and on development of a plan of action**.

Audits and evaluations of environmental impacts are carried out by several group entities in the framework of environmental certifications or to comply with new regulations. For instance, UMG expanded measurement of the energy impacts of its buildings. In the United Kingdom, the audits conducted as part of the one star award issued by the NGO Julie's Bicycle, and of the ESOS certification (Energy Saving Opportunity Scheme), highlighted measures for the replacement of the printers with equipment which consumes less energy and for the reduction of cooling in the server rooms. UMG Germany also performed an energy audit, in accordance with the new German regulations, which resulted in a significant collection of data, the identification of areas for improvement, and allowed the company to define a corrective action plan. In 2015, Canal+ Group performed an energy audit at several sites in France.

**FOCUS**

Examples of indicators – fiscal year 2015

- 14 energy assessments and evaluations of environmental impacts carried out in the year
- 492,342 MWh – total energy consumption
- 114,891 tCO₂eq - total CO₂ emissions
- 70% of the set-top boxes collected (faulty or obsolete) recycled in France
- More than 74% of the electricity consumed comes from renewable sources at some UMG facilities

ANTI-CORRUPTION MANAGEMENT POLICIES AND PROCEDURES

CRITERION

12

The COP describes robust commitments, strategies or policies in the area of anticorruption

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- Support by the organization's leadership for anti-corruption
- ✓ Publicly stated formal policy of zero-tolerance of corruption.
- ✓ Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes.
- Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption.
- Detailed policies for high-risk areas of corruption.
- ✓ Policy on anti-corruption regarding business partners.
- Other established or emerging best practices.

Vivendi works against corruption in all its forms: the fight against corruption and the receipt from or grant to any third party of an improper advantage of any kind for the purpose of obtaining preferential treatment is a clearly defined rule of conduct set down in Vivendi's [Compliance Program](#) (please refer to [article 4.1 "Compliance with legislation prohibiting corruption"](#)). Vivendi makes sure this principle is **respected by its suppliers** in all of the countries in which the group operates, in accordance with the Compliance Program rule which states that Vivendi companies "ensure that contractual and partnership relationships (with suppliers, subcontractors, joint ventures, etc.) are established with companies sharing the same ethical values."

In addition, in 2004, the Board of Directors of Vivendi, upon recommendation of its Audit Committee, approved a **Financial Code of Ethics**. The Code applies to the senior executives of Vivendi SA, particularly those responsible for communications and financial and accounting reporting, which represents approximately 60 people.

The subsidiaries manage their own anti-corruption policies based on the Compliance Program and on the United Nations Global Compact, of which the group is a signatory. Canal+ Group has formalized its commitments in its **Ethics Charter**. UMG is committed to adopting a **"zero tolerance" approach** to fraud and corruption and to acting in a professional manner and with integrity wherever the company operates, in accordance with local regulations and with the 2010 UK Bribery Act.

CRITERION

13

The COP describes effective management systems to integrate the anti-corruption principle

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- Carrying out risk assessment of potential areas of corruption.
- ✓ Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees.
- Internal checks and balances to ensure consistency with the anti-corruption commitment.
- Actions taken to encourage business partners to implement anti-corruption commitments.
- ✓ Management responsibility and accountability for implementation of the anti-corruption commitment or policy.
- ✓ Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice.
- ✓ Internal accounting and auditing procedures related to anticorruption.
- Other established or emerging best practices.

The [Compliance Program](#) sets forth the general ethical rules applicable to all of Vivendi's entities; following this approach, each operational business unit has also established its own Code of Ethics based on the Compliance Program. The Program makes it possible to raise awareness among the group's employees and provide them with a reference tool and guidance for determining appropriate courses of action; it also aims at minimizing to the greatest extent the risk of civil and criminal liability for both the group's employees and companies.

Communications channels and follow-up mechanisms

The group's **General Counsel** and the **Compliance Officers of the principal business units** work to ensure the overall consistency of the Program. An annual Activity Report is prepared by Vivendi SA's Legal department and presented to the Audit Committee, which then reports to the Supervisory Board and delivers the report to the Management Board. In addition, Vivendi's Compliance Program states that, in each subsidiary, the Compliance Officer is in charge of responding to employees' concerns; Compliance Officers "must make themselves freely accessible and available, and be attentive to any approach made by an employee seeking advice and to indicate breaches of the Code". The Program also requires the Audit departments to "pay particular attention to breaches of the Compliance Program and to the risk of lack of control caused by inadequate procedures within an audited company. Any breaches or risks of breaches that come to their attention must be reported to the Compliance Officer."

