Annual financial report

2020

Universal registration document

(New version of the Registration Document)

TF1 LE GROUPE

table of contents

- The information in the Annual Financial Report is shown clearly in the table of contents and in the relevant chapters via the pictogram RFA
- The information in the Non-Financial Performance Statement is shown clearly in the table of contents and in the relevant chapters via the pictogram DPEF

TF1 LE GROUPE

2020

UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

This is a free translation into English of the TF1 2020 universal registration document issued in the French language and is provided solely for the convenience of English speaking readers. In case of discrepancy, the French version prevails.

TRANSPARENCE LABEL ARGENT 2020

This label recognizes the most transparent documents and information materials according to the criteria of the classement annuel de la Transparence (annual Transparency ranking) (http://www.grandsprixtransparence.com).

AUTORITÉ DES MARCHÉS FINANCIERS AMF

The Universal Registration Document was filed with the AMF on 10 March 2021. AMF is the competent authority in respect of Regulation (EU) 2017/1129, and the Document was filed without prior approval, in accordance with Article 9 of said regulation.

The Universal Registration Document may be used for a public offer of securities or for the admission of securities to trading on a regulated market if it is supplemented by an offer notice and if applicable, a summary and all amendments made to the Universal Registration Document. The ensuing set of documents is approved by the AMF in accordance with (EU) 2017/1129.

This document has been prepared by the issuer and engages the liability of its signatories.

It may be viewed on and downloaded from: **www.groupe-tf1.en**

TF1 GROUP INTEGRATED REPORT

ABOUT THIS REPORT

METHODOLOGY

This report is inspired by the framework published by the International Integrated Reporting Council (IIRC). It builds on a pro-active initiative extending back several years in the area of Corporate Social Responsibility and transparent communication with all stakeholders.

It was prepared by an internal working group headed up by Financial Communication, in collaboration with various other TF1 group departments (in particular the Strategy and CSR Departments).

SCOPE

The report covers the 2020 financial year (1 January to 31 December 2020), and TF1 group entities within the scope of the financial consolidation. It reminds readers of our objectives for 2021, provides a progress report, and includes medium/long-term projections to give a forward-looking vision of the Group in its environment.

MESSAGE FROM OUR CHAIRMAN & CEO

DEAR SHAREHOLDERS,

2020 saw an unprecedented health crisis, the violent impact of which has profoundly transformed our daily lives and affected all of us, both in our professional and personal capacities.

I want to pay tribute to all the TF1 employees who have gone on doing their jobs under difficult conditions, or remotely, to keep our businesses running. They have shown great professionalism and commitment, despite the uncertain times. My thoughts are also with those who have been directly affected by the pandemic. Protecting the health of our staff and stakeholders has been our priority throughout the year.

The TF1 group has responded to the crisis by adapting and by accelerating its transformation. Our adaptability has been particularly evident in our core business: broadcasting our five free-to-air TV channels. By achieving programme cost savings of more than 150 million euros, we have been able to absorb more than 90% of the loss of revenue from this division.

However this flexibility has never been achieved at the expense of programme quality or attending to our audiences. We confirmed our status as a modern media group, creating the bonds that bring French people together around major news events (a particular feature of 2020), the new daily soap Ici tout commence, successful French drama like Pourquoi je vis, and the launch of new seasons of the flagship entertainment programme Koh Lanta.

Our ambition in content hasn't diminished: quite the reverse. Throughout the year we have stayed as close as we could to the French people: informing them, entertaining them, supporting them and accompanying them, and always bold and creative.

Nearly 50 million viewers watched the Group's channels every week, 4 million more than in 2019. Maintaining our shares of commercial target audiences at high levels[1] continues to bolster our position as market leader.

In our pivot to "Total Video", the MYTF1 platform allows for non-linear consumption of content, offering each viewer a personalised user experience. This year more than 2 billion videos were viewed, 10% more than in 2019.

In 2020, the Broadcasting division also accelerated its transformation. The renewal of the distribution agreement with Orange has enabled us to continue a partnership that creates value, with new services for customers. The launch of the Salto[2] platform completes our Total Video offer, responding to public demand as ways of consuming content evolve.

As regards content monetisation, ongoing work at the TF1 Publicité ad airtime sales house will enable us to expand our offer to our major long-standing clients while increasing our client base to take in new advertisers. From 2021 onwards, TF1 Publicité will gain added heft as the government decree allowing segmented advertising enables us to combine the power of television with the trump card of targeting.

2020 was also the year when Newen continued its expansion. Despite the halt to shooting in April until mid-May, the studios were quickly able to adapt to social distancing rules and resume operations. Our presence abroad was reinforced by the development of Ringside Studio in the United Kingdom. The order book has now reached more than 1,600 hours and Newen has ever more international clients, offering attractive growth opportunities for our studios.

Crédit : TF1/Christophe Chevalin

The Unify division continued its restructuring, designed to beef up the growth potential of high-powered brands like Marmiton, aufeminin, Doctissimo and Les Numériques. The Covid crisis has delayed the restructuring, which began at the end of 2019. Nevertheless we have every confidence in the outlook for the division, given higher audience figures for those sites, the resilience of our e-commerce offer, and the attractiveness of our services to advertisers.

We are conscious of our impact on the public generally. That's why, through our content and more generally through what we do every day, we aim to positively inspire society.

As regards social and environmental responsibility, we are engaged on six major projects: reducing the carbon footprint of our operations, developing content that is in phase with the ecological transition, responsible advertising, gender equality, inclusion, and solidarity. In 2020, our engagement and achievements were recognised by several non-financial ratings agencies. For the second year running, the TF1 group was ranked no.5 in the Dow Jones Sustainability Index. This rewards the engagement of the Group and its employees on important topics. I congratulate them and thank them for that engagement.

I am convinced that in 2021, in the continuing uncertainty around the future of the pandemic, teams from each of the Group's businesses will be just as responsive as they were in 2020. Our adaptability and ability to innovate, added to our presence at every point in the media value chain and the crystallisation of growth opportunities – especially in production and digital – will be the hallmarks of this new year.

Boulogne, 9 March 2021

Gilles C. PELISSON
Chairman and CEO of the TF1 group

(1) 29.9% of 25-49 year-olds, up 0.5 of a point on 2019.

(2) Subscription video on demand platform, a joint venture of the TF1, M6 and France Télévisions groups.

GROUP PROFILE

No.1
PRIVATE SECTOR FREE-TO-AIR BROADCASTER IN FRANCE WITH:

29.9%
AUDIENCE SHARE OF 25-49 YEAR OLDS[1]

1,500 hours
PRODUCED BY NEWEN PER YEAR

€2,082m
IN REVENUE

3,206
EMPLOYEES[2]

Engagement with CSR recognised in key extra-financial indices

Gaïa RATING
Dow Jones Sustainability Indexes
MSCI
S&P Global

France's leading private-sector free-to-air broadcaster, the TF1 group has become a major player in the production and creation of content. We intend to strengthen that position in the years ahead, drawing on the synergies unlocked by our acquisitions in production and digital, and bringing creativity and innovation ever closer to the heart of our business model. Our aim: to use our leadership position to leverage progress not just in our business, but also in society at large with a strong ambition: to produce content that positively inspires society.

We can deliver on that ambition through three complementary business segments, that share common strengths and values.

Broadcasting segment

Our Broadcasting segment offers premium content through five free-to-air channels (TF1, TMC, TFX, TF1 Séries Films and LCI) with a combined 32.4% share of the target audience of women under 50 purchasing decision-makers, ("W<50PDM") and 4 theme channels (Ushuaïa TV, Histoire TV, TV Breizh and Série Club[3]). This segment also includes MYTF1, France's leading catch-up platform, which had over 2 billion video views in 2020.

Our advertising sales house TF1 PUB sells airtime on our own content and services, but also on the Indés Radios network and third-party websites.

Studios & Entertainment segment

Operating mainly in Europe, and more recently in Canada too, Newen produces a vast range of content for a diverse client base, from traditional broadcasters to internet platforms, helping us serve the growing demand for audiovisual content.

We also operate complementary businesses in the entertainment industry with TF1 Studio (movies), Muzeek One (music and live shows), and TF1 Entertainment (board games, licences and publishing).

Digital segment

Unify, our digital division, is home to our web natives activities (web publishing, programmatic, influencing and social e-commerce). Attracting millions of visitors every month, we offer advertisers high-powered advertising solutions based on quality content and well-loved brands like aufeminin, Marmiton, Doctissimo and My Little Paris.

OUR VALUES

PERFORMANCE

COMMITMENT

DARING

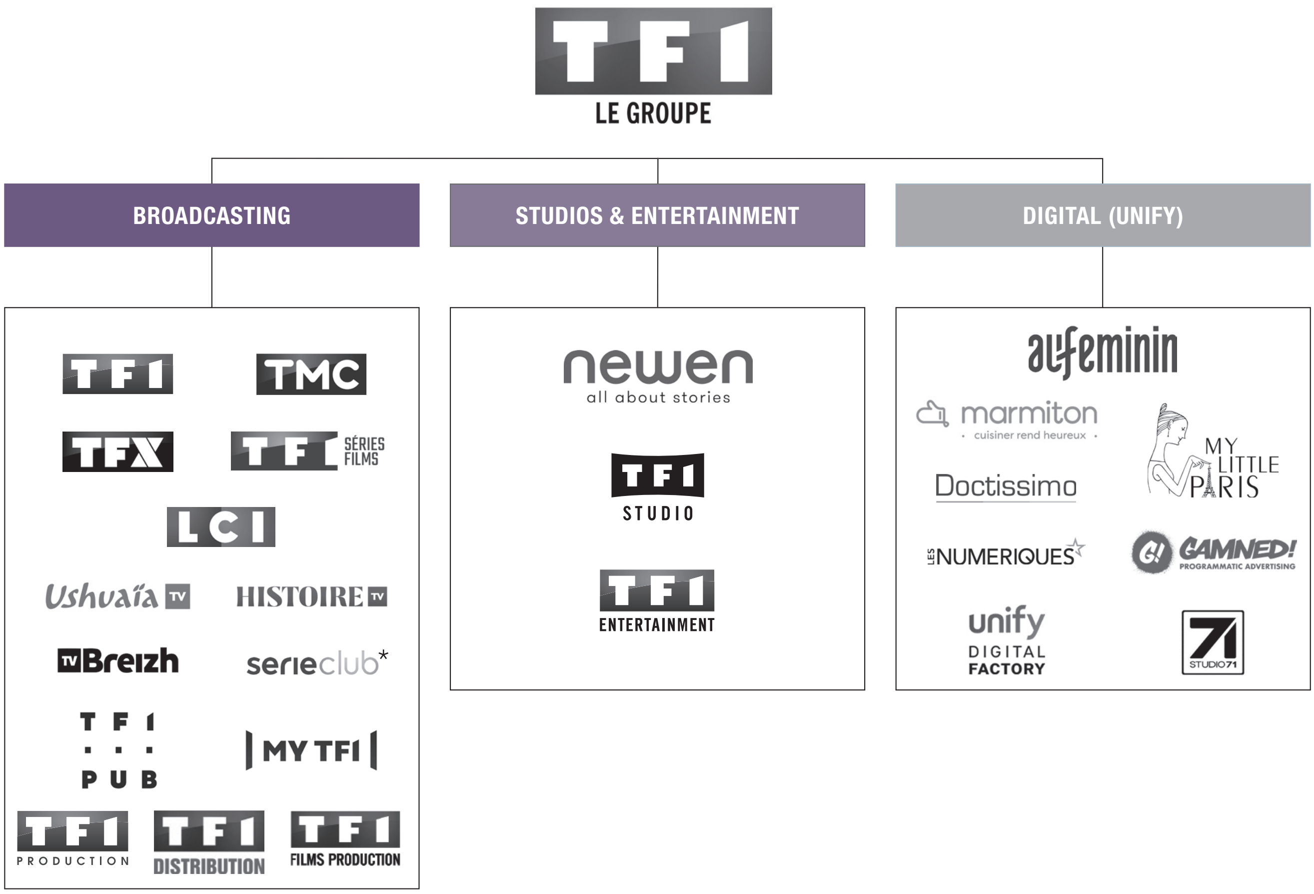
TOGETHERNESS

CREATIVITY

(1) Médiamétrie.
(2) Employees on permanent contracts.
(3) 50% owned by TF1.

1. THE GROUP AND ITS ENVIRONMENT

ORGANISATION AND ACTIVITIES



See Section 1.2 of this Universal Registration Document for a simplified organisation chart showing the Group's subsidiaries.

The TF1 group is one of the five business segments of the Bouygues group.

Bouygues is a diversified services group whose five business segments are organised into three sectors of activity: Construction, Telecoms and Media.

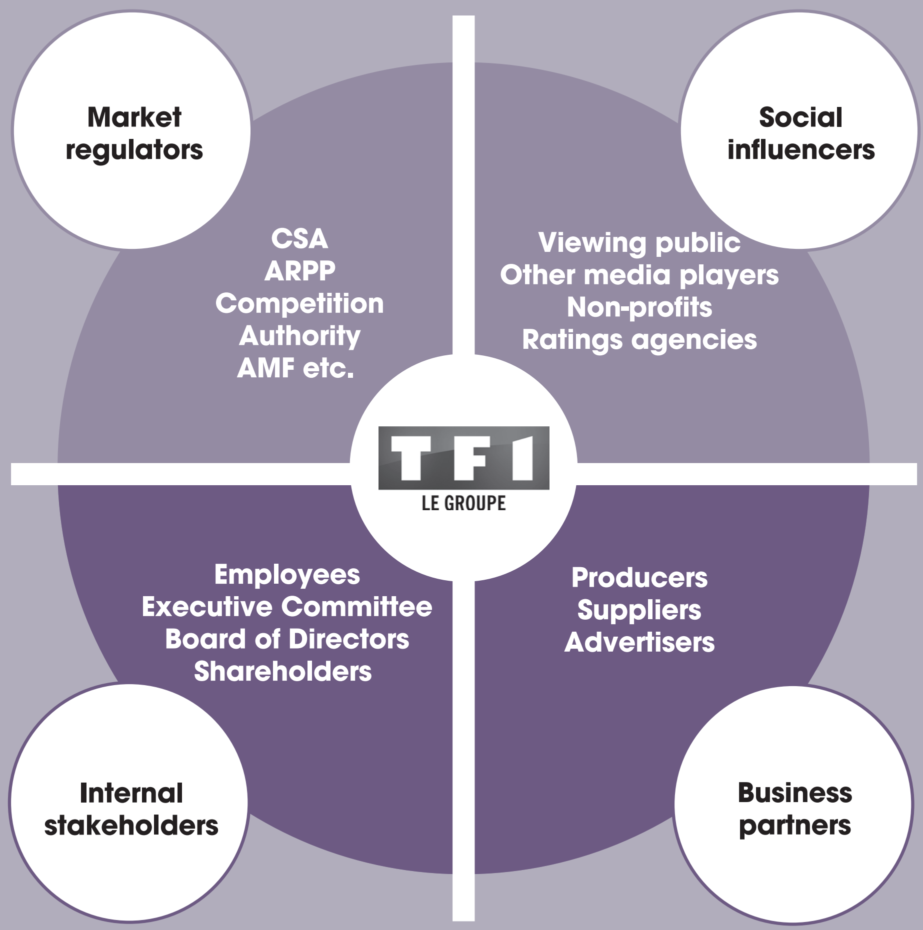
* *Owned 50% by TF1 and 50% by M6.*

OUR STAKEHOLDERS

Our prominent societal role means that the TF1 group engages with multiple stakeholders.

We apply ethical and responsible principles in our dealings with regulators, the viewing public, our customers and suppliers, and our staff.

We account for our activities to the community in a manner that is **exhaustive** and **transparent.**



OUR SIX GROUP-WIDE CSR PRIORITIES

KEY ECOLOGICAL TRANSITION ISSUES

1 - Reducing the carbon impact of our operations

2 - Offering content that supports ecological transition

3 - Responsible advertising

KEY EMPLOYEE-RELATED & SOCIAL ISSUES

4 - Gender parity

5 - Inclusion

6 - Solidarity

1 - Reducing the carbon impact of our operations	Playing our part, as a company, in limiting global warming.
2 - Offering content that supports ecological transition	Encouraging viewers of our content to adopt a more environmentally-friendly lifestyle, through positive initiatives and inspiring role models.
3 - Responsible advertising	Encouraging the advertising ecosystem and our audiences towards more responsible consumption.
4 - Gender parity	Encouraging and showcasing female experts, and improving the representation of women in our content. Within our company, continuing to increase the proportion of women on our executive bodies and maintaining equality of opportunity through the entire career path of our people.
5 - Inclusion	Combating discrimination of every kind within our company, and reflecting the diversity of society in our content.
6 - Solidarity	Supporting non-profits on the ground to help the most vulnerable, victims of violence, people (and their families) living with diseases, and medical research.

SHARE OWNERSHIP AND STOCK MARKET INFORMATION

SHARE FACTSHEET

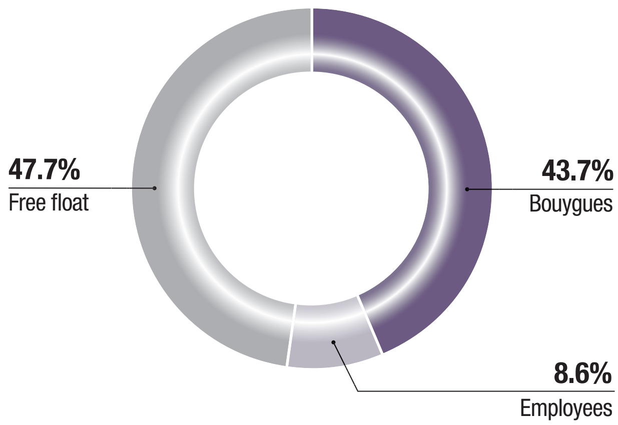
LISTED ON: Euronext Paris

MARKET: Compartment A

ISIN CODE: FR0000054900

MAIN INDICES:
SBF 120
CAC MID 60
CAC MID & SMALL
NEXT 150®
EURO STOXX® MEDIA

SHARE OWNERSHIP AT 31/12/2020



STOCK MARKET DATA

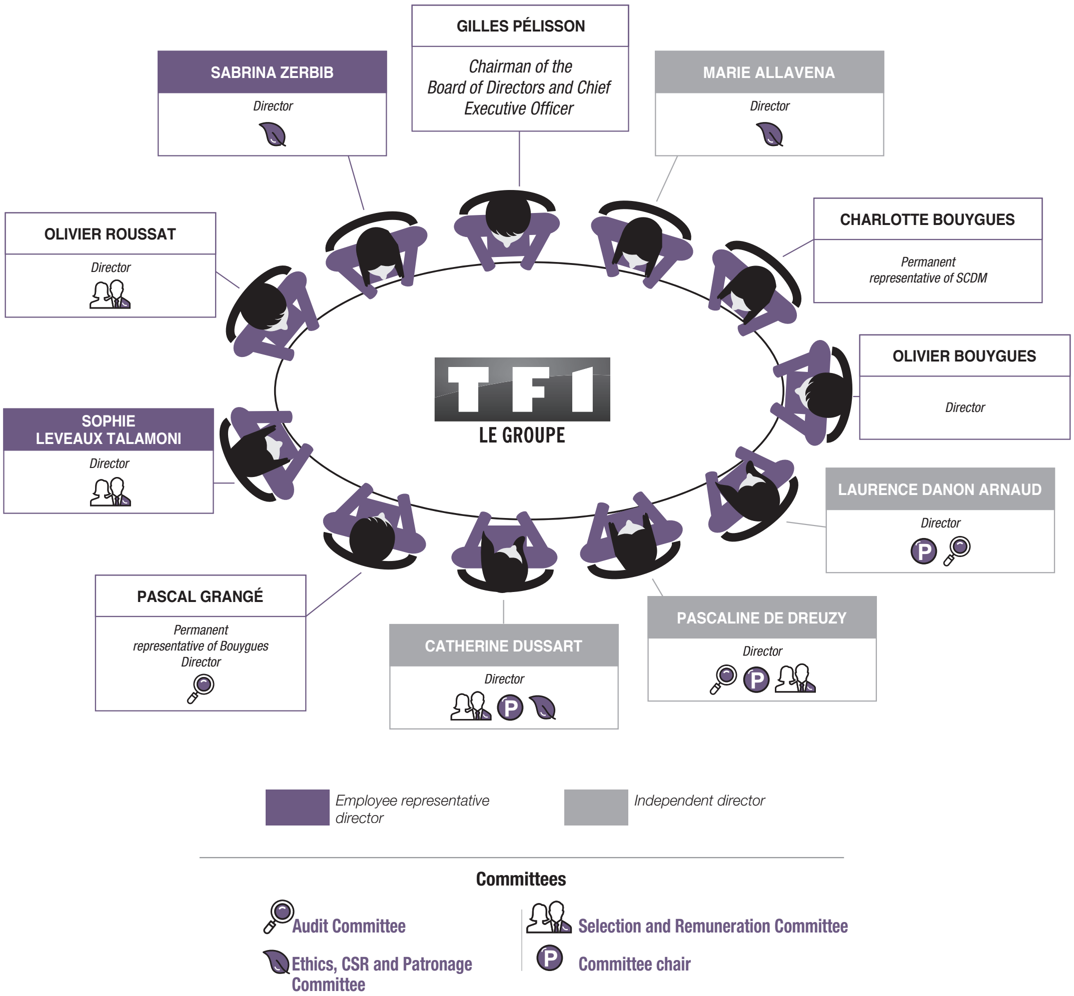
Share price *(€)*	2020	2019	2018
High[1]	7.73	10.08	12.75
Low[1]	4.15	6.40	6.61
Closing price	6.59	7.40	7.08
Performance of TF1 shares over the year	-10.9%	+4.5%	-42.4%
Performance of the SBF 120 over the year	-7.6%	+25.2%	-11.7%
Market capitalisation at 31 December *(€ million)*	1,386	1,556	1,486
Average daily volume traded *(thousands of shares)*[2]	477	402	247
Number of shares in issue at 31 December *(million)*	210.4	210.2	209.9

(1) Highs and lows represent the highest and lowest values recorded at close of trading.
(2) Euronext.

2. OUR GOVERNANCE

COMPOSITION OF THE BOARD OF DIRECTORS AND ITS SPECIALIST COMMITTEES

AT 31/12/2020



See Section 3.1.3 of this Universal Registration Document for career résumés of Board members.

BOARD PROFILE

AT 31/12/2020

11
DIRECTORS

7 YEARS
AVERAGE LENGTH OF SERVICE

44%
INDEPENDENT DIRECTORS(1)

7
MEETINGS IN 2020

2
EMPLOYEE REPRESENTATIVE DIRECTORS

57 YEARS
AVERAGE AGE

56%
FEMALE DIRECTORS(1)

(1) Excluding employee representative directors.

REMUNERATION POLICY: CRITERIA ALIGNED ON OUR STRATEGY AND ON SUSTAINABLE DEVELOPMENT

REMUNERATION OF THE EXECUTIVE OFFICER

- The remuneration determined by the Board of Directors is in the general interests of the company, and takes into account the following three factors:
  - business performance;
  - stock market performances;
  - peer and intra-Group comparisons.
- The following factors are taken into account in determining the Executive Officer's fixed remuneration:
  - the level and difficulty of his responsibilities;
  - his experience in the post;
  - his length of service with the Group;
  - practices followed by the Group or by companies carrying on comparable businesses.
- Variable remuneration is contingent on the attainment of objectives based on collective and individual criteria, both quantitative and qualitative. The variable remuneration of the Executive Officer for 2020 is defined according to five criteria, and represents 95% of his fixed remuneration.
- Since 2014, the Executive Officer's variable remuneration has included a qualitative criterion relating to the company's CSR performance, requiring that TF1 retain its place in at least two extra-financial CSR indices; that was indeed the case in 2020 (DJSI and Gaïa).

TRENDS IN EXECUTIVE OFFICER'S REMUNERATION

REMUNERATION OF EXECUTIVE COMMITTEE MEMBERS

- Since 2017, the variable compensation of each Executive Committee member has included a CSR criterion. The actual criterion varies between each Executive Committee member, depending on their managerial responsibilities and the associated CSR issues.

3. OUR BUSINESS MODEL NFPS

OUR 4 STRENGTHS

HUMAN CAPITAL

- Hiring and retaining talent.
- Staff engagement.
- Increasing the proportion of women on executive bodies.
- Inclusion.

2020 HIGHLIGHTS

5th **Disability Agreement** to step up the hiring and retention of people with disabilities.

3rd **Engagement Week** on the theme of solidarity, echoing our engagement with non-profits during the Covid-19 crisis and supporting personal and charitable efforts by our own staff.

Launch of an **"Inclusive Management" training module** for key managers, to help them spot and prevent discrimination within their teams and build a respectful, inclusive workplace.

KEY FIGURES

45.5% of women on our **Management Committee** in 2020, vs 41.8% in 2019.

22nd place and **no.1 media group** for female representation on executive bodies of SBF 120 companies.

INTELLECTUAL CAPITAL

- Editorial expertise, our bond with viewers, the value of our brands and channels.
- Commercial expertise in advertising airtime sales and relationships with advertisers.
- Production of content (documentaries, drama, unscripted shows, news, etc).
- Intellectual property developed in-house, and monetisation of our brands and services.
- Capacity to innovate and develop synergies, especially in digital.

2020 HIGHLIGHTS

In 2020, we showed impressive **adaptability** in trimming our costs, absorbing 100% of the loss of advertising revenue from our broadcasting operations.

Launch of **Salto,** the joint OTT platform of TF1, France Télévisions and M6.

KEY FIGURES

32 start-ups incubated since we initiated our program at Station F, over 50% of which have developed into a long-term contractual relationship.

Research and development budget: **€12.8 million** in 2020.

Newen has set up production company **Ringside Studios** with English producer Gub Neal to develop English and Dutch drama.

FINANCIAL CAPITAL

- Capital contributed by our shareholders.
- Profits generated by the company.
- Our sound cash position.

2020 HIGHLIGHT

BBB+ rating reiterated by S&P in December 2020 with negative outlook.

KEY FIGURES

2020 net profit:
€55 million.

Shareholders' equity attributable to the Group at 31 December 2020: **€1,596 million.**

Net debt: **€0.7 million**
at 31 December 2020 (excluding lease obligations).

Market capitalisation at 31 December 2020: **€1.4 billion.**

PHYSICAL CAPITAL

- TF1's HQ building, including 5 studios.
- Production equipment (from production to broadcast).
- Operational sites of Newen and Unify, in France and abroad.

2020 HIGHLIGHTS

Ongoing refit, transformation and modernisation of work spaces in our Tower and Atrium buildings to encourage synergies, team spirit and innovation.

Rollout of **teleworking** across the Group.

KEY FIGURES

TF1 owns its corporate headquarters at Boulogne Billancourt: **35,167 m².**

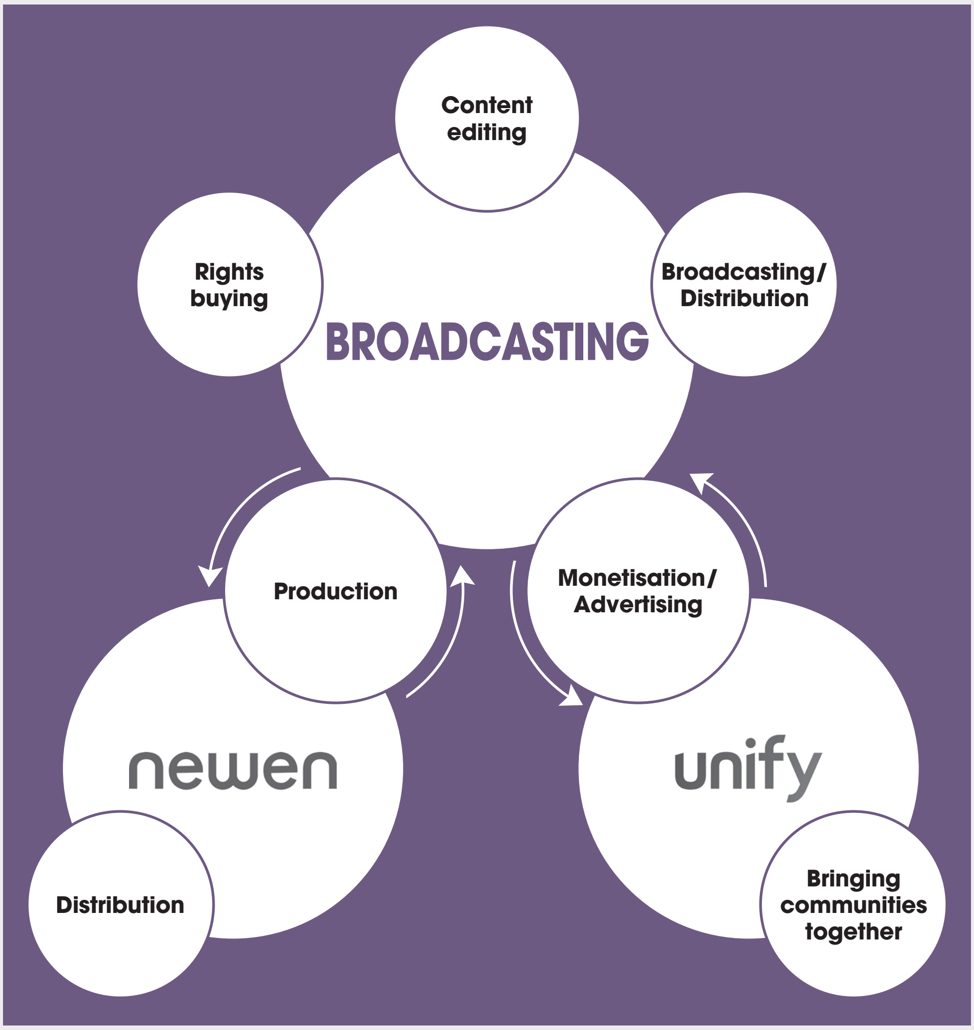
Number of hours of programmes broadcast by TF1:
over 7,000 hours.

HOW WE CREATE AND DISTRIBUTE VALUE

CAPITAL

- Human capital
- Intellectual capital
- Financial capital
- Physical capital

OUR BUSINESS MODEL



CREATING VALUE FOR

SUCCESSES

OUR PUBLIC

- High-quality and varied offer of content and services.
- Accessible anytime, and on any device.
- Vast range of add-on services.

Loyal, engaged mass audience: France's no.1 private-sector broadcaster.

OUR CUSTOMERS

- Variety of high-impact premium advertising slots for all targets.
- Innovative solutions (multi-platform, digital, targeted, real-time, etc.).
- Diversified content, produced in various countries for broadcasters and platforms.

TF1 PUB has been voted the favourite ad sales house by agencies and advertisers(1). New collaborations with SVoD platforms.

REGULATORS, FRENCH STATE

- Active involvement in helping shape media industry regulations at French and European level.
- Major contribution in terms of taxes and duties paid in France.

Segmented TV is now permitted in the French market. TV advertisements for movies are also permitted.

FRENCH AUDIOVISUAL LANDSCAPE

- Substantial financial contribution via the French production obligation promoting the development of the industry.
- Responsible employer of French broadcasting industry talents.

We are the clear leader with target audiences: TF1 achieved 92 of the top 100 audiences in 2020 among W<50PDM. Big audiences for our news output in a year with very strong news flow: average audience shares in 2020 of 42% for the lunchtime bulletin and 27% for the evening bulletin.

CIVIL SOCIETY AND CHARITIES

- Promoting diversity in the workplace and in our programmes.
- Open to non-profits via donations and free advertising airtime.

Support for over 125 charities involved in mutual aid, promoting diversity, and sustainable development.

OUR EMPLOYEES

- Advantageous terms of employment.
- Building employability and creativity through career pathways and skills development.

During the 2020 Covid-19 crisis, we introduced measures to protect our people, and rolled out teleworking solutions.

OUR SHAREHOLDERS

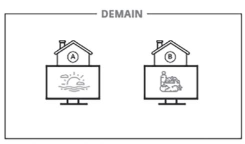
- Maximising asset value.
- Transparent communication.

Loyal, engaged shareholders: Bouygues has been a shareholder since TF1 was privatised in 1987.

(1) Source: Observatoire des régies – BVA Limelight 2020.

4. CHALLENGES IN THE MARKET: A SOURCE OF OPPORTUNITY

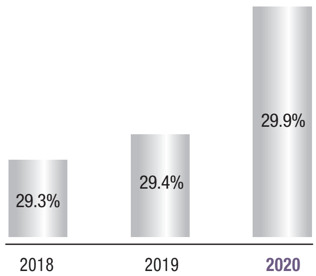
MACRO TRENDS	1 THE COVID-19 CRISIS HAS ACCELERATED EXISTING MARKET TRENDS	2 GLOBAL PURE PLAYERS ARE OMNIPRESENT
BACKGROUND	- The Covid-19 crisis has confirmed the key role of media, and in particular the value of television. Consumption of TV and digital has increased sharply, outstripping the other established media. There has been constant demand for content. - The crisis has also accelerated lasting change in the behaviour and expectations of the public and advertisers alike. Alongside appointment TV, consumption has increased in non-linear, and advertisers are looking to tap into this new audience by pursuing their combination of brand appeal and performance. - The Covid-19 crisis has engendered a growing attachment to social values, with a preference for local, the common good, and paying attention to the ecological transition.	- The GAFAN companies (Google/YouTube, Apple, Facebook, Amazon, Netflix) are strengthening their central role in the direct to consumer relationship, across the entire value chain. - They are capturing the vast majority of the growth and have unrivalled spending power in content, technologies and innovation. - The dynamism of these giants, stimulated by the competition between them, is leading to the creation of duopolies and oligopolies in some markets, such as digital advertising (Google, Amazon, Facebook) and SVoD (Netflix, Amazon and Apple with proprietary platforms).
OPPORTUNITIES/ RESPONSES	- The Covid-19 crisis has accelerated structural trends that are in sync with our strategy and raison d'être. During the crisis, we have offered an extensive range of comprehensive, reliable news programming, while continuing to positively inspire society with our diverse programme genres: entertainment, French and foreign drama, family movies, and sport. - Looking beyond content, we have consolidated links with our audiences through our federating digital brands (such as Doctissimo and Marmiton), and reaffirmed our own attachment to social values by supporting charities and through our social and environmental initiatives. - To address the demand for digital consumption and the quest for advertising performance, we have joined forces with France Télévisions and M6 to launch the new Salto platform, while continuing to invest in technology and data, both of which will also be key to delivering new segmented TV solutions going forward.	- Traditional players are joining forces to scale up. In the United States, media giants are emerging, following the takeovers of Warner Media by AT&T, 21st Century Fox by Disney and Sky by NBC-Comcast, plus the Viacom/CBS merger. - This consolidation of the American market is leading to the arrival in Europe and France of new OTT SVoD offers like Disney+. In OTT, there are more and more joint ventures between European players, such as the 7TV project in Germany between ProSieben and Discovery, LOVEStv in Spain between Mediaset España, RTVE and Atresmedia, and RTL's pan-European project. - The TF1 group has strengthened itself by developing its production arm (Newen) and creating a digital arm, Unify. This was also the logic behind the launch of the Salto platform in partnership with the France Télévisions and M6 groups.
KEY INDICATORS	– Large audiences for TF1 news: 6 million viewers on average for the lunchtime bulletin. 6.5 million viewers on average for the evening bulletin. TF1 – Surge in traffic on Marmiton (x3) and Aufeminin (x2) websites. marmiton · cuisiner rend heureux · aufeminin – Action by TF1 Initiatives, inclusion of social content in news bulletins (>1,000 in 2020), launch of the programme Génération Ushuaïa. TF1 Initiatives DES ACTIONS QUI NOUS RASSEMBLENT · GÉNÉRATION Ushuaïa	– Build-up of Newen's international operations since 2016, with a presence in 6 countries. newen all about stories – Development of one-stop ad sales house Unify Advertising. unify – Commercial launch of Salto with France Télévisions and M6 in October 2020. SALTO

3 **DEMAND FOR CONTENT IS STRONG, WITH CHANGE IN VIDEO CONSUMPTION PRACTICES AND A PROLIFERATION OF OFFERS**	4 **PLACING THE USER EXPERIENCE CENTRE STAGE**	5 **MONETISATION OF VIDEO CONTENT IS INSEPARABLE FROM TECHNOLOGY AND DATA**
- Video consumption is increasing massively for all targets, especially on SVoD, with 8.3 million daily users at the end of 2020. - In parallel, the "lockdown year" of 2020 saw a surge in average daily TV viewing time, while catch-up, 3-screen and SVoD offers are proliferating. - The public is confirming its appetite for premium delinearised content, and content designed for platforms. - In this environment, market players are creating or reinforcing their OTT offers, both in the United States (Disney+, Hulu, HBOMax, Peacock) and in Europe.	- Digital players and the transformations they achieve in the customer experience are raising the bar ever higher. - Users are demanding an experience that is personalised, fluid, omni-channel and always available, so they can consume their preferred content more easily. - In this context, artificial intelligence and data lie at the heart of the customer loyalty dynamic. These tools improve the user experience via innovative interfaces that are becoming ever more technologically sophisticated, providing a setting for affinity content that drives engagement. - For advertisers, the digital players' recasting of advertising solutions enhances the service component of the experience, while the new formats offered to consumers are less intrusive and more innovative.	- The advertising market has seen programmatic become the main conduit for digital advertising. - In parallel, data-driven targeting offers have multiplied in Europe, so that advertisers are now able to achieve scale and efficiencies by allying the pulling power of TV media with targeting. - The advent of segmented advertising on French TV, legalised in the decree of 7 August 2020, also aims to respond to market expectations.
- Upstream of the value chain, the pressure to acquire talents and supply exclusive local content is growing. In response, we have beefed up our production capacity for premium content via our subsidiary Newen, and are also producing content for platforms like Netflix and Amazon. - We have achieved excellent performances in all programme types, demonstrating our unique ability to attract mass audiences for powerful must-see programming: French drama (e.g. *Ici Tout Commence*), entertainment (e.g. *Mask Singer*), news (e.g. appointment bulletins on TF1 and rolling news on LCI), and sport (e.g. UEFA Champions League). - In digital, we are continuing to build direct-to-consumer relationships, and now have a complete and coherent range built around our five free-to-air channels, our three theme channels, the MYTF1 platform, and now Salto too.	- Now, in response to users' new demands, we are constantly innovating to reinvent the direct relationship with the consumer. - On our various platforms, the objective is to offer a coherent user journey by serving all consumer universes. - And by supporting start-ups (in particular via our MediaLab programme at Station F and the One Inno fund), we are investing in innovation so that we can better understand the new needs of consumers. - Our Unify digital division – built around Aufeminin, Doctissimo and Marmiton – is developing tailored digital offers for advertisers on the basis of vertical communities (fashion, beauty, parenting, food, lifestyle, etc).	- Unify companies operate in three core businesses: publishers, brand solutions & services, and social e-commerce. - Unify Advertising now offers its full range of media brands and services to its clients – both agencies and advertisers. - Digitisation of ad sales in our core business is continuing with the extension of La Box and the launch of La Box Entreprises to appeal directly to small advertisers. Meanwhile, our TV airtime sales house has strengthened its offer by marketing TV data campaigns. - We signed our first segmented TV agreements in December 2020. Since 1 January 2021, our ad sales house TF1 PUB has been offering advertisers targeted ad solutions on linear TV for certain households (subject to their consent). Advertisers will now be able to combine the quality and mass appeal of content from the TF1 group's channels with the precision and granularity of digital targeting, so they can reach tailored audiences in compliance with data protection rules. This new opportunity will enable advertisers to conduct more effective TV campaigns by addressing issues around data segmentation at national, regional and local level, and vast numbers of SMEs to access the power of TV advertising.
– Newen productions for SVoD platforms. NETFLIX prime video Disney+ – The TF1 core channel attracted 92 of the top 100 audiences of 2020 among women under 50, and 89 of the top 100 among 25-49 year-olds. – MYTF1: France's no.1 catch-up service: 2 billion video views (+10% vs. 2019) MY TF1	– MediaLab seasons 5 & 6. MEDIA LAB TF1 – MYTF1 user experience: 4.4/5 on Apple Store and 4.3/5 on Android Store. – Makeover for Unify flagship brands. marmiton cuisiner rend heureux Doctissimo	– Expanding range of programmatic ad solutions offered by Unify GAMNED! PROGRAMMATIC ADVERTISING – Addressable TV enables the screening of targeted adverts 

5. OUR STRATEGIC PRIORITIES

STRATEGY

We intend to consolidate our position as a publisher and broadcaster of content, while affirming our position in production and distribution. We are activating five key levers to achieve our strategic objectives and continue improving our profitability:

STRATEGIC PRIORITY	STRATEGIC LEVER	DELIVERED
1 **FOCUS EFFORTS ON THE CORE BUSINESS TO MAINTAIN DIFFERENTIATION**	■ Linear We are looking to consolidate our market leadership among multi-channel target audiences by ramping up our editorial differentiation strategy. To achieve this, we will – while adapting our business model – continue to commit to strong programming, strengthen local content, and anchor our statutory position in news. TF1 PUB aims to serve the interests of all advertisers, on all platforms and in all territories, through its direct relationship with advertisers; an unrivalled high-quality offer; automated purchasing; an acceleration in targeting and segmented TV; and effectiveness metrics. ■ Non-linear The TF1 group now offers every TV viewer their own personalised, multi-screen, 100% video experience. We deliver digital products with powerful content and quality customer journeys. Particular attention is paid to developing the relationship with the consumer and marketing our offer. We are keen to perpetuate and enhance partnerships with distributors, to build stronger direct relationships with all audiences.	– A winning multi-channel, multi-screen strategy, and confirmation of TF1's market leadership Audience share of 25-49 year-olds  – MYTF1: all-time record with 2 billion video views (+10% vs. 2019); over 22 million unique catch-up viewers, and 9 of the top 10 catch-up shows of the year. – MYTF1 user experience: 4.4/5 on Apple Store and 4.3/5 on Android Store*

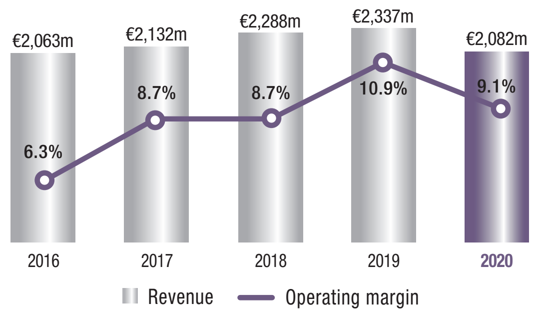
* *Ratings at end January 2021.*

STRATEGIC PRIORITY	STRATEGIC LEVER	DELIVERED
2 **CONTINUING THE DEVELOPMENT OF NEWEN**	The TF1 group is looking to strengthen its production and distribution businesses in France and to pursue an international growth strategy designed to make Newen a major player in Europe: a market leader in fiction, but also present in all audiovisual genres in order to capitalise better on the global demand for content. Without talent there is no content, so Newen will integrate new talents in the creation process while continuing to develop its existing talents and formats.	Newen order book: over 1,600 hours(1). Creation of Newen Content, one of Europe's leading distributors with a diversified catalogue spanning all genres.
3 **CONSOLIDATING OUR UNIFY DIGITAL DIVISION**	In the digital space, Unify federates powerful digital communities around brands that are part of French daily life, such as Aufeminin, Marmiton and Doctissimo. And through its one-stop ad sales house Unify Advertising, it offers advertisers high-powered solutions: • Unify is building all its brands around three activities: publishers, brand solutions and services, and social e-commerce. • The Unify Advertising airtime sales house is now offering all its media and services brands to customers – both agencies and advertisers.	Unify aggregates over 100 million unique visitors each month, 48 million of them in France. Marmiton averages 22 million users per month, with nearly 30% of users signing into the service 2 to 5 times a week.
4 **ACCELERATING DIGITISATION**	In a constantly evolving world, we aim to predict transformational changes, to spot changes in consumption and offers sparked by the tech and data revolution, and to identify and experiment with innovative solutions. Central to that aim is TF1 MediaLab, our dedicated unit focused on future-watching and innovation. Tech and data must serve the user experience, and offer users an intuitive, cross-channel experience. • We intend to use high-powered tech platforms to offer internet users the highest standards of ergonomics and browsing quality. • Data is also a central asset in enhancing know-your-customer and refining advert targeting. We use data to generate special moments that reinvent brand differentiation, in compliance with current data protection regulations.	Open innovation with TF1 MediaLab at Station F MEDIA LAB TF1
5 **DEVELOPING GROUPWIDE SYNERGIES**	We intend to strengthen our presence across the entire value chain, drawing on the new synergies unlocked by our acquisitions in production and digital. The aim here is a sharper focus on synergies and pathways between our businesses, so that we can capitalise on our talents and brands and enable our partners to communicate across all our media.	***Ici tout commence,*** produced by Newen and screened on the TF1 channel, averages 4.1 million viewers (28% share of W<50PDM, 34% share of 15-24 year-olds). ***Petits Plats en Équilibre,*** a TF1 cookery show whose recipes are featured on Marmiton.

(1) Number of hours ordered net of hours delivered as of 31 December 2020, for projects > €1 million.

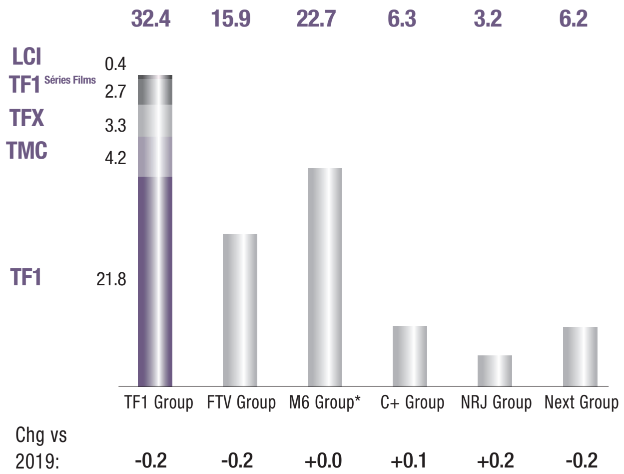
6. OUR PERFORMANCE

MARGINS STILL HEALTHY DESPITE THE IMPACTS OF COVID-19



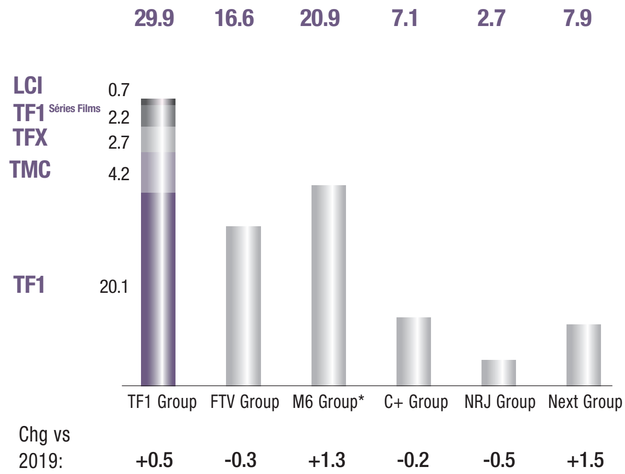
MARKET LEADER WITH TARGET AUDIENCES

Audience shares of women under 50 purchasing decision-makers (in %)

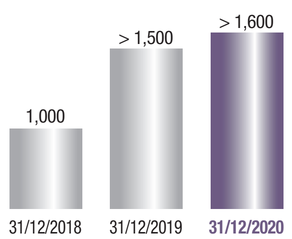


* Incluant Gulli depuis septembre 2019.

Audience shares of individuals aged 25-49 (in %)



SOLID ORDER BOOK* AT NEWEN (IN HR)



* Projects > €1m and excluding Reel One.

UNIFY ONLINE BRANDS MORE POPULAR THAN EVER

marmiton — cuisiner rend heureux

Traffic trebled

aufeminin

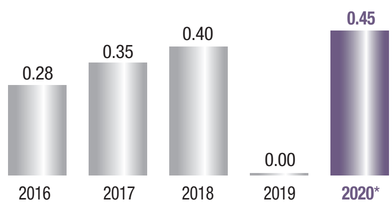
Traffic doubled

RECOGNITION FOR OUR EXTRA-FINANCIAL PERFORMANCE

MSCI | Dow Jones Sustainability Indexes | Gaïa Rating | S&P Global

SHAREHOLDER RETURNS IN LINE WITH OUR RESULTS

Dividend (in €/share)



* Subject to approval by the Annual General Meeting of 15 April 2021.

7. OUTLOOK

Our 2020 full-year results illustrate the adaptability of our Broadcasting operations. We have a strong line-up for 2021 including *Je te promets,* the Euro 2021 football tournament, and *La Promesse*.

With persistent uncertainties about public health and the economy, we will draw on our adaptability to manage the impacts of the changing situation.

For Studios & Entertainment, the expansion of international production activities means that in 2021 a substantial portion of the segment's revenue will be generated outside France, as well as increasing its order backlog with pure player platforms. 2021 should also see a gradual resumption of activity in live shows and music.

For Unify, our objectives of refocusing, brand enhancement and developing synergies will enable the division to increase revenue and move into profit at current operating level in 2021.

The TF1 group has sustainable growth momentum, with opportunities in both content and digital, that will make it a force to be reckoned with in the Total Video sphere.

1

PRESENTATION OF THE TF1 GROUP

1.1 GROUP HISTORY

2020

Newen creates UK production company Ringside Studios with UK producer Gub Neal and DoveTale Media

Launch of Salto, the OTT platform common to TF1, France Télévisions and M6

The Orange and TF1 groups sign two new agreements on segmented advertising on TF1 Group channels and the renewal of the distribution of TF1 audiovisual services on Orange TV

2019

Authorisations received for the launch of Salto, an OTT platform shared by TF1, France Télévisions and M6

The airtime sales agency Unify Advertising launch

Newen acquires De Mensen in Belgium and Reel One in Canada

Home Shopping is sold off

2018

Distribution agreements signed with Bouygues Telecom, Orange, Iliad and Canal+

TF1 owns 100% of the Newen group

Acquisition of the Aufeminin group

2017

Marketing agreement for TF1 advertising space in Belgium

TF1 signs a distribution agreement with Altice-SFR

Newen takes a majority shareholding in Tuvalu

Sale of stake in AB Group

2016

TF1 acquires a 70% equity interest in the Newen group

Gilles Pélisson is appointed Chairman and CEO of TF1 group

TF1 becomes the 100% owner of the capital of TMC

2015

TF1 sells its stake in Eurosport to the Discovery Communication group

The CSA approves free broadcasting for the LCI channel

2014

TF1 becomes a 49% shareholder in Eurosport and sells the controlling majority to the Discovery Communication group

2012

The TF1 group launches HD1, the Group's fourth free-to-air channel

2011

TF1 groups its digital offer around the federating brand, MYTF1, available on all screens

2010

AB Group and TF1 finalise the transaction aimed at TF1's acquisition of 100% of the NT1 channel and a 40% stake in the TMC channel held by AB Group

2008

TF1 is now available in HD on DTT

2007

TF1 and AB Group finalise TF1's acquisition of a 33.5% minority share in AB Group

2005

TF1 and AB Group finalise the takeover of TMC from the Pathé group

TF1 and AB Group each hold 40% of the channel, with the Principality of Monaco holding the remaining 20%

Digital Terrestrial Television (DTT) arrives in France

2004

TF1 increases its stake in TV Breizh to 71.1%

The TF1 group finalises the acquisition of 100% of the capital of Histoire

2001

TF1 acquires 50% of SérieClub and raises its stake to 100% in Eurosport, by buying the shares of Canal+ and Havas

1996

Creation and launch of TPS, Télévision Par Satellite, in partnership with France Télévisions, France Télécom, CLT, M6 and Lyonnaise des Eaux

1994

The Bouygues group increases its stake in TF1 from 25% to 34%

The news channel LCI is launched on cable on 24 June

1991

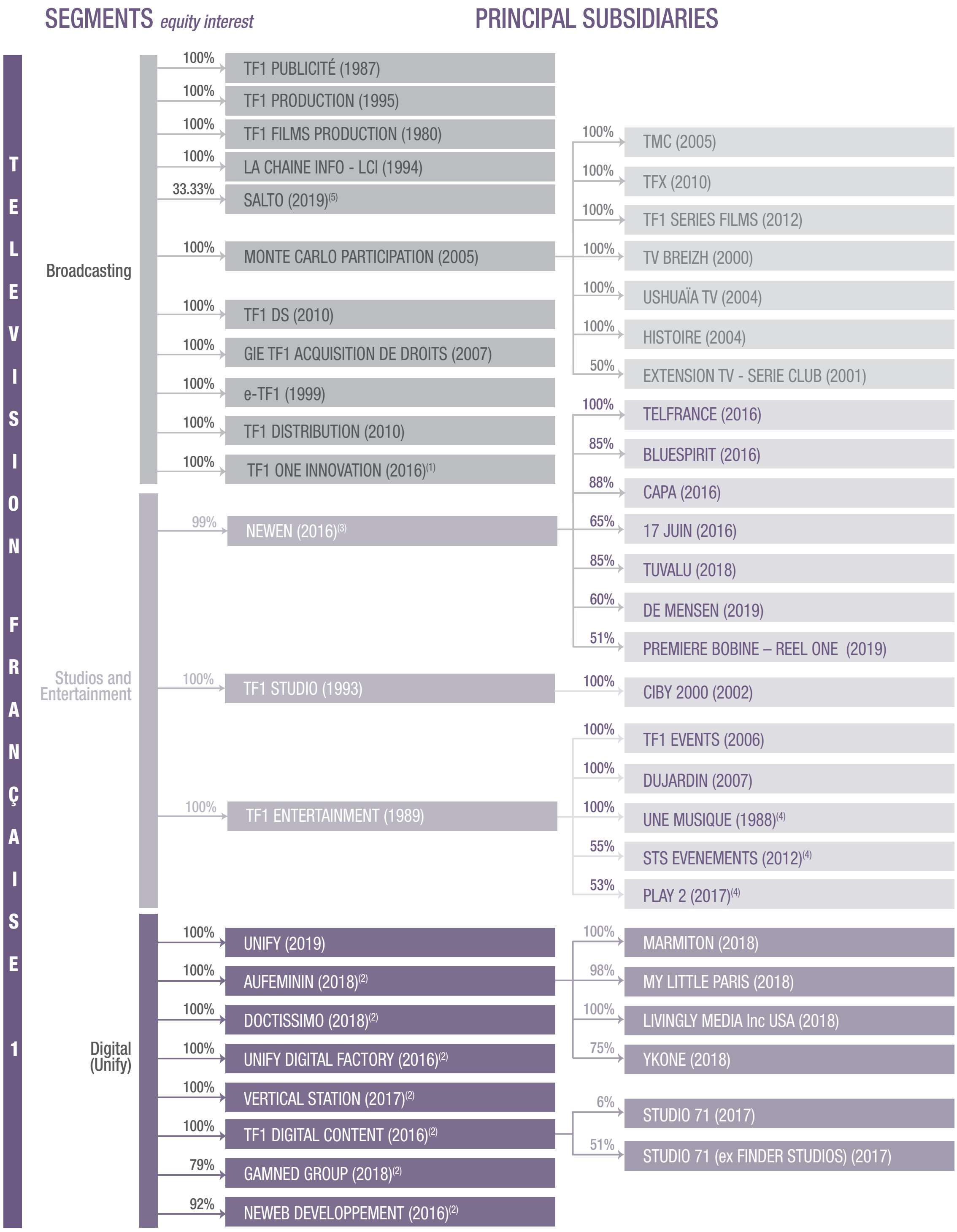
Eurosport, the first pan-European sports channel, joins the TF1 group

1987

The Bouygues group becomes the operator of the TF1 channel, which is privatised and listed on the Stock Exchange on 24 July

Francis Bouygues becomes the Chairman and Chief Executive Officer of TF1

1.2 SIMPLIFIED ORGANISATION CHART OF THE TF1 GROUP AS OF 31 DECEMBER 2020



(1) Held via TF1 EXPANSION.
(2) Held via UNIFY.
(3) Group of approximately 100 subsidiaries.
(4) Held via Muzeek One.
(5) Held via TF1 SPV.

The year of incorporation and/or acquisition is shown in parentheses.

1.3 MARKETS

1.3.1 TELEVISION IN FRANCE

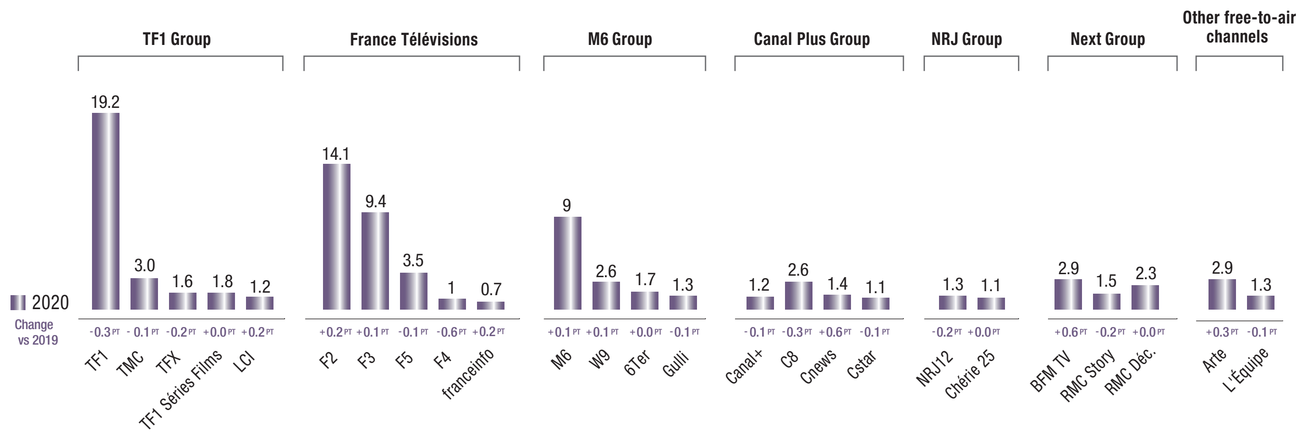
Television is historically the core business of the TF1 group which produces five free-to-air channels (TF1, TMC, TFX, TF1 Séries Films and LCI) and thematic channels (TV Breizh, Histoire TV, Ushuaïa TV and Sérieclub).

The television market has changed considerably over the last few years:

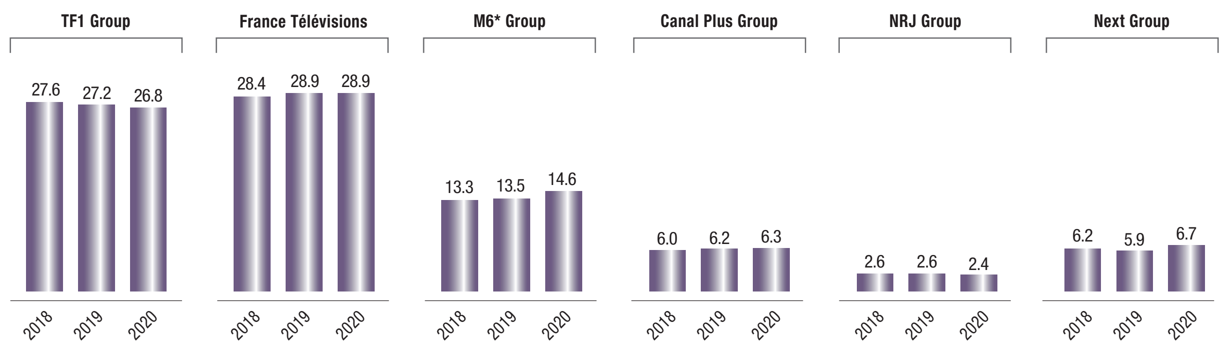
- a growing number of channels with the arrival of DTT in 2005, then HD DTT in 2012, with the total number of free-to-air channels having risen from 6 before 2005 to 27 at present. At the same time, this change has coincided with the arrival of new free-to-air television groups (NextRadioTV, NRJ Group, Canal Plus, and Amaury);
- television equipment has improved significantly with the introduction of internet-connected televisions;
- new personal, mobile screens have appeared *via* devices such as smartphones and tablets, promoting mobile consumption and the personalisation of media content;
- with generalised access to high-speed internet, these new uses have accelerated the delinearisation of content consumption, although linear consumption remains strong;
- pure player video entities such as Google, Amazon, Facebook, Apple and Netflix have consolidated their position, constituting a new way of Broadcasting television content across different screens.

1.3.1.1 FRENCH AUDIOVISUAL LANDSCAPE, EQUIPMENT, RECEPTION MODES AND CONSUMPTION(1)

AUDIENCE SHARE OF EQUIPPED INDIVIDUALS AGED 4 AND OVER

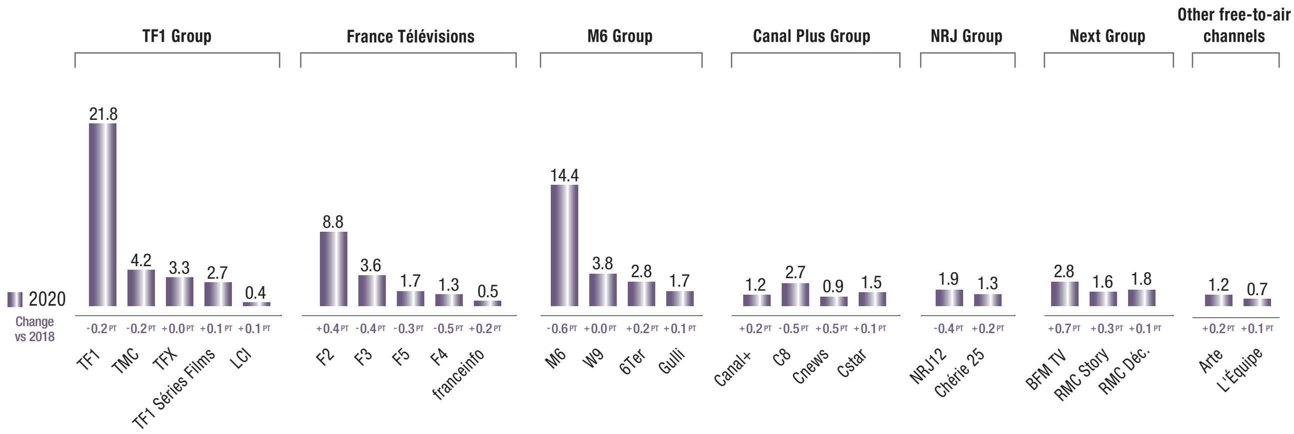


GROUP AUDIENCE SHARE OF INDIVIDUALS AGED 4 AND OVER

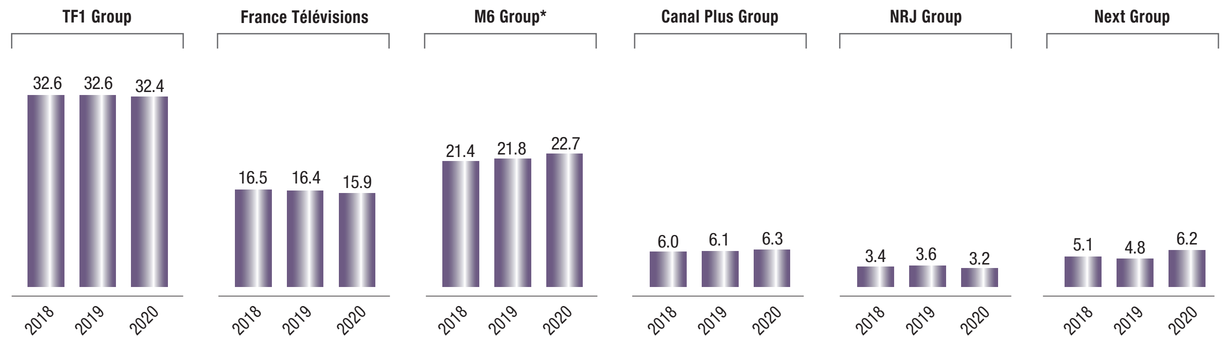


(1) *Médiamétrie – Médiamat.*

AUDIENCE SHARE OF WOMEN AGED UNDER 50 PURCHASING DECISION-MAKERS

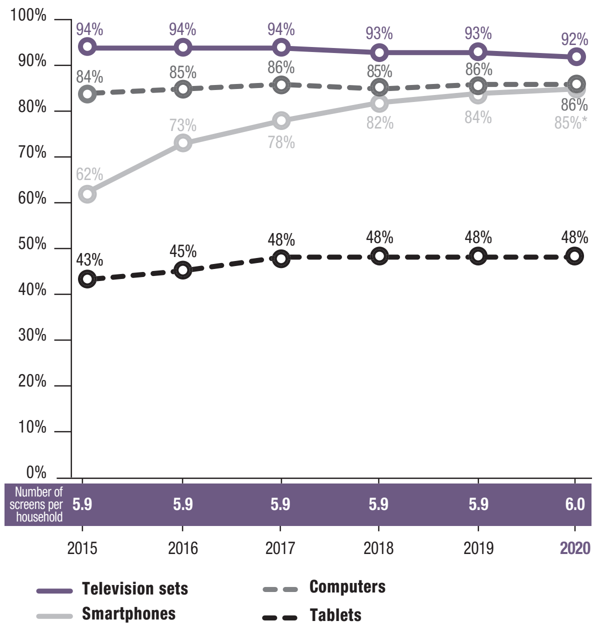


GROUP AUDIENCE SHARE OF WOMEN AGED UNDER 50 PURCHASING DECISION-MAKERS



AUDIOVISUAL EQUIPMENT(1)

The number of screens per household is stable at six, supported by the number of mobile screens (smartphones, computers and tablets). Almost every French household now has a television set: 92% have at least one TV set.

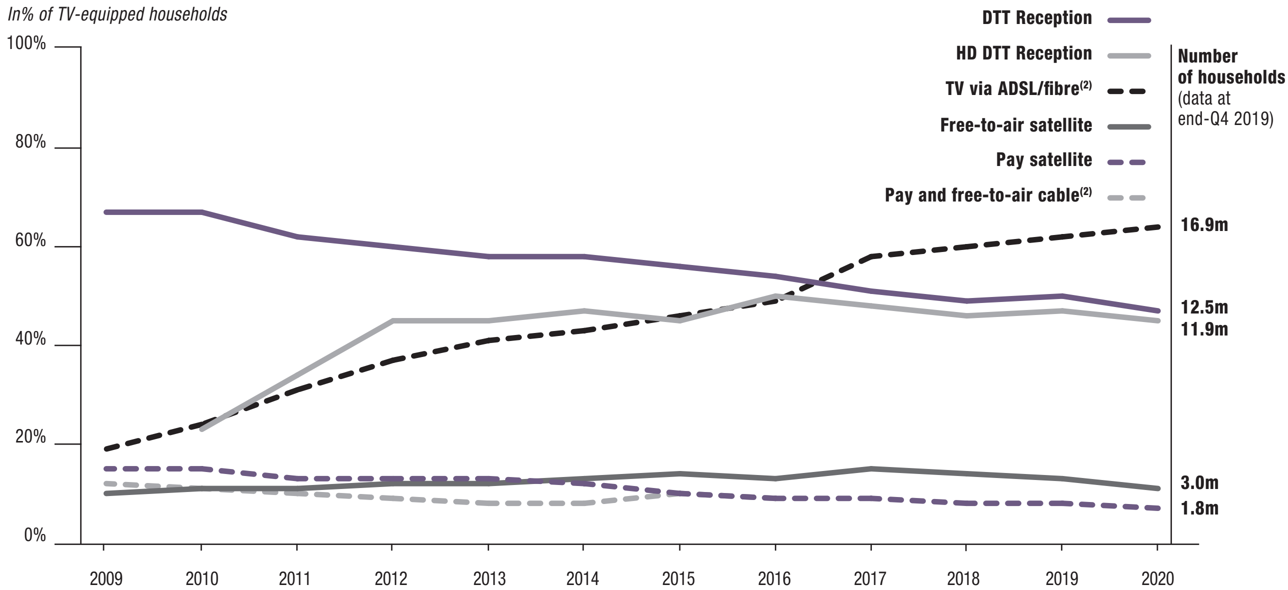


*This a Q4 2020 projection.

(1) Médiamétrie – 2020 Figures.

TRENDS IN TELEVISION RECEPTION MODES[1]

Of TV-equipped households, 50% have DTT as their reception mode for television. Thanks to the increased eligibility of households for triple-play Internet offers, *IPTV* (ADSL television, cable/fibre optics) continues to grow steadily with a penetration rate of 64%.



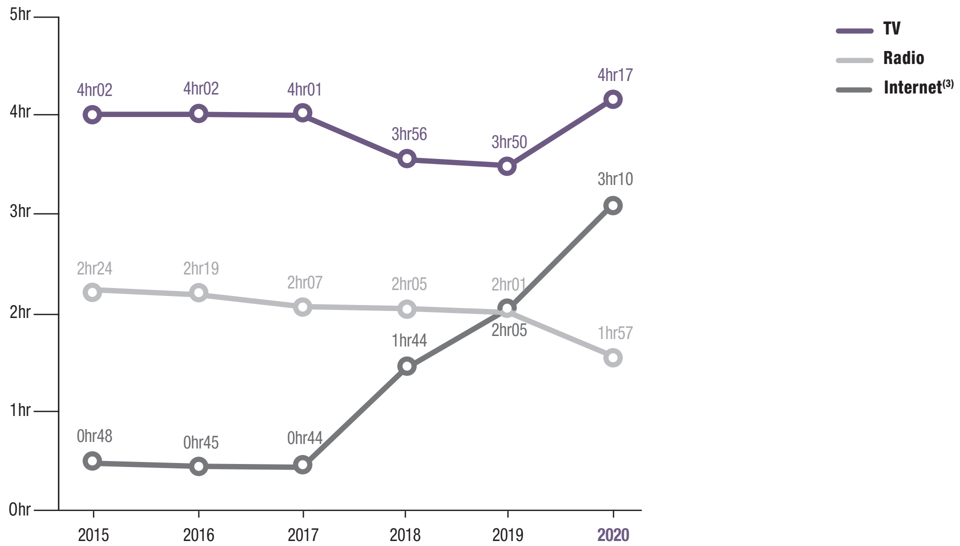
* Médiamétrie includes cable via ADSL.

