



**CSR AT LAGARDÈRE  
IN 2016-2017**  
Giving meaning

*Lagardère*





Lagardère group stand at the CDMGE Academic Challenge,  
June 2016 - Paris (France).

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# Group profile

It is Lagardère's mission to ensure that its audiences and consumers around the world are loyal to the Group's strong brands, and it achieves that by publishing, producing, broadcasting and distributing content and services that are innovative and responsible, enriched by the expertise and diversity of the Group's talent.

Operating in around 40 countries, the Group has four business divisions:

**Lagardère Publishing**, which publishes books and e-books in many subject areas (Education, General Literature, Illustrated Books, Partworks, Dictionaries and Youth Works) and carries out Distribution activities for its own publishers and third-party publishers.

**Lagardère Travel Retail**, which develops retail activities in travel areas, focusing on the three segments of Travel Essentials, Duty Free & Fashion and Foodservice.

**Lagardère Active**, which contains the Group's Press, Audiovisual (Radio, Television, Audiovisual Production), Digital and Advertising Sales Brokerage activities, and features iconic brands such as Elle, Europe 1, Paris Match, Gulli and Doctissimo.

**Lagardère Sports and Entertainment**, a global integrated marketing agency specialising in the fields of sports and entertainment, offering a comprehensive range of services for sports rights holders, brands, athletes and media companies.

In 2016, the Group generated revenue of **€7,391 million** and had **28,575 permanent employees** as at 31 December.

## Permanent workforce by geographic area at 31 December 2016

### FRANCE

Lagardère Publishing	2,319
Lagardère Travel Retail	3,987
Lagardère Active	2,538
Lagardère Sports and Entertainment	456
Other activities	147
<b>Total</b>	<b>9,447</b>

### EUROPE (EXCL. FRANCE)

Lagardère Publishing	2,490
Lagardère Travel Retail	5,081
Lagardère Active	728
Lagardère Sports and Entertainment	604
<b>Total</b>	<b>8,903</b>

### NORTH AND SOUTH AMERICA

Lagardère Publishing	1,638
Lagardère Travel Retail	5,794
Lagardère Sports and Entertainment	147
<b>Total</b>	<b>7,579</b>

### ASIA-PACIFIC

Lagardère Publishing	126
Lagardère Travel Retail	2,188
Lagardère Sports and Entertainment	233
<b>Total</b>	<b>2,547</b>

### AFRICA

Lagardère Publishing	80
Lagardère Active	19
<b>Total</b>	<b>99</b>



# Giving meaning

**Whereas the main event in 2015 was COP21 and its implications for climate issues, the news in 2016 was dominated by major social and geopolitical changes, which our Group cannot ignore.**

More than ever, Lagardère's social responsibility includes giving meaning to the upheaval taking place in our society, in accordance with our values of audacity, independence and creativity.

**Giving meaning**, first of all, to our education role. Opening people's minds and helping them to understand the world around them. That includes supporting young people through the work done by our educational publishing houses, which undertook many initiatives in 2016, and through our youth channels, which greatly increased the number of educational programmes and events they offer. But also addressing all our audiences, readers, internet users, travellers, listeners, viewers and anyone else who consumes our content and services. Because while climate issues remain fundamental – and the Group carried out its first carbon audit covering all of its businesses in 2016 – there are also many social issues that resonate across Lagardère.

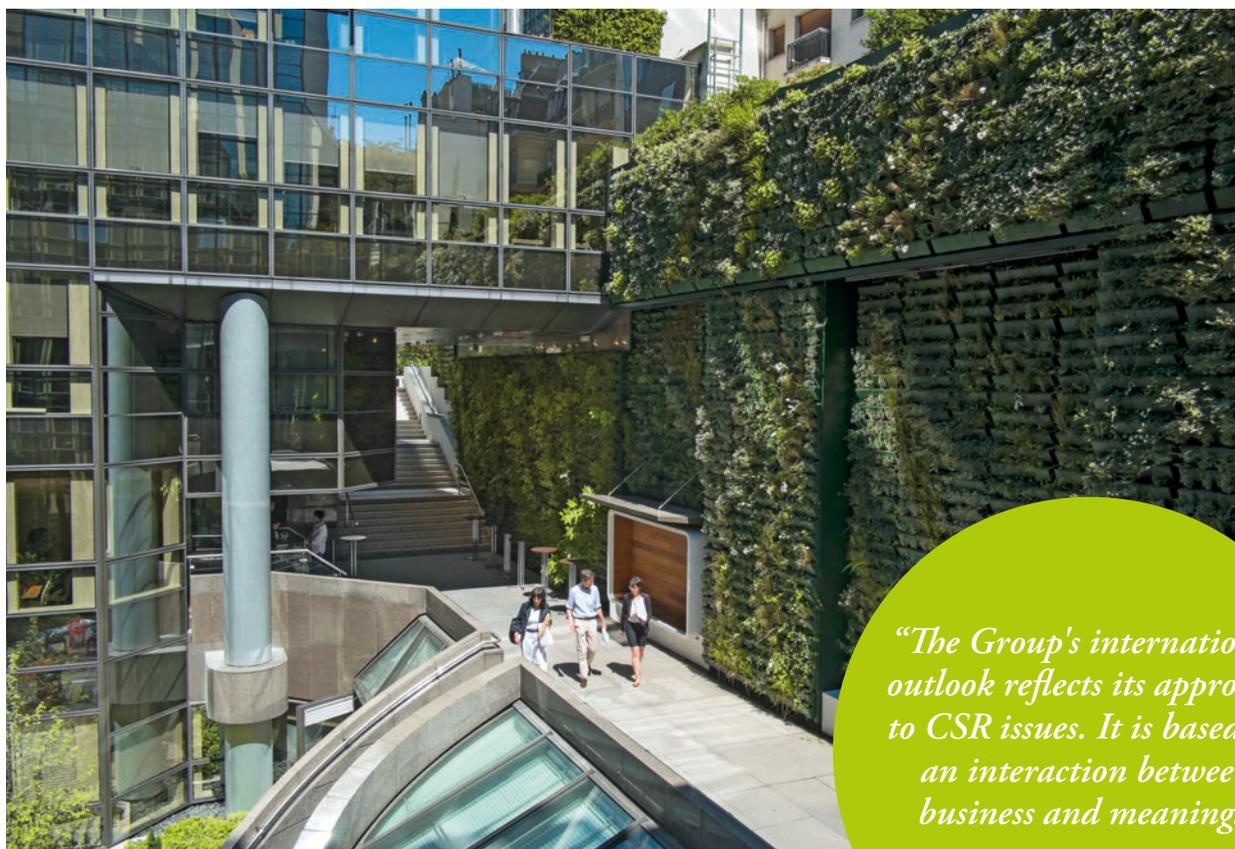
Next, **giving meaning** to our commitment to women, which remains central to our values. Not only within our teams – with women making up a much higher proportion of our executives in 2016 than before – but also

in the society that surrounds us. Once again, *Elle* magazine and the Elle Foundation were at the forefront of these efforts.

**Giving meaning** also to the innovation that motivates all of our employees in their day-to-day work. Cultural innovation, through the Jean-Luc Lagardère Foundation's support for another ten talented creatives; digital innovation including Hachette Livre's first forays into mobile apps; and social innovation with "Trophées Europe 1 de l'Avenir" awards, which aim to help build a sustainable and harmonious society. Our responsibilities give rise to some wonderful challenges. Once again, I was proud to address those challenges in 2016, supported by the unflinching commitment of the women and men who make up our Group.