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

UMG has introduced a **warning alert system** available to its employees: the group maintains a compliance and ethics helpline number that can be called to anonymously report any suspected violations of the UMG Code of Conduct. The helpline is available twenty-four hours a day, seven days a week.

Raising employee awareness

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

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

CRITERION

14

The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

- ✓ *Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.*
- ✓ *Leadership review of monitoring and improvement results.*
 - *Process to deal with incidents.*
 - *Public legal cases regarding corruption.*
 - *Use of independent external assurance of anti-corruption programmes.*
 - *Outcomes of integration of the anti-corruption principle.*
 - *Other established or emerging best practices.*

The **Compliance Program annual activity report**, prepared by Vivendi's Legal department, enables the in-depth discussion of a cross-disciplinary theme each year. Over the past five years, the following topics have been addressed: conflicts of interest, protection of personal data, preservation of tangible and intangible data, anti-corruption measures, and the proper use of digital media within social networks. The 2015 report was concerned with employee information and awareness initiatives within the Compliance Program, particularly in the Vivendi group's new businesses.

The activity report is presented to the **Audit Committee**, which then reports to the Supervisory Board and delivers the report to the Management Board. The Audit Committee can propose any measure likely to improve the effectiveness of the Compliance Program and, if applicable, formulate of an opinion on the report. It is up to the Audit Committee to carry out a review of material internal control weaknesses and, if applicable, a review of corruption and fraud cases.

Indicators related to the group's actions to prevent corruption are also collected as part of the extra-financial **societal reporting process**; some of them are disclosed in the Annual Report ("**Definition of the policy's priority axes concerning the struggle against corruption**") and the [Extra-financial Indicators Handbook](#) ("**Total number of incidents having resulted in non-renewal of contracts with commercial partners due to violations related to corruption**").

TAKING ACTION IN SUPPORT OF BROADER U.N. GOALS AND ISSUES

CRITERION 15

The COP describes core business contributions to UN goals and issues

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Align core business strategy with one or more relevant UN goals/issues.
- ✓ Develop relevant products and services or design business models that contribute to UN goals/issues.
- Adopt and modify operating procedures to maximize contribution to UN goals/issues.
- Other established or emerging best practices.

Vivendi’s four strategic CSR “core” issues core” are related to human rights and refer to international founding texts and standards, such as the 1948 Universal Declaration of Human Rights, the 1989 UN International Convention on the Rights of the Child, the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions, and the Sustainable Development Goals adopted by the United Nations in September 2015. The table summarizing Vivendi’s sphere of influence in human rights, appearing on pages 8-9 of this Communication on Progress (and below), illustrates the group’s contribution to the United Nations goals and issues.

THE “CORE” CSR ISSUES PERTAIN TO HUMAN RIGHTS



THE “CORE” CSR ISSUES	PROMOTION OF CULTURAL DIVERSITY IN CONTENT PRODUCTION AND DISTRIBUTION										
	Encourage creation in all its diversity	Article 27		Article 31	Objectives A1, J1	Article 22	Articles 5, 8, 9, 10	Articles 1, 6, 7, 10		Page 106	
Support female artists and producers of cultural goods and services				Objectives B4, F1, F2, J1, J2, L4, L8	Article 23		Article 7			Principles 1, 6	Objectives 4.2, 4.3, 4.7, 5.5, 5.a, 5.b, 5.c
Promote local talent				Objectives A1, B4		Articles 6, 9, 10	Articles 1, 2, 6, 7				
Promote cultural heritage			Articles 29, 30	Chapter 2	Article 22	Articles 6, 7	Articles 1, 7, 8				Objective 11.4
Ensure respect for intellectual property and support artists	Article 27				Article 17	Article 8	Articles 6, 7				
EMPOWERMENT AND PROTECTION OF YOUNG PEOPLE											
Allow young people to exercise their creativity and their citizenship			Articles 13, 17, 29, 31	Objectives L3, L8	Article 24		Article 10		Page 105	Principle 1	Objective 4.7
Raise the awareness of young people and their circle to the responsible use of goods and services			Articles 17, 29	Objective J2				Point VIII.8 Consumer interests		Principles 5, 6	
Encourage media literacy			Article 17	Objective L8						Principles 1, 6	
KNOWLEDGE SHARING											
Promote the quality and the pluralism of content					Article 11	Articles 8, 9, 10	Articles 1, 6, 7, 8		Page 104	Principle 5	
Facilitate access to offerings and services	Article 27			Objective L8		Articles 6, 9	Articles 2, 6, 7		Page 104	Principle 5	Objectives 9.c, 11.a
Raise public awareness of the sustainable development issues			Article 29	Objectives K2, J2		Article 2	Articles 2, 13			Principle 10	Objectives 4.7, 12.8
VALUATION AND PROTECTION OF PERSONAL DATA											
Cultivate the digital trust of customers in a spirit of loyalty and transparency	Article 12	Article 8	Article 16	Objective L	Article 8			Point VIII.6 Consumer interests	Page 104	Principles 1, 5	
Exercise digital vigilance (employees, suppliers)	Article 12	Article 8	Article 16							Principles 1, 5	