CONSUMPTION

NB: this data does not include the consumption of the three screens at home (live or replay) but since April 2020 it does integrate all the rest of the consumption outside the home on the four screens. Over the next two years, Médiamétrie is expected to include the last missing share of consumption (three screens at home), estimated at three minutes at the end of 2020.

Television, the top media choice[2]

Television is still the most popular media with the French population on a daily basis. An individual aged 15 and over in France watches an average of 4 hours and 17 minutes of television a day, compared with 1 hour and 57 minutes for radio and 3 hours and 10 minutes spent surfing on the Internet[3].

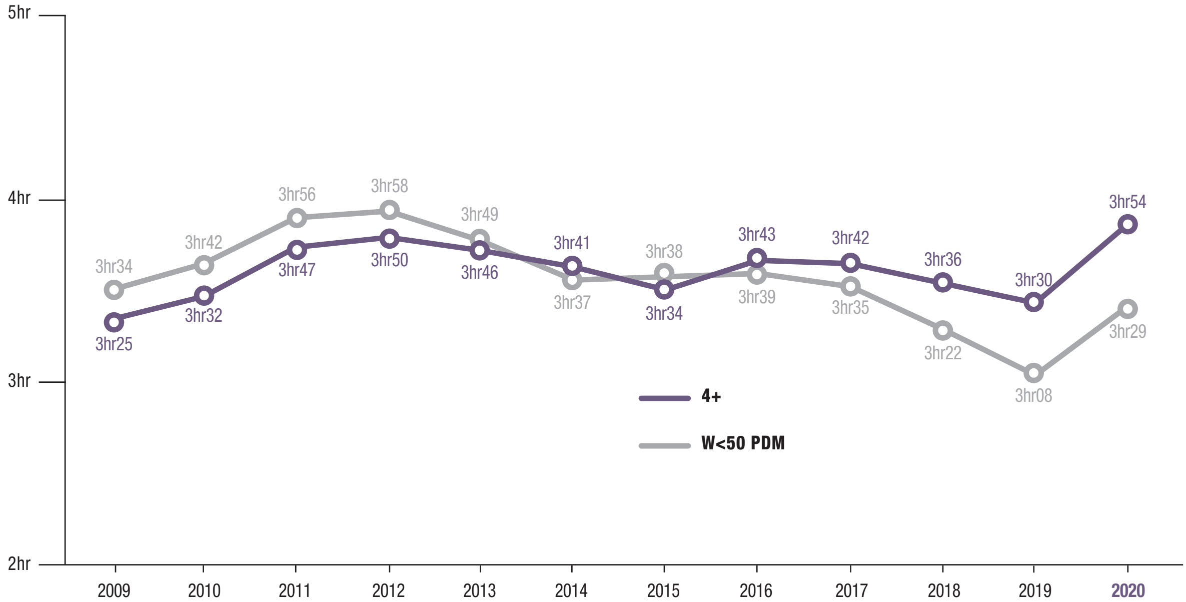


(1) *Médiamétrie – 2020 Figures.*
(2) *Médiamétrie – Médiamat/Radio/NetRatings.*
(3) *Before 2018, the measurement only included fixed internet. Since 2018, the measurement covers three-screen Internet (computers, tablets and smartphones). This is time spent surfing, meaning the time spent on the Internet excluding watching video*

TV viewing time showing strong growth this year(1)

French interest in television increased in 2020, both during the periods of lock down and of the easing of government restrictions. Daily television consumption by the French was 3 hours and 54 minutes, an increase of 24 minutes compared with 2019.

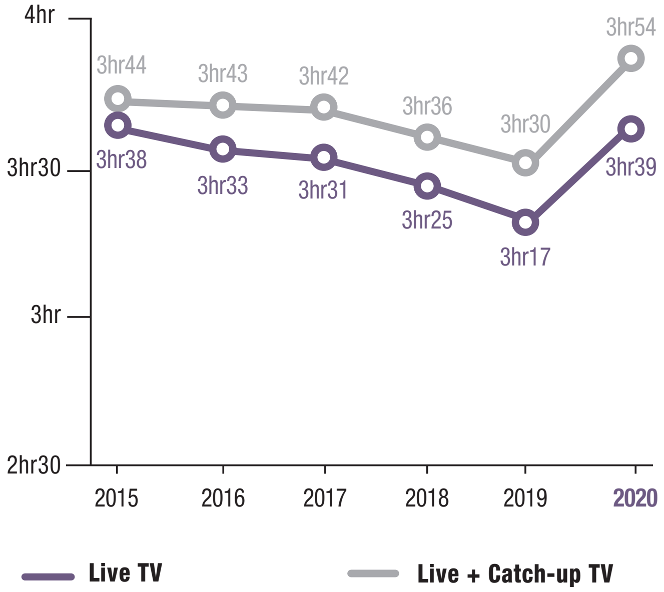
INDIVIDUAL VIEWING TIMES FOR INDIVIDUALS AGED 4 AND OVERAND WOMEN AGED UNDER 50 PURCHASING DECISION-MAKERS (W<50 PDM)



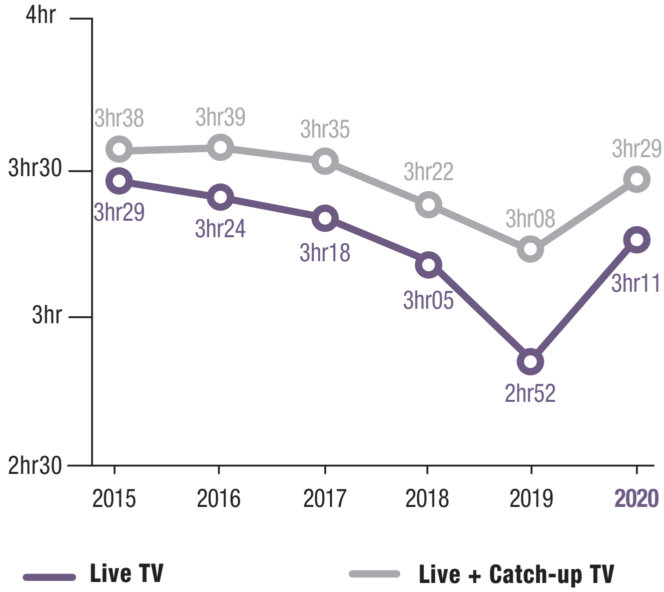
The gradual integration of catch-up viewing(2)

Médiamat audience ratings have since January 2011 integrated private recordings on hard disk, DVD recorders and video cassette recorders. Catch-up TV viewing was included in audience ratings in October 2014.

INDIVIDUAL VIEWING TIMES FOR INDIVIDUALS AGED 4 AND OVER



LISTENING TIME OF WOMEN AGED UNDER 50 PURCHASING DECISION-MAKERS



(1) Médiamétrie – Médiamat. Consolidated data.
(2) Médiamétrie – Médiamat. Live and consolidated data.

Other TV viewing modes[1]

Out-of-home consumption on the four screens has been included since April 2020. In the next two years, Médiamétrie will include the last remaining share of consumption (three screens at home) estimated at three minutes.

THE GROWTH IN POPULARITY OF MULTI-SCREEN USAGE

At end December 2020, close to 47 million French citizens aged 15 and over had Internet access, equivalent to more than 89% of the population.

In 2020, the balance of power observed in 2019 with regard to screen usage was confirmed with the dominance of internet access *via* smartphone with 41.7 million[2] French people, ahead of those *via* computer (38.1 million[2]) and *via* tablet (20.4 million[2]).

At the end of 2020, the TF1 group had 33.2 million monthly French internet users. The Group recorded an increase in its coverage on all screens, in particular on smartphones:

- 12.5 million (+1%)[2] French people connect using their computer[3];
- 25.3 million (+4.7%)[2] French people connect using their smartphone[3];
- 7.4 million (+1%)[2] French people connect using their tablets[3].

Thanks to the ever-increasing deployment and distribution of the MYTF1 service, the TF1 group channels (TF1, TMC, TFX and TF1 Séries Films) are the most watched of all general interest channels, thanks to strong performances on all screens:

- 21.3 million French people watch one of the TF1 group's channels on their television sets or on digital screens away from home, for an average viewing time of 55 minutes[4];
- 8.1 million[5] unique videonauts consume the Group's content on their computer, smartphone and tablet, for an average viewing time of 45 minutes [1]

The smartphone is the first screen to access replays and live broadcasts from the four channels:

- 5.4 million French people watch videos on MYTF1 using their smartphone[5];
- 2.8 million French people use their computer[5];
- 1.2 million French people use their tablet[5].

1.3.1.2 TRENDS AND CHANGES OF THE TELEVISION MARKET

SLOWDOWN IN THE FRAGMENTATION OF FREE-TO-AIR TELEVISION AND CONTINUING INCREASE IN OFF-THE-GRID CONSUMPTION

The number of free-to-air channels in France is not expected to change significantly in the coming years.

In addition, the deployment of fibre optic should continue to favour an increase in the number of IPTV-eligible households.

Lastly, non-linear consumption of content should continue to advance, due to the improvement in available speeds on mobile phones and tablets (widespread availability of 4G and arrival of 5G). The Médiamétrie measurement of these new uses is expected to be enriched in the next few years.

(1) Médiamétrie - Global TV - Individuals aged 15+
(2) Global Internet Panel – Médiamétrie – December 2020. Individuals aged 15+.
(3) Connected at least once to the device.
(4) 4 screen TV audience – Médiamétrie – December 2020 – (Monthly coverage, daily viewing time). Individuals aged 15+.
(5) Global Internet Video Panel – December 2020 – (Monthly coverage, daily viewing tome). Individuals aged 15+.

1.3.2 ADVERTISING MARKET

1.3.2.1 CHANGE IN NET PLURIMEDIA INVESTMENTS IN 2020[1]

Note:

- *on the date of publication of this report, IREP's results in the BUMP – Baromètre Unifié du Marché Publicitaire (Unified Survey of the Advertising Market) for 2020 had not yet been published. The net data below relate to the first nine months of 2020, whereas the e-pub Observatory data for the SRI covers the full year of 2020;*
- *The method for reporting to IREP changed in 2019: from now on, revenue from each media include the revenue from media brand extensions into digital, all formats, all marketing methods combined, excluding any 100% digital diversification (e.g. MYTF1.fr and Eurosport.fr are included in television, but Studio71 is not);*
- *SRI data also include declared information regarding the digital extensions of historical media.*

PLURIMEDIA ADVERTISING REVENUES – NET DATA

Net plurimedia revenue, first 9 months ***Including digital extensions of historical media***	**2020 net revenues** *(in €m)*	**Change: 2020 vs. 2019** *(in %)*
Television	**1,955**	**-17.5**
of which sponsoring	*190*	*-12.1*
Press	**896**	**-24.4**
Outdoor advertising	**578**	**-33.4**
Radio	**337**	**-12.6**
Cinema	**23**	**-62.1**
TOTAL	**3,788**	**-22.2**

Net digital investments, annual figures 2020	**Net revenue in 2020** *(in €m)*	**Change 2020 vs. 2019** *(in %)*
Digital 2020	**6,066**	**+3**
of which Search	*2,543*	*+3*
of which Social	*1,558*	*+7*
of which Display	*1,140*	*-2*
*of which Other Levers**	*825*	*+7*

* *Affiliation, comparators and emailing.*

Over the first three quarters of 2020, plurimedia advertising revenue was down sharply (-22.2%) to €3,788 million. This decrease is explained by the impact of the COVID-19 health crisis on the communication market, in particular during the first lockdown. Radio and television are the two traditional media that are most resilient, at -12.6% and -17.5% respectively. More directly impacted by the health crisis (closure of cinemas and reduced movement of people in public spaces), cinema and outdoor advertising experienced the largest decreases in advertising revenue, at respectively -62.1% and -33.4%.

For the full year 2020, advertising expenditure across all digital levers amounted to a net €6,066 million (search included), marking a clear slowdown in annual growth (+3% in 2020 versus +12% in 2019). Despite a first half affected by the health crisis (-8%), expenditure on digital advertising rebounded significantly in the second half (+13%). It should be noted that the type of levers that are seen to generate a very short-term performance did better during the crisis, at +7%, with other levers also at +7%.

(1) BUMP - First nine months of 2020/23rd and 25th editions of SRI's Observatoire e-pub (2019 and 2020) - changes compared to the same period in 2019

1.3.2.2 TELEVISION IN 2020(1)

GROSS MARKET SHARE OF TV CHANNELS – ALL TV (EXCLUDING SPONSORING)

	Year 2020	Year 2019	Year 2018
Free-to-air TV channels	**92.4%**	**92.1%**	**92.7%**
TF1 Pub	**41.1%**	**41.7%**	**41.5%**
TF1	27.6%	28.5%	29.0%
TMC	5.6%	5.7%	5.6%
TFX	3.7%	3.7%	3.7%
TF1 Séries Films	3.1%	3.0%	2.6%
LCI	1.1%	0.8%	0.6%
M6 Publicité	**23.2%**	**22.0%**	**22.9%**
M6	15.9%	16.1%	17.0%
W9/6ter(1)	N/A	5.9%	6.0%
W9/6ter/ Gulli(2)	6.5%	N/A	N/A
Gulli Kids(3)	0.8%	N/A	N/A
France Télévisions Publicité	**5.4%**	**4.8%**	**4.7%**
France 2	3.6%	3.2%	3.1%
France 3	1.3%	1.2%	1.2%
France 4	0.0%	0.0%	0.0%
France 5	0.5%	0.4%	0.4%
France Ô	0.0%	0.0%	0.0%
CANAL+ Brand Solutions	**8.3%**	**8.8%**	**8.9%**
C8+(4)	N/A	N/A	6.0%
C8Star+(5)	7.1%	7.8%	N/A
Cstar	N/A	N/A	1.9%
CNews	1.2%	1.0%	1.0%
NEXT Média Solutions	**8.4%**	**7.1%**	**7.0%**
BFM TV	N/A	N/A	3.4%
BFM TV Max(6)	4.4%	3.5%	N/A
RMC Power TNT(7)	4.0%	3.5%	N/A
RMC Story	N/A	N/A	1.2%
RMC Découverte	N/A	N/A	2.4%
NRJ Global	**4.3%**	**4.7%**	**4.5%**
NRJ12	2.8%	3.2%	3.1%
Chérie25	1.5%	1.5%	1.4%
Lagardère Publicité	**N/A**	**1.3%**	**1.5%**
Gulli(8)	N/A	1.3%	1.5%
Amaury Média	**1.7%**	**1.7%**	**1.5%**
L'Equipe 21	1.7%	1.7%	1.5%
Pay-TV channels	**7.4%**	**7.9%**	**7.3%**
TOTAL TELEVISION	**100.0%**	**100.0%**	**100.0%**

(1) In 2018 and 2019, W9 and 6TER are marketed jointly in the "Puissance TNT" package.
(2) In 2020, since the acquisition of Gulli by the M6 Group, Gulli screens sold to adult targets are bundled in the "Puissance TNT" package.
(3) In 2020, since the acquisition of Gulli by the M6 Group, Gulli screens sold to young people are distinguished from adult screens (marketed with W9 and 6TER), under the name Gulli Kids.
(4) In 2018, Canal+ and C8 were marketed jointly in the C8+ offer.
(5) In 2019, Cstar was included in the package that became "C8Star+".
(6) Since 2019, all of BFM TV's screens, as well as those of the morning news shows RMC Découverte (Bourdin Direct) and RMC Story (Good Morning Business), have been bundled in the "BFMTV MAX" package.
(7) Since 2019, RMC Découverte and RMC Story, not including the morning news programmes, have been bundled in the "RMC Power TNT" package.
(8) The Gulli channel was acquired by the M6 Group in September 2019, but all of the channel's advertising revenue was still associated with the Lagardère Publicité advertising sales office in 2019.

(1) Kantar Media – Gross advertising spend excluding TV sponsorship – MXplorer extraction carried out on 20/01/2020. Due to rounding, the overall market share of free-to-air TV channels is not equal to the sum of the market shares of each – changes versus same period in 2019.

TV MARKET (EXCLUDING SPONSORING)

In a televisual landscape marked in 2020 by the strong appeal of the news channels and a disrupted calendar of sporting events (delays in 2021 of the UEFA Euro 2020, the Olympic Games, etc.), the TF1 channel maintained its position as leader with 27.6% of gross advertising revenue. Driven by the news channel LCI, the TF1 group's free-to-air DTT channels gained market share (13.5% of the TV market, +0.3 pt vs. 2019).

In total, TF1 Pub confirmed its leadership with €4.9 billion in gross advertising revenue, ahead of all its competitors.

1.3.2.3 DISPLAY IN 2020(1)

Display, badly affected by the health crisis in the first half (-17% in advertising revenues) recovered well in the second half (+9%). The following trends were observed across the full year:

- Advertising revenues from digital video (€474 million) represented 42% of advertising revenue for display,despite a drop of 3%, which can be explained in part by the postponement, often jointly, of linear television campaigns and their digital versions during the first half. However, video instream did better (-3%) versus video outstream (-10%);
- Programmatic accounted for 61% of total display revenue (excluding special operations) under the effect of growth of 4% vs. non-programmatic, down by 1%;
- digital audio continued to do well taking 2% of display advertising revenues (€27 million); and it was the segment with the highest rate of growth at +95%.

Thanks to its unique four screen instream premium video offering, also available in programmatic, TF1 Pub retains an attractive position in the display market. This appeal is further enhanced by the data targeting capabilities offered by TF1 Pub on all screens, thanks to its 27 million logged consumers and strategic partnerships with leading market players (Médiamétrie, internet service providers, 3WRelevanC, etc.).

1.3.2.4 TF1 PUB: A KEY PLAYER IN THE TOTAL VIDEO MARKET

2020: TF1 PUB ADAPTS TO THE CRISIS, WHILE CONTINUING ITS FULL VIDEO DEPLOYMENT

Faced with the crisis that has hit the entire advertising market since the spring of 2020, TF1 Pub has reacted with agility to best support advertisers in their communication issues throughout the year: flexibility and coordination with market players faced with the cancellation of campaigns by advertisers due to lockdowns, launches of follow-up offers, webinars and presentations of research to demonstrate the effectiveness of advertising in times of crisis, a campaign to support cinema operators, the launch of offers dedicated to e-retailers, etc. TF1 Pub launched the multiple new initiatives required by the health, social and economic situation in the country.

This crisis, far from stopping the convergence of TV and video uses, has even accelerated it (5h20 of individual average daily viewing time for video, all forms combined, by French people, *i.e.* 40 minutes more than one year earlier), while highlighting the central role of television in these uses (4h07 dedicated to television, all screens, *i.e.* 16 minutes more).

This is why TF1 Pub has also stepped up the roll-out of its Total Video strategy, which aims to make premium and dataized video inventories available to all advertisers, on all media and *via* all purchasing methods:

- launch of OnePTV (February 2020), the first European linear television offer to be purchased in programmatic and cost per thousand *via* a digital Demand-Side Platform (DSP). This offer attracted 17 brands in 2020, including 12 new ones on TF1 group channels;
- deployment of new targeting capabilities (construction of socio-demographic targets in IPTV, or "small TV consumers" targets promoting TV-digital complementarity) and new data segments adapted to current trends (e-commerce buyers, individuals sensitive to *Made in France*, etc.);
- increasing the accessibility of its offers to new customers: new commercial conditions for the cinema sector, now authorised to communicate on television, launch of the programme *F1RST* aiming to support new advertisers in their first steps in television.

Finally, TF1 Pub has made every effort to accelerate the groundswell movement of the entire communications industry in favour of responsible and sustainable advertising. This mobilisation was reflected in the launch of the.Eco-Respons'Ad, in collaboration with ADEME, and the solidarity advertising offer, in partnership with Goodeed, available on TF1 and MyTF1: thanks to this offer, more than €100,000 in donations were distributed through TF1 Pub and Goodeed to charities (*Les Restos du Cœur*, French Red Cross, etc.).

2021: INDUSTRIALISATION OF TOTAL VIDEO AND DRIVE FOR RESPONSIBLE TRANSFORMATION

After a year in 2020 that tested the ability of the entire industry to adapt, TF1 Pub is well-equipped to face the challenges of 2021, which promises to be once again marked by changes in the health situation, but also stimulated by e-commerce and transformed by new forms of video consumption.

At the heart of the convergent revolution, TF1 Pub is pursuing its "Cap 2022" transformation project and intends to promote the transformation of advertising trading to enable its customers to manage and operate their Total Video campaigns. This commitment is broken down into two areas:

- convergence, with the deployment of concrete Total Video offers and solutions: success of new automated purchasing offers (*Achat Express, GRP Express*) on our transactional platform *La Box*, expansion of linear inventories that can be purchased programmatically *via OnePTV*, launches of offers and first segmented television campaigns on the Orange subscriber base);
- performance, with a strong investment in research to enlighten advertisers on the effectiveness of video touchpoints (econometrics studies conducted by Ekimetrics for SNPTV) and the extension of targeting possibilities (*Smart Acquisition* range).

Particularly highlighted by the crisis, contributing to living better together is more than ever a communication challenge for brands. Driven by the long-term commitment of the TF1 group in this area, TF1 Pub will continue to implement its ambitious policy to promote greener, more inclusive and more sustainable advertising.

(1) 25th edition of SRI's Observatoire e-pub (2020) - changes compared to the same period in 2019.

Through dedicated CSR offers, solidarity advertising programmes, and initiatives that promote awareness and commitment by consumers and brands, TF1 Pub will work alongside its customers to boost their responsible communication initiatives.

1.3.3 RIGHTS AND CONTENT MARKET

AUDIOVISUAL PRODUCTION

TF1 is mainly present in content production *via* the Newen Group.

This sector has undergone significant changes over the last few years worldwide.

Faced with a television content market that has experienced increased demand in recent years, as well as a consolidation around players like Endemol Shine, Banijay and ITV Studios, TF1 acquired the production company Newen, wholly owned since July 2018.

In France, the industry is built around the relationship between producers and broadcasters which is governed by regulatory restrictions prohibiting the emergence of large national groups. In order to compete on an international level, French broadcasters, including public service broadcasters, aspire to integrate production companies.

This would require a change in the law which currently prohibits TF1 from devoting any more than 30% of its obligation to invest in proprietary audiovisual production from dependent companies (ownership of one share or more).

The production sector is fragmented in France, with no body or organisation producing an inventory of companies in the segment.

FILM PRODUCTION AND DISTRIBUTION OF FILM RIGHTS[(1)]

The TF1 group is a key player in cinema in France, and is present throughout the entire film value chain:

- financing, production and/or acquisitions: TF1 Films Productions and TF1 Studio;
- cinema distribution: TF1 Studio – with external partners;
- distribution to French and international distributors: Newen Connect and TF1 Studio;
- physical and digital video publishing (TVOD/EST): TF1 Studio
- free-to-air channel distribution: TF1 – TMC – TFX – TF1 Séries Films;
- use of catalogues: TF1 Droits Audiovisuels; TF1 Films Production

Through its TF1 Films Production subsidiary, the Group co-produces and pre-buys mostly family entertainment films, intended for broadcast on its channels and in response to its obligations to invest in French film production as set forth in the agreement with the CSA.

Through its TF1 Droits Audiovisuels subsidiary, which operates under the TF1 Studio label, the Group co-produces or buys the full rights to films in order to sell them on all French and international markets. The editorial policy prioritises entertainment, popular, event-based and ambitious films.

In France, the operating cycle for a cinematic work is regulated by the media chronology of 21 December 2018, shown below:

MEDIA CHRONOLOGY

DURATION AFTER THEATRICAL RELEASE	4 months	8 months	17 months	18 months	22 months	24 months	27 months	29 months	30 months	36 months	44 months
	DVD/Blu-ray – Pay VOD										
		1st Pay TV window (cinema services) *agreements with professional organisations*									
			2nd Pay TV window (cinema services) and SVOD1 *agreements with professional organisations*								
				1st Pay TV window (cinema services) *no interprofessional agreement*							
					Free-to-air and Pay TV (excluding cinema services) *where the service applies co-production commitments of a minimum of 3.2% of revenue*						
						2nd Pay TV window (cinema services) and SVOD1 *no interprofessional agreement*					
									Free-to-air and Pay TV (excluding cinema services) *in other cases* **and SVOD2**		
										SVOD	
											free VOD

(1) CNC.

The year 2020 was marked by the global COVID-19 pandemic, which led to two separate closures of theatres for a total of 162 days. Over 2020 as a whole, total theatre attendance reached 65.1 million admissions, *i.e.* just 30% of that observed in 2019.

In 2020, French films recorded a smaller decline in their attendance than American films (-60.7% *versus* -76.7%).

In this particular context, French films achieved more admissions (29.2 million) than American films (26.6 million).

The biggest French success was *Ducobu 3* with 1.5 million admissions (film co-produced by TF1 Films Production).

The table, below, shows the best attended films in 2020:

Film	Country	Tickets sold *(in €m)*
Tenet	United Kingdom	2.3
1917	United States, United Kingdom	2.2
Sonic the Movie	United States	2.1
Bad Boys For Life	United States	1.7
Ducobu 3	France	1.5
Dr. Dolittle's Journey	United States	1.3
Call of the Wild	United States	1.3
10 Days Without Mum	France	1.2
30 jours max	France	1.1
Les Blagues de Toto	France, Luxembourg, Belgium	1.0

* *Films co-produced by TF1 Films Production.*

1.3.4 THE ON-DEMAND VIDEO MARKET

The pay digital video market is structured around three types of Consumer Products:

- Video on Demand rental, (or VOD);
- permanent downloads (or EST for "Electronic Sell-Through");
- unlimited access subscription (or SVOD, Subscription Video on Demand).

The video on demand subscription market was once again especially dynamic in France in 2020. The CNC estimates that SVOD consumer spending came to €1,217 million incl. VAT in France in 2020, up by 43% on 2019. At the same time, the rental market remained stable at €160 million and EST rose by 11% year-on-year to reach €89 million. SVOD thus made up 83% of the pay digital video market and 71% of video spending (physical and digital).

1.4 GROUP ACTIVITIES

1.4.1 GROUP ACTIVITIES BY SECTOR

1.4.1.1 CHANNELS

TF1

In the context of the health crisis and renewed appeal for television, TF1 confirmed its position as a major generalist and events channel in 2020, with a unique ability to bring together all genres and all audiences, particularly young people. Leader, with a 21.8% audience share among WPDM<50 and 20.1% among 25-49 year olds, TF1 holds 74 of the top 100 television audiences and has the best audience in each genre. In addition to a key position on news, TF1 has been particularly successful in taking winning risks, foremost among which has been the launch of its second daily soap opera, *Ici tout commence*, which attracts an average of four million viewers every day. With nearly 26.5 million viewers per day on its channel, TF1 remains the leading private channel in France.

TMC

In 2020, TMC confirmed its position as the leading DTT channel with a 4.2% audience share among individuals aged 25 to 49. It holds 15 of the 25 best DTT audiences, including the first with *Quotidien* at 2.5 million viewers. The increased performance of its programmes, including *Burger Quiz,* enable TMC to impose its status as a modern, premium and must-see channel. With strong links to the world of culture, TMC also stands out for its Broadcasting of comedy shows, concerts and a number one cinema offering in DTT.

TFX

TFX is the TF1 group's channel targeting a *Millennia*l *audience*. In 2020, TFX was once again the third most successful DTT channel, with a 2.9% audience share among individuals aged 15 to 24 and 3.3% among WPDM<50, as a result of its variety of generational programmes which have been the key to its success, in particular TV reality shows and true-life story programmes.

TF1 SERIES FILMS

TF1 Séries Films is the TF1 group's 100% cinema-series channel. In 2020, TF1 Séries Films achieved an all-time high among WPDM<50 with a 2.7% audience share. The growth in popularity of the triad of cinema, French drama and US series, drove the channel's very balanced growth in terms of female audiences.

LCI

Among the French news channels, LCI is positioned as the channel for debating ideas, embodied by major names such as David Pujadas, Pascale de la Tour du Pin, Elizabeth Martichoux, Pascal Perri, Arlette Chabot and well-known columnists. In 2020, just four years after moving to free-to-air on DTT, LCI became the second largest news channel and achieved a record-breaking year with an audience share of 1.2% among individuals aged four and over. For the 2020-2021 season, new faces are appearing on the air, such as Jean-Pierre Pernaut, elected favourite personality of the French, the presenter Eric Brunet, the essayist Raphaël Enthoven and the editor of Le Point, Etienne Gernelle. LCI is now a well-known brand across all platforms, its digital version lci.fr is one of the top news websites in France. At the end of 2020, lci.fr was revamped and offered a more readable content offering that was more recognisable to its audience, while strengthening its offering with the arrival of *JPP TV*, a new digital platform dedicated to regional heritage and news, driven by Jean-Pierre Pernaut.

TV BREIZH

TV Breizh is the channel of the greatest cult heroes and series and offers viewers the opportunity to watch or re-watch their favourite series such as *Columbo*, *Hercule Poirot*, *The Experts*, *Tandem* and *Balthazar*. TV Breizh is the leading pay channel with a 0.8% audience share among individuals aged four and over. It is watched by more than seven million viewers each month.

HISTOIRE TV

A generalist channel on historical topics, Histoire TV explores living history in all its facets, through a wide variety of formats and perspectives. Civilizations, wars, and contemporary history, but also art and heritage: the channel cultivates a unique editorial stance to tell the stories that make history. Annually, more than 300 hours of new programming are available to the eleven million households subscribing to the channel across the French-speaking world. With more than 3.6 million viewers, the channel is the leader in the field of history.

USHUAÏA TV

The only channel 100% dedicated to protecting the planet, a theme more than ever at the heart of the French public's concerns, Ushuaïa TV celebrated its 15th anniversary in 2020. Through a rich and varied panel of documentaries, magazines and cinema films, the channel invites you to explore the world and marvel at its inexhaustible beauty, but also, and above all, protect it. Distributed in more than 30 countries and received by nearly 13 million subscribing households, Ushuaïa TV is the second largest channel in the world of discovery, with 3.8 million viewers each month.

SÉRIE CLUB

Co-owned 50/50 by TF1 and M6, *Série Club* is broadcasted *via* cable, satellite and the main independent networks.

MYTF1

MYTF1, the TF1 group's digital platform, offers a 100% video consumer experience accessible on various media: computers, smartphones, tablets, TV (*via* the IPTV offer). The service makes it possible to find all the major airtime franchises in replay, meaning 7,500 hours of programmes. The MYTF1 offering also includes a line-up of AVOD content, based on five major programme genres: foreign series, French drama, mangas, and *novelas* and reality TV. The leading platform for TV groups, MYTF1 attracts an average of 22 million users each month and had a total of two billion videos viewed in 2020.

TF1 PUB

TF1 Pub, the leading plurimedia advertising airtime sales network in France, is the business partner for advertisers and agencies. It markets the most complete product on the market for meeting targeting and coverage requirements. TF1 Pub markets the TF1 group's free-to-air and Pay TV channels and its digital media (MYTF1, TFOU and Ici.fr). TF1 Pub is also a leading advertising agency in the radio market, notably with Les Indés Radios and M Radio. Thanks to its content marketplace, a gateway to a multi-screen media product, TF1 Pub creates custom-made 360° systems, drawing on all the Group's assets (programmes, artists, licences, shows, etc.) to add value for its customers. With the goal of supporting and positively inspiring the advertising market, TF1 Pub deploys all of its expertise to offer innovative solutions to brands based on awareness, affinity and effectiveness.

TF1 PRODUCTION

TF1 Production is a subsidiary of the TF1 group, which produces programmes for the TF1 group channels. TF1 Production activities primarily focus on unscripted and sports programmes.

TF1 FILMS PRODUCTION

TF1 Films Production co-produces and buys French and European films. It acquires Broadcasting rights for the TF1 channel as well as co-producer shares, through which it is entitled to a part of the revenues generated by the films.

These investments enable TF1 to contribute 3.2% of its advertising revenue to the financing of film production.

TF1 ENTERTAINMENT

TF1 Entertainment is a leading player in many entertainment sectors: licences, games/toys, content production.

With its highly developed expertise in creating, exploiting and distributing brands for more than 20 years, TF1 Entertainment owns and represents premium assets. TF1 Entertainment aims to support innovative and ambitious projects, create new products and promote the brands in its catalogue.

1.4.1.2 STUDIOS & ENTERTAINMENT

NEWEN

Created in 2008, Newen is the audiovisual production and distribution leader in France, with a unique capacity to develop all formats, all registers and all genres: from the daily dramas of prime-time access to headline-making series, to animated features, to prestigious documentaries, to fact-based entertainment, to infotainment magazines and TV movies. Since joining the TF1 group, Newen has accelerated its international expansion, acquiring new entities in the Netherlands (Pupkin), Denmark (Nimbus), Belgium (De Mensen), Canada, the United States and the United Kingdom (Reel One Entertainment, Ringside). Newen is one of the top audiovisual distributors in France and abroad, with more than 1,500 hours produced per year and a catalogue of 5,500 hours internationally, sold in more than 130 countries to all players in the industry, from public and private channels to platforms.

TF1 STUDIO

TF1 Studio is the TF1 group's in-house cinema brand, bringing together the activities of TF1 Droits Audiovisuels, TF1 International and TF1 Vidéo. TF1 Studio's role is to initiate, co-produce or acquire new cinema projects, showcase films and support talent throughout the value chain: cinema/e-cinema releases, video, VOD, TV/SVOD sales in France, international sales, etc. TF1 Studio is also committed to promoting a catalogue of almost 1,000 heritage films.

1.4.1.3 UNIFY

In France and internationally, Unify handles the TF1 group's digital business. The unit is made up of fifteen-odd media and service brands, including aufeminin, Marmiton, Doctissimo, My Little Paris, Ykone and Gamned! As a leader on the female, health and cuisine verticals, Unify uses its brands to reach an audience of 48 million unique visitors in France and more than 100 million unique visitors abroad. Unify develops all of its brands around three activities: publishing, content creation and influence and e-commerce.

Unify Advertising is the airtime sales unit and single point of entry to all of its media and service brands, for its customers, agencies and advertisers.

1.4.2 SIGNIFICANT HOLDINGS

SÉRIE CLUB

Co-owned 50/50 by TF1 and M6, *Série Club* is broadcast *via* cable, satellite and the main independent networks.

SALTO

SALTO is a public limited company owned equally by the TF1, M6, and France TV groups, created to operate the French OTT platform was launched in October 2020.

CHAMPLAIN MEDIA

Champlain Media is a Canadian group 25% owned by Reel One (itself a 51% owned subsidiary of Newen). Champlain Media specialises in audiovisual production – specifically TV movies – as well as programme distribution in Canada.

1.5 OBJECTIVES AND STRATEGY

1.5.1 CHALLENGES IN THE MARKET ARE A SOURCE OF OPPORTUNITY

THE COVID-19 CRISIS HAS ACCELERATED EXISTING MARKET TRENDS

BACKGROUND

The COVID-19 crisis has confirmed the key role of media, and in particular the value of television. Consumption of TV and digital has increased sharply, outstripping the other established media. There has been constant demand for content. The crisis has also accelerated lasting change in the behaviour and expectations of the public and advertisers alike. Alongside appointment TV, complementary consumption has developed in non-linear, and advertisers are seeking to tap into this new audience by pursuing their combination of brand appeal and performance. Finally, the COVID-19 crisis has engendered a growing attachment to social values, with a preference for local, the common good, and paying attention to the ecological transition.

RESPONSES

The COVID-19 crisis has accelerated structural trends that are in sync with the Group's strategy and raison d'être. During the crisis, we have offered an extensive range of comprehensive, reliable news programming, while continuing to positively inspire society with our diverse programme genres: entertainment, French and foreign drama, family movies, and sport. Looking beyond content, we have built a link and relationships with our audiences through our federating digital brands (such as Doctissimo and Marmiton), and demonstrated our own attachment to social values by supporting charities and with social and environmental initiatives. To address the demand for digital consumption and the quest for advertising performance, we have joined forces with France Télévisions and M6 to launch the new SALTO platform, while continuing to invest in technology and data, both of which will also be key to delivering new segmented TV solutions going forward.

GLOBAL PURE PLAYERS ARE OMNIPRESENT

BACKGROUND

The GAFAN companies (Google/YouTube, Apple, Facebook, Amazon, Netflix) are strengthening their central role in the direct-to-consumer relationship, across the entire value chain. They are capturing the vast majority of the growth and have unrivalled spending power in content, technologies and innovation. The dynamism of these giants, stimulated by the competition between them, is leading to the creation of duopolies and oligopolies in some markets, such as digital advertising (Google, Amazon, Facebook) and SVOD (Netflix, Amazon and Apple with proprietary platforms).

RESPONSES

In order to compete with these global players, traditional players are joining forces to scale up. In the United States, media giants are emerging, following the takeovers of Warner Media by AT&T, 21st Century Fox by Disney and Sky by NBC-Comcast, plus the Viacom/CBS merger. This consolidation of the American market is leading to the arrival in Europe and France of new OTT SVOD offers like Disney+. There are more and more joint ventures between European players, such as the 7TV project in Germany between ProSieben and Discovery, LOVEStv in Spain between Mediaset España, RTVE and Atresmedia, and RTL's pan-European project. The TF1 group has strengthened itself by developing its production arm (Newen) and creating a digital arm, Unify. This was also the logic behind the launch of the SALTO OTT platform with the France Télévisions and M6 groups.

DEMAND FOR CONTENT IS STRONG, WITH ONGOING CHANGE IN VIDEO CONSUMPTION PRACTICES AND A PROLIFERATION OF OFFERS

BACKGROUND

Video consumption is increasing massively for all targets, especially on SVoD, with 8.3 million daily users at the end of 2020. In parallel, the "lockdown year" of 2020 saw a surge in average daily TV viewing time, while catch-up, 3-screen and SVoD offers are proliferating. The public is confirming its appetite for premium delinearised content, and content designed for platforms. In this environment, market players are creating or reinforcing their OTT offers, both in the United States (Disney+, Hulu, HBOMax, Peacock) and in Europe.

RESPONSES

At the bottom end of the value chain, the pressure to acquire talents and supply exclusive local content is growing. In response, we have beefed up our production capacity for premium content *via* our subsidiary Newen, and are also producing content for platforms like Netflix and Amazon. We have achieved excellent performances in all programme types, demonstrating our unique ability to attract mass audiences for powerful must-see programming: French drama (e.g. *Ici Tout Commence*), entertainment (e.g. *Mask Singer*), news (e.g. appointment bulletins on TF1 and rolling news on LCI), and sport (e.g. UEFA Champions League). In digital, we are continuing to build direct-to-consumer relationships, and now have a complete and coherent range built around our five free-to-air channels, our three theme channels, the MYTF1 platform, and now SALTO too.

THE USER EXPERIENCE IS KEY

BACKGROUND

Digital players and the transformations they achieve in the customer experience are raising the bar ever higher. Users are demanding an experience that is personalised, fluid, omni-channel and always available, so they can consume their preferred content more easily. In this context, artificial intelligence and data lie at the heart of the customer loyalty dynamic. These tools improve the user experience *via* innovative interfaces that are becoming ever more technologically sophisticated, providing a setting for affinity content that drives engagement. For advertisers, the digital players' recasting of advertising solutions enhances the service component of the experience, while the new formats offered to consumers are less intrusive and more innovative. Disruption is also likely to come from voice (connected speakers, personal assistants).

RESPONSES

Historically we have provided a broad, high-octane mix of news and entertainment to satisfy mass audiences across all platforms. Now, in response to users' new demands, we are constantly innovating to reinvent the direct relationship with the consumer. On our various platforms, the objective is to offer a coherent user journey by serving all consumer universes. And by supporting start-ups (in particular via our MediaLab programme at Station F and the One Inno fund), we are investing in innovation so that we can better understand the new needs of consumers. Our Unify digital division – built around Aufeminin, Doctissimo and Marmiton – is developing tailored digital offers for advertisers on the basis of vertical communities (fashion, beauty, parenting, food, lifestyle, etc).

TECHNOLOGY AND DATA ARE ESSENTIAL TO VIDEO CONTENT MONETIZATION

BACKGROUND

The advertising market has seen programmatic become the main conduit for digital advertising. In parallel, data-driven targeting offers have multiplied in Europe, so that advertisers are now able to achieve scale and efficiencies by allying the pulling power of TV with targeting. The advent of segmented advertising on French TV, legalised in the decree of 7 August 2020, also aims to respond to market expectations.

RESPONSES

Unify companies operate in three core businesses: publishers, brand solutions & services, and social e-commerce. The Unify Advertising airtime sales house is now offering all its media and services brands to clients – both agencies and advertisers. Digitisation of ad sales in our core business is continuing with the extension of La Box and the launch of La Box Entreprises to deal directly with small advertisers. Meanwhile, our TV airtime sales house has strengthened its offer by marketing TV data campaigns. We signed our first segmented TV agreements in December 2020. Since 1 January 2021, our ad sales house TF1 Pub has been offering advertisers targeted ad solutions on linear TV for certain households (subject to their consent). Advertisers will now be able to combine the quality and mass appeal of content from the TF1 group's channels with the precision and granularity of digital targeting, so they can reach tailored audiences in compliance with data protection rules. This new opportunity will enable advertisers to conduct more effective TV campaigns by addressing issues around data segmentation at national, regional and local level, and vast numbers of SMEs to access the power of TV advertising.

OUR VISION

Content is the common denominator of all our activities, from our TV channels to the La Seine Musicale arena, and from Newen to My Little Paris.

We are convinced that **there is nothing more powerful than content**. It can move one person, ten people, or millions. It can change the way we see others, the way we see the world, and sometimes even the course of history.

OUR MISSION: TO POSITIVELY INSPIRE SOCIETY

As a media group, we have a unique opportunity but also a great responsibility. Through all our content, our ambition is to **positively inspire society**. This ambition resonates in all our actions and in all our projects.

OUR CONVICTION

MAJOR EVENT TV THAT IS POWERFUL AND FEDERATING

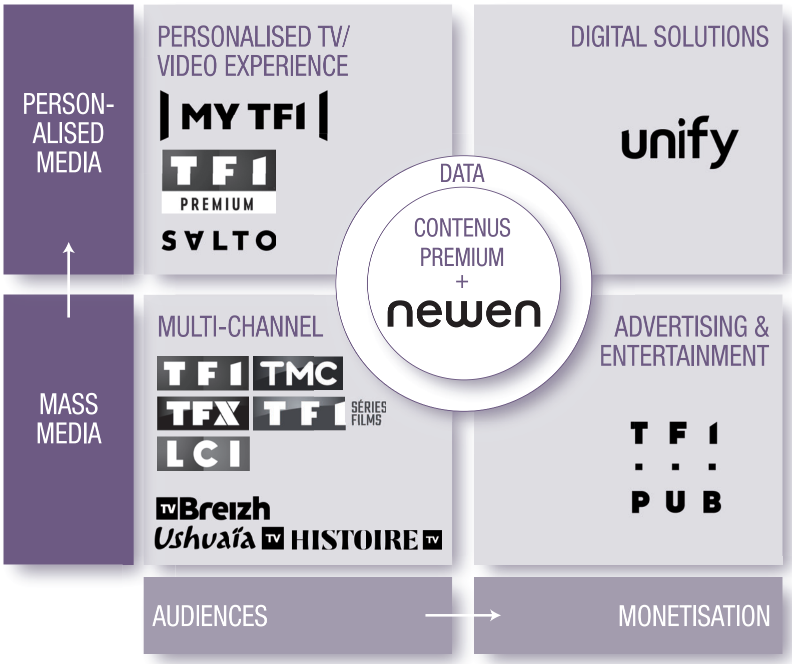
As we have always done, the TF1 group will continue to create a powerful and federating *momentum* around event content, based on a strong brand.

PERSONALISED CONSUMPTION ON DEMAND, ON A MASS SCALE

We want to offer a personalised TV viewer experience, but on a mass scale. To achieve this, we aim to offer the highest ergonomic standards in the market and to focus on innovation, in particular by investing in technology and data.

1.5.2 OUR STRATEGY

We intend to consolidate our position as a broadcaster of content, while affirming our position in production and digital.



- At the heart of our strategic positioning, our **content strategy** involves owning distinctive, exclusive and appealing premium content. We are building a catalogue of content and intellectual property *via* Newen, and exploit it to the full in France and around the world.
- Our historical forte has been to produce content and generate mass audiences through our **multi-channel strategy**.
- We are leveraging our **core business** positions to support the premium quality of our **advertising** slots, and diversify our income streams through **Entertainment.**
- We offer everyone their own **personalised TV experience** through a **complete range of digital products** on MYTF1, SALTO, and *via* partnerships with distributors.
- Setting up the **Unify** division has meant we can offer large advertisers targeted advertising solutions around strong communities and engaging content.
- **Data** enables us to understand better the expectations of our B2C and B2B customers, making a link between **mass/personalised audiences** and **mass/targeted monetisation solutions**.

We are activating five key levers to achieve our strategic objectives and continue improving our profitability:

STRATEGIC LEVER 1: FOCUS EFFORTS ON THE CORE BUSINESS TO MAINTAIN DIFFERENTIATION

LINEAR

We are looking to consolidate our market leadership among multi-channel target audiences by ramping up our editorial differentiation strategy.

To achieve this, we will – while adapting our business model – continue to commit to strong programming, strengthen local content, and anchor our statutory position in news.

TF1 Pub aims to serve the interests of all advertisers, on all platforms and in all territories, through its direct relationship with advertisers; an unrivalled high-quality offer; automated purchasing; an acceleration in targeting and segmented TV; and effectiveness metrics.

NON-LINEAR

The TF1 group now offers every TV viewer their own personalised, multi-screen, 100% video experience.

We deliver digital products with powerful content and quality customer journeys. Particular attention is paid to developing the relationship with the consumer and marketing our offer.

We are keen to perpetuate and enhance partnerships with distributors, to build stronger direct relationships with all audiences.

STRATEGIC LEVER 2: CONTINUING THE DEVELOPMENT OF NEWEN

The TF1 group is looking to strengthen its production and distribution businesses in France and to pursue an international growth strategy designed to make Newen a major player in Europe: a market leader in fiction, but also present in all audiovisual genres in order to capitalise better on the global demand for content.

Without talent there is no content, so Newen will integrate new talents in the creation process while continuing to develop its existing talents and formats.

STRATEGIC LEVER 3: CONSOLIDATING OUR UNIFY DIGITAL DIVISION

In the digital space, Unify federates powerful digital communities around brands that are part of French daily life, such as Aufeminin, Marmiton and Doctissimo. And through its one-stop ad sales house Unify Advertising, it offers advertisers high-powered solutions:

- Unify companies operate in three core businesses: publishers, brand solutions & services, and social e-commerce;
- Unify Advertising now offers its full range of media brands and services to its clients – both agencies and advertisers.

STRATEGIC LEVER 4: ACCELERATING DIGITISATION

In a constantly evolving world, we aim to predict transformational changes, to spot changes in consumption and offers sparked by the tech and data revolution, and to identify and experiment with innovative solutions. Central to that aim is TF1 MediaLab, our dedicated unit focused on future-watching and innovation.

Tech and data must serve the user experience, and offer users an intuitive, cross-channel experience.

- we intend to use high-powered tech platforms to offer internet users the highest standards of ergonomics and browsing quality;
- data is also a central asset in enhancing know-your-customer and refining advert targeting. We use data to generate special moments that reinvent brand differentiation, in compliance with current data protection regulations.

STRATEGIC LEVER 5: DEVELOPING GROUPWIDE SYNERGIES

We intend to strengthen our presence across the entire value chain, drawing on the new synergies unlocked by our acquisitions in production and digital.

The aim here is a sharper focus on synergies and pathways between our businesses, so that we can capitalize on our talents and brands and enable our partners to communicate across all our media.

1.6 REGULATORY ENVIRONMENT

1.6.1 LICENSING REGIME

TF1 is an audiovisual communications service that requires a licence. Initially, TF1 was awarded a 10-year licence from 4 April 1987 (under the law of 30 September 1986); that licence expired in 1997.

The licence was renewed for a further five-year period (*via* decision no. 96-614 of 17 September 1996) from 16 April 1997, with no requirement to submit to a competitive tendering process.

In accordance with Articles 28-1, 82 and 99 of the law of 30 September 1986 as amended, TF1's Broadcasting licence has been "automatically" renewed several times.

TF1 also has a supplementary licence to broadcast in high definition (HD), awarded by the CSA (the French Broadcasting regulator) in decision No. 2008-424 of 6 May 2008, for a ten-year period ending 5 May 2018.

In 2016, as part of the process of freeing up the 700 MHz spectrum for telecoms operators and the resulting shutdown of two DTT multiplexes, TF1 (at the request of the CSA) surrendered its licence to broadcast in standard definition (SD), retaining only its licence to broadcast in HD.

On 27 July 2017, the CSA (in decision no. 2017-523) renewed TF1's licence to broadcast on HD DTT for a further five-year period. That licence will expire on 5 May 2023.

Article 42-3 of the French Audiovisual Communication Act of 30 September 1986 as amended states that TF1's licence to operate a national terrestrial television service may be withdrawn by the CSA without notice in the event of a substantive change in the data on the basis of which the licence was issued, in particular changes in the share ownership structure.

1.6.2 PRINCIPAL LEGAL TEXTS AND OBLIGATIONS

LEGAL TEXTS

- Terms of reference established by Decree no. 87–43 of 30 January 1987 and by the decision of 27 July 2017 renewing the licence granted to TF1.
- Law no. 86-1067 of 30 September 1986 as amended.
- Directive 2010/13/EU of 10 March 2010 (the Audiovisual Media Services Directive), as amended by Directive 2018/1808/EU of 14 November 2018.
- Decree no. 2010-747 of 2 July 2010 as amended, on the contribution of terrestrial television services to the production of made-for-cinema films and audiovisual works.
- Decree no. 90–66 of 17 January 1990 as amended (obligations to broadcast).
- Decree no. 92-280 of 27 March 1992 as amended (obligations relating to advertising and sponsorship).

The principal obligations currently in force relating to Broadcasting and to investment in production are as follows:

- no more than 244 made-for-cinema films per year may be broadcast. Of those, no more than 196 may begin between 8:30 pm and 10:30 pm, and none may be broadcast from 8:30 pm onwards on Saturdays other than pre-funded films, art films or experimental films;
- quotas apply to made-for-cinema films and audiovisual works, across the entire output and in peak viewing hours, whereby at least 60% of broadcast material must be European and 40% must be original French works;
- at least two-thirds of annual Broadcasting time on the TF1 core channel must be devoted to French-language programmes;
- there is an obligation to broadcast at least 900 hours of children's programmes annually, comprising 150 hours on the TFX channel and 750 hours on the TF1 core channel (the latter to include at least 650 hours of animation);
- there is an obligation to broadcast at least 800 hours of news programmes annually;
- there is an obligation to commission programmes, whereby 12.5% of net advertising revenue for the previous financial year must be spent on commissioning original French or European audiovisual works in the following categories: drama, documentaries, cartoons, live shows and music videos. This must include at least 120 hours of first-run French-language or European audiovisual works (including 18 hours of repeats) in slots starting between 8 pm and 9:30 pm;
- there is an obligation to invest 0.6% of net advertising revenue for the previous financial year in commissioning European or French-language cartoons (this figure is included in the 12.5% general obligation mentioned above), with at least 0.45% of that revenue spent on commissioning from independent producers;
- there is a further obligation to invest 3.2% of net advertising revenue for the previous financial year in the co-production of European made-for-cinema films, with at least 2.5% of that revenue invested in French-language films and at least 75% of the orders placed with independent producers. Such investments must be made by a subsidiary of the broadcaster (TF1 Films Production, in the case of TF1) as a minority investor; the broadcaster and the co-producer should have broadly equivalent shares in the production;
- there is also an obligation to make all the channel's programmes (other than adverts) accessible to the deaf or hard-of-hearing. The CSA may agree to exempt some programmes from this obligation due to their specific nature (this dispensation is written into TF1's terms of reference).

Compliance with those obligations is monitored, and under Articles 42 to 42-11 of the law of 30 September 1986 the CSA has the power to impose financial penalties in the event of non-compliance.

To protect children and adolescents, TF1 has adopted a five-tier classification system giving an on-screen indication of the suitability of a programme for various age groups.

2

RISKS AND HOW THEY ARE MANAGED AFR

2.1 RISK FACTORS

NFPS

This section describes the principal risks to which the TF1 group believes it is exposed, and which if they materialise could have a significant adverse effect on its operations, financial position, reputation, future prospects, or stakeholders.

Those risks are presented by category. Within each category, the most important risks are described first. The importance of each risk is determined at the date of this Universal Registration Document based on an assessment of its estimated impact and probability, after taking account of measures taken to manage the risk.

However, other risks may exist or arise that are not yet identified at the date of this Universal Registration Document, or that are not regarded as likely to have a significant effect if they materialise.

Risks that are not mentioned in this Universal Registration Document because they are currently regarded as being of low importance are nonetheless taken into account in the risk management procedures operated within each of the TF1 group's businesses. For a description of the Group's principal internal control and risk management procedures, refer to section 2.3 below.

In addition, the Group assessed the risks associated with the COVID-19 pandemic for 2021 and the possible impacts on its business were closely examined. In view of the information it has to date and its ability to adapt in 2020, it has been decided not to include this risk in the mapping below. Nevertheless, the Group continues to monitor the situation.

	Risks	Importance*
2.1.1.1	Cyber-security	++
2.1.1.2	Risk of loss of key programmes: market leader premium	++
2.1.1.3	Future of the Unify division	+
2.1.1.4	Risk of intrusion during live public broadcasts	+
2.1.2.1	Risks related to societal pressure on advertising and programmes	+
2.1.1.5	Risk that programmes will become unsuitable for broadcast	+
2.1.1.6	Risks related to the competition of Digital Terrestrial Television and to the development of the Internet and new media	+
2.1.2.4.2	Data protection risks	+
2.1.1.7	Risks related to the fee for the signal and associated services (TF1 Premium)	+
2.1.2.2.2	Molotov TV litigation	+
2.1.3	Environmental, employee-related and governance risks	+
2.1.2.2.3	Complaint and claim filed with CNIL	+
2.1.2.4.1	Risks related to cookies and internet trackers	+
2.1.2.2.1	Risks related to Broadcasting licences and CSA enforcement powers	+
2.1.2.2.4	Complaint by Canal Plus Group against TF1, M6 and France Télévisions	+
2.1.1.8	Broadcasting of TF1 programmes – Risk of signal transmission interruption and execution risk	+
2.1.2.3	Compliance of content with ethical and professional standards	+

* *Importance: estimated impact and probability of occurrence.*
++ *Of significant importance.*
\+ *Of moderate importance.*

2.1.1 OPERATIONAL RISKS

2.1.1.1 CYBER-SECURITY

Description of the risk

The cyber-attacks that have in recent years affected many large companies, including media groups, have led TF1 to reassess external threats that might disrupt transmission, and its operations in general. TF1 is aware that attempts to hack into corporate information systems are now a recurring problem; it has responded by further raising its vigilance threshold and is constantly working to ensure the security of its sites, operations and infrastructures.

Following cyber-attacks on radio stations in 2019, TF1 speeded up the implementation of a number of information system security upgrades, and allocated a specific budget to such measures.

How the risk is managed

To enhance its management of digital risk, TF1 has retained a specialist audit and consultancy firm to conduct a Cyber-Security Assurance Program, which will deliver an external opinion on the effectiveness of the action plan to combat the risk of cyber-attacks affecting our strategic operations. This external support also means that our cyber-security trajectory and roadmap can be continuously adjusted in response to emerging cyber-threats.

Action plans have been implemented to enhance protection of the TF1 group's transmission infrastructures, alongside procedures to detect and react to security incidents. Finally, a disaster recovery plan is currently being rolled out.

TF1 has contracted insurance cover commensurate with the level of risk, which would enable it to manage the crisis and protect against some of the consequences of a cyber-attack.

2.1.1.2 RISK OF LOSS OF KEY PROGRAMMES: MARKET LEADER PREMIUM

Description of the risk

The performance of TF1 depends partly on its ability to offer premium programmes in order to maintain its leadership in audience ratings. Consequently, the loss of key programmes represents a risk in terms of reduced audiences, and of reduced capacity to monetise those audiences.

How the risk is managed

Thanks to the talent of its artistic staff and its long-standing special relationships with French and foreign partner producers, TF1 currently offers the best programmes. Future programming streams are, to some extent, locked in *via* multi-year contracts with the biggest production companies, reducing the risk of loss of key programmes in the medium and/or long term.

2.1.1.3 FUTURE OF THE UNIFY DIVISION

Description of the risk

After taking control of the aufeminin group in May 2018, the TF1 group set up a new division, bringing all of its digital activities together under the “Unify” banner.

The markets in which Unify operates are highly competitive, and in constant flux. The key factors in competition between media groups building web communities are:

- brand recognition;
- building loyalty among existing members;
- hiring new talent;
- technical expertise;
- the ability to offer innovative user experiences.

Unify's ability to grow revenues (€160 million in 2020, out of total full-year revenues of €2,082 million for the TF1 group) depends on its ability to drive increased traffic on its sites, and in turn attract advertisers and partners. Although it is experiencing rapid growth, this remains a recent development in consumer behaviour.

The success of Unify is contingent on the performance of its IT systems, hardware and software.

Finally, Unify's mission to step up its national and international expansion generates a risk relating to the integration of acquired businesses.

How the risk is managed

To ensure that Unify is fully integrated within its first three years, bridges have been set up between the respective support functions of the TF1 group and Unify. The aim is to help Unify to:

- develop financial, operational and control procedures;
- replace or upgrade its operational and financial information systems;
- ensure that its various activities are legally watertight;
- hire, train, motivate, manage and retain key staff.

Alongside these bridges, governance structures (including monthly operational/strategy committee meetings, and key performance indicators) have been set up to monitor growth in Unify's operations, the integration of acquired businesses, and the unlocking of synergies.

2.1.1.4 RISK OF INTRUSION DURING LIVE PUBLIC BROADCASTS

Description of the risk

In the current security and social climate, TF1 has reassessed its exposure to the risk of intrusion affecting major entertainment shows broadcast live in front of a public audience, which may prevent programmes from being properly broadcast.

How the risk is managed

Reinforced measures have been introduced to protect members of the public. Those measures are the responsibility of TF1 for in-house productions, and of the third-party production company for outsourced programmes. In order to retain absolute control over the output on its channels, TF1 has also introduced a slight delay of a few minutes when Broadcasting major live entertainment shows in front of a public audience.

2.1.1.5 RISK THAT PROGRAMMES WILL BECOME UNSUITABLE FOR BROADCAST

Description of the risk

To secure future supplies of key programmes, TF1 commits to certain programmes (especially series and feature films) at a very early stage relative to the date of transmission. The time-lag can be substantial, and visibility on new products is often low.

Because TF1 channels are constantly adapting their editorial line in response to changes in public taste, an artistic mismatch may sometimes arise between current editorial needs (aimed at maximising audiences) and past programme acquisitions. If such mismatches occur, they may lead to spikes in impairment losses taken against broadcasting rights inventory.

How the risk is managed

TF1's exposure to this risk relates to multi-year contracts, which are contracted only with the biggest production companies. If such a risk were to materialise, there are two ways of mitigating the impact:

- the pooling of rights across the TF1 group's channels offers alternative solutions for using rights to a programme that becomes unsuitable for broadcast on TF1;
- as a last resort, some or all of the risk may be mitigated by selling the rights on to another market player.

2.1.1.6 RISKS RELATED TO THE COMPETITION OF DIGITAL TERRESTRIAL TELEVISION AND TO THE DEVELOPMENT OF THE INTERNET AND NEW MEDIA

Description of the risk

The TF1 group operates in a constantly changing competitive environment, but the pace of change has accelerated since 2005:

- the development of DTT, including the launch of six new channels at the end of 2012, has played a significant role in fragmenting the audiences of the incumbent channels;
- patterns of consumption are changing. These include the trend towards delinearised viewing (reflecting the development of connected TV and video content on mobiles and tablets), the boom in online video, and above all the arrival of SVoD operators including Netflix, Amazon Prime, Disney + and OCS. This new consumption method is leading to a structural erosion of the amount of time people spend watching linear television. While in 2020, the effects of the health crisis gave TV viewing a new lease of life (including a very strong rise in average viewing time during the two French lockdowns), from 2021 onwards we will probably see a return to a trend closer to that seen in previous years. However, the new audience metrics introduced by *Médiamétrie* from April 2020, which take account of TV consumption outside the home (on all screens including smartphones, tablets, etc.) mean that actual usage is now captured and monetisable. Since the new metrics were introduced in April 2020, daily TV consumption outside the home averages around 50 minutes per person.

The proliferation of free-to-air TV channels has had an inevitable knock-on effect on TF1's audience share, which has nonetheless proved resilient. The channel's audience share among individuals aged 4 and over has declined from 31.8% in 2004 to 19.2% as of 31 December 2020. This decrease reflects a fourfold increase in the number of free-to-air channels since 2004, and the inroads made by SVoD platforms.

The TF1 group as a whole, including the DTT channels and LCI, had an audience share of 26.8% among individuals aged 4 and over in 2020 (down 0.4 of a point year-on-year), and achieved 73 of the year's top 100 viewing figures.

How the risk is managed

TF1's ongoing exposure to fragmentation risk is being mitigated by taking the DTT channels up-market and increasing their complementarity.

In this context, the Group is consolidating its market leadership by:

- building a coherent global offer through its free-to-air channels, thanks to high-powered programming;
- positioning itself as a major force in DTT through its portfolio of four complementary channels (TMC, TFX, TF1 Séries Films and LCI);
- optimising the acquisition of programmes for its premium TF1 channel and DTT channels by adopting a transverse organisational structure, providing the best fit between each channel's needs and programme purchases on the one hand, and exploiting and circulating acquired rights (subject to the TF1 group's undertakings) on the other;
- tightening its control over the value chain by using its in-house production subsidiaries TF1 Production and Newen for part of its programme output;
- adapting its commercial policy to the new competitive landscape, especially through heavy marketing of slots in programmes with big audience-pulling potential;
- establishing the MYTF1 catch-up site as one of France's leading media websites.

Personalising the viewer experience also extends to advertising. Segmented advertising (as already practised on digital platforms) involves using geolocation, socio-demographic and affinity data to substitute one ad for another in real time on linear TV to align on the viewer's profile, in compliance with the European General Data Protection Regulation (GDPR). TF1 Pub is digitalising its inventory with the rollout of the La Box Entreprises platform. SNPTV, the French national association of TV ad sales houses (of which TF1 Pub is a member) is working with representatives from telecoms operators to finalise the technical specifications for delivering segmented advertising.

Finally, the ongoing process of adapting TV audience ratings metrics to the new media landscape, which began in 2011, will in 2022 see the inclusion of people watching TV at home live and in catch-up on three other types of screen: computers, tablets and smartphones.

2.1.1.7 RISKS RELATED TO THE FEE FOR THE SIGNAL AND ASSOCIATED SERVICES (TF1 PREMIUM)

Description of the risk

Since the end of 2017, the TF1 group has signed multi-year TF1 Premium agreements, covering signals for its DTT channels plus enhanced content and services, with the main French distributors (SFR, Bouygues Telecom, Orange, Free, and the Canal Plus Group).

This initiative was part of the drive to adapt the Group's business model to new services and the market trend towards digital. The TF1 Premium agreements are currently being renegotiated.

Failure to renew some or all of those agreements could have a negative impact on the TF1 group's margins.

How the risk is managed

The TF1 group ensures that it respects non-discrimination clauses, and will monitor closely the legal and regulatory framework of the new model, given that any change may impact the Group going forward.

The Group will also need to ensure that it complies with the undertakings given to the French Competition Authority as a condition for approving the launch of the SALTO platform; those undertakings are valid for a five-year period, which may be renewable *(Decision 19-DCC-157 of 12 August 2019)*.

2.1.1.8 BROADCASTING OF TF1 PROGRAMMES – RISK OF SIGNAL TRANSMISSION INTERRUPTION AND EXECUTION RISK

Description of the risk

TF1's programmes are currently broadcast to French homes by:

- radio waves in free-to-air high definition DTT, on the following multiplexes: R3 (LCI), R6 (TF1, TMC and TMX) and R7 (TF1 Séries Films);
- satellite in high definition digital;
- cable in standard and high definition digital;
- ADSL and fibre optics *via* all the Internet service providers (Orange, Free, SFR and Bouygues Telecom).

On DTT (which serves around 50% of French households with TV sets), TDF is by far the leading national TV signal transmission operator, with a network and technical resources currently unmatched by any other company.

TF1 is therefore dependent on TDF for signal transmission. The emergence of alternative transmission providers is not yet sufficiently advanced for TF1 to manage without TDF for the hosting of transmission equipment. As a consequence, in the event of an outage of the TDF network, TF1 cannot switch to other terrestrial transmission systems to provide quick and affordable coverage of its entire broadcast area.

The loss that TF1 could incur in the event of transmitter failure is proportional to the number of television viewers served by the transmitter. For this reason, TF1 has negotiated a digital transmission agreement requiring a very rapid response from TDF in the event of a failure. Fallback measures for the TF1, TMC, TFX and LCI channels are becoming ever more robust.

As regards operator bundles, TF1 is dependent on the technical resources and supervision/maintenance processes put in place by the operators.

How the risk is managed

The variety of alternative networks to DTT (satellite, cable, ADSL and fibre) and of alternative operators minimises the impact of any failures of the DTT network, since those networks are not connected to each other and rely on their own separate resources.

2.1.2 LEGAL, REGULATORY AND ETHICAL RISKS

2.1.2.1 RISKS RELATED TO SOCIETAL PRESSURE ON ADVERTISING AND PROGRAMMES

Description of the risk

Political responses to societal issues such as violence, public health or the environment might induce legislators to attempt to tighten legislation relating to advertising or programmes. This could cause a drop in advertising revenue, or an increase in programmes that have become unsuitable due to new regulations.

How the risk is managed

The TF1 group takes this situation into account in discussions with its key partners, so that such issues can be addressed over time in the interests of all stakeholders. The Group is fully aware of its role as a committed player in the ecological transition. As such, it has made a number of voluntary commitments reconciling climate issues with the economic imperatives of the media sector, and hence offering alternative solutions to the proposals to restrict and regulate advertising developed by the Citizens' Convention on Climate.

In addition, TF1 has a policy of acquiring the best programmes from its production partners in France and internationally, and broadcasts programmes intended for a mass audience.

TF1's Programming/Viewing and Compliance teams exercise the utmost vigilance in protecting young viewers in order to keep this risk to a minimum.

Adverts intended to be shown on the Group's channels and/or *via* its on-demand audiovisual media services (MYTF1) are subject to pre-vetting by the ARPP (the French advertising regulator) for compliance with current laws and regulations, and with the ethical standards established by the advertising industry representatives within the ARPP. No advert is broadcast unless it has been cleared by the ARPP. As regards compliance with ethical standards, TF1 is bound by the rulings of the *Jury de Déontologie Publicitaire* (Advertising Standards Panel), the official body that examines complaints from the public about broadcast adverts. The Panel is completely impartial and independent, and is in no way bound by ARPP opinions.

In addition, the Programming & Broadcasting Division of TF1 Pub, the Group's airtime sales house, views all adverts prior to broadcast, sometimes with input from Legal Affairs. Even if the ARPP has cleared an advert, TF1 Pub may reject it or impose specific broadcast conditions on the advertiser, in cases where it regards an advert as inappropriate for the editorial line of the media on which it is to be shown, particularly as regards the family audience of TF1. In such cases, the advertiser or agency that produced the advert is informed by letter. The parties then seek a solution, adapting the content or time slot of the advert so that it is consistent with the editorial line of the media in question. If no solution can be found, the advert is not shown. This is made clear in the TF1 Pub general terms and conditions of sale.

Adverts intended to be broadcast on radio stations for which TF1 Pub handles airtime sales are not subject to the ARPP pre-vetting procedure. However, the Programming & Broadcasting Division of TF1 Pub has a dedicated team (who receive regular training from the TF1 Pub legal team) listening to each advert to check that it complies with current regulations, ethical standards, and the editorial line of the radio station.

TF1 has renewed its commitment to combatting obesity by signing up, alongside other media and advertising industry players, to the third "Charter for the promotion of healthy eating in programmes and advertising" published under the auspices of the CSA (the French broadcasting regulator). The Charter runs for five years from 1 February 2020. Like the previous versions of the Charter, it includes not only editorial commitments (broadcasting programmes that promote healthy eating and regular exercise) but also more ambitious pledges aimed at effectively reducing the extent to which children are exposed to advertising and sponsorship for food and beverages that should only be consumed in moderation as part of a healthy diet.

2.1.2.2 RISKS RELATED TO LICENCES

2.1.2.2.1 RISKS RELATED TO BROADCASTING LICENCES AND CSA ENFORCEMENT POWERS

Description of the risk

TF1 is an audiovisual communications service that requires a licence.

The CSA awarded TF1 a ten-year HD broadcasting licence on 6 May 2008.

In a decision dated 27 July 2017, the CSA extended TF1's licence for a further five years.

TMC, TFX and LCI each hold frequency licences issued by the CSA on 10 June 2003, which were extended for a further five years by a CSA decision of 29 May 2019.

TF1 Séries Films holds a frequency licence issued by the CSA on 3 July 2012, which is due to expire on 22 December 2022. On expiry, the channel could be granted a five-year extension.