Arnaud Lagardère

# Objectives of the CSR policy



Lagardère group head office in Paris (France).

*“The Group's international outlook reflects its approach to CSR issues. It is based on an interaction between business and meaning.”*

Third meeting of the stakeholder panel, May 2016

The Lagardère group's social responsibility policy is designed to address three requirements.

The first is that the Group needs to **respond to the increasing demands of regulators** in individual countries and at the European level. CSR is increasingly governed by standards and legislation. Some of those rules set out obligations regarding the publication of CSR information, which at Lagardère has been verified by an independent third-party organisation for five years. Regulators are also increasingly demanding in terms of the vigilance and control processes we must adopt.

The second requirement is that the Lagardère group must **align its CSR approach with its business development strategy**. Developments in the Group's activities – including growth in digital activities, expansion into new territories and the development of new activities – have a specific impact on society and so particular attention must be paid to them in terms of CSR.

The third requirement is for Lagardère **to strengthen its dialogue with its stakeholders**. This dialogue, which takes place every day in every division, has been embodied by the Group's stakeholder panel since 2015 and progressed to the next level through the broad consultation carried out by the Group in the first half of 2017.

# Strategic priorities



Lagardère group integration day for new employees, June 2016 – Paris (France).

## **Boosting diversity and the innovation and commitment capacity of our talent**

Diversity fosters creativity and attracts talent. The Lagardère group encourages diversity by promoting equal opportunities, focusing on three areas: equality between women and men, disabilities and representation of ethnic and social origins.

Innovation is also central to the Group's duty to support its staff, in the training courses it provides to employees and in the encouragement it gives to their social commitments.

## **Ensuring responsible digital management**

Making digital technology a way of both driving growth and fostering trust: that is the equation that Lagardère must solve.

The Group is aware that it needs to develop its value-enhancing and innovative businesses and digital expertise in a responsible way that fosters trust. Accordingly, it sets demanding targets as regards keeping staff up-to-date and providing them with training on technological developments, personal data protection and combating piracy, as well as monitoring the environmental impact of digital media that carry the Group's content.

## **Promoting access to culture and entertainment**

The Group plays a major role in the fields of culture, knowledge, information, entertainment, sport and travel retail. It has specific social responsibilities to the whole of civil society.

Ensuring access to the Group's content, promoting the diversity of its content, giving exposure to a wide range of ideas and offering unfailing support to freedom of expression are central to those responsibilities, as are protecting youth, providing media education and promoting reading.

## **Strengthening our operational sustainability**

Although the Lagardère group's activities take place mainly in the service sector, its activities can still have a direct or indirect environmental impact that it needs to manage. The Group's environmental commitments are based on helping to fight climate change, preserving natural resources and ensuring that its entire supply chain, including its food supply chain, is environmentally responsible.



### ISABELLE JUPPÉ

Corporate Social Responsibility Director,  
Lagardère group

**Lagardère**

## RESPONSIBILITY ON ALL FRONTS

In 2016, Lagardère's initiatives included a carbon audit covering the whole Group, the continuation of a training programme for managers in all four divisions aimed at combating stereotypes, the introduction of a programme for the protection of personal data, ISO 20121 certification for the Eiffel Tower fan zone during the UEFA Euro 2016 football tournament at Lagardère Sports and Entertainment, increased attention to hygiene and food safety at Lagardère Travel Retail, the launch of Elle Active Forums in the French regions, the "Trophées Europe 1 de l'Avenir" awards, and the extension of the responsible paper management programme at Hachette Book Group.

The Group deployed a wide range of initiatives in 2016, covering all three areas of our responsibility: workforce-related, social and environmental.

To assess more effectively which of these issues are the most relevant and have the greatest economic impact on its activities, the Lagardère group carried out a broad consultation of its external and internal stakeholders.

The materiality analysis resulting from that consultation will enable the Group to make progress in dealing with its material issues, while involving all of its employees more closely in its CSR approach.

[www.lagardere.com](http://www.lagardere.com)

*"The company exists within an ecosystem made up of various stakeholders including civil society, suppliers and partners. The materiality analysis allows the company to use CSR to leverage economic progress."*

Fourth meeting of the stakeholder panel, December 2016



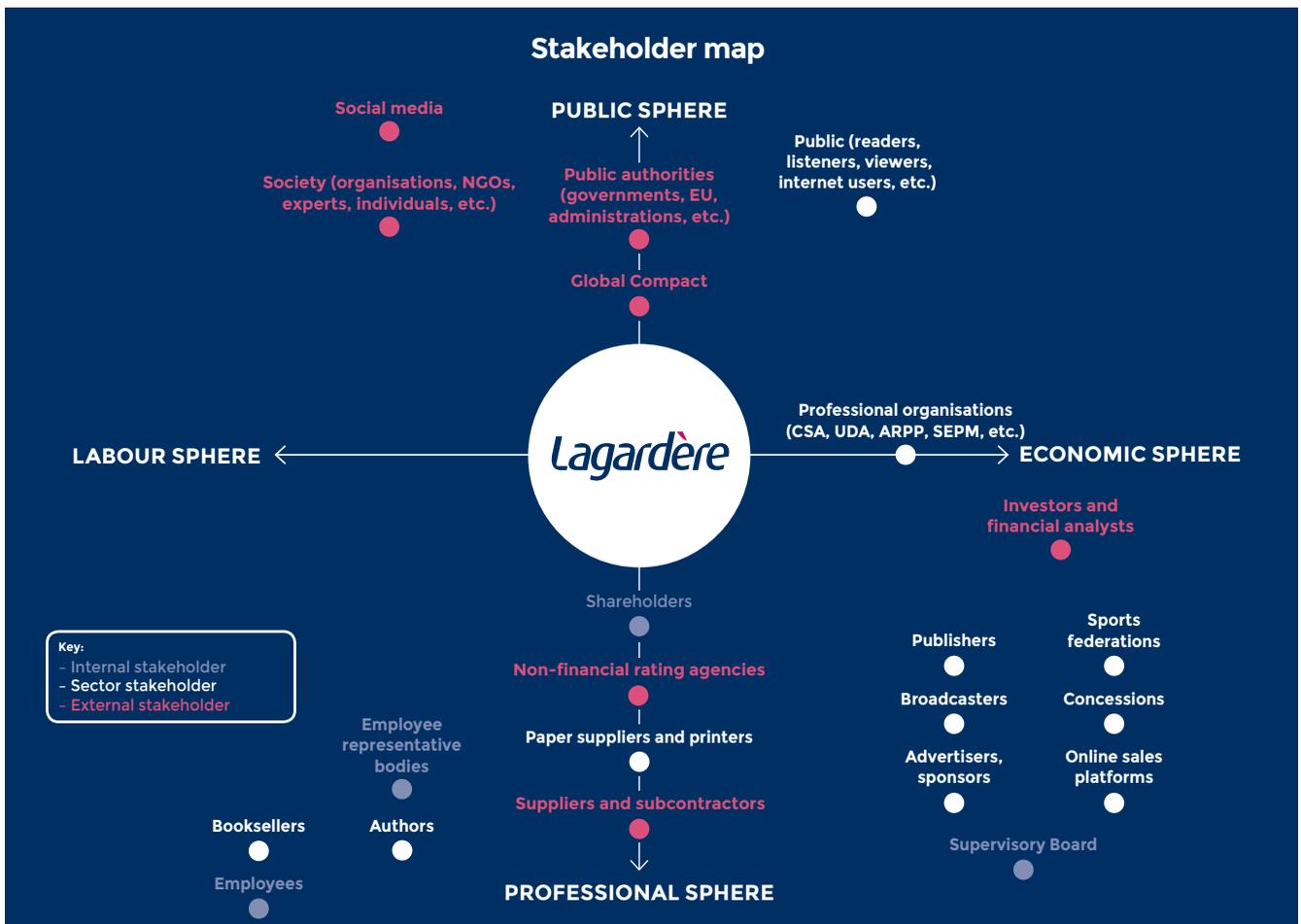
"Sustainable development and CSR" workshop during the Lagardère group integration day, June 2016 - Paris (France).