Promoting cultural diversity in content production and distribution



As soon as 2003, Vivendi has defined the promotion of cultural diversity as a CSR strategic issue. The group aims to promote cultural diversity as a growth driver and as a pillar of social cohesion. It therefore **shares the vision of UNESCO** which, in its 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions, stated that cultural diversity is a “mainspring for sustainable development for communities, peoples and nations”. Encouraging diversity in musical, audiovisual and cinematographic creation, promoting local talent and showcasing cultural heritage, are pillars of the action of UNESCO and also **objectives shared** by all of Vivendi’s business units. Moreover, Vivendi contributes to promoting the Convention and to **raising awareness** of the key role played by culture for sustainable development, be it through its content (see Criterion 17) or its partnerships (see Criterion 18), and among young people in particular.



SDG 4.7



SDG 11.4

Supporting female artists and producers of cultural goods and services



Supporting the contribution of women throughout the entire content production process is a component of Vivendi’s performance. **Vivendi is a member of the Ministerial Committee for gender equality set up by the French Minister of Culture.** After launching its initial [study on the role of women in cinema and music in Europe](#) in 2013, Vivendi created a **Steering Committee** made up of several professionals of Canal+ Group and Universal Music in order to raise awareness and **collect data**. Thus, in 2015, 25% of the films bought up by Canal+ will be directed by women. As part of its policy of supporting the development of African production, the Canal+ Group’s channel A+ encourages several magazine and series projects led by women like Akissi Delta, Yolande Bogui and Alexandra Amon. Alexandra Amon, discovered by Canal+ Afrique during the project *L’Afrique au féminin*, saw her first series, *Chroniques africaines*, receive the award for best TV series at the 2015 Pan-African Film and Television Festival.



Promoting women in artistic creation is an ambition that nourishes Vivendi’s actions in a cross-cutting manner. Examples include: the group’s partnership with Sciences Po (see Criterion 18); the training program launched to support the local music sector in Mali (see Criterion 17); Vivendi’s website *Culture(s) with Vivendi* and CSR web radio *Vivoice* (described in detail under Criteria 17 and 21 respectively) that give exposure to women in high responsibility positions as well as women involved in traditionally ‘male’ professions in the cultural industry.

Taking Action in Support of Broader UN Goals and Issues

Raising awareness of sustainable development issues



SDG 4.7



SDG 12.8

Be it through its audiovisual and musical content, or through its partnerships, the group plays a leading role in the sharing of ideas and information on the major sustainable development challenges: human rights, protection of the environment, impact of new technologies on human development, dialogue between cultures, and mutual understanding between peoples and generations. Raising awareness of these issues is an integral part of “Sharing Knowledge”, a CSR strategic issue defined by Vivendi as soon as 2003.

Through its content and through the artists of the group who share the ambition of the United Nations, Vivendi is taking action. Below are certain highlights of the year 2015.