If a TF1 channel fails to meet its contractual obligations, the CSA can, after giving formal notice and depending on the severity of the offence, impose one of the penalties set forth in Article 42-1 of the law of 30 September 1986. These include a fine; a temporary ban (of no more than one month) on producing, broadcasting or distributing the service, or a category of programme, or part of a programme, or one or more advertising spots; reducing the term of the licence to use frequencies by up to one year; withdrawal of the licence; or unilateral termination of the licence agreement.

How the risk is managed

TF1's compliance with its obligations is strictly monitored, and the company has a dedicated Programme Compliance Department tasked with ensuring that the channel's programmes comply with regulatory requirements.

2.1.2.2.2 MOLOTOV TV LITIGATION

On 1 July 2019, the TF1 group channels brought copyright infringement proceedings against Molotov TV in the court of first instance, alleging that Molotov TV was continuing to broadcast and exploit those channels without authorisation, covertly and with the complicity of third parties. In connection with those proceedings, on 18 November 2020 the TF1 group channels requested the magistrate preparing the case in the Paris Judicial Court to serve a cease-and-desist order on Molotov TV to prevent it using the free-to-air channel brand names; that request was granted on 18 December 2020.

For its part, Molotov TV requested the Competition Authority on 12 July 2019 to take protective measures against practices adopted by TF1 and M6 in the broadcasting and selling of TV channels. This was largely in response to TF1's refusal to allow Molotov TV to broadcast TF1 group channels free of charge. On 30 April 2020, the French Competition Authority dismissed Molotov TV's complaint on the merits. Molotov TV has appealed against that ruling. Subsequently, Molotov TV filed an action against TF1 and TF1 Distribution in the Paris Commercial Court on 10 November 2020, seeking damages and penalties on the basis that the distribution arrangements offered by TF1 Distribution would impose unfair obligations on Molotov TV, with the aim of obtaining a benefit without reciprocal consideration. Molotov TV claimed that those arrangements would violate the undertakings made by TF1 in connection with the authorisation for SALTO.

2.1.2.2.3 COMPLAINT AND CLAIM FILED WITH CNIL

On 26 June 2020, the Privacy International NGO applied to CNIL, the French data protection agency, for an investigation into whether the Doctissimo website complies with the General Data Protection Regulation (GDPR).

In response to the allegations, Doctissimo wrote to CNIL clarifying some of the issues raised in the investigation request, and informing CNIL of the status of GDPR deployment on the website.

CNIL launched an audit of how personal data accessible from the Doctissimo.fr website is processed; that audit is ongoing.

In addition, on 8 June 2020 TF1 received a complaint from CNIL about the placing of cookies on the MYTF1 service published by e-TF1.

TF1 is looking into these various actions, and ensuring that GDPR requirements and CNIL guidelines are being implemented as outlined above.

2.1.2.2.4 COMPLAINT BY CANAL PLUS GROUP AGAINST TF1, M6 AND FRANCE TELEVISIONS COMPETITION AUTHORITY DECISION OF 27 MAY 2019 – APPEAL BY THE CANAL PLUS GROUP

On 9 December 2013 the Canal+, D8 and D17 groups filed a complaint with the Competition Authority relating to practices allegedly adopted by TF1, France Télévisions (FTV) and M6 in the buying of rights to original French movies known as "catalogue" movies. On completion of the investigation TF1, FTV and M6 received on 23 February 2018 a "notification of grievance" from the Competition Authority, on the grounds that certain contractual clauses would have the potential cumulative effect of blocking access to the catalogue movies market.

In decision no. 19-D-10 of 27 May 2019, the Competition Authority rejected the Canal Plus Group's complaint and closed the proceedings: because the various types of movie were readily substitutable for one another, and given the number of movies available, it took the view that there was "in practice no block on market access".

The Canal Plus Group appealed against that decision. However, the Paris Appeal Court, in a judgment dated 8 October 2020, ruled that the Canal Plus Group's complaint was unfounded and held that the pre-emptive and priority rights in question did not have the effect of distorting market competition. Canal Plus Group has lodged an appeal with the Cour de cassation, the French supreme court.

2.1.2.3 COMPLIANCE OF CONTENT WITH ETHICAL AND PROFESSIONAL STANDARDS

Description of the risk

The principal risk in our relations with society is that we will fail to deliver on our public commitments to uphold ethical and professional standards in the content we produce and broadcast. TF1's status as France's most-watched channel means it has to set a particularly high standard. There is also a risk that the licence-to-operate[(1)] might be withdrawn if the regulator were to rule that serious breaches had occurred.

How the risk is managed

Delivering on these commitments is a core concern of the TF1 group. Systems are in place to ensure that:

- channel controllers, in conjunction with the General Counsel, discharge their responsibilities for ensuring that programmes are compliant;
- the Group's News operations discharge their responsibilities and remain independent.

2.1.2.3.1 NEWS DIVISION

The TF1 News Division has responsibility for ensuring that ethical principles and journalistic standards are applied.

2.1.2.3.2 JOURNALISTS' CHARTER OF PROFESSIONAL ETHICS AND THE TF1 GROUP'S HONESTY, INDEPENDENCE AND PLURALISM COMMITTEE

The main unions representing journalists in France have adopted a Charter of Professional Ethics, available on the website of the *Syndicat National des Journalistes* (SNJ), the professional body for journalists in France:
http://www.snj.fr/sites/default/files/documents/Charte2011-SNJ.pdf
(in French only). The National Collective Labour Agreement for Journalists, which applies to all of the 37,000 journalists who hold press accreditation in France, also includes ethical principles. Those principles are *de facto* adopted by the Group's journalists, who have press accreditation.

(1) *Refers to the agreement between the CSA and TF1 that sets the terms of reference for TF1, including its obligations in the realms of broadcasting, ethical standards and types of programme.*

A Code of Conduct specific to the Group's journalists was signed on 28 January 2019, and then sent to all of the Group's journalists on 13 February 2019. All new journalists hired by the Group are given a copy of the Code of Conduct when they sign their employment contract.

In light of the lockdown, the TF1 group's Honesty, Independence and Pluralism Committee met on 28 September and 23 November 2020.

2.1.2.3.3 NEWS OUTPUT COMPLIANCE

The scope adopted for all content-related issues is the 2019 calendar year.

Two warnings were issued to LCI, and no cease-and-desist orders relating to compliance breaches were made in respect of TF1 group news content.

For the record, TF1 broadcast more than 7,600 hours of programmes (excluding advertising slots), over 1,362 hours of news programmes and more than 10,000 news stories, field reports and studio reports in its news bulletins, while LCI screened between 19 and 20 hours of rolling news programmes a day during the period.

2.1.2.4 COMPLIANCE BREACHES

2.1.2.4.1 RISKS RELATED TO COOKIES AND INTERNET TRACKERS

Description of the risk

In January 2017, the European Commission issued a proposal for a new European ePrivacy Regulation, to replace the previous ePrivacy Directive of 2002. The proposed new regulation is complementary to the General Data Protection Regulation (GDPR), in that it deals with the protection of electronic communication data (metadata). The potential impacts on TF1 include (i) substantially restricting the Group's capacity to freely collect user data using cookies and other trackers (files saved in users' browsers to track their browsing history), and (ii) strengthening the position of the internet giants (led by Facebook and Google) who do not rely on cookies and trackers to collect data (because they require users to log in) and who control web browsers (which under the current ePrivacy proposals will be where user consent and refusal would be centralised).

The proposed European ePrivacy regulation potentially brings about a triple paradigm shift in the use of cookies:

- switch from implied consent (displaying a notification banner with no break in browsing) to explicit consent (users must opt in to receive cookies);
- setting up browsers to block all cookies as the default, whereas previously the default setting was to accept cookies;
- prohibition on the use of "cookie walls", the hitherto tolerated practice of making access to a site conditional on accepting cookies.

Without waiting for the future ePrivacy regulation currently being discussed at European level, and in response to a 19 June 2020 Conseil d'État ruling partially reversing the CNIL decision of 4 July 2019 (which had inferred a general ban on cookie walls), the CNIL issued the definitive version of its guidance and recommendations on cookies and other trackers on 1 October 2020. Companies have six months from the date of publication (*i.e.* until 31 March 2021) in which to comply.

There are two key aspects to this new guidance. Firstly, merely continuing to browse a site can no longer be regarded as a valid expression of consent to the placing or reading of cookies. Secondly, CNIL's failure to proactively include in its new guidance any criteria for determining the lawfulness of cookie walls creates legal uncertainty for companies around the alternative ways they can use to offer content/services to users who refuse consent for cookies and other trackers.

The entry into force of the EU ePrivacy regulation, and how it is interpreted by CNIL, could have a negative impact on advertising revenue from TF1's digital operations.

How the risk is managed

To protect against risks related to cookies and internet trackers, TF1 has decided to:

- continue in its own right to play an active role in the European legislative process, so as to put a brake on that process and minimise the economic impact on the TF1 group, as well as being involved in the work of French industry bodies representing web publishers (GESTE), online ad sales houses (SRI) and TV ad sales houses (SNPTV) and of regulatory bodies (CNIL and EDPB);

In doing so, TF1 is pursuing two objectives: (i) obtaining a carve-out for trackers placed by media and press sites so as to preserve a balance between two fundamental rights (on the one hand right to privacy, and on the other media pluralism, the fight against fake news, and arts funding); and (ii) legitimising cookie walls by providing users with an alternative payment model not involving the use of trackers.

2.1.2.4.2 DATA PROTECTION RISKS

Description of the risk

Given the transformation of its business model, and in particular the expansion of its digital footprint with the creation of Unify, the TF1 group must take care not to breach legislation on data confidentiality and on the protection of users' personal data, as this could lead to reputational damage and financial penalties.

How the risk is managed

Following the entry into force of the General Data Protection Regulation (GDPR) on 25 May 2018, the TF1 group appointed a Data Protection Officer (DPO) and issued a general GDPR policy consisting of internal rules and business-specific factsheets. Each TF1 employee is required to adhere to this data protection policy. To help staff assimilate the new policy, all the internal rules were also turned into user-friendly tutorials.

Since March 2019, the DPO has headed up the TF1 group's DPO network. The Group's first cross-disciplinary community, the network consists of 54 data specialists and corporate lawyers from each of the Group's Departments and subsidiaries. They are tasked with supporting the organisational and technological changes needed to comply with the GDPR.

TF1 and its subsidiaries have addressed the issue of accountability by developing procedures on the management of individual rights and personal data breaches, a set of frameworks on issues like retention periods, and checklists dealing with security and with privacy by design.

To help staff access the necessary documentation, the corporate intranet has dedicated GDPR pages that include the internal rules, tutorials, business-specific factsheets, procedures, frameworks and checklists.

TF1 has also identified a need to provide training for operational and legal staff on security measures, to explain (i) concepts like encryption, pseudonymisation, anonymisation, user access management and traceability and (ii) why it matters to require one security measure rather than another when negotiating contracts.

Legal and operational staff have been provided with model data processing agreements (DPAs) and with standard supplier contract clauses, to help in reviewing existing contracts with subcontractors. The Group has also introduced a checklist for staff to use with new subcontractors, explaining the requirements incumbent on subcontractors under the GDPR.

Data processing registers have been compiled for TF1 and its subsidiaries, and distributed to each business segment for validation. Responsibility for updating the registers to reflect new processes has now been pushed down to segment level.

A data privacy tool has been selected and will be rolled out shortly. This is important because fluid and effective compliance requires us to industrialise updates to our registers, requests to exercise rights, and our ability to generate an audit trail for all our compliance actions.

Compliance is a dynamic and ongoing process, and all of our activities are continuing their efforts to implement recommendations that will bring and keep our practices closer into line with GDPR requirements.

Similar initiatives are being implemented within Unify:

- Unify has hired a DPO, drawn up internal rules, and procured an IT application for maintaining data processing registers;
- Unify is negotiating DPAs with partners and subcontractors who process personal data as part of the services they provide to Unify;
- Unify is finalising the documentation of its security measures, and its data specialists network will be up and running from 2021.

2.1.3 ENVIRONMENTAL, EMPLOYEE-RELATED AND GOVERNANCE RISKS

CSR RISKS RELATING TO SKILLS DEVELOPMENT AND RETENTION

Description of the risk

For TF1 to succeed, it is essential to have high-calibre, committed people working for us. If our attractiveness as an employer were to diminish such that we were less able to hire and retain the right skills and talents, that could harm our ability to attain our objectives and have a negative impact on our profits.

The synergies between our different operations requires management to encourage cross-disciplinary working among our people, along with a high degree of autonomy (which in turn locks in commitment).

How the risk is managed

Our Talent Development division pays great attention to the need for us to be an attractive employer, and for our staff to be highly employable.

Senior management at both head office and subsidiary level monitor employee-related indicators closely, especially those that illustrate our attractiveness for current and future employees.

To attract talent, we have built an extensive on-the-ground network of ties with higher education institutions involving four main elements: face-to-face and virtual forums; face-to-face or virtual visits to partner institutions through our Campus Ambassador Programme); guided tours of our studios; and partnerships with institutions, such as the Media & Digital Chair at ESSEC business school. We are also building our social media presence (on LinkedIn, Jobteaser and Instagram) with a strongly proactive strategy of publishing information about what we do.

Our talent development and retention approach also builds in a targeted remuneration policy, and training and career development programmes. These include a new programme targeted at young people, and our ongoing intrapreneurship programme.

For more information, refer to section 4.1.3 of this Universal Registration Document.

2.2 RISK PREVENTION MEASURES RELATING TO PROCESSES

The *"Réagir"* Committee, created in 2003, continues to work on monitoring and preventing major risks, especially those associated with TF1's key processes. It also updates TF1's risk mapping, and regularly tests business continuity plans that may be triggered when an exceptional event results in interrupted signal transmission or denial of access to the TF1 building.

Those plans rely on a secure external backup site (in place since 2007), which is operational for three processes: programme transmission, the production of news and weather bulletins (TF1 and LCI), and the preparation of advertising spots for the TF1 channel. The company's vital functions are included in the security plan through an alert and activity resumption process. Besides real-time security, numerous key areas such as accounting, treasury, payroll, e-TF1 and IT are protected to varying degrees by security systems.

Procedures are tested periodically so that the system can be adjusted if necessary. Broadcasting and transmission continuity is ensured 24/7, and an operations simulation is performed regularly.

There were no broadcasting incidents in 2020 that required fallback on the external backup site.

The measures described above have now been supplemented by a "backstop" solution for the TF1 core channel, located at a site away from TF1 premises and operated by an independent service-provider. This would enable the TF1 channel to continue Broadcasting programmes in the event that both the main transmission site in Boulogne and the external backup site were out of action.

Operational since 2011, *"Réagir 1 Vigilance"* is a preventive plan activated on an as-needed basis, and in particular at any time of heightened risk (building works, equipment maintenance, mass events, live broadcasts, service launches, software upgrades, IT continuity plan tests, etc.). This plan not only ensures that staff remain vigilant, it also offers improved responsiveness to incidents before they escalate. In 2020, 18 *"Réagir 1 Vigilance"* e-mails were sent to the relevant Departments.

As in the case of operational risks, TF1 has insurance policies (including public liability and property) that could be called upon to cover some of the risks mentioned above.

In addition, a new crisis management manual has been issued; this describes the methodology to be applied, and names the members of the Crisis Management Team. It also species the roles and responsibilities that each potential Crisis Management Team member would assume, depending on the nature of the crisis.

2.3 INTERNAL CONTROL PROCEDURES

2.3.1 INTRODUCTION

This report describes the internal control procedures in place within the TF1 group. It covers TF1 SA (the parent company) and subsidiaries over which it exercises exclusive or majority control.

2.3.2 INTERNAL CONTROL ENVIRONMENT AND GENERAL PRINCIPLES

2.3.2.1 ORGANISATION AND OPERATING PROCEDURES

BACKGROUND

This report is based on information and analyses compiled in collaboration with the various players involved in internal control within TF1 and its subsidiaries, and gives a factual description of the control environment and the procedures in place.

The Internal Control Department co-ordinated the preparation of this report, which was validated by the Group Finance and Purchasing Division (DGAFA) and the Legal Affairs Division (DAJ) before being submitted to the Statutory Auditors and then presented to the Audit Committee and Board of Directors for approval.

Since 2007, TF1 has analysed its internal control system and presented its internal control report in full compliance with the internal control framework published on 22 January 2007 and derived from work carried out by the task force set up by the Autorité des Marchés Financiers (AMF), the French financial markets authority. The AMF reference framework was amended in 2010 to incorporate legislative and regulatory changes in the area of risk management, and the AMF recommendation on Audit Committees.

An internal control system should also contribute to control over operations, effectiveness of transactions, and efficient use of the company's resources. However, such policies and systems cannot provide absolute assurance that objectives will be met, or that the risks to which the Group may be exposed will be fully addressed.

TF1 continually adapts its internal control system to reflect the nature of its operations, its evolving business model and its strategic goals.

The general internal control environment is underpinned by the Group's corporate governance principles, but also by its organisational structure and operating procedures and by dissemination of its values and rules.

The organisation, composition and operating procedures of the Board of Directors and of the specialist committees that assist the Board (the Audit Committee, the Selection and Remuneration Committee and, since 2014, the Ethics, CSR and Patronage Committee), as described in chapter 3 on corporate governance, comply with corporate governance rules and are conducive to effective internal control.

The Board, under the authority of its Chairman, determines the company's policies and, with the support of the Audit Committee, ensures that appropriate internal control systems are in place within the Group. Key commitments are subject to clear validation processes, with decisions being taken by Executive Management based on proposals from the relevant committees. The Board of Directors is kept regularly informed of such decisions. Gilles Pélisson, as Chairman and CEO of TF1, has operational and functional responsibility for implementing the strategy approved by the Board of Directors for the Group's operations. In particular, he is responsible for organising the deployment of internal control. He is supported by the Executive Committee (COMEX), which comprises the senior executives of TF1 group and meets weekly, and by the General Management Committee (CODG), which includes the heads of each business line and support function and meets monthly. These Committees enable him to communicate the key internal control policies, and to make executives aware of their responsibility for setting up and monitoring internal control systems in their area.

Powers are delegated to meet the twin objectives of making operational staff accountable and controlling commitments at the appropriate level. On the latter point, the company's organisational structure builds in segregation of duties: operational functions are kept separate from accounting functions so as to allow for independent control.

Every year, the Strategy Division works with the COMEX members to prepare a three-year plan setting out the broad lines of the Group's medium-term strategy. The first year of the plan corresponds to the budget for the forthcoming year, and lays down the framework for commitments made by managers of Group entities.

The three-year plan is a key element of the internal control environment, and is consistent with the evolving business model. As well as setting revenue and cost targets the plan also specifies the resources, structures and organisational methods needed to meet those targets.

A summary of the TF1 group three-year plan is presented to the Chairman and CEO and then to the Board of Directors, which approves the budget.

THE INTERNAL CONTROL SYSTEM AND ITS OBJECTIVES

In addition to the three-year plan, the TF1 group is constantly looking to improve its internal control system, maintaining close alignment with its objectives. Since 2007, TF1 has followed an approach applied by the Bouygues group for its main business lines (which include TF1), designed to develop an internal control system based on the AMF reference framework. This process identified a number of simple, measurable principles covering the company's key businesses.

The system is organised around two components:

- accounting and financial internal control principles relating to the co-ordination, organisation and preparation of accounting and financial information; and
- general internal control principles encompassing all of the company's key processes.

The approach also builds in regular, structured meetings between internal control representatives from each of the Bouygues group's business lines, to organise monitoring of internal control and manage adaptations to deal with regulatory requirements. This shared system is regularly supplemented by internal control principles specific to TF1's operations, and to changes in its business model, strategic goals and environment.

Within the TF1 group, the internal control system is assessed through annual campaigns across a scope that is representative of the challenges and risks inherent in its various activities. A partial scope is covered each year, but the scope changes from year to year so that the majority of the control principles are addressed over a three-year cycle.

A self-assessment methodology is used. Within each entity, the person responsible for the process being analysed prepares and justifies his or her assessment of the application of internal control principles. This is then submitted for validation by a person with a critical perspective (line manager and/or business unit manager). Since 2014, most self-assessments have been in the form of interviews between the person responsible for the process and the head of internal control. This approach helps transmit knowledge about the internal control framework. However, the person responsible for the process still determines the overall rating.

The assessment process has several components: a numerical rating on a scale from one to four, a description of operating procedures, and comments on any discrepancies between operating procedures and best practice. The assessment is supplemented by proposed action plans, to ensure that the annual assessment campaigns result in tangible improvements in the management and security of processes.

The consolidated results of these campaigns are distilled into an aggregate summary by topic, function and operating entity. This serves to alert Executive Management to any inadequacy detected in processes, and to guide and prioritise action plans. The results are also presented regularly to the TF1 Audit Committee, which in turn informs the Board of Directors.

New businesses are incorporated into the assessment campaigns in a manner that reflects the gradual introduction within those entities of the processes, tools and methods used by the TF1 group to co-ordinate, oversee and control operations.

The 2020 assessment campaign addressed topics related to compliance programmes (anti-corruption, competitive practices, promotion of ethical conduct, and embargos), along with principles underpinning controls over the insurance process.

The majority of revenue-generating entities within the TF1 group were included in the scope of self-assessment.

Audit assignments are also carried out to check the accuracy of internal control self-assessments. Since 2014, Internal Audit and Internal Control have operated within a single Audit and Internal Control Division (DACI), helping to improve risk control and management within the TF1 group. The DACI also handles the mapping of risks associated with internal control.

Identifying and managing risks

Risk mapping relies on feedback from regular risk Committee Meetings within the operating units and support functions of Group entities about key events that could have an adverse impact on attainment of the objectives in the three-year plan.

These committees are tasked with identifying emerging risks, systematically reviewing all risks identified during previous years, and removing any risks that no longer apply.

Each risk has an "owner" who is responsible for describing the risk, developing scenarios and assigning probabilities, so that risks can be prioritised and specific risk mitigation measures developed. A distinction is drawn between measures that reduce the probability of a risk occurring, and those that reduce the impact of a risk occurring.

The risk committees also monitor progress on resources put in place to mitigate risk, and propose additional action plans as necessary.

For a description of the principal risks and how they are managed, refer to section 2.1 ("Risk Factors") of this Universal Registration Document, which also describes the Group's policy on insurance. Market risks (including interest rate risk and exchange rate risk) are discussed in Note 8 to the consolidated financial statements (section 4 of this universal registration document).

2.3.2.2 CONTROL ACTIVITIES

Alongside internal control and risk management, the TF1 group also performs various controls within the operating divisions, and more directly *via* the support functions.

CONTROL OVER BROADCASTING AND OTHER VITAL COMPANY OPERATIONS

The Technologies Division is responsible for making programmes where it has been retained as producer; for the transmission of programmes, and the transmission network; and for developing and operating the IT applications required for the production of information and secure transaction processing.

Applications used to help ensure that accounting and financial information complies with best practice in control are described in the section on "Financial Information Systems" below.

The Technologies Division co-ordinates the identification, control and prevention of major technological risks liable to affect broadcasting service continuity and the ongoing conduct of the Group's vital operations.

To fulfil this remit, the Division works with the Corporate Services Division (responsible for property and facilities management) to develop security policies in two key areas:

Business continuity

"Réagir", the crisis management process in place at TF1, identifies and updates the main risk prevention scenarios, and any disaster recovery scenarios required for key processes.

A secure external backup site is in place to ensure resumption of key processes: programme transmission, production of news bulletins, preparation and marketing of advertising spots, and operation of information systems (especially accounting, treasury and payroll).

In the event of a very serious incident, "backstop" arrangements handled by a specialist third-party service-provider would enable the TF1 channel to continue broadcasting autonomously for several days.

Procedures are tested regularly so that the system can be adjusted if necessary.

A website and hotline are available so that employees can keep in touch in an emergency.

A crisis management manual has been produced that describes how the crisis management unit will operate in various scenarios.

Information systems security

In response to the increased risk of cyber-attack, the Technologies Division has introduced extra security measures that go beyond compliance with internal control principles on information systems security:

- extending the coverage of the Security Operations Centre (SOC) for continuous monitoring of information systems and detecting malfunctions caused by cyber-attacks;
- regular audit by external specialists to assess the resilience of systems and technical facilities to new risks, and to perform intrusion tests (including in the Broadcasting space). The division also works with the Internal Communications Department on campaigns to raise user awareness of cyber-attacks, with a special focus on the vulnerability of attachments and web links;
- systematic involvement of IT security teams, and in particular the Head of Information Systems Security, at an early stage in the development of systems used to produce and transmit TV content. These teams ensure that the security policy is correctly applied, and that the system architecture selected is (and will remain) compatible with security imperatives;
- implementation of a Cyber-Security Assurance Program, involving periodic audits of the TF1 group's approach and action plan by an external consultant.

PROGRAMME BUYING AND CONTROLS OVER PROGRAMME COMPLIANCE

TF1 enters into Broadcasting rights contracts to secure programming for future years. The rights buying process is subject to an investment approval procedure, in which the role of each decision-maker is defined so as to ensure segregation of duties:

- the Rights Buying Division sets out the key features of the project, such as the unit price and the number of screenings;
- the Artistic Division checks that the programme complies with editorial policy;
- the Programming Division checks that the rights are aligned with the programming schedules of the Group's various channels, as well as with each channel's audience and inventory management targets;
- the Group Finance and Purchasing Division validates the inclusion of the acquisition in the cost of future programme schedules and the investment budget of the Programme Unit, the projected profitability of the acquisition, and the level of inventory. It also checks that the purchase price is in line with market prices and that performance clauses have been included.

At least once a year, Legal Affairs and the operational divisions agree on the contractual policy to be applied by each programme unit, with compulsory or ancillary clauses applicable to rights buying contracts.

Final approval of rights buying contracts is signed off by either the Chairman and CEO of the TF1 group or the Chief Executive Officer of the commissioning channel (or their proxies) in line with delegated powers.

Sports rights are usually acquired by bidding in a tendering process. Such bids are governed by domestic regulations (the French Sport Code) and by European regulations. For the most significant projects, the Board of Directors sets up a special committee to advise on the bid.

Programmes broadcast on the Group's channels are subject to control by the CSA (the French Broadcasting regulator) under agreements signed by the channels. Consequently, the TF1 group's Programme Compliance Division reviews programmes prior to broadcast on its channels, sometimes in collaboration with the Legal Affairs Division. This process also helps minimise the legal risks inherent in Broadcasting television programmes.

Programmes intended for children are submitted for advice from psychologists, who are asked to preview the most sensitive programmes.

CONTROLS OVER ADVERTISING COMPLIANCE

Dedicated teams within TF1 Pub preview all advertising spots for the channels on which they sell space (TF1, TMC, TFX, TF1 Séries Films and LCI). They also ensure that all the spots have been submitted to the ARPP (the French advertising self-regulatory organisation) for pre-vetting, and passed for broadcast.

TF1 Pub monitors compliance with laws and regulations covering the Broadcasting of advertising on various types of media. Teams from each broadcaster check that the maximum daily and hourly broadcast times for advertising are not exceeded.

STRATEGY, DEVELOPMENT AND TRANSFORMATION DIVISION (DSDT)

The TF1 group's Strategy, Development and Transformation Division is responsible for conducting strategic studies and making acquisitions, compiling the business plan, monitoring the Group's equity holdings, and piloting actions derived from the transformation plan in conjunction with Executive Management and members of the Executive Committee.

The DSDT also uses trend analysis to inform strategic studies and align major projects with expected changes in the industry environment.

Transformation plan

In 2016, Gilles Pélisson initiated a transformation plan with two key themes: "Prepare for the Future" and "Reinvent Ourselves". That plan has borne fruit: the Group has radically transformed the model of its core TV business, and redeployed extensively across its value chain.

Faced with the combined effects of even more intense competition and a global economic crisis due to the COVID-19 pandemic, the TF1 group continues to transform itself in order to generate further savings while developing both advertising and non-advertising revenue streams. New working practices and the unlocking of synergies will underpin efforts by the Group to take agility and flexibility to the next level. This will be built around projects driven by managers at operational level and overseen by the relevant Executive Committee member, in conjunction with the DSDT.

Business plan

The strategic planning approach relies on an analysis of market trends and of the evolving relationship between industry players, consumption patterns, and the competitive environment. Risk mapping is also taken into account.

In July of each year, once the industry analysis and strategic priorities have been approved and senior management has aligned itself with those priorities, strategic guidance notes are prepared and sent to all Group entities.

These are used to develop a three-year plan, which incorporates the year 1 budget. That budget represents a commitment by the management of each entity to the Chairman of the TF1 group. Performance against the budget is measured by the Group Finance and Purchasing Division.

Each company and/or entity prepares its own three-year plan, with active support from the DSDT to ensure that business plans are compiled to consistent and uniform standards across the Group.

The plan is approved by the Board of Directors annually.

Governance

The Strategy Committee meets every two months to review key business indicators and issues relating to strategy, partnerships, development and transformation.

Commitment Committees allow for rapid decision-making on development proposals, monitor progress on ongoing projects, and set guidelines for the teams involved.

Managing equity holdings

The DSDT monitors equity holdings on a regular basis with support from Finance, Legal Affairs and operating divisions. Raise, a specialist investment fund, makes and manages media-for-equity investments on behalf of the TF1 group. The DSDT ensures that business relations between media-for-equity investees and the Group's operating entities are optimised.

FINANCE AND PURCHASING DIVISION (DGAFA)

The DGAFA includes all of the Group's finance functions. It plays a control role by disseminating procedures, methods and guidance throughout the Group.

Audit and Internal Control Division (DACI)

The TF1 group's Internal Audit function conducts financial, operational and organisational audits in Group entities (except for audits of the reliability, security and operation of information systems, which are performed by the Bouygues group's Central Audit Department).

All of these audits are conducted according to an annual plan approved by the Executive Management and Audit Committee of the TF1 group. Audit Committee Meetings include progress reports on the plan, and presentations of key findings and recommendations of completed audits.

Audits are performed following a strict methodology aimed at meeting the standards set by the French Institute of Audit and Internal Control (IFACI). Each audit ends with a report containing recommendations, which are systematically incorporated in an action plan to be applied by the audited entity and monitored by the Internal Audit function.

Financial Support & Purchasing Division (DAFA)

The DAFA covers all the non-core Finance functions: Financial Communications and Investor Relations, Purchasing (other than rights buying), the Tools and Projects Hub, and the Process and Data unit.

These roles are integral to the day-to-day functional support that the Group Finance Division provides to all the operating divisions.

Financial Communications and Investor Relations Department

The Financial Communications and Investor Relations Department engages with shareholders, investors and analysts. As described in more detail in the section on "Process for managing published financial information" below, the Department ensures that the markets and the financial community are regularly updated to give them the clearest and most comprehensive understanding possible of the company's strategy and business environment. This requirement is folllowed in strict compliance with market rules and the principle of equal treatment for all investors.

Group Purchasing Division (other than rights buying)

The Purchasing Division optimises the procurement process by applying a high-quality supplier referencing process and a rigorous methodology, in line with best practice.

Our commitment to Responsible Purchasing is described in section 7.3.7 of this Universal Registration Document.

Tools and Projects Hub

The Tools and Projects Hub is responsible for piloting upgrades to the financial information system based on the financial modules of the SAP package, and for deploying system improvements to support the ongoing transformation of DGAFA processes and methods.

Process and Data Unit

The main role of the Process and Data Unit is to measure the effectiveness of, and improvements to, the Group's financial processes. The unit supports finance staff in the ongoing transformation of their processes and methods, with a focus on improving their use of data.

Accounting, Tax, Treasury and Financing Division (DCFTF)

The Accounting and Tax Division (DCF) is responsible for establishing and applying accounting policies, and for preparing the individual and consolidated financial statements of Group companies.

- Accounting standards

The DCF monitors developments in international (IFRS) and French accounting standards, and ensures that appropriate accounting policies are in place. It also plays a co-ordinating and training role by drafting and distributing rules, procedures and accounting policies.

- Financial statements and tax returns

Within the DCF, teams are organised into activity areas (Broadcasting, Newen and Unify) and skills hubs. They keep accounting records of transactions entered into by TF1 group entities, and carry out all accounting closes required for the preparation of financial statements.

They also handle payments made by Group entities, applying procedures consistent with key internal control principles (such as segregation of duties and multiple independent validation), and payment security rules established by the Treasury Department (such as authentication and tamper-proof payment media).

The DCF is also responsible for all the tax returns of individual TF1 group entities (including VAT, income tax, and other taxes and duties); it also manages and prepares tax returns for the group tax elections that exist within the TF1 group.

- Treasury and Financing Department

This Department assesses the Group's funding requirements and ensures that adequate funding is available from sustainable and diversified sources.

It provides centralised treasury management services for the Group (bank accounts, cash pooling, and interest rate and forex risk management), and oversees the security of the Group's money flows while reducing associated risks, including fraud, legal and counterparty risks.

Every year, the Department works with the Strategy, Management Control and Investor Relations Departments to produce a dossier for the Standard & Poor's ratings agency and the Banque de France, with whom it liaises throughout the year.

Group Performance Monitoring and Management Control Division (DPPCG)

The DPPCG monitors delivery on the objectives set in the annual budget as approved by the Board. Key steps in this process include:

- the monthly Group reporting package, which summarises and comments on key financial and operating information relating to the various Group entities and on current or future events that may have an impact.

  This document is based on the monthly reporting packages prepared and commented on by each business unit. These include a monthly accounts close, a revised end-of-year forecast, and performance indicators. The DPPCG checks, validates and analyses these packages and then prepares a consolidated dashboard at Group level, which is presented to Executive Management at a set time each month.

  At each monthly accounts close, the DPPCG and DCFTF work together to ensure that all expense and income items are recorded, and are recognised in the correct accounting period. Financial information used in management reporting and in the financial statements all derives from a shared Enterprise Resource Planning (ERP) platform common to all the main structures within the Group, which ensures consistency and control of the data outputs;
- two updates, to allow for adjustments to year-end projections and recalibrate action plans if required;
- a process of regular re-forecasting and/or simulations to assess the impact of current events and give greater agility in high-level business management;
- monthly operating indicators reflecting short-term management objectives for the various business units. These may be used to develop action plans, and hence to measure performance. This process has been rolled out in most Group entities, and enables operational managers at every level to be aware of all available performance indicators;
- a digital dashboard analysing the components of programming margin for the TF1, TMC, TFX, TF1 Séries Films and LCI channels. Additional margin analyses are prepared regularly for individual programmes, dayparts or hourly slots; these are used to focus action plans.

HUMAN RESOURCES AND CSR DIVISION (DGARH & CSR)

The Human Resources and CSR Division plays a key role in selecting, deploying, and developing the human capital needed for TF1 group entities to operate effectively.

It monitors compliance with the French Labour Code and changes in labour policy, in conjunction with the various employee representative bodies. It also co-ordinates the Group's professional training, which aims to develop the technical, interpersonal and managerial skills required for the exercise of each employee's responsibilities. TF1 cares about developing the skills of its staff and encourages job mobility between Group companies and divisions.

As part of the overall management cycle the Human Resources Division works with the operating divisions and support functions to plan future human resources needs. These needs are formalised and are an integral part of the three-year financial and strategic planning process determined by Executive Management. Succession plans for the top 160 senior executives are updated annually. Any request for a new hire or internal promotion is subject to a formal approval procedure.

The Human Resources and CSR Division also organises and monitors the delegation of powers within the TF1 group.

For a description of the Group's Corporate Social Responsibility policy, which contributes to internal control *via* the reporting of social and societal information, refer to section 4 of this Universal Registration Document.

GENERAL COUNSEL'S DEPARTMENT AND LEGAL AFFAIRS DIVISION (DAJ)

The General Counsel's Department of the Group leads and co-ordinates two functions:

- the General Counsel's Department, directly responsible for:
  - managing relations with external bodies and authorities such as the CSA, the French Competition Authority, the French government and parliament, and the European Commission, working in conjunction with the Group's Institutional Relations and Regulatory Affairs Division,
  - monitoring laws, rules and decrees that affect the broadcasting industry,
  - monitoring compliance with regulatory requirements (production-related obligations, CSA reporting, the French Competition Authority, etc.),
  - managing relations with trade bodies such as the French copyright collection agency (SACD) and the French TV producers association (USPA), and dealing with industry-wide agreements on Broadcasting and production,
  - compliance with the Code of Ethics, and applying rules on personal and professional ethics and compliance,
  - relations with the Group's Ethics and CSR Committee;
- the Legal Affairs Division (DAJ), responsible for:
  - determining the contracting policy and supervising its enforcement within the Group, and more generally monitoring and negotiating key acquisition, distribution and sales contracts in compliance with governance rules,
  - dealing with matters relating to company law (including secretarial support for Board Meetings and General Meetings of TF1 SA, as a publicly quoted company), assessing legal aspects of business development proposals (corporate acquisitions and divestments, restructuring, etc.), handling notifications to the French Competition Authority, and relations with the AMF and AFEP/MEDEF,
  - dealing with court proceedings and litigation in all jurisdictions (including the administrative courts): risks and claims are monitored in close collaboration with the Finance and Purchasing Division (DGAFA) to ensure that they are correctly reported in the financial statements,
  - managing intellectual property such as rights, brands and domain names, and protective measures (especially against piracy),
  - protection and free movement of personal data: TF1 has responded to the General Data Protection Regulation (GDPR) by designating a staff member from within the DAJ as a Data Protection Officer (DPO), with the role of co-ordinating personal data protection compliance and providing information and advice to other business lines and functions within the Group. The DPO is supported by a network of data correspondents within each business line and function, and also handles relations with CNIL (the French data protection agency),
  - monitoring of management risk, insurance, and real estate assets. In particular, the DAJ ensures that there is adequate insurance cover and that premiums and deductibles are commensurate with risk exposure.

For several years, the General Counsel's Department and the DAJ have been involved in a process to enhance security and control over commitments. Tangible results of this process include establishing a Group-wide contracting policy, and standard contract models for all recurring commitments. The DAJ is also working to optimise and secure the insurance policies taken out by TF1 and its subsidiaries so as to be covered against potential risks.

Finally, the DAJ works with DGARH to ensure that there is a consistent policy on delegation of powers. Specifically, subsidiaries over which TF1 exercises exclusive control have been delegated powers based on guidelines established at Group level. In jointly-controlled subsidiaries, internal control is organised on the basis of the TF1 group's expertise and in compliance with shareholder agreements.

2.3.2.3 CONTROL PROCESS FOR PUBLISHED ACCOUNTING AND FINANCIAL INFORMATION

FINANCIAL INFORMATION SYSTEMS

The Technologies Division, in conjunction with the Tools and Projects Hub, deploys and supervises the TF1 group's financial information systems (accounting, management, treasury and consolidation).

TF1 operates both internally-developed systems and commercial software. Finance-related applications are rigorously analysed, monitored and operated so as to ensure continuity of service, integrity, security, and legal compliance. As part of the Group's information security policy, technical support and training are provided to staff to help prevent virus or hacking attacks. This is backed by the "Eticnet Charter", a regularly updated document designed to ensure staff take these issues seriously.

TF1 has tools in place to guarantee control over commitments and payments:

- systematic centralised controls:
  - SAP access controls, based on a user role incompatibility matrix;

– commitment approval procedures based on internal control rules;

- centralised creation and management of databases (suppliers, inventories);
- acceptance only of invoices that relate to a commitment validly approved within the system, by a shared invoice administration Department, thereby enhancing segregation of duties between checking invoices on receipt, approving them for payment, and signing off the payment.

Payments made by Group entities are issued from SAP and are subject to multiple approvals including double signature; all payments are subject to formal banking signatory powers, which are updated on a regular basis.

PROCESS FOR THE PRODUCTION, CONSOLIDATION AND VALIDATION OF THE FINANCIAL STATEMENTS

Transaction recording

The TF1 group has fully-documented accounting processes to ensure that transactions are accurately recorded, that all and only those transactions that actually occur are recorded, and that accounting policies are applied consistently from one period to the next.

DCF teams obtain assurance that the processes for collecting and processing financial information are reliable, especially *via* the SAP, Xotis and Workday applications and upstream operational applications (such as sales, purchases and payroll) that feed data into those applications. They issue sales invoices and process payments received from customers, and handle any associated recovery proceedings; they also process purchase invoices, and pay suppliers within the legal time limits. Finally, they file tax and regulatory declarations (having checked them for accuracy) and make sure taxes are paid on time.

Interim accounting closes

At each accounting close, period-end adjusting entries are subject to a joint review by the accounting and management control functions.

The DCF ensures that asset valuation processes have been properly applied, consistently with the accounting policies described in the notes to the financial statements:

- Goodwill and equity holdings recognised in the balance sheet:

  Periodic review for evidence of impairment, annual impairment testing, and recognition of impairment losses as necessary;
- Audiovisual rights and other assets:

  Review of valuation with reference to the relevant criteria;
- Off balance sheet commitments:

  Annual review, focusing in particular on commitments to secure future programming schedules and involving the Programmes and Rights Buying divisions, the relevant channel, and the finance function;
- Litigation and other risks:

  Joint review with Legal Affairs, Human Resources and the operating divisions.

These processes, and their outputs, are reviewed by the Statutory Auditors.

The TF1 group prepares monthly consolidated financial statements using SAP-BFC (the industry standard consolidation tool), which builds in rigorous analyses and controls over data processing and outputs. Year-on-year movements in financial statement line items are analysed and fully explained.

Validation

Elective accounting treatments are reviewed with the Statutory Auditors ahead of each quarterly accounting close and presented to the Audit Committee.

The consolidated financial statements are reviewed each month by the Chief Financial Officer and presented to the Chairman & CEO.

The Statutory Auditors issue an audit opinion on the annual parent company and consolidated financial statements of TF1, and perform a review of the interim consolidated financial statements.

The Audit Committee reviews the consolidated financial statements and the Statutory Auditors' report each quarter, before they are presented to the Board of Directors.

PROCESS FOR MANAGING PUBLISHED FINANCIAL INFORMATION

Only duly authorised persons may communicate financial information to the market. In addition to the Chairman & CEO, these include the Executive Vice President, Group Finance and Purchasing; the Corporate Communications Division; and staff of the Financial Communications & Investor Relations Department.

Published documents are subject to a control and validation process prior to release. This involves not only the Finance function but also Legal Affairs, Human Resources & CSR, and Corporate Communications. Quarterly financial press releases are approved by the Audit Committee and the Board of Directors.

The Financial Communications & Investor Relations Department distributes and communicates financial information about the TF1 group and its strategy through, for example:

- the management reports of the Board of Directors;
- the Univresal Registration Document, half-yearly financial reports and quarterly financial information;
- financial press releases;
- presentations to financial analysts and investors.

The Group files its Registration Document with the AMF (the French financial markets authority). Before filing, the Registration Document is reviewed by the Statutory Auditors.

The Corporate Social Responsibility information contained in the Registration Document is also reviewed by an independent third party, in accordance with the implementation decree of Article 225 of the Grenelle 2 Act.

Each issue on which TF1 publishes information is accompanied by discussion and analysis that is validated by Executive Management and updated regularly, providing robust support in the Group's relations with market players.

To guarantee investors equal access to information, all published financial information materials are also made available in English and distributed through the following channels:

- information intended for the general public is posted online (or sent by post on demand) on the corporate website at www.groupe-tf1.fr/en immediately upon publication;

- regulated information is disseminated in accordance with the European Transparency Directive *via* a primary information provider;
- analyst meetings are accessible in full without restriction, *via* live or catch-up webcast or *via* conference call;
- foreign visits and discussions with market players are usually conducted by two representatives from TF1, to ensure that the information provided is accurate and to guarantee equal access to that information. Any documents presented on such occasions are posted immediately on the corporate website at www.groupe-TF1.fr/en.

2.3.2.4 OVERSIGHT OF INTERNAL CONTROL

The two first lines of defence – operational management, and control activities carried out within the support functions – must themselves be subject to further controls. This is the role of the third line of defence, consisting of Internal Audit and the Audit Committee.

INTERNAL AUDIT

Internal Audit performs analyses and tests, and prepares reports, that help senior management identify, manage and control risks more effectively.

As part of its role, Internal Audit obtains assurance (in conjunction with the Internal Control function's own assessment programmes) that self-assessments are accurate and that internal controls are actually being applied. In the process, Internal Audit helps raise staff awareness of internal control principles.

In addition, Internal Audit actively monitors best practice in control implemented within the Group.

A summary of Internal Audit assignments is presented to the Audit Committee on a six-monthly basis.

AUDIT COMMITTEE

The Audit Committee was set up in 2003 and consists of three directors. To guarantee its independence, no executive officer or employee of TF1 May sit on the Committee.

The Committee reviews the quarterly, half-year and annual financial statements before they are presented to the Board of Directors, and also receives a presentation on the conclusions of the Statutory Auditors. This review includes assessing whether the accounting policies used for the preparation of the financial statements are appropriate and have been consistently applied, and verifying the procedures used to collect and check the information used.

The Audit Committee is also advised of information about how the Group is perceived by the financial markets. This information is provided to the Committee in the form of a summary of what investors expect from the Group; a description of trends in the TF1 share price; and analyst consensus estimates of current-quarter and current-year revenues and profits.

The Audit Committee is provided with regular updates on the deployment of the internal control system, the results of assessment campaigns, major risks identified by the risk mapping process and progress against action plans to address risks. Each year, the third-quarter Audit Committee Meeting validates the Internal Audit plan for the following year. A summary report on Internal Audit assignments, highlighting the risks and degree of control for each process audited, is presented to the Audit Committee.

2.3.3 CONCLUSION AND OUTLOOK

Throughout 2020, the TF1 group continued to reorganise its processes to make them more efficient and flexible and achieve greater cross-functionality between the entities. The participation rate in the internal control campaign was judged to be highly satisfactory.

TF1 extended the risk mapping process by updating, reassessing and prioritising risks identified in previous years, and adding new risks that could impair attainment of the Group's medium-term strategic goals.

The Audit Committee was kept informed of all these activities on a regular basis.

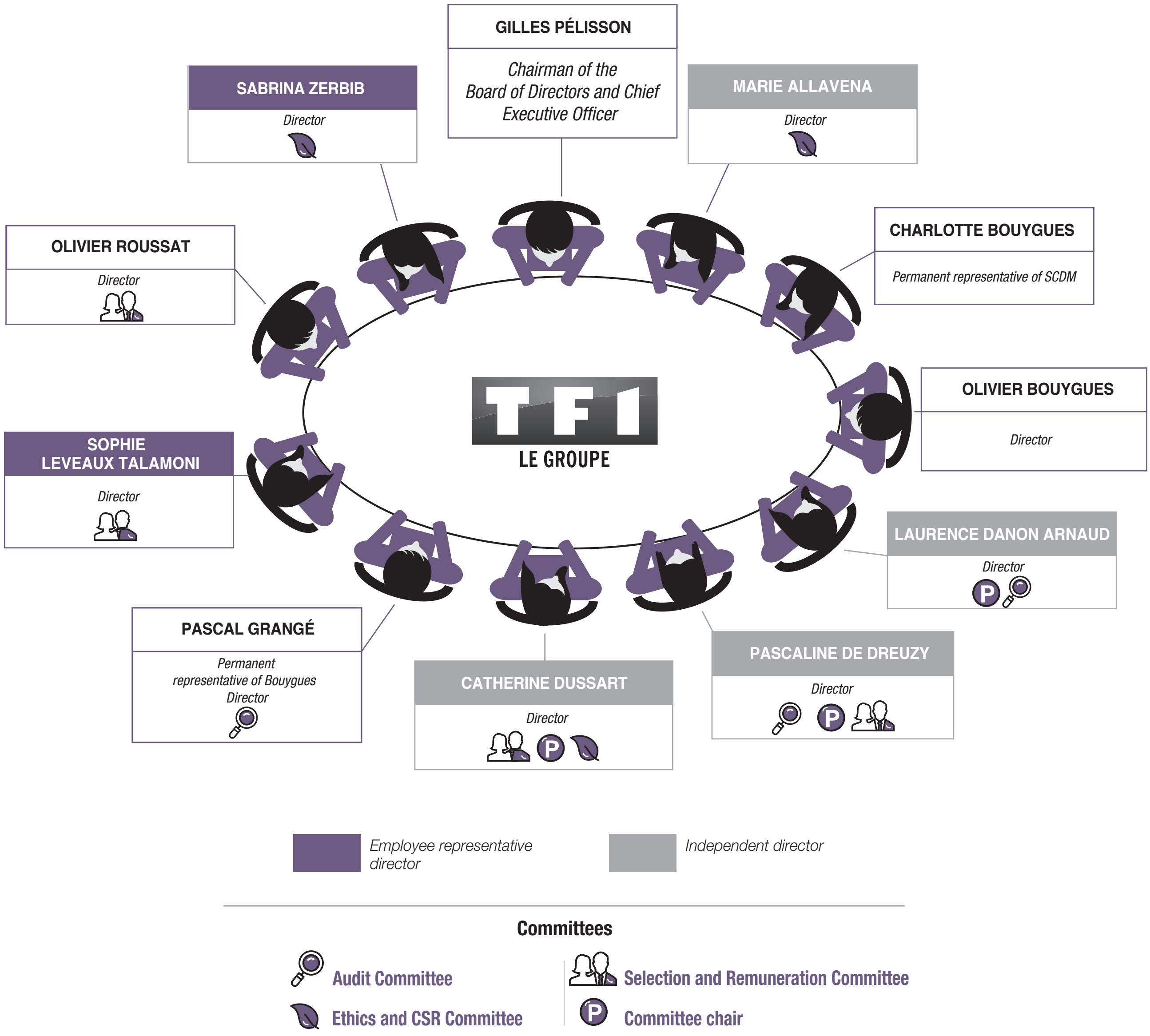
All of these objectives will be rolled forward, supporting a dynamic vision of internal control that relies above all on the skills, sense of responsibility and commitment of all Group employees.

3

CORPORATE GOVERNANCE

3.1 CORPORATE GOVERNANCE STATEMENT

3.1.1 COMPOSITION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES AT 31 DECEMBER 2020



Type of Director	Method of appointment	Term of office	Number of Directors
Non-employee representative Directors	Appointed by an Ordinary General Meeting	3 years	3 to 18
Employee representative Directors	Elected by TF1 SA employees	2 years	2

Since the Annual General Meeting of 14 April 2016, the TF1 Board of Directors is composed of 11 members, 9 of whom are non-employee representative Directors.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS IN 2020

- 13 FEBRUARY 2020

Resignation of Director	Martin Bouygues	**Co-opting of Director**	SCDM represented by Martin Bouygues
Change of permanent representative of Bouygues SA in its capacity as a Corporate Director:	Resignation of Philippe Marien		Replaced by Pascal Grangé

- 31 MARCH 2020

Results of elections of employee representative Directors	**Non-executive staff** Sabrina Zerbib elected to replace Fanny Chabirand	**Executive staff** Sophie Leveaux Talamoni re-elected	

- 17 APRIL 2020 - ANNUAL GENERAL MEETING

Reappointed	Elected*	Directors remaining in office	
Olivier Bouygues Catherine Dussart	Sophie Leveaux Talamoni Sabrina Zerbib	Marie Allavena Laurence Danon Arnaud Pascaline de Dreuzy Gilles Pélisson Olivier Roussat	Bouygues SA (permanent representative: Pascal Grangé) SCDM (permanent representative: Martin Bouygues)

* *Formal record of election results - applies only to employee representative Directors*

- 28 MAY 2020

Change of permanent representative of SCDM in its capacity as a Corporate Director	Resignation of Martin Bouygues		Replaced by Charlotte Bouygues

CHANGES IN THE COMPOSITION OF THE COMMITTEES IN 2020

Audit Committee	Until 13 February 2020	From 13 February 2020
Chair	Laurence Danon Arnaud	Laurence Danon Arnaud
Member	Pascaline de Dreuzy	Pascaline de Dreuzy
Member	Philippe Marien	Pascal Grangé

Ethics, CSR & Patronage Committee	Until 31 March 2020	From 1 April 2020
Chair	Catherine Dussart	Catherine Dussart
Member	Marie Allavena	Marie Allavena
Member	Sophie Leveaux Talamoni*	Sabrina Zerbib*

* *Employee representative Director.*

Selection and Remuneration Committee	Until 31 March 2020	From 1 April 2020
Chair	Pascaline de Dreuzy	Pascaline de Dreuzy
Member	Catherine Dussart	Catherine Dussart
Member	Fanny Chabirand*	Sophie Leveaux Talamoni*
Member	Olivier Roussat	Olivier Roussat

* *Employee representative Director.*

3.1.2 COMPOSITION OF THE BOARD OF DIRECTORS SUBMITTED FOR APPROVAL BY THE ANNUAL GENERAL MEETING OF 15 APRIL 2021

Reappointments	Appointment	Directors remaining in office	
Laurence Danon Arnaud	Marie-Aude Morel***	Marie Allavena	Sophie Leveaux Talamoni****
Bouygues SA*		Olivier Bouygues	Sabrina Zerbib****
SCDM**		Pascaline de Dreuzy	Gilles Pélisson
		Catherine Dussart	Olivier Roussat

* *Permanent representative: Pascal Grangé.*
** *Permanent representative: Charlotte Bouygues.*
*** *Employee shareholder representative Director.*
**** *Employee representative Directors.*

A career résumé of each Director is provided in section 3.1.3. (or in section 8.2, for Marie-Aude Morel).

The latest composition of the Board of Directors can be viewed at any time on the corporate website: https://www.groupe-TF1.fr, en>investors>governance>/board-directors.

As it does every year, the Board has considered the mix it would like to achieve in membership of the Board itself and of its committees, especially in terms of diversity (independence, gender balance, age, qualifications, and professional experience).

The Board has sought advice from the Selection and Remuneration Committee in anticipation of the forthcoming Annual General Meeting, and is proposing:

- the reappointment of three Directors whose terms of office expire at the forthcoming Annual General Meeting;
- the appointment of an employee shareholder representative Director, as announced and approved at the Annual General Meeting of 17 April 2020 via an amendment to the Articles of Association. The nomination for office was voted on by the Supervisory Board of FCPE TF1 Actions (the employee share ownership fund) on 28 January 2021 from among the five employee representatives, who themselves had been elected on 14 January 2021 (under the "Pacte" law, from 1 January 2021 employee members of the Supervisory Board must be elected from among employees holding units in the fund, by an electorate comprising all holders of units in the fund).

Refer to "Terms of Office of Directors" in the Report of the Board of Directors on the resolutions (section 8.2 of the universal registration document) for a detailed rationale.

COMPOSITION OF THE BOARD OF DIRECTORS AFTER THE ANNUAL GENERAL MEETING

Subject to approval by the Annual General Meeting of the 9th to 12th resolutions, the composition of the Board of Directors after the Annual General Meeting will be as follows:

- 4 independent Directors (all women): Marie Allavena, Laurence Danon Arnaud, Pascaline de Dreuzy and Catherine Dussart;
- 2 employee representative Directors: Sophie Leveaux Talamoni and Sabrina Zerbib;
- 1 employee shareholder representative Director: Marie-Aude Morel;
- 1 Executive Director: Gilles Pélisson;
- 4 Directors representing the principal shareholder: Olivier Bouygues, Olivier Roussat, Bouygues SA (represented by Pascal Grangé) and SCDM (represented by Charlotte Bouygues).

Excluding employee representative Directors, the TF1 Board of Directors will include four independent Directors (44%) and five female directors (56%), bearing in mind that Directors elected by employees and the employee shareholder representative Director do not count towards those percentages.

Also subject to the above, with effect from 15 April 2021 the committees would comprise:

Audit Committee

Chair: **Laurence Danon Arnaud**, Independent Director.

Members: **Pascaline de Dreuzy**, Independent Director and **Pascal Grangé**.

Ethics, CSR and Patronage Committee

Chair: **Catherine Dussart**, independent Director.

Members: **Marie Allavena**, Independent Director and **Sabrina Zerbib**, Employee representative Director.

Selection and Remuneration Committee

Chair: **Pascaline de Dreuzy**, Independent Director.

Members: **Catherine Dussart**, Independent Director, **Sophie Leveaux-Talamoni**, Employee representative Director and **Olivier Roussat**.

3.1.3 DIRECTORSHIPS AND OTHER POSITIONS HELD BY DIRECTORS IN OFFICE AT 31 DECEMBER 2020

Directorships and other positions held by Directors of TF1 as of 31 December 2020 and during the past five years are listed below. The Directors are compliant with the rules on multiple directorships.

GILLES PÉLISSON

Born 26 May 1957 – French

Chairman & CEO, appointed 19 February 2016
Director since 18 February 2009 - independent until 28 October 2015

Current term expires: **2022**
Attendance rate at Board Meetings: **100%**
Holds **3,000 TF1 shares**
Business address: **1, quai du Point-du-Jour, 92100 Boulogne-Billancourt, France**

EXPERTISE AND EXPERIENCE

Gilles Pélisson is a graduate of ESSEC and holds an MBA from Harvard Business School. He began his career in 1983 with the Accor group, first in the United States and then in the Asia-Pacific region. At Accor, he served as CEO of the Courtepaille restaurant chain and co-Chairman of the Novotel hotel chain. He was appointed CEO of Euro Disney in 1995 and Chairman and CEO in 1997. He moved to the Suez group in 2000 and then to Bouygues Telecom in June 2001, where he served as CEO, and then Chairman and CEO from February 2004. He was appointed CEO of Accor in January 2006, then Chairman and CEO until January 2011.

From 2011 to 2015 he was an independent director of Bic*, Barrière* (hotels and casinos in France), NH Hoteles* (Spain) and Sun Resorts International* (Mauritius), and Senior Advisor to the Jefferies investment bank (New York).

A director of Accenture plc* (United States) since 2012, he was appointed Lead Independent Director in January 2020. He is a director of the Paul Bocuse Institute, and Chairman and founder-Director of the G&G Pélisson Foundation for the Paul Bocuse Institute.

A director of TF1 since 2009, he has served as Chairman and Chief Executive Officer of TF1 since 19 February 2016.

Gilles Pélisson is an officer of the Légion d'honneur and the Ordre de Mérite.

OTHER DIRECTORSHIPS AND POSITIONS WITHIN THE TF1 GROUP

In France: Chairman and Director of the TF1 Corporate Foundation. Chairman of the Supervisory Board of Salto Gestion SAS, Chairman of TF1 SPV, member of the Strategy Committee of Play 2.

Outside France: Acting Chairman of Télé Monte-Carlo (TMC).

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France: Director of the Paul Bocuse Institute, and Chairman and founder-Director of the G&G Pélisson Foundation for the Paul Bocuse Institute.

Outside France: Lead independent Director of Accenture plc* (United States).

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2020 – Chairman of Une Musique (SASU).

2019 – Chairman of Ciby 2000 (SASU).

2018 – Director of aufeminin.

2017 – Chairman and Director of Monte-Carlo Participations.

2016 – Director of the Lucien Barrière group. Director of Sun Resorts International (Mauritius). Senior Advisor to Jefferies Inc. investment bank, New York (United States).

** Listed company.*

MARIE ALLAVENA

Born 4 July 1960 – Monegasque

Independent Director since 18 April 2019
Member of the Ethics, CSR and Patronage Committee

Current term expires: **2022**
Attendance rate at Board Meetings: **100%**
Attendance rate at Ethics, CSR & Patronage Committee Meetings: **100%**
Holds **500 TF1 shares**
Business address: **1, rue Thénard, 75005 Paris, France**

EXPERTISE AND EXPERIENCE

Marie Allavena is a graduate of ESSEC. She began her career in banking, starting at BNP Paribas and then moving to the Crédit Agricole group, where she built up expertise in complex financial engineering (including aircraft financing and LBOs). In 1994, she set up her own business, Futurekids, a computing school that introduced children as young as three years old to new technologies. Her company expanded in France and Monaco, both through direct learning and in schools. She sold her company in 2002 and took up management posts in various consultancy firms, including the Bernard Julhiet group.

In 2006 she teamed up with Serge Eyrolles, joining the Eyrolles group (an independent family-owned publishing house) as General Counsel. She was appointed CEO of the Eyrolles group in 2008.

During her time with the Eyrolles group, she has expanded the company's list from its historical roots in professional and technical publishing to more popular works; Eyrolles books are now translated into 35 languages. Marie Allavena was an early pioneer of digital books, sealing partnerships with big players like Apple and Amazon so that Eyrolles content could be accessed on all platforms and in all formats.

During her time with the Eyrolles group, she has expanded the company's list from its historical roots in professional and technical publishing to more popular works; Eyrolles books are now translated into 35 languages. Marie Allavena was an early pioneer of digital books, sealing partnerships with big players like Apple and Amazon so that Eyrolles content could be accessed on all platforms and in all formats.

OTHER DIRECTORSHIPS AND POSITIONS WITHIN THE TF1 GROUP

In France: Director of the Eyrolles group; Chair of the Board of Directors of Banque Populaire Rives de Paris; Director of Banque Palatine and Chair of the Risk Committee; Director of COFACE.

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2018 – Director of Aufeminin.

2015 – Director of La Procure.

OLIVIER BOUYGUES

Born 14 September 1950 – French

Director since 12 April 2005

Current term expires: **2023**
Attendance rate at Board Meetings: **100%**
Holds **100 TF1 shares**
Business address: **32, avenue Hoche, 75008 Paris, France**

EXPERTISE AND EXPERIENCE

Olivier Bouygues, a graduate of École Nationale Supérieure du Pétrole (ENSPM), joined the Bouygues group in 1974. He began his career in the group's Civil Works Division. From 1983 to 1988 at Bouygues Offshore, he was Director of Boscam, a Cameroon subsidiary, then Director of the France Works and Special Projects Division. From 1988 to 1992 he was Chairman and Chief Executive Officer of Maison Bouygues. In 1992 he became Executive Vice President of the Bouygues group's Utilities Management division, which combined the French and international activities of Saur. Olivier Bouygues has been a Director of Bouygues since 1984. From 2002 to 31 August 2020, he was Deputy Chief Executive Officer of Bouygues.

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France: Director of Bouygues (listed company). Director of Alstom (listed company), Bouygues Construction, Bouygues Telecom and Colas (listed company). Member of the Board of Bouygues Immobilier. Chairman of SCDM Domaines.

Outside France: Sole Director of SCDM Energy Limited (United Kingdom). Chairman and CEO of Seci (Côte d'Ivoire).

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2020 – Deputy Chief Executive Officer of Bouygues SA, Chief Executive Officer of SCDM, and Chairman of the Board of Directors of Bouygues Europe (Belgium).

2017 – Chairman of Sagri-E.

2016 – Permanent representative of SCDM in its capacity as a Corporate Director of Bouygues SA. Director of Bouygues Immobilier SA.

LAURENCE DANON ARNAUD

Born 6 January 1956 – French

Independent Director since 22 July 2010
Chair of the Audit Committee

Current term expires: **2021**
Attendance rate at Board Meetings: **100%**
Attendance rate at Audit Committee Meetings: **100%**
Holds **100 TF1 shares**
Business address: **30, bd Victor-Hugo**
92200, Neuilly-sur-Seine, France

EXPERTISE AND EXPERIENCE

Laurence Danon Arnaud enrolled at École Normale Supérieure Paris in 1977. She obtained an "agrégé" teaching qualification in Physics in 1980. After two years of research at the CNRS national scientific research laboratory, she enrolled at the École Nationale Supérieure des Mines engineering school in 1981, graduating in 1984 as a qualified engineer. Laurence Danon Arnaud then joined the French Ministry of Industry as head of the Industrial Development Department within the Industry & Research directorate of the Picardy region. Three years later she moved to the Hydrocarbons Directorate of the Ministry of Industry, where she headed up the Exploration-Production Department. In 1989, she joined the Elf group, working in commercial managerial roles in the Polymers Division before being appointed head of a unit within the Industrial Specialties Division in 1991. She took on a new role in 1994 as Director of the Global Functional Polymers Division. From 1996 to 2001 she was CEO of Ato-Findley Adhesives, which became Bostik (world no. 2 in adhesives in 2000). In 2001, she was appointed as Chairwoman & CEO of Printemps and a member of the Executive Board of PPR (Pinault Printemps Redoute, now Kering), where she successfully oversaw the repositioning towards fashion and luxury goods. She won the "Enterprise" trophy at the "Femmes en or" (France's "Women of the Year" awards) in 2006. Following the successful sale of Printemps in October 2006, she left this role in 2007. Laurence Danon Arnaud joined the Edmond de Rothschild group in 2007 as a member of the Management Board of Edmond de Rothschild Corporate Finance, becoming Chairwoman in 2009.

In just a few years she significantly raised the profile of the firm's mid-cap/family M&A advisory business, engineering some ground-breaking deals. At the start of 2013 she moved to Leonardo & Co. SAS, the French subsidiary of the Italian investment bank Banca Leonardo (one of France's leading M&A specialists handling 30 deals a year), as Chairwoman of the Board of Directors. Following the sale of Leonardo & Co. SAS to Natixis in 2015, she joined her family firm Primerose SAS. Laurence Danon Arnaud is an officer of the *Légion d'honneur* and the *Ordre de Mérite*. She has also been elected to the Académie des Technologies.

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France: Chairwoman of Primerose SAS. Director of Amundi, Groupe Bruxelles-Lambert and Gecina (listed companies).

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2016 – Senior Advisor to Natixis Partners. Director of Cordial Investment & Consulting plc (United Kingdom).

PASCALINE DE DREUZY

Born 5 September 1958 – French

Independent Director since 14 April 2016
Chair of the Selection and Remuneration Committee
Member of the Audit Committee

Current term expires: **2022**
Attendance rate at Board Meetings: **100%**
Attendance rate at Selection and Remuneration Committee Meetings: **100%**
Attendance rate at Audit Committee Meetings: **100%**
Holds **100 TF1 shares**
Business address: **7 rue du Laos, 75015 Paris, France**

EXPERTISE AND EXPERIENCE

Pascaline de Dreuzy has worked in many different spheres, each of which tackles core human issues. By transposing her experience between sectors, she has created synergies between apparently unconnected fields.

She is the Chair and founder of P2D Technology, a business that builds bridges between industry and healthcare by identifying new technologies and promoting the use of artificial intelligence in preventive medicine, emergency medical diagnostics, the management of chronic illnesses, and home care/remote monitoring of patients. The company's solutions combine human and digital. She is an investor in connected health care start-ups.

From 2011 to 2013 she was a doctor-manager at strategy consulting firms (ANAP, Arthur Hunt).

Pascaline de Dreuzy was involved in the corporate world from an early age as a director of one of the family holding companies that controls the PSA group. She is extremely committed to corporate governance: at the end of her term of office on the Board of the French Institute of Directors she joined the institute's expert groups on ESG, Integrated Reporting, Risk Appetite, Family Company Governance and the Role of Boards in Climate Issues; she also heads up one of the Institute's training modules. She currently co-chairs the Corporate Social Responsibility group, and one of the groups on environmental issues.

A doctor at Hôpitaux de Paris, Pascaline de Dreuzy has been overseeing innovative and pioneering cross-functional projects at the Necker-Enfants Malades hospital group for more than 25 years. She has taken part in crisis management seminars with SAMU de Paris (first responders), PGHM de Chamonix (mountain rescue) and GIGN (the French police elite tactical unit).

Pascaline de Dreuzy holds an EMBA from HEC and a company director diploma from Sciences-Po-IFA, and has completed the financial analysis and corporate valuation modules of the Corporate Finance Certificate at ICCF-HEC.

She is a Knight of the *Légion d'honneur*.

OTHER DIRECTORSHIPS AND POSITIONS WITHIN THE TF1 GROUP

In France: Director, member of the Audit Committee and Chair of the Compensation and Appointments Committee of the Séché Environnement Group since 2017, Director of the Fondation Hugot of the Collège de France since 2017, and Member of the Expert Committee of the Innovation Investment Fund (life sciences, digital and ecotechnologies) at Bpifrance since 2015.

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2019 – Samu Social International: Director

2018 – Navya (listed company): Director and member of the Audit, Appointments and Compensation Committees.

2017 – Diaconesses-Croix Saint Simon Hospitals, Œuvre de la Croix Saint Simon Foundation.

2016 – French Institute of Directors – Director.

CATHERINE DUSSART

Born 18 July 1953 – French

Independent Director since 18 April 2013
Chair of the Ethics, CSR and Sponsorship Committee
Member of the Selection and Remuneration Committee

Current term expires: **2023**
Attendance rate at Board Meetings: **100%**
Attendance rate at Ethics, CSR & Patronage Committee Meetings: **100%**
Attendance rate at Selection and Remuneration Committee Meetings: **100%**
Holds **100 TF1 shares**
Business address: **25, rue Gambetta, 92100 Boulogne Billancourt, France**

EXPERTISE AND EXPERIENCE

After studying management, Catherine Dussart began her career as a press officer and then became a producer of documentaries and dramas for cinema and television with the creation of Les Productions Dussart in 1992 and CDP in 1994. Since then she has produced or co-produced nearly 100 films in around 15 countries. Her recent productions include *Laila in Haifa* by Amos Gitai (in competition at the 2020 Venice Film Festival); *Les Irradiés (Irradiated)* by Rithy Panh (Best Documentary award at the 2020 Berlin Film Festival); *A Tramway in Jerusalem* by Amos Gitai and *Graves Without a Name* by Rithy Panh, presented in the official selection at the 2018 Venice Film Festival; *9 fingers* by F.J. Ossang, winner of best screenplay at the 2017 Locarno Festival; *The Exile* by Rithy Panh, presented in the official selection at the 2016 Cannes Film Festival; *Gospel* by Pippo Delbono, presented in the official selection at the 2016 Venice Film Festival; *France Is Our Mother Country* by Rithy Panh (Fipa 2015); *Chauthi Koot (The Fourth Direction)* by Gurvinder Singh (India), presented in the official selection at the 2015 Cannes Film Festival; *Kalo Pothi (The Black Hen)* by Min Bahadur Bham (Nepal), winner of the critics prize at the 2015 Venice Film Festival; and *The Missing Picture* by Rithy Panh, which won the "Un Certain Regard" prize at the 2013 Cannes Film Festival and the Prix Italia and was also an Academy Award nominee for best foreign film. A number of films are in production during 2021, including new films by Rithy Panh, Amos Gitai and Peter Greenaway.