# Increasing dialogue with stakeholders

**The Lagardère group’s stakeholders include suppliers and advertisers, broadcasters and investors, listeners and travellers, licensors and regulators, and rights holders and sports clubs. They are increasingly numerous, involved and diverse.**

Stakeholders are constantly in touch with the Lagardère group; they may affect the Group, and the Group’s activities may affect them. Stakeholders may be industry-specific (such as the various professional organisations related to each of the Group’s business lines), internal (since employees across all the Group’s entities make up its largest stakeholder) or external (representing various aspects of civil society, in both the public and private sectors).

In 2015, to enhance dialogue with stakeholders, we set up a panel of people representing those stakeholders. They are experts in the Group’s business areas (culture, travel retail, sport, digital, etc.) and in its areas of responsibility (diversity, innovation, environmental responsibility and ethics), and they are supporting Lagardère’s social responsibility efforts.





**THIERRY FUNCK-BRENTANO**

Co-Managing Partner, Lagardère group  
Chief Human Relations, Communications  
and Sustainable Development Officer



**CONSTRUCTIVE DIALOGUE WITH THE STAKEHOLDER PANEL**

To use CSR as a driver of innovation and performance, the Lagardère group has for a long time sought to strengthen its dialogue with stakeholders.

In 2015, it set up a panel of 13 people who represent the Group's main business lines and CSR issues, in order to engage in a forward-looking discussion about the Group's main workforce-related, social and environmental challenges. Initial discussions with the panel enabled us to hone our CSR roadmap.

The stakeholder panel met a further two times in 2016. In those meetings, members discussed CSR opportunities – particularly regarding education

and the development of local talent – arising from Lagardère's new developments in Africa.

The panel was also involved in preparing the materiality analysis relating to the Group's CSR issues, which took place in early 2017 via a consultation of the Group's numerous internal and external stakeholders. The analysis must make it possible to identify the areas of responsibility in which Lagardère's stakeholders expect it to do the most, and that have the greatest impact on the business models of our various activities.

[www.lagardere.com](http://www.lagardere.com)

**Members of the stakeholder panel**



**Anne de Béthencourt**

Director of External Relations for the Fondation Nicolas Hulot pour la Nature et l'Homme, Vice-President of the Institute for the Circular Economy



**Agathe Bousquet**

President and CEO, Havas Worldwide Paris



**Philippe Charbit**

Director, Customer services and solutions, Presstalis



**Stéphane Diagana**

Business speaker, former high-level athlete



**Léa Dunand-Chatellet**

Director of share management and member of the Executive Board, Mirova



**Roxana Family**

Chair of law and business ethics, Director of the law and business ethics masters programme, Dean of the law faculty, University of Cergy-Pontoise



**Laëtitia Grail**

CEO and Co-founder, myBlee



**Alain Grandjean**

Economist, Founding partner, Carbone 4



**Noëlle Genavire**

Board Secretary, Group Employees' Committee and European Works Committee, Lagardère group



**Michel Lévy-Provençal**

Founder, TEDx Paris



**Bernard Ourghanlian**

Chief Technology and Security Officer, Microsoft



**Jean-Christophe Perruchot**

CEO, STAL Industrie



**Olivier Poivre d'Arvor**

Ambassador of the cultural attractiveness of France

# Responsible governance



**Responsible governance, sometimes referred to as business ethics, results from sustainable commitments, organisational methods and practices and is the foundation of trust on which the Lagardère group CSR approach is built.**

**First and foremost, it relates to the structure of Lagardère SCA** and the specific features of its legal form. It is a French limited partnership with shares which, because of its two categories of partners (General Partners and Limited Partners), is able to meet two basic requirements: the absolute separation of power between the executive body (the Managing Partners) and the supervisory body (the Supervisory Board) and the inclusion of shareholders in the supervision of the company. The independence of its Supervisory Board members – a large proportion of whom are women – and its operational methods (two special committees, one of which expanded its remit to include CSR in 2015) also promote responsible governance.

**Responsible governance also relates to the organisation of the CSR function.** The CSR function is represented among the Lagardère group's Managing Partners by Thierry Funck-Brentano, who is also Chief

Human Relations and Communications Officer. The Sustainable Development Department, which reports to Mr Funck-Brentano, co-ordinates the sustainable development steering committee (which validates the CSR strategy and promotes the sharing of best practice), engages in stakeholder dialogue and carries out annual CSR reporting.

**Finally, responsible governance involves commitment to the national and international rules** that determine the CSR policy, such as the ten principles of the Global Compact, to which the Lagardère group has been a signatory since 2003, but also to texts that set out the Group's ethical standards (such as its Code of Conduct and Responsible Procurement policy), compliance programmes applied within the workforce and strict rules on the protection of youth and advertising, for example.



**PIERRE LEROY**  
Co-Managing Partner, Lagardère group



## A SUPERVISORY BOARD THAT PAYS CLOSE ATTENTION TO CSR

Our Supervisory Board's Appointments, Remuneration and Governance Committee once again considered our CSR roadmap in 2016. This shows that Supervisory Board members are very interested in matters relating to ethics and workforce-related, social and environmental responsibility issues, which contribute to our Group's performance.

When the Sustainable Development Department presented the Group's CSR roadmap, the committee was particularly interested in the plan to carry out a materiality analysis. In particular, this analysis will enable Lagardère to identify the CSR issues that have the greatest economic impact on the Group's activities.

The committee has also looked at the human resources function's awareness of issues regarding religion in the workplace, and has welcomed the use of qualitative CSR criteria when calculating the Managing Partners' remuneration.

There is no doubt that its discussions with the Supervisory Board will continue to help our Group make progress in its various areas of responsibility.

[www.lagardere.com](http://www.lagardere.com)

### Sustainable development organisational structure



# Boosting diversity and the innovation and commitment capacity of our talent

**Diversity fosters creativity and attracts talent. The Lagardère group encourages diversity by promoting equal opportunities, focusing on three areas: equality between women and men, disabilities and representation of ethnic and social origins. The ability of our staff to commit themselves also helps us to fulfil our responsibilities.**

**As regards gender equality**, 63% of the Group's employees and 42% of its executives are women, and the main issue for the Group concerns supporting young women with their career development. In 2016, while several women were appointed to highly responsible positions within functions that were previously male-dominated, the Group's main focus was on providing support for young women.