Universal Music Group has partnered with British director Richard Curtis to release “[Tell Everybody](#)”, a song and a video clip specifically dedicated to the UN sustainable development goals. A contest was organized for African youth to participate in writing the lyrics to “Tell Everybody”: in two weeks, almost **6,000 young people** from **24** countries participated in this call for ideas and sent their proposed lyrics via their mobile phones. This was the first crowd-sourced song on the continent. The song features verses in English, French, Pidgin, Swahili and Zulu. The significant participation of young Africans in this effort reflects their interest in the sustainable development goals. Several African artists from various countries joined forces and lent their talents to the production of this work: Becca (Ghana), Diamond (Tanzania), Mafikizolo (South Africa), Sarkodie (Ghana), Sauti Sol (Kenya), Toofan (Togo) and Yemi Alade (Nigeria). “Tell Everybody” invites young people to encourage their leaders to achieve these objectives in the next fifteen years.



The group’s television channels and Dailymotion were heavily involved in **COP 21, the 21st UN Conference on Climate Change**, which was held in Paris from November 30 to December 11, 2015. The Planète+ channels of Canal+ Group offered special programming: #LaPlanèteVousDitMerci from November 23 to November 30, during which **40 documentaries, including 16 original productions**, were broadcast. The channels chose a positive editorial message: to promote a society on the move, that acts both individually or collectively to provide real solutions to the environmental challenge. Several short videos were also produced in which celebrities talked about their commitment to the planet (Camille, Antoine de Caunes, Jeanne Cherhal, Abd Al Malik, Frédéric Michalak, Caroline Proust, and others). These videos are available on a Dailymotion’s dedicated channel.



Even before the start of the Conference, iTélé devoted a number of news reports to the consequences of global warming for the planet. iTélé followed the negotiations step by step and won an exclusive interview with the President of the United States, Barack Obama, during his stay in Paris. Various programs on Canal+ and D8 also covered ongoing news from COP 21.

Empowering and protecting young people in their use of digital media



Films, audiovisual programs, the Internet and other platforms can, on the one hand, expose young people to risks: the disclosure of personal data, excessive or inappropriate use, and access to sensitive content. On the other hand, these digital tools can offer them vast opportunities for expression and discovery as well as employability once they can master the use of media and information. It is Vivendi's responsibility to empower and protect the younger generation in its use of digital media and cultural practices, so that young people can express their creativity and status as citizens in an environment that respects their rights. Vivendi's commitment is in line with the **United Nations Convention on the Rights of the Child** and the **Children's Rights and Business Principles** (see also Criterion 4).

CRITERION

16

The COP describes strategic social investment and philanthropy

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy.
- ✓ Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors.
- Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups.
- Other established or emerging best practices.

Business programs

CanalOlympia: facilitating access to culture in Africa

In 2015, Vivendi launched an ambitious plan to open a **network of performance venues** in Central and West Africa under the name of CanalOlympia. These multi-use venues, which can serve as movie theaters or concert halls and venues, will facilitate access to culture and entertainment for audiences in countries that lack adequate infrastructure, and will act as catalysts for the development of talent in Africa. In the long-term, CanalOlympia intends to play a role in tying together the different cultural actors present on the continent.



The opening of the CanalOlympia network is in line with Vivendi's CSR commitment to sharing knowledge, which includes promoting access to culture and media in order to share the benefits of the group's rich audiovisual, cinematographic and musical offer with the largest audience. The project also forms part of Vivendi's strategy to be a leading player in **empowering new talent**, which is vital to an international media and content group.

The first CanalOlympia venue was inaugurated in Yaounde (Cameroon) in June 2016.

Programs to empower and professionalize the local cultural sector

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



A video about the 2015 edition of the training is [available on Culture\(s\) with Vivendi](#)

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

Solidarity programs and sponsorship actions

Since 2008, through its Vivendi Create Joy Fund, Vivendi has been committed to supporting ill, marginalized, at-risk or disadvantaged young people, aged 12-25. Each year, roughly thirty major projects aimed at the development of talent in musical, digital, journalism, cinema and television – the group's businesses – are financed. The goal of these projects, carried out by partner NGOs supported by the fund, is to develop a talent in young beneficiaries that makes them learn to value their unique personalities and build confidence in themselves.





Taking Action in Support of Broader UN Goals and Issues

The program has been implemented in Europe (France and Great Britain) and in French-speaking Africa. Vivendi's employees are involved with the NGOs supported through the Ambassadors Create Joy program; the volunteer skills provided by the Ambassadors assist in making the projects a success.