Catherine Dussart is a consultant for the Doha Film Institute.

She has been a member of the World Cinema Subsidy Commission of the French Ministry of Foreign Affairs; Deputy Chair of the Royalty Advances Commission of the French National Cinematography Centre (CNC); and a member of the CNC's Distribution Subsidy Commission.

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France: General Manager of Catherine Dussart Production-CDP.

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

None

SOPHIE LEVEAUX TALAMONI

Born 11 December 1964 – French

Employee representative Director since 3 April 2014
Member of the Ethics, CSR & Patronage Committee until February 2020
Member of the Selection and Remuneration Committee since July 2020

Current term expires: **2022**
Attendance rate at Board Meetings: **86%**
Attendance rate at Ethics, CSR & Patronage Committee Meetings: **100%**
Attendance rate at Selection and Remuneration Committee Meetings: **100%**
Holds **10 TF1 shares**
Business address: **1, quai du Point-du-Jour, 92100 Boulogne-Billancourt, France**

EXPERTISE AND EXPERIENCE

Sophie Leveaux Talamoni has been TF1's Artistic Director of Acquisitions and international development manager since July 2008. She joined the Acquisitions Division of TF1 group in 1993 and was appointed Artistic Manager in 1995, since when she has gradually assumed broader responsibilities across the division's spectrum of activities.

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

None

OTHER DIRECTORSHIPS AND POSITIONS WITHIN THE TF1 GROUP

None

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

None

OLIVIER ROUSSAT

Born 13 October 1964 – French

Director since 18 April 2013
Permanent representative of Société Française de Participation et de Gestion (SFPG) in its capacity as a Corporate Director of TF1 from 9 April 2009 to 18 April 2013.
Member of the Selection and Remuneration Committee

Current term expires: **2022**
Attendance rate at Board Meetings: **100%**
Attendance rate at Selection and Remuneration Committee Meetings: **100%**
Holds **100 TF1 shares**
Business address: **32, avenue Hoche, 75008 Paris, France**

EXPERTISE AND EXPERIENCE

Olivier Roussat is a graduate of the National Institute of Applied Sciences (INSA) in Lyon. He began his career in 1988 at IBM, where he occupied a number of positions in data network services, service delivery and pre-sales. In 1995 he joined Bouygues Telecom to set up the network management centre and network processes. He then became head of network operations and telecoms and IT service delivery. In May 2003, he was appointed network manager and became a member of the Executive Committee of Bouygues Telecom. In January 2007 Olivier Roussat took charge of the performance and technology unit, which combines Bouygues Telecom's cross-functional technical and IT Departments, including networks, information systems, process engineering, purchasing, corporate services and property development. He was also given responsibility for the headquarters and Technopôle buildings. Appointed Deputy Chief Executive Officer of Bouygues Telecom in February 2007, then Chief Executive Officer in November 2007 and Chairman and Chief Executive Officer of Bouygues Telecom from May 2013 to November 2018; he has served as Chairman of the Board of Directors of Bouygues Telecom since 9 November 2018. On 1 October 2019, he was appointed Chairman of the Board of Directors of Colas SA. Since 30 August 2016, he has served as a Deputy Chief Executive Officer of Bouygues.

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France: Deputy Chief Executive Officer of Bouygues (listed company). Chairman of the Board of Directors of Bouygues Telecom. Chairman of the Board of Directors of Colas (listed company). Director of Bouygues Construction. Member of the Board of Bouygues Immobilier.

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2018 – Chief Executive Officer of Bouygues Telecom.

2016 – Member of the Board of Directors of the Bouygues Telecom Corporate Foundation. Member of the Strategy Committee of Bouygues Energies & Services.

BOUYGUES SA

Paris Trade and Companies Register (RCS) no. 572 015 246

Corporate Director since 20 February 2008, represented by Pascal Grangé

Current term expires: **2021**
Holds **91,946,297 TF1 shares**
Registered office: **32, avenue Hoche, 75008 Paris, France**

OTHER DIRECTORSHIPS AND POSITIONS WITHIN THE TF1 GROUP

Director of Alstom (listed company), Bouygues Construction, Bouygues Telecom and Colas (listed company). Director of GIE 32 Hoche and GIE Intrapreneuriat Bouygues. Member of the Board of Bouygues Immobilier. Member of the Board of Directors of the management body of Centre Gustave Eiffel (not-for-profit organisation). Member of the Board of Directors of GIE Registrar.

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2017 – Director of Bouygues Immobilier and C2S.

2016 – Member of the Board of Directors of Fondation Dauphine.

PASCAL GRANGE

Born 22 February 1961 – French

Permanent representative of Bouygues in its capacity as a Corporate Director since 13 February 2020
Member of the Audit Committee

Attendance rate at Board Meetings: **100%**
Attendance rate at Audit Committee Meetings: **100%**
Business address: **32, avenue Hoche, 75008 Paris, France**

EXPERTISE AND EXPERIENCE

Pascal Grangé has a Masters in Management, a Masters in Law, and a DESS postgraduate diploma in finance. He joined the Bouygues group in 1986 as finance manager of Dragages et Travaux Publics. In 1987, he moved on to the Bouygues group's International Finance Department, then joined Screg as Chief Financial Officer in 1995 before serving as Chief Financial Officer of Stereau and Saur France. He became Chief Financial Officer of the Saur group in 2000.

He was appointed Chief Financial Officer of Bouygues Construction in 2003, before being promoted to Deputy CEO in 2008. In March 2015, he was appointed Deputy CEO with responsibility for Strategy and Finance, Information Systems, Concessions and Strategic Reflection on Property Development at Bouygues Construction. On 1 October 2019, he was appointed Senior Vice President and Chief Financial Officer of the Bouygues group.

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France:

Senior Vice President and Chief Financial Officer of Bouygues (listed company).

Permanent representative of Bouygues in its capacity as a Director of Alstom (listed company), Bouygues Construction, Bouygues Telecom and Colas (listed company).

Permanent representative of Bouygues in its capacity as a member of the Board of Bouygues Immobilier.

Outside France: Director of Bouygues Europe (Belgium); Chairman and Director of Uniservice (Switzerland).

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2020 – Director of Bouygues Construction.

2019 – Deputy Chief Executive Officer of Bouygues Construction.

2016 – Member of the Board of Directors of Bouygues Bâtiment Île-de-France, Bouygues Bâtiment International and Bouygues Travaux Publics, and member of the Strategy Committee of Bouygues Energies & Services.

SCDM

Paris Trade and Companies Register (RCS) no. 330 139 239

Corporate Director since 13 February 2020, represented by Charlotte Bouygues

Current term expires: **2021**
Holds **100 TF1 shares**
Registered office: **32, avenue Hoche, 75008 Paris, France**

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France: Chair of SCDM Participations, Director of Bouygues SA (represented by Edward Bouygues), Director of GIE 32 Hoche.

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2018 – Chair of Actiby.

CHARLOTTE BOUYGUES

Born 29 July 1991 – French

Permanent representative of SCDM since 28 May 2020

Attendance rate at Board Meetings: **100%**
Business address: **8 rue Saint-Fiacre, 75002 Paris, France**

EXPERTISE AND EXPERIENCE

Charlotte Bouygues graduated from Babson College in the United States, where she specialised in strategic management. She was a product marketing manager at L'Oréal in the United States for three years, before joining TF1 Publicité in September 2016 where she held a post in advertising sales. Two years later she joined the programming teams, as a programmer for the TF1 channel. Since September 2019, she has been head of e-commerce at Aufeminin, a TF1 subsidiary.

OTHER DIRECTORSHIPS AND POSITIONS WITHIN THE TF1 GROUP

None

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

In France: Director of Bouygues Telecom and of Bouygues Construction.

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

2020 – Permanent representative of SCDM in its capacity as a Corporate Director of Bouygues SA (listed company).

SABRINA ZERBIB

Born 3 June 1979 – French

Employee representative Director since 31 March 2020
Member of the Ethics, CSR & Patronage Committee

Current term expires: **2022**
Attendance rate at Board Meetings: **100%**
Attendance rate at Ethics, CSR & Patronage Committee Meetings: **100%**
Holds **10 TF1 shares**
Business address: **1, quai du Point-du-Jour, 92100 Boulogne-Billancourt, France**

EXPERTISE AND EXPERIENCE

2004-2005: PA in the IT Development Department; 2005-2016: Sales Assistant at TF1 Publicité; since September 2016: PR assistant in the Business, CSR & Innovation-Digital Department.

OTHER DIRECTORSHIPS AND POSITIONS OUTSIDE THE TF1 GROUP

None

OTHER DIRECTORSHIPS AND POSITIONS WITHIN THE TF1 GROUP

None

FORMER DIRECTORSHIPS AND POSITIONS HELD IN THE PAST FIVE YEARS

None

3.2 CORPORATE GOVERNANCE ARRANGEMENTS AFR

Taken in conjunction with section 3.1 above, the present section constitutes the Board of Directors' report on Corporate Governance required under Article L. 225-37 of the French Commercial Code. It includes the information specified in Articles L. 22-10-8 to L. 22-10-11 of the French Commercial Code.

This report was prepared by the Secretary to the Board (who is also Group Legal Affairs Director) in conjunction with senior management and the Group Finance Department. It draws upon various internal documents (Articles of Association and Rules of Procedure, and minutes of Board and Board Committee Meetings), and takes account of current regulations; corporate governance recommendations issued by the AMF (the French financial markets authority); the recommendations contained in the AFEP/MEDEF Corporate Governance Code of Listed Corporations (the "AFEP/MEDEF Code"); the report of the French High Committee on Corporate Governance; and market practice.

The Board of Directors approved the present report at its meeting of 10 February 2021, after receiving a favourable opinion from the Selection and Remuneration Committee.

3.2.1 PRINCIPLES GOVERNING THE COMPOSITION OF THE BOARD OF DIRECTORS

RULES APPLICABLE TO THE COMPOSITION OF THE BOARD OF DIRECTORS

Under the Articles of Association, the Board of Directors includes Directors appointed by the General Meeting and Directors nominated by the employees.

The Board has established Rules of Procedure, supplementing the legal and regulatory requirements and the provisions of the Articles of Association. They specify how the Board operates, and reflect the AFEP/MEDEF Code (which is annexed to the Rules of Procedure).

The Board seeks at all times to operate in a way that ensures good corporate governance.

The composition of the Board and its committees complies with provisions on gender balance and on the presence of independent Directors. It also takes into account the significant share of the company's equity capital owned by Bouygues SA, and the requirements of the Articles of Association regarding the number of employee representative Directors and employee shareholder representative Directors.

Procedure for selecting Directors

The procedure for selecting future Directors takes account of the preferred diversity profile of the Board and its committees in terms of training, experience, gender balance, independence, etc., and of the needs of the Board.

For each Board vacancy, the Selection and Remuneration Committee works with the Chairman and CEO to assess the profiles of a number of potential members and candidates put forward to it, with a view to achieving a good fit between Board members and coherence in the composition of the Board and its committees.

The committee takes care to ensure that the Board includes a range of competencies, including sector, CSR and financial expertise.

The actual selection process is strictly confidential.

Any proposal to appoint a new member is subject to a collegiate decision by the Board.

Non employee representative Directors

The non employee representative Directors are appointed by a General Meeting of shareholders. They serve for a three-year term of office, in order to facilitate the phased rotation recommended by the AFEP/MEDEF Code. They must hold at least 100 TF1 shares throughout their term of office according to the Board of Directors' Rules of Procedure.

Employee representative Directors

From the time of the company's privatisation, there was a requirement that at least one-sixth of the Board members be employee representative Directors (Article 66 of law no. 86-1067 of 30 September 1986). Consequently, two Directors are elected by the employees of TF1 SA: one by an electoral college of managerial staff and journalists, and the other by an electoral college of clerical, technical and supervisory staff.

Employee representative Directors hold office for two years.

Article 66 was repealed by Order no. 2020-1642 of 21 December 2020. TF1 is now governed by Article L. 225-27-1 of the French Commercial Code, which provides for a mandatory regime for employee representation on the Board of Directors for *sociétés anonymes*.

The Board of Directors, having previously sought the opinion of the Selection and Remuneration Committee and then of the Economic and Social Committee of TF1, will ask the Annual General Meeting of 15 April 2021 to approve the amendments to the company's Articles of Association required for the election of Directors representing employees.

Where only one employee representative Director is to be appointed, that Director is designated by the trade union body that obtained the most votes in the first round of the elections referred to in Articles L. 2122-1 and L. 2122-4 of the French Labour Code held within TF1 SA and those of its direct and indirect subsidiaries with their registered office on French territory. Where two employee representative Directors are to be appointed, those Directors are designated by the two trade union bodies that obtained the most votes in the first round of those elections.

Employee representative Directors hold office for a term of two years.

See sections 8.2 of this Universal Registration Document on the amendment to Article 10 of the Articles of Association.

Employee shareholder representative Director

Prior to publication of law no. 2019-486 of 22 May 2019 on the Business Growth and Transformation Action Plan (the "Pacte" law), which removed the exemption that applied to TF1, the company had no obligation to arrange for the election of employee shareholder representative Directors pursuant to Article L. 225-23 of the French Commercial Code.

In accordance with Article 186, paragraph II of the Pacte law, the Board of Directors asked the Annual General Meeting of 17 April 2020 to approve the amendment to the company's Articles of Association required for the election of employee shareholder representative Directors. The amendment to the Articles of Association was approved with 100% of the votes cast (resolution 18).

The nominee for office was voted on by the Supervisory Board of FCPE TF1 Actions (the employee share ownership fund) from among the 5 employee members of the Supervisory Board, who were elected on 14 January 2021 (since 1 January 2021, under the "Pacte" law employee members of the Supervisory Board must be elected from among employees holding units in the fund, by an electorate comprising all holders of units in the fund).

The appointment of the new employee shareholder representative Director will be put to a vote of the shareholders at the Annual General Meeting on 15 April 2021 (12th resolution).

He or she will have the same duties and powers as any Director.

Age limit

The Articles of Association do not set an age limit for Directors.

BOARD RULES OF PROCEDURE AND DIRECTORS' CODE OF CONDUCT

The Board Rules of Procedure describe how the Board and its committees operate, and set out the powers, characteristics and remit of the Board and its committees. Annexes to the Rules of Procedure include the AFEP/MEDEF Code, currently in the most recently updated version (revised January 2020).

The Board updates the Rules of Procedure regularly to reflect changes in laws and regulations, good corporate governance practice, and changes to the way the Board itself operates.

A separate annex to the Rules of Procedure, the "TF1 Directors' Code of Conduct", specifies the rights and obligations of Directors; this was updated by the Board of Directors at its meeting of 10 February 2021.

The Rules of Procedure also lay down principles for the annual evaluation of the Board's operating procedures.

The Rules of Procedure and Directors' Code of Conduct are available (in French only) on the TF1 corporate website:
go to https://www.groupe-TF1.fr/en and follow the links to Investors/Governance.

3

APPLICATION OF THE AFEP/MEDEF CORPORATE GOVERNANCE CODE

In 2008, the Board of Directors decided that the company would adhere to the AFEP/MEDEF Corporate Governance Code of Listed Corporations (the "AFEP/MEDEF Code"). That code was updated in January 2020, and is reproduced in an annex to the Rules of Procedure of the TF1 Board of Directors.

An English-language version of the Code can be viewed on the AFEP website at: https://afep.com/wp-content/uploads/2020/01/Afep_Medef-Code-revision-2020-EN-.pdf.

The table below shows TF1's departures from the AFEP/MEDEF Code, and the reasons for those departures.

Departure from AFEP/MEDEF Code	Explanation
Article 11.3: "It is recommended that at least one meeting not attended by the executive officers should be organised each year."	The Board is of the opinion that rather than have a meeting attended solely by the independent Directors, it is more appropriate to allow them the opportunity to express their views on the management of the Group from their own distinctive standpoints, in a challenging but supportive manner.

ASSESSMENT OF DIRECTOR INDEPENDENCE

Every year, the Board of Directors – having taken advice from the Selection and Remuneration Committee – assesses the position of each Director individually by reference to all of the independence criteria contained in the AFEP/MEDEF Code and also assesses whether a potential conflict of interest exists.

Under Article 9 of the AFEP/MEDEF Code, a Director is regarded as independent when he or she has no relationship of any kind with the company, its group or its management that may colour their judgment. The Code lists a number of independence criteria, which when applied to TF1 are as follows:

- not being, and not having been within the past five years: (i) an employee or executive officer of TF1; (ii) an employee, executive officer or Director of an entity consolidated by TF1; or (iii) an employee, executive officer or Director of TF1's parent or of an entity consolidated by that parent;
- not being an executive officer of an entity in which (i) TF1 directly or indirectly holds a directorship or (ii) an employee of TF1 is designated as a Director or (iii) an executive officer of TF1 (current, or who has held such office within the past five years) holds a directorship;
- not being a customer, supplier, investment banker, commercial banker or consultant that is (i) material to TF1 or its group or (ii) for which TF1 or its group represents a significant proportion of its business;
- not being related by close family ties to a corporate officer;
- not having been a statutory auditor of TF1 within the past five years;
- not having been a Director of TF1 for more than twelve years (a Director ceases to be independent once he or she has served on the Board for twelve years).

A non-executive officer cannot be regarded as independent if he or she receives variable remuneration in cash or in the form of shares or any remuneration linked to the performance of TF1 or its group.

Based on the above criteria, the Board has identified the following Directors as independent Directors: Marie Allavena, Laurence Danon Arnaud, Pascaline de Dreuzy and Catherine Dussart.

The four independent Directors have no business relationship with TF1. None of them receives variable remuneration in cash or shares, or any remuneration linked to the performance of TF1 or its group.

	AFEP/MEDEF Code independence criteria							
	Not having been an employee or executive officer of TF1 or the Bouygues group during the past 5 years	No cross-directorships	No significant business relationship	No close family ties with corporate officer	Not having been TF1's auditor in past 5 years	Not having been a TF1 Director for more than 12 years	Not being a significant shareholder (>10% capital/voting rights)	Qualifies as independent
Marie Allavena	✓	✓	✓	✓	✓	✓	✓	✓
Laurence Danon Arnaud	✓	✓	✓	✓	✓	✓	✓	✓
Pascaline de Dreuzy	✓	✓	✓	✓	✓	✓	✓	✓
Catherine Dussart	✓	✓	✓	✓	✓	✓	✓	✓
Sophie Leveaux Talamoni	X	✓	✓	✓	✓	✓	✓	X
Sabrina Zerbib	X	✓	✓	✓	✓	✓	✓	X
Gilles Pélisson	X	✓	X	✓	✓	X	✓	X
Charlotte Bouygues	X	✓	X	X	✓	✓	X	X
Olivier Bouygues	X	X	X	X	✓	X	X	X
Pascal Grangé	X	X	X	✓	✓	✓	X	X
Olivier Roussat	X	X	X	✓	✓	✓	X	X

✓ *Compliant* X *Non-compliant*

The criterion of not having held office as a TF1 Director for more than 12 years is fulfilled by all four independent Directors.

The Board of Directors will ask the Annual General Meeting of 15 April 2021 to renew the terms of office of Laurence Danon Arnaud, Bouygues SA (represented by Pascal Grangé) and SCDM (represented by Charlotte Bouygues) as Directors for a further three years.

Laurence Danon Arnaud would continue during 2021 to have no business relationship with the TF1 group, and would retain her status as an independent Director by reference to all the AFEP/MEDEF Code criteria.

Subject to shareholder approval and excluding employee representative Directors, the TF1 Board of Directors would continue to have:

- five female Directors, which means that the proportion of female Directors would be 56%;
- four independent Directors, which means that the proportion of independent Directors would be 44%, above the one-third threshold set by the AFEP/MEDEF code for a "controlled" company (such as TF1).

The proportion of independent Directors on the Board committees is indicated in the description of the composition of each committee.

DIVERSITY POLICY APPLIED TO BOARD MEMBERS

In accordance with the AFEP/MEDEF Code, the Board periodically reassesses the balance of its membership and of its committees in terms of diversity (gender balance, expertise, experience, etc..).

The objectives, procedures and outcomes of the Board's diversity policy are presented below.

Objectives	The Board takes the view that a good balance is achieved by having Directors with diverse profiles, whether in terms of age, length of service, expertise and professional experience relevant to the Group's business activities, and also by having a sufficient number of independent Directors.
Procedures	The Board believes that the expertise and experience of its members, their ability to understand the challenges and risks facing the Group, and their complementarity and commitment, all contribute to the balance of the Board. The Board, acting on recommendations from the Selection and Remuneration Committee, takes account of diversity objectives when proposing new Directors or committee members, and during the annual evaluation of the Board. The Board pays particular attention to the experience and knowledge of the Group's businesses that each Director needs in order to contribute effectively to the work of the Board and its committees. The presence of employee representative Directors on the Board and its committees also contributes to the diversity policy.
Outcomes	**Age** As of 31 December 2020, the average age of the Directors was 57.
	Length of service The average length of service of the Directors as of 31 December 2020 was 6.6 years.
	Expertise The Directors are drawn from a variety of backgrounds. The detailed career résumés in section 3.1, and the table below, show the diverse nature of Board members' expertise in fields such as the media industry, entrepreneurship, finance, industry and digital.
	Independent Directors See above.
	International experience Although 10 of the 11 Board members are French nationals, most of them have extensive international professional experience or a bi-national culture.
	Gender balance As of 31 December 2020: ▪ the Board had five female Directors, which means that the proportion of female Directors was 56% (without counting employee representative Directors); ▪ each of the three Board committees was chaired by a woman; ▪ eight of the ten committee seats (80%) were held by women.

POLICY ON NON-DISCRIMINATION AND GENDER BALANCE ON EXECUTIVE BODIES

The Board regularly obtains assurance that the Executive Officers implement a non-discrimination and diversity policy.

Our commitment to diversity and gender balance on our executive bodies has now been recognised by a number of independent organisations such as Equileap, who in 2019 (latest available evaluation) ranked TF1 24th overall in the world top 100 of companies for gender equality. Similarly, TF1 ranks 22nd among SBF 120 companies for female representation on executive bodies.

Executive Committee

There are two women on the ten-member Executive Committee, *i.e.* a rate of 20%. Our gender balance policy (see "Diversity policy applied to Board members") should over time lead to an improvement in the gender balance on our Executive Committee.

Management Committee

Within our Management Committee, which comprises the 150 senior managers within the Group, 45.5% of the members were women as of 31 December 2020, an increase of 17.5 points relative to 2015. Looking beyond our executive bodies, our commitment to gender balance is a priority, and is covered by a specific section in our Non-Financial Performance Statement (Chapter 4 of this universal registration document).

DIVERSITY AND COMMITMENT OF THE DIRECTORS

The following table provides a summary presentation of the personal information and experience of the Directors, as well as their commitment to TF1's corporate governance, as of 31 December 2020 (positions, nationalities, directorships, shares held are set forth in their biographies under Section 3.1.3).

Martin Bouygues and Olivier Bouygues are brothers, and control SCDM. Charlotte Bouygues is the daughter of Martin Bouygues. The company is not aware of any other family ties between Board members.

	Status	Female Male	Age	Expertise	Board committees	First appointed	Current term expires	Years service on Board	2020 Board attendance
Executive Director									
Gilles Pélisson	Not independent	M	63	Audiovisual and digital, International, Governance, Management, CSR, Finance		2009	2022	12	7/7 meetings
Independent Directors									
Marie Allavena	Independent	F	60	Audiovisual and digital, Governance, Management, CSR, Finance	Member of Ethics, CSR and Patronage Committee	2019	2022	1	7/7 meetings
Laurence Danon Arnaud	Independent	F	65	International, Governance, Management, Finance	Chair of Audit Committee	2010	2021	10	7/7 meetings
Pascaline de Dreuzy	Independent	F	62	Governance, CSR, Finance	Chair of Selection and Remuneration Committee Member of Audit Committee	2016	2022	4	7/7 meetings
Catherine Dussart	Independent	F	67	Audiovisual and digital, International, Management, CSR	Chair of Selection and Remuneration Committee Chair of Ethics, CSR and Patronage Committee	2013	2023	7	7/7 meetings
Employee representative Directors									
Sophie Leveaux Talamoni	Not independent	F	56	Audiovisual and digital, International, CSR	Member of Selection and Remuneration Committee	2014	2022	6	6/7 meetings
Sabrina Zerbib	Not independent	F	41	Audiovisual and digital, CSR	Member of Ethics, CSR and Patronage Committee	2020	2022	1	5/5 meetings
Non-independent Directors									
Charlottes Bouygues, Permanent representative of SCDM	Not independent	F	29	Audiovisual and digital, International, Governance, Management		2020	2021	1	3/3 meetings
Olivier Bouygues	Not independent	M	70	Audiovisual and digital, International, Governance, Management, CSR		2005	2023	15	7/7 meetings
Pascal Grangé, Permanent representative of Bouygues	Not independent	M	59	Audiovisual and digital, International, Governance, Management, Finance	Member of Audit Committee	2020	2021	1	6/6 meetings
Olivier Roussat	Not independent	M	56	Audiovisual and digital, International, Governance, Management, Finance	Member of Selection and Remuneration Committee	2009	2022	11	7/7 meetings

Audiovisual and digital · International · Institutional and regulatory · Governance · Management · CSR · Finance

Average length of service of Directors: 6.6 years

Average age of Directors: 57

Percentage of women: 56%(1)

Percentage of independent Directors: 44%(1)

(1) Excluding employee representative Directors.

3.2.2 PRINCIPLES ON WHICH CORPORATE GOVERNANCE OPERATES

GOVERNANCE ARRANGEMENTS

Chairman and Chief Executive Officer

The Board is required by law to elect one of its members as Chairman, to organise and direct the work of the Board and ensure that the company's management bodies function properly.

By law, the Board may choose to delegate responsibility for the executive management of the company to either (i) the Chairman of the Board of Directors or (ii) another natural person, who may or may not be a Director. The Chief Executive Officer is responsible for the executive management of the company.

When deliberating, Board members are aware of the need to ensure that all shareholders are treated equally and that the Board should operate effectively.

Combining the offices of Chairman of the Board and Chief Executive Officer

Gilles Pélisson was appointed as Chairman and Chief Executive Officer at the Board Meeting of 17 February 2016, and was confirmed in office when his reappointment as a Director was approved in April 2016 and April 2019.

The Board of Directors took the view that it was preferable not to separate the role of Chairman from that of Chief Executive Officer (given the size of the TF1 group, the nature of its business, and past experience that the proposed governance structure was effective).

The Board has not appointed a Lead independent Director or Vice Chairman, believing that such appointments are not necessary because:

- TF1 is a controlled company and 44% of its Board members qualify as independent, which is above the one-third threshold set by the AFEP/MEDEF Code;
- the way in which the Board and its committees operate allows all Directors complete freedom of judgment and total independence; Board members deal directly with the Chairman and CEO, and have regular access to information about the Group;
- when evaluating the Board, each Director has given a "positive" or "very positive" rating for how both the Board and its committees operate; they have also commented that the information they received was precise, the decision-making process was clear, they were free to speak their minds, and agenda items were fully discussed;
- careful attention is paid to preventing conflict of interests.

Shareholder relations with the Board of Directors, especially on corporate governance issues (which according to Article 4.4 of the AFEP/MEDEF code may be entrusted to a Lead independent Director), are handled by the Chairman & CEO and the Chief Financial Officer, supported by the Head of Financial Communications. The Board is informed about shareholder expectations as required.

Limits on the powers of the Chairman and Chief Executive Officer

In accordance with the law, the TF1 Articles of Association state that the Chief Executive Officer has the broadest powers to act in the name of the company under all circumstances. He exercises his powers within the limits of the corporate purpose and subject to the powers expressly accorded by law to Shareholders' Meetings and to the Board of Directors.

The measures in place to balance the exercise of executive powers with the powers of the Board of Directors, and to limit the powers of the Chairman & Chief Executive Officer, contribute to good governance within the TF1 group.

A range of governance practices are in place, some of which date back several years:

- the Board Rules of Procedure, which specify rules for how the Board and its committees operate, along with the Directors' Code of Conduct;
- the presence of independent Directors and employee representative Directors on the Board and its committees;
- the existence of three permanent committees to support the work of the Board: the Selection and Remuneration Committee, the Audit Committee, and the Ethics, CSR and Patronage Committee;
- meetings between Directors, without executive and salaried Directors or Bouygues representatives present, at which they can freely discuss any issue;
- four compliance programmes that supplement the Code of Conduct in the fields of anti-corruption, conflicts of interest, securities trading and competition;
- an internal charter incorporating a change to the treatment of such agreements, which is published on the corporate website.

Age limit

The Articles of Association set the age limit for holding office as Chairman of the Board of Directors, Chief Executive Officer or Deputy Chief Executive Officer at sixty-seven years.

EXECUTIVE COMMITTEE

Gilles Pélisson and nine senior executives comprise the Executive Committee (EXCO), for which he has direct responsibility. The EXCO reports to Gilles Pélisson and is the senior managerial body in terms of high-level strategic decision-making within the TF1 group.

The EXCO implements the overall strategic orientations determined by the Board.

It meets once a week. Key issues discussed include a status report on advertising, financial results, digital developments and economic trajectory; an update by each member on the salient matters within his or her sphere of operations, including their staff; and a look forward to major future events. A written record is kept of all decisions.

As of 31 December 2020, there were ten EXCO members.

Alongside the Chairman and Chief Executive Officer, they are:

- Operational:
  - Ara Aprikian: Executive Vice President, Content,
  - EXCO member in charge of Sport, and Chairman of TF1 Publicité and TF1 Entertainment,
  - Thierry Thuillier: Executive Vice President of News;
- Transverse:
  - Olivier Abecassis: Chairman of Unify,
  - Christine Bellin: Executive Vice President Strategy and Customer Distribution, Chairwoman of e-TF1,
  - Maylis Çarçabal: Vice President, Communication and Brands;
- Support:
  - Arnaud Bosom: Executive Vice President, Human Resources and CSR,
  - Didier Casas: General Counsel,
  - Philippe Denery: Executive Vice President, Finance and Procurement.

The EXCO members, along with Bibiane Godefroid (Chairwoman of Newen) attend Board Meetings to give the Directors insights into market conditions, business performance, new developments and strategy.

SUCCESSION PLANNING

The Selection and Remuneration Committee reviews succession planning every year, including any unforeseen vacancies.

RULES GOVERNING HOW THE BOARD OPERATES

Powers of the Board of Directors

The powers and remit of the Board of Directors are those specified by law and in the AFEP/MEDEF Code.

The Board's Rules of Procedure state that the Board must promote the creation of long-term value by the company while taking account of the social and environmental issues relating to its activities.

The Board's Rules of Procedure specify which important decisions must be taken by the Board, including:

- the Board of Directors, with the assistance of a special purpose committee if needed, examines and makes decisions on operations of real strategic importance;
- the strategic priorities, business plans and financing policy for each business segment and the Group are presented to the Board for approval;
- the Board must give its prior approval for any transaction regarded as being of major significance for the Group including investments, organic growth, external acquisitions, disposals, or internal restructuring, particularly where the transaction is outside the scope of the company's stated strategy;
- Board approval is required for the principal guarantees and major commitments entered into by the Group;
- the Board exercises control over management and oversees the quality of the information supplied to shareholders and to the markets, in particular through the financial statements and in connection with significant corporate actions;
- the Board performs regular reviews of opportunities and risks, including risks of a financial, legal, operational, social or environmental nature, and assesses their impact on the strategy determined by the Board and the measures taken as a consequence, and to that end receives all information necessary to fulfil its remit;
- the Board determines the remuneration of senior executives and corporate officers, subject to powers expressly reserved by law for the General Meeting of shareholders;
- the Board applies the rules relating to the composition of the Board and of its committees;
- the Board authorises regulated agreements, and monitors the process for determining whether contracts qualify as ordinary agreements contracted on an arm's length basis.

Holding of Board Meetings

The Board of Directors meets as often as the interests of the company require.

Board decisions are only valid if at least half of the Board members are present, and are taken on a majority of the members present or represented. In the event of a tie, the Chairman of the meeting has the casting vote.

All Directors have the same powers and duties. Decisions are taken collectively.

Under the Rules of Procedure, the Board must meet at least once a quarter. In the first quarter, the Board closes off the financial statements for the previous financial year. In the second quarter, it reviews the first-quarter financial statements. In the third quarter, the first-half financial statements are closed off and the strategic priorities are presented to the Board for approval. In the fourth quarter, the Board reviews the third-quarter financial statements and analyses revenue and profit estimates for the current year and subsequent year; in addition, the business plans and financing policies of the Group and its business segments are submitted for Board approval.

The TF1 Board of Directors met seven times in 2020. It approved all corporate actions – in particular, acquisitions and disposals – likely to materially affect the Group's financial results, balance sheet structure or risk profile. One Board Meeting was devoted specifically to the three-year plan, with a focus on the strategic context.

Each Board Meeting includes an update on corporate actions and events since the previous meeting, and on ongoing key projects likely to be completed before the next meeting. At least once a quarter, the Board is informed by the executive management about the company's financial position, cash position and commitments.

Between Board Meetings, Directors receive all useful information about events or corporate actions that are material to the Group. More generally, they may request from the Chairman at any time all information or documents they regard as useful for fulfilling their remit.

PROVISION OF TRAINING AND INFORMATION TO DIRECTORS

On being appointed to the Board, each Director is given a presentation on the company, its business segments, and the sectors in which it operates. This includes an induction programme in which the incoming Director meets the heads of each of the Group's main divisions. During their term of office, each Director may receive additional training from key executives of TF1 and its subsidiaries. Employee representative Directors also receive specific training.

In general, Directors must be provided in advance with the information necessary for decision-making. During Board discussions, they should make recommendations in full possession of the facts. Decisions are taken collectively.

The Executive Officer communicates in a transparent manner with all Directors, and keeps them informed regularly about the Group's operations and performances.

Directors receive periodic information about the company and the Group, including strategic plans and business plans; information for monitoring the Group's operations and their revenues; the company's financial position, cash position and commitments; any event that has or may have a material effect on the Group's consolidated results; and key events affecting human resources and staffing levels.

Each Director may also obtain further information on their own initiative, the Chairman being available at all times to provide the Board with explanations and information on significant matters.

Since the end of 2017, Directors have had the use of a secure digital platform that enables them to access Board and committee documents and other useful documentation and information (schedule of Meetings, notices of Meetings, Articles of Association, Board Rules of Procedure, Corporate Governance Code, etc.).

RULES OF CONDUCT - CONFLICTS OF INTEREST – REGULATED AGREEMENTS – ASSESSMENT OF ARM'S LENGTH CONTRACTS – CONVICTIONS

Directors are bound by the rules of conduct in the AFEP/MEDEF Code and in the Code of Conduct appended to the Rules of Procedure of the Board of Directors. Those documents are available (in French only) on the TF1 corporate website.

The Code of Conduct deals with the duty to be informed, the duty of regular attendance, the limitation of the numbers of directorships, preventing and managing conflicts of interest, and preventing insider trading. Compliance programmes include rules of conduct on securities trading and the prevention of conflicts of interest.

Extract from the Directors' Code of Conduct:

" 5. Prevention of conflicts of interest

Directors must ensure that they do not perform an activity that would place them in a conflict of interest with the company. In particular, Directors shall not seek to hold an interest or invest in a company, whether a customer, supplier or competitor of the company, if this interest or investment could influence their actions in their role as a Director.

Directors undertake to inform the Chairman of any conflict of interest, even of a potential nature, between their duties in relation to the company and their private interests and/or other duties, and not to take part in debating or voting on any resolution directly or indirectly affecting them.

Directors may be obliged not to attend Board Meetings during deliberations and not to take part in any voting on a resolution and not to have access to documents and information brought to the attention of the other Directors concerning the subject in question.

The Chairman of the Board of Directors may ask Directors at any time to confirm in writing that they are not subject to any conflict of interest."

Any Director who has a conflict of interest does not take part in Board discussions on that matter and leaves the meeting when approval is to be decided on, in particular when regulated agreements are being approved.

The company is currently aware of the following potential conflicts of interest:

- Bouygues, a major shareholder, is represented on the Board of Directors by Charlotte Bouygues (permanent representative of SCDM), Olivier Bouygues, Pascal Grangé and Olivier Roussat. Gilles Pélisson is bound by an employment contract with Bouygues;
- Charlotte Bouygues and Olivier Bouygues have family ties. The company is not aware of any other family ties between Board members;
- Charlotte Bouygues, Sophie Leveaux Talamoni and Sabrina Zerbib are bound by employment contracts with the TF1 group;
- other potential conflicts of interest exist because of directorships or positions held by some Directors in other companies. A list of such directorships and positions is provided in section 3.1.3 above.

To the best of the company's knowledge, no potential conflicts of interest currently exist between the duties of Board members to the company and their private interests or other duties.

To the best of the company's knowledge, there are no other service contracts between members of the Board of Directors and TF1 or any of its subsidiaries that provides for the award of any benefits under that contract.

The statutory auditors' special report on regulated agreements (see section 3.3 below) describes the agreements submitted to the Board of Directors for authorisation.

Authorisations of regulated agreements are required under a specific procedure intended to prevent conflicts of interest, with any interested parties excluded from discussions and voting on the matter.

The TF1 group's Internal Charter on Regulated Agreements, adopted at the Board Meeting of 11 December 2019, sets out a methodology for determining whether a contract qualifies as an ordinary agreement contracted on an arm's length basis or as a regulated agreement.

Application of the procedure for unregulated agreements

Any new agreement is assessed on the basis of a list established by the TF1 group of the types of contract which are presumed to be ordinary contracts.

Any new agreement that may be construed as being a regulated agreement is submitted prior to signature to the Legal Affairs Department, who determine whether or not the agreement qualifies as "regulated" by reference to the criteria contained in the Charter. In the case of agreements between TF1 and Bouygues SA, that assessment is carried out by the General Counsel of Bouygues SA.

A reassessment is performed systematically in advance of each amendment, renewal, rollover or termination, to check whether the criteria still apply and the agreement should continue to be classified in the same way.

To the best of TF1's knowledge, in the last five years no member of the Board has been:

- convicted of fraud, or incriminated or publicly sanctioned by any statutory or regulatory authority;
- associated as a senior executive with any bankruptcy, sequestration or liquidation;
- prevented by a court from acting as a member of a Board of Directors, Management Board or Supervisory Board of a publicly listed company or from running such a company.

All Directors are under an obligation to comply with the rules on the prevention of insider trading contained in the Code of Conduct.

EVALUATION OF THE BOARD OF DIRECTORS

In accordance with the Board's Rules of Procedure and the AFEP/MEDEF Code, the Board of Directors carries out an annual evaluation of how well the Board meets shareholder expectations. This involves a review of the composition, organisation and operation of the Board and its committees.

The evaluation has three key objectives:

- evaluate how the Board and its committees are operating;
- check that important issues are suitably prepared and debated;
- measure the actual contribution of each Director to the Board's work through his or her competence and involvement in discussions.

As in previous years, a detailed questionnaire designed to evaluate the performance of the Board and its committees was distributed to Board and committee members by the Group Head of Legal Affairs and Secretary to the Board. All of the ten questionnaires issued were returned (the same response rate as in 2017 and 2018). The responses were compared with those of the two previous years to measure progress.

The evaluation allows each Director to give an opinion on the composition and operation of the Board; the relevance of agenda items; the quality of the discussions; the level of information provided; the assessment of commitments made; the analysis of potential risks; and corporate strategy.

Given the steady progress made on corporate governance issues and the clear satisfaction expressed by the Directors (both during evaluations, and at meetings) on how the Board is operating, the Board has decided to continue with a self-assessment approach rather than retaining a third party.

Principal findings

In line with previous evaluations, the Directors expressed a "high" or "very high" satisfaction rating on the composition and operation of the Board and its committees; the comprehensive, well-documented presentations about the Group's operations; the definition of the Group's strategy; the quality of the information provided; and the commitment of their fellow Directors.

Directors also expressed their appreciation of:

- dialogue with the Chairman, and access to the senior management team;
- the understanding of the Group's business lines, and those who work in them;
- the fact that one-off Board Meetings were held on specific issues;
- regular sharing of decisions through the COVID-19 crisis;
- the quality of the work carried out in the committees;
- the periodic information provided, and continuing professional education on some issues;
- the consistent progress achieved in corporate governance.

Some Directors commented on how well management had handled the COVID-19 crisis, referring to their resilience and rapid adaptability, and the speed with which they activated the business continuity plan. They appreciated the Board Meetings arranged in connection with strategic decisions of all kinds, reflecting the Chief Executive Officer's commitment to ensuring the Board are fully engaged and to draw on their advice.

Within the Audit Committee, discussions on financial and non-financial issues and the review of key risks were all judged to be of high quality; presentations on specific topics such as cybersecurity, information systems, insurance, and the Entertainment business were also appreciated.

Progress made

Comments and preferences expressed by Directors in previous years were taken into account. For example, the Board obtained approval at the Annual General Meeting of 18 April 2019 for the appointment of a new female independent Director with good awareness of digital issues. Presentations on fake news and climate challenges were given at Board or Committee Meetings.

Areas for improvement

Some Directors expressed an interest, in light of the ongoing COVID-19 crisis, in being updated at Board Meetings on the impact of the crisis on TF1 employees (development of teleworking, support for staff, new IT tools, etc.).

Others commented that remuneration for Board and committee members was at the bottom end of the range of market practice, but took the view that now was not the time to review remuneration arrangements and that it was important to lead by example.

Finally, it was suggested that it would be helpful to develop exchanges between the Audit Committee and the Ethics, CSR and Patronage Committee on issues of mutual interest.

WORK OF THE BOARD OF DIRECTORS IN 2020

The TF1 Board of Directors met seven times in 2020. The average attendance rate of Directors was 99%.

Main issues discussed	
Board Meeting of 13 February[(1)]	
– 2019 business review and outlook for 2020. – Audit Committee report and auditors' opinion on the financial statements. – Closing off the individual and consolidated financial statements for 2019; proposed appropriation of earnings; accounting documents and forecasts. – Selection and Remuneration Committee report. Determination of the variable remuneration of the Chairman and CEO for 2019, and of the remuneration policy for 2020. Proposed reappointment of two Directors and co-opting of a Director. Review of succession planning. – Ethics and CSR Committee report. Opinion on the Non-Financial Performance Statement. – Update of the Rules of Procedure of the Board of Directors to reflect the revised version of the AFEP/MEDEF Code issued in January 2020, and extension of the remit of the Ethics and CSR Committee to include patronage. – Approval of the management report, the report on corporate governance, and the description of the share buyback programme. – Financial delegation of authority to issue bonds and guarantees. – Calling of the Annual General Meeting and finalisation of the agenda, proposed resolutions, and reports to the meeting.	Attendance rate 91%
Board Meeting of 31 March	
– Withdrawal of 2020 guidance and dividend, and amendment to the resolution on appropriation of 2019 profits initially submitted to the Annual General Meeting of shareholders. – Holding of the Annual General Meeting behind closed doors. Delegation of authority to the Chairman & CEO to answer questions submitted in writing.	Attendance rate 100%
Board Meeting of 1 April	
– Composition of the Board of Directors as of 31 March 2020. Formal record of the election of the employee representative Directors, and change in the permanent representative of a corporate Director. Composition of the Board committees as of 1 April 2020. – Exceptional circumstances facing the Group due to the COVID-19 pandemic. Health and safety of employees. Opportunities and action plans. – Decision to live stream the Annual General Meeting. Designation of two tellers (representatives of the largest shareholders).	Attendance rate 100%
Board Meeting of 29 April	
– 2020 first-quarter business review and financial statements, and outlook. – Audit Committee report and auditors' opinion on the financial statements. Closing off the first-quarter financial statements, and approval of the quarterly Financial Report. – Consultation with the Economic & Social Committee on strategic orientations. – Change in the permanent representative of a corporate Director.	Attendance rate 100%
Board Meeting of 28 July[(1)]	
– Handling of the COVID-19 crisis. New working practices. Cost savings. Relaunch plan. – 2020 first-half business review and financial statements, and outlook. – Audit Committee report and auditors' opinion on the financial statements. Closing off the first-half financial statements, and approval of the half-year Financial Report. Updates to accounting documents and forecasts. – Review of strategic priorities. – Definitive abandonment of a dividend payout in respect of 2019. – Strategic priorities. – Selection and Remuneration Committee report. Update to the 2020 remuneration policy for the Chairman & CEO. Reduction of the cap for his annual variable remuneration. Principle of awarding a one-off COVID-19 bonus.	Attendance rate 100%
Board Meeting of 28 October	
– 2020 third-quarter business review and financial statements, and outlook. – Audit Committee report and auditors' opinion on the financial statements. Closing off the third-quarter financial statements, and approval of the quarterly Financial Report. – Setting the dates for elections of employee members of the Supervisory Board of the FCPE TF1 Actions employee share ownership fund from among the holders of units in the fund. – Evaluation of the Board of Directors. – Share capital – Cancellation of repurchased own shares.	Attendance rate 100%
Board Meeting of 15 December	
– Strategy and three-year business plan (2021-2023). – Major risk mapping. – Ethics, CSR and Patronage Committee reports. Appointment of new Chief Ethics Officer, corruption risk mapping, and patronage initiatives. A cybersecurity issue. – Write-down of the goodwill of the Unify division. Audit Committee report. – Review of ongoing regulated agreements. Procedure for assessing whether contracts qualify as ordinary agreements. Authorisation of related party agreements.	Attendance rate 100%

(1) After the meeting closed, the non-Executive Directors met without the executive and salaried Directors or Bouygues representatives present, giving them the opportunity to express their views freely from their own distinctive standpoint, in a critical but supportive manner.

The table below shows the attendance rate of individual Directors at Board and Committee meetings in 2020:

Attendance in person	Board of Directors		Audit Committee		Selection and Remuneration Committee		Ethics, CSR and Patronage Committee	
Gilles Pélisson	7/7	100%						
Marie Allavena	7/7	100%					3/3	100%
Charlotte Bouygues	3/3	100%						
Olivier Bouygues	7/7	100%						
Laurence Danon Arnaud	7/7	100%	5/5	100%				
Pascaline de Dreuzy	7/7	100%	5/5	100%	2/2	100%		
Catherine Dussart	7/7	100%			2/2	100%	3/3	100%
Pascal Grangé	6/6	100%	4/4	100%				
Sophie Leveaux Talamoni	6/7	86%			1/1	100%	1/1	100%
Olivier Roussat	7/7	100%			2/2	100%		
Sabrina Zerbib	5/5	100%					2/2	100%

COMMITTEE OF INDEPENDENT DIRECTORS

The independent non-employee representative Directors hold separate meetings at least once a year so that they can freely discuss any issue; this gives them the opportunity to express their views from their own distinctive standpoint, in a critical but supportive manner. During 2020, the four independent Directors held two such meetings.

BOARD COMMITTEES

The Board of Directors may create one or more specialist committees, which function under its responsibility. The remit of those committees is described in annexes to the Rules of Procedure. The committees assist the Board in its work. They are composed exclusively of Directors, with a majority of independent and employee representative Directors (with the latter being present on the Selection and Remuneration Committee and the Ethics, CSR and Patronage Committee).

The three Board committees - each chaired by an independent Director - are the Audit Committee; the Selection and Remuneration Committee; and the Ethics, CSR and Patronage Committee. Each committee issues proposals, recommendations and opinions, and reports to the Board of Directors.

The Board of Directors may set up one or more special-purpose committees, specifically tasked with examining acquisition or development proposals.

AUDIT COMMITTEE

Composition and attendance

In accordance with the AFEP/MEDEF Code, two-thirds of the committee members are independent; in addition, committee members are chosen for their financial and/or accounting expertise.

The committee's independent members are Laurence Danon Arnaud (Chair) and Pascaline de Dreuzy, both of whom have through the course of their careers gained a wealth of experience in corporate management, as well as in economics and finance. The third committee member is Pascal Grangé, Deputy CEO and Chief Finance Officer of the Bouygues group. He succeeded Philippe Marien, his predecessor as Chief Finance Officer of the Bouygues group, who served on the committee up to and including the meeting immediately preceding the Board Meeting of 13 February 2020. Their career résumés are provided in section 3.1.3 of this Universal Registration Document.

The committee met five times in 2020 and once in the first two months of 2021, with an attendance rate of 100% among its members.

Remit

The remit of the Audit Committee is to oversee (i) matters related to the preparation and control of accounting, financial and non-financial information, (ii) internal control and risk management systems, and (iii) matters related to the statutory auditors. In particular, the committee:

- oversees the process for preparing financial information, and to this end:
  - reviews the parent company and consolidated financial statements before they are presented to the Board,
  - obtains assurance that the accounting policies used in drawing up those financial statements are relevant and consistent,
  - reviews any changes that have a material impact on the financial statements,
  - reviews the principal optional treatments applied at the accounting close, key estimates and judgments, and the main changes in the scope of consolidation,
  - makes any recommendations necessary to safeguard the integrity of financial information;
- oversees the effectiveness of internal control and risk management systems, and of Internal Audit where necessary, as regards procedures for preparing and processing accounting, financial and non-financial information, without undermining its independence, and to this end:
  - reviews internal control procedures relating to the preparation of the financial statements, in conjunction with internal departments and qualified advisors, and also reviews the key accounting, financial, social and environmental risks faced by the company, any changes in those risks, and the arrangements put in place to manage them,
  - performs an annual review of the key risks faced by the company, including social and environmental risks, any changes in those risks, and the arrangements put in place to manage them,
  - reviews key information system risks,
  - performs an annual review of the company's internal control self-assessment;
- oversees matters related to the statutory auditors, and to this end:
  - organises the selection procedure as specified in the relevant laws and regulations with a view to the appointment of the statutory auditors by the Annual General Meeting,
  - makes recommendations to the Board of Directors on the statutory auditors proposed for appointment or reappointment at Annual General Meetings and oversees the execution by the statutory auditors of their engagement,
  - obtains assurance that the statutory auditors are in compliance with the independence criteria specified in the applicable laws and regulations; and to this end, examines the allocation of fees paid by the company itself and by Group companies between each statutory auditor (including members of their networks), including fees paid for services other than the statutory audit of the financial statements,
  - approves the provision of any services other than statutory audit that may be provided by the statutory auditors or by members of their networks, having first analysed the risks posed to the independence of the statutory auditors and the protective measures applied by them,
  - reports to the Board of Directors on the outcomes of the statutory audit engagement, the way in which that engagement contributed to the integrity of financial information, and the role played by the committee in that process;
- reports on its work to the Board of Directors on a regular basis and makes recommendations to the Board of Directors on the matters listed above, both periodically at accounting closes and whenever warranted by a specific event;
- informs the Board of Directors without delay of any difficulties that may be encountered.

In carrying out its duties, the committee has access to all accounting and financial documents that it deems useful. The following are invited to each meeting at which the financial statements are examined: the Executive Vice President, Finance and Procurement; the head of Accounting, Tax, Treasury and Financing; and the statutory auditors. The statutory auditors provide the committee with a memorandum pointing out key aspects of the scope of consolidation, the audit findings, and the elective accounting treatments applied. The Executive Vice President, Finance and Procurement also submits a memorandum describing risk exposure and the company's major off-balance sheet commitments. The main recommendations of the statutory auditors give rise to an action plan and a monitoring procedure.

The committee reports on its work at the next meeting of the Board of Directors, and informs the Board without delay of any difficulties encountered. The deliberations of the Audit Committee, and the information communicated to the committee, are highly confidential and may not be divulged outside the Board of Directors.

Work of the Audit Committee in 2020

During the four meetings held in the year, the committee reviewed the quarterly, half-year or annual financial statements, plus cash management reports and the conclusions of the Internal Audit and Internal Control Departments before they are submitted to the Board. The committee obtained assurance that issues relating to the preparation and audit of accounting and financial information were being followed up.

The Audit Committee also monitored significant corporate actions during the year and progress on the audit plan; analysed the year-on-year change in the share price; and reviewed key litigation and claims, financial and legal risks, major risk mapping, and insurance coverage. The fifth and final Audit Committee Meeting of 2020 dealt with the write-down of the goodwill of the Unify division, on which a press release was issued.

SELECTION AND REMUNERATION COMMITTEE

Composition and attendance

In accordance with the AFEP/MEDEF Code, the committee consists of three or four Directors, one of whom must be an employee representative Director and a majority of whom must be independent Directors. The committee is chaired by an independent Director.

The committee members are Pascaline de Dreuzy (Chair) and Catherine Dussart, who are independent Directors; Sophie Leveaux Talamoni, who is an employee representative Director; and Olivier Roussat. Their career résumés are provided in section 3.1.3 of this Universal Registration Document.

The committee met twice in 2020 and once during the first two months of 2021, with an attendance rate of 100% among its members.

Remit

The committee is governed by Rules of Procedure that specify its remit and are regularly amended by the Board of Directors.

The committee's remit includes:

Remit relating to the composition, organisation and operation of the Board of Directors

- periodically reviewing issues related to the composition of the Board, and making proposals to the Board on the appointment or reappointment of Directors, taking account of the principle of achieving a balance on the Board in terms of independent Directors, gender, international experience, expertise, etc.;
- organising a procedure for selecting future Directors, and carrying out its own research on potential candidates before making any approach to them;
- examining regularly, and each time the term of office of Executive Officers is up for renewal, (i) what governance arrangements to adopt (in particular, whether to combine or separate the functions of Chairman and Chief Executive Officer) and making recommendations on this, and (ii) changes in the Group's executive bodies, in particular by liaising with the Chairman to prepare succession plans for Executive Officers, especially in the event of an unforeseen vacancy;
- assessing, on a case by case basis, the situation of each Director or candidate for a directorship with respect to the independence criteria, and recommending proposals to the Board;
- anticipating and examining any issues relating to conflicts of interest;
- reviewing proposals to set up Board committees, and suggesting lists of their remits and members;
- reviewing the draft Report on corporate governance, and informing the Board of any observations about that report;
- preparing the evaluation of the Board and of its specialised committees as specified in Article 7 of the Rules of Procedure of the Board of Directors, presenting the Board with a summary report on that evaluation, and making recommendations to improve the composition, organisation and operation of the Board and its specialised committees;
- examining the gender balance policy for executive bodies proposed by senior management, the objectives of that policy, how the policy is implemented, and the outcomes achieved in the last financial year, and making any relevant observations to the Board.

Remit relating to remuneration

- reviewing and submitting proposals to the Board on the remuneration policy for corporate officers, with a view to submission of that policy to the Annual General Meeting for approval;
- reviewing and submitting proposals to the Board of Directors on all components of the remuneration and benefits due or likely to be due to the Executive Officers, and in particular;
  - for variable remuneration components:
    - proposing definitions for how the variable component objectives are to be determined,
    - checking each year that the rules for setting the variable portion have been correctly applied, and are consistent with the assessment of their performance and with the company's medium- and long-term strategy,
  - for long-term remuneration components:
    - proposing and setting the terms of long-term remuneration plans,
    - examining stock option and share ownership plans, and making proposals for awarding such plans to Executive Officers,
    - making proposals on and monitoring compliance with rules specific to Executive Officers (minimum holding of registered shares and prohibition on use of hedging);
- issuing a recommendation on the overall amount of Directors' remuneration, and the arrangements for allocating that remuneration between the Directors;
- submitting proposals on remuneration and incentive arrangements for senior executives of the company and the Group other than Executive Officers;
- proposing a general policy on the granting of stock options, the allotment of shares free of charge or the awarding of performance shares, and determining the frequency thereof for each category of beneficiary;
- presenting annually the drafts of the reports on the remuneration of corporate officers, on the remuneration policy applicable to Executive Officers, and on stock options or performance shares.

The committee may conduct or commission analyses or surveys in furtherance of its remit, and may call upon assistance from independent experts.

The committee reports regularly to the Board of Directors on how it is fulfilling its remit and makes any recommendations to the Board on the matters described above, both periodically at the Board Meeting held to close off the financial statements and whenever circumstances require, and informs the Board without delay of any difficulty encountered.

Work of the Selection and Remuneration Committee in 2020

Director independence was discussed by the committee and reviewed by the Board of Directors, in particular prior to publication of the universal registration document. The committee gave an opinion on the composition of the Board of Directors and recommended asking the Combined General Meeting of 17 April 2020 (i) to approve the renewal of the terms of office of Catherine Dussart and Olivier Bouygues as Directors; (ii) to ratify the co-opting of SCDM, represented by Martin Bouygues, as a Director; (iii) to adopt the resolution formally recording the results of the March 2020 election of employee representative Directors; and (iv) to approve the amendment to Article 10 of the Articles of Association in order to comply with the new legal requirements on the designation of an employee shareholder representative Director.

The committee also recommended that the Board renew Catherine Dussart's seats on the committees of which she is a member, for her new term of office as a Director (*i.e.* Chair of the Ethics, CSR and Patronage Committee and member of the Selection and Remuneration Committee), with effect from the end of the Annual General Meeting of 17 April 2020. The committee reviewed succession planning. It also acquainted itself with the Group's commitments on increasing the proportion of women on managerial bodies and on equality of opportunity for women and men for the 2020-2022 period. It recommended extending the remit of the Ethics & CSR Committee to include patronage.

The committee expressed its opinion to the Board on (i) the determination of the components of the remuneration and benefits paid in 2019 or awarded in respect of 2019 to the Chairman & CEO and (ii) the remuneration policy applicable to the Chairman & CEO and to the Directors for 2020. It signed off on the attainment levels for the performance conditions stipulated for the 2017 performance share and stock option plans.

At its July meeting, the committee recommended to the Board that the remuneration of the Executive Officer for the 2020 financial year should take account of the quality of his handling of the COVID-19 crisis, stating that this exceptional remuneration (permitted in the general principles of his 2020 remuneration policy) should be evaluated by the Board and the committee in February 2021. The committee also took note of the Executive Officer's proposal to reduce the cap set on the components of his remuneration other than his fixed salary by one-third, to 100% of his fixed remuneration. These remuneration components will be submitted to a shareholder vote at the Annual General Meeting in April 2021.

ETHICS, CSR AND PATRONAGE COMMITTEE

Composition and attendance

The committee has at least two members, and is chaired by an independent Director.

The committee's members are Catherine Dussart (Chair) and Marie Allavena (both independent Directors), and Sabrina Zerbib (an employee representative Director); their career résumés are provided in section 3.1.3 of this universal registration document.

The committee met three times in 2020 and once in the first two months of 2021, with an attendance rate among its members of 100%.

Remit

The committee is governed by Rules of Procedure that specify its remit and are regularly amended by the Board of Directors.

The committee's remit is:

- Ethics:
  - to help define rules of conduct or guiding principles to inspire the behaviour of executives and other employees,
  - to propose or offer an opinion on ways to promote exemplary ethical conduct,
  - to monitor compliance with those values and rules of conduct,
  - to give an opinion on the system put in place to prevent and detect corruption and influence peddling;
- CSR:
  - to examine at least once a year issues the Group is facing in terms of its responsibility to the environment, employees, and society,
  - to give an opinion to the Board on the non-financial performance statement required pursuant to Article L. 22-10-36 of the Commercial Code;
- Patronage:
  - to set rules or make recommendations for TF1 to follow,
  - to give an opinion to the Chairman of the Board on patronage initiatives proposed by TF1 when they represent a significant financial commitment,
  - to ensures that its recommendations are implemented and its initiatives properly carried out.

In fulfilling its remit, the committee can meet with the Chairman of the Board of Directors or any person designated by him.

Work of the Ethics, CSR and Patronage Committee in 2020

The committee expressed a favourable opinion on compliance measures, and the implementation of new regulatory requirements affecting ethics and compliance matters within the TF1 group. These included work done to ensure compliance with (i) the "Sapin 2" law and (ii) data protection requirements, including the rollout of the network of data correspondents.

In CSR, the committee gave a favourable opinion on initiatives taken by the Group in areas such as diversity, gender balance, solidarity, sustainable development, upskilling of employees, and transparency of non-Financial Reporting. The committee recommended that the Board approve the Non-Financial Performance Statement. It signed off the draft 2020 Action Plan, which continued along the same lines.

The committee recommended the Board to appoint Didier Casas, General Counsel of the TF1 group and a member of the TF1 EXCO, as the TF1 group's Chief Ethics Officer. It examined the mapping of corruption and influence peddling risks. The committee also acquainted itself with a cybersecurity issue, and with patronage initiatives carried out by Unify and Newen.

OTHER INFORMATION

Other information is published in section 7 of this Universal Registration Document, including:

- factors liable to have an impact in the event of a public offer (section 7.5.8);
- a table summarising current authorisations granted to the Board of Directors to proceed with capital increases (section 7.4.5.);
- transactions in TF1 shares declared by corporate officers in 2020 (section 7.4.4);
- agreements entered into by corporate officers or shareholders with subsidiaries or sub-subsidiaries (section 7.5.9);
- specific rules on the participation of shareholders in General Meetings (section 7.5.4);
- specific arrangements for the participation of shareholders in the Annual General Meeting, or provisions in the Articles of Association that specify such arrangements (section 7.5.4).

3.3. STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS

This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Annual General Meeting held to approve the financial statements for the year ended 31 December 2020

To the Annual General Meeting of TF1,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)*, to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (Code de commerce) of the continuation of the implementation, during the year ended 31 December 2020, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors *(Compagnie nationale des commissaires aux comptes)* relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

AGREEMENTS SUBMITTED FOR APPROVAL TO THE ANNUAL GENERAL MEETING

In accordance with Article L. 225-40 of the French Commercial Code (*Code de commerce*), we have been notified of the following related party agreements made during the financial year ended 31 December 2020 which received prior authorization from your Board of Directors.

1) SHARED SERVICES AGREEMENT WITH BOUYGUES

At its meeting on 15 December 2020, your Board of Directors authorized the renewal, for a period of one year as from 1 January 2021, of the shared services agreements concluded with Bouygues on 23 February 2016. Under this agreement, the latter provides the various companies in its group with specialist services in different fields, such as finance, law, human resources, insurance, sustainable development, patronage, new technologies and advisory services.

Reasons justifying why the Company benefits from this agreement

Your Board gave the following reasons: the purpose of this shared services agreement, a common arrangement in groups of companies, is to enable your Company to benefit from specialist and management services that Bouygues provides to the various companies in its group in a number of fields.

Financial terms of the agreement

The principle of this agreement is based on rules of allocation and invoicing of the shared service costs including specific services and payment of residual shared costs limited to a percentage of revenue.

The renewal of this agreement for the year 2021 had no financial impact on the financial year ended 31 December 2020. It will have effect in financial year 2021.

Persons concerned

The company Bouygues (shareholder of your Company), Mr Olivier Bouygues and Mr Olivier Roussat (members of the Board of Directors), Mr Pascal Grangé (permanent representative of Bouygues on the Board of Directors) and Ms Charlotte Bouygues (permanent representative of SCDM Company on the Board of Directors).

2) RE-INVOICING BY BOUYGUES OF ADDITIONAL PENSION CONTRIBUTIONS FOR THE CEO

At its meeting on 15 December 2020, your Board of Directors authorized the renewal, for financial years 2020 and 2021, from 1 January 2020 to 31 December 2021, of the agreements for the re-invoicing by Bouygues, of the share of the premiums paid by the latter to the insurance company for Mr Gilles Pélisson, in respect of the defined benefit and vested rights pension contributions governed by Article L. 137-11-2 of the French Social Security Code (*Code de la Sécurité sociale*).

Reasons justifying why the Company benefits from this agreement

Your Board gave the following reasons: the purpose of this agreement is to enable your Company to grant its CEO an additional pension. It also enables your Company to benefit from the negotiation undertaken within the Bouygues group, between Bouygues and the executive officers of its various operations.

Financial terms of the agreement

In November 2020, Bouygues entered into an agreement with an insurance company to outsource the management of the additional pension scheme for executive officers according to terms in compliance with market practice. Bouygues re-invoices your Company for the share of the premiums paid to the insurance company for its CEO.

In respect of financial year 2020, Bouygues re-invoiced the amount of €274,483 excluding taxes (including the tax paid to URSSAF).

The authorization of this re-invoicing agreement for the year 2021 had no financial impact on financial year 2020. It will have effect in financial year 2021.

Persons concerned

The company Bouygues (shareholder of your Company): Mr Olivier Bouygues and Mr Olivier Roussat (members of the Board of Directors), Mr Pascal Grangé (permanent representative of Bouygues on the Board of Directors), Ms Charlotte Bouygues (permanent representative of SCDM Company on the Board of Directors) and Mr Gilles Pélisson (CEO of your Company).

3) USE OF AIRCRAFT OWNED BY AIRBY

Your Board of Directors authorized the agreement offering your Company, for a period of one year as from 1 January 2021, the possibility of using the services of Airby, SNC, a company owned indirectly by Bouygues and SCDM, operator of a Global 6000 aircraft and other leased aircraft.

Reasons justifying why the Company benefits from this agreement

Your Board gave the following reasons: this agreement covers the provision and use of aircraft (leased or owned by the Bouygues group) including all costs related to associated flight services.

Financial terms of the agreement

Under this agreement, the use of the Global 6000 is invoiced based on a single flat-rate tariff which remains unchanged at €7,000 excluding taxes per flight hour. The provision by Airby of a leased aircraft is still invoiced at the market lease rate, plus €1,000 excluding taxes for chartering services.

The renewal of this agreement for the year 2021 had no financial impact on financial year 2020. It will have effect in financial year 2021.

Persons concerned

The company Bouygues (shareholder of your Company): Mr Olivier Bouygues and Mr Olivier Roussat (members of the Board of Directors), Mr Pascal Grangé (permanent representative of Bouygues on the Board of Directors) and Ms Charlotte Bouygues (permanent representative of SCDM Company on the Board of Directors).

AGREEMENTS PREVIOUSLY APPROVED BY THE ANNUAL GENERAL MEETING

AGREEMENTS APPROVED IN PRIOR YEARS

A) AGREEMENTS APPROVED IN PRIOR YEARS WHOSE IMPLEMENTATION CONTINUED DURING THE YEAR ENDED 31 DECEMBER 2020

In accordance with Article R. 225-30 of the French Commercial Code (*Code de commerce*), we have been notified that the implementation of the following agreement, which was approved by the Annual General Meeting in prior years, continued during the year ended 31 December 2020.

1) Shared services agreement with Bouygues

The Annual General Meeting of 17 April 2020 approved the renewal, for a period of one year as from 1 January 2020, of the shared services agreement concluded with Bouygues on 23 February 2016, according to which the latter provides the various companies in its group with specialist services in different fields, such as finance, law, human resources, insurance, sustainable development, patronage, new technologies and advisory services.

Financial terms of the agreement

In respect of financial year 2020, the amount invoiced by Bouygues was €3,026,410.14 excluding taxes, of which €3,079,037.22 excluding taxes related to financial year 2020 and €52,627.08 excluding taxes corresponded to a regularization concerning financial year 2019.

Persons concerned

The company Bouygues (shareholder of your Company): Mr Martin Bouygues, Mr Olivier Bouygues and Mr Olivier Roussat (members of the Board of Directors), and Mr Philippe Marien (permanent representative of Bouygues on the Board of Directors).

B) AGREEMENTS APPROVED IN PRIOR YEARS WHICH WERE NOT IMPLEMENTED DURING THE YEAR ENDED 31 DECEMBER 2020

In addition, we have been notified that the following agreement, which was approved by the Annual General Meeting in prior years, was not implemented during the year ended 31 December 2020.

2) Use of aircraft owned by Airby

Your Annual General Meeting of 17 April 2020 approved the agreement offering your Company, for a period of one year as from 1 January 2020, the possibility of using the services of Airby, SNC, a company owned indirectly by Bouygues and SCDM, operator of a Global 6000 aircraft and other leased aircraft.

In respect of the year 2020, your Company did not use the aircraft and no amount was invoiced by Airby.

Persons concerned

The company Bouygues (shareholder of your Company): Mr Martin Bouygues, Mr Olivier Bouygues and Mr Olivier Roussat (members of the Board of Directors), and Mr Philippe Marien (permanent representative of Bouygues on the Board of Directors).

Authorized by the Board of Directors on 11 December 2019.

Courbevoie and Paris-La Défense, 22 February 2021

The Statutory Auditors

French original signed by:

MAZARS
Gilles Rainaut

ERNST & YOUNG Audit
Nicolas Pfeuty

3.4 DISCLOSURES ON REMUNERATION OF CORPORATE OFFICERS IN RESPECT OF 2020

Report on remuneration prepared in accordance with Article L. 22-10-9 of the French Commercial Code.

This chapter contains the reports required by the French Commercial Code and the tables recommended in:

- the AFEP/MEDEF Code of Corporate Governance as revised in January 2020, application of which is overseen by the High Committee on Corporate Governance;
- the AMF Recommendation of 22 December 2008 as amended on 24 November 2020, on disclosures on the remuneration of corporate officers to be included in Registration Documents.

3.4.1. REMUNERATION OF THE EXECUTIVE OFFICER

PRINCIPLES AND RULES FOR DETERMINING THE REMUNERATION OF THE EXECUTIVE OFFICER

General preliminary remarks

- The Executive Officer holds an employment contract with Bouygues SA.
- The Board of Directors has not granted the Executive Officer any entitlement to compensation for assumption, cessation or change of office, or for any non-competition undertaking in the event that he leaves the company.
- He has not been granted any deferred annual variable remuneration or multi-year variable remuneration.
- The total remuneration of the Executive Officer takes into account the existence of a capped supplementary pension.
- Other than his remuneration as a corporate officer (see Table 2 below), he is not paid any remuneration by any subsidiary of the Bouygues group or of the TF1 group.

Role of the Board of Directors

The Board of Directors determines the criteria for awarding the variable portion of remuneration, and the overall amount of remuneration, to be paid to the Executive Officer of TF1. Before doing so, the Board consults the Selection and Remuneration Committee, which takes into account AFEP/MEDEF recommendations on the remuneration of executive officers of listed companies.