Women from across the Group were therefore invited to take part in various workshops and conferences organised as part of the Elle Active Forum in Paris, to help them meet the various day-to-day challenges that arise during their careers. At Lagardère Active, the Elle Active Academy is a dedicated training programme that has been undertaken by 51 female employees.

**As regards disabilities**, the Group's various disability-oriented organisations organised several staff awareness-raising events.

**In terms of representing ethnic and social diversity**, the training course about preventing stereotypes from causing bias in decision-making – taken by Executive Committee members in particular – was rolled out to several dozen managers, and a new analysis of recruitment procedures was launched.

To further promote communal wellbeing among the workforce, the Lagardère group revised its Code of Conduct in order to emphasise its neutrality with respect to religions. Heads of human resources in the Group's divisions also took a training course dealing specifically with this theme.

**The Lagardère group's strength** derives from its people. Throughout their careers, they receive support to help them progress and enhance their skills and expertise. In 2016, managers who had recently joined the Group took part in an annual integration day. They will then be invited to do "business-line" training related to their roles, and some will undertake the leadership programme intended for those with high potential.

By recognising employees, valuing them and securing their commitment, the Group can achieve great progress. Regardless of their business line or status within the Group, they make us more able to meet economic, environmental and social challenges. A good example is the Chairman and Chief Executive Officer of Lagardère Travel Retail Pacific, who has for several years taken part in the Sleep Out initiative, in which people spend a night in the company of homeless people.



## Breakdown of staff recruitments in 2016, by occupational group and gender

	Recruitments		Merger/ Absorption		Contract conversions		Internal mobility	
	Women	Men	Women	Men	Women	Men	Women	Men
Lagardère Publishing	499	281	121	68	118	33	41	16
Lagardère Travel Retail	4,500	2,138	0	2	142	101	11	16
Lagardère Active	217	200	81	24	81	90	18	14
Lagardère Sports and Entertainment	98	148	5	8	26	60	2	17
Other Activities	6	5	0	0	3	1	1	1
<b>Group total 2016</b>	<b>5,320</b>	<b>2,772</b>	<b>207</b>	<b>102</b>	<b>370</b>	<b>285</b>	<b>73</b>	<b>64</b>
<b>Breakdown 2016</b>	<b>66%</b>	<b>34%</b>	<b>67%</b>	<b>33%</b>	<b>56%</b>	<b>44%</b>	<b>53%</b>	<b>47%</b>
<b>Breakdown 2015</b>	<b>60%</b>	<b>40%</b>	<b>-</b>	<b>-</b>	<b>56%</b>	<b>44%</b>	<b>60%</b>	<b>40%</b>



Meeting at the Lagardère Sports and Entertainment head office, Boulogne-Billancourt (France).

# Mutual respect and discrimination



**LAURE MAGREZ**  
Deputy Director - Group HR Development



## ASSERTING THE RULES OF COMMUNAL WELLBEING

The diversity of origins and cultures among all Group employees, along with gender equality in our business lines, are performance drivers for Lagardère.

To promote communal wellbeing and ensure respect for each person's identity, it was crucial to define clear rules of conduct that are shared by all.

In the amended article of the Code of Conduct entitled "Mutual respect and discrimination", the Lagardère group asserts that "objectivity, fairness, common sense, open-mindedness and dialogue must form the basis of all actions and decisions taken by management".

The article also deals with religious diversity, reasserting the Group's neutrality with respect to all religions, ensuring equal treatment of staff and reiterating that no religious practice may undermine the smooth running of the company.

In this complex area, the Group started a procedure in June 2016 to raise awareness across the Group's HR function of cultural and religious diversity in the workplace, involving Patrick Banon, professor at Paris-Dauphine university and specialising in managing religious diversity at work.

[www.lagardere.com](http://www.lagardere.com)

42%

Percentage of the Lagardère group's executives who are women.



HR meeting to raise awareness about religious diversity in the workplace, June 2016 – Paris

# Gender equality



## MATHILDE MOUQUET

Head of HR Development,  
Lagardère Active

**Lagardère**  
ACTIVE

### ELLE ACTIVE ACADEMY INITIATIVES IMPLEMENTED AT LAGARDÈRE ACTIVE

The Elle Active Forum is an event organised by *Elle* magazine that has been held in several French cities since 2012. It has gradually established itself as an unmissable annual event for working women.

The events deal with several key themes relating to women's career management, via practical workshops and one-on-one meetings, but also debates with experts. Over the years, feedback from participants has prompted Elle Active's team to link up with training consultancies in order to cover subjects in greater depth. As a result, specific training courses have been developed to help women increase their professional skills.

Lagardère Active has naturally taken part in the project by setting up these in-house training courses. So far, more than 50 women have taken part in them. We decided to organise this training on an intracompany basis to foster discussions about these matters within the division.

The Elle Active Academy forms part of an approach promoting responsible commitment to women.

[www.elle.fr](http://www.elle.fr)

More than  
**50**

female employees  
of Lagardère Active  
have received training  
through the Elle Active  
Academy.



Mentoring workshop at the Elle Active Forum,  
April 2016 – Paris (France).

# Cultural diversity within our teams



**JEAN-BAPTISTE MORIN**  
Chief Talent & Organisation Officer –  
Regional COO, Lagardère Travel Retail



## **RAISING MANAGERS' AWARENESS OF HOW STEREOTYPES CAN CAUSE BIAS WHEN MAKING DECISIONS**

Lagardère Travel Retail operates in 32 countries across four continents, and its very activity means that it experiences the cultural diversity of its various business partners every day. As a result, it is naturally required to promote multiculturalism among its workforce and take a socially responsible approach that allows its women and men to communicate and discuss matters more effectively, despite language barriers and the diversity of cultural behaviours at work.

This approach starts by raising everyone's awareness, at all levels of responsibility. It enables the company to understand the various values systems and behaviours that lie beneath its cultural diversity. Initiatives in this area include training courses about how stereotypes can cause bias in decision-making, which were provided to the whole management team in 2016, before being rolled out to executives in the company's operational entities.

[www.lagardere-tr.com](http://www.lagardere-tr.com)

**Over  
70**  
top managers at  
the Lagardère group  
have received training  
regarding bias in  
decision-making.



Group HR seminar, June-July 2016 - Crécly-la-Chapelle (France).

# Social commitment among employees



Commitment Grants ceremony, November 2016 – Paris (France).

*“The Foundation's Commitment Grant gave a major boost to a project that is particularly dear to my heart. It also gives encouragement to all employees who want to get involved in community projects.”*

Panagiotis Kyrkopoulos, Tax Manager – Lagardère Sports and Entertainment



## QUITERIE CAMUS

Deputy Director,  
Jean-Luc Lagardère Foundation

FONDATION Jean-Luc  
**Lagardère**

## GRANTS FOR CHARITABLE PROJECTS

Since 2014, the Jean-Luc Lagardère Foundation has been making Commitment Grants to charities sponsored by Lagardère group employees.

In the third year of the programme, two new features were added: each grant is now worth €10,000 and Lagardère group employees voted online for the winning projects via Enter, the Group's intranet portal. The change was very successful because more than 700 employees voted.

Three grants were awarded in 2016. One of them allowed the Proximité charity, supported by a Lagardère Travel Retail employee, to sponsor for the first time

students of an “internat de la réussite” state boarding school for disadvantaged children, to help their social and professional integration.