In addition to the corporate program, Vivendi's subsidiaries spent **more than 6.7 million of Euros** in solidarity programs and sponsorship actions in 2015.

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

Canal+ Group, which maintains a unique connection with the seventh art, supports the French film industry through its Canal+ Foundation for cinema. In addition, Canal+ has established a donation fund, "Kindia+", to support projects and associations in Guinea. These projects were featured in the Canal+ documentary series *Kindia*, the last episode of which was broadcast in November 2015.

CRITERION

17

The COP describes advocacy and public policy engagement

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Publicly advocate the importance of action in relation to one or more UN goals/issues.
- ✓ Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues.
- Other established or emerging best practices.

For more than ten years, as part of its various contributions and stakeholder dialogue, Vivendi has actively **argued for positioning culture as a pillar of sustainable development** and for the inclusion of culture in the United Nations global goals, **thus sharing the vision of UNESCO**.

2015 marked the 10th anniversary of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions. Vivendi participated in various events throughout the year to commemorate this anniversary and contributed to the work being carried out on the impact of digital on cultural diversity and on the scope of the Convention. In particular, Vivendi was a **partner of the international conference on “Manufacturing Curiosity”** organized by the French National Commission for UNESCO and held at the UNESCO headquarters on December 17, 2015. On that occasion, Vivendi’s Chief Operating Officer and member of the Management Board, Stéphane Roussel, took the floor to recall Vivendi’s positioning during the “Pow-Wow” conference roundtable.



17 décembre 2015 à 18:59 durée : 1 heures 34 minutes 11 secondes

CONFÉRENCE INTERNATIONALE
LES NOUVELLES FABRIQUES
DE LA CURIOSITÉ

**TABLE RONDE 4 : LA GRANDE
CONVERSATION**

Les nouvelles fabriques de la curiosité

Écouter ce podcast

Quels terrains d'accord, quelles responsabilités partagées et quelles solutions peuvent être envisagées entre acteurs publics et privés face à ce bouleversement des pratiques culturelles en ligne ?

[Listen to the podcast of the roundtable on Vivoice, Vivendi's CSR web radio](#)

To illustrate in a tangible manner the major role played by cultural industries in stimulating economic growth, strengthening social cohesion, encouraging intercultural living together and promoting innovation, Vivendi launched the website **Culture(s) with Vivendi** (cultureswithvivendi.com) in 2012. Through testimonials, video interviews, artist profiles, news, facts and figures, the website places “culture at the heart of sustainable development”.

Taking Action in Support of Broader UN Goals and Issues

culture(s)
with **vivendi**

In 2015, the site featured more than 60 new videos, articles and portraits of artists.

Among the “Artist Inspirations”, the portraits of **Calogero**, **Henri Langlois**, **Asaf Avidan** and **Martin Scorsese** are worth noting. Singer-songwriter and composer **Alex Beaupain**, conductor **Zahia Ziouani**, documentary producer **Carole Bienaimé-Besse**, opera singer **Julie Fuchs** and **Olivier Nusse**, formerly CEO of the Mercury and Decca Records labels (classical and jazz) in France, are some of the professionals who granted *Culture(s) with Vivendi* an interview to talk about their professions on camera.



[Martin Scorsese](#)



[Zahia Ziouani](#)



[Olivier Nusse](#)

The “Intercultural Dialogue” section of the website, which invites visitors to discover other cultures so as to encourage a spirit of open-mindedness, has recorded the stories of South African soprano **Pumeza Matshikiza**, the Malian maestro of kora **Ballaké Sissoko**, and **Amina Taha Hussein-Okada**, head curator of the National Museum of Asian Arts – Guimet.



[Ballaké Sissoko](#)



[Pumeza Matshikiza](#)



[Amina Taha Hussein-Okada](#)

Because the voices of young people occupy an important place in Vivendi’s CSR approach, a “Youth Forum” section has been created so that young people can express their views and their expectations.

Culture was also regularly featured in the programs of *Vivoice*, Vivendi’s CSR webradio, in its special program [“Intercultural dialogue: proposals for action”](#) and in a series of one-to-one interviews with personalities and experts such as **Christophe Geroudet**, National Delegate of the ATD Quart Monde France association, **Blandine Pélissier**, actress, translator, stage director and activist of Mouvement HF, and **Charles Vallerand**, Executive Director of the Canadian Coalition for Cultural Diversity and General Secretary of the International Federation of Coalitions for Cultural Diversity. In addition, the entire “Manufacturing Curiosity” conference was broadcasted live, and then made available as a podcast, on *Vivoice* in order to share the discussions with the largest audience.