The remuneration determined by the Board of Directors is in the general interests of the company. Three factors are taken into account, which serve to maintain a link between the TF1 group's performance and the Executive Officer's remuneration:

- the Group's performance: the Board took the view that the remuneration should be commensurate with the work done and outcomes achieved in a highly complex economic, regulatory and competitive environment;
- stock market performance: the remuneration was considered in light of the company's performance on the stock market, in particular trends in its average share price;
- sector and intra-group comparisons: the remuneration is benchmarked against that awarded to other media sector executives in France and the rest of Europe, and is based on rules that are applied consistently across the Bouygues group's business lines.

This remuneration and the associated social security charges are paid to the Executive Officer by Bouygues (which employs him) and then re-invoiced to TF1. Each year, the TF1 Board of Directors authorises the re-invoicing of this remuneration.

FIXED REMUNERATION

The Executive Officer's fixed remuneration is reviewed annually by the TF1 Board of Directors, in accordance with Article L. 22-10-17 of the French Commercial Code, after taking advice from the Selection and Remuneration Committee. Fixed remuneration is determined in line with the general interests of the company, and takes into account the following factors:

- the level and difficulty of the Executive Officer's responsibilities;
- his experience in the post;
- his length of service with the Group;
- practices followed by the Group or by companies carrying on comparable businesses.

For 2020, Gilles Pélisson's fixed remuneration was set at €920,000.

BENEFITS IN KIND

Benefits in kind consist of the use of a company car and the part-time assignment of a personal assistant and a chauffeur/bodyguard for the personal needs of the Executive Officer.

Those benefits have been valued at €6,220 for the Executive Officer (Gilles Pélisson).

VARIABLE REMUNERATION

General policy on variable remuneration

The criteria for determining variable remuneration are set by the Board in light of AFEP/MEDEF recommendations. Working with the Selection and Remuneration Committee, the Board ensures that the Executive Officer's variable remuneration is consistent with the company's performance goals, such that it is consistent with the corporate interest and with the medium/long-term commercial strategy.

The variable component is an integral part of the Executive Officer's remuneration.

General description of the method used to determine the Executive Officer's variable remuneration

An objective is defined for each criterion.

Those objectives are precisely defined, but are not disclosed for confidentiality reasons.

When an objective is attained, a variable portion corresponding to a percentage of fixed remuneration is awarded. If all four objectives are attained, the sum total of the four variable portions equals the overall cap of 150%, which the variable remuneration of the Executive Officer cannot usually exceed.

In light of the exceptional circumstances around the COVID-19 pandemic, the Board of Directors - after taking advice from the Selection and Remuneration Committee - decided on a one-off basis to scale down the cap on the variable remuneration of the Executive Officer (Gilles Pélisson) in respect of the 2020 financial year by one-third, from 150% to 100% of his fixed remuneration.

If an objective is exceeded or not attained, the variable portion is adjusted on a straight line basis within a specified range: the variable portion is subject to an upper limit, and is reduced to zero below a specified threshold. The sum total of the four variable portions calculated on this basis cannot under any circumstances exceed the overall cap, which for the Executive Officer is set at 100% of his fixed remuneration.

No deferred annual or multi-year variable remuneration is awarded to the Executive Officer.

The five criteria used to determine the variable portion

On the advice of the Selection and Remuneration Committee, since 2010 the Board has attached greater weight to qualitative criteria in the case of the Executive Officer, on the grounds that his performance must be measured by more than just financial results.

The Executive Officer's gross variable remuneration for 2020 is based on the performances of the TF1 and Bouygues groups, measured by reference to significant economic indicators that are stable and relevant over the long term:

- Quantitative:
  - Criterion P1: variance relative to the 2020 business plan of free cash flow[(1)] generated by Bouygues during the year (25% of fixed remuneration when the objective is met; captures the financial performances of the entire Bouygues group),
  - Criterion P2: variance relative to the 2020 business plan of free cash flow[(1)] generated by TF1 during the year (15% of fixed remuneration when the objective is met; captures the financial performances of the TF1 group),
  - Criterion P3: variance relative to the 2020 business plan of TF1 group current operating margin generated during the year (35% of fixed remuneration when the objective is met; gives the Executive Officer an incentive to improve the financial performances of the TF1 group),
  - Criterion P4: variance relative to the 2020 business plan of TF1 group consolidated net profit[(2)] generated during the year (35% of fixed remuneration when the objective is met; rewards the Executive Officer for meeting budget commitments, and captures year-on-year growth performance). If TF1 group consolidated net profit as specified in the business plan is 20% or more below that of the previous year (2019), P4 is capped at 25%;
- Qualitative:
  - Criterion P5 (weighted 40%): this criterion comprises three qualitative sub-criteria:
    - compliance (commitment to developing compliance programmes and implementing the Sapin 2 law): weighted 10%,
    - Corporate Social Responsibility (increasing the proportion of women on the Management Committee and TF1 retaining its place in at least two extra-financial ratings indices): weighted 10%,
    - managerial performance: weighted 20%.

A Corporate Social Responsibility criterion has been included in the qualitative criteria since 2014. That criterion is being applied again in 2020, and requires that TF1 retain its place in two extra-financial indices. During 2020, the TF1 group did indeed retain its place in two extra-financial indices: DJSI and Gaïa.

The Selection and Compensation Committee also plans to set an objective for reducing CO_2 emission from 2021 onwards; between now and then, the Committee will work on defining how to measure the Group's CO_2 emissions.

(1) Free cash flow after changes in working capital relating to operating activities and to non-current assets used in operations. This indicator is adjusted to eliminate exceptional items.
(2) This indicator is adjusted to eliminate exceptional items.

The table below summarises the method used to determine annual variable remuneration:

		Method used to determine variable remuneration		
		Theoretical annual variable remuneration if performance objective met	**Theoretical maximum annual variable remuneration if performance objective exceeded**	**Annual variable remuneration awarded based on 2020 performance**
	Objective	(% of FR)	(% of FR)	(% of FR)
P1	Variance *vs.* plan: Bouygues free cash flow	25%	30%	30%
P2	Variance *vs.* plan: TF1 free cash flow	15%	25%	25%
P3	Variance *vs.* plan: TF1 current operating margin	35%	45%	0%
P4	Variance *vs.* plan: TF1 consolidated net profit excluding exceptional items	35%	60%	0%
P5	Qualitative objectives (including CSR)	40%	40%	40%
		Total = 150% of FR Scaled down to 100%	**Total = 200% of FR, scaled down to 100%**	**Total = 95% of FR**
Cap		100%	100%	100%

FR: fixed remuneration

Overall cap

For 2020, the overall cap for variable remuneration has been scaled down to 100% of fixed remuneration.

The variable remuneration awarded to Gilles Pélisson (Executive Officer since 19 February 2016) for 2020 was €874,000 or 95% of his fixed remuneration.

The variable remuneration paid to the Executive Officer (Gilles Pélisson) in previous years was:

- 2018: 150% of his fixed remuneration;
- 2019: 121% of his fixed remuneration.

The Selection and Remuneration Committee has also decided that if none of the P2, P3 or P4 components were to be payable, the total amount of the P1 and P5 components would be capped at 70% of fixed remuneration.

Conditions for payment

In accordance with Article L. 22-10-34 of the French Commercial Code, payment of the variable remuneration due in respect of the 2020 financial year is subject to approval by the Annual General Meeting called in 2021 to approve the 2020 financial statements. The variable remuneration is paid once it has been approved by the Annual General Meeting.

There is no further deferral period.

EXCEPTIONAL REMUNERATION

In exceptional circumstances, the Board of Directors reserves the right, after taking advice from the Selection and Remuneration Committee, to award an exceptional bonus.

This year, the Board of Directors - acting on a recommendation from the Selection and Remuneration Committee - has decided that the remuneration of the Executive Officer for the 2020 financial year should take account of the quality of his handling of the COVID-19 crisis. That exceptional remuneration was assessed according to the attainment of the following objectives:

- cut in cost of programmes of more than 10% relative to the previous year;
- cost reductions equivalent to at least 45% of the decrease in revenue;
- leadership and management in the COVID-19 crisis:
  - support for employees through the crisis and deployment of measures to protect their health and safety,
  - business continuity on site: News Division (TF1 and LCI) and transmission,
  - business continuity through home-working: operationality of system (business-specific applications, team-working/communication tools) and employee satisfaction.

The criteria set by the Board of Director having been attained, the amount of exceptional remuneration is set at €230,000.

Payment of this exceptional remuneration will be put to an *ex post* vote of the Annual General Meeting of the shareholders held to approve the 2020 financial statements.

REMUNERATION OF CORPORATE OFFICERS (PREVIOUSLY KNOWN AS DIRECTORS' FEES)

Like the other directors, the Executive Officer receives and retains remuneration paid by TF1 for his service as a director; such payments were previously known as "directors' fees" (see table 2).

STOCK OPTIONS AND PERFORMANCE SHARES

Because the Executive Officer (Gilles Pélisson) holds a contract of employment with Bouygues SA, the Bouygues Board of Directors may award him options giving entitlement to subscribe for new Bouygues shares.

During 2020, Gilles Pélisson received options giving entitlement to subscribe for new Bouygues shares; those options were awarded on 8 October 2020 following a decision taken by the Bouygues Board of Directors on 28 July 2020[1].

COMPENSATION FOR ASSUMPTION, CESSATION OR CHANGE OF OFFICE

A termination benefit may be paid in respect of salaried positions within the Group, excluding any period of service as a corporate officer, in accordance with the French Labour Code and the national collective agreement applied by the company in question.

Corporate officers are not paid any non-compete indemnity when they leave office.

ANNUAL GENERAL MEETING OF 17 APRIL 2020 – “SAY ON PAY”

The Annual General Meeting expressed a favourable opinion on the remuneration package awarded to Gilles Pélisson in respect of the 2019 financial year (5th resolution, passed with 76.2% of votes in favour).

The Annual General Meeting also approved the remuneration policy for the Chairman & Chief Executive Officer (principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of the total remuneration and benefits of all kinds awarded to Gilles Pélisson, 7th resolution, passed with 74.23% of votes in favour).

SUMMARY OF THE REMUNERATION OF THE EXECUTIVE OFFICER (GILLES PÉLISSON) IN RESPECT OF THE 2020 FINANCIAL YEAR

No remuneration other than that mentioned in the table below was paid to the Executive Officer by the TF1 and Bouygues groups.

TABLE 1 – SUMMARY OF REMUNERATION, OPTIONS AND SHARES AWARDED TO THE EXECUTIVE OFFICER

Gilles Pélisson – Chairman and CEO since 19/02/2016 *(€)*	2020	2019
Remuneration payable for the year (see Table 2)	2,048,720	2,057,920
Value of options awarded during the year (see Table 4)	240,744	108,800
Value of performance shares awarded during the year (see Table 6)	-	-
TOTAL	**2,289,464**	**2,166,720**
Change	+6%	-

TABLE 2 – REMUNERATION OF THE EXECUTIVE OFFICER (GILLES PELISSON)

Gilles Pélisson – Chairman and CEO since 19/02/2016 *(€)*	2020 Gross amounts due before taxes	2020 Gross amounts paid before taxes	2019 Gross amounts due before taxes	2019 Gross amounts paid before taxes
Fixed remuneration	920,000	920,000	920,000	920,000
Change	-	-	-	-
Variable remuneration	874,000	1,113,200	1,113,200	1,380,000
Change	-	-	-	-
% Variable/Fixed(1)	95%	-	121%	-
Cap	100%	-	150%	-
Other remuneration(2)	230,000	-	-	-
Remuneration for serving as a director (formerly directors' fees)	18,500	18,500	18,500	18,500
Benefits in kind	6,220	6,220	6,220	6,220
TOTAL	**2,048,720**	**2,057,920**	**2,057,920**	**2,324,720**

(1) By reference to his annual fixed remuneration of €920,000.
(2) Includes the exceptional remuneration awarded to Gilles Pélisson for his handlingof the COVID-19 crisis.

(1) For details of how such options are awarded, refer to the Bouygues Universal Registration Document.

For 2020, Gilles Pélisson's remuneration amounted to €2,057,920.

Gilles Pélisson's variable remuneration for 2020 was €874,000. The quantitative criteria were partially met, and the qualitative criteria were fully met. Payment is suspended pending adoption of the 5th resolution at the Annual General Meeting of 15 April 2021 ("*Ex post* approval of components of remuneration and benefits paid or awarded to Gilles Pélisson in respect of 2020").

The following factors were taken into account in determining Gilles Pélisson's remuneration:

- The company's performance: the Board took the view that the remuneration was commensurate with the work done and the quality of outcomes. The Board took account of the Group's results in light of the exceptional circumstances associated with the COVID-19 crisis. In this complex environment, the Group showed great agility, cutting the cost of programmes by more than 15% relative to 2019. Those savings, which absorbed 100% of the erosion in advertising revenue from Broadcasting, were implemented without impairing the quality of programming schedules, resulting in high audience ratings. In addition, the Group continued to grow the profitability of its core business thanks to complementary revenue streams (MYTF1, and distribution revenue from the agreements signed with telecoms operators, one of which – with Orange – was renewed at the end of 2020). The Group also accelerated its expansion in production, especially outside France, as shown by the development of Ringside Studio in the UK. Finally, the Group continued to reorganise its Unify digital division to put it into the best shape to achieve its objectives in 2021, through steps including the launch of the Unify Advertising airtime sales house, a makeover of Unify's main websites, and the development of synergies.

  In line with the principles set for the remuneration of the Executive Officer, the Board also took account of the four objectives set in respect of the budget for the 2020 financial year.

  Finally, the Board looked at trends in the TF1 share price in 2020. In a media sector that was hit hard by the COVID-19 crisis, the TF1 share price fell by 10.9%, while the fall in the share prices of the company's main European peers was generally more marked (in a range from 33.1% to 1.1%);
- Sector and intra-group comparisons: the remuneration is benchmarked against that awarded to other media sector executives in France and the rest of Europe, and is based on rules that are applied consistently across the Bouygues group's business lines.

SUPPLEMENTARY PENSION

Contingent-rights collective pension scheme governed by Article L. 137-11 of the French Social Security Code (rights for periods of employment prior to 1 January 2020).

Gilles PELISSON, who joined the scheme before 4 July 2019, was eligible for the defined-benefit collective supplementary pension scheme governed by Article L. 137-11 of the French Social Security Code.

Subject to his still being with the Bouygues group on retirement, the Chairman and CEO of TF1 was entitled to an annuity under this scheme.

In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Due to the closure of the scheme and the freezing of scheme members' rights, the Chairman and CEO of TF1 cannot accumulate any further rights under this pension scheme from 1 January 2020 onwards.

Pursuant to Article 5 of Order No. 2019-697 of 3 July 2019, Bouygues intends to transfer the contingent rights under this scheme (governed by Article L. 137-11 of the Social Security Code) to a vested-rights scheme (governed by Article L. 137-11-2 of the Social Security Code), the characteristics of which are identical to those of the vested-rights scheme described below. This means that the pension benefits accumulated under the old scheme will, as a result of the transfer, no longer be contingent on the beneficiary still being with the Bouygues group when he takes retirement.

In any event, no rights may be transferred to the beneficiary above the cap of 30% of his average annual remuneration liable to social security contributions over the last three years under the scheme governed by Article L. 137-11 of the Social Security Code.

Vested-rights pension scheme governed by Article L. 137-11-2 of the French Social Security Code (rights for periods of employment subsequent to 1 January 2020).

Given the closure of and the freezing of contingent rights under defined-benefit pension schemes governed by Article L. 137-11 of the Social Security Code, the Board meetings of 13 November 2019 and 19 February 2020 decided (acting on a proposal from the Selection and Remuneration Committee) to introduce a new vested-rights pension scheme in compliance with currently applicable legislation (Article L. 137-11-2 of the Social Security Code). The new scheme enables members of the Bouygues Management Committee who have not reached the cap adopted by the Board to accumulate pension rights for periods of employment subsequent to 1 January 2020 such that they will receive the same level of annuity (0.92% a year) as under the previous scheme in place within Bouygues, subject to fulfilment of the performance conditions described below.

In accordance with the new regulations, pension rights will vest annually and will no longer be subject to the individual still being with the Company at retirement.

Gilles PELISSON was eligible for this new pension scheme.

This scheme has the following characteristics:

1. Conditions for joining the scheme and other eligibility conditions whereby the beneficiary must:

- be a member of the Bouygues General Management Committee
- have at least three years' service within a Bouygues Group company;

2. 2.Reference remuneration: gross annual fixed remuneration plus gross annual variable remuneration;
3. Frequency of vesting of rights: annual.
4. Annual cap on vested pension rights: 0.92% of the reference salary

5. Overall cap: 8x the annual upper limit for Social Security contributions (cap of €329,088 in 2020).
6. Overall cap on vested rights under all schemes governed by Article L. 137-11-2 of the French Social Security Code: 30 points
7. Funding is contracted out to an insurance company, to which an annual contribution is paid.
8. Performance conditions:

   The performance conditions for 2020 were:

- 2020 financial year: Objective = that the average of the TF1 Group's consolidated net profit figures for the 2020 financial year and for the 2019 and 2018 financial years ("Average CNP") is no more than 10% below the average of the consolidated net profit figures specified in the plan for the 2020 financial year and in the plans for the 2019 and 2018 financial years.
- This target set is 50% based on TF1 targets and 50% on Group targets.

Terms for determining the vesting of pension rights based on performance and by objective:

- If average CNP is equal to the Objective or is greater than the Objective:
- Annual pension rights = 0.46% of the reference salary;
- If average CNP is more than 10% below the Objective:annual pension rights = 0.

Between this lower limit and this upper limit, the pension rights allocated by objective vary on a straight -line basis from 0 to 0.46 % ofthe reference salary

Because the criteria were met for 2020, the rights awarded were 0,46% of the reference salary.

The amount of pensions paid under the pension schemes covered by Articles L. 137-11 (contingent-rights scheme) and L. 137-11-2 (vested-rights scheme) of the French Social Security Code in force within the Company is limited to eight times the annual social security ceiling (€329,088 in 2020).

EXECUTIVE PAY RATIOS

The executive pay ratio disclosures provided below comply with paragraphs 6 & 7 of Article L. 22-10-9 of the French Commercial Code.

In line with the recommendations of the 2020 report on corporate governance and executive pay issued by the AMF on 24 November 2020, the executive pay ratios presented below are based on an expanded scope including not only TF1 SA (the parent company), but also the historical scope of the TF1 group (excluding Unify and Newen).

A) PAY RATIO BETWEEN THE REMUNERATION OF THE EXECUTIVE OFFICER AND AVERAGE/MEDIAN EMPLOYEE REMUNERATION FOR THE HISTORICAL SCOPE OF TF1

	2016	2017	2018	2019	2020
Executive Officer	**Gilles Pélisson**	**Gilles Pélisson**	**Gilles Pélisson**	**Gilles Pélisson**	**Gilles Pélisson**
Ratio to average remuneration paid to employees	13	20	32	32	28
Ratio to median remuneration paid to employees	16	24	39	40	35

B) TABLE COMPARING THE REMUNERATION OF THE EXECUTIVE OFFICER RELATIVE TO THE PERFORMANCE OF TF1 SA AND TO AVERAGE EMPLOYEE REMUNERATION FOR THE HISTORICAL SCOPE OF TF1

	Change 2016/2015	Change 2017/2016	Change 2018/2017	Change 2019/2018	Change 2020/2019
Annual remuneration paid to the Executive Officer	-54.4%	+45.5%	+72.6%	+2.6%	-14.7%
Company performance: Current operating profit	-18.1%	+43.2%	+5.4%	+28.3%	-25.5%
Company performance: Net profit attributable to the Group	-58.2%	+226.4%	-6.2%	+21.0%	-64.3%
Average remuneration paid to employees	+1.7%	-0.3%	+6.9%	+2.2%	-2.2%
Pay ratio based on average remuneration paid	13 (-55.2%)	19 (+45.9%)	30 (+61.5%)	30 (+0.4%)	28 (-12.7%)

COMMENTS

- 2016 vs 2015: Gilles Pélisson took office as Chairman & Chief Executive Officer on 19 February 2016; his fixed remuneration is computed on an annualized basis. No variable remuneration was paid to the Executive Officer in 2016.
- 2017 vs 2016: In 2017, Gilles Pélisson served as Chairman & Chief Executive Officer for the entire year. In 2016, he waived 50% of his variable compensation which as calculated based on the specified criteria would have been €1,062,232.
- 2018 vs 2017: In 2018, Gilles Pélisson served as Chairman & Chief Executive Officer for the entire year.
- 2019 vs 2018: In 2019, Gilles Pélisson served as Chairman & Chief Executive Officer for the entire year.
- 2020 vs 2019: In 2020, Gilles Pélisson served as Chairman & Chief Executive Officer for the entire year.
- The financial statements of the TF1 group for the 2015, 2016 and 2017 financial years include non-current items (restructuring costs, amortisation of audiovisual rights remeasured at fair value in the acquisition of Newen) that could explain the significant changes in net profit attributable to the Group for those years.

REMUNERATION OF NON-EXECUTIVE CORPORATE OFFICERS[1]

The Annual General Meeting of 23 April 2003 set the total amount of remuneration of corporate officers for serving as directors at €350,000 annually, leaving it to the Board of Directors to determine how this amount should be allocated.

That amount was allocated as follows:

- The theoretical annual amount for each director is €18,500;
- Committee members:
  - Audit Committee: €3,000 per member per quarter,
  - Selection and Remuneration Committee: €1,350 per member per quarter,
  - Ethics and CSR Committee: €1,350 per member per quarter.

Not all of the €350,000 available for the remuneration of corporate officers for serving as directors was used in 2020.

The total gross amount of such remuneration before taxes (including Gilles Pélisson) was €273,600, as indicated in the tables below.

TABLE 3 – REMUNERATION OF NON-EXECUTIVE CORPORATE OFFICERS FOR SERVING AS DIRECTORS (FORMERLY KNOWN AS DIRECTORS' FEES) *(€)*

Remuneration of non-executive corporate officers		Gross amounts before tax due for 2020	Gross amounts before tax due for 2019
Marie Allavena	Remuneration for serving as director	23,900	14,438
Charlotte Bouygues(1)	Remuneration for serving as director	8,787	N/A
Martin Bouygues(2)	Remuneration for serving as director	9,713	23,900
Olivier Bouygues	Remuneration for serving as director	18,500	13,644
Fanny Chabirand (employee representative)(4)(5)	Remuneration for serving as director	7,383	22,281
Laurence Danon Arnaud	Remuneration for serving as director	30,500	30,500
Pascaline de Dreuzy	Remuneration for serving as director	35,900	31,310
Catherine Dussart	Remuneration for serving as director	29,300	28,490
Pascal Grangé(3)	Remuneration for serving as director	24,979	N/A
Sophie Leveaux Talamoni(4)(5) (employee representative)	Remuneration for serving as director	19,570	22,281
Philippe Marien	Remuneration for serving as director	5,521	34,281
Olivier Roussat	Remuneration for serving as director	23,900	20,662
Sabrina Zerbib(4)(5) (employee representative)	Remuneration for serving as director	17,147	N/A
TOTAL		**255,100**	**251,250**

(1) Permanent representative of SCDM since 28 May 2020.
(2) Director in his own right until 13 February 2020, then permanent representative of SCDM until 28 May 2020.
(3) Pascal Grangé was designated as permanent representative of Bouygues SA on 13 February 2020, replacing Philippe Marien.
(4) Remuneration for the employee representative non-executive corporate officers was paid directly to the trade unions CFTC (€36,717) and FO (€7,383).
(5) The Annual General Meeting of 17 April 2020 noted the results of the election of the two employee representative directors: Sophie Leveaux Talamoni was re-elected, and Sabrina Zerbib was elected to replace Fanny Chabirand.

No other remuneration was paid to the non-executive corporate officers in respect of their corporate office.

The only remuneration paid by TF1 to Martin Bouygues, Charlotte Bouygues, Olivier Bouygues, Olivier Roussat, Pascal Grangé and Philippe Marien was remuneration of corporate officers for serving as a director (formerly known as directors' fees) (see table 3).

The salaried directors (Fanny Chabirand, Sabrina Zerbib and Sophie Leveaux Talamoni) received no exceptional remuneration in respect of their corporate office in the TF1 group.

(1) Formerly known as Directors' fees.

The remuneration paid to the Executive Officer for serving as a director (formerly known as directors' fees) was as follows:

REMUNERATION OF THE EXECUTIVE OFFICER FOR SERVING AS A DIRECTOR (FORMERLY KNOWN AS DIRECTORS' FEES) *(€)*

	Gross amounts before tax due for 2020	Gross amounts before tax due for 2019
Gilles Pélisson	18,500	18,500
TOTAL	**18,500**	**18,500**

3.4.2. DISCLOSURES ON STOCK OPTIONS AND PERFORMANCE SHARES

As required by Articles L. 22-10-57 and L. 22-10-60 of the French Commercial Code

This chapter contains the reports required by the French Commercial Code and the tables recommended in the AFEP/MEDEF Code of Corporate Governance or in AMF pronouncements regarding disclosures on the remuneration of corporate officers to be included in Registration Documents.

The Board of Directors did not award any stock options in 2020.

PRINCIPLES AND RULES FOR AWARDS OF TF1 STOCK OPTIONS AND PERFORMANCE SHARES

AUTHORISATIONS GIVEN TO THE BOARD OF DIRECTORS BY THE ANNUAL GENERAL MEETING

Currently valid authorisations: The 26th resolution of the Annual General Meeting of 18 April 2019 renewed, for a 38-month period, the authorisation of the Board of Directors to award to employees and senior executives of TF1 or related companies, on one or more occasions, options to subscribe for new or existing shares.

The 27th resolution of the Annual General Meeting of 18 April 2019 authorised the Board of Directors, for a 38-month period, to award to employees and senior executives of TF1 or related companies, on one or more occasions, performance shares which at the Board's discretion may be either existing shares repurchased by the company or new shares issued for the purpose.

To that end, the Annual General Meeting delegated powers to the Board of Directors to set conditions for making such awards, with a view to linking the remuneration of key executives more closely with the performance and future of the Group and with the outcomes of their work.

A limit for the combined amount of such awards was set at 3% of the share capital.

The 26th and 27th resolutions on stock options and performance share awards stipulate that:

- the Board of Directors determines the conditions, in particular the maximum amount for the awarding of stock options or shares to the Executive Officers, as well as the performance criteria applicable to such awards;
- the Board of Directors draws up a list or determines the categories of other beneficiaries of options or shares, and determines the performance criteria applicable to such awards.

Under the 26th resolution on stock options, no discount is permitted. Depending on the circumstances:

- the subscription price must be no less than the average quoted share price over the 20 trading days preceding the date of grant;
- the purchase price of shares must be no less than (i) the average quoted share price over the 20 trading days preceding the date of grant or (ii) the average price at which the shares were purchased by the company pursuant to Articles L. 22-10-61 and L. 22-10-62 of the French Commercial Code.

The Board of Directors grants options entitling their holders to subscribe for new TF1 shares subject to performance conditions. The Board of Directors has decided not to award any TF1 stock options or TF1 performance shares to the Executive Officer.

GENERAL RULES ON AWARDS OF STOCK OPTIONS AND PERFORMANCE SHARES

The Board of Directors has taken into account the recommendations of the AFEP/MEDEF code and of the AMF.

The general rules applied are summarised below:

- stock options or performance shares are awarded to attract key executives and employees, secure their loyalty, reward them, and give them a medium/long-term interest in the company's development, reflecting their contribution to value creation;
- stock option and performance share plans are awarded to approximately 150 employees of TF1 (or of Group companies) who sit on any of the three management bodies. Grantees are selected and individual awards decided so as to reflect each beneficiary's responsibilities and performance, with particular attention paid to high-potential executives;
- no stock options or performance shares are awarded to the Executive Officer (Gilles Pélisson);
- no discount is applied to grants of stock options;

- awards of stock options and performance shares are subject to performance conditions;
- executives who benefit from these plans are informed about insider trading. Various internal rules have been issued to prevent insider trading. These include establishing a list of individuals with access to privileged information, reminders of prohibitions on trading, and information about stock market law. A dedicated compliance programme was approved and distributed during 2015;
- all TF1 stock option plans and TF1 performance share plans prohibit employees who are on the TF1 insiders list from exercising their options, or selling shares derived from exercised options or awarded shares, during the period preceding publication of the financial statements. That period extends for thirty calendar days up to and including the day of publication of the TF1 half-year and full-year financial statements, and for fifteen calendar days up to and including the day of publication of the quarterly financial statements. This prohibition also applies during any period in which such persons are aware of privileged information, and on the date of publication of such information;
- options are automatically cancelled on termination of the grantee's employment contract or corporate office, unless given special dispensation or in the event of disability or retirement.

The Board of Directors did not award any stock options in 2020.

SPECIFIC RULES APPLICABLE TO CORPORATE OFFICERS

No stock options or performance shares are awarded to the Executive Officer (Gilles Pélisson).

POLICY ON STOCK OPTIONS AND PERFORMANCE SHARES

Acting on a proposal from the Selection and Remuneration Committee, the Board has authorised the use of two forms of performance-related medium/long-term incentive plan for key executives.

These plans are intended to:

- keep key executives motivated to deliver growth in revenue and profitability (performance shares);
- foster team spirit by setting collective objectives and giving everyone an interest in sustaining the transformation of TF1 over time;
- build the loyalty of executives over the long term (stock options).

APPLICATION OF PERFORMANCE CONDITIONS FOR PREVIOUS PLANS

2017: For the 2017 stock option plan and performance share plan, the performance conditions have been met. The calculation was made (i) 50% on the basis of the arithmetical average of performances in the 2017 and 2018 financial years on a constant structure basis, as compared with the budgets set for those financial years and (ii) 50% on the basis of the arithmetical average of performances in the 2018 and 2019 financial years on a constant structure basis as compared with the budgets set for those financial years. Performances for the 2017, 2018 and 2019 financial years were assessed on a constant structure basis by reference to the budgets set in 2016, 2017 and 2018 for the 2017, 2018 and 2019 financial years, respectively.

2018: For the 2018 stock option plan and performance share plan, the performance conditions were met at 61.6% for the performance share plan and 73.1% for the stock option plan. The calculation was made (i) 50% on the basis of the arithmetical average of performances in the 2018 and 2019 financial years on a constant structure basis, as compared with the budgets set for those financial years and (ii) 50% on the basis of the arithmetical average of performances in the 2019 and 2020 financial years on a constant structure basis as compared with the budgets set for those financial years.

2019: For the 2019 stock option plan, the performance conditions were met at 71.9%. The calculation was made (i) 50% on the basis of the arithmetical average of performances in the 2019 financial year on a constant structure basis, as compared with the budget set for that financial year and (ii) 50% on the basis of the arithmetical average of performances in the 2020 financial year on a constant structure basis, as compared with the budget set for that financial year.

The Selection and Remuneration Committee will examine the performance criteria on which vesting of the stock options and performance shares is contingent.

GENERAL INFORMATION AND CHARACTERISTICS OF STOCK OPTIONS

- Terms and periods of exercise: see Table 8.

STOCK OPTIONS GRANTED OR EXERCISED IN 2020

STOCK OPTIONS GRANTED OR EXERCISED DURING THE YEAR

No stock options were awarded or exercised in 2020.

As of 31 December 2020, no TF1 stock options were potentially exercisable.

STOCK OPTIONS AWARDED BY TF1 OR ANY GROUP COMPANY, GRANTED TO OR EXERCISED BY THE EXECUTIVE OFFICER DURING THE YEAR

Gilles Pélisson was not awarded any options to purchase or subscribe for TF1 shares in 2020.

In connection with the office he holds at Bouygues, Gilles Pélisson received during 2020 options giving entitlement to subscribe for new Bouygues shares; those options were awarded on 8 October 2020 following a decision taken by the Bouygues Board of Directors on 28 July 2020.

TABLE 4 – STOCK OPTIONS GRANTED TO THE EXECUTIVE OFFICER IN 2020

Name of Executive Officer	Plan no. and date	Type of option (purchase or subscription)	Value of option based on method used in consolidated financial statements	Number of options granted during the year	Exercise price	Exercise period
Gilles Pélisson	2020 plan Board Meeting date: 28/07/2020 Date of grant: 08/10/2020	Subscription	€3.0093	80,000	€30.53	08/10/2020 to 08/10/2030
TOTAL			**€240,744**	**80,000**		

The exercise price was calculated by reference to the average of the opening quoted market prices on the twenty trading days preceding 8 October 2020; no discount was applied.

TABLE 5 – STOCK OPTIONS EXERCISED BY THE EXECUTIVE OFFICER OF TF1 IN 2020

The Executive Officer (Gilles Pélisson) did not exercise any stock options in 2020.

STOCK OPTIONS AWARDED BY TF1 OR ANY GROUP COMPANY, GRANTED TO OR EXERCISED BY SALARIED DIRECTORS DURING THE YEAR

No stock options were granted to salaried directors in 2020. No salaried director exercised any stock options in 2020.

PERFORMANCE SHARES

No performance share plan was awarded in 2020.

TABLE 6 – PERFORMANCE SHARES GRANTED TO THE EXECUTIVE OFFICER

No performance shares were awarded by TF1 to the Executive Officer (Gilles Pélisson) in 2020.

TABLE 7 – PERFORMANCE SHARES THAT BECAME AVAILABLE TO THE EXECUTIVE OFFICER DURING THE YEAR

No performance shares became available as none has been awarded by the company to the Executive Officer (Gilles Pélisson).

PAST STOCK OPTION AWARDS AND OTHER INFORMATION

TABLE 8 – PAST STOCK OPTION AWARDS

	Plan no. 14	Plan no. 15	2017 plan	2018 plan	2019 plan
Date of Shareholders' Meeting	17/04/2014	17/04/2014	13/04/2017	19/04/2018	18/04/2019
Date of Board Meeting	29/04/2015	26/04/2016	27/04/2017	25/04/2018	14/02/2019
Date of grant	**12/06/2015**	**08/06/2016**	**12/06/2017**	**08/06/2018**	**12/06/2019**
Type of plan	Subscription	Subscription	Subscription	Subscription	Subscription
Total number of options granted subject to performance conditions	1,308,800	642,000	710,400	700,900	1,810,500
to corporate officers	*16,000*	*13,000*	*13,000*	*13,000*	*13,000*
to the 10 employees awarded the greatest number	*368,000*	*114,000*	*118,000*	*103,000*	*460,000*
Start date of exercise period	12/06/2018	08/06/2019	12/06/2020	08/06/2021	12/06/2021
Expiration date	12/06/2022	08/06/2023	12/06/2024	08/06/2025	12/06/2029
Subscription price	€15.46	€10.99	€11.45	€9.83	€8.87
Terms of exercise	Options may be exercised and shares sold from 3rd anniversary of date of grant	Options may be exercised from 3rd anniversary of date of grant and shares sold from 4th anniversary of date of grant	Options may be exercised from 3rd anniversary of date of grant and shares sold from 4th anniversary of date of grant	Options may be exercised from 3rd anniversary of date of grant and shares sold from 4th anniversary of date of grant	Options may be exercised and s hares sold from 2nd anniversary of date of grant
Number of shares subscribed at 31 December 2020	-	-	-	-	-
Cumulative number of options cancelled, not awarded, or forfeited	248,700	118,900	110,200	74,300	121,500
Number of options outstanding at end of period	**1,060,100**	**523,100**	**600,200**	**626,600**	**1,689,000**

For an analysis of the movement in the number of options outstanding, refer to Note 7-4-5-2 to the TF1 consolidated financial statements for the year ended 31 December 2020. The expense recognised for the stock option plans granted by TF1 is presented in Note 7-4-5-3 to the consolidated financial statements. The value per stock option on the date of grant, calculated according to the Black-Scholes model, is €2.75 (plan no. 14), €2.15 (plan no. 15), €1.85 (2017 plan), €0.89 (2018 plan), and €0.97 (2019 plan).

The most recently lapsed plan is stock option plan no. 13, which expired on 12 June 2019.

STOCK OPTIONS GRANTED TO THE TEN EMPLOYEES (OTHER THAN CORPORATE OFFICERS) OF TF1 (OR ANY COMPANY WITHIN THE SCOPE OF COMPANIES ENTITLED TO AWARD STOCK OPTIONS) WHO WERE AWARDED THE MOST OPTIONS IN 2020

None.

STOCK OPTIONS EXERCISED BY THE TEN EMPLOYEES (OTHER THAN CORPORATE OFFICERS) OF TF1 WHO EXERCISED THE MOST OPTIONS IN 2020

None.

PAST PERFORMANCE SHARE AWARDS AND OTHER INFORMATION

TABLE 9 – PAST PERFORMANCE SHARE AWARDS

	2016 performance shares	2017 performance shares	2018 performance shares
Date of Shareholders' Meeting	14 April 2016	14 April 2016	14 April 2016
Date of Board Meeting	26 April 2016	27 April 2017	25 April 2018
Date of grant	8 June 2016	12 June 2017	8 June 2018
Type of shares	New shares to be issued	New shares to be issued	New shares to be issued
Maximum number of shares awarded subject to performance conditions	170,000	172,000	172,300
to corporate officers	*0*	*0*	*0*
to the 10 employees awarded the greatest number	*79,600*	*80,500*	*86,500*
Vesting period	8 June 2016 to 7 June 2019	12 June 2017 to 11 June 2020	8 June 2018 to 7 June 2021
Lock-up period	8 June 2019 to 7 June 2020	12 June 2020 to 11 June 2021	8 June 2021 to 7 June 2022
Date available for sale	From 8 June 2020	From 12 June 2021	From 8 June 2022
Continuing employment condition	Yes	Yes	Yes
Performance conditions	Yes	Yes	Yes
Number of shares vested as of 31 December 2020	160,100	100,100	-
Number of shares granted, cancelled or forfeited	-	16,500	18,500
Number of shares not yet vested	-	55,400	150,400

The value per performance share on the date of grant, calculated according to the Black-Scholes model, is €11.40 (2016 plan), €11.72 (2017 plan), and €9.38 (2018 plan).

No performance share plan was awarded in 2019.

PERFORMANCE SHARES AWARDED DURING 2020 BY TF1 (OR ANY COMPANY WITHIN THE SCOPE OF COMPANIES ENTITLED TO AWARD PERFORMANCE SHARES) TO THE TEN EMPLOYEES OF TF1 (OR OF ANY COMPANY WITHIN THAT SCOPE) AWARDED THE MOST PERFORMANCE SHARES

Name	Number of performance shares awarded in 2020	Vesting date
NONE	NONE	NONE

PERFORMANCE SHARES VESTED DURING 2020 IN THE TEN EMPLOYEES (OTHER THAN CORPORATE OFFICERS) OF TF1 WITH THE HIGHEST NUMBER OF PERFORMANCE SHARES

Employee	Total number of performance shares vested	Vesting date	Plan no.
NONE	NONE	NONE	NONE

3.4.3. OTHER DISCLOSURES ABOUT THE EXECUTIVE OFFICER'S REMUNERATION

TABLE 10 – MULTI-YEAR VARIABLE REMUNERATION OF THE EXECUTIVE OFFICER

No deferred annual or multi-year variable remuneration is awarded to the Executive Officer.

TABLE 11 – OTHER DISCLOSURES ABOUT THE EXECUTIVE OFFICER'S REMUNERATION

	Employment contract		Supplementary pension scheme(2)		Compensation or benefits due or liable to become due on cessation or change of office(3)		Non-competition indemnity	
	Yes	No	Yes	No	Yes	No	Yes	No
Gilles Pélisson	X(1)		X(3)			X(4)		X

(1) Gilles Pélisson has an employment contract with Bouygues SA, and not with TF1 SA.
(2) See "Supplementary Pension" above.
(3) See "Supplementary Pension" above.
(4) Severance benefits: A termination benefit may be paid in respect of salaried positions within the Group, excluding any period of service as a corporate officer, in accordance with the French Labour Code and the national collective agreement applied by the company in question. Any such compensation would be re-invoiced to TF1 on a pro rata basis for the number of years of service as an employee or corporate officer of the TF1 group.

3.5 PRINCIPLES FOR REMUNERATION OF EXECUTIVE OFFICERS IN RESPECT OF 2021

Report on remuneration prepared in accordance with Article L. 22-10-8 of the French Commercial Code.

3.5.1 COMPONENTS OF REMUNERATION TO BE AWARDED TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER IN RESPECT OF 2021

The Board of Directors closed off and approved this report at its meeting of Wednesday 10 February 2021 upon recommendation of the Selection and Remuneration Committee.

This remuneration policy is subject to the approval of the General Meeting of Shareholders of 15 April 2021 as part of the seventh resolution.

GENERAL PRINCIPLES

The Board of Directors has determined nine general principles on the basis of which the 2021 remuneration and benefits of the Chairman and Chief Executive Officer of TF1 will be determined.

1. Compliance with AFEP/MEDEF code recommendations.
2. No severance benefit or non-competition indemnity on leaving office.
3. Level of remuneration that takes into account the existence of a capped supplementary pension and the fact that no severance benefit or non-competition indemnity has been granted.
4. Remuneration commensurate with the level and difficulty of the Executive Officer's responsibilities. Remuneration commensurate with the Executive Officer's experience in the position held and his length of service with the Group.
5. Remuneration that takes account of the practices applied in groups or enterprises carrying on comparable activities.
6. An incentivising remuneration structure comprising the following:
   - fixed remuneration,
   - annual variable remuneration,
   - remuneration for serving as a director,
   - limited benefits in kind,
   - supplementary pension.
7. No deferred annual variable remuneration.
8. Discretion left to the Board of Directors to decide to pay exceptional remuneration in accordance with Article L. 22-10-8 of the French Commercial Code. This derogation is temporary and should be consistent with the Company's social interest. Exceptional circumstances could result in particular from an unexpected change in the competitive environment, a significant change in the Group's scope or a major event affecting markets, the economy and/or the sectors in which the Group operates.
9. No additional remuneration paid to the Executive Officer by any Group subsidiary apart from remuneration for serving as a Director.

Aware that its success and progress depends on the skills and mindset of the men and women who work within it, the Group strives to implement a remuneration policy in all its entities that rewards its employees for achieving or exceeding of individual and collective objectives.

The purpose of determining, reviewing and implementing the remuneration policy is to involve employees in the Company's results.

CRITERIA USED IN 2021 BY THE BOARD OF DIRECTORS TO DETERMINE, ALLOCATE AND AWARD THE FIXED, VARIABLE AND SUPPLEMENTARY PENSION COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS OF THE EXECUTIVE OFFICER

FIXED REMUNERATION

€920,000.

ANNUAL VARIABLE REMUNERATION

The Board of Directors and the Selection and Remuneration Committee ensure that the variable remuneration of the Chairman & Chief Executive Officer is aligned on the company's performance goals, such that it is consistent with the corporate interest and with the medium/long-term commercial strategy.

It may not exceed 170% of fixed remuneration, *i.e.* it is capped at €1,564,000.

The annual variable remuneration would be determined by applying six criteria (five of them referring to a three-year business plan), opening up the possibility of the Executive Officer receiving six variable components: P1, P2, P3, P4, P5 and P6.

P1 Actual free cash flow(1) of TF1 for the financial year/Objective = Free cash flow per the 2021 plan

P2 Actual net surplus cash/net debt of the TF1 group for the financial year/Objective = Net surplus cash/Net debt per the 2021 plan.

P3 Actual current operating margin of the TF1 group for the financial year/Objective = current operating margin per the 2021 plan.

P4 Actual consolidated net profit (CNP)(2) of TF1 for the financial year/Objective = CNP per the 2021 plan

P5 Actual current operating margin of the Unify division for the financial year/Objective = current operating margin per the 2021 plan.

(1) Free cash flow before changes in working capital relating to operating activities and to non-current assets used in operations. This indicator will be adjusted to eliminate exceptional items.
(2) This indicator will be adjusted to eliminate exceptional items

P6 Three extra-financial criteria:

- Compliance (involvement in the development of compliance programmes and the implementation of the AFA report) : weighted 10%;
- Social and environmental responsibility (comprising a health and safety criterion, a gender balance criterion, and an environmental criterion in line with the Group's CO_2 emissions reduction objective): weighted 15%;
- Managerial performance (working practices, involvement in transverse Group-wide projects, staff relations): weighted 15%.

Method used to determine annual variable remuneration for 2021

The method for determining the annual variable remuneration of the Executive Officer is based on six separate criteria - P1, P2, P3, P4, P5 and P6 - defined above.

The variable remuneration for 2021 is based on the result calculated according to three pre -defined "thresholds" for each of the criteria.

(FR = Fixed Remuneration)

P1, P2, P3, P4 AND P5

The variable portion awarded (P1, P2, P3, P4 and P5) reflects the actual performance achieved during the year. It is expressed as a % of fixed remuneration (% of FR).

For each criterion, three thresholds have been determined:

- A "lower" threshold that determines the threshold for triggering the bonus;
- An "intermediate" threshold, corresponding to the expected results in 2021;
- An "upper" threshold for overperformance in excess of the financial goals of the intermediate threshold.

Each variable portion (P1, P2, P3, P4 and P5) is calculated as follows:

1. If the lowest target is met:

P1 = 10 to 20% of FR

P2 = 10 to 20% of FR

P3 = 15 to 30% of FR

P4 = 10 to 20% of FR

P5 = 7.5 to 15% of FR

2. If the intermediate threshold is reached:

P1 = 20% of FR

P2 = 20% of FR

P3 = 30% of FR

P4 = 20% of FR

P5 = 15% of FR

3. if the upper threshold is reached:

P1 = 20 to 30% of FR

P2 = 20 to 25% of FR

P3 = 30 to 35% of FR

P4 = 20 to 25% of FR

P5 = 15% of FR

Between these thresholds, the weight of each bonus varies linearly.

P6

The Board of Directors evaluates the attainment level of P6, subject to a cap of 40% of FR.

OTHER REMUNERATION

Any other remuneration paid by a Group subsidiary would be retained by the Executive Officer.

BENEFITS IN KIND

The Executive Officer would be allocated a company car as well as a package for a predetermined number of hours of tax advisory services.

STOCK OPTIONS AND PERFORMANCE SHARES AND LONG-TERM REMUNERATION

Because the Executive Officer (Gilles Pélisson) holds a contract of employment with Bouygues SA, the Bouygues Board of Directors may award him (i) options giving entitlement to subscribe for new Bouygues shares; (ii) performance shares; and (iii) long-term remuneration [(1)].

SUPPLEMENTARY PENSION

Contingent-rights collective pension scheme governed by Article L. 137-11 of the French Social Security Code (rights for periods of employment prior to 1 January 2020).

Gilles PELISSON, who joined the scheme before 4 July 2019, was eligible for the defined-benefit collective supplementary pension scheme governed by Article L. 137-11 of the French Social Security Code.

Subject to his still being with the Bouygues group on retirement, the Chairman and CEO of TF1 was entitled to an annuity under this scheme.

In accordance with Law No. 2019-486 of 22 May 2019 (the Pacte law) and Order No. 2019-697 of 3 July 2019, this scheme was closed to new members from 4 July 2019 onwards, and the rights of existing members were frozen as of 31 December 2019.

Due to the closure of the scheme and the freezing of scheme members' rights, the Chairman and CEO of TF1 cannot accumulate any further rights under this pension scheme from 1 January 2020 onwards.

Pursuant to Article 5 of Order No. 2019-697 of 3 July 2019, Bouygues intends to transfer the contingent rights under this scheme (governed by Article L. 137-11 of the Social Security Code) to a vested-rights scheme (governed by Article L. 137-11-2 of the Social Security Code), the characteristics of which are identical to those of the vested-rights scheme described below. This means that the pension benefits accumulated under the old scheme will, as a result of the transfer, no longer be contingent on the beneficiary still being with the Bouygues group when he takes retirement.

In any event, no rights may be transferred to the beneficiary above the cap of 30% of his average annual remuneration liable to social security contributions over the last three years under the scheme governed by Article L. 137-11 of the Social Security Code.

(1) For details of how such options, shares and long-term remuneration are awarded, refer to the Bouygues Universal Registration Document.

Vested-rights pension scheme governed by Article L. 137-11-2 of the French Social Security Code (rights for periods of employmentsubsequent to 1 January 2020).

Given the closure of and the freezing of contingent rights under defined-benefit pension schemes governed by Article L. 137-11 of the Social Security Code, the Board meetings of 13 November 2019 and 19 February 2020 decided (acting on a proposal from the Selection and Remuneration Committee) to introduce a new vested-rights pension scheme in compliance with currently applicable legislation (Article L. 137-11-2 of the Social Security Code). The new scheme enables members of the Bouygues Management Committee who have not reached the cap adopted by the Board to accumulate pension rights for periods of employment subsequent to 1 January 2020 such that they will receive the same level of annuity (0.92% a year) as under the previous scheme in place within Bouygues, subject to fulfilment of the performance conditions described below.

In accordance with the new regulations, pension rights will vest annually and will no longer be subject to the individual still being with the Company at retirement.

Gilles PELISSON was eligible for this new pension scheme.

This scheme has the following characteristics:

1. Conditions for joining the scheme and other eligibility conditions whereby the beneficiary must:

- be a member of the Bouygues General Management Committee
- have at least three years' service within a Bouygues Group company;

2. Reference remuneration: gross annual fixed remuneration plus gross annual variable remuneration;
3. Frequency of vesting of rights: annual.
4. Annual cap on vested pension rights: 0.92% of the reference salary.
5. Overall cap: 8x the annual upper limit for Social Security contributions (cap of €329 088 in 2021).
6. Overall cap on vested rights under all schemes governed by Article L. 137-11-2 of the French Social Security Code: 30 points
7. Funding is contracted out to an insurance company, to which an annual contribution is paid.
8. Performance conditions:

   The performance conditions for 2021 would be as follows:

- 2021 financial year: Objective = that the average of the TF1 Group’s consolidated net profit figures for the 2021 financial year and for the 2020 and 2019 financial years (“Average CNP”) is no more than 10% below the average of the consolidated net profit figures specified in the plan for the 2020 financial year and in the plans for the 2019 and 2018 financial years.
- This target set is 50% based on TF1 targets and 50% on Group targets.

  Terms for determining the vesting of pension rights based on performance and by objective:

- If average CNP is equal to the Objective or is greater than the Objective:
- Annual pension rights = 0.46% of the reference salary;
- If average CNP is more than 10% below the Objective:annual pension rights = 0.

Between this lower limit and this upper limit, the pension rights allocated by objective vary on a straight -line basis from 0 to 0.46 % of the reference salary

The amount of pensions paid under the pension schemes covered by Articles L. 137-11 (contingent-rights scheme) and L. 137-11-2 (vested-rights scheme) of the French Social Security Code in force within the Company is limited to eight times the annual social security ceiling (€329,088 in 2021).

ADDITIONAL SHARE-BASED PENSION

In addition to, and on the basis of vesting principles identical to those of the supplementary pension governed by Article L. 137-11-2 of the French Social Security Code, a supplementary share-based pension scheme is envisaged, based on a pension entitlement greater than eight times the annual social security ceiling and capped at fourteen times the annual social security ceiling.

This scheme applies to the beneficiary of the vested-rights governed by Article L. 137-11-2 of the French Social Security Code, providing it has reached the cap set by the Board of Directors of Bouygues (eight times the annual social security ceiling) for defined benefit pension plans in force within the Group.

3.5.2 COMPONENTS OF REMUNERATION TO BE AWARDED TO DIRECTORS FOR 2021

The Annual General Meeting of 23 April 2003 set the total amount of remuneration of Directors at €350,000 annually; it is for the Board of Directors to determine how this amount should be allocated. The Selection and Remuneration Committee makes proposals on the system for remunerating Directors, and specifically on the arrangements for allocating remuneration between them.

Acting on a recommendation from the Committee, the amount of remuneration allocated to the Directors has been adjusted by the Board of Directors in 2021; this is the first time their remuneration has been reassessed since the Board decision of 17 April 2007 (or 15 February 2012, in the case of the Audit Committee), and brings it into line with the practices adopted by comparable companies. The amount determined varies for each Director according to whether he or she chairs a committee.

The new arrangements for allocating remuneration, with effect from 1 April 2021, are as follows:

- remuneration allocated to each Director increased from €18,500 to €21,000 a year;
- remuneration allocated to each Audit Committee member maintained at €12,000 a year;
- remuneration allocated to each Selection and Remuneration Committee member increased from €5,400 to €7,000 a year;
- remuneration allocated to each Ethics, CSR and Patronage Committee member increased from €5,400 to €7,000 a year;
- remuneration of €3,000 a year allocated to the Chair of each of the three committees.

Those amounts will be allocated 70% on the basis of attendance at Board and Committee Meetings, and 30% on the basis of the Director's responsibilities.

NON-FINANCIAL PERFORMANCE STATEMENT RFA DPEF

Priority projects

FOREWORD

INTRODUCTORY REMARKS

Under Article L. 225-102-1 of the decree transposing the European reporting directive of August 2018 into French law, the TF1 group, a subsidiary of the Bouygues group which consolidates its financial statements, is no longer obliged to publish a non-financial report, nor to have the content verified by an Independent Verifier.

Nevertheless, the Group decided to publish its non-financial performance statement (NFPS) on a voluntary basis, together with a third-party audit (see the independent auditor's report in Section 4.5).

The specific disclosures required by the decree are presented in different parts of this document and are cross-referenced from this section onwards. Including:

- the business model is presented in the integrated report at the beginning of this document;
- CSR issues which also present an element of risk appear in chapter 2, Risks and howthey are managed;
- the methodology for identifying CSR issues is presented in the Foreword;
- for each of the major social, societal and ecological transition challenges, this chapter explicitly describes the context in which the activity is conducted, the policies, action plans and measures implemented in Sections 4.1 and 4.2;
- internal social policy and human rights, as well as ethical issues including corruption, are dealt with in Sections 4.3 and 4.4 of this chapter.

The TF1 group has not, in the last five years, made an arrangement to artificially reduce its income tax burden or to transfer its taxable earnings to low-tax countries.

- actions implemented within the company ***INTERNAL***;
- the societal and/or environmental impact of its published and/or broadcast contents ***CONTENTS***;
- initiatives that extend beyond the company and the target audience for its contents ***EXTERNAL***;

The fight against food insecurity and in favour of animal welfare are not significant issues for TF1 and are therefore not covered by the non-financial performance statement.

CSR ORGANISATION

The TF1 group's Corporate Social Responsibility policy is the result of collaboration between all of the Group's business lines, coordinated by the CSR Department (one full-time person and a work-study student since September 2020), which is also in charge of non-financial reporting.

Since February 2016, the CSR Department, created in 2005, has reported to Arnaud Bosom, the Executive Committee member who also heads the Human Resources Division.

In 2014, the Board of Directors decided to set up an Ethics and CSR Committee (see Section 3.1.2), which became the Ethics, CSR and Corporate Sponsorship Committee in February 2020.

An update on CSR activities is presented at each Meeting of the Board of Directors by the Chairman of the Board, Gilles Pélisson.

MANAGEMENT COMMITMENT, MEMBERSHIP OF THE GLOBAL COMPACT

Since 1 January 2014, on the proposal of the Remuneration Committee, the variable remuneration of the Chief Executive Officer includes a criterion relating to CSR performance.

Since 2017, the variable remuneration of each Executive Committee member has also included a CSR criterion, weighted at 5%. The actual criterion varies between each Executive Committee member, depending on their managerial responsibilities and the associated CSR issues.

The Bouygues Management Institute regularly organises seminars on managerial responsibility and sustainable development, which are attended by senior executives of TF1. The aim is to encourage managers to reflect on their roles, responsibilities and the application of ethical principles in their day-to-day actions, and to unite Group senior management around common values.

In 2019, the Bouygues group, on behalf of all the businesses that it represents, including TF1, renewed its commitment alongside other French and international companies to respect and promote the ten principles of the Global Compact on human rights, labour, the environment, and anti-corruption.

RECOGNITION OF TF1 GROUP PERFORMANCE

The TF1 group's overall CSR initiatives are recognised by numerous non-financial ratings agencies and the TF1 group is included in the following indices:

Ratings agencies	Index/rating
RobecoSam	■ DJSI World Index ■ DJSI Europe Index Media sector: 5th overall and 7th on environmental issues
Ethifinance	■ GAÏA Index 1st in the category of companies with revenue greater than €500m
MSCI	■ AA rating

In addition, the Bouygues group received an A- rating in the 2020 Carbon Disclosure Project (**CDP**) climate questionnaires, including responses from all subsidiaries of the Bouygues group, including the TF1 group.

The TF1 group's CSR approach is also recognised in numerous rankings:

- Europe's leading player in the Media and Advertising sector in the latest ESG ranking established by Vigeo Eiris published in *Les Échos* – Investir on 9 March 2020 (non-financial rating on Environmental, Social and Governance criteria);
- 7th in the Le Point 2021 ranking of the most responsible companies in France and first in the Media and Communications sector on 12 November 2020 (evaluation on Environmental, Social and Governance criteria);
- 24th place in the world ranking of the most gender-sensitive companies carried out by EQUILEAP in 2019. In that year, the Group achieved a score of 64%, an increase compared to 2018, and was ranked first in the media group and was the third French company. Note that the ranking EQUILEAP 2020 is not available at this time;
- 22nd place in the 2019 ranking for the proportion of women in the governing bodies of SBF 120 companies. TF1 obtained a score of 71.54/100 in this ranking published in June 2020.

SCOPE

This chapter includes data from the historical TF1 group and the more recent acquisitions of Unify and Newen unless expressly stated. The other entities of the Studio and Entertainment business unit are not included in this chapter, with the exception of PlayTwo where specified.

BREAKDOWN OF HEADCOUNT BY ENTITY

The workforce breaks down as follows among the different organisational structures: 63% at TF1 and TMC, 22% at Unify and 15% at Newen. PlayTwo represents less than 1% of the workforce.

GEOGRAPHICAL BREAKDOWN OF REVENUE

- TF1 group generates revenue mainly in France and in Europe. In 2020, the breakdown is as follows:
- 91.6% (91.9% in 2019) in France;
- 5.1% (5.2% in 2019) in Europe excluding France;
- 3.3% (2.9% in 2019) for other countries.

Fully and partially consolidated companies are included in reporting except where TF1 group does not operate the entity (*i.e.* does not have management responsibility for it). A company has management responsibility for an entity when it has the power to make decisions on the operational procedures of that entity.

It should be noted that there were no disposals or acquisitions during the reference period.

METHODOLOGY FOR IDENTIFYING KEY CSR ISSUES

In 2014, the TF1 group conducted a materiality study based on 17 issues, through:

- interviews conducted with representatives of each of the external categories of stakeholders;
- focus groups with internal managers;
- a general public survey on a platform managed by the Marketing Department;
- Executive Committee members in charge of Strategy and CSR;
- Investor Relations and Internal Control Departments.

These discussions were supplemented by a questionnaire sent to all employees in 2016 and an additional analysis conducted with Newen in 2019.

This work led to the consolidation of certain issues, bringing the number of material issues for the TF1 group to 15.

The work carried out over the years to bring these challenges to life and to encourage stakeholders led the TF1 group to define, in 2020, six priority projects described below taking into account the impact and diversity of the TF1 group, and to commit the Newen and Unify subsidiaries to a common CSR approach.

KEY ECOLOGICAL TRANSITION ISSUES	
1 - Reducing the carbon impact of our operations	4.1.5
2 - Offering content that supports ecological transition	4.1.6
3 - Responsible advertising	4.1.7
KEY EMPLOYEE-RELATED & SOCIAL ISSUES	
4 - Gender parity	4.2.2
5 - Inclusion	4.2.3
6 - Solidarity	4.2.4

All of the 15 issues mentioned above are addressed through one of the six priority projects and/or the social policy and/or ethical values detailed in this chapter.

4.1 KEY ISSUES OF THE ECOLOGICAL TRANSITION

4.1.1 ENVIRONMENTAL REPORTING PARAMETERS

Period

1 October 2019 to 30 September 2020.

Scope

- companies housed in the "Tour" and "Atrium" headquarters buildings in Boulogne-Billancourt, accounting for 61% of the Group's employees and 82% of Group revenue at 30 September 2020;
- the TMC subsidiary in Monaco, which implemented an environmental approach for electricity consumption from the end of 2018.

The Group's other activities, including the digital subsidiaries that make up Unify, and the Newen group's production companies are in shared office buildings, with small surface areas, and multiple other sites due to the acquisition of different entities, for which there are as yet no significant data or resources. Discussions are underway regarding the impact of these subsidiaries in terms of GHG emissions. Nevertheless, the qualitative information, in particular concerning the content with environmental added value and responsible advertising, and the guidelines adopted as part of the climate strategy for 2030 include Newen and Unify.

HOW THE INDICATORS ARE READ

The measures and objectives set apply within the framework defined above and according to the following procedures:

- water and steam consumption data are based on meter readings;
- electricity consumption data is taken from bills and corroborated by remote readings obtained from EDF's internet site through a load curve monitoring contract (TCC);
- bulky waste (skips), compacted paper, food waste, wet packaging waste, glass, used oil, batteries and accumulators, printing consumables and electronic waste are weighed by the contractor (TRIO *via* the contract with Bouygues Énergies et Services) to which the Group has entrusted waste management and monitoring services. A waste register is kept up to date and waste tracking slips are issued in accordance with current regulations. Invoicing is done by weight;
- refrigerant fluids are measured on the basis of statements from air conditioning maintenance service providers;
- fuel oil consumption for electric generator units is calculated on the basis of the difference between the amount of fuel oil in the two tanks at the start and end of the period, taking into account any refills in the intervening period;
- fuel consumption by company cars and outside broadcast unit vehicles is based on the statements provided by the petrol company Total related to the use of company cards for fill-ups.

4.1.2 ENVIRONMENTAL CONTEXT

The TF1 group's business is not subject to the physical risks associated with climate change (extreme weather events), including in the event of a sharp rise in energy costs or taxation of carbon emissions. Only TF1's head office located on the banks of the Seine has required the implementation of a flood prevention plan. Neither does the nature of the Group's activities at head offices generate risks related to biodiversity or the quality of water and soil.

However, TF1 group's commitment to environmental issues, particularly the fight against global warming, is not new. The work of implementing the TF1 group's climate strategy was split into two phases:

- the first stage of this work began in 2007 with the quantification of the Group's impact on climate change, reflected in the measurement of the GHG footprint of its main activities, the reduction in electricity consumption since 2010, as well as the signing of the Paris Climate Action Charter in 2015 and the first ISO 50001 certification in 2018. The reduction measures implemented are detailed in Section 4.1.5;
- the second stage of this work, begun in 2020 and which will run until 2030, aims to set measurable and quantifiable emission reduction commitments for the Group[1] and to take into account, in its business strategy, the necessary low-carbon transformation of the economy required by the Paris Agreement.

Like all of the Bouygues group business lines, the TF1 group was assisted by the consultancy firm Carbone 4 to prepare forward-looking analyses by scenario, which consisted of projecting the TF1 group's current business activities in these scenarios of low-carbon transformation and defining its climate strategy in line with current agreements and legislation (COP, National Low Carbon Strategy, etc.).

The TF1 group[1] has set reduction targets for Scopes 1 & 2 and 3a for the year 2030 and has an action plan. These were publicly announced in the last quarter of 2020 and are described in Section 4.1.3.2.

(1) The reduction in the Group's greenhouse gas emissions relates to the buildings in the "Tour" and the Atrium, based on carbon footprint from 01/10/2018 to 30/09/2019.

In addition, in December 2020 the TF1 group joined forces with other TV and radio media groups to propose the entering into a media climate contract under the aegis and supervision of the CSA (French audiovisual regulator) with the aim of reconciling the environmental transition imperative and the economic equilibrium of the creative industries.

The TF1 group has also joined as a signatory to the “Enterprises committed for nature – Act4Nature France” movement, initiated by the French Ministry for the Ecological and Inclusive Transition and supported by the French office for biodiversity, which brings together companies committed to taking biodiversity issues into account in their strategy. These commitments are currently being defined by the TF1 group.

4.1.3 CLIMATE STRATEGY FOR 2030

4.1.3.1 METHODOLOGY

The work carried out with Carbone 4 included three components:

- possible levers for reducing the carbon impact on the basis of the 2019 carbon footprint, interviews with the various contributors involved and the provision of additional data;
- identification and impact of content produced, broadcast or published by the TF1 group on the transition to a low-carbon world;
- the forward-looking analysis by scenario detailed below:
  - the scenarios carried out with the firm Carbone 4 are based on the work of the International Energy Agency (IEA),
  - two types of 1.5°C scenarios leading to a low-carbon society have been developed. They take very different approaches to achieve the same emissions reduction target in line with the Paris Agreement:
    - the first so-called “Pro-techno” scenario estimates that the socio-environmental transition is based mainly on technological innovation, which makes it possible to maintain GDP growth whilst significantly reducing environmental impacts (decoupling),
    - the second scenario, known as “Sobriety”, considers that the socio-environmental transition is based on resilience and societal changes by adopting new objectives of prosperity and social growth,
  - the scenario analysis exercise then consisted of projecting the TF1 group’s current activities in these low-carbon transformation scenarios and identifying how the transformation of the “business playground” induced by the scenario had a positive or negative impact on the main activities of the Group. The risks and opportunities were thus identified, making it possible to understand the resilience of the Group’s current strategy in contrasting contexts of low-carbon transformation of the economy.

All the work carried out is based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

4.1.3.2 OBJECTIVES FOR 2030

The work thus made it possible to draw up an action plan, which is structured around three components:

1. reducing the TF1 group’s carbon impact;
2. support for the low-carbon transition through content produced, published or distributed by the Group;
3. responsible advertising.

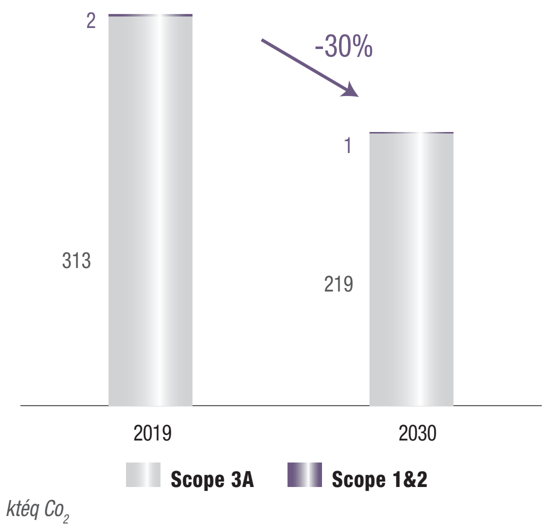
1. Carbon impact reduction (Project 1)

INTERNAL

The TF1 group has set itself the target of reducing its greenhouse gas (GHG) emissions by 30% by 2030 in Scopes 1 & 2 and 3a, based on TF1’s 2019 carbon footprint on a single scope, *i.e.* on the “Tour” and Atrium buildings.

To do this, the TF1 group has defined four priority projects inaddition to the actions already implemented by the Group,detailed in Section 4.1.5:

- eco-production *via* awareness-raising and training in eco-production for in-house teams and increased training for programme suppliers;
- responsible Purchasing with the eventual introduction of environmental criteria by type of product;
- responsible digital technology with the aim of acquiring the means to measure the carbon impact of its own digital activities and identify actions to reduce it;
- prioritisation of responsible mobility *via* the electrification of the car fleet, car-sharing and the continuation of the teleworking system.



2. Support for the low-carbon transition through content produced, published or distributed by the Group (Project 2) *CONTENTS*

As a media owner, TF1 intends to strengthen its role in raising public awareness of environmental issues and inducing more environmentally friendly behaviour, through news items on TF1, LCI and LCI.fr, which address the causes of global warming, and more generally the promotion of best practices. It is in this context that the TF1 channel has created, from January 2021, a weekly section dedicated to the environment entitled *Génération Ushuaïa*, hosted by Fanny Agostini, which highlights the players involved in environmental protection and local initiatives to raise awareness and provide practical and easy-to-implement ideas. Existing awareness-raising initiatives through the content of the TF1 group as a whole, whether it concerns content produced, and/or broadcast, and/or published by the Group, are also described in Section 4.1.6.

3. Responsible advertising (Project 3)
CONTENTS *INTERNAL* *EXTERNAL*

The TF1 group has been actively involved in the discussions initiated by the communication industry around the Citizen's Climate Agreement and the draft laws in particular within the framework of the general communications meetings involving agencies, the media, brands, trade organisations and citizens to create a dynamic of sharing and discussion.

Aware of their role as benchmarks in the advertising market, TF1 PUB and Unify Advertising have set out a roadmap with the objective of:

- continuing to contribute to the inter-professional discussions and commitments and engaging in dialogue to define common standards;
- proposing formats, offers and advertising services for advertisers promoting eco-responsible products or more virtuous practices;
- encouraging the eco-design of commercials and advertising campaigns to reduce the environmental, social and societal impacts of advertising.

In addition, TF1 PUB has undertaken to acquire the resources required to measure the carbon footprint of the broadcasting of an advertising campaign in its media (TV, radio, digital) in 2021, and to develop a trajectory to reduce the carbon footprint of the Advertising Department.

4.1.4 ASSESSMENT OF THE CARBON IMPACT OF THE GROUP'S ACTIVITIES *INTERNAL*

4.1.4.1 BILAN CARBONE®

TF1 has been assessing its GHG emissions since 2007, and in 2020 the TF1 group commissioned Carbone 4 to carry out its Bilan Carbone® assessment for the period from 1 October 2019 to 30 September 2020. The scope covers the TF1 group's registered office, *i.e.* the "Tour" and Atrium buildings in Boulogne-Billancourt. All methodologies and source data have been updated taking into account version 18.1 of the ADEME (French environmental agency) carbon footprint, which partly explains the significant difference compared to the 2019 assessment.

As in previous years, this calculation focused on Scopes 1 (direct emissions), 2 (indirect emissions linked to energy consumption) and 3a (indirect emissions excluding energy consumption and use of products).

Scope 3b, not included, corresponds to the consumption of content produced, broadcast or published by the TF1 group. It is potentially the most important source of emissions, on the rise given the growing use of digital technology, but the Group does not have the means to measure it.