The winning projects allow the Foundation to further its efforts in the fields of culture, sport, diversity, education and medical research. For Lagardère group employees, it allows them to find out more about the areas in which the Foundation works, and to feel more involved.

[www.fondation-jeanluclagardere.com](http://www.fondation-jeanluclagardere.com)

# Supporting responsible digital management

**The Lagardère group's growing involvement in digital technologies creates new challenges for the Group, requiring it to devise new business models, offer new services and rethink its activities, and to forge and manage new relationships with its audiences. However, the growth and innovation that the Group expects to achieve through digital technologies must also be accompanied by trust and responsibility.**

Independently of the Group's ongoing focus on innovation – particularly via the Group Innovation Network, its data usage monitoring unit and its stakes in two investment funds focusing on digital technologies – the divisions continued the digital development of their activities in 2016. Hachette Livre, for example, which makes all its new titles available in digital form, acquired and invested in two video games and mobile app start-ups in 2016.

The first challenge arising from the increasingly digital nature of our activities is to train our staff, who must adjust to the increasing and constant changes in business lines, management methods, tools and services that are affected by digital technology. The Group's long-standing partnership with the monitoring firm Netexplo is extremely useful in this respect. However, the development of digital technology as a growth driver also means greater responsibility in personal data protection and the fight against piracy.

**Personal data protection** covers both the data of employees and those of the Group's customers. Another employee awareness campaign was carried out in 2016 featuring an online educational game, and awareness-raising articles were published across various media.

To ensure compliance with new European data protection regulations that will come into force in May 2018, the Group started to make preparations in 2016. In particular, a new Group data protection officer was appointed. In 2017, that officer will finish setting up his network of local correspondents, and will start rolling out guidelines using a common system.

As regards the **protection of intellectual property**, it lies at the heart of our businesses and particularly at Lagardère Publishing, since its publishers are the custodians of their authors' copyright.

Finally, although Lagardère produces content and not the media through which it is distributed, the Group must still take an interest in the environmental impact of those media. The Group itself uses many of the technologies involved (PCs, mobile phones, tablets, servers, etc.) and it needs to pay attention to the environmental footprint of its entire digital chain.



## Weight of waste electrical and electronic equipment (WEEE) recycled in France

	Unit	2016	2015	2014
Weight of WEEE collected for recycling	Tonne	39.5	36.9	25.7
Total weight of WEEE collected for recycling (since 2013)	Tonne	135.1	95.6	58.7



New "click and collect" service for pre-ordering purchases from home before boarding, Aelia Duty Free outlet at London Luton airport (United Kingdom).

# Personal data protection



Lagardère

**JÉRÔME SEMIK**

Head of Risk Management and Internal Control and Group Data Protection Officer

**COMBINING GROWTH WITH TRUST**

Although data are essential to the development of the digital economy, protecting personal data and privacy has become a major concern for users.

With its digital activities, the Lagardère group lies at the heart of the digital economy and so it is making major efforts in this area, which is receiving increasing media coverage.

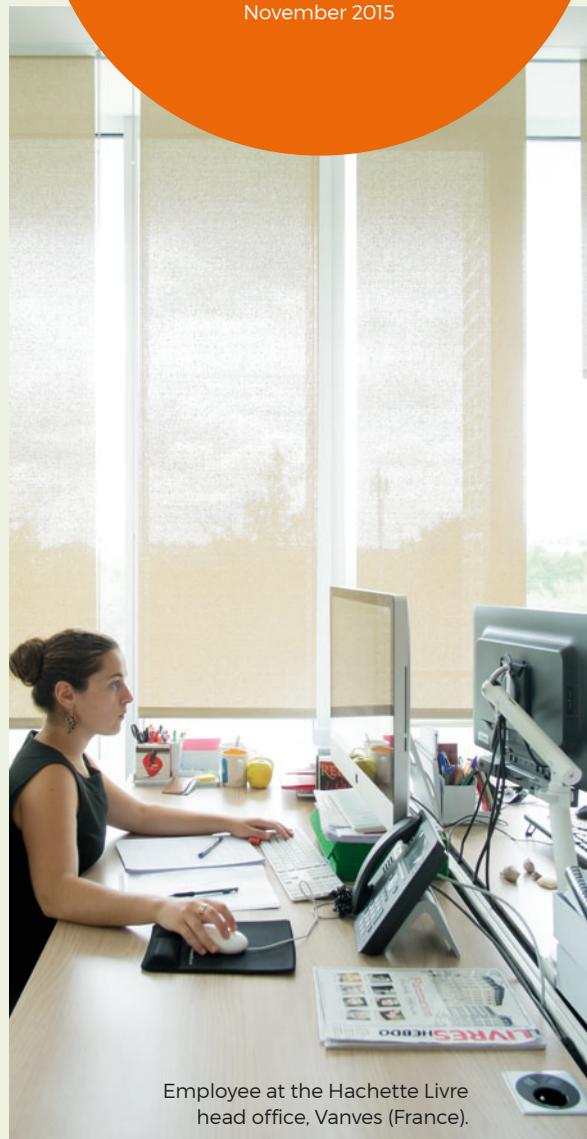
In 2017, the Group launched a project to prepare for the European Union's General Data Protection Regulation, which will be fully in force in 2018 and aims to increase public trust in the digital economy and thus foster its growth.

The project will bring together a large number of participants, including IT specialists, lawyers and business-line staff, because personal data are a central issue in many of the Group's operations.

The project is a unique opportunity for the Lagardère group to strengthen the data culture within its teams, in order to offer ever more attractive services, but also to bolster the trust that exists between the Group and its stakeholders, particularly its users, customers, suppliers and employees.

*“Personal data protection is the number one concern among French people in the digital domain.”*

Second meeting of the stakeholder panel, November 2015



Employee at the Hachette Livre head office, Vanves (France).

[www.lagardere.com](http://www.lagardere.com)

# Innovation: central to the Group's business and its meaning



## EDOUARD MINC

Prospective and Investment Director,  
Group Innovation Network

**Lagardère**

### CREATING AND CO-ORDINATING A NETWORK OF INNOVATORS WITHIN THE GROUP

The Group Innovation Network is a Lagardère group entity that serves the four divisions. Its goal is to promote and support innovation within the Group. To achieve that goal, we want to establish the broadest possible network of innovators among the Group's staff.

An innovator can be:

- anyone whose business is directly or indirectly linked to innovation and to digital transformation in particular;
- anyone in charge of an operating activity or a team and who therefore needs to define a strategic vision;
- any Group employee who is simply interested in innovation in any of its forms – including innovation relating to management or communities – and digital transformation.

To drive this network forward, several projects are underway. One of the first projects was a conference on blockchain<sup>(1)</sup> technology organised by Lagardère's Legal Department and the Group Innovation Network in November 2016. The conference was led by Thibault Verbiest, a lawyer specialising in blockchain, and was attended by around 60 Group employees working in legal departments and members of the Group Innovation Network.

(1) Distributed database with no central control authority, which manages a list of recordings that are protected against falsification.

[www.lagardere.com](http://www.lagardere.com)



Employees at the MonDocteur office,  
Levallois-Perret (France).

**€155<sup>m</sup>**

has been raised  
by the Idivest  
Digital Fund II fund,  
of which the Lagardère  
group is a partner.