CRITERION

18

The COP describes partnerships and collective action

- Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.
- ✓ Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy.
- Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain.
- Other established or emerging best practices.

In 2015, Vivendi has established an **innovative partnership with Sciences Po** to foster debate with different audiences at this prestigious university on corporate social responsibility in the media and cultural industries sector. Two major themes have structured this partnership: the **role of women in artistic creation** and the **contribution of culture to sustainable development on the African continent**.

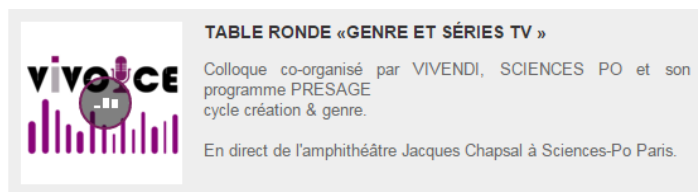
The organization of a **conference** in collaboration with female researchers from **Présage** (a network of researchers at Sciences Po), specializing in cinema and TV, and with **film and television professionals from Canal+ Group** has increased the awareness of Sciences Po students on the role of women in fiction and TV series, and the ways in which media companies influence audience views of representations of society.

Involving young citizens in dialogue about sustainable development is an integral part of Vivendi's CSR approach. Thus, during the UNESCO international conference on "Manufacturing Curiosity" of which Vivendi was a partner, **prizes were awarded to students from the Sciences Po Europe-Africa program**, aged 17-19, who had written the best essays on the theme "Culture and digital supporting sustainable development in Africa."



The award ceremony for the Sciences Po – Vivendi Media CSR Innovation Prizes. [The winning essays can be read on Culture\(s\) with Vivendi](#)

Taking Action in Support of Broader UN Goals and Issues



[Listen to the podcast of the “Gender and Fiction” conference on Vivoice, Vivendi’s CSR web radio](#)

As previously recalled (see Criterion 17), Vivendi also partnered with the French National Commission for UNESCO to organize the “Manufacturing Curiosity” conference in the context of the 10th anniversary celebrations of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions.

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

These partnerships are an integral part of Vivendi’s regular and constructive dialogue with stakeholders about the group’s CSR issues (see also Criterion 21). In 2015, as part of this dialogue process, Vivendi contributed to proposals made by the **UNESCO chair “To move forward in sustainable digital development”** and took part in the works of the Sustainable Finance Commission of **Paris Europlace**, as well as to those of the **French Institute of Directors (IFA)** on the role of the Board of Directors to address CSR.

Vivendi is also a founding member of the French Study Center for Social Responsibility (ORSE), and of the French CSR Media Forum which brings together French media companies committed to CSR. In 2015, Vivendi contributed to the development of a “Media CSR and advertising” factsheet that updated the [“CSR in the Media Sector”](#) handbook launched by the Forum in 2014.

CORPORATE SUSTAINABILITY GOVERNANCE AND LEADERSHIP

CRITERION

19

The COP describes CEO commitment and leadership

- *Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.*
- ✓ *CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact.*
- *CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards.*
- *CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation.*
- ✓ *Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team.*
- *Other established or emerging best practices.*

In addition to the CEO Declaration that has introduced Vivendi's Communications on Progress since the group joined the Global Compact (see p.2), the CEO commitment is delivered in Chapters 1 and 2 of the Annual Report, a document published under the CEO's responsibility, which engages the group's responsibility towards its stakeholders.

Vivendi's CSR commitments were reaffirmed by the highest corporate bodies on the occasion of the 2016 Shareholders' Meeting, first by the group's General Counsel, followed by the Chairwoman of the Audit Committee and member of the Supervisory Board, Cathia Lawson-Hall, who focused on the works relating to CSR carried out by the Audit Committee. In addition, the Chairman of the Management Board invited the Statutory Auditors to share the results of the verification work conducted on extra-financial information ([the video webcast of the Shareholders' Meeting is accessible online](#)).