The methodological changes in the calculation of the carbon footprint have focused on taking into account, as far as possible, physical data rather than their equivalent monetary value, particularly for the "Purchases of goods" category of Scope 3a, which makes it possible to further refine the estimate of the carbon impact. In addition, the carbon impact of programme purchases, which account for 72% of the TF1 group's total carbon impact, is now estimated based on the hours of programmes purchased and emissions factors depending on the nature of the programme purchased (factors reported on by Carbone 4). In addition, the increase in the type of physical data taken into account in the Bilan Carbone® footprint has led to the use of 117 different emissions factors (from the ADEME database, version 18.1 of September 2020), compared to 36 in the previous year. These methodological changes explain half of the decrease of 29% in the TF1 group's carbon impact in 2020 compared to 2019. This is also due to the decline in programme investments given the health crisis and the temporary stoppage of filming.

Among the sources studied, the most significant item in terms of GHG emissions is "Purchases of goods" (Scope 3a). This is followed by fixed assets (the Tour and Atrium buildings) and business travel and commuting.

INDICATOR: GREENHOUSE GAS EMISSIONS

Bilan Carbone® emissions by source *(in TeqCO$_2$ V.18.1 of the Bilan Carbone®)*	**From 01/10/2019 to 30/09/2020**	**From 01/10/2018 to 30/09/2019**	**From 01/10/2017 to 30/09/2018**
Scope 1: Direct emissions from fixed sources (generator fuel oil)	24	26	37
Scope 1: Direct emissions from mobile fuel combustion sources (outside broadcasting and company vehicles)	459	403	604
Scope 1: Direct fugitive emissions (refrigerant gases)	249*	88	248
Scope 2: Indirect electricity consumption-related emissions	706	753	1216
Scope 2: Indirect steam consumption-related emissions	160	336	373
Scope 3: Emissions relating to energy consumption not covered by direct or indirect energy emissions	433	586	486
Scope 3: Products purchased	213,364	307,032	83,216
Scope 3: Fixed assets	2,536	-	-
Scope 3: Waste generated	41**	230**	85
Scope 3: Business travel (excluding outside broadcasting and company vehicles)	1,921	3,687	3,316
Scope 3: Transport of visitors and customers	18	-	-
Scope 3: Employee travel	1,825***	1,247	1,329
TOTAL (EXCL. PRODUCT USE)	**221,736**	**314,388**	**90,909**

* *The large increase in this item related to refrigerant leaks in the company restaurant.*
** *The method used to calculate the waste item and the associated emissions factors changed between 2018 and 2019, and again between 2019 and 2020. In addition, the extension of teleworking due to the health context has also led to a 29% reduction in the quantity of waste collected at the "Tour" and Atrium sites.*
*** *Employee travel has been subject to a change in calculation methodology which does not take into account all teleworking, even though it was widely used in 2020 by the eligible functions*

Emissions by Scope of Greenhouse Gas (GHG) *Protocol in TeqCO$_2$*	**From 01/10/2019 to 30/09/2020**	**From 01/10/2018 to 30/09/2019**	**From 01/10/2017 to 30/09/2018**
Scope 1	732	517	889
Scope 2	866	1,089	1,589
Ratio in tons of scope 1+2 CO$_2$ by employee	*0.7*	*0.7*	*1.0*
Ratio in tonnes of scope 1+2 CO$_2$ per million euro of revenue	*0.9*	*0.8*	*1.30*
Ratio in tonnes of scope 1+2 CO$_2$ per square metre	*0.025*	*0.026*	*0.039*
Scope 3A (excl. product use)	220,138	312,782	88,432
TOTAL SCOPES 1, 2, 3A (EXCLUDING PRODUCT USE)	**221,736**	**314,388**	**90,909**

4.1.4.2 CONSUMPTION OF RESOURCES AND ENERGY

ELECTRICITY

INDICATOR: ELECTRICITY CONSUMPTION (IN MEGAWATT HOURS)

	% revenue	**From 01/10/2019 to 30/09/2020**	**From 01/10/2018 to 30/09/2019**	**From 01/10/2017 to 30/09/2018**
TF1 – TOUR/ATRIUM	**82**	**17,883**	**19,075**	**20,098**
TMC (MONACO)	**7**	**1,020**	**1,003**	**1,043**

The TF1 group uses electricity for its everyday activities, kitchen equipment, and to power and cool the equipment used for producing and broadcasting programmes (studio lighting, machine rooms, final production, etc.). Electricity is also used to light and power office workstations.

The reduction in consumption that began in 2010 continued in 2020: -6.2% between 2019 and 2020 for the main scope consisting of the "Tour" and the Atrium.

FUEL OIL

INDICATOR: FUEL CONSUMPTION (IN LITRES)

	% revenue	From 01/10/2019 to 30/09/2020	From 01/10/2018 to 30/09/2019	From 01/10/2017 to 30/09/2018
GENERATOR FUEL OIL TF1 TOUR/ATRIUM (IN LITRES)	82	8,900	9,667	13,674
Fuel all vehicles (outside broadcasting – company cars) (IN LITRES)	82	194,050	195,874	214,775

Fuel oil is used in the electric generator on the production sites. These serve as the emergency power source in the event of an EDF power cut to continue broadcasts and other key processes. Ups and downs from one year to another are due to maintenance work carried out on high-voltage stations, and risk simulation exercises carried out to assess the continuity of key processes (*e.g.* simulation of broadcasting a newscast during a power cut).

Fuel for vehicles used for outside broadcasting for TF1 and LCI (motorbikes, cars, mobile video trucks) was Premier and Excellium diesel and Super unleaded 98 or 95.

WATER

INDICATOR: WATER CONSUMPTION (IN CUBIC METRES)

Site	% revenue	From 01/10/2019 to 30/09/2020	From 01/10/2018 to 30/09/2019	From 01/10/2017 to 30/09/2018
TF1 – TOUR/ATRIUM	82	25,717	38,991	48,561

Water is primarily used in the air conditioning circuit, the washrooms and kitchens. Spraying the air-cooling towers accounts for a large part of the total water consumption of the "Tour" building, the drop in consumption being due to better management of these towers. In addition, the extension of teleworking also explains the large decrease in water consumption observed in 2020 compared to 2019.

PAPER

INDICATOR: PAPER CONSUMPTION (IN TONNES)

Site	% revenue	From 01/10/2019 to 30/09/2020	From 01/10/2018 to 30/09/2019	From 01/10/2017 to 30/09/2018
TF1 – TOUR/ATRIUM	82	20	27	30

The drop in paper consumption continued in 2020. The new redevelopment of Nextdoor into flexible office space currently being rolled out in TF1 buildings involves a sharp reduction in paper consumption with storage down to one unit per person and the removal of personal printers. In addition, in 2020, the extension of teleworking will also lead to a significant reduction in paper consumption.

4.1.5 EXISTING MEASURES TO REDUCE THE CARBON IMPACT OF ACTIVITIES (PROJECT 1) *INTERNAL*

4.1.5.1 EMPLOYEE INVOLVEMENT

In August 2020, the TF1 group implemented a new three-year incentive agreement incorporating two CSR criteria to involve employees in the Group's carbon footprint reduction initiatives:

- -3% reduction in electricity consumption during the period from 01/10/2019 to 30/09/2020 compared with the reference period, i.e. 01/10/2018 to 30/09/2019;
- -10% of plastic waste collected for recycling during the period from 01/10/2019 to 30/09/2020 compared with the reference period, i.e. 01/10/2018 to 30/09/2019.

These criteria, if they are met, increase by 10% the potential amount of profit-sharing resulting from the criteria linked to revenue and return on capital.

The comparison between these two periods show that the incentive criteria were met with -6.2% in electricity consumption and -54% of plastic waste collected for recycling compared to 2019.

4.1.5.2 AWARENESS-RAISING ACTIONS

Throughout the year, the TF1 group raises its employees' awareness of the consequences of climate change. Since 2018, around 50 employees have been able to attend a "La Fresque du Climat" workshop, which enables them to quickly understand the links between the causes and effect underlying the various components of climate change. As of January 2020, these included TMC employees.

During European Sustainable Development Week 2020, as part of its ongoing awareness-raising initiatives, every day TF1 communicated through internal networks to its employees about several eco-actions to be adopted to reduce their own carbon footprint, in the workplace and beyond.

4.1.5.3 ELECTRICITY CONSUMPTION

The reduction in consumption that began in 2010 continued in 2020: -6.2% between 2020 and 2019 on the scope of "Tour" and "Atrium", thanks to better management of facilities through the building's technical management system, and improved efficiency of the closed water-loop in the air conditioning system, the shutdown of air handling units in the studios, now correlated with their scheduled use, and an extension of teleworking in 2020 due to the health crisis.

ISO 50001

New targets for a 25 to 30% reduction by 2025 compared with the reference year, 2011, were set as part of ISO 50001 certification by the TF1 group in 2018[(1)].

The committee set up to coordinate ISO 50001 certification monitors action plans implemented both in managing buildings with service providers, and in manufacturing processes (studios, broadcasting, outside broadcasting). These action plans include operations to raise employee awareness.

In 2020, the TF1 group renewed its ISO 50001 certification, which is now valid until June 2021. This certification ensures the compliance and relevance of the reduction plan with the objectives set.

In 2021, the Group also wants to update this ISO 50001 version 2011 certification by obtaining the new 2018 version.

USE OF RENEWABLE ENERGIES

In 2018, for implementation in 2019, TF1 signed a consultancy contract with EDF which includes a renewable energy option committing EDF to produce one KWh of renewable energy for every KWh consumed. The contract signed with EDF covers 95.5% of consumption related to the two TF1 headquarters buildings in Boulogne-Billancourt, "Tour" and "Atrium".

TF1 also signed a contract with the energy supplier, Enercoop, which only supplies renewable electricity, to power the South Wing building and car parks (4.5% of overall consumption) of the headquarters.

4.1.5.4 ECO-PRODUCTION

In 2009, TF1 became co-founder of the Ecoprod collective, a collective in which the Group will continue to play an active role in 2020 as a funder and as a member of the steering committee.

The Ecoprod collective offers:

- training on eco-production for professionals in the audiovisual sector;
- a resource centre to be consulted on its website, including best practice sheets by business line;
- a carbon footprint calculator dedicated to audiovisual productions (Carbon[(1)] Clap);
- an eco-production guide and testimonials for producers and other industry professionals.

In addition, in 2020, Ecoprod funded a study by Workflower on the carbon impact of the audiovisual sector, which feeds into the results of a previous study on the key figures of the industry carried out in 2011.

(1) The commitments made as part of ISO 50001 certification concern the "Tour" building.

In addition, TF1 and its subsidiary Newen are implementing an eco-production approach for several of their programmes, such as *En Terre Ferme*, *Ici tout commence*, *Demain nous appartient*, *Plus belle la vie* and *Clem*. In this respect, a certain number of initiatives have been implemented throughout the production process of these programmes: Internal Charter of Telfrance eco-initiatives, waste sorting and recycling on-site, use of local and seasonal products catering, soft mobility trips, stopping the use of products that are harmful to the household or pests (mosquitoes), LED light bulbs, use of the Arts Reserve to to allow reutilsation of sets for future productions.

The Newen Green Committee, created in 2020, aims to support the Newen group in an eco-responsible approach through the emergence of concrete actions to limit the carbon footprint of production and promote recycling.

An eco-production approach should also be noted:

- by TF1 Factory with an eco-responsible production charter covering equipment, filming conditions, meals and transport.
- a board game under the Ushuaïa licence published by Educa with TF1 licences, a game made with 100% recyclable cardboard materials (total absence of plastic parts, wooden dice) to explore the world and its treasures in a fun way and highlight the issue of environmental protection.
- the 100% made in France, eco-friendly Mille Bornes Green game, produced by Dujardin with no plastic blister around the pack, a cardboard shoe integrated into the box, and FSC and PEFC certifications

4.1.5.5 MOBILITY

The TF1 group has implemented numerous initiatives to reduce the carbon impact of employee travel, including a company travel plan since 2010 and an agreement on teleworking since 2018.

Numerous measures have been implemented in TF1's company car fleet to reduce emissions from this item. New orders are subject to caps of 130g of CO_2 per km for petrol models and diesel models are no longer authorised from January 2021. In 2020, 17% of the vehicles in the fleet are hybrid, and to encourage employees to choose a vehicle that is cleaner or produces a minimum of CO_2 emissions, they are entitled to an increase in their vehicle allowance if it is hybrid or electric. In addition, the company provides all employees with a car-sharing fleet consisting of six urban electric vehicles, as well as dedicated parking spaces for their electric vehicles.

In addition, in December 2020, a new contract was signed, establishing a mobility loan for employees with the possibility of using a company car. It allows these employees to benefit from a loan to finance alternative means of transport if they give up their company car or if they choose a smaller or less polluting vehicle than the one to which they are entitled.

An electric bike-sharing service is offered to employees for their low distance business travel, replacing taxis. In 2020, on the occasion of Sustainable Development Week, TF1 launched the BeCYCLEZ platform, which gives employees access to numerous benefits when purchasing a new, high-quality urban bicycle. The Group also encourages the use of public transport by reimbursing the Navigo Pass at 80%.

4.1.5.6 RESPONSIBLE DIGITAL SERVICES

PLANET TECH'CARE

The TF1 group is one of the signatories of the Planet Tech'Care manifesto, an initiative of the professional organisation Syntec Numérique launched in early October 2020 at the instigation of the CNN (French Digital Council), which aims to support companies wishing to join forces with others to take into account the impact of digital technology in their environmental strategy, through the provision of teaching tools and a training programme. As a signatory, the TF1 group undertakes to measure the carbon footprint of its digital products and services, and then identify and implement concrete actions to reduce this impact, especially to extend the useful life of its digital products and services. Since the end of 2020, employees concerned by these initiatives have been invited to participate in the workshops offered by Planet Tech'Care. In addition, TF1 is also committed to raising awareness among stakeholders so that all players in the digital ecosystem are able to contribute to reducing their impact on their areas of responsibility.

DATA CENTRE RENOVATION

The TF1 group built two new data centres that will be fully operational by 2024. They will gradually replace the current technical rooms with the aim of replacing the racks with new generation equipment that uses less energy and of reducing their number. The work also includes a free cooling system, and the recovered heat will be used to heat the building.

4.1.5.7 CIRCULAR ECONOMY, WASTE PREVENTION AND REPAIR

WASTE MANAGEMENT

The main waste-generating activities primarily concern catering (packaging waste, food waste), office activities that include paper and other office supplies, works undertaken on buildings to modify and maintain installed building services and equipment, and IT and audiovisual activities (electronic waste).

In addition, concrete initiatives to reduce the Group's carbon footprint were put in place in 2020 at the "Tour" and Atrium sites, including emissions production activities, such as the elimination of plastic cups and the limiting the availability of plastic bottles in the company restaurant, replaced by metal cans.

This measure was accompanied by the distribution of a glass bottle for each employee, in order to encourage efforts to reduce the carbon impact.

Unify has also installed two "Transfarmers" composter flowerpots on its premises.

In addition, a profit-sharing criterion was created in 2020 concerning the reduction in the quantity of plastic waste collected for recycling (see Section 4.1.5.1).

INDICATOR: QUANTITY OF COLLECTED WASTE

Site	% revenue	From 01/10/2019 to 30/09/2020	From 01/10/2018 to 30/09/2019	From 01/10/2017 to 30/09/2018
TOTAL PLASTIC WASTE - TOUR/ATRIUM *(IN TONNES)*		0.52	1.14	-
TOTAL WASTE - TOUR/ATRIUM *(IN TONNES)*	82	444	627	830
Total waste recycled - TOUR/ATRIUM *(in tonnes)*	82	306 (69%)	365 (58%)	467 (56%)

The sharp decrease in the amount of plastic waste collected is explained by the exceptional conditions related to the health crisis, which have resulted in a decrease in the number of employees on-site and the interruption of the recovery of plastic waste collected for recycling during the period from March to June 2020 inclusive.

MEASURES TO SUPPORT SUSTAINABLE FOOD AND PREVENT FOOD WASTE

For catering, TF1 and Bouygues Énergies et Services ask, as a contractual guarantee with the service provider, to favour local purchases, organic products and seasonal vegetables, with a full organic meal offered every day. Actions to reduce food waste have been implemented: a contractual weight of dishes by the catering services provider (SODEXO), second portion of bread to be paid for, introduction of trays for the collection of condiments in bags not used for their recycling.

PREVENTING AND REMEDYING EMISSIONS

TF1 head office operations do not result in effluents being released into the water or soil.

In the specifications written for maintenance contractors, the Group requires certification that a policy aiming to reduce the use of products that are harmful for the environment has been observed. Our maintenance partner, ONET, has introduced a solution for producing a surface-cleaning detergent and a disinfectant using fresh water and salt *via* a water electrolysis process.

In accordance with regulations, wastewater from the canteens is filtered in a grease tank that is regularly emptied by PFD. Similarly, the surface water from the car parks is collected in a special tank for water containing hydrocarbons that is emptied by PFD.

NOISE AND ODOUR POLLUTION

Suppliers (of cooling systems, air-cooling towers, air handling facilities and electrical generator units) are assessed on the performance of their products in terms of noise pollution. An acoustics specialist is occasionally called in to verify the quality of these products. To measure the potential noise pollution for employees, the Group also calls on the services of a firm specialising in acoustics when doing work on its premises. The results are presented to the Health, Safety and Working Conditions Committee (CSSCT). During the renovation of the headquarters' generators, a Venturi-type ventilation system was installed on the generator exhausts to improve the air mixture and consequently reduce the impact of exhaust gases.

EFFECT OF RADIO WAVES ON HEALTH

Regarding the broadcasting antenna located on the roof of the main TF1 building in Boulogne-Billancourt, measurements of exposure to electromagnetic waves taken when the equipment was installed in 2007 and communicated to the Health & Safety and Working Conditions Committees, showed that authorised levels in the accessible area around the antennas were not being exceeded. Entrance to this area is reserved for a few technicians only, and the security zone is clearly marked and off-limits to unauthorised personnel. The instructions for the reception and broadcasting equipment installed in Satellite News Gathering (SNG) vehicles are updated on a regular basis. Mobile aerials (broadcasting vehicles, air-transportable aerials) were also assessed by the approved laboratory, APAVE, which found no anomalies. Operators must follow safety procedures when installing such aerials, and a one-and-a-half metre safety zone is marked out around such equipment when on the ground.

Concerning the 4G transmission system used during outside news coverage operations, measurements made by the EMITECH laboratory show that the Specific Absorption Rates, or SAR, are clearly compliant. The maximum SAR for the head and the trunk must not exceed 2W/kg and the SAR measured by the laboratory EMITECH is 0.795W/kg. User instructions are displayed in news coverage logistics units and provided to the News Coverage Department. The Medical Department is highly vigilant and examines every radio wave-emitting system that is put into service.

TF1 checks parcels and envelopes received using an X-ray machine. Pursuant to regulations, this equipment is authorised by the French Nuclear Safety Authority and two managers were trained and appointed to the role of Radiation Protection Officer for the purposes of ensuring that equipment is checked and maintained in accordance with applicable regulations. An Annual Report is submitted to the CSSCT.

4.1.6 CONTENTS RELATED TO THE ECOLOGICAL TRANSITION (PROJECT 2) *CONTENTS*

The TF1 group raises public awareness of environmental protection through numerous programmes on its channels as well as through the digital content it publishes, being aware of its impact on the changes brought about by examples of best practices. Indeed, according to an IPSOS survey for Ushuaïa TV conducted in 2020, 92% of French people believe that the media have an essential role to play in raising public awareness of environmental issues.

4.1.6.1 AUDIOVISUAL CONTENT

USHUAÏA TV

Thus, during the year 2020, Ushuaïa TV, the only channel dedicated entirely to the preservation of the planet and whose broadcasting extends to 30 French-speaking countries, celebrated its 15th anniversary. On this occasion, the channel welcomed a new face on its channel: Fanny Agostini, who is at the helm of a new monthly magazine entitled "En Terre Ferme", which aims to highlight civic engagement and reconnecting with nature. Certain intense moments of the year are also marked more strongly, such as the "Month of the Oceans", during which the ambassador Estelle Lefébure, very involved in the protection of the oceans, presented six themed evenings.

In order to offer a wider exposure to the content produced for Ushuaïa TV, it was decided in 2020 to dedicate a programming slot to them on Saturday morning on the flagship channel TF1, as part of a programme entitled *Génération Ushuaïa* embodied by Fanny Agostini.

In addition, in 2020, eight documentaries produced for Ushuaïa TV won the Deauville Green Awards, of which group TF1 is also a partner. These documentaries include *Il faut sauver les Alpes!*, directed by Laurent Lichtenstein, which won the Documentary Grand Prix and Green Gold Award in the "Fight and adaptation to climate change" category.

NEWS

The news focuses to a large extent on environmental issues. According to the Media Climate study conducted by "Reporters d'espoirs" in July 2020, over the last ten years, this proportion has increased nearly threefold in the evening news programmes. The change was observed by viewing of the evening news programmes on TF1 and France 2 over the period from 20 October to 20 November, for the years 2010, 2018 and 2019. Thus, in 2019, 17.3% of TF1 tv news related to environmental topics (compared to 5% in 2010), such as inclement weather aggravated by climate change, pollution, deforestation, biodiversity and the energy transition. In addition, weekly sections dedicated to the environment are already featured on TV news programmes, such as *Planète Week-end*, *Demain* and *La France Défigurée*. The programme *Quotidien* regularly deals with the latest news of the planet on the ground in France and abroad, with analyses of changes in international and regulatory issues.

CHILDREN'S PROGRAMMES

In TF1's youth slot, TFOU, campaigns to raise awareness among young people have already been set up, particularly during European Sustainable Development Week and World Oceans Day, during which new episodes discussing respect for the nature and environmental protection are promoted. Some programmes, such as "Barbapapa", in most of their episodes promote the values of kindness, living together, diversity and environmental protection.

DRAMA

In addition, the daily series *Ici tout commence* and *Demain nous appartient*, as well as the series *Clem*, include messages encouraging respect, protection of the environment and responsible consumption, particularly of local and seasonal products. mostly promoted in *Ici tout commence*.

MAGAZINES AND DOCUMENTARIES

In addition to the slot newly created in early 2021, the news magazines of the TF1 channel devote a large part of their articles to environmental issues. "Grands reportages" regularly focuses on committed women and men and families who do something for the environment.

ENTERTAINMENT

Daily entertainment programmes showcase ecological initiatives. For example, the programmes *Les plus belles vacances* and *Bienvenue chez nous* regularly show examples of healthy and ecological holidays, the programme *Famille nombreuse, la vie en XXL* hosted a family practising zero waste for two months, and the weekly programme *Cleaners* highlights "home-made" solutions for the manufacturing of household products.

SHORT PROGRAMMES

For the past 12 years, the programme *Petits plats en équilibre* has been highlighting home cooking, the consumption of seasonal products and the reduction of waste.

Every week, *Habitons demain* allows viewers to discover an innovative and responsible concept in the field of housing.

CINEMA

In 2020, Newen also produced the documentary "Animal" by Cyril Dion, which deals with the issue of the mass extinction of the planet's animals, to be released in theatres scheduled for 2021.

4.1.6.2 DIGITAL CONTENT

TF1

The "Live Ecology" section, which brings together all environmental topics, as well as the "Positive Impact" section dedicated to positive solutions and initiatives were created in 2020 on LCI.fr. They are in addition to Sylvia Amicone's podcast *Impact Positif* created in 2018, which meets up with those who, faced with the climate emergency, are implementing concrete projects.

UNIFY

Unify, through the "Unify for Good" label, has taken a very firm stand thanks to leading brands in digital, including:

- Marmiton's main mission is to raise awareness about the impact of cooking on our lives, whether on health, the planet or the socio-economic fabric. The brand supports the French in their food transition, with an editorial approach resolutely focused on reducing food waste (Week of challenge "I reduce my waste in the kitchen" organised in November 2020 on the website and social networks for the occasion of European Waste Reduction Week) and everybody's impact on the planet. For example, "Veggie" Monday, a day of the week when Marmiton only offers vegetarian recipes, and the implementation of the eco-score to determine the carbon footprint of each recipe. The Marmiton website and magazine ensure that seasonal products are highlighted throughout the year, with adapted recipes;
- the "Green Letter" of My Little Paris is a weekly newsletter of ideas combining city and ecology, and encouraging more virtuous habits;
- the "Juste Mieux" medium created by Vertical Station in 2019 produces more than 100 videos a year on ecology with tutorials on more responsible consumption, highlighting sustainable initiatives and inspiring speeches;
- Doctissimo has included Alice Desbiolles, a public health doctor specialising in environmental health, on its committee of experts, and provides advice on how to achieve zero waste or have a clearer picture of cosmetic labels;
- "Les Numériques", which is the first online magazine dedicated to the testing of digital products, in particular with comparative measurements of energy and water consumption, and the inclusion of a repairability index in product ratings.

4.1.6.3 LICENSED PRODUCTS

Through the license brands, the TF1 group also promotes respect for the environment and the protection of the planet through product development related to traditional brands such, as with "Mille Bornes Green" edited by Dujardin (which adapted this famous games with attacks and parades linked to energy transition or and the board game *Ushuaïa* through communication support of brands managed under licence in collaboration, or with the Smurfs, which, thanks to their special graphic charter makes it possible to communicate on the United Nations sustainable development goals of which they have been ambassadors for many years.

4.1.6.4 PARTNERSHIPS

TF1

The TF1 group has entered into a partnership with "La Fabrique des Récits", a community run by Sparknews serving content creators to accelerate the ecological and solidarity transition. This collective makes it possible to identify positive initiatives around the world, to nurture relationships with stakeholders in impactful innovation, to create stories to raise awareness and inform about major social and environmental issues, and to mobilise ecosystems and bring together communities to create a positive dynamic.

The TF1 group has also entered into numerous partnerships with festivals and competitions, for which the Group provides financial support, notably in the form of an award, and which make it possible to recognise and encourage initiatives and content on environmental issues.

The TF1 group also supports the Deauville Green Awards, which reward and showcase the production of sustainable development content. In 2020, the special "TF1 Initiatives" prize was awarded to Nicolas Koutsikas, producer of the film "Giant fires: investigation into a new scourge".

USHUAÏA TV

The channel Ushuaïa TV is a sponsor of several festivals, notably the "Le Temps Presse" festival, which inspires and raises public awareness through a selection of films illustrating the sustainable development goals, and, for two years has been a sponsor of the "Climate-Environment" day of the Luchon festival, during which it awarded prizes to the explorer Jean-Louis Etienne and the film maker Yann-Arthus Bertrand. For many years, Ushuaïa has also supported events, some of which were able to take place in 2020: the "Météo-Climat" forum, which raises public awareness of climate change on the forecourt of the Paris City Hall, and the "Fête de la Nature", during which everyone can live an experience in contact with nature in France.

LCI.FR

Through its partnership with EPE (businesses for the environment), LCI organises the EPE-LCI awards each year, which, in the form of an appeal for projects, targets students and young graduates under the age of 30 who wish to propose concrete solutions to better match their ecological convictions with their current or future career. In 2020, under the theme of nature in the city, the EPE-LCI first prize was awarded to "Les Jeunes Pousses", an urban micro-farm in Avignon. The 2021 edition will appeal for projects dealing with sustainable finance.

UNIFY

Unify partners with the Good Planet Foundation through the Marmiton brand, to shed light on current issues and propose simple solutions to reconcile health, ecology and pleasure in the plate, anti-waste and more plant-based food. This partnership includes a double page spread in each issue of the magazine and the production of videos by Good Planet, published on the social networks and the Marmiton website.

NEWEN

Newen is a partner of the "Atmosphères" festival, which aims to promote a more sustainable world through cinema, art and culture with the aim of raising public awareness of environmental issues.

In addition to providing financial support, Newen contributed to the organisation of the fictional drama competition by participating on the jury and mentoring the winner for one year for the development of the script and the film project.

4.1.7 RESPONSIBLE ADVERTISING (PROJECT 3) CONTENTS INTERNAL EXTERNAL

4.1.7.1 ADVERTISING OFFERS

TF1 PUB

Since 2011, TF1 PUB has offered eco-responsible programs to raise awareness and support brands towards more responsible communication.

In 2018 TF1 PUB created the "One Planet" screen on TF1 open and reserved for sustainable advertisers.

In 2019, TF1 PUB created the "Eco Respons'ad" offer, available for products with a label validated by ADEME, French agency for the environment and energy management, (organic farming, ecolabel, French environmental standard). This offer encourages advertisers to be more responsible in their communications on the Group's channels by making available specific commercial offers (broadcasts during prime time, specific "consom'acteur" targets, broadcasting with My Green Screen, a dedicated advertising screen with two specific TF1 PUB jingles with green themes on either side of the advertising spot).

In 2020, TF1 PUB is the first multi-media advertising agency to work alongside Goodeed, and market the solidarity advertising format on digital and terrestrial, enabling brands to act alongside internet users and to donate part of their budget to charities.

Sustainable development and the circular economy, respect for people and animal well-being, responsible, fair and sustainable food, and the promotion of healthy eating habits are some of the elements taken into account by the ARPP (French professional advertising authority), which screens all advertising spots before they are broadcast and whose opinions are followed by TF1. The aim of this preliminary work by the ARPP is to not validate any message contrary to the provisions of its sustainable development recommendation.

In addition, the Programming & Broadcasting Division of TF1 PUB, the Group's airtime sales house, views all adverts prior to broadcast, sometimes with input from Legal Affairs. TF1 PUB thus reserves the right, even if the ARPP has validated the message, to refuse any advertising spot on the basis of environmental criteria.

In addition, in 2021, the sponsor of the new TV programme *Génération Ushuaïa* is subject to approval by the channel, and for the first time by the TF1 group CSR Department.

UNIFY ADVERTISING

The "DOERS" programme also enables companies to consult the Vertical Station communities (17 million subscribers on social media) on a specific issue, in order to change the way they communicate and their CSR programmes, or even to address a new method of identifying market needs for their R&D programmes.

4.1.7.2 COMMITMENTS TO THE ADVERTISING ECOSYSTEM

Unify Advertising and TF1 PUB are signatories to the "solidarity advertising pact" launched by the WhatRocks Foundation. By making all of its media brands available, Unify Advertising and TF1 PUB are helping to highlight new ways of financing major social and environmental causes.

MyTF1, as well as Unify Advertising, are certified with the Digital Ad Trust label, and have joined this demanding label for better transparency and advertising quality. Since 2017, this label has offered guarantees on the security of the environments of the websites in which the brands appear to meet the new requirements of advertisers and users.

TF1

For several years, TF1 PUB, as the leading advertising network, has sought to unite advertisers and media agencies on the theme of responsible consumption and has increased awareness-raising initiatives for this target with two REF magazines specialising in CSR in 2015 and 2017.

In June 2019, TF1 PUB brought together all the players in the advertising ecosystem for a major campus event, "Conquering the civic consumer", held at La Seine Musicale with many speakers including Jacques Attali.

In addition to these communications and the campus event, TF1 PUB initiated numerous partnerships and participated in videos, interviews, studies, publications and BtoB conferences such as "Com For Good" organised by *Stratégies* in February 2020, entitled "brands faced by their responsibility".

Green Advertising Committee

In 2020, TF1 PUB launched a Green Advertising Committee to feed into the TF1 group's thinking on the energy and climate roadmap, out of which four projects have arisen:

- measuring the carbon impact of the advertising network and campaigns;
- reducing the carbon footprint by identifying existing and future actions;
- expression through the TF1 PUB ecosystem *via* the contribution to work carried out at inter-professional level (including the calculation of the impact of campaigns);
- the renewal of CSR offers, through the development of responsible advertising possibilities.

TF1 is a signatory to the new CSA Food Charter, which came into force in January 2020. To this end, the Group undertakes to broadcast at least 17 hours of programmes annually promoting healthy living and healthy and sustainable food at favourable times, and to refer to the mangerbouger.fr site.

UNIFY ADVERTISING

Unify has created the 'Unify for Good' label, bringing together all the actions carried out by the Group's publishers, such as the creation of engaged events and actions, and providing the Group's partners with advice in terms of sustainable behaviour.

4.2 KEY SOCIAL AND SOCIETAL ISSUES

4.2.1 SOCIAL AND SOCIETAL REPORTING PARAMETERS

Scope: The entire TF1 group, including Newen, Unify and PlayTwo, unless expressly stated.

Period: Reporting on social and societal aspects is for the period from 1 January to 31 December 2020.

It should be noted that the indicators on fixed-term contracts also include apprenticeship and vocational training contracts.

4.2.2 GENDER EQUALITY (PROJECT 4)

For many years, the TF1 group has been working to promote gender equality, both on its channels and in digital services, as well as internally and externally.

The TF1 group is also committed to the fight against sexism, sexual harassment and violence against women.

4.2.2.1 ACTIONS TO PROMOTE THE REPRESENTATION OF WOMEN IN CONTENTS

CONTENTS

MEASURING THE REPRESENTATION OF WOMEN IN THE NEWS

Tf1

Aware of the efforts to be made to strengthen the representation of women experts in the news, the TF1 channel has undertaken to ensure that the proportion of women experts on the set gradually moves towards gender equality and pays attention to the place of women in all TV news programmes, including the subjects.

To this end, in 2016, the TF1 group conducted its first voluntary annual survey on the place of women in the news.

Since then, the survey has been conducted annually and has consisted of quantifying the women involved in TF1 news broadcasts and identifying in what capacity.

A very clear increase was recorded each year from 2016 to 2019 inclusive.

	2020	2019	Chg. 2019 *vs.* 2016
Women in the news	39%	41%	+7pt
Women presenters outside TF1	39%	41%	+7pt
TF1 woman experts	48%	45%	+17pt
Non-TF1 woman experts	27%	30%	+8pt

The 2020 survey, which covered two distinct periods (beginning of the year and autumn of 2020), *i.e.* a total of nine weeks compared to 11 the previous year, shows a slight decline due to the health crisis and the over-representation of men as government spokespersons and scientific experts. However, the proportion of female TF1 experts rose by 2.7 points between 2019 and 2020.

2020	September-October	January-February
Women in the news	40.6%	37.4%
Women presenters outside TF1	40%	37.4%
TF1 woman experts	58.7%	23.5%
Non-TF1 woman experts	32%	21.8%

In the spring, aware of the decline in the proportion of women, TF1's editorial staff alerted journalists to this point and sought to step up their actions in favour of better representation of women from the medical world in particular. This approach has borne fruit as there has been an increase in all categories measured.

Lci

LCI is committed to ensuring that the proportion of women on set is at least 30% and is gradually moving towards parity. The figures are tracked every three years.

LCI ensures that the proportion of female politicians on set gradually tends towards parity. The CSA assesses the fulfilment of this commitment by taking into account the reality of the political landscape and the necessary compliance with the rules relating to the speaking times of political figures.

In 2020, at LCI, there were 39.82% of women appearing on set and 41.22% of female politicians among those invited.

Actions implemented

The first survey on measuring the representation of women on TF1 news broadcasts led in 2017 to training for contributors to news programmes (journalists, editors, documentalists) to raise their awareness of this issue and provide them with insights to improve the representation of women.

This survey also highlighted the need to support women experts to train them in the needs of TV journalists. Since 2016, the TF1 group has held two events entitled “Experts à la une” to give women experts access to television programmes through media training sessions, discussions with the editorial staff and inspiring meetings. A third edition is being prepared for 2021.

The “Experts à la une” brand has been rolled out in podcasts produced by the TF1/LCI.fr editorial team since September 2020 with interviews of approximately 45 minutes already conducted with nine women, including Elisabeth Moreno, Minister Delegate for the French Prime Minister, in charge of Gender Equality, Diversity and Equal Opportunities, and Marlène Schiappa, Minister Delegate to the Minister of the Interior, in charge of Citizenship.

In 2020, the TF1 group again organised media training sessions for women who won the “Femmes en vue” competition organised by the Vox Femina association.

The editorial staff of TF1, LCI and aufeminin have agreed to co-finance the expertes.fr platform of the company Egaé for three years from 2021, which lists women experts called upon to work in the media. This financial support helps to enrich the database of experts to which editorial staff can have access and anticipate future needs based on current events.

Drama

The artistic management team for drama also ensures a fair representation of women in its programmes with the highlighting of heroines as in the “Bazar de la Charité” or the adaptation of the real story of Jacqueline Sauvage followed by a debate on the subject of the fight of this woman, a victim of violence by her husband whom she killed after several years under his control.

Sport

For several years, the TF1 group has been supporting the “Sport Féminin Toujours” initiative by the French broadcasting regulatory authority (CSA) to promote the media coverage of women’s sport and the presence of women in sports’ governing bodies, and Doctissimo has published numerous articles on women’s sport.

The TF1 group played a key role in promoting women’s football by broadcasting the Women’s Football World Cup in 2019 with very good audience ratings and a journalistic coverage equivalent to men’s competitions (same commentators, post-match programmes, team announcements, etc.).

Children’s programmes

In 2020, TF1 co-financed the “Chouette pas chouette” entertainment programme launched by Make.org to raise awareness of stereotypes and fight against sexism among young audiences. The programme is being co-broadcast by TF1 from January 2021.

Digital

Unify publishes the aufeminin website, which for more than 20 years has been tasked with giving a voice to women through its content, videos and events, and promoting gender equality. The social media “Fraîches” also has topics devoted to female empowerment, the fight against sexism and violence against women, and body-positivism.

4.2.2.2 ACTIONS TO PROMOTE THE FEMINISATION OF GOVERNING BODIES *INTERNAL*

Convinced of the importance of gender equality for corporate performance, the TF1 group pursues a proactive and ambitious policy to promote gender balance and equality, particularly when it comes to the hiring of its employees and throughout their professional career.

This policy led to the monitoring of the following indicators and the implementation of actions aimed at increasing the number of women in governing bodies.

GENDER EQUALITY INDICATORS IN THE COMPANY

The extended Executive Committee of the TF1 group, including Newen and Unify, had ten members (excluding corporate officers) on 31/12/2020, including three women, compared with just one on 31/12/2015.

The representation of women on the TF1 group Management Committee, made up of the 156 key managers in the Group, including Newen and Unify, rose from 28% at 31 December 2015 to 45.5% at 31 December 2020.

The gender equality scores published in March 2021 by the TF1 group for the year 2020, were as follows:

TF1 SA: 85

TF1 PUB: 99

TF1 Production: 97

LCI: 85

e-TF1: 86

17 JUIN: 86 (Newen)

My Little Paris: 90 (Unify)

NEWEB: 85 (Unify)

In 2021, the gender equality indices for Newen and Unify will be published for the first time.

The Newen group is chaired by a woman, Bibiane Godfroid, and her Executive Committee has full parity with four women and four men. At Telfrance, a subsidiary of the Newen group, 60% of management positions are held by women and remuneration levels are as high if not higher than for men. Similarly, at 17 Juin, by far the largest proportion of journalists are women. Gender equality is practised at all hierarchical levels, 66% of Management Committee members are women.

Within PlayTwo, there is perfect parity, including within top management.

INDICATOR: BREAKDOWN OF THE WORKFORCE BY GENDER

Breakdown of the workforce by gender at 31/12 *(Scope: World, open-ended or OE and fixed-term or FT contracts)*	**% workforce**	**2020**	**2019**	**2018**
Women	100	56.3%	56.1%	55.7%
Men	100	43.7%	43.9%	44.3%

INDICATOR: PROPORTION OF WOMEN STAFF BY STATUS

At 31/12 *(Scope: World, OE, FT)*	**% workforce**	**2020**	**2019**	**2018**
% of women, clerical, administrative, technical and supervisory staff	100	62.7%	62.8%	65%
% of women, managers	100	56.0%	55.6%	55%
% of women, journalists	100	46.9%	46.9%	44%

INDICATOR: PROPORTION OF WOMEN EMPLOYEES BY HIERARCHICAL LEVEL

At 31/12 *(Scope: France, OE, FT)*	**% workforce**	**2020**	**2019**	**2018**
% of women in the Management Committee (top management)	89	45.5%	41.8%	37.2%
% of women in senior management as a whole (Deputy heads of Department, C5 and higher)	89	45.4%	47.7%	43.6%
% of women in the Group's key talents	89	44.8%	49.2%	42.5%

In 2020, a great deal of work was done in the Newen, Unify and PlayTwo subsidiaries to verify and match all contracts with categories C1 to C7, resulting in a significant change in the percentage of women in the entire senior management team.

ACTIONS IMPLEMENTED

Through the implementation of concrete actions (gender equality and performance action plan), the TF1 group[1] is positioning itself as an agent of change on the essential issue of gender equality in business:

- the training programme One's, intended for the high potential talents in the company, has 54% of women for the 2019/2020 season;
- the "Mixte Fifty-Fifty" network, created in 2015, which currently has 200 members, more than 20% of whom are men, regularly carries out awareness-raising, educational and discussion initiatives on the theme of diversity. This network is itself part of an inter-company network "Mixité en Seine" which gives opportunities for discussions between the CEOs of member companies and for joint initiatives;
- more than 135 employees have taken a "Women's Leadership" training course since 2012;
- three internal and joint mentoring programmes (with Bouygues Télécom, Cisco, Microsoft, SODEXO and the Bouygues group in general) have been offered to support women in their career development. This represents more than 200 employees over the past four years;
- the participation of mixed delegations in the Women's Forum;
- various actions to raise awareness of diversity in the form of masterclasses or workshops in addition to what is offered by the networks "Mixte Fifty-Fifty" and "Mixité en Seine";
- the TF1 group also participates in the Tech for Good working group to promote gender diversity in tech businesses, which collectively reports to the government on the progress made and actions implemented;
- TF1 group signed the French "Parenthood Charter" on 4 April 2016 and concrete measures have been put in place to encourage a work/life balance. In January 2020, the Group extended to four weeks (20 working days) the paternity leave initially set at 11 calendar days and renamed "second parent's leave";
- for external and internal recruitments: at least one woman must be on the short list for any recruitment of a manager, as well as for the recruitment of journalists;
- for each of the ten members of the TF1 group Executive Committee, 5% of their variable remuneration is indexed to CSR criteria, and for four of them it is based on gender balance.

Every year, during the Remuneration Reviews, special attention is paid to pay equity between women and men within the TF1 group and to the promotion of women, particularly to positions as "Head of Department" and above.

A diversity action plan was launched at the Bouygues SA Group in 2017. This action plan, which expired in 2020, included target figures for TF1 of respectively 50% women in the entire Group and 44% for key talents, and these were exceeded in 2019

A second action plan for the period to 2023 will be launched in early 2021 with new quantitative targets on the proportion of women in Executive/General Managers' Committees, among managers, talented managers and executives.

At Unify, a gender equality agreement has been in force since 2017, which provides for guaranteed pay equity and career development from hiring to leaving. The newly created recruitment unit ensures that Unify's commitments regarding equal treatment are met at the time of hiring and throughout the career, particularly during periods of maternity leave.

ACKNOWLEDGEMENTS

The TF1 group is ranked 22nd in the 2019 Ethics and Boards ranking of Women in Management, among the 120 large French companies in the SBF 120 and the leading media group.

The publication of the EQUILEAP ranking (Global Top 100) of the companies most respectful of gender equality for the year 2019 has been postponed until the spring of 2021. The TF1 group was ranked 24th internationally for the previous year and was ranked as the leading media group and number three company overall in France.

4.2.2.3 ACTIONS TO FIGHT VIOLENCE AGAINST WOMEN, SEXISM AND SEXUAL HARASSMENT

The TF1 group is very committed to the fight against all forms of violence against women, sexism and sexual harassment.

THE TF1 GROUP, A RELAY FOR INITIATIVES AGAINST VIOLENCE AGAINST WOMEN

CONTENTS

In this respect, in March 2020 TF1 and Unify relayed the "Stand Up" operation of the French Women's Foundation and l'Oréal Paris in the form of the broadcasting of an awareness-raising spot on its channels and websites in order to raise awareness of harassment in public places of which women are victims and to encourage bystanders to take action.

During the lockdown period, TF1 and Unify also widely relayed the Women's Foundation campaign to tackle the upsurge in domestic violence resulting from it and broadcast the ad appealing for donations free of charge on the airwaves, and the Group's websites and social media.

Eleven daily programmes "Who wants to earn millions at home?" broadcast by TF1 on the occasion of the first lockdown were dedicated to the Women's Foundation. Numerous personalities took part in the game and won prizes for the Women's Foundation, intended to fund accommodation and support for women victims of violence and their children.

(1) Historic TF1 group excluding Newen and Unify.

Unify entered into an annual partnership in 2020 with “La Maison des Femmes de Saint-Denis”, involving the three websites aufeminin, My Little Paris and Doctissimo. This includes financial support, a major campaign to prevent and raise awareness against violence against women, and a call for donations to support the work of “La Maison des Femmes de Saint-Denis”, which welcomes victims of violence in a unique place of care.

In addition, TF1 and Unify broadcast the “Be a man” spot produced for the “Maison des Femmes” at the end of 2020 to encourage men to take action against violence against women, to change their behaviour and to fight against their prejudices.

Lastly, in 2020, the TF1 group channels and Unify relayed the campaigns put in place by the government on violence against women, including contact numbers for victims or witnesses of violence against women. Unify, which is very committed to this issue, has also produced specific content on the subject of violence against young girls and the impact of violence against their mothers on children.

Doctissimo has written numerous articles on domestic violence and has included Ghada Hatem, founder of the “Maison des Femmes”, in its expert committee.

THE FIGHT AGAINST SEXUAL HARASSMENT AND SEXISM WITHIN THE COMPANY *INTERNAL*

Internally, the TF1 group is involved in two initiatives:

- the “For Women in the Media” (PFDM) Charter against sexual harassment & sexist acts in the media signed by Bibiane Godfroid as Chairman of the Newen group and Gilles Pélisson as Chairman of the TF1 group in 2019;
- the hashtag #StOpE initiative (stop ordinary sexism in the workplace) signed by Christelle Leroy, CSR Director of the TF1 group, in 2019. Inter-company discussions take place regularly to share feedback and launch joint initiatives.

The signing of these charters is accompanied by awareness-raising actions for TF1 group employees aimed at fighting sexism and stereotypes:

- the establishment of an investigation process for harassment or violence and training of harassment officers in 2019 and 2020;
- an Ines Dauvergne Master class in 2020 on the theme “Prevent ordinary sexism and create a respectful environment in the workplace”, supplemented by a “What sexist colleague are you?” test;
- the measurement of the perception of sexism in the company within the QVT observatory deployed in the spring of 2020;
- since the end of 2020, training on “Inclusive management” designed to provide managers with the tools to detect and prevent situations of ordinary sexism, racism, homophobia, etc. and to build a respectful and inclusive working environment;
- at Telfrance, a Code of Ethics based on the fundamentals of TF1 has been put in place, supplemented by the charter against sexual harassment, and is communicated to all new employees when signing their employment contract, including temporary workers and actors on the daily shows.

4.2.2.4 EXTERNAL ACTIONS IN FAVOUR OF FEMALE EMPOWERMENT *EXTERNAL*

Gilles Pélisson as Chairman of TF1, and Olivier Abecassis as Chairman of Unify are both signatories of the “Jamais sans elle” Charter, which is a movement in favour of diversity promoted by managers or people accustomed to speaking out in public debates and demonstrations and who refuse to participate if women are not also included.

Céline Orjubin, co-founder of the My Little Paris website, is a member of the Sista collective (to promote diversity in digital technology by encouraging investments in companies created by women) and creator of the “Mona” network (a community dedicated to women and their projects), with a dedicated place (Café Mona) in the Women’s Foundation “daring city”.

The aufeminin site is the initiator of the Orenda label, which identifies places that are committed and take action for empowerment, benevolence and inclusion.

Lastly, for many years, the TF1 group has been giving visibility on its terrestrial and digital channels to the campaign “Raise a finger for girls’ education”, of which Anne-Claire Coudray, journalist and presenter of the weekend news, is a sponsor.

In 2020, it became “Raise a finger for the education of the most vulnerable”, and the operation aims to raise funds for the associations “Toutes à l’école” (a campus in Cambodia) and “Ma chance moi aussi” which works in priority neighbourhoods of French cities.

4.2.3 INCLUSION (PROJECT 5)

4.2.3.1 DIVERSITY OF ETHNIC AND SOCIAL ORIGINS *CONTENTS*

THE TF1 GROUP, A REFLECTION OF THE DIVERSITY OF SOCIETY AS A WHOLE

On its channels and websites, TF1 strives to reflect the full diversity of society, without stereotypes. Quantified commitments are sent to the regulator each year concerning the visibility of people seen as non-white in dramas. In addition, a letter is sent every year to the producers of TF1 TV shows, games, entertainment and reality shows to raise their awareness of diversity in the programmes they produce for the channel.

TF1 is also committed to paying particular attention to the representation of all socio-professional categories.

News

The 1 pm TF1 news programme is emblematic for its links with rural life, farmers, the regions of France and a more elderly audience.

The News Department keeps a record of topics relating to diversity.

Drama

In dramas, the diversity of social and ethnic origins is often at the heart of the stories and the Drama Department requires in its contracts that the cast must include actors representing the diversity of French society. Many heroes and recurring characters are themselves from diverse backgrounds.

Entertainment

Entertainment programmes also showcase diverse candidates, talents or jury members or deal with these topics within the programmes themselves.

Cinema

The TF1 group is also the co-producer of the films *Hors Normes* and *Tout le monde debout*.

Thematic channels

The Histoire TV channel aired a cycle on slavery in 2020 "Black world, white eyes?".

Short awareness-raising programmes

For the third year in a row, the TF1 group broadcast the "Fraternité Générale" campaign created following the Paris attacks with the aim of promoting fraternity throughout France to fight rejection, prevent communities turning in on themselves and their identity.

Digital

The Doctissimo and "Fraîches" websites address the subject of racism, particularly the psychological consequences of racism.

DIVERSITY AND EQUAL OPPORTUNITIES WITHIN THE COMPANY *INTERNAL*

In 2010, the TF1 group was the first media group to obtain the Diversity Label, which was renewed in 2017. This label thus attests to the Group's exemplary nature in terms of preventing discrimination, and promoting equal treatment and diversity in the context of human resources management, in addition to its channels.

TF1 group HR teams(1) must follow a "recruit without discrimination" training course which will also be rolled out from 2021 to operational staff called upon to recruit.

TF1 Foundation *INTERNAL* *EXTERNAL*

Actions undertaken by the TF1 Corporate Foundation are focused on diversity and professional integration. Each year, the TF1 Corporate Foundation recruits a group of young people aged between 18 and 30 living in lower-income neighbourhoods. Candidates are selected by a panel of professionals. They are offered a two-year work/study placement with the TF1 group, supervised by a tutor and a mentor who will help them establish a network, instruct them on corporate principles and provide them with training recognised within the professional environment. The scheme covers more than 25 professions in the fields of journalism and audiovisual production, as well as the company's service businesses. For the 13th intake in September 2020, eight candidates were selected.

Over the years, the Foundation has seen a real diversity in the candidates applying to TF1. It also gives those with no formal qualifications the chance to regain confidence and return to the job market. Currently two journalists from the newsrooms have been recruited after a work-study programme run through the TF1 Foundation.

Each year, the Foundation sets up an inter-company internship programme in Year 10 with "Tous en stage" *via* a digital platform, to enable young secondary school students in priority education areas to find their first internship in the member companies. Having become virtual in 2020 due to the health crisis, the internships reached 660 students during the 2019/2020 school year and were supplemented by a challenge to practice delivering the internship report orally.

Lastly, the Foundation offers TF1 employees the opportunity to get involved in the "Stop Illiteracy" programme by supporting a certain number of employees with learning to read and write.

(1) Historic TF1 group excluding Newen and Unify.

ACTIONS TO PROMOTE THE PROFESSIONAL INTEGRATION OF YOUNG PEOPLE *INTERNAL* *EXTERNAL*

The Patrick Bourrat Award *INTERNAL*

TF1 organised the Patrick Bourrat Award for the eighth time in 2020. Open to final year students from 14 journalism schools, the competition offers nine candidates a summer fixed-term contract within the editorial staff to experiment with the different facets of the profession (commentaries on images, live coverage and outside broadcasting). At the end of this competition, four winners were chosen and were awarded a fixed-term contract for a period of ten months.

The Newen Foundation *EXTERNAL*

The Newen Foundation was launched at the end of 2019 with the aim of supporting and assisting, in all their diversity, the talents of tomorrow in audiovisual activities, with two grants already awarded to student screenwriters from the EAWC, as well as four more in 2020 and one writing residency.

The TF1 group supports associations that work for the professional integration of young people *EXTERNAL*

In addition, as part of its corporate sponsorship activities, TF1 has focused on professional integration with the following three major partnerships:

- The chance for diversity in the media which promotes the success of scholarship students in entering journalism schools.

  This partnership is reflected in financial support and support for the news teams. It is for this reason that 80 students from all over France attended TF1 in 2020 for a special exchange with Gilles Bouleau, sponsor of the new class, for a presentation of his professional career followed by a question-and-answer session. TF1 was represented on the jury for selecting these young for the class of 2020/2021,
- Action! which, through a competition, encourages young people between the ages of 14 and 22 from all backgrounds to make a ninety minute film about a person who inspires them. This approach aims to make these young people want to progress and grow through the exemplary nature of inspiring models and thus promote equal opportunities and the professional integration of young people through the competition and the support programme that goes with it.

  This partnership is reflected in the financial support of TF1, the organisation of the launch party for the class on TF1 premises, the relay of the highlights of the competition and the production of "inspired minutes" by personalities from the TF1 group. In addition, the TF1 Initiatives Award, sponsored in 2020 by TF1 group presenter Anaïs Grangerac, highlighted the achievements of ten winners whose themes reflect the major causes and values espoused by TF1. The ten winners won a discovery day at TF1, allowing them to familiarise themselves with the audiovisual industry.
- "Sport dans la ville", which supports young people from priority areas of the city to actively participate in their social and professional integration through sport. This support aims to enable each young person to gain in self-confidence and acquire the values that are essential for their future to give them the same chances of success. The partnership is reflected in the sponsorship of young people by TF1 group executives, observation internships for Year 10 students and financial support focused on the cross-disciplinary programme in the city, which targets the professional integration of young girls.

LINKS BETWEEN NEWS WRITING AND THE SCHOOL SYSTEM *EXTERNAL*

The editorial staff maintain close ties with the CLEMI (schools and news media liaison centre) and the French Department of Seine Saint-Denis and organise presentations by journalists for Year 7 through Year 13 on societal issues such as freedom of expression, for example.

4.2.3.2 DISABILITY

FOR A BETTER REPRESENTATION OF DISABILITY IN CONTENTS *CONTENTS*

At the end of 2019, Gilles Pélisson, Chairman and CEO of the TF1 group, signed the CSA Charter on the representation of people with disabilities in the audiovisual media, alongside other leaders. The signing of this charter sends another strong signal of TF1 group's commitment[(1)] in favour of a better representation of people with disabilities on its channels.

Through its content offering, the TF1 group contributes to changing attitudes by breaking down stereotypes about disability with, for example, the short programme *What is this question?*, which gives a voice to those who are victims of prejudice because of their difference, broadcast for the third consecutive year in the summer of 2020 as well as in news and entertainment programmes. The last season of *Danse avec les stars* saw the victory, in the final, of Sami El Gueddari, the swimmer with a disability.

A wide range of societal dramas also highlights the achievements of individuals with disabilities:

- *Au-dessus des nuages*, broadcast at the end of 2020, is the on-screen adaptation of the life of Dorine Bourneton, the first woman with a disability to become an aerobatic pilot;
- *Mention particulière* tells the story of the first person with Downs syndrome to take the baccalaureate. A second episode is in preparation;
- *Les bracelets rouges* deals with childhood cancer.

On the digital front, Doctissimo regularly dedicates topics to disability: for example, an outside broadcast on adolescents with cognitive disabilities and numerous articles on autism. aufeminin regularly interviews inspiring personalities on the topic of disability.

On the occasion of the European Disability Employment Week, the TF1 group took part in the national awareness day hashtag **#DuoDay2020** for the third consecutive year, by welcoming people with disabilities (one suffering from deafness and the other from multiple sclerosis) on its channels in the evening at times of large audience, who together presented the draw of the lottery and the weather forecast with the usual presenters.

(1) *Historic TF1 group excluding Newen and Unify.*

TOWARDS BETTER CONTENT ACCESSIBILITY *CONTENTS*

As a leading family-oriented channel, TF1 is duty bound to ensure that its programmes are accessible to everyone, particularly people with impaired hearing or vision[1].

Subtitling

Since September 2010 all TF1 programmes have been subtitled, in accordance with the Act of February 2005. In the case of news programmes, a special system has been introduced to deliver quick service combined with excellent quality when transcribing news item commentaries or what the journalist is saying in the studio. The system operates using a team of three people and voice recognition software. On 12 December 2011, TF1 signed the CSA's Charter on Subtitling Quality.

The Group's channels all go beyond their subtitling obligations.

Audio description

To serve the 1.7 million people in France suffering from impaired vision, TF1 offers programmes with audio description, a technique developed by the Valentin Haüy charity for the blind and visually impaired that allows people to "see" what is going on through an audio description of the action and setting.

Digital contents

With regard to the accessibility of digital content, the programmes of the Group's channels broadcast with subtitles or audio description are offered in replay on the MYTF1 website. In addition, the implementation of the "FACIL'iti" solution on the MYTF1 and LCI websites allows internet users to read the appropriate web pages according to the pathology, the nature of which they will have previously entered in the "FACIL'iti" website.

EMPLOYMENT OF PEOPLE WITH DISABILITIES *INTERNAL*

The TF1 group[1] has been involved since 2007 with the integration of people with disabilities into the company, with the creation of the disability mission and monitoring of the following indicators.

INDICATOR: NUMBER OF EMPLOYEES WITH DISABILITIES EMPLOYED BY THE COMPANY

(Scope: France)	% workforce	2020	2019	2018
Number of employees with disabilities at 31/12(all types of contracts)	89	90	90	81
Employees with disabilities hired during the year(fixed-term or open-ended contracts)	89	14	8	9

In 2019, Gilles Pélisson signed a manifesto initiated by Sophie Cluzel, Secretary of State for the Disabled, and the "Salon du Handicap" (Les Échos-Le Parisien group) to ensure better inclusion of people with disabilities in companies. The signing of this charter by around one hundred company executives gives rise to regular inter-company discussions to promote the exchange of best practices and feedback.

Disability agreement

In 2020, the TF1 group also signed its fifth disability agreement in order to pursue a proactive policy in terms of recruitment and retention, awareness-raising and training, and collaboration with the disabled sector.

This agreement includes a plan to hire 24 people with disabilities on open-ended or fixed-term contracts, a minimum of six which will be open-ended contracts, as well as recruiting 12 interns over three years.

It is based on the following actions:

- **recruitment,** by setting up sourcing contracts with specific recruitment firms and a dedicated employee within the recruitment team. Participation in the TF1 group's online job dating and by implementing actions to encourage applications from candidates with disabilities (partnership with Avisea, Cap Emploi and Job in Live); partnerships with associations or schools such as GEM (Master Data dedicated to people with Asperger Syndrome) and Jaris Canda (association for the reintegration of people with disabilities);
- **retention,** supporting employees by adapting workstations and making equipment available, improving the accessibility of premises, and training front line HR managers on retention; and by financing full pension contributions for part-time employees with disabilities;
- **awareness-raising and communication** to encourage employees and managers to change their view of disability, in particular by training newly elected officials, new managers, tutors of work-study students with disabilities, and disability awareness training;
- **subcontracting to the sheltered and adapted sector with the use of specialised companies** (companies specialising in assistance through work or adapted companies) – the drafting of social clauses to include them in calls for tenders in order to promote co-contracting with the adapted sector;
- the extension of the measure consisting of granting parents of children with disabilities or dependent relatives with disabilities additional days off that can be divided into half-days.

(1) Historic TF1 group excluding Newen and Unify.

Duo Day internally

Lastly, on the occasion of European Disability Employment Week, **the TF1 group took a number of initiatives:** the Group's HR Director spoke alongside the person in charge of the disability mission "Serious Game" on innovation and disability available to all employees, distribution of a new brochure on the acknowledgement of the disabled worker status (RQTH).

In this same context, the TF1 group was a sponsor of the second "Solidarity Innovation Night": a 100% digital humanitarian hackathon in which students and companies mobilise to respond to the issues faced by Handicap International.

Duo Day 2020 was also implemented internally within the newsrooms of LCI and TF1, which welcomed four people with disabilities during a day in partnership with the Act'Pro association, to share with them the daily life of the teams behind the scenes of programme preparation (shooting, editing, etc.).

Unify, with its committed media promoting the inclusion of all, applies the same treatment internally to its employees.

Newen conducts awareness-raising actions, particularly on film sets, in order to freely discuss disability with all employees, including temporary employees. This made it possible to recognise disability status for temporary staff. For 17 Juin, we can note the commitment of a columnist with a physical disability on the Health Magazine whose column is about "the differences".

4.2.3.3 FIGHTING LGBT+ DISCRIMINATION

THE TF1 GROUP, RELAYING LGBT+ CAUSES

CONTENTS

The TF1 channel was the first French channel to broadcast on television, in prime time, a series entitled *Louis(e)* featuring a transgender heroine.

The daily series produced by Newen and/or broadcast by *TF1 Plus Belle la vie* and *Demain nous appartient* address the themes of same-sex marriage, same-sex adoption and transidentity. The Newen group is also the producer of the film *L'étincelle: une histoire des luttes LGBT+*, released in theatres and broadcast on Histoire TV and as part of an internal evening organised for "L'autre cercle" Île-de-France.

The social media "Fraîches" addresses the topics of conversion therapy, homophobia and transidentity. The aufeminin website covers all topics related to gender identities to inform and break down preconceptions, and the aufeminin Instagram account regularly hosts a transgender beauty influencer.

In 2020, TF1 and Unify ran campaigns run by the French Refuge Foundation, which helps young people who are discriminated against because of their sexual orientation or gender identity.

TF1 GROUP COMMITTED TO THE FIGHT AGAINST LGBT+ DISCRIMINATION WITHIN THE COMPANY

INTERNAL

The TF1 group has been a signatory of the "L'autre cercle" Charter since 2015. In this context, two role models have been appointed within the TF1 group by "L'autre cercle" over the past two years as an LGBT+ ally and leader. TF1 employees were also asked at the end of 2019 to respond to the second LGBT+ survey | "L'autre cercle" – Ifop on the inclusion of LGBT+ people at work in France, the results of which, communicated internally in 2020, showed that the TF1 group was well positioned compared to companies that are not signatories to the charter.

Since January 2020, the TF1 group reviewed **childcare leave** so that the parent with the primary care of the child (including one born by assisted reproduction or surrogacy) receives the same benefits as parents entitled to maternity/adoption leave and also extended leave for the second parent (formerly paternity leave) from 11 days to four weeks. This allows any biological or adoptive parent, of the same or different sex as their partner, as well as single-parent families to benefit.

Lastly, TF1 group employees were invited to take part in the **Valentine's Day race** organised by Front Runners, an LGBT friendly running association in the Paris region, which aims to raise public awareness of all forms of discrimination, particularly those related to sexual orientation.

4.2.4 SOLIDARITY (PROJECT 6)

Through the reach of its television channels, the TF1 group has always been a key player in the field of solidarity. The TF1 group offers substantial financial support to foundations and associations and makes the fame and commitment of its presenters and journalists available to them to raise awareness and raise funds for various causes. Its large audience and the know-how developed over the years make it a key player from the point of view of the world of charity. The TF1 group as a whole also relays government health alerts and institutional messages from the CSA.

The global pandemic linked to COVID-19 has strengthened this role and the solidarity activities implemented in this context are described in Section 4.2.4.2.

During periods of lockdown, the TF1 group has also endeavoured to adapt its content offering by devoting more space to information with the promotion of solidarity operations and great initiatives to, in line with its mission, “positively inspire society”. The crisis has also strengthened the service dimension of the TF1 group, which has provided useful and practical information to protect, support and improve the daily lives of the population. The TF1 group has also widely disseminated the government’s institutional messages on the pandemic, in particular preventive anti-COVID measures. All the content implemented specifically during the health crisis is detailed in Section 4.2.3.3.

The corporate sponsorship policy is presented to the directors at least annually by the Ethics, CSR and Corporate Sponsorship Committee.

Support for associations and foundations involves, in addition to the CSR Department, channel management, airtime sales, programme units and communication teams, who regularly exchange views in order to provide a concerted and fair response to the many requests.

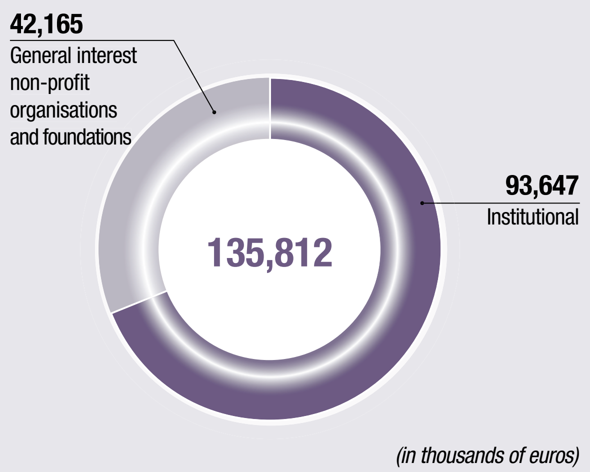
(€k)	2020*	2019	2018
Number of organisations having received donations	125	152	137
Valuation of free space allocated to associations and foundations of general interest and institutional messages	135,812	42,143	34,615
Donations to general interest associations/foundations	2,875	3,221	2,492
Pro bono for general interest associations/foundations	211	228	230
Contribution to TF1 and Bouygues corporate foundations and TF1 Diversité et Handicap HR budget	1,045	1,156	1,161
TOTAL VALUE OF INITIATIVES *(€K)*	**139,943**	**46,748**	**38,498**

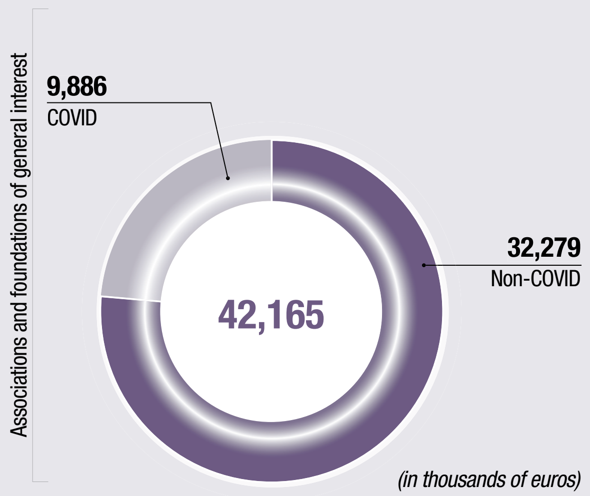
* *From 2020, the solidarity budget includes the valuation of free spaces and the sponsorship activities of Unify and Newen.*

The strong increase in the value of free spaces in 2020 is due to the high visibility granted to:

- institutional messages, which account for 69% of the total *vs.* 17% in 2019 due to a very high number of spots relating to the pandemic;
- the spots of associations/general interest foundations mobilised during the health crisis.

DETAILS OF THE VALUATION OF FREE SPACES ALLOCATED TO ASSOCIATIONS AND FOUNDATIONS OF GENERAL INTEREST AND INSTITUTIONAL MESSAGES





4.2.4.1 RECURRING CHARITABLE OPERATIONS

THE TF1 GROUP, A MAJOR RELAY FOR NON-PROFIT ORGANISATION *EXTERNAL CONTENTS*

The TF1 group provides free space on its channels and websites for a wide variety of causes (over 125 associations supported in 2020). The Group's social media are also relays for these operations.

The TF1 group gives priority to associations acting throughout France in the service of the most vulnerable, medical research and support for patients and their families. Among the most emblematic are "Les Pièces Jaunes", "Les Restos du Cœur", "Sidaction" and "Ela" (fight against leukodystrophy), which enjoy wide visibility with dedicated programmes. In 2021, the TF1 group intends to step up its action for the benefit of associations that help women and children who are victims of violence and offer greater visibility to those involved in the ecological transition.

In addition to high visibility for associations, the TF1 group:

- often provides assistance in the form of payment of gaming wins;
- shares its know-how regarding fundraising;
- makes free ads to call for donations or short programmes;
- contributes to the outreach of operations thanks to the fame of its journalists and presenters.

The Ushuaïa TV channel has been a member of "1% For the Planet" for five years and offers this philanthropic association free spaces on its channel.

During 2020, the Unify Group's websites also granted free space according to their possibilities to associations and foundations working in favour of medical research, aid to the most disadvantaged and sick people such as "Imagine for Margo" and the "Laurette Fugain" association.

The Unify Group also graciously supported the AIDES operation "Faites l'amour" to collect donations for the fight against HIV and viral hepatitis. This partnership included the production of educational editorial content on HIV, the link with cinema and the means of screening and help to deconstruct prejudices about the disease.

UNIFY, NEWEN AND PLAYTWO IN SUPPORT OF NON-PROFIT ORGANISATIONS *EXTERNAL CONTENTS*

La Maison des Journalistes

Through its subsidiary Capa, in 2020 Newen subsidised a room for a foreign journalist in exile in France *via* the association "La Maison des Journalistes", whose mission is to defend the fundamental values of free information in the world by welcoming and accompanying media professionals who have come to seek refuge in France.

La Maison des Femmes

In 2020, Unify gave financial support to "La Maison des Femmes" in Saint-Denis, which welcomes victims of violence in a single place of care, through financial support, and relayed appeals for donations to support the work of "La Maison des Femmes" in Saint-Denis involving aufeminin, My Little Paris and Doctissimo.

The Unity collective

The PlayTwo label, in partnership with the TF1 Foundation, has just launched the Unity collective, bringing together the following artists: Dadju, Hatik, Soolking and Imen Es. 10% of the revenue from the single will be donated to associations that help the homeless and vulnerable families, who are the direct victims of the health crisis.