# Promoting access to culture and entertainment

**Promoting cultural diversity and the pluralism of ideas, fighting against illiteracy and for freedom of expression, ensuring the accessibility of content, advertising responsibly, promoting journalistic ethics, protecting youth, providing media education and defending the written word and reading.**

The Lagardère group **produces and disseminates content in all formats** and across all continents through its books, magazines, radio, television, audiovisual production, website and advertising sales brokerage activities.

It works to ensure **diversity** in the content it produces, in the teams that create it and in the audiences that receive it. It adopted a number of initiatives in this area in 2016, particularly involving the international expansion of our brands. After rolling out its audiovisual activities in Africa, Lagardère Active has moved into Asia by acquiring stakes in two radio stations in Cambodia. In its efforts to promote access, the Group has responsibilities related to the commitments of its brands in France and worldwide. This is exemplified by the 80 international editions of *Elle* magazine, which are produced under licence.

As a creator of social connections, the Group seeks to promote **freedom of expression** by producing a highly diverse range of content and making that content accessible to all its audiences. For example, Gulli's new programme *C'est bon signe*, first broadcast in February 2017, raises young viewers' awareness of hearing disabilities, portraying "deaf culture" in a matter-of-fact and quirky way.

Action taken by our youth channels and publishing houses illustrates our educational mission in the broad sense: **protecting youth and providing media education** (Press and Media Week at Gulli and Europe 1, content of Hachette Livre's school textbooks, *Parole aux jeunes* programme on Vibe Radio in Dakar, etc.), **educating people about health and food hygiene** (broadcasting programmes aimed at preventing obesity, Doctissimo news, the *C'est la vie* TV series about health issues in Africa, etc.), and **early learning about citizenship and protecting the environment**. In this area, the 15<sup>th</sup> "Espoirs de l'animation" awards, organised by Lagardère Active's three youth channels (Gulli, Canal J and Tiji), recognised animation-school students for their short films on the theme of "One planet for all, all for the planet".

As well as this mission of educating young people, the Lagardère group raises awareness among its listeners, readers, viewers and internet users about social matters such as **supporting women**, through various initiatives such as the Elle Active Forum, the "Elle & les femmes" Day and The Happiness Index, which is a benchmark global study of women and how happy they are.



## Content accessibility indicators for the hearing impaired

	Unit	2016	2015	2014
Number of new books published in the Audiolib catalogue during the year	No.	73	78	70
Number of titles available in the Audiolib catalogue at year-end	No.	531	458	380
Percentage of Gulli air time per year with subtitled programmes	%	29.45	30.4	30.01
Percentage of Canal J air time per year with subtitled programmes	%	27	46.3	47.14
Number of hours of subtitled programmes devoted to the hearing impaired broadcast on youth channels during the year	Hours	4,680	6,521	6,460



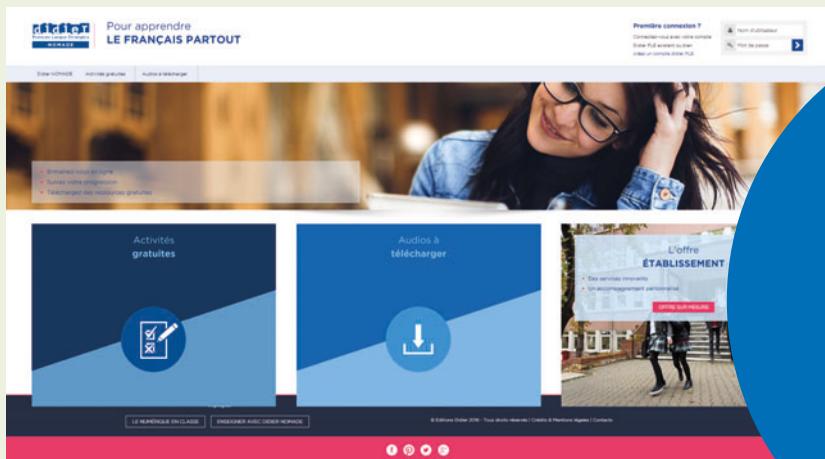
*C'est bon signe* short programme broadcast on Gulli in order to raise awareness among young viewers about hearing disabilities.

# Learning while innovating



**VÉRONIQUE HUBLOT-PIERRE**

Chief Executive Officer, Éditions Didier



Didierfle-nomade.fr web platform dedicated to French as a foreign language.

**55**  
**new titles**  
were published  
by Hachette Collections  
in 2016.

## **DIDIER: A TECHNOLOGICALLY INNOVATIVE WAY OF PROMOTING THE FRENCH LANGUAGE**

The term “French as a foreign language” (FFL) refers to the teaching of French to non-native French speakers. FFL courses are provided by French institutions (Alliances Françaises, Instituts Français), private language schools and foreign school systems, and help to make the French language more widely used. As a result, FFL is an important challenge. For example, ensuring that French is taught systematically in foreign education systems is a strategic matter for the future.

Éditions Didier has specialised in FFL since 1922 and is a partner to the main participants in this field. It has always helped to promote the French language with its innovations. Éditions Didier has pioneered audiovisual

methods and publishes the French version of the Common European Framework of Reference (CEFR) for languages. It is now at the leading edge of FFL-related educational digital technologies with its content platform and custom digital services for institutions. Its next innovation is a web application to help students memorise vocabulary, in partnership with a start-up called Domoscio<sup>(1)</sup>. This tool will act as a personal assistant helping students to retain and consolidate knowledge, so that they can memorise information over a long period. It is a way of supporting knowledge of the French language over the long term.

(1) Domoscio won the “Trophées Europe 1 de l’Avenir” award in the “Education for the Future” category for its adaptive learning consolidation algorithm.

# Promoting major social issues



**NICOLAS ESCOULAN**  
Managing Editor, Europe 1

**Lagardère**  
ACTIVE

*“Innovation lies at the heart of Lagardère Active's strategy, its magazines, radio stations, TV channels and websites. Our role is to look carefully at the future. These awards play a part in that, and we are delighted to have created them.”*

Denis Olivennes,  
Chairman of Lagardère Active

## **EIGHT “TROPHÉES EUROPE 1 DE L'AVENIR” AWARDS: PROMOTING A SUSTAINABLE AND HARMONIOUS SOCIETY**

Because the main responsibility of a media company is to make the world around us, along with the changes and revolutions occurring within it, understandable, Lagardère Active is committed to constantly creating new spaces for discussion and new modes of expression.

After holding its first awards ceremony in 2015 with the focus on climate, in 2016 Europe 1 wanted to promote the values of optimism and innovation by encouraging women and men – researchers, students, entrepreneurs, writers, citizens and elected officials – with a desire for change to play an active role in building a sustainable and harmonious society.

The “Trophées Europe 1 de l'Avenir” awards therefore highlighted projects driven by major social issues and inspiring people in areas such as education, health, food, books and cities.

A jury of 11 people, including Lagardère Active staff and outsiders and chaired by Bertrand Piccard (who piloted the Solar Impulse solar aircraft), gave “Trophées Europe 1 de l'Avenir” awards to eight recipients in a ceremony that was broadcast live on Europe 1 in December 2016.

[www.europe1.fr](http://www.europe1.fr)



“Trophées Europe 1 de l'Avenir” award ceremony, December 2016 – Paris (France).