A portion of the Corporate Officers' variable remuneration is subject to criteria, related to the CSR "core" issues, described on pages 20-21 of this Communication on Progress. The elements taken into account in calculating the variable compensation, including the CSR criteria, are disclosed in Chapters 2 and 3 of the Annual Report 2015.

CRITERION**20****The COP describes Board adoption and oversight**

- *Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.*
- ✓ *Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance.*
- ✓ *Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability.*
- *Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress).*
- *Other established or emerging best practices.*

The CSR department reports to the **Chief Operating Officer, who is a member of Vivendi's Management Board**. In accordance with its internal rules, the Supervisory Board regularly examines the group's corporate social responsibility policy. The Management Board informs the Supervisory Board of CSR policy results in a quarterly activity report.

Corporate social responsibility is on the agenda of the two committees operating within the Supervisory Board:

- the **Corporate Governance, Nominations and Remuneration Committee** assesses in more detail the achievement of the CSR objectives included in the variable compensation of the group's senior executives, and calculates the corresponding bonus;
- in addition, starting from 2015, the **Audit Committee** reviews the group's CSR policy twice a year.

A Steering Committee made up of members of the Management Board and functional departments (Legal, Human Resources, and CSR) regularly evaluates changes and improvements to reporting within the group.

CRITERION

21

The COP describes stakeholder engagement

- *Any relevant policies, procedures, and activities that the company plans to undertake to fulfill this criterion, including goals, timelines, metrics, and responsible staff.*
- ✓ *Publicly recognize responsibility for the company's impacts on internal and external stakeholders.*
- ✓ *Define sustainability strategies, goals and policies in consultation with key stakeholders.*
- ✓ *Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance.*
- ✓ *Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'.*
- *Other established or emerging best practices.*

As part of its corporate social responsibility policy, Vivendi maintains regular and constructive dialogue with all its partners: investors and analysts, representatives of national, European and international institutions, professional organizations, the academic world and NGOs.

The choice to experiment, in part, with the International Integrated Reporting Council (IIRC) framework and formalization proposed by it, made it possible for Vivendi to formalize an analysis of value creation and of the benefits enjoyed by the different stakeholders of the group (see pp.7-11).

Several channels are in place to foster dialogue with the group's different audiences, including:

- **meetings with the Chair of the Management Board:** in 2015, the Chair of Vivendi's Management Board organized a meeting with representatives of civil society (institutions, artists, financial community, start-ups and the academic world) to discuss the responsibility of the different players in relation to cultural diversity;
- **CSR Committees** (see Criterion 1): consisting of representatives of the subsidiaries and of functional departments at corporate headquarters, the CSR Committee meetings provide an opportunity to invite experts, representatives from civil society or from national, European and international institutions to discuss topics within the group's eight priority CSR issues;
- **partnerships and participation in working groups** (see Criterion 18);
- **consultations:** in 2014, Vivendi carried out a consultation with 40 stakeholders to better understand their perception of the group's CSR policy;
- **the website *Culture(s) with Vivendi*** (see Criterion 17) and the **CSR web radio *Vivoice***: Vivendi has created two innovative digital tools to give the floor to stakeholders on the specific responsibility issues of the media and content industry.



In 2015, 36 guests spoke on [Vivoice, Vivendi's CSR web radio](#), in two broadcast formats.

“CSR sets the tone”, in short format, gave numerous stakeholders an opportunity to speak, including: CNIL (the French data protection authority), University of Paris VIII, the Avignon Forum, the European Youth Parliament, the Cultural Diversity Observatory, along with the association ATD Quart Monde, the International Federation of Coalitions for Cultural Diversity, South Pole Group, the HF Movement for Equality of Men and Women in Culture, and Sycomore AM.

Vivoice also organizes special programs which have addressed the following topics: “Gender and Fiction”, “The Production of Women’s Films”, “Intercultural Dialogue: Proposals for Action”, “Responsible Purchasing: from Commitment to Implementation”, “Companies: the Challenge of Digital Innovation and Trust”, and “Manufacturing Curiosity: Digital and Cultural Diversity Debated at UNESCO”.

The social media, which was highly active during the broadcasts, disseminated these testimonials to the company’s different audiences.



*Special broadcast “Companies: the Challenge of Digital Innovation and Trust”
(October 21, 2015)*

Edited by Vivendi's Corporate Social Responsibility Department.

Contact: developpementdurable@vivendi.com

vivendi

www.vivendi.com

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