SOLIDARITY AT THE HEART OF THE COMPANY *INTERNAL*

The TF1 group as a whole involves its employees through charitable operations carried out by the Group. In 2020, the TF1 group also organised, for the third year in a row, a commitment week with the theme of solidarity for the Group's employees through:

- highlighting the solidarity operations in connection with COVID-19 deployed on the channels and digital media by giving evidence of the employees involved;
- the "Coup de pouce à vos assos" operation, intended to provide financial support for ten associations in which employees are involved and whose missions are highlighted on the Group's intranet and the employees themselves during the award ceremony;
- a round table featuring representatives of three foundations supported by the TF1 group during the first wave of COVID-19: the "Hôpitaux de Paris-Hôpitaux de France" Foundation, the French Foundation for Medical Research and the Women's Foundation;
- a moment of sharing with the TF1 Foundation and a focus on the virtual internships organised by "Tous en stage" for pupils in Year 10 during the lockdown;
- solidarity actions implemented by employees themselves during the lockdown.

4.2.4.2 SOLIDARITY LINKED TO THE COVID-19 HEALTH CRISIS

THE TF1 GROUP SERVING NON-PROFIT ORGANISATIONS DURING THE HEALTH CRISIS

EXTERNAL CONTENTS

From mid-March, the TF1 group has been using its channels and digital media to support COVID-19 solidarity operations with targeted actions for:

- the needs of hospitals and care homes for the elderly, whether for healthcare staff, patients and their families or the financing of medical equipment;
- medical research on emerging viruses including coronaviruses;
- Support for disadvantaged or isolated people who are particularly vulnerable during the health crisis;
- the consequences of lockdown in terms of violence against women.

The Group also relayed information messages related to:

- violence against children;
- the Solidarity Concierge service made available to isolated people by the French Red Cross.

In addition, the TF1 group has also adapted its programming with programmes dedicated to associations and foundations playing a key role in each of the above sectors. A total of 40 specials of "Who wants to earn millions at home?" were broadcast, at the end of which the TF1 group donated more than €600k to the following four charities: the "Hôpitaux de Paris-Hôpitaux de France" Foundation, the French Foundation for Medical Research, "Les Restos du Cœur" and the Women's Foundation.

In total, nearly 30 associations linked to the health crisis were supported through the free broadcasting of awareness-raising spots or appeals for donations, and for certain products pro bono by TF1.

The Unify Group's websites also offered free space, depending on availability, to relay the prevention messages of the French Ministry of Health and Public Health. Unify has also supported the target actions defined by the TF1 group by giving visibility on its websites to the following associations: APHP Foundation, the "Hôpitaux de Paris-Hôpitaux de France" Foundation, Protect your caregiver for the medical section, Women's Foundation, etc. "Maison des Femmes" and "One in Three Women" for violence against women, as well as "Secours Catholique" and "Entourage" for assistance to the most vulnerable. Lastly, Unify also supported the "Save Our Stores" operation to revive local commerce when stores reopen after lockdown.

4.2.4.3 A CONTENTS OFFERING IN THE SERVICE OF THE PUBLIC ADAPTED TO THE HEALTH CRISIS *CONTENTS*

The continuity of broadcasting was a major concern during the health crisis linked to the global pandemic, which strengthened the societal dimension of the TF1 group.

In addition to disseminating government messages on preventive anti-COVID measures and all the recommendations to prevent the spread of the virus and overloading of hospital services, the TF1 group sought to support French people during the periods of lockdown by adapting its content in order to best meet their information and entertainment needs.

NEWS

In the area of news, TF1 therefore decided to significantly prolong its news broadcasts in order to cover the health crisis and its impacts on our country in the most comprehensive and rigorous way, whilst showing positive initiatives taken by French people on a daily basis in new items that resonate with the TF1 group's mission to "positively inspire society".

The editorial staff and technical teams, on the front line to cover this unprecedented crisis, have endeavoured to produce quality, verified, service-oriented and educational news.

The 8 pm news highlighted the sharing of experiences with the item "Ma nouvelle vie". This item recounted the daily life of around 15 French people spread across the country. All faced with the pandemic and lockdown, they recounted their lives at work, at home, their activities, their charitable actions, and filmed themselves to testify over time and did this whilst being connected at all times with the TF1 editorial staff.

From 19 March, the TF1 and LCI editions also relayed the hashtag #solidaritéhopitaux to highlight the needs of hospitals and care homes for the elderly in areas under stress and, the services and products offered by companies.

Lastly, the "TF1 vous répond" item by journalist Garance Pardigon at the end of the 8 pm news answers viewers' questions to help deconstruct misconceptions and fight against fake news.

The 1 pm news also invited viewers to share their daily lives and their anecdotes by sending a few sequences of their lives, with funny, moving or surprising images to a dedicated email address for publication on LCI.fr, social media and, for some, broadcast at the end of the 1 pm news.

LCI proposed the programme "LCI vous donne la parole", to accompany viewers day after day in this unprecedented crisis. With gravity and good humour, they were informed about the evolution of the crisis, providing answers and practical solutions to the lockdown and shedding light on charitable initiatives on the ground but also on social media.

In April 2020, in partnership with Sciences Po, Bluenove, and with the support of Cognito, TF1 also launched a civic consultation on the consequences of the health crisis *via* an online questionnaire addressing the following three topics:

1. living at a distance (teleworking, distance learning, telemedicine, teleshopping, the digital divide, etc.);
2. our freedoms (health and freedom, safety and freedom, etc.);
3. the world of tomorrow (economy, social ties, etc.).

ENTERTAINMENT AND CINEMA

The TF1 group had to cease filming and adapt to these exceptional conditions to feed its programme schedules. The Group decided to strengthen its cinema offering around popular cult comedies and international family franchises. At the same time, “C’est Canteloup” offered an impertinent revisiting of current events.

The TF1 channel also offered special programmes “Who wants to earn millions at home?” dedicated to four major associations working with the French during the health crisis as well as the short programme “Duo longue distance” produced by TF1 Factory and broadcast on TF1, which featured duets of artists with a banner calling for donations for charities in France for COVID-19: HPHF Foundation, FRM, French Red Cross, Women’s Foundation, “Alliance Urgences”, “Emmaüs”.

CHILDREN’S PROGRAMMES

During the health crisis, TF1 partnered with the French Ministry of National Education and Youth’s “Learning Nation” initiative, through a programme on Ushuaïa TV and Histoire TV, as well as in free access on the MYTF1 platform, which consisted of offering numerous documentaries in line with the objectives and content of Year 7 through Year 13 school curricula.

At the same time, MYTF1 also offered an enriched range of documentaries in partnership with the channels Ushuaïa TV and Histoire TV to help understand the planet and its climate issues and shed light on historical events, etc.

Lastly, in May 2020, TF1 broadcast in its youth slots a hosted clip video “Miraculous” created by Zag and on “Kids & Family” in partnership with the City of Paris and Unicef France to highlight preventive anti-COVID measures for young audiences.

DIGITAL

LCI.fr has set up a chatbot in partnership with Doctissimo with the aim of responding in real time to all the questions asked by French people about the Coronavirus crisis and to fight against fake news. Available 24 hours a day and freely available on the LCI.fr website, the TF1 group’s virtual assistant was developed by the TF1 group’s editorial staff with the expertise of Doctor Gerald Kierzek (TF1/LCI emergency physician and health expert), the Doctissimo.fr teams and the French start-up Clustaar. To complete this local news system, live Facebook events were also organised on Doctissimo’s page with Dr Gerald Kierzek.

Marmiton encouraged the sharing of good recipe ideas by launching the hashtag #EnsembleEnCuisine operation: recipes to be made with children, 100% home cooking, feel-good cooking, etc. What’s more, Marmiton also offers live shows hosted by a chef to learn recipes that are original and easy to perform.

aufeminin has also offered a special feature on its website with many articles on how to best tackle the lockdown: activities to be carried out with children, DIY tips, well-being tips, sports advice, etc.

Lastly, during the lockdown for the tenth edition of its literary short story competition for non-professional authors, aufeminin launched a special edition BeCyclez on the theme of fundamental pleasures to help the population escape the lockdown through literature and creativity. During the competition, aufeminin also offered a weekly coaching session on Facebook with Matthieu Parcaroli, who shared his advice as a self-taught writer.

The TF1 group’s social media also mobilised to inform about the preventive anti-COVID actions to adopt and to raise awareness of the need to stay at home. Around a hundred videos were produced with our presenters, journalists and actors to encourage citizens to stay at home at the request of the Ministry of the Interior and the Ministry of Regional Cohesion with the hashtags #jerestealamaison and #restezchezvous or to support the caregiver.

Finally, during the first lockdown, “The Voice à la maison” on social media offered a daily meeting with the talents of The Voice of the current or past season who performed a track in tribute to healthcare staff, with an appeal for donations intended to raise funds for the “Hôpitaux de Paris-Hôpitaux de France” Foundation.

4.3 INTERNAL SOCIAL POLICY AND HUMAN RIGHTS

The topics of gender equality, inclusion and diversity are addressed in Section 4.2 “Key social and societal issues”.

In 2020, the health crisis impacted the ways of working of all TF1 group teams, which were able to adapt by anticipating the need for protective equipment starting in January, by extending access to teleworking as of 9 March and doing everything possible to protect the health and safety of employees on-site. The Group has also ensured that links are maintained with all employees and that the well-being of all is taken into account by intensifying internal communication and adapting the training offer.

4.3.1 INTERNAL SOCIAL POLICY *INTERNAL*

4.3.1.1 SOCIAL REPORTING PARAMETERS

Scope: all employees with an employment contract with the TF1 group, including the most recent subsidiaries (Play Two, Newen and Unify).

The workforce percentages mentioned throughout this section are based on the 2020 scope. The indicators in this section cover four different areas, expressed as a percentage of the workforce:

- 100%: World;
- 89%: France;
- 78%: France open-ended contracts;
- 77.2%: France open-ended contracts excluding suspended contracts.

It should be noted that the indicators on fixed-term contracts also include apprenticeship and vocational training contracts.

Period: 1 January to 31 December 2020.

The information published below includes TF1 SA as well as the Group’s historical subsidiaries and PlayTwo, Newen and Unify, unless expressly stated.

4.3.1.2 WORKFORCE

OPEN-ENDED (OE) AND FIXED-TERM (FT) CONTRACTS

INDICATOR: GROUP OE AND FT WORKFORCE

At 31/12 *(Scope: World, OE and FT)*	% workforce	2020	2019	2018
Clerical, administration, technical and supervisory staff	100	896	944	955
Managerial	100	2,253	2,173	2,076
Journalists	100	548	569	560
TOTAL	**100**	**3,697**	**3,686**	**3,591**

INDICATOR: GROUP OE AND FT WORKFORCE BY GEOGRAPHIC REGION

At 31/12 *(Scope: World, OE and FT)*	% workforce	2020	2019	2018
France	**89**	**3,297**	**3,301**	**3,232**
International	**11**	**400**	**385**	**359**
Europe (excluding France)	8.1	300	317	283
World (excluding Europe)	2.9	100	68	76
TOTAL	**100**	**3,697**	**3,686**	**3,591**

INDICATOR: AGE PYRAMID AND AVERAGE LENGTH OF SERVICE

At 31/12 *(Scope: World, OE and FT)*	% workforce	2020	2019	2018
< 25 years old	100	337	341	285
25-54 years old	100	2,977	2,985	2,979
55 and over	100	383	360	327
Average age (France)	89	39.48	39.42	40
Average length of service at TF1 group (France)	89	10.07	9.65	12

INDICATOR: TYPE OF EMPLOYMENT CONTRACT

At 31/12 *(Scope: World, OE and FT)*	% workforce	2020	2019	2018
Number of employees on OE contracts	100	3,206	3,207	3,135
Number of employees on FT contracts (including apprenticeship, work-study, professional development contract, etc.)	100	491	479	456
o/w number of employees with a professional development contract	*100*	*121*	*189*	*163*
o/w number of employees with an apprenticeship contract	*100*	*162*	*79*	*67*

INDICATOR: PERCENTAGE OF FULL-TIME EQUIVALENT (FTE) WORKERS OVER 12 MONTHS AMONG TEMPORARY EMPLOYEES (EXCLUDING FREELANCERS)

January-December *(Scope: World total temporary staff end of month/total temporary staff end of month + workforce on OE contracts at end-of-year N)*	% employees	2020	2019	2018
Percentage of FTE workers	100	24%	26%	23.2%

TF1 group policy on the use of temporary employment

The use of temporary employment is inherent to the production business, particularly TF1 Production (percentage of temporary employment in 2020: 56%) or Play Two (temporary employment in 2020: 28%) and in the recently consolidated Newen Group (temporary employment in 2020: 66%), which explains the increase in full-time equivalents (FTE) of temporary staff since 2016. The use of temporary employment is standard industry practice in this sector, where activity is inherently unpredictable.

Status of temporary staff in TF1 group

In order to provide temporary staff with high-quality social security cover, the STP (a private television union) signed the National Inter-Sector Collective Agreement establishing collective cover for death and disability insurance, which TF1 group has applied since 2008.

TF1 group (not including Play Two and Newen) also gives eligible temporary staff the opportunity to benefit from the social and cultural activities offered by the TF1 group Works Councils and they are also eligible for the Group’s incentive and profit-sharing schemes. The latter benefit from the Bouygues group’s leveraged savings plans.

INDICATORS: HIRING AND DEPARTURES

INDICATORS: HIRES

January-December *(OE and FT)*	% workforce	2020	2019	2018
Number of hires on open-ended contracts, fixed-term, apprenticeship and professional training contracts	100	874	961	673
o/w open-ended recruitment, France	*89*	*286*	*355*	*241*

DEPARTURES BY REASON

January-December *(Scope: France, OE)*	% workforce	2020	2019	2018
Number of resignations	78	128	136	104
Number of compulsory retirements	78	0	0	1
Number of retirements	78	2	6	4
Number of redundancies	78	76	69	117
Number of mutually agreed terminations of contract	78	90	84	65

INDICATOR: INSTABILITY RATE

January-December *(Scope: France open-ended contracts) (total open-ended contract resignations + redundancies + total agreed contractual terminations)/average workforce open-ended contracts)*	% workforce	2020	2019	2018
Instability rate	78	10.02%	9.99%	10.9%

4.3.1.3 WORKING CONDITIONS AND QUALITY OF LIFE AT WORK

COMMUNICATIONS WITH EMPLOYEES

The communication tools put in place by the TF1 group *via* its Internal Communication Department help to create links, exchanges and sharing. The COVID-19 crisis has highlighted, more than ever, the essential role of internal communication in companies and the importance of a greater diversity of communication channels.

Informing, explaining, bringing together, sharing, involving and getting people to act, the approach to motivating nearly 2,500 employees is activated through a strong and regularly updated intranet: "news feed", corporate press releases, and messages from the Group Chair and interviews and Articles from the various entities/BUs, news from the TF1 group and Bouygues group, etc.

Since 2019, links have been established between the TF1 and Newen Group intranets, as well as with Unify.

In 2020, the "VousFaites" mobile application was completely revisited and new functionalities were added (holidays, teleworking, etc.).

Through around 50 monitors spread over our sites, the internal channel provides a daily reminder of the rules to be followed (health, particularly in 2020) and a sharing of the Group's news items (trailers, audiences, stock market news, dedicated business line videos, etc.).

Modelled on the TF1 internal communication website, the WE platform, an intranet for all employees to relay information and news, was set up for the Newen Group.

With the new ways of working tested through the initiative undertaken in July 2020, the strength of the collective effort led on a daily basis by local managers lies in collaborative tools. These same tools are also used to share new weekly or bimonthly meetings with employees. In this way, starting in April 2020, the "Une Heure avec" sessions, a new format for remote Master classes, proposed by the Talent Development Department, is an opportunity to share with the Chair, the members of the Executive Committee, but also with experts and coaches who speak for one hour to the hundreds of employees who follow them.

Within Unify, Olivier Abecassis, Chairman of Unify, led five plenary sessions between April and December 2020 for all employees to present the business, the measures taken in the context of the health crisis and respond to their questions. In addition, eight communications dedicated to the coordination of teleworking for the teams were sent to managers in 2020.

A weekly newsletter and regular mailshots are sent to TF1 group employees to highlight key events and to solicit employees' opinions through surveys, about management actions, etc. Lastly, in addition to Yammer Bouygues, a chat room exists and more than 30 groups have been created on topics ranging from IT to AS TF1 sporting events, including classified ads.

The 2020 crisis highlighted the flexibility of the Group's employees and the need to create new digital spaces in order to confirm and further strengthen discussions and collective dynamic.

Dialogue with the Group's employees also takes place through the coordination of the various company networks: Fifty-Fifty (mixed M/W network), 3.0 (young people in the company), Business Lab.

Internal communications also serve as a relay for the actions implemented as part of the TF1 group's CSR policy under the TF1 "Initiatives" banner.

Lastly, information concerning the TF1 group's strategy and its challenges is regularly relayed by management, with employees following meetings of the TF1 group's various management bodies (Executive Committee, Committee of General Managers and Management Committee).

It should be noted that at Blue Spirit (Newen) there are regular updates with certain Departments on the state of the company's projects and prospects, and on key events in the business, punctuated by screenings and meetings (first episode of a series, celebration of the fifteenth anniversary, etc.). Likewise, a chat system has been set up on the in-house software, *Simone*, to enable employees to exchange information.

ORGANISATION OF WORKING HOURS AND EXTENSION OF TELEWORKING

Agreements on adjusting and reducing working hours (Time Off In Lieu – TOIL agreements) have been reached in all Group companies since 2000 (changeover to 35 hours). They govern the different staff categories according to status, with agreements for permanent staff (production, technical and administrative staff and journalists) and for temporary workers.

Under the agreements applicable within TF1, non-managerial personnel work 37 hours per week and have 14 days of TOIL per year, and managerial staff, under a fixed number of working days (213 to 216 days), have 12 or 13 days of TOIL per year. The TOIL agreements negotiated therefore allow all staff to work on the basis of fewer annual hours than the statutory amount (1,607 hours and 218 days).

Working hours are monitored through a precise count of periods worked and not worked. This is sent each month to the employees concerned, who inform their Human Relations Division of any anomalies.

The workload is monitored at least once a year, usually during the annual performance appraisal between the manager and employee. On the basis of this interview, line managers propose, where required, an action plan aimed at rectifying any imbalance. Employees can also request the intervention of a Human Relations manager in the event of any conflicting workload appraisals or when corrective measures seem inappropriate. By the end of the last round of annual performance appraisals, in 2020, 14 such reviews and actions plans had been conducted.

Lastly, the agreement governing the Time Savings Account limits the number of days to 60 to encourage the taking of holidays and thus contribute to the work/life balance.

An improved work/life balance is sought, whilst maintaining social ties with the company. The Group agreement[(1)] on teleworking negotiated in 2019 made it possible to adapt very quickly to the health situation and set up teleworking for all employees not essential to the production of TV news programmes during periods of lockdown. As of the resumption in July 2020, management proposed an experiment to extend teleworking (see Section 4.3.2.2). A per capita budget of €180 to provide additional equipment for teleworkers (a second screen, ergonomic chair, etc.) was negotiated with the unions for the TF1 group.

A budget has also been allocated to Unify employees for equipment. In addition, eight communications dedicated to the coordination of teleworking for the teams were sent to managers in 2020.

QUALITY OF LIFE AT WORK

The TF1 group endeavours to support its employees' work/life balance. The Employee Relations Department coordinates services to support the personal and family-related concerns of its employees.

A new Quality-of-Life-at-Work Agreement was signed for the TF1 group (not including Unify and Newen) in June 2019, the main commitments of which include living together in harmony, support for parenthood, the right to disconnect and the prevention of psychosocial risks.

Measuring quality of life at work

The biennial survey on quality of life at work was rolled out in the spring, with 42.5% of employees responding; it revealed a good quality of life within the TF1 group[(2)]. Eighty percent of respondents said they were only slightly or not at all concerned by stress within the Group.

Satisfaction with the organisation and working conditions (low arduousness, quality of the working environment, satisfaction with teleworking, etc.) contributes as much to the Group's performance as it does to the well-being of employees.

The monitoring and prevention of absenteeism remains a priority for the TF1 group, in particular for groups identified as being over-represented.

In addition, two questionnaires concerning the management of the first lockdown and the partial resumption of work on-site, as well as the teleworking system were distributed to TF1 group employees[(2)]. The results of the latter show that 95% of employees surveyed are satisfied with their teleworking environment.

Parenthood support

Several commitments to support parenthood for TF1 group employees were made; these include the reservation of 24 cradles in the BABILOU network, occasional and emergency care for all children under the age of three, the provision of the WORKLIFE platform (formerly YOOPIES) with the Colas Group, and the creation of a paid period of six weeks leave to prepare for the arrival of an adopted child in the home.

(1) This agreement concerns the historical scope of the TF1 group, excluding Newen and Unify.
(2) Historic TF1 group excluding Newen and Unify.

In May 2020, the TF1 group decided to extend the paid leave of the second parent to four weeks and to allow the parent with the primary care of the child, including children born by assisted reproduction or surrogacy, to be able to benefit from a paid leave of 16 weeks. This applies to all biological or adoptive parents, of the same or different sex as their partner, and to a single-parent family.

This agreement also made it possible to reconfirm what already exists: full-time or part-time teleworking for mothers-to-be from the fourth month of pregnancy, financial support for children under three years of age, breastfeeding leave for four weeks, days off for sick children.

Unify also intends to strengthen support for parenthood.

Help for Caregivers

For family caregivers, new special leave is granted to support a hospitalised parent or partner, as well as the introduction of a service to provide information on help for caregivers in the context of the dependency of elderly people, particularly to support the entry into an institution for the elderly. With a simple telephone call, a personal counsellor can offer support throughout the preparatory phase, help with formalities, and provide information and advice. Counsellors can offer guidance in working out the elderly person's needs with regard to services, infrastructures and medical care. This study guides the choice of retirement establishment. Leave donation was brought within the scope of the agreement and the company will top up any leave donated by 25%.

Housing assistance

The TF1 group[(1)] makes financial contributions to the social housing agency "Action Logement", which has been the umbrella organisation for the sector since 1 January 2017. Under this system, eligible TF1 group employees can benefit from various types of support: housing loans, "Loca-Pass", "MobiliPass", "Pass-Assistance", home improvement loans, the "Mobili-Jeune" scheme or advice for a housing project.

Social Worker

A social worker is available during fixed weekly hours on-site at TF1 to inform employees of their rights and the various forms of aid for which they may qualify. He or she can also provide them with support in administrative procedures, advising them and putting them in touch with the relevant administrative bodies.

Healthcare Expenses

The manager of the healthcare insurance scheme sends a representative to the company each week to advise employees on procedures in connection with medical issues or to help them obtain a reimbursement under their supplementary health insurance schemes.

In 2018, a platform was set up to assist TF1[(1)] employees in the areas of family support (parenthood, family solidarity, separation, loss of a close family member, etc.), employment and retirement (job searches, careers, transition to retirement, etc.), health and social care (health cover, access to care, disability, loss of independence, etc.); budgeting (budget management, housing, transport, administration, etc.). The platform provides information, counselling, advice and guidance on all social issues.

For PlayTwo employees, the health insurance scheme ("Frais de santé") is fully covered by the company.

Other measures to improve quality of life at work

- Lots of other services have been introduced by TF1 group[(1)] to make employees' lives easier and to ensure their well-being at work. In a MyPrévention app, which was redesigned in the autumn of 2020, employees can find all the quality-of-life services that have been set up in the TF1 group:
- on-site access at set times to an osteopath, optician, social worker, healthcare coordinator, concierge and hairdresser;
- provision of electric bicycles and vehicles and a car-sharing platform for employees;
- provision of the BeCyclez platform to purchase electrically-assisted bicycles at discounted rates for TF1 employees;
- gym and sports association;
- Navigo Pass recharging terminal, automatic ticket machine, public transport tickets, stamps, etc.;
- coverage of 80% of the cost of the Navigo Pass, mileage allowances for bicycles, transport vouchers for employees living outside the Paris region who need to use their vehicle, electric vehicles/bicycles made available to employees for local business travel. For 2021, management is committed to also offering a sustainable mobility package.

Unify entered into a partnership with Gymlib in 2020. Given the health crisis and the closure of gyms, distance learning courses on well-being at work have been offered to employees.

4.3.1.4 REMUNERATION

REMUNERATION & BENEFITS FUNCTION

The TF1 group Remuneration & Benefits function[(1)] supports the Human Relations Department on all remuneration issues, in its individual and collective aspects. It supports Unify and Newen and ensures the distribution of free shares for these subsidiaries under long-term incentive plans.

Every year, TF1 group[(1)] consults wage studies to ensure that its remuneration systems remain competitive. TF1 uses the "General Industry", "Media" and "Executive" surveys conducted by the international specialist, Willis Towers Watson (WTW).

These benchmarks enable TF1 group to compare its wage policy with best market practice and to respond to the challenges of attracting and retaining employees in a highly competitive environment and a dynamic labour market.

These benchmarks also enabled TF1 group to benchmark the pay of each of its employees and introduce payroll management tools (salary bands, hiring matrices, diversity targeting, etc.).

(1) Historic TF1 group excluding Newen and Unify.

EQUAL PAY AND MANDATORY ANNUAL NEGOTIATION (NAO)

GROSS REMUNERATION

INDICATOR: AVERAGE GROSS ANNUAL REMUNERATION BY PROFESSIONAL CATEGORY WITHIN THE GROUP

Scope: France OE not including suspended contracts (€)	% workforce	2020	2019	2018
Supervisory staff	77.2	40,840	39,294	40,844
Managerial	77.2	69,368	67,354	71,665
Journalists	77.2	75,368	73,856	74,490
All categories	77.2	66,339	64,463	67,434

The 2020 mandatory annual negotiation (NAO) resulted in a salary increase of 1.5% for TF1 group employees[1].

Equality, particularly in terms of pay, is a key TF1 group HR policy.

The latest internal study, based on the methodology used to connect the remuneration surveys of the international specialist firm Willis Towers Watson (WTW) – enabling a relevant comparison of the remuneration gaps according to the business line, the level of responsibility and seniority, expertise and/or the managerial dimension – showed a gap of 0.3% between women and men, an almost perfect pay equity for the TF1 group as a whole. This study did not include employees of the Unify and Newen subsidiaries, with the exception of members of the TF1 group Management Committee.

Unify conducts an annual review of all salaries to guarantee that remuneration is fair and reflects individual performance. Work has begun on the harmonisation of remuneration at the Group level, mainly with the harmonisation of the positioning of editorial staff.

Similarly, Newen conducts an annual review of salaries to ensure that they correspond to the salary scales of the profession, respond to employee development and reflect the performance of each employee.

Great importance is attached to one-off, end-of-year bonuses recognising exceptional performance or a higher contextual workload.

VARIABLE REMUNERATION

The remuneration paid to TF1[1] employees – from the Head of Department level (C5) upwards – includes a variable component linked to

- group collective,
- individual quantitative data,
- individual qualitative.

In addition, for each of the ten members of the TF1 group Executive Committee, 5% of their variable remuneration is indexed to CSR criteria, including, for five of them, gender diversity and gender balance.

In 2020, the remuneration of certain young talents and key profiles, which are particularly sought after in the market, was accompanied by variable remuneration based on objectives, starting at Group Manager level (C3).

EMPLOYEE SAVINGS AND RETIREMENT

INDICATOR: RATES OF MEMBERSHIP OF THE GROUP EMPLOYEE SAVINGS SCHEME (PEG) AND RETIREMENT SAVINGS PLAN (PERCO)

(Scope: OE, FT)	% workforce	2020	2019	2018
Rates of membership of the Group Employee Savings Scheme (PEG) *(%) (World)*	100	71.4%	74.3%	77.2%
Rates of membership of Retirement Savings Plan (PERCO) *(%) (France)*	89	20.4%	19.4%	18.8%

The TF1 group employee savings scheme (PEG) was created on 15 December 1992. It was designed to receive voluntary contributions from employees of corporate members of the scheme which are then topped up by the company, as well as sums arising from statutory employee profit-sharing.

In addition, and to help employees prepare to fund their retirement, TF1 group employees of member companies of the scheme also have access to a collective retirement savings plan (PERCOL) and, with conditions, to the mandatory retirement savings plan (PEROB), set up by the Bouygues group.

LONG-TERM PROFIT-SHARING, INCENTIVES AND INCENTIVE PLANS

INDICATOR: AVERAGE GROSS AMOUNT PAID PER EMPLOYEE (PROFIT-SHARING AND INCENTIVE SCHEMES)

Year of payment (Scope: France)	% workforce	2020	2019	2018
Average gross amount paid per employee under profit-sharing scheme *(€)*	89	1,559	1,256	986
Average gross amount paid per employee under the incentive scheme *(€)*	89	1,734	2,457	2,238

(1) Historic TF1 group excluding Newen and Unify.

TF1 group employees are also involved in the TF1 group's results and in the creation of value through incentive and profit-sharing schemes.

Quantification addendum No. 3 to the TF1 group incentive agreement did not trigger any incentive schemes in 2020 for the year 2019 – despite the commitment and mobilisation of all employees in a highly challenging competitive and economic environment.

In April 2020, the total cumulative amount (€6.4 million) of the special profit-sharing reserve for 2019 and the adopted profit-sharing supplement of 30%, represented on average approximately half a month of additional net salary, for one employee present all year round.

On 27 August 2020, the TF1 group[1] signed a new TF1 group incentive agreement covering the financial years 2020-2021-2022. This new agreement should make it possible to reward the commitment of employees and their investment in the achievement of the company's economic objectives (Group consolidated revenue and return on capital), in addition to the various employee savings schemes in force in the Group.

Through this new incentive agreement, the TF1 group also wanted to promote employee mobilisation around the Corporate Social and Environmental Responsibility (CSR) issues raised by the company and, more specifically, its commitments in favour of a sustainable company that encourages respect and fair management of resources, notably through a reduction in its carbon footprint (CSR criteria provided for in the agreement acting as a booster to the total incentive bonus, as explained in Section 4.1.5.1).

Finally, in 2020, and given the COVID-19 health crisis and its economic and financial consequences, the Board of Directors of TF1 SA decided, on the recommendations of the TF1 Remuneration Committee:

- no change in the performance conditions for the financial year 2020 for the TF1 group's long-term incentive plans (stock options and performance shares) pending acquisition;
- no change in the allocation of new long-term incentive plans in 2020 for TF1, Newen and Unify.

SPECIFIC COMMITMENTS RELATED TO THE MANAGEMENT OF THE COVID-19 HEALTH CRISIS

Employees whose activity has been reduced and who have therefore been affected by the short-time working plan have had their corresponding remuneration (70% of gross salary) topped up in order to maintain their remuneration at the level of 100% of their usual salary (base salary + any seniority bonus – excluding variable pay components), with no impact on their 13th month.

Lastly, bonuses known as PEPA (exceptional purchasing power bonuses) of up to €1,500 were also paid to permanent and non-permanent employees who worked on-site or on assignments during the lockdown period. More than 930 employees were concerned by the payment of a bonus in June 2020.

4.3.1.5 TALENT RECRUITMENT AND RETENTION

ATTRACTING AND RECRUITING THE TALENTS OF TOMORROW

Attracting and recruiting from among the best profiles on the market and retaining them with a view to developing their career path is the major challenge for the TF1 group's image as an employer; this is why it runs various initiatives on social media to promote the Group (LinkedIn, Jobteaser and Instagram).

On social media, the TF1 group has frequent publications aimed at promoting the TF1 group (LinkedIn: 29,000 additional followers since April 2019, a Jobteaser space, creation of the TF1 Instagram page).

At the same time, an employer image campaign was launched in 2020 at Unify (mainly LinkedIn), through the overhaul of "candidate" communications on a common platform on the "Welcome to the Jungle" platform, and the strengthening of the recruitment unit, now composed of three profiles, and the harmonisation of internship allowances to ensure attractiveness.

TF1's School Relations programme, targeting students, is based on four pillars: physical and virtual forums, presentations by physical or virtual ambassadors to the Group's partners and set visits (stopped since the COVID-19 health crisis), as well as school partnerships such as the Media and Digital Chair of ESSEC. To fuel this dynamic, ambassadors are recruited within the TF1 Campus programme from among the Group's employees (around 55 employee ambassadors).

At Newen, partnerships are built with audiovisual industry training schools, including in relation to regional dailies, to develop future sound, lighting, post-production and administrative skills. These links are forged through presentations in schools, Master classes and participation in juries, etc. For the three dailies of TELFRANCE, Newen also partners with GRETA[2] for audiovisual functions in the south of France.

In 2020, the TF1 group recruited nearly 200 work-study trainees through a fully digital Talent Dating event, held to take into account the COVID-19 health crisis, enabling students from all backgrounds and locations to apply.

To strengthen TF1's attractiveness in the challenging Digital and IT business, the recruitment team was strengthened in 2020 by a new recruit with expertise in Tech/Digital functions. Newen has focused on young talent and particularly the ability to integrate new producers from different backgrounds, thus expanding the Group's artistic fields. This approach can be found at PlayTwo, which gives priority to recruiting people from all backgrounds.

In 2020, for the 9th edition of the annual survey of the preferred companies of students and young graduates ("Le Figaro Étudiant", in partnership with the Epoka/Harris Interactive survey), the TF1 group achieved second place in the list of companies preferred by students and graduates of the "Grandes Écoles" in the Media category. This survey aims to measure the expectations of nearly 14,000 young people with regard to the world of work, particularly by selecting their preferences from among 179 companies.

(1) Historic TF1 group excluding Newen and Unify.
(2) Grouping of local public educational establishments.

These different labels attest to the collective work carried out to further develop the Group's attractiveness to the talents of tomorrow.

It should also be noted that at Blue Spirit there is a very high take-up rate after apprenticeships and end-of-year or end-of-study internships, making jobs more sustainable.

At Unify, the retention of talent is a key area that it intends to develop, particularly by relying on mobility prospects within the Group, which will be strengthened thanks to a now centralised recruitment unit.

INDICATOR: NUMBER OF INTERNS, APPRENTICES AND STUDENTS ON VOCATIONAL TRAINING CONTRACTS WELCOMED DURING THE YEAR

(Scope: France)	% workforce	2020	2019	2018
Interns under agreements with schools	89	343	425	358
Apprentices	89	133	69	50
Students on vocational training contracts	89	99	172	130

EMPLOYEE INDUCTION

Each employee of the TF1 group is inducted through an onboarding process, from the signing of their contract to on-site integration with the delivery of a Welcome Pack. The Welcome Pack includes some goodies marketed by adapted companies. In addition, a "buddy" is allocated to each employee to facilitate their integration into the Group. As part of the experimentation with new ways of working and particularly expanding the practice of teleworking, this process was adapted and strengthened by an individual meeting between each new employee and the Talent Development Department by video-conference.

More specifically, for the work-study population the integration of employees is illustrated through induction sessions organised in the first months following their arrival, of weekly lunches to discuss and share with other work-study students in the community as well as afterwork gatherings.

In 2020, "Work-study and Trainee Talks" were also set up, a format through which the Group's employees share their issues with the work-study and internship community. These exchanges thus promote understanding of the environment in which the work-study students will be immersed throughout their work-study programme.

Finally, CV workshops that also cover the influence of LinkedIn are offered to work-study students and trainees to promote their employability at the end of their experience.

Unify set up a brand-new employee onboarding process at the end of the year, as well as training initiatives to meet its challenges and the expectations of employees (mainly management training).

4.3.1.6 SKILLS DEVELOPMENT AND INTERNAL MOBILITY

ASSESSMENT PROCESS AND SETTING OBJECTIVES

INDICATORS: PERCENTAGE OF EMPLOYEES HAVING AN ANNUAL INTERVIEW

(Scope: France OE)	% workforce	2020	2019	2018
% of employees having an annual interview	78	94.7%	85.8%	89.8%

The assessment and setting of targets for TF1 group employees (excluding Newen, Unify and PlayTwo) is based on the following three approaches:

Annual performance appraisal

The annual performance appraisal focuses on the results of the past year and the new objectives for the coming months. This appraisal allows employees to be involved in the assessment and goal setting process with their manager in order to define, if necessary, a skills development action plan during their appraisal.

Career interview

In addition to the annual performance appraisal, each employee receives at least a career interview every two years focusing on career development, training and mobility. This consists of a specific discussion between the employee and the manager on the employee's development plan and medium-term career expectations and training needs.

Employees can thus express their wishes regarding the levers they wish to use to develop their skills: training, skills assessment, career workshops, meeting with the career mobility coach, participation in communities, etc.

The career interview is also an opportunity for employees to express their personal commitment to an "extra-curricular" role: mentoring, campus ambassador, etc. They are also informed of the French CPF (personal training account), VAE (voluntary service) and CEP (career counselling) schemes.

Six-year assessment

In addition, every six years, the employee receives a summary of his or her career path, known as a "six-year assessment", which reviews their professional career path and appraisals, and training they have received over the past six years.

In addition, annual performance appraisals have become widespread within the Newen Group, aiming to identify needs and requests in terms of development, which makes it possible to improve the ability to listen and study intra-group mobility requests. There are also career interviews during which employees can find out about available training.

In addition, within PlayTwo, annual career interviews have been set up to better support employees in their career.

For Unify, the standardisation of annual appraisals and career interviews was implemented from January 2020.

MANAGEMENT OF JOBS AND CAREER PATHS (GEPP)

An ambitious, tailor-made career management programme known as PEPS has been introduced within the TF1 group[(1)], which offers employees two entry points:

- the first, open to all employees, is *via* the intranet, and makes it possible for employees to manage their own career path using three headings: My potential, My plan and My action plan, which then take employees to various individual or collective modules;
- the second, the “Tailor-made PEPS”, aims to support business lines to define the skills that they will need in the future, to support teams to transform their roles and to compile related training plans.

These two approaches enable employees to play an active role in managing their careers by various means: coaching, collective workshops, mixed classroom-based and e-learning training courses.

In order to guide employees within the offer and support them in their project, they are invited to meet the career and mobility coach. In 2020, as many as 300 TF1 group employees benefited from the PEPS scheme (individual or collective formats).

PROMOTING EMPLOYEE MOBILITY WITHIN THE GROUP

INDICATOR: INTERNAL MOBILITY AS A PROPORTION OF TOTAL RECRUITMENT

(Scope: France OE) (Transfers within the TF1 group + arrivals from the Bouygues group)/(external recruits on OE contracts + transfers within the TF1 group + arrivals from the Bouygues group)	% workforce	2020	2019	2018
Internal mobility as a proportion of total recruitment *(%)*	78	29.73%	33.02%	37.9%

Given the nature of its business and its job profiles, the TF1 group is highly diversified, with more than 250 different careers. TF1 also has to adapt to fierce competition, particularly within the digital field.

Within this transformation process, mobility is a source of added value both for the Group and its employees. It allows the company to be responsive, adapt its organisation and embrace future skills and emerging new business opportunities. For employees, mobility is a source of personal and professional development, enabling them to expand their horizons and enhance their skills in diverse career paths.

In 2020, the TF1 group continued its efforts to promote and develop internal mobility. A Mobility Committee including HR managers and directors, meets every month to examine mobility needs and requests, and recurring discussion points with the HR Departments of each business unit ensuring close collaboration.

The TF1 group Mobility Unit[(1)] supports employees in building their careers by offering various personal development workshops (CVs, preparation for interviews, etc.). In 2020, more than 80 employees were trained as part of career workshops through 31 face-to-face and remote sessions.

More than 90 individual and personalised interviews were held by the members of the internal mobility team, keen to provide advice and tailor-made responses to employees’ needs and requests. In addition, to work on the convergence of mobility issues, the Career Coach has become a Careers & Mobility Coach.

The retention of employees with the highest development potential within the Group is worked on through several dedicated programmes (One’s, leadership for the youngest) and federated communities such as Collective 3.0.

At Unify, the creation of a centralised recruitment unit now makes it possible to deal with mobility issues. HR managers relay the mobility wishes expressed during annual performance appraisals and communicate opportunities. Onboarding at Unify also includes a presentation of TF1 allowing employees to perhaps move on to the TF1 group.

(1) Historic TF1 group excluding Newen and Unify.

RECURRING TRAINING OFFER

INDICATORS: CONTINUING EDUCATION

(Scope: France OE and FT)	% workforce		2020	2019	2018
Number of open-ended and fixed-term employees having received training	89	Number	1,199	1,849	1,796
% of open-ended and fixed-term employees having received training		%	36.70%	59.63%	72.7%
% of payroll spent on training	89	%	NA	NA	NA
Total training hours, all training systems		Number	24,929	38,525	60,374
of which number of internal training hours		*Number*	*623*	*4,794*	*7,852*
Average training hours per OE, FT			20.79	20.84	33.62

In view of the health situation, some of the training courses have been offered at a distance. However, most of them were postponed to 2021 or cancelled, which explains the very significant drop in the TF1 group's training indicators.

INDICATOR: TRAINING OF NON-PERMANENT STAFF

(Scope: France)	2020	2019	2018
Non-permanent employees who received training	72	48	76

TF1 group training plan for 2020[1] was structured around the following strategic priorities:

- Preparing the future of the organisations, by investing in the development of the Group's talents, notably with the launch of a programme for young talent, the continuation of the "intrapreneurship" training programme and the training of TF1 Campus ambassadors;
- Adapting and developing business skills, in particular with large scale projects linked to the change of the news production system, the "Process News Sport 3" (PNS3), or to that of the broadcasters, "One Content";
- Supporting the development of careers and career changes with the PEPS tailor-made professional development programme, its workshops on career themes, the initiation of a programme for managers on the future of their teams' required skills and specific programmes to support changing functions (e.g. programmatic advertising, finance jobs);
- Adapting managerial attitudes and collaborative working methods to the new deal by continuing the deployment of management career paths, "Passport manager up" for new managers, "Leadership Connect" for all managers, a specific module offered at the end of the lockdown on the theme of "Managing the New Deal" and an e-learning course on the topic of remote management for all managers. In 2020, a new inclusive management training programme was rolled out to enable managers to detect and prevent situations of sexism, racism, ordinary homophobia or any other statements that could amount to discrimination. Lastly, a trial of the 360° evaluation approach was initiated;
- Continue our societal commitment and respect our obligations by developing training activities in favour of quality of life at work, by supporting the diversity and gender balance policy through tailor-made programmes on the theme of women in leadership and inclusion, and by respecting our obligations, notably with the deployment of an e-learning and face-to-face programme on the subject of anti-corruption.

Within Newen, training is offered either in response to incoming requests from employees, or following a manager's request or a proven need, with no limits in the training catalogues.

For PlayTwo employees, the company encourages participation in seminars specific to the challenges facing its sector of activity in order to train them in the transformation of jobs and skills. Training is encouraged to improve the technical skills of employees.

At Unify, training is geared towards upgrading local management skills and micro-management. Training related to technical functional skills is also offered on a voluntary basis. Unify aims to expand its training offering in 2021 and strengthen ties with the TF1 training team.

ADAPTATION OF THE TRAINING OFFER TO THE COVID-19 HEALTH CRISIS

In 2020, TF1 University offered open access training workshops on collaborative tools, both face-to-face and remotely, in order to make everyone comfortable with remote collaboration tools.

To support the implementation of the experiment on new ways of working with, in particular, the expansion of teleworking, e-learning training modules have been made available to all TF1 employees to help them have a positive teleworking experience (regulation of teleworking practices and connections), and all managers on the topic of remote management.

(1) *Historical TF1 group excluding Newen and Unify.*

During the first lockdown, some distance learning programmes were adapted to enable the continuation of the courses already undertaken. A platform called "I learn during lockdown with the University"(1) offered a selection of courses, programmes, podcasts and videos for distance learning on professional or personal development topics.

A new remote Master class format was launched in April 2020: "1 hour with". Every day during the lockdown, TF1 University hosted a daily interactive digital event, open to all, with the intervention of inspiring internal and external experts (Executive Committee members, entrepreneurs, neuroscience experts, etc.), on topics concerning the Group's ecosystem, ways of working and the evolution of society. This one-hour format has been extended on a fortnightly basis post-lockdown.

Newen has also offered its employees Master classes in a similar form.

4.3.2 HUMAN RIGHTS *INTERNAL*

4.3.2.1 SOCIAL DIALOGUE

ENSURE ONGOING AND CONSTRUCTIVE DIALOGUE WITH SOCIAL PARTNERS

Faced with the COVID-19 crisis, the TF1 group committed, as of 16 March 2020, by signing an expanded agreement including for the first time the companies of the Newen and Unify entities, to organising Economic and Social Committee (CSE) meetings remotely using video-conference tools.

This resulted in the organisation of around 30 meetings of the CSE and the CSSCT, proof of TF1 group's desire to maintain dialogue with employee representatives in times of crisis. In addition, informal meetings known as "COVID updates" were organised during the lockdown period every week with the trade unions to discuss the state of the health situation and the measures taken within the Group, and to obtain, thanks to a rich and constructive dialogue, the feedback needed to improve our internal measures.

It is in this context that the procedures to be followed in the event of symptoms and other flowcharts have put in place or that amendments to the Internal Procedures have been enacted.

In addition, throughout 2020, in the context of the COVID-19 health crisis, the Unify management continued to work closely with the Group's various employee representative bodies (IRPs), particularly on the co-writing of business continuity and recovery protocols after lockdown. These protocols have been the subject of numerous updates and regular exchanges with the Unify Group CSEs.

In 2020, CSE elections were held across all Newen entities, with several additional bodies within this Group. In addition, social dialogue has increased for TELFRANCE, TELSETE and STUDIOS POST & PROD (with three additional employee representatives within the TELFRANCE Group), as well as the 17 JUIN, CAPA, Newen Distribution and Newen (Holding) CSEs.

However, there is a lack of representation for Blue Spirit.

The dialogue within Newen continued during this strange year, with numerous consultations on all subjects related to COVID and the measures adopted during lockdown and post-lockdown. Newen also harmonised display practices in the Group's subsidiaries.

Within Unify, the quality of social dialogue has enabled the Group, despite the COVID-19 crisis, not to delay projects, particularly concerning synergies between subsidiaries. The various CSEs, which are frequently consulted, have committed themselves, alongside management, to tackling the crisis and promoting the conditions for a rapid rebound in activities.

In PlayTwo, professional elections were held at the end of 2019 for the CSE. The fluidity of discussions and the decisions taken to deal with the COVID-19 crisis attest to the quality of discussion between management and the social partners.

SUMMARY OF AGREEMENTS SIGNED

Dialogue with the TF1 trade unions did not cease throughout the year. The trade unions were able to support the TF1 group in managing the COVID-19 crisis.

At 31 December 2020, the agreements signed with the unions were as follows:

- disabled workers agreement;
- framework incentive agreement and quantification addendum;
- limited period addendum to the CET agreement on the transfer of all or part of the 13th month to the "time-saving account" (CET);
- agreement on exceptional measures related to the health crisis (imposition of holidays, CET freeze);
- teleworking agreement addendum on the supervision of experimentation with new forms of teleworking organisation;
- TF1 group agreement on the organisation of CSEs by video-conference;
- *addendum* No. 2 to the Group agreement on teleworking;
- *addendum* No. 3 to the Group agreement on healthcare costs;
- mandatory annual negotiation (NAO) employee benefits agreement.

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(1) *Historical TF1 group excluding Newen and Unify.*

4.3.2.2 EMPLOYEE HEALTH AND SAFETY

INDICATOR: ABSENTEEISM

Jan-Dec *(Scope: France OE)*	% workforce	2020	2019	2018
Absenteeism rate	78	2.82%	2.40%	2.54%
Total days absent	78	29,700	25,214	24,106
Days absent for sickness	78	28,862	24,212	23,467
Days absent for occupational accidents	78	371	620	447
Days absent for travel-related accidents	78	467	382	192
Days absent for occupational illness	78	0	0	0

The large increase in the number of days of absence due to illness is explained by the COVID-19 health crisis, but also by the work stoppage scheme for childcare.

The increase in the number of days of absence due to commuting accidents is due to the long absence of one employee following a commuting accident.

INDICATORS: WORK-RELATED ACCIDENTS

(Scope: World, all contracts apart from temporary contracts)	% workforce	2020	2019	2018
Number of work-related accidents with time off	100	11	19	14
Number of fatal work-related accidents (work-related/commuting)	100	0	0	0
Employees trained in health and safety	100	208	840	441
Frequency rate of work-related accidents	100	1.94	3.39	3
Severity rate of work-related accidents	100	0.07	0.12	0.11
Number of occupational illnesses	100	3	5	0

IMPROVING WORKPLACE SAFETY

At the instigation of the Labour Relations Department and with the assistance of the health and safety officers and the heads of the work units, the TF1 SA Single Document for the Assessment of Occupational Risks (DUERP) was completely revised in order to be a standard tool that is better understood and used by all stakeholders: management, heads of work units, managers and employees.

Whilst in 2019 the Health, Safety and Working Conditions Committee (CSSCT) proposed nearly 300 risk assessment reviews across the 18 work units, 287 were taken into account by management.

In 2020, prevention and protection plans were revised, incorporating measures relating to the COVID-19 health crisis.

All TF1 SA subsidiaries have adapted and adopted this DUERP model: Unify has carried out the same DUERP redesign procedures for the various entities. As for Newen, the Group's General Management participated in the preparation of a white paper on the resumption of post-lockdown shootings. Strict precautionary measures have been taken by the Newen Group to guarantee the health and safety of staff, particularly at the shooting locations. These measures have enabled a return to activity in full compliance with national post-lockdown protocols.

CONTRIBUTORS TO THE HEALTH AND SAFETY APPROACH

The Medical Department is responsible for the day-to-day medical care of employees and for the prevention of occupational hazards. The occupational health physician, assisted by three nurses, designs and implements collective and individual measures. Occupational health physicians raise awareness of lifestyle issues among the workforce and alert HR if and when they identify psychosocial risks.

In 2019, a call for tender led to the replacement of the historical inter-company health service. From 1 January 2020, TF1 group, including Newen and Unify as subsidiaries located in Paris and its inner suburbs, will be served by the Centre Médical de la Publicité et des Communications (CMPC). In addition to having a very good understanding of the media industry, the CMPC is confident that it will be able to:

- support the Group to reform mandatory health services;
- roll out a multidisciplinary team (ergonomist, occupational psychologist, addiction specialist, etc.) that can be mobilised rapidly;
- support the Group to introduce occupational risk prevention programmes.

Two occupational health physicians will be exclusively assigned to the Group.

Employees can also contact the on-site social worker if they need to. Their role is to assess the situation and assist employees by liaising with specialised organisations.

TF1 group considers the dialogue on health and safety at work to be of the utmost importance. This takes place both through agreements signed with the trade unions on employee health and safety, and through the Health, Safety and Working Conditions Committee (CSSCT).

The Corporate and Security Services Division (DAGS) regularly gets involved in issues relating to health, safety and working conditions, for example by adapting premises or workstation ergonomics.

The Unify Group HR Department is mindful of legal changes and amends contracts with its healthcare partners as new employee needs are identified: demand for wider coverage for alternative treatments, free care for partners. A consultation is under way on the harmonisation of all contracts across the Group's various entities.

PREVENTION OF PSYCHOSOCIAL RISKS

In terms of psychosocial risks (PSR), the following were put in place for TF1 group[(1)] employees upon signing the Quality-of-Life-at-Work agreement:

- training open to all employees to help them improve their management of stress and their emotions (self-coaching);
- training on the prevention of PSR for managers, together with the distribution of a brochure given to all employees by their managers;
- a crisis line with the firm PSYA, open 24/7, provides access to a psychologist for employees who are experiencing professional or personal difficulties or an addiction problem;
- a new set of specifications for the "Quality-of-Life-at-Work Observatory" tool, which measures the effectiveness of the quality of life at work measures introduced in order to identify areas for improvement and assess psychosocial risks.

  The observatory was deployed under these new conditions in the spring of 2020 and will now be renewed every two years;
- continuation of the telephone consultation service which has been in operation for two years now. In addition, a procedure for dealing with cases of harassment or violence was reviewed and incorporated into the Internal Procedures in late 2018. Training on this issue was held in 2019 for Human Resources managerial staff and for 250 local managers.

Lastly, a committee was set up, with the help of the HR Division, Mission Handicap and the occupational health physician, to monitor time off work and to collaborate on research into all possible measures to encourage employees to stay in, or return to, work.

Unify and Newen are looking into adopting some of the measures proposed by this agreement.

Since 2014, the TF1 group has had an external and anonymous counselling service, "Allodiscrim". It aims to inform and advise employees on the steps to take should they feel that they are experiencing discrimination or being unfairly treated within the company.

In 2019, members of the HR Division were trained in harassment prevention and the Allodiscrim counselling service was opened up to all Newen Group permanent, or temporary, employees.

The Unify Group has also set up the Allodiscrim listening unit, as well as an internal survey, and is in the process of building a psychosocial risk prevention plan.

HEALTH AND SAFETY RISK PREVENTION

The Medical Department has run flu vaccination campaigns for many years. It also offers booster vaccinations and first aid kits to staff travelling on outside Broadcasting assignments.

Employees regularly attend medical check-ups arranged by TF1's Medical Department.

A telephone counselling service was set up, free of charge, in 2018. Accessible 24/7, it means that a professional can be consulted if a GP is not available.

Systems already exist in the Newen Group, notably at 17 Juin, TELFRANCE and Newen Distribution:

- "Médecin Direct", a remote medical consultation service accessible 24/7, on the web or *via* the free app, which offers three communication channels: video, written message, or telephone. "Médecin Direct" fits in perfectly with the existing healthcare arrangements and complements community-based medicine;
- deuxiemeavis.fr, a medical assessment service that gives patients suffering from serious, rare or disabling illnesses to obtain a second medical opinion within seven days. On the basis of a medical questionnaire and medical examinations transmitted online, expert doctors give a personalised opinion to help patients make more informed decisions;
- Support offered by the Group to all employees who want it since the end of the lockdown *via* a life coach and behaviourist who remains active.

The Group's management, the Health, Safety and Working Conditions Committee and the occupational health team regularly issued recommendations on driving whilst on professional assignment, the use of AVIWEST transmission equipment or the security protocols to follow during outside broadcasts in high-risk areas. All these players work together to ensure that regular training is provided in life saving and first aid.

All work-related accidents are analysed by the Health, Safety and Working Conditions Committee and corrective measures are implemented where necessary.

(1) Historic TF1 group excluding Newen and Unify.

Lastly, to prevent absenteeism and musculoskeletal disorders, on-site osteopath appointments are offered twice a week to all employees covered by the private health insurance scheme. Since September 2020, appointments can also be made at home.

The DAGS has also beefed-up site security procedures in view of the continuing threats in France, particularly towards the media. The tightened security procedures have resulted in increased security personnel at access points and the installation of special security perimeters, as well as a new entry control system.

HEALTH AND SAFETY-RELATED TRAINING

Regular health and safety training is organised to keep employees' skills current and to inform them of regulatory changes.

Particular attention has been paid to health training, in particular, "self-coaching" workshops with My Osteopratic training courses, designed and facilitated by an osteopath, tailored to the work situations encountered by our employees (outside Broadcasting staff, make-up artists etc.).

Safety training is offered to the employees concerned: local security personnel, first aid, electrical accreditations, safe driving courses, etc. Training modules on "awareness of urban areas and crowd movements" have been tailor-made for outside Broadcasting staff.

Training is also delivered to TF1 employees who are obliged to travel and work in "risky" countries and warning apps are installed on their smartphones so that they can report in case of serious events occurring on the ground. In addition, a memo was sent to remind employees using their vehicles for work (journalists in particular) of the precautionary measures to be taken and the need for strict compliance with the highway code.

In addition, in the TF1 group, local managers have been made aware of the prevention of psychosocial risks and the detection of weak signals and the contact persons for matters of harassment and violence at work, and have been trained in active listening to employees and internal procedures. At the same time, the Newen Group's HR staff received training in harassment prevention. This training will continue and extend during the year 2021 to moral and sexual harassment.

COVID-19 HEALTH CRISIS MANAGEMENT

In January, TF1 group's management took action to anticipate the health crisis: reinforcement of the supply of masks (FFP2 and surgical), suspension of travel to high-risk areas, particularly Asia, and reinforcement of network infrastructure to anticipate the increase in teleworking.

From 9 March, management strongly encouraged employees to adopt teleworking. Health precautionary measures have been taken to ensure the health and safety of employees whose presence is essential on-site for the production and distribution of our channels (TF1 group News Division, Technology Department, TF1 Medical Department, DAGS, etc.).

During the first lockdown, the news teams were set up in pairs, housed in apartments provided by TF1 in order to reduce any risks of transmission of the virus to their relatives. A room is provided for the disinfection of outside Broadcasting equipment, and the microphones are covered with single-use protection. Meetings and interviews were predominantly by video-conference.

On-site services not essential to the Group's business were closed (gym, hairdressing salon, etc.). Company restaurants were closed and the company offered lunch boxes to all employees whose presence was essential.

Working and pedestrian areas have been redeveloped and signage has been used to regulate traffic flows.

Wearing a mask (which the company distributes on a daily basis) was made mandatory in pedestrian areas, work rooms and meeting rooms and whenever physical distancing was impossible, throughout the lockdown period and from the resumption of activity on-site in June 2020. The wearing of masks was then rolled out throughout the company, in compliance with government measures.

The TF1 group has met, or even exceeded, the precautionary health measures provided for in the national post-lockdown protocol: daily supply of masks, distribution of hydroalcoholic gel throughout the company, specific procedures for cleaning, disinfecting and "ventilating" buildings, regulation of the flow of personnel and associated signage throughout the company, tracking of on-site attendance, teleworking encouraged for all eligible activities, etc. During the lockdown, the medical Department remained very active with the teams deployed in the field, carrying out serological tests, from 28 April, on volunteer employees and PCR tests, in conjunction with a partner laboratory, from the month of September 2020.

Communications to prevent the risk of isolation and maintain links with the working community were made on a daily basis to teleworkers, directing them if necessary to the psychological hotline with the firm PSYA.

The on-site resumption of on-site working was gradual from June onwards, with a 50% limit on on-site employees monitored on a daily basis.

From 1 July 2020, a trial of new ways of working extending the use of teleworking was implemented across the TF1 group, including Newen and Unify.

Several teleworking models have been proposed to take into account the specificities of each activity, ranging from the most face-to-face (one day of teleworking authorised) to the most remote ("Flex" model: without no set framework). Nearly 85% of TF1 group employees are eligible for teleworking. In addition, a Business Continuity Plan has been developed for Unify, and the "COVID-19 health crisis" teleworking charter is now applied to all subsidiaries of this Group.

These measures, such as widespread teleworking for all eligible activities, the presence on-site of only the Departments essential to the continuity of the TF1 group's production and Broadcasting activities, precautionary health measures, testing and the closure of services not essential on-site, and the closure of company restaurants, have been applied again since 29 October 2020 and the announcement of the new lockdown made by the government.

Within Unify, Olivier Abecassis, the Chairman, led five plenary sessions between April and December 2020 for all employees, including those located abroad, to present the business and the measures taken within the framework of the health crisis and answer their questions.

Relationships with temporary employment agencies and subcontractors during the COVID-19 health crisis

This approach is not significant for the TF1 group. However, during the COVID-19 health crisis, precautionary health measures also concerned the staff of service providers, whose presence on-site was essential to the continuity of our activities.

4.3.2.3 FUNDAMENTAL LABOUR RIGHTS – WORKING ABROAD IN HIGH-RISK AREAS

Concerning human rights-related issues, the promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organisation (ILO), TF1, which is a French company and whose workforce is mainly French, applies French, European and international law. Child or forced labour is strictly prohibited.

Given the limited workforce abroad, employee representation is not an issue for the TF1 group. Internationally, for Unify, there are no employee representative bodies in view of the size of the structures, which nevertheless allow for ongoing dialogue.

On the other hand, employees who travel and work in so-called “high-risk” countries are trained accordingly (see Section 4.3.2.2 “Employee health and safety”).

4.4 ETHICS

Scope: The entire TF1 group, including Newen, Unify and PlayTwo, unless expressly stated.

Period: The items relating to compliance with the agreement signed with the CSA relate to year N-1, *i.e.* from 1 January to 31 December 2019.

Key figures on Responsible Purchasing are also recorded for the period from 1 October 2019 to 30 September 2020.

4.4.1 ETHICS IN NEWS AND PROGRAMS

4.4.1.1 INDEPENDENCE OF THE GROUP'S EDITORIAL STAFF, PLURALISM, ETHICS AND ETHICS IN NEWS AND PROGRAMMES CONTENTS

As part of its own production of news and other programmes, programme purchases and advertising, the TF1 group has a special responsibility due to its status as a leading channel. The Group ensures compliance with its public commitments in terms of ethics and professional conduct of the content produced and broadcast (independence of information, protection of vulnerable audiences, respect for privacy, presumption of innocence, etc.). which are a pre-condition of its licence-to-operate, if the regulator were to rule on major non-compliance. Compliance is subject to rigorous controls:

- by the Corporate Legal Department or the News or Broadcasting Divisions, not just with regard to compliance with the commitments given by the channel (terms and conditions and agreements signed with the CSA, Journalists' Code of Ethics, etc.), but also on programme standards and the protection of younger viewers:
  - TF1's News Department is responsible for monitoring the application of the profession's ethical principles within the editorial teams,
  - In France, the main journalists' unions have adopted the professional Code of Ethics for journalists. It can be consulted on the SNJ (National Union of Journalists) website,
  - The Code of Ethics specific to TF1 journalists was signed on 28 January 2019. It was sent to all of the company's journalists on 13 February 2019. All new journalists hired by the Group are given a copy of this code when they sign their employment contract;
- by setting up an Honesty, Independence and Pluralism of Information Committee (in accordance with the law of 14 November 2016); Since 2017, this committee, composed of independent figures, has been tasked with contributing to compliance with the principles of honesty, independence and pluralism of news and programmes within TF1 channels. This committee met twice in 2020;
- by the editorial staff of TF1, which is extremely attentive to the quality of image sources and prohibits the use of amateur videos when their origin is not strictly verified. When they use these amateur documents, which can be cropped and edited, they insert the wording "amateur document" and specify, if possible, the date on which the images were shot;
- by ensuring advance viewing of certain programmes (by a child psychologist and an *ad hoc* committee), and ensuring that accurate rating information is provided for programmes;
- by submitting advertising to the ARPP in advance (advertising);
- by introducing controls on the channel's websites and community spaces (moderation system, safe surfing);
- by providing in-house training for news professionals, including press law training in 2020.

See Section 2.1.2.3 "Compliance of content with ethical rules and professional standards".

Fight against fake news

Developing and promoting its expertise is one of the priorities of the TF1 group's News Department. It legitimises its societal role. Since 2020, the fact-checking of content on the channels of TF1, LCI and the Group's digital news media have been brought together under the banner of "The Verifiers".

Thanks to social media, everyone, with knowledge or belief, hyper-specialist or neophyte, can now spread a message. The more likely it is to generate emotion, and in particular anxiety, the larger its audience and footprint. Faced with the influx of messages, some have doubts. For the TF1 group journalists in charge of fighting against fake news, this involves helping them question rumours and allegations, and distinguish between facts and their interpretation, between true and false.

This verification is based on techniques and tools: monitoring social media, finding the date of the first publication of an image, its context and thus verifying that it has not been misappropriated, retrieving messages that have been erased, interviewing sources recognised for their expertise, etc.

In partnership with the CFPJ (the French professional training centre for journalists), the TF1 group has trained digital editorial journalists and documentalists. In 2021, this training will be extended to journalists from the LCI channel and to contacts in each TF1 editorial Department, Economy, Politics, General News, Society and International Discussions.

It is up to these 70 fact-checking experts to enrich the digital section "The Verifiers", the daily items in the LCI news sections and the formats of the TF1 newscast, "Fake news" and "True-False", or invent new formats. These fact-checking experts complement the daily work of TF1's 700 news staff, including 350 journalists. From the field to the channels and digital media, in search of facts and the players who make the news, each week they bring clarity to the 38.5 million French people who have chosen TF1 as a source of information.

4.4.1.2 PROTECTION OF SENSITIVE VULNERABLE INDIVIDUALS *EXTERNAL* *CONTENTS*

YOUTH SIGNAGE

Since 2002 terrestrial television channels have been required to display content rating signage during all non-advertising programmes that are not recommended for general viewing. Each channel is responsible for introducing the signage system and informs the CSA of its composition but remains solely responsible for rating decisions. The signage provides practical information about age appropriateness for each of the five categories (general, -10, -12, -16, -18). The TF1 channel does not broadcast any -18 rated programmes.

The Viewing Committee set up by TF1, which rules on the rating information to be put in place, brings together the heads of Broadcasting, programming, programme compliance, acquisitions and youth programming.

A PSYCHOLOGIST FOR CHILDREN'S PROGRAMMES (TFOU)

Since the creation of the youth slot, the artistic teams and/or a psychologist for children have screened all the youth series purchased and worked in close collaboration for the series co-produced by the channel. When she deems the images unsuitable for children, the psychologist suggests cuts or sometimes qualifies episodes as not being broadcastable. These recommendations are always followed.

RESPECT ZONE

In 2020, the TF1 group renewed its financial support for the Respect Zone association, whose objective is to promote respect on the Internet and the moderation of content and digital spaces, and to fight against cyberviolence.

4.4.1.3 DIALOGUE AND PROXIMITY WITH THE VIEWING PUBLIC AND ALL OUR PARTNERS *CONTENTS*

VIEWER RELATIONS DEPARTMENT

TF1 & Vous, the TF1 group's viewer relations site, is a website entirely dedicated to audiences, bringing together a community of 100,000 people. The site meets the expectations and needs of viewers, including a dynamic FAQ[1] section, whose purpose is to enable the public to find all the answers to their questions thanks to an easy-to-use contact form.

This site was awarded a prize in the category "Best distribution, customer relations strategy" at the "Grand Prix Stratégies de l'Innovation Média 2020", whose jury is composed of media professionals, advertising sales offices, advertisers and agencies.

To go further, TF1 created the "TF1 group Ambassadors Club"[2], a club that allows 20 viewers to have access to the backstage of the Group's channels as well as to those who produce their programmes, and to generate interactions.

NEWS OMBUDSMAN

Lastly, at TF1, the editorial mediator receives, through the viewer service and on the LCI website[3], opinions, requests for explanations and any complaints from the public about information broadcast on the TF1 and LCI channels. The mediator explains how the news is broadcast and according to what rules. She also advises the editorial team when many people express similar reactions on a given issue.

4.4.2 ETHICS AND COMPLIANCE IN BUSINESS RELATIONS, RESPONSIBLE PURCHASING *INTERNAL* *EXTERNAL*

In this chapter, only the business relationships and purchases of the historic TF1 group are taken into account.

TYPES OF PURCHASES

Rights purchasing, which accounted for €667 million over the period, or 59% of the Group's total purchases (55% in 2019), was done through the Purchasing EIG. Since the main risk for this type of purchase is compliance (failure to comply with the agreement signed with the CSA, for example, on quotas of French-speaking programmes or on the aspects of ethical or professional integrity set out in Chapter 2 "Risks and how they are managed" in Section 2.1.2.2.a), it is monitored by Broadcasting, the Legal Affairs Department and Internal Audit.

The Central Purchasing Division (excluding programmes) is largely responsible for implementing the responsible purchasing approach, as described below. It accounts for €315.2 million, or 26% of total purchases (24% in 2019).

The remaining expenditure is made up of TF1 Games merchandise or purchases made directly by entities not covered by the Central Purchasing Division.

RESPONSIBLE PURCHASING APPROACH OF THE CENTRAL PURCHASING DIVISION (EXCLUDING RIGHTS)

To extend TF1's CSR approach to also cover the Group's service providers and suppliers, in 2008 TF1 initiated a Responsible Purchasing approach excluding the purchasing of rights.

TF1 group is a signatory of the Responsible Supplier Relations Charter. This consists of ten commitments aimed at building balanced and sustainable relationships between the major companies that are signatories of the charter and their suppliers. By signing this charter, TF1 is demonstrating its desire to apply the best practices described and to establish a climate of mutual trust with its suppliers.

(1) https://tf1-et-vous-contact.tf1.fr/hc/fr
(2) https://tf1-et-vous.tf1.fr/devenez-ambassadeur
(3) https://www.lci.fr/la-mediatrice-vous-repond/

The Supplier Relations and Responsible Purchasing Label, which aims to recognise organisations that have demonstrated sustainable and balanced relationships with their suppliers, was first awarded to TF1 in 2014 by the Label Attribution Committee (French Ministry of the Economy, Finances and Recovery associated with the French National Purchasing Council), then renewed on 28 March 2018 for a period of three years, subject to the successful completion of the two reviews.

This label recognises the continuous improvement initiative to which TF1 and the Purchasing Division have been committed for a long time now. The implementation of these commitments concerns all buyers and more broadly involves other Departments that contribute to building an efficient and sustainable purchasing ecosystem.

MAIN INITIATIVES

Through its Responsible Purchasing policy, the TF1 Purchasing Division adopts a multi-pronged approach in accordance with Bouygues group's CSR approach. This mainly includes promoting sustainable relations with its suppliers, applying CSR criteria to purchases, making greater use of the sheltered sector, tackling corruption and offering professional training for its buyers.

With a view to perpetuating balanced and sustainable relationships, implementing this commitment and guaranteeing the independence of its suppliers, Arnaud Bosom, Executive Vice President, Human Relations and CSR, was appointed as an internal mediator in November 2017. The mediator's role is to seek to settle, out of court, any potential disputes that may be referred to it, as part of a proactive understanding of the supplier's situation and in the mutual interest of stakeholders. The mediator can be contacted direct at: mediateur@tf1.fr.