# Strengthening our operational sustainability

**Most of the Lagardère group's activities are in the service sector, which tends to limit its direct environmental impact. Nevertheless, environmental responsibility is an important issue for the Group in its business activities.**

As an example of that responsibility in 2016, Lagardère Sports obtained ISO 20121 certification for its Eiffel Tower fan zone during the UEFA Euro 2016 football tournament. The Group's responsibility is expressed in four main ways:

## **Responsible management of activities relating to paper, throughout the paper lifecycle**

Lagardère Publishing has for a long time had an ambitious programme - called "Cap Action Carbone" - of reducing greenhouse gas emissions arising from its activities and of buying certified and recycled paper. In addition, in late 2016 its US subsidiary launched a new initiative to verify paper fibres from Asia. Lagardère Active, meanwhile, is continuing its PEFC certification programme for its magazines every year.

## **Fighting climate change**

Although most of the Lagardère group's greenhouse gas (GHC) emissions result from its products and services, it nevertheless pays attention to the energy consumption of its offices, warehouses, stores and sporting and cultural venues. Carbon audits carried out in 2016 enabled it to identify its main sources of emissions and potential ways of reducing them.

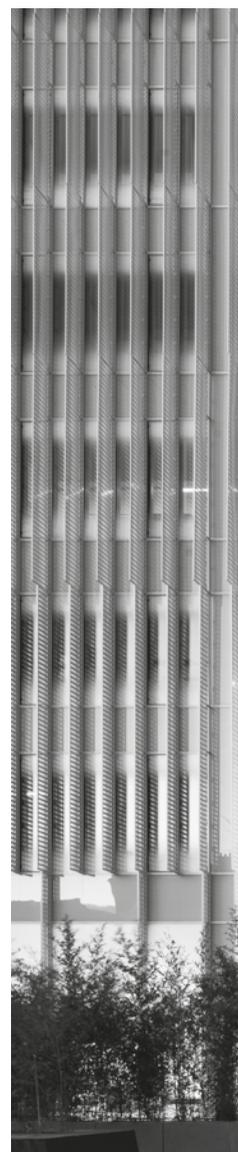
## **Social responsibility in the supply chain**

In 2016, the Lagardère group strengthened its partnership with Ecovadis in assessing its suppliers' corporate and social responsibility (CSR), in order to establish a purchasing-related CSR risk map. This will enable it to implement its monitoring plan more effectively and thus make advance preparations for upcoming regulatory obligations in this area.

## **Food hygiene and safety**

The growth in Lagardère Travel Retail's foodservice activities (almost 800 outlets in 17 countries) has brought with it greater attention to food safety and hygiene. An ambitious programme, carried out with the help of an acknowledged expert in the field, has enabled the division to roll out policies across each of its subsidiaries and to perform audits in each country, as well as raising awareness among all employees concerned.

Lagardère Travel Retail pays close attention to the increasing demands of licensors and travellers for healthy, balanced food and drink through partnerships with brands that also show commitment in that area. It also took steps to tackle food waste in 2016. For example, the Relais H Café outlets at Pitié-Salpêtrière hospital have joined forces with the Chaînon Manquant charity, which distributes unsold food to those that need it.



## Lagardère group tertiary energy consumption and greenhouse gas emissions in France in 2016

	Consumption (kWh)	CO <sub>2</sub> emissions (tonnes of CO <sub>2</sub> equivalent)
Gaz	21,738,879	4,476
Oil	2,467,951	800
Electricity	72,374,334	5,935
District heating system	3,458,549	773
<b>2016 total</b>	<b>100,039,713</b>	<b>11,983</b>
2015	99,978,957	10,971



Hachette Livre's HQE/BBC accredited premises, Vanves (France).

# Managing paper responsibly



**26,060 tonnes**

of certified paper were purchased by Hachette Book Group in 2016.

Hachette-durable.fr website dedicated to the environmental challenges of paper.



**RONALD BLUNDEN**  
Senior Vice-President, Corporate Communications and Sustainable Development, Lagardère Publishing



## HACHETTE BOOK GROUP AT THE FOREFRONT IN FIBRE VERIFICATION

In late 2016, Hachette Book Group (HBG) launched its first programme of verifying fibres used in producing its paper in order to make its environmental policy even more effective.

Every quarter, samples of the paper on which HBG's titles are printed will be tested to ensure that the paper purchased on HBG's behalf in the Asian markets is sourced from suppliers that protect the environment and meet their commitments. It is an important initiative that supplements and strengthens HBG's policy of purchasing certified and recycled paper.

HBG has signed a contract with a specialist laboratory, which will test the fibres on the inner pages, endpapers, covers and jackets of five titles randomly selected from among those printed in Asia. HBG will ensure that all

suppliers have their products tested in this way, whether or not they are certified.

The aim is to make certain that none of the fibres used come from exotic wood, and that the fibres comply with Hachette Livre's specifications. If any discrepancies and inconsistencies arise, this will give rise to a dispute procedure that could result in the supplier receiving a warning or even being delisted.

The programme will be rolled out gradually in 2017 to all Hachette Livre entities in France, the UK and Spain.

[www.hachette.com](http://www.hachette.com)

# Food hygiene and safety



## MÉLANIE GUILLODOU

Vice President Foodservice Global,  
Lagardère Travel Retail



### AN INTERNATIONAL PRIORITY FOR LAGARDÈRE TRAVEL RETAIL'S FOODSERVICE ACTIVITIES

Foodservice is not an industry where corners can be cut. It requires knowledge of some highly elaborate production techniques and the ability to recognise quality, but also familiarity with numerous rules relating to food hygiene and safety.

Lagardère Travel Retail today operates almost 800 foodservice outlets worldwide, including some large ones such as brasseries, under the Group's own brands or with prestigious partners. It makes every effort to comply with these rules and to satisfy customers.

For example, the toughest set of national regulations becomes the benchmark for all other countries.

A booklet setting out the details of Lagardère Travel Retail's international policy has been prepared and

distributed to all staff. In addition, rigorous audits are carried out in a number of countries – 10 planned in 2017 and 15 in 2018 – by Eurofins, an international expert in food safety. These audits are used to define action plans and targets to be achieved by each country, depending on its current performance.

Since food safety is everyone's responsibility, each operational staff member – including Lagardère Travel Retail's Executive Committee – has also received training that stresses the importance of the subject.

[www.lagardere-tr.com](http://www.lagardere-tr.com)



# 8

## countries

audited for health  
and food safety  
in 2016.

La Plage restaurant, a concept devised by Lagardère Travel Retail in partnership with Michelin-starred chef Thierry Marx, at Nice-Côte d'Azur airport (France).

# Eco-responsibility certification for events



**ALEXANDRE WALRAEVENS**

Special Adviser to the Operational Department for the UEFA Euro 2016 Eiffel Tower fan zone at Lagardère Sports



## LAGARDÈRE SPORTS AND THE FIRST ISO 20121-CERTIFIED FAN ZONE

In 2016, Lagardère Sports worked with the City of Paris to design, set up and operate the Eiffel Tower fan zone on the Champ de Mars during the UEFA Euro 2016 football tournament. The fan zone was a focal point for the media during Euro 2016 and was designed according to sustainable development standards. It obtained ISO 20121 certification, which is the benchmark for environmentally responsible event management. Lagardère Sports' events team worked with a set of stakeholders in seven areas of action to limit negative environmental impacts (waste, greenhouse gases, site damage) and to promote positive outcomes (spectator inclusion, social inclusion, promoting the local economy).

For example, almost 90% of food packaging was made from recyclable paper or cardboard, five tonnes of waste were prevented through the use of reusable cups, and 2,750kg of food was donated to charities. The events team was also congratulated by UEFA for its exemplary work in keeping the site clean and tidy. Lagardère Sports now plans all of its events activities around this standard, thus meeting its own demanding requirements and those of its clients regarding responsible commitment.

[www.lagardere-se.com](http://www.lagardere-se.com)

Eiffel Tower fan zone, June-July 2016 - Paris (France).



**130,000**sq.m.

Area covered by the Eiffel Tower fan zone.

# Limiting carbon impact



Recycling area at the Lagardère group head office in Paris (France).

## 67,063

Number of tonnes of CO<sub>2</sub>, equivalent of greenhouse gas emissions arising from direct and indirect energy consumption in Europe.



### JEAN-SÉBASTIEN GUILLOU

Deputy Corporate Social Responsibility Director, Lagardère group

**Lagardère**

## ANALYSIS FORMING THE BASIS OF A LOW-CARBON STRATEGY

Following on from the Paris agreement on climate change, which was adopted in December 2015, and article 173 of France's energy transition act which came into force in January 2016, the Lagardère group has sought to take a proactive approach by laying the foundations of its low-carbon strategy. Although certain entities had already carried out a carbon audit, the Group as a whole had never taken that step until the first half of 2016, when the Carbone 4 consultancy helped us identify and classify carbon issues across our four business divisions. The project confirmed our assumptions and gave us an idea of the order of magnitude of our carbon emissions. Our largest

emissions come from indirect sources that are closely linked to our businesses, but over which we have almost no control, such as the manufacturing of products sold in our retail outlets and the manufacturing of audiovisual media. The main sources on which the Group can take action are the manufacturing of paper products, freight and its buildings' energy consumption. Our entities have already been taking effective action at the operational level to address these matters for several years now.

[www.lagardere.com](http://www.lagardere.com)

# Foundations' commitments

## Jean-Luc Lagardère Foundation: encouraging young talent and promoting cultural diversity

In 2016, the Jean-Luc Lagardère Foundation, under the umbrella of the Fondation de France, undertook initiatives aimed at supporting education and helping all people access culture. In particular, it continued to support the programme for high-level athletes developed with Sciences Po, and teenagers taking part in Studio 13/16 at the Centre Pompidou.

To promote cultural diversity and literature, the Foundation awarded its fourth Arab Literature Prize and its fifth Jules-Rimet Prize for sports-related literature. It also supported the "Marathon des mots" in Toulouse and its Tunisian counterpart, Al Kalimat. These two festivals have developed a joint programme to compare and contrast the experiences and artistic expressions of writers and artists from all over the world. This is an excellent way of bringing together peoples and cultures.

Finally, the Foundation encourages creativity by making grants to talented young creatives. The size of the grants made and the range of disciplines they cover - including audiovisual, digital, literature and photography - mean that the Foundation is one of the leading sponsors of creativity among young French-speakers.

The Foundation also continued its partnership with Villa Medici, in particular by helping artists and researchers to take up short residences in Rome.

**272**  
**talented  
young people**  
have received grants  
from the Jean-Luc Lagardère  
Foundation since they  
were introduced  
in 1989.



Pierre Leroy surrounded by 2016 award winners,  
January 2017 - Paris (France).

## Elle Foundation: supporting women's education around the world



**280**  
**Lagardère Active  
employees**  
have supported  
the Elle Foundation  
since 2007.

Young Nepalese girl accompanied by the Norlha association and the Elle Foundation.

Since it was created in 2004, the Elle Foundation has supported almost 80 projects in France and 25 other countries. It therefore puts into practice Elle's strong commitment towards women, which it has pursued for 72 years: helping them become freer and encouraging them to find their rightful place in society.

The Foundation makes study grants, helps women into employment and provides vocational training. Through the projects it supports, which are implemented by NGOs, it has helped thousands of girls and adolescent females to get an education, and helped thousands of women undertake training and gain independence, for themselves and their children.

In March 2016, the Elle Foundation designed and developed a collection of 11 short programmes that were broadcast on France Télévisions: they were portraits of women who have shown commitment in some way, entitled *Elles ont toutes une histoire* (they all have a story).

The Elle Foundation is a corporate foundation of Lagardère Active, overseen by *Elle* magazine, and so part of its brief is to mobilise staff. Accordingly, in 2016 the Foundation organised awareness-raising events, particularly relating to the serious and complex issue of the refugee crisis and violence against women.

The Elle Foundation sought to push boundaries further by launching viral campaigns on social media in order to support the right to education (#ELLEpourelles) and promote diversity (#Toutesensemble, #Toutesd'ailleurs).

# Table of indicators<sup>(1)</sup>

	2016	2015	2014
Percentage of the Group's executives who are women	42%	39%	39%
Number of Group employees who took at least one training course during the year	23,441	16,445	-
Number of hours of programmes with an anti-obesity message broadcast by the youth channels in France during the year	553	536	330
Number of Audiolib titles	531	458	380
Percentage of paper (books and magazines) from certified sources (sustainably managed forests)	93	91	88
Greenhouse gas emissions (in g of CO <sub>2</sub> equivalent) per euro of revenue in France	5.37	4.77	4.83
Number of responsible supplier charters active and signed at the end of the year within the Group	378	248	-
Number of Group suppliers evaluated by the Ecovadis platform	238	164	-

(1) These indicators are taken from figures in the Lagardère group's Reference Document and illustrate the Group's strategic issues regarding its CSR policies.

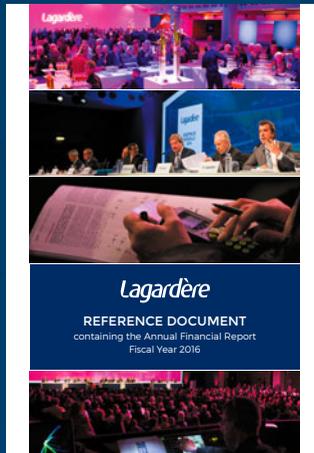


Participants at the Lagardère group integration day, June 2016 – Paris (France).

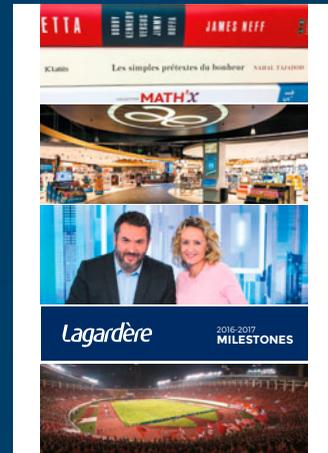
# Publications



**CSR at Lagardère in 2016-2017**



**Reference Document**  
containing the Annual Financial Report – Fiscal Year 2016



**2016-2017 Milestones**  
Corporate Brochure



**USB key**  
containing these publications in English and French

These publications are also available in French.

[www.lagardere.com](http://www.lagardere.com)

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Design: Sugar, Pepper & Salt – Production: BRIEF

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Document prepared by the Corporate Communications Department  
and the Corporate Sustainable Development Department.

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