A rudimentary risk map, focusing on critical issues for the 57 families of the ex-rights purchasing nomenclature, was introduced in 2015 in accordance with ISO 26000 and 31000. The potential risks (environment, employment law, health and safety) were summarised and a list drawn up of the measures in place. These were accompanied by an action plan. Together these formed the comprehensive "parent company vigilance" action plan launched by Bouygues in 2017. In 2021, the TF1 group intends to improve and reinforce the actions already deployed depending on any new risks that will be identified and will adopt, if necessary, new action plans.

PROMOTING BALANCED AND SUSTAINABLE RELATIONS

The commitment of TF1 group Purchasing Division towards sustainable and balanced relations with its suppliers and partners remains a major objective.

TF1 prefers to have framework contracts with its suppliers, whilst establishing multi-annual contracts for services or supplies requiring significant investment and implementation. For several years, the TF1 group has had a balanced contractual framework compliant with the legislation and regularly reviews its General Terms and Conditions of Purchase.

Between 2018 and 2021, TF1 is committed to halving the percentage of invoices paid late by redoubling the efforts of its Executive Committee to implement related action plans such as, for example, simplifying the ordering process. In addition, a project to automatically send order numbers to suppliers to be included on invoices is currently being studied (management by the Purchase to Pay manager).

During the lockdown period, TF1 continued to enrol suppliers on the digital invoice platform: 500 suppliers have signed up. To date, more than 60% of suppliers have opted for paperless invoicing.

Lastly, TF1 has worked on an Invoicing Charter which will be available in 2021 to share best practices and facilitate administrative discussions with our supplier partners.

SUPPLIER ASSESSMENT WITH ECOVADIS AND THE CSR QUESTIONNAIRE

Since 2008, one aspect of the Responsible Purchasing approach has been based on the CSR assessments of suppliers. These assessments, carried out by EcoVadis, are focused on four components: the environment, social aspects, business ethics and purchasing policy. The assessments are used to prepare a report which provides a score for each component, an overall rating, the strengths, weaknesses and opportunities of the company assessed, a benchmark and 360-degree information.

As a priority, major suppliers are assessed when the stakes are higher than €500k and the suppliers identified in the CSR risk map as soon as revenue with TF1 exceeds €70k. TF1 commits its suppliers to a continuous improvement process by encouraging those identified as being at risk to implement a corrective action plan (overall score ≤ 35/100).

By the end of September 2020, 163 suppliers had been subject to an EcoVadis assessment over the previous three years. Of the companies assessed, 25% employ between 100 and 999 people; 13% employ between 26 and 99 people, 7% less than 25 people and 55% more than 1,000 people.

The average score for the panel of suppliers contacted and assessed was 57.74/100 (the average for EcoVadis is 46/100). 82% of these suppliers have their registered office in France.

In addition to the EcoVadis assessments, the Central Purchasing Division includes a CSR questionnaire based on the ISO 26000 standard in all its consultations. Thanks to a rapid and effective analysis, this questionnaire allows us to better understand the supplier and identify their CSR issues.

BUYER TRAINING AND INVOLVEMENT

To date, 80% of Central Purchasing Division buyers have been trained in Responsible Purchasing and CSR since 2015.

Moreover, 25% of the collective variable remuneration of the Purchasing Director and buyers from the Central Purchasing Division, depends on their Responsible Purchasing actions: inclusion of CSR criteria in purchasing decisions, deployment of CSR assessments (EcoVadis or CSR questionnaire), contribution to the management plan, and monitoring economic dependency.

USE OF THE SHELTERED/ADAPTED SECTOR

The Group's 2020-2022 collective agreement for the integration and retention of employees with disabilities in the Group's work includes provisions relating to purchases and the use of structures in the sheltered and adapted sector. The Central Purchasing Division commits to a minimum of €800k in revenue over the term of the agreement.

INTEGRATION OF SOCIAL RESPONSIBILITY CRITERIA AND CLAUSES IN CALLS FOR TENDERS

An "ethics and compliance" clause referencing the Group's Code of Ethics is included in contracts and the General Terms and Conditions of Purchase. The clause also states that TF1 and TF1 group companies are members of the UN Global Compact.

The Group's entities make a commitment to other French and international companies to respect and promote the ten principles of the Compact in the areas of human rights, labour, the environment and anti-corruption, as well as adopting responsible purchasing practices. The contractor thus commits to respecting the principles set forth in the Compact, available on the Internet, and makes sure its subcontractors do the same. The contractor is informed that not respecting these principles will result in contract termination and/or is liable to cause serious damage to the image of TF1 group.

For over ten years, TF1 has been committed to an active policy to promote the integration of people with disabilities into the economy. The signing of the manifesto for the inclusion of people with disabilities in the economy at the end of 2019 accelerated the action plan of the Central Purchasing Division (excluding programmes): inclusion in all calls for tenders of social criteria relating to inclusion and disability, and when the type of purchase is appropriate, a social clause may also be implemented and require the candidate to comply with a social commitment as a criterion of eligibility.

RESPONSIBLE ACTIONS OUTSIDE THE CENTRAL PURCHASING DIVISION

Rights purchasing

Ethical issues surrounding rights purchasing (including potential corruption among rights holders and broadcasters) are rare, because rights are granted by means of calls for tender which follow a strict procedure (publication of tender specifications, submission of secure bids, opening of bids in the presence of a commission, etc.).

TF1 is careful to include compliance clauses in its bids, a policy which is usually reflected in – or inspired by – rights purchasing agreements.

Regarding TF1's internal process, the bid prices are set by an Executive Management Select Committee, or for major rights (such as the FIFA or Rugby World Cup) by an *ad hoc* committee set up by the Board of Directors. The Legal Affairs Department is routinely involved in the preparation of bids.

TF1 Games

TF1 Games and Dujardin publish and sell children's games, which are sold to distributors in France and *via* distributor partners in Europe (or even worldwide, for some of the products). There are two types of purchases:

- imports of finished products purchased from European or global suppliers;
- in-house development.

In the latter case, the TF1 Games team develops an idea or acquires a concept from an external author, drafts the specifications, and outsources production to a supplier under the supervision of a TF1 Games production manager. TF1 Games works with ten regular suppliers, including four in China, which mainly manufacture games that contain electronics. Card games are generally manufactured in Europe. Purchases in Asia (China) represent 82% of total purchases.

The specifications require a high level of product safety, with zero tolerance for non-compliance. Compliance tests are carried out in Hong Kong by the French laboratory INTERTEK acting on behalf of TF1.

The purchasing terms and conditions include the contractual "Ethics and compliance" clause in line with TF1 group's Responsible Purchasing Charter. Staff from the TF1 Games Purchasing team travel to China to visit the headquarters of suppliers each year, with a factory tour every other year.

SUMMARY OF ACTIONS FOR DEPARTMENTS INVOLVED IN THE PROCESS

	Central Purchasing Division	Rights Purchasing Division	TF1 Games
Publication of the Responsible Purchasing approach	Yes	-	-
Buyer training on responsible purchasing	Yes	Yes	-
CSR criteria included in tenders	Yes	Yes	-
EcoVadis assessment	Yes	No	No
CSR questionnaire sent out during tenders	Yes	No	No
Integration in the CSR risk map	Yes	Yes	Yes

RESPONSIBLE PURCHASING INDICATORS

	From 01/10/2019 to 30/09/2020	From 01/10/2018 to 30/09/2019	From 01/10/2017 to 30/09/2018
Total business scope *(€m)*	1,128	1,376.7	1,353.7
*Expenses addressed by CSR criteria (€m)	1,128	1,376.7	1,353.7
Share of expenses addressed *(in %)*	100%	100%	100%
Number of suppliers assessed by EcoVadis or in the process of assessment	163	147	183
Revenue covered by an EcoVadis assessment or in the process of assessment *(€m)*	199	125	91.1
Revenue with the sheltered/adapted sector *(€K)*	658	285.8	261.1
% of Central (Ex-rights) Purchasing Division buyers trained in responsible purchasing	** 80	**80	**80

* *Expenditure covered by a responsible purchasing approach or purchasing procedures integrating CSR criteria (e.g. contracts incorporating a CSR/SD clause).*
** *Two Central Purchasing Division buyers joined the service in 2019 and 2020 and had not yet been trained at the end of 2020.*

4.4.3 PERSONAL DATA PROTECTION AND CYBER-SECURITY

4.4.3.1 GDPR *EXTERNAL* *INTERNAL*

TF1 appointed a Data Protection Officer for TF1 and Newen (TF1 DPO) in May 2018, who has, since March 2019, been leading a network of 54 operational and legal data officers from each of TF1 and Newen's Departments or subsidiaries, in charge of supporting the organisational and technological changes made necessary by GDPR compliance.

A DPO reporting to the Unify Legal Department has also been appointed for all entities/companies belonging to the Unify Group (excluding Gamned for which a specific DPO has been appointed).

TF1 has also adopted a general GDPR policy, comprising internal rules and business sheets that each TF1 employee must comply with in terms of personal data protection.

TF1 and its subsidiaries have addressed the issue of accountability by developing procedures on the management of individual rights and personal data breaches, a set of guidelines on issues like retention periods, and checklists dealing with security and with privacy by design.

In order to facilitate access to the mandatory documentation for its employees, the internal rules, the business sheets, the procedures and the various guidelines are available on the company's intranet in a section dedicated to the GDPR.

Finally, a data privacy tool has been deployed to enable:

- the automation of the updating of processing registers;
- management of requests to exercise rights received by TF1 Departments.

See Section 2.1.2.4.2.

4.4.3.2 CYBER-SECURITY *INTERNAL* *EXTERNAL*

Following cyber-attacks on radio stations in 2019, the TF1 group speeded up the implementation of a number of information system security upgrades.

TF1 is supported by an audit and consulting firm as part of a "Cyber-security Assurance Programme", the objective of which is to provide an external opinion on the relevance of the Group's action plan to address the risks of cyber-attacks weighing on TF1's strategic activities. This support makes it possible to continuously adjust the cyber-security trajectory and roadmap according to the evolution of the threat.

In addition, action plans have been implemented to strengthen the protection of the Group's Broadcasting infrastructures, as well as systems for detecting and responding to security incidents. Finally, a disaster recovery plan is being rolled out.

These initiatives are shared with the Newen and Unify subsidiaries to guide them in their own cyber-security initiatives.

See Section 2.1.1.1 Cyber-security

4.5 INDEPENDENT THIRD PARTY'S REPORT ON NON-FINANCIAL STATEMENT PRESENTED IN THE MANAGEMENT REPORT

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

To the Board of Directors,

As requested and in our quality as an independent verifier, as a member of the network of one of the statutory auditors of your entity (hereafter "entity"), we present our report on the consolidated non-financial statement established for the year ended on the 31/12/2020 (hereafter referred to as the "Statement"), that the entity chose to establish and presented in the management report pursuant to the requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

THE ENTITY'S RESPONSIBILITY

As part of this voluntary approach, it is the responsibility of the entity to establish for preparing the Statement in compliance with the legal and regulatory provisions including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented regarding these risks as well as the results of said policies, including key performance indicators.

The Statement has been prepared in accordance with the procedures of the entity (hereinafter the "Criteria"), the significant elements of which are presented in the Statement and available on request at the headquarters of the entity.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the code of ethics of our profession. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with legal and regulatory requirements, ethical requirements and professional standards.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

It is our role, in response to the request of the entity, based on our work, to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French commercial code;
- the fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French commercial code, i.e., the results of the policies, including key performance indicators, and the actions related the main risks (hereinafter the "Information").

However, it is not our role to give an opinion on the compliance with other applicable legal and regulatory provisions, in particular regarding the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

NATURE AND SCOPE OF THE WORK

The work described below was performed in accordance with the provisions of articles A. 225-1 et seq. of the French commercial code, as well as with the professional standards of the National Company of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagements as well as the international ISAE 3000[(1)] standard.

- we obtained an understanding of the activities of the entity and the description of the main risks associated;
- we assessed the suitability of the Criteria with respect to their relevance, comprehensiveness, reliability, neutrality and understandability by taking into consideration, if relevant, the best practices of the industry;
- we verified that the Statement covers each category of information provided in article L. 225-102-1 III of the French Commercial Code regarding social and environmental matters, as well as information provided in article L. 22-10-36 2° of the French Commercial Code regarding compliance with human rights and anticorruption and tax avoidance legislation;
- we verified that the Statement provides the information required under article R. 225-105 of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;

(1) ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.

- we verified that the Statement presents the business model and a description of the main risks associated with the activity of the entity, including if relevant and proportionate, the risks generated through its business relationships, products or services, as well as its policies, actions and results thereof, including key performance indicators associated to the main risks;
- we consulted documentary sources and conducted interviews to:
  - assess the process used to identify and validate the main risks as well as the consistency of results, including the key performance indicators identified regarding to the main risks and the policies presented, and
  - corroborate the qualitative information (actions and results) that we considered to be the most important presented in Appendix 1. Concerning the risk of ethics of contents and compliance of programs, our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on one entity: Unify;
- we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with article L. 233-16 of the French commercial code within the limitations specified in the Statement;
- we took notice of the existence of internal control and risk management procedures put in place by the entity and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative results that we considered as most important presented in Appendix 1, we implemented:
  - analytical procedures to verify the correct consolidation of the data collected and the consistency of their evolutions;
  - detailed tests, using sampling techniques, consisting of checking the correct application of the definitions and procedures and reconciling the data with the supporting documents. This work was carried out on a selection of contributing entities listed hereafter: Unify Goup and activities located in TF1 headquarters, which cover 84% of the consolidated headcount of the entity;
- we assessed the overall consistency of the Statement based on our knowledge of the entity.

We believe that the work carried out, based on our professional judgement, allows us to express a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

MEANS AND RESOURCES

Our verification work mobilized the skills of five people and took place between October 2020 and February 2021 on a total duration of intervention of about five weeks.

We conducted seven interviews with the persons responsible for the preparation of the Statement including in particular the Human Resources and Corporate Social Responsibility departments.

CONCLUSION

Based on our work, we have not identified any significant misstatement that causes us not to believe that the non-financial statement complies with the applicable regulatory provisions and that the Information, taken together, is fairly presented, in compliance with the Criteria.

COMMENT

Without modifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we express the following comment:

- The Studios & Entertainment and Digital activities, accounting for 38% of the headcount, are not yet subjected to the group's reporting on greenhouse gas emissions.

Paris-La Défense, February 4th 2021

French original signed by:

EY & Associés
Independent third party

Jean-François Bélorgey
Partner

Eric Mugnier
Partner, Sustainable Development

APPENDIX 1: THE MOST IMPORTANT INFORMATION

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Total headcount open-ended and fixed-term contracts Share of women in the headcount Share of women managers Share of women in the Executive Committee Frequency rate of occupational accidents (excluding contract workers) Fatal accidents Share of internal mobility in total recruitments Training (total volume of training hours, number of employees trained, average number of hours of training per employee)	The promotion of diversity and equal opportunity The quality of life at work and new forms of work organization, including the new quality of life at work agreement The results of the internal mobility policy The social policy adopted in the context of the health crisis
Environmental Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Bilan Carbone (GHG emissions)	The implementation of the climate roadmap aligned with a 1.5° scenario The contents with environmental added value
Societal Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Number of interventions by the CSA (the French broadcasting regulator) Share of women speakers in TV news Share of women expert speakers in TV news	The compliance of information programs with the ethics and professional integrity commitments taken with the CSA (the French broadcasting regulator) The contents with societal added value The initiatives taken relative to broadcasted programs in the context of the health crisis

5

ANALYSIS OF THE 2020 FINANCIAL YEAR AFR

5.1 SIGNIFICANT EVENTS OF 2020

JANUARY

TF1 is the highest-ranked French brand in the 2019 BAV TOP 50 awards for France's most powerful and connected brands.

FEBRUARY

Newen announces the launch of a new UK production company, Ringside Studios, a collaboration with Gub Neal (one of the most prominent producers in the UK) and drama development/co-production house DoveTale Media. Ringside Studios will develop high-quality English and international dramas, which may be distributed by Newen.

At the 25th *Lauriers de l'Audiovisuel* Radio and TV awards ceremony, the TF1 group wins awards in two categories: best series with *Le Bazar de la Charité*, and best magazine with *Quotidien*.

APRIL

Given the impacts of the COVID-19 crisis, the TF1 group withdraws the proposal to ask the Annual General Meeting of 17 April 2020 to approve the distribution of a dividend, as well as its two objectives for the 2020 financial year: double-digit current operating margin, and a cost of programmes of €985 million.

The TF1 group mobilises to support the people of France and showcase everyday heroes: working alongside charities to broaden access to ad slots for good causes; supporting the Paris and French Hospitals Foundations through a unique initiative, with TF1 Factory producing a video appeal for donations free of charge, to be rolled out on a massive scale across all media; and giving clear answers to the questions people are asking.

Unify brands also play their part: Marmiton launches the #ensembleencuisine campaign, Doctissimo launches a chatbot and Facebook Live sessions with Dr Gérald Kierzek, and Aufeminin launches its new "Simple Pleasures" short story competition.

The TF1 group launches a new range of podcasts, downloadable free of charge from all the streaming platforms (including Apple Podcast, Google Podcast, Spotify and Deezer). This new range complements the Group's existing podcast range (LCI, Studio71, MyLittle Paris, etc). The five themes feature iconic presenters and tie into some of its flagship TV brands: celebrities, adventure, music, true crime, history.

JUNE

TF1 Media Lab, the accelerator program at Station F, launched in 2018, welcomes its fifth intake of six new start-ups, with the objective of sparking synergies between innovative solutions and the know-how of industry specialists from within the TF1 group.

JULY

The TF1 group is proud to be the no. 1 media company and 22nd best company overall (out of the 120 major French companies in the SBF 120 index) according to the 2019 Ethics & Boards awards for female representation on corporate decision-making bodies.

The TF1 group creates a new 4K offer to provide viewers with the ultimate TV experience. The new, multi-genre offer – available within the Orange and Bouygues Telecom bundles – ranges from blockbuster Sunday-night movies to sport with the French national football team.

AUGUST

TF1 Pub, the Group's ad sales arm, teams up with Goodeed, a pioneer in socially-responsible "ads for good" in the French digital space. Every time an internet user views a Goodeed ad, money is raised for good causes. From 26 August, TF1 Pub will be marketing Goodeed's "ads for good" format on MYTF1, and will donate part of the ad spend to charities chosen by internet users.

SEPTEMBER

Jean-Pierre Pernaut, presenter since 22 February 1988 of Europe's most-watched lunchtime news bulletin, decides to hand over the reins at the end of the year and explore new opportunities within our news team. He is to be replaced by journalist Marie-Sophie Lacarrau, starting on 4 January 2021.

Didier Casas is appointed General Counsel of the TF1 group with effect from 1 November 2020. He succeeds Jean-Michel Counillon, and is to join the Executive Committee.

OCTOBER

The commercial operations of Newen's component entities – Newen Distribution, TF1 Studio and Reel One – are brought together within a new brand, Newen Connect. With a catalogue of over 5,500 hours of programmes and 1,000 movies, Newen Connect becomes a force to be reckoned with in audiovisual distribution, with an offer spanning all genres and an unrivalled capacity to deliver what all its local and global partners want.

20 October 2020 sees the launch of SALTO, the subscription video-on-demand platform set up by TF1, M6 and France Télévisions. It offers enhanced content, with complete series, including some previews, films, documentaries, programs for children, but also programs that have never before been broadcast in France such as *Ils étaient dix* or the series *Exit* and *Evil.*

NOVEMBER

The TF1 group features in the top 10 French companies for corporate responsibility in the rankings published on Thursday 12 November in the newspaper *Le Point*, based on a survey carried out by Germany's Statista institute. This performance is testimony to the very strong engagement of the TF1 group, which for over 15 years has been pursuing a proactive CSR policy and helping to build a more responsible broadcasting market.

In the same vein, the TF1 group is very proud to take 5th place in the DJSI rankings for the second consecutive year in 2020, and to be the only French company in the top 5. The rankings cover 68 media and entertainment companies including Lagardère, Publicis and Dentsu. The Group thereby qualifies as a member of the DJSI World and DJSI Europe indices.

DECEMBER

The Orange and TF1 groups sign two new agreements that strengthen their long-established partnership. The first agreement will use Orange TV to bring segmented advertising to TF1 group channels from January 2021. The second agreement renews the distribution of TF1's audiovisual services on Orange TV from September 2021, enriched by an all-new premium catch-up service with no ad breaks during programmes.

At a Climate Market Day organised by the Bouygues group and its business segments, the TF1 group unveils its Carbon 2030 strategy (see Section 4 of this Universal Registration Document).

5.2 ACTIVITY AND RESULTS

The results below are presented using the segmental reporting structure as presented in Note 4 "Operating segments" to the consolidated financial statements, and in accordance with IFRS 16 (applicable from 1 January 2019).

5.2.1 TF1 GROUP

These key figures are extracted from TF1 group consolidated financial data.

CONSOLIDATED FIGURES

(€ million)	2020	2019(1)
Revenue	**2,081.7**	**2,337.3**
Group advertising revenue	*1,483.3*	*1,651.1*
Revenue from other activities	*598.4*	*686.2*
Current operating profit/(loss)	**190.1**	**255.1**
Operating profit/(loss)	**115.1**(2)	**255.1**
Net profit/(loss) from continuing operations	**55.3**	**154.8**
Operating cash flow before cost of net debt, income from net surplus cash, interest expenses on lease obligations and income tax paid	372.9	416.6
Basic earnings per share from continuing operations *(€)*	0.26	0.74
Diluted earnings per share from continuing operations *(€)*	0.26	0.74
Shareholders' equity attributable to the Group	1,596.6	1,562.4
Net debt of continuing operations	(0.7)	(126.3)

(1) 2019 figures have been adjusted. See note 4.1 to the TF1 consolidated financial statements (section 6.2).
(2) Operating profit for FY 2020 includes the impact of the €75 million write-down of Unify assets. See our press release of 23 December 2020: https://groupe-tf1.fr/en/press-release/unify-goodwill-write-down-no-impact-group-s-cash-position.

Consolidated revenue of the TF1 group for 2020 was €2,081.7 million, a decrease of €255.6 million, in a year when all of the Group's operations were impacted by the COVID-19 crisis.

Group advertising revenue was €1,483.3 million, down 10.2% year-on-year. After a first half that was hit by the effects of the crisis, the fourth quarter saw advertising revenue rise by €22.6 million (+4.5%) *versus* the comparable period of 2019.

Revenue from the Group's other activities amounted to €598.4 million, down €87.8 million, due mainly to the suspension of shooting in April and May and to the cancellation or postponement of live shows, concert tours and cinema releases.

COST OF PROGRAMMES

(€m)	2020	2019
Total cost of programmes	**(833.2)**	**(985.5)**
TV dramas/TV movies/Series/Theatre	(313.3)	(331.8)
Entertainment	(215.2)	(271.4)
Movies	(133.1)	(148.3)
News (including LCI)	(130.2)	(134.7)
Sport	(29.4)	(87.4)
Kids	(11.9)	(11.8)

COST OF PROGRAMMES – ANALYSIS BY INCOME STATEMENT LINE ITEM

(€m)	2020	2019
Purchases consumed and changes in inventory	(667.9)	(831.6)
Staff costs	(77.9)	(77.6)
External expenses	(13.8)	(4.1)
Depreciation, amortisation, impairment and provisions, net	(72.9)	(70.8)
Other IFRS income statement line items	(0.6)	(1.4)
Amount recognised in current operating profit	**(833.2)**	**(985.5)**

The cost of programmes on the Group's five free-to-air channels was €833.2 million, a saving of €152.3 million.

This remarkable performance demonstrated the Group's adaptability, and reflects a reduction in the unit price of programmes broadcast, optimisation of the running time of entertainment shows, and better recycling of rights between the Group's channels. Those savings were implemented without impairing the quality of programming schedules, resulting in high audience ratings. They absorbed 100% of the erosion in advertising revenue from broadcasting.

OTHER EXPENSES AND DEPRECIATION, AMORTISATION AND PROVISIONS

Other expenses and depreciation, amortisation and provisions decreased by €38.3 million year-on-year in 2020, mainly due to savings linked to the crisis, and to cuts in some taxes.

CURRENT OPERATING PROFIT

The Group posted a current operating profit of €190.1 million, down €65.0 million. Current operating margin was 9.1%, compared with 10.9% in 2019.

OPERATING PROFIT

Group operating profit for 2020 was €115.1 million including the impact of the write-down of the intangible assets of the Unify segment for €75m.

NET PROFIT

Net profit attributable to the Group for 2020 was 55.3 million, down €99.5 million year-on-year.

FINANCIAL POSITION

Shareholders' equity attributable to the Group was €1,596.6 million at 31 December 2020 out of a balance sheet total of €3,363.1 million.

The lack of a dividend payout in 2020 and the improvement in operating working capital requirements meant that the Group reported net debt of €0.7 million at 31 December 2020 (net debt of €93.1 million including lease obligations), versus net debt of €126.3 million at 31 December 2019 (net debt of €225.8 million including lease obligations).

As of 31 December 2020, TF1 had confirmed bilateral bank credit facilities of €1,040 million, including €170 million for Newen Studios.

Those facilities were backed up by a cash pooling agreement with the Bouygues group.

As of 31 December 2020, drawdowns under those facilities amounted to €65 million, all of which related to Newen Studios.

SHAREHOLDER RETURNS

To reward shareholders for the capital they have invested, the Board of Directors will ask the Annual General Meeting of 15 April 2021 to approve the payment of a dividend of €0.45 per share.

The ex-date will be 3 May, the date of record will be 4 May, and the payment date will be 5 May 2021.

INCOME STATEMENT CONTRIBUTIONS – CONTINUING OPERATIONS

(€m)	Q1 2020	Q1 2019	Q2 2020	Q2 2019	Q3 2020	Q3 2019	Q4 2020	Q4 2019	FY 2020	FY 2019	Chg. €m	Chg. %
Consolidated revenue	**493.9**	**553.7**	**389.6**	**591.5**	**477.9**	**469.4**	**720.3**	**722.7**	**2,081.7**	**2,337.3**	**(255.6)**	**-10.9%**
Broadcasting	389.9	419.7	293.4	471.1	372.8	354.8	556.7	528.6	1,612.8	1,774.1	(161.3)	-9.1%
TV advertising	*341.7*	*375.7*	*244.4*	*415.8*	*328.4*	*303.4*	*500.4*	*472.6*	*1,414.9*	*1,567.4*	*(152.5)*	*-9.7%*
Studios and Entertainment	68.5	93.5	63.3	75.3	67.8	76.5	109.6	144.7	309.2	389.9	(80.7)	-20.7%
Digital (Unify)	35.5	40.5	32.9	45.1	37.3	38.1	54.0	49.4	159.7	173.3	(13.6)	-7.7%
Current operating profit/(loss)	**42.0**	**62.9**	**25.8**	**100.1**	**57.8**	**21.4**	**64.5**	**70.7**	**190.1**	**255.1**	**(65.0)**	**-25.5%**
Broadcasting	43.8	49.9	32.1	92.6	51.7	14.1	35.4	28.9	163.0	185.5	(22.5)	-12.1%
Studios and Entertainment	2.1	13.1	(2.1)	4.2	7.2	7.7	23.9	32.9	31.1	57.9	(26.8)	-46.3%
Digital (Unify)	(3.9)	(0.1)	(4.2)	3.3	(1.1)	(0.4)	5.2	8.9	(4.0)	11.7	(15.7)	N/A
Cost of programmes	**(199.1)**	**(222.1)**	**(139.7)**	**(224.1)**	**(183.0)**	**(213.5)**	**(311.4)**	**(325.8)**	**(833.2)**	**(985.5)**	**152.3**	**-15.5%**

BROADCASTING

FREE-TO-AIR CHANNELS

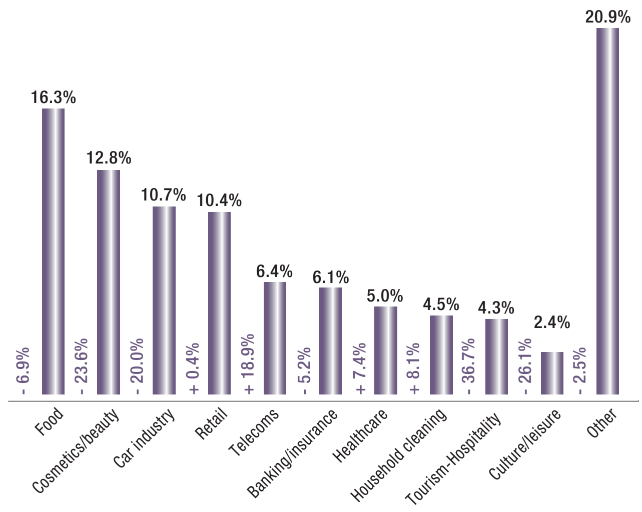
Revenue

Broadcasting segment revenue amounted to €1,612.8 million, a decrease of €161.4 million or 9.1%:

- Advertising revenue for the Broadcasting segment in 2020 was €1,414.9 million, down by €152.5 million. After a first half hit hard by cuts to advertising spend due to the COVID-19 crisis, the second half saw revenue rise by €52.8 million (6.8%) year-on-year, despite a tough comparative caused by the screening of the Rugby World Cup in September and October 2019. This reflects a resumption in advertising spend in several sectors, especially in food, retail, personal care, e-commerce and telecoms. In the fourth quarter, advertisers benefited from the high viewing figures posted through to December, such as for appointment TV shows like Miss France 2021 and the *NRJ Music Awards* and the successful launch of the new daily soap *Ici tout commence*. Only a few sectors – such as travel, tourism and cosmetics – remain in decline.
- Revenue from other Broadcasting segment activities was slightly down year-on-year, by €8.9 million, mainly on lower advertising spend on MYTF1 in the first half, though the effect was partly offset by higher interactivity revenues.

Gross revenue for the TF1 group's free-to-air channels for 2020 was down by 9.3%.

Trends in gross advertising spend (excluding sponsorship) by sector for 2020 are shown in the following chart.



Kantar Media, 2020 vs 2019

Current operating profit

The Broadcasting segment reported a current operating profit of €163.0 million, down €22.5 million year-on-year. Current operating margin was 10.1%, versus 10.5% in 2019.

Free-to-air channels – market review(1)

2020 saw a marked increase in television consumption, as the average daily viewing time among individuals aged 4+ reached 3 hours 54 minutes, up 24 minutes year-on-year. Viewing time rose across all age brackets, and for both live consumption (up 22 minutes) and time-shift viewing (up 2 minutes). For example, among the target audience of "women aged under 50 purchasing decision makers" (W<50PDM), average daily viewing time was 3 hours 25 minutes, up 23 minutes year-on-year, mainly on live viewing. Among 15-34 year-olds, average daily viewing time was 15 minutes higher than in 2019, an increase of 14%.

Television remained the most viewed of French media in 2020, with 44 million people tuning in daily.

The growth in average daily viewing time also reflects the fact that since April 2020, audience metrics have included viewing outside the home on any device (such as TV sets in second homes, bars, workplaces or railway stations, and on computers and smartphones). TV viewing within the home on other internet-enabled screens (computers, tablets and smartphones) is due to be incorporated in Médiamétrie audience metrics during 2022.

Free-to-air channels – audience ratings(2)

In a year dominated by the COVID-19 crisis and by a resurgence in the appeal of TV viewing, TF1 group channels went to extraordinary lengths to deliver what French viewers wanted, constantly adapting their programming to provide the best-quality news, interspersed with entertainment and escapist family viewing. The audience share among individuals aged 4+ was down slightly, mainly due to the dearth of sporting events in 2020 compared with 2019. However, the Group upped its audience share among 25-49 year-olds by 0.5 of a point year-on-year, taking it to its highest level for six years.

These performances illustrate the Group's ability to reach and bring together a majority of the French public. Nearly 50 million viewers watched the Group's channels every week, 4 million more than in 2019.

TF1

In 2020, TF1 confirmed its status as France's most-watched private-sector TV channel, with an audience share of 19.2% among individuals aged 4+.

The channel also achieved 74 of the year's top 100 ratings among individuals aged 4+, and 92 of the top 100 ratings among W<50PDM.

TF1 capitalized on the fact that not only were more people generally watching TV in 2020, but more young people were doing so. While continuing to adjust costs to the evolving situation, the channel stood out for its successful risk-taking and ability to deliver appointment TV:

- **News**: The COVID-19 crisis created a huge appetite for news, and the French public responded by turning to TF1 in droves. During 2020, an average of 6 million people a day (42% of individuals aged 4+) watched the TF1 lunchtime news, the highest figure since 2013. The lunchtime bulletin's lead over the channel's closest rival continued to widen, and now stands at 3 million. And an average of 6.5 million people a day tuned into the TF1 evening news.
- **Entertainment:** Blockbuster family shows meant TF1 was the only channel to get any entertainment shows into the top 100, increasing its prime time audience share in the process (especially among 25-49 year-olds, up 1 point year-on-year). *Les Enfoirés* pulled in 10 million viewers (41% of individuals aged 4+), and *Miss France 2021* 8.8 million. The two all-new seasons of *Koh Lanta* (*L'île des héros* and *Les 4 Terres*) attracted 6.8 million and 6.1 million viewers respectively, and a 42% audience share among W<50PDM. TF1's expertise in entertainment programming was also reflected in daytime TV, with quiz show *Les 12 coups de midi* posting its best year ever, with an average audience of 3.6 million and a 34% share of individuals aged 4+.

Another successful strand in the channel's entertainment strategy during 2020 is the policy on new shows, which paid off as *District Z* and *La Grande Incruste* reached large audiences (average 5.7 million and 5.3 million viewers respectively), especially among younger viewers (47% and 39% share of 25-49 year-olds respectively).

- **French drama:** The TF1 group is more committed than ever to putting French drama at the heart of its schedules. In 2020, *Pourquoi je vis* and *I love you coiffure* posted the best performance among W<50PDM since 2006, with 8.3 million viewers. In terms of series, *Les Bracelets Rouges* attracted 6.4 million viewers per episode, with a peak share of 22.4% among individuals aged 4+. Daily soaps also built strong audience loyalty, as shown by the 5.4 million viewers for *Grand Hôtel*. On 2 November, TF1 launched the new soap *Ici tout commence*. It is currently averaging 4 million viewers, and a 26% audience share among 15-24 year-olds.
- **Movies**: In movies, TF1 offered extra screenings during lockdown, delivering what French viewers wanted with over 100 prime time movies (vs. 66 in 2019). TF1 attracted nearly 90% of the top 50 movie audiences in 2020 (43 out of 50). Ratings hits included the *Harry Potter* franchise (7.8 million viewers), *Le diner de cons* (7.5 million) and *La Ch'tite famille* (7 million).
- **Foreign series:** TF1 scored successes in 2020 with foreign series like *The Good Doctor* and *The Resident* (5.8 million viewers), both of which enjoyed a 32% audience share among W<50PDM.
- **Sport:** Most sporting competitions were cancelled during 2020. However, the post-lockdown return of football attracted large audiences to stand-out fixtures like the semi-final and final of the UEFA Champions League, with 6.5 million and 11.4 million viewers respectively.

DTT channels

During 2020, the TF1 group's DTT arm – TMC, TFX, TF1 Séries Films and LCI – maintained its market leadership with a combined audience share of 10.6% among W<50PDM (stable year-on-year) and 9.8% among 25-49 year-olds (up 0.2 of a point year-on-year).

(1) Médiamétrie – Médiamat.
(2) Médiamétrie.

TMC

For the third consecutive year, TMC was France's most-watched DTT channel, with a 3.0% share among individuals aged 4+, rising to 4.2% among W<50PDM and 25-49 year-olds.

This performance reflected:

- a record year for *Quotidien*, with an average audience of 1.8 million and 42 shows during the year topping the 2 million mark;
- a premium movie offering (peak of 1.8 million viewers for *Mais où est donc passée la 7e compagnie ?*);
- success for prime time entertainment shows (peaking at 1.6 million for *Burger Quiz* and 1.2 million for the documentary *Bohemian Rhapsody*).

TFX

TFX retained its ranking as France's no.3 DTT channel among the W<50PDM target audience for the third consecutive year (3.3% share), and also ranked third among 15-24 year-olds (2.9% share), thanks to:

- movies, with seven films attracting more than 1 million viewers;
- strong ratings for exclusive access prime time programming, including the all-new *Mamans et Célèbres* (most-watched among women aged 15-49, with an 8% share) and *10 Couples Parfaits*;
- popular reality TV series *Appels d'Urgences* (peak of 0.9 million viewers), *Cleaners and Tattoo Cover*.

TF1 Séries Films

The channel posted its highest-ever share of women aged 15-49 at 2.7%, making it the most-watched HD DTT channel among this target audience since September 2020) and 25-49 year olds (2.2% audience share). The channel's biggest audience was 1.2 million, for the movie *L'Arme fatale 4* (*Lethal Weapon 4*). French drama is still the mainstay of the channel, with *Alice Nevers* and *Section de Recherches* continuing to pull in healthy audiences of close to 1 million.

LCI

LCI is France's third most-watched news channel and is recording all-time high audience shares (1.2% of individuals aged 4+, 0.7% of 25-49 year-olds, and 1% of ABC1s).

The channel also posted record viewing figures for all its flagship shows and was the most-watched news channel for major evening debates (1.9% share of individuals aged 4+ for the municipal elections debate, 1.0% share of individuals aged 4+ for the interview with Health Minister Olivier Véran in *La Grande Confrontation*).

TF1 Publicité (third-party airtime sales)

Revenue from third-party airtime sales (for radio stations, non-Group TV channels, etc.) fell year-on-year, mainly in radio, in line with the drop in advertising spend.

TF1 Films Production

Due to the COVID-19 global pandemic, French cinemas were shut twice, for a total of 162 days, during 2020. Over 2020 as a whole, there were a total of 65.1 million box office entries, 30% of the 2019 level.

Box-office entries for French films fell by 60.7%, a lower rate than for American films (76.7%) or other international films (69.4%). In these unprecedented market conditions, French films attracted more movie-goers (29.2 million) than American films (26.6 million) or other international films (9.3 million).

Four films co-produced by TF1 Films Production have been postponed to 2021.

TF1 Films Production's contribution to consolidated revenue was lower in 2020 than in 2019, due to reduced box office revenue.

TF1 Production

TF1 Production experienced a loss of business in 2020, with the COVID-19 crisis delaying delivery of some magazine programmes, and the postponement to 2021 of major sporting events and the *Ninja Warrior* show.

As a result, both revenue and operating profit at TF1 Production were down year-on-year.

e-TF1

TF1 continued to pursue its digital strategy in 2020, working closely with the Group's TV channels.

MYTF1 reached an all-time high with 2 billion video views in the year, up 10% year-on-year. TF1 posted 8 of the top 10 catch-up audiences of 2020, including all of the top 3: *Les bracelets rouges* (1.2 million extra viewers), *The Resident* (1.15 million) and *Koh Lanta* (1.1 million). MYTF1 advertising revenue grew in the fourth quarter of 2020.

Interactivity revenue was also higher in the fourth quarter of 2020.

Over 2020 as a whole, e-TF1 recorded year-on-year revenue growth, driven by the rise in interactivity revenue. However, operating profit was down year-on-year.

Theme channels (TV Breizh, Ushuaïa TV and Histoire TV)

The Group's three theme channels made further progress during 2020:

- TV Breizh confirmed its ranking as no. 1 theme channel for the 7th time running with a 0.7% audience share, and achieved its best-ever audience share among individuals aged 4+ (up 11% year-on-year);
- Histoire TV consolidated its status as France's no. 1 history channel, thanks largely to themed programming cycles around the American elections (November) and slavery (December);
- Ushuaïa TV remained the no. 2 ranked documentary channel, with a reach of 3.8 million visitors per month. The channel is integral to the TF1 group's CSR policy, as demonstrated by the promotion onto the TF1 core channel schedules of Ushuaïa's *En Terre Ferme*, a magazine show dedicated to protecting the environment.

All three channels also benefited from their inclusion on the SALTO online platform from 20 October 2020 onwards.

Over 2020 as a whole, current operating profit and revenue fell year-on-year for two of the channels, due to the renegotiation of the Canal+ distribution contract and the effects of the COVID-19 pandemic.

STUDIOS & ENTERTAINMENT

STUDIOS

Newen

After a first half badly affected by the suspension of shooting, Newen was one of the first producers to restart operations, from mid-May onwards. The Group's studios outside France – such as Reel One (Canada), Tuvalu (Netherlands) and De Mensen (Belgium) – also returned to normal activity levels.

The successful launch of the new soap *Ici tout commence* confirmed Newen's expertise in the production of daily soaps. International operations have expanded further, with the creation of Ringside Studios in the United Kingdom. Newen has also been developing partnerships with SVoD platforms, which are exporting into a number of countries. Newen enjoys good visibility, with a book of orders at more than 1,600 hours.

TF1 Studio

Due to the COVID-19 global pandemic, French cinemas were shut for 162 days during 2020. In response, TF1 Studio rejigged its line-up, and was able to get 5 films out on general release (versus 10 in 2019).

Although TV and SVoD sales were higher than in 2019, the effects of the COVID-19 pandemic meant that overall revenue at TF1 Studio was down year-on-year.

ENTERTAINMENT

TF1 Entertainment

Revenue at TF1 Entertainment has been adversely affected by the COVID-19 pandemic:

- TF1 Musique Spectacle and Play 2: lower revenue due to postponement of projects and music shows;
- La Seine Musicale: shutdown from mid-March 2020;
- Games/Dujardin: slight fall in revenue, partly cushioned by growth for classic games like Mille Bornes.
  - However, cost optimisation kept TF1 Entertainment in the black at current operating level over 2020 as a whole.

DIGITAL (UNIFY)

The Digital segment (Unify) posted revenue of €159.7 million, down €13.4 million year-on-year.

After a first half that was hit hard by the COVID-19 crisis, advertising spend (direct media and programmatic) recovered gradually from the third quarter. Traffic on Unify websites surged during 2020, trebling at Marmiton and doubling at Aufeminin.

Advertiser services picked up in the fourth quarter, taking that business back into growth compared with the fourth quarter of 2019.

Social e-commerce proved resilient to the crisis, with revenue stable year-on-year, helped by increased shipments for My Little Box and Gambettes Box.

This end-of-year uptick enabled Unify to post fourth-quarter revenue up 9%.

The reorganisation of Unify continued during 2020: a new governance structure, the rollout of new IT tools and an asset review will all help Unify to grow, and ultimately return to better performance levels.

The segment made a current operating loss of €4.0 million (a €15.7 million negative movement versus 2019), reflecting the decline in revenue, mainly during the first half.

5.2.2 OUTLOOK

Our 2020 full-year results illustrate the adaptability of our broadcasting operations. In 2021, the Group will reap the rewards of a strong and diversified line-up including *Je te promets*, the Euro 2021 football tournament and *La Promesse*. Amidst persistent uncertainties about public health and the economy, we will confirm our flexibility in managing the potential impacts of the changing situation.

For Studios & Entertainment, the expansion of international production activities means that in 2021 a substantial portion of the segment's revenue will be generated outside France, as well as increasing its order backlog with pure player platforms. 2021 should also see a gradual resumption of activity in live shows and music.

For Unify, our objectives of refocusing, brand enhancement and developing synergies will enable the division to increase revenue and return to a positive current operating profit margin in 2021.

The TF1 group has sustainable growth momentum, with opportunities in both content and digital, that will make it a force to be reckoned with in the Total Video sphere.

5.2.3 SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In mid-January, Newen announced the creation of Newen France to pursue the company's expansion in France and abroad. Newen France now includes Telfrance, CAPA and 17 Juin, reporting to Romain Bessi, Group Chief Operating Officer. In addition, Philippe Levasseur, Managing Director of CAPA Presse, has been appointed Director of International Operations. He will encourage and support the development of Newen's foreign subsidiaries as well as the Group's synergies. On 11 February 2021, the TF1 group announced it had entered exclusive negotiations with Jumbodiset to sell TF1 Games and Dujardin, the biggest toy and game publishers in France[1].

5.2.4 ROLE OF TF1 IN DEALINGS WITH ITS SUBSIDIARIES AND PARENT COMPANY

The TF1 group consists of 150 directly or indirectly owned operating subsidiaries (see the organisation chart provided in section 1.2 of this Universal Registration Document), mostly located in France.

The role of TF1 is to define the overall strategic priorities of the Group, and to provide leadership in areas such as identifying synergies and harmonising procedures.

It also provides corporate support functions to its subsidiaries in fields such as management, human resources, advisory services, finance, legal services. Those services are invoiced by TF1 to the subsidiaries concerned.

For information about services provided by Bouygues to TF1, refer to the disclosures about related-party agreements in section 8.2 of this Registration Document, and to the statutory auditors' report on such agreements and commitments in section 3.3 of this Registration Document.

From a financial point of view, TF1 ensures that its subsidiaries are adequately capitalised. The TF1 Treasury Department manages and consolidates the treasury and financing needs of all entities controlled by the Group, and supervises those needs for other Group entities.

5.2.5 TF1 PARENT COMPANY (TF1 SA)

RESULTS OF TF1 SA

In 2020, TF1 SA generated revenue of €1,060.9 million (9.4% less than in 2019), of which €998.4 million came from advertising revenue (10.6% less than in 2019). Operating profit for the year was €96.6 million, an increase of €47.3 million relative to 2019. Net financial expenses were €300.0 million, versus €16.6 million in 2019. TF1 SA showed a net loss for the year of €206.5 million, compared with a profit of €18.3 million in 2019.

Expenses falling within the scope of Article 39-4 of the French General Tax Code amounted to €277,308 in 2020. The income tax incurred as a result of those expenses was €88,802. Those expenses, which are non-deductible for corporate income tax purposes, will be submitted to the Annual General Meeting for approval, in accordance with Article 223 *quater* of the French General Tax Code.

APPROPRIATION AND DISTRIBUTION OF TF1 SA PROFITS

In the resolutions submitted for your approval we are asking you to approve the parent company financial statements and consolidated financial statements for the year ended 31 December 2020 and, having noted the existence of distributable profits of €362,768,680.52 (comprising the net loss for the year of €206,544,525.47 and retained earnings brought forward of €569,313,205.99), to decide to appropriate and distribute that sum as follows, as proposed by the Board of Directors:

- distribution of a cash dividend of €94,676,845.95 (representing a dividend of €0.45 per €0.20 par value share);
- appropriation of the balance of €268,091,834.57 to retained earnings.

The ex-date of the dividend on the Euronext Paris market will be 3 May 2021. The date of record (i.e. the day at the end of which the post-settlement positions entitled to the dividend are determined) will be 4 May 2021. The payment date of the dividend will be 5 May 2021.

The entire dividend payout will be eligible for the 40% tax relief mentioned in paragraph 2 of Article 158-3 of the General Tax Code for taxpayers who have elected liability for income tax on a sliding scale basis.

We are also asking for your authority to transfer to retained earnings the amount of dividend accruing to any of its own shares that TF1 may hold, in accordance with Article L. 225-210 of the French Commercial Code.

The amount of dividend distributed in respect of the three previous financial years was as follows:

	2017	2018	2019
Number of shares	209,865,742	209,928,940	210,242,074
Dividend per share	€0.35	€0.40	€0
Total dividend[(1)(2)]	€73,453,009.70	€83,971,576.00	€0

(1) Dividends actually paid, excluding any own shares held by TF1 (which are not entitled to dividend).
(2) Dividends qualifying for the 40% relief specified in Article 158.3.2 of the French General Tax Code.

(1) See press release of 11 february 2021: https://groupe-tf1.fr/sites/default/files/communiques/communique_de_presse_tf1_games.pdf

FIVE-YEAR FINANCIAL SUMMARY

Indicator	2016	2017	2018	2019	2020
I – Financial position at end of period					
a) Share capital	41,883,508	41,973,148	41,985,788	42,048,415	42,078,598
b) Number of shares in issue	209,417,542	209,865,742	209,928,940	210,242,074	210,392,991
c) Number of bonds convertible into shares					
II – Income statement data					
a) Sales excluding VAT	1,200,853,185	1,168,507,814	1,198,717,225	1,170,945,915	1,060,936,664
b) Profit before tax, employee profit-sharing, depreciation, amortisation and provisions	35,520,973	145,811,250	145,001,875	127,846,591	165,696,197
c) Income tax expense	(22,779,807)	(1,905,992)	8,373,401	13,324,906	(4,067,549)
d) Employee profit-sharing	0	0	0	0	0
e) Profit after tax, employee profit-sharing, depreciation, amortisation and provisions	131,489,002	131,630,700	91,702,495	18,290,036	(206,544,525)
f) Dividend payout	58,636,912	73,453,010	83,971,576	0	94,676,845
III – Per share data					
a) Profit after tax and employee profit-sharing, but before depreciation, amortisation and provisions	0.28	0.70	0.65	0.54	0.81
b) Profit after tax, depreciation, amortisation and provisions	0.63	0.63	0.44	0.09	(0.98)
c) Dividend per share	0.28	0.35	0.40	0.00	0.45[1]
IV – Employee data					
a) Number of employees[2]	1,682	1,589	1,608	1,465	1,442
b) Total payroll[3]	146,120,423	143,979,806	129,363,942	121,424,785	130,986,932
c) Employee benefits paid[3]	61,238,030	62,439,755	53,469,546	54,387,824	53,127,410

(1) Dividend subject to approval at the Combined General Meeting of 15 April 2021.
(2) Average for the year (excluding interns).
(3) Including accrued expenses.

DISCLOSURES ABOUT CUSTOMER AND SUPPLIER PAYMENT TERMS AS SPECIFIED IN ARTICLE D. 441-4 OF THE FRENCH COMMERCIAL CODE

CUSTOMER PAYMENT TERMS

	Article D. 441 I. -2: Invoices issued and due for payment that remain unpaid at the end of the reporting period					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Ageing profile of payment arrears						
Number of invoices	954					64
Total amount of invoices *(ex VAT)*	184,696,428.53	372.00	249,159.17	224,792.10	370,540.01	844,863.28
Total revenue for the year *(ex VAT)*	1,060,936,664.48					
Percentage of total revenue for the year *(ex VAT)*	17.41%	0.00%	0.02%	0.02%	0.03%	0.08%
(B) Invoices excluded from (A) because they are disputed or not recognised in the accounts						
Number of invoices excluded	1					
Total amount of invoices excluded *(ex VAT)*	85,400					
(C) Benchmark payment terms used (contractual or statutory – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)						
Payment terms used to determine arrears	Contractual payment terms: end of invoice month +30 days - end of invoice month +45 days					

SUPPLIER PAYMENT TERMS

	Article D. 441 I. -1: Invoices received and due for payment that remain unpaid at the end of the reporting period					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Ageing profile of payment arrears						
Number of invoices	1,478					46
Total amount of invoices *(ex VAT)*	114,589,704.20	70,421.18	22,581.58	158,966.00	53,768.35	305,737.11
Total purchases for the year *(ex VAT)*	815,249,324.71					
Percentage of total purchases for the year *(ex VAT)*	14.06%	0.01%	0.00%	0.02%	0.01%	0.04%
(B) Invoices excluded from (A) because they are disputed or not recognised in the accounts						
Number of invoices excluded	4					
Total amount of invoices excluded *(ex VAT)*	18,222.67					
(C) Benchmark payment terms used (contractual or statutory – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)						
Payment terms used to determine arrears	Contractual payment terms (in most cases): end of invoice month +45 days					

5.2.6 PRINCIPAL ACQUISITIONS AND DIVESTMENTS

The principal acquisitions and divestments of the period are described in Note 3 to the consolidated financial statements in section 6 of this universal registration document.

6

FINANCIAL STATEMENTS AFR

6.1 CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the TF1 group for the year ended 31 December 2020 should be read in conjunction with the audited consolidated financial statements for the years ended 31 December 2019 and 31 December 2018, prepared in accordance with International Financial Reporting Standards, as presented in the 2019 Universal Registration Document filed with the Autorité des Marchés Financiers (AMF) on 10 March 2020 under reference number D. 20-0118.

The financial statements have been audited, and an unqualified opinion has been issued by the auditors.

6.1.1 CONSOLIDATED INCOME STATEMENT

(€m)	*Note*	Full year 2020	Full year 2019*
Revenue	***5.1***	**2,081.7**	**2,337.3**
Other income from operations		38.8	40.1
Purchases consumed and changes in inventory	*5.2*	(785.7)	(953.6)
Staff costs	*5.3*	(495.5)	(484.8)
External expenses	*5.4*	(423.7)	(434.5)
Taxes other than income taxes	*5.5*	(98.8)	(126.1)
Net charges for depreciation, amortisation and impairment losses on property, plant & equipment and intangible assets		(260.5)	(280.4)
Net amortisation expense on right of use of leased assets		(20.6)	(19.1)
Charges to provisions and other impairment losses, net of reversals due to utilization		(17.0)	3.4
Other current operating income	*5.6*	299.9	291.9
Other current operating expenses	*5.6*	(128.5)	(119.1)
Current operating profit/(loss)		**190.1**	**255.1**
Non-current operating income	*5.7*	-	-
Non-current operating expenses	*5.7*	(75.0)	-
Operating profit/(loss)		**115.1**	**255.1**
Income associated with net debt		2.3	0.7
Expenses associated with net debt		(3.4)	(2.3)
Cost of net debt	***5.8***	**(1.1)**	**(1.6)**
Interest expense on lease obligations		(3.4)	(3.7)
Other financial income	*5.9*	2.3	1.4
Other financial expenses	*5.9*	(10.4)	(7.9)
Income tax expense	*5.11*	(37.3)	(82.0)
Share of profits/(losses) of joint ventures and associates	*7.4.4*	(11.3)	(6.1)
Net profit/(loss) from continuing operations		**53.9**	**155.2**
Net profit/(loss) from discontinued or held-for-sale operations		**-**	**-**
NET PROFIT/(LOSS)		**53.9**	**155.2**
attributable to the Group:		**55.3**	**154.8**
attributable to non-controlling interests:		**(1.4)**	**0.4**
Weighted average number of shares outstanding (in thousands)		210,332	210,301
Basic earnings per share from continuing operations *(€)*	*7.5.2*	0.26	0.74
Diluted earnings per share from continuing operations *(€)*	*7.5.2*	0.26	0.74

* *The presentation of the financial statements for 2019 has been amended. For details, see Note 2.3 ("Changes in accounting policy").*

6.1.2 STATEMENT OF RECOGNISED INCOME AND EXPENSE

(€m)	Full year 2020	Full year 2019
Net profit/(loss) for the period	**53.9**	**155.2**
Items not reclassifiable to profit or loss		
Actuarial gains/(losses) on post-employment benefits(1)	(4.5)	(9.7)
Fair value remeasurement of investments in equity instruments(2)	(9.1)	(26.5)
Taxes on items not reclassifiable to profit or loss	0.1	3.5
Share of non-reclassifiable income and expense of joint ventures and associates	(0.6)	
Items reclassifiable to profit or loss		
Remeasurement of hedging assets(3)	(0.8)	(1.4)
Translation adjustments	(1.8)	0.8
Taxes on items reclassifiable to profit or loss	0.2	0.4
Share of reclassifiable income and expense of joint ventures and associates		
Income and expense recognised directly in equity	**(16.5)**	**(32.8)**
TOTAL RECOGNISED INCOME & EXPENSE	**37.4**	**122.4**
Recognised income & expense attributable to the Group	38.9	121.9
Recognised income & expense attributable to non-controlling interests	(1.5)	0.5

(1) Reflects changes in actuarial assumptions, including a reduction in the discount rate from 0.92% as of 31 December 2019 to 0.60% as of 31 December 2020 (see Note 7.4.6.2).
(2) In 2020, negative net changes in the fair value of non-consolidated equity investments recognised in equity amounted to €9.1 million (see Note 7.4.5.2).
(3) Includes €0.8 million relating to the reclassification of cash flow hedges to profit or loss during 2020.

6.1.3 CONSOLIDATED CASH FLOW STATEMENT

(€m)	*Note*	Full year 2020	Full year 2019[1]
Net profit/(loss) from continuing operations		53.9	155.2
Net charges to/(reversals of) depreciation, amortisation, impairment of property, plant and equipment and intangible assets, and non-current provisions	*6.2.1*	334.9	283.0
Amortisation, impairment and other adjustments on right of use of leased assets		20.8	19.1
Other non-cash income and expenses	*6.2.2*	(37.0)	(43.7)
Gains and losses on asset disposals		5.1	5.0
Share of profits/losses reverting to joint ventures and associates, net of dividends received		11.3	1.3
Dividends from non-consolidated companies		(0.1)	-
Income taxes paid		(53.3)	(85.3)
Income taxes, including uncertain tax positions	*5.11*	37.3	82.0
Cash flow after income from net surplus cash/cost of net debt, interest expense on lease obligations and income taxes paid		**372.9**	**416.6**
Reclassification of income from net surplus cash/cost of net debt and interest expense on lease obligations		4.5	5.3
Changes in working capital requirements related to operating activities (including current impairment and provisions)[2]	*6.2.3*	103.0	(32.3)
Net cash generated by/(used in) operating activities		**480.4**	**389.6**
Purchase price of property, plant and equipment and intangible assets		(283.1)	(243.7)
Proceeds from disposals of property, plant and equipment and intangible assets		(0.4)	1.3
Net liabilities related to property, plant & equipment and intangible assets		(1.1)	(2.6)
Purchase price of non-consolidated companies and other investments		(0.8)	(0.7)
Proceeds from disposals of non-consolidated companies and other investments		0.5	0.2
Net liabilities related to non-consolidated companies and other investments		-	-
Purchase price of consolidated activities		(1.4)	(51.3)
Proceeds from disposals of consolidated activities		1.0	0.5
Net liabilities related to consolidated activities		-	-
Other changes in scope of consolidation (cash of acquired or divested entities)		2.4	13.1
Other cash flows related to investing activities: changes in loans, dividends received from non-consolidated companies		(36.3)	(3.7)
Net cash generated by/(used in) investing activities		**(319.2)**	**(286.9)**
Capital increases/(reductions) paid by shareholders and non-controlling interests		(7.0)	(19.8)
Dividends paid to shareholders of the parent company		-	(84.0)
Dividends paid by consolidated companies to non-controlling interests		-	-
Change in current and non-current debt	*7.6.1*	(57.2)	15.7
Repayment of lease obligations	*7.6.1*	(20.5)	(18.4)
Income from net surplus cash/cost of net debt and interest expense on lease obligations		(3.8)	(4.9)
Other cash flows related to financing activities		-	-
Net cash generated by/(used in) financing activities		**(88.5)**	**(111.4)**
Effect of foreign exchange fluctuations		**(0.7)**	**0.3**
CHANGE IN NET CASH POSITION		**72.0**	**(8.4)**
Net cash position at start of period		**102.6**	**111.0**
Net cash flows		72.0	(8.4)
Net cash position at end of period		**174.6**	**102.6**

(1) The presentation of the financial statements for 2019 has been amended. For details, see Note 2.3 ("Changes in accounting policy").
(2) Current assets minus current liabilities excluding income taxes, current debt and debt hedging instruments, which are classified in financing activities.

6.1.4 CONSOLIDATED BALANCE SHEET

Assets *(€m)*	*Note*	31/12/2020	31/12/2019*
Goodwill	*7.4.1*	786.3	845.2
Intangible assets	*7.1*	339.5	312.5
Property, plant and equipment	*7.4.2*	218.2	206.2
Right of use of leased assets	*7.4.3*	86.3	93.8
Investments in joint ventures and associates	*7.4.4*	11.0	12.3
Other non-current financial assets	*7.4.5*	52.9	37.3
Deferred tax assets		-	-
Total non-current assets		**1,494.2**	**1,507.3**
Inventories	*7.2*	485.3	521.4
Advance payments made on orders	*7.3.1*	141.1	154.2
Trade receivables	*7.3.1*	725.0	695.7
Customer contract assets		-	-
Current tax assets		8.5	4.8
Other current receivables	*7.3.1*	330.4	355.1
Financial instruments – Hedging of debt		-	-
Other current financial assets		-	0.3
Cash and cash equivalents	*7.6.1*	178.6	105.3
Total current assets		**1,868.9**	**1,836.8**
Held-for-sale assets and operations		-	-
TOTAL ASSETS		**3,363.1**	**3,344.1**
Net surplus cash/(net debt)	*7.6.1*	(0.7)	(126.3)

* *The presentation of the financial statements for 2019 has been amended. For details, see Note 2.3 ("Changes in accounting policy").*

Shareholders' equity and liabilities *(€m)*	*Note*	31/12/2020	31/12/2019*
Share capital	*7.5.1*	42.1	42.0
Share premium and reserves		1,499.5	1,364.2
Translation reserve		(0.3)	1.4
Treasury shares		-	-
Net profit/(loss) attributable to the Group		55.3	154.8
Shareholders' equity attributable to the Group		**1,596.6**	**1,562.4**
Non-controlling interests		(0.8)	1.7
Total shareholders' equity		**1,595.8**	**1,564.1**
Non-current debt	*7.6.1*	140.4	200.1
Non-current lease obligations	*7.6.3*	71.3	79.4
Non-current provisions	*7.4.6*	55.1	50.9
Deferred tax liabilities	*5.11*	34.9	47.1
Total non-current liabilities		**301.7**	**377.5**
Current debt	*7.6.1*	34.9	28.8
Current lease obligations	*7.6.3*	21.1	20.1
Trade payables	*7.3.2*	664.4	642.8
Customer contract liabilities	*7.3.2*	29.4	30.8
Current provisions	*7.3.3*	21.2	14.8
Other current liabilities	*7.3.2*	690.1	662.3
Overdrafts and short-term bank borrowings	*6.1*	4.0	2.7
Current tax liabilities		-	-
Other current financial liabilities		0.5	0.2
TOTAL CURRENT LIABILITIES		**1,465.6**	**1,402.5**
Liabilities related to held-for-sale operations		-	-
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**3,363.1**	**3,344.1**

* *The presentation of the financial statements for 2019 has been amended. For details, see Note 2.3 ("Changes in accounting policy").*

6.1.5 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€m)	Share capital & share premium	Reserves related to share capital & retained earnings	Consolidated reserves & profit/(loss) for period	Treasury shares	Items recognised directly in equity	Total – Group	Non-controlling interests	Total
POSITION AT 31/12/2018	**58.8**	**1,413.8**	**123.7**	**-**	**(21.7)**	**1,574.6**	**0.6**	**1,575.2**
Net profit/(loss)	**-**	**-**	**154.8**	**-**		**154.8**	**0.4**	**155.2**
Income and expense recognised directly in equity	-	-	-	-	(32.8)	(32.8)	-	(32.8)
Total comprehensive income	**-**	**-**	**154.8**	**-**	**(32.8)**	**122.0**	**0.4**	**122.4**
Share capital and reserves transactions, net	3.5	-	-	-	-	3.5	-	3.5
Acquisitions & disposals of treasury shares	(0.1)	(3.4)	-	-	-	(3.5)	-	(3.5)
Acquisitions & disposals without change of control	-	-	(4.9)	-	-	(4.9)	-	(4.9)
Dividends distributed	-	(83.7)	(0.3)	-	-	(84.0)	-	(84.0)
Share-based payment	-	-	2.8	-	-	2.8	-	2.8
Other transactions (changes in scope of consolidation, other transactions with shareholders, & other items)	-	-	(48.1)	-	-	(48.1)	0.7	(47.4)
POSITION AT 31/12/2019	**62.2**	**1,326.7**	**228.0**	**-**	**(54.5)**	**1,562.4**	**1.7**	**1,564.1**
Net profit/(loss)	**-**	**-**	**55.3**	**-**	**-**	**55.3**	**(1.4)**	**53.9**
Income and expense recognised directly in equity	-	-	-	-	(16.4)	(16.4)	(0.1)	(16.5)
Total comprehensive income	**-**	**-**	**55.3**	**-**	**(16.4)**	**38.9**	**(1.5)**	**37.4**
Share capital and reserves transactions, net	0.1	18.3	(18.3)	-	-	0.1	-	0.1
Acquisitions & disposals of treasury shares	-	-	-	-	-	-	-	-
Acquisitions & disposals without change of control	-	-	(6.1)	-	-	(6.1)	-	(6.1)
Dividends distributed	-	-	-	-	-	-	-	-
Share-based payment	-	-	1.5	-	-	1.5	-	1.5
Other transactions (changes in scope of consolidation, other transactions with shareholders, & other items)	-	-	(0.2)	-	-	(0.2)	(1.0)	(1.2)
POSITION AT 31/12/2020	**62.3**	**1,345.0**	**260.2**	**-**	**(70.9)**	**1,596.6**	**(0.8)**	**1,595.8**

Refer to Note 7.5, "Shareholders' equity", for an analysis of these changes.

6.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1

SIGNIFICANT EVENTS OF 2020

Broadcasting segment

All the Group's advertising customers experienced a contraction in their business in the first half of 2020 due to the lockdown, and to the resulting slowdown in economic activity. The third quarter of 2020 saw signs of a recovery in the advertising market, with some sectors (the car industry and food) performing above expectations. That trend continued through the fourth quarter of 2020, with advertising revenue better than for the comparable period of 2019.

In parallel, the Group continued adapting its schedules to circumstances day by day so as to offer high-quality entertainment and escapist family viewing alongside reliable and transparent information on the latest developments. And as it has proved in the past, the TF1 group has a degree of flexibility in its cost base that can temporarily cushion the reduction in revenues and limit the erosion of profitability for the segment.

Studios & Entertainment segment

Content production (especially at Newen) was gradually shut down as lockdown measures were implemented in the countries where the Group operates. This led to delays in delivery of programmes currently in production, causing the order book to be partially pushed back to 2021-23.

Production of content resumed gradually from the date lockdown was eased in May 2020.

At the same time, scheduled events such as live shows and concerts remained shut down until the end of the year; this had a substantial impact on revenue and profits from those activities.

Digital segment

The segment's programmatic advertising and direct media activities came under strong pressure, reflected by a sharp fall in demand and a corresponding drop in prices (CPM). This in turn triggered a marked reduction in revenue in spite of rising audiences across the various Unify sites (Marmiton, aufeminin, Doctissimo, etc.).

Social e-commerce (subscription box sales) and affiliation activities have so far been relatively unaffected by the economic downturn.

Given that the restructuring phase is taking longer than initially anticipated (due in part to the circumstances prevailing in 2020), with an adverse impact on the margins of the Digital segment and hence on its value, the TF1 group has written down the segment's intangible assets by €75 million. The assets written down are goodwill (by €57.9 million), the My Little Paris brand (by €9.5 million), and the aufeminin brand (by €7.6 million).

This write-down was recognised as a non-deductible impairment loss within "Non-current operating income", a component of operating profit.

This valuation adjustment has no impact on the TF1 group's cash flow or net cash position, or on the dividend that will be submitted for approval at the Annual General Meeting on 15 April 2021.

The TF1 group retains full confidence in these activities, and its digital ambitions are unchanged. The Digital segment offers substantial potential for growth and profitability, built on solid online brands (aufeminin, Marmiton, Doctissimo, My Little Paris, Les Numériques) that every day attract millions of internet users, for whom these brands are part of their daily lives.

Impact of the COVID-19 crisis

The impact of the COVID-19 crisis, and its repercussions for the TF1 group's 2020 full-year performance, have led to an opportunity cost in terms of lost revenue. That explains most of the net fall of €225.6 million in revenue and €65 million in current operating profit in 2020 as compared with 2019.

Optimisation of programme schedules (including buying in specific programmes), and cost savings on cancelled or deferred operations, offset the decrease in advertising revenue for the Broadcasting segment.

At Group level, despite measures deployed across all segments, the sudden drop in activity levels led to product mix changes and to non-productive costs being incurred that could not be adjusted in the same time-frame; that has a substantial impact on the full-year results of the Studios & Entertainment segment (especially Newen) and the Digital segment.

Due to the varying pace of recovery across the Group's operating segments, it is not possible over 2020 as a whole to quantify separately the impact of COVID-19 on the year-on-year performance.

NOTE 2

ACCOUNTING PRINCIPLES AND POLICIES

Accounting policies

The financial statements have been prepared on a going concern basis.

Accounting policies are described in text boxes at the start of the relevant notes to the financial statements.

2.1 DECLARATION OF COMPLIANCE AND BASIS OF PREPARATION

The consolidated financial statements of the TF1 group for the year ended 31 December 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union, as required under EC Regulation 1606/2002 of 19 July 2002.

They include the financial statements of TF1 SA and its subsidiaries and joint ventures, and the TF1 group's interests in associated undertakings. They take account of recommendation no. 2016-01 on the presentation of financial statements, issued by the ANC (the French national accounting standard-setter) on 2 December 2016.

The consolidated financial statements are presented in millions of euros.

2.2 NEW AND AMENDED IFRS ACCOUNTING STANDARDS AND INTERPRETATIONS

2.2.1 New standards, amendments and interpretations effective within the European Union and mandatorily applicable or permitted for early adoption in periods beginning on or after 1 January 2020

In preparing its consolidated financial statements for the year ended 31 December 2020, the TF1 group applied the same standards, interpretations and accounting policies as those used in the preparation of its consolidated financial statements for the year ended 31 December 2019, plus the new standards applicable from 1 January 2020.

The principal new IFRS standards, amendments and interpretations effective within the European Union and mandatorily applicable or permitted for early adoption with effect from 1 January 2020 are:

Amendments to IFRS 9, IAS 39 and IFRS 7

On 26 September 2019, the IASB issued amendments to IFRS 9, IAS 39 and IFRS 7 (phase 1) relating to interest rate benchmark reform. The amendments, which were endorsed by the European Union on 16 January 2020, are applicable retrospectively from 1 January 2020.

The impact of the amendments on the TF1 group is immaterial.

Amendments to IFRS 3

On 22 October 2018, the IASB issued amendments to IFRS 3 to clarify the definition of a "business" in a business combination. The amendments, which were endorsed by the European Union on 21 April 2020, are applicable to accounting periods beginning on or after 1 January 2020.

The impact of the amendments on the TF1 group is immaterial.

None of those amendments has an impact on the TF1 consolidated financial statements.

Amendment to IFRS 16 – rent concessions related to COVID-19

This amendment offers lessees the option to be exempt from assessing whether or not a rent concession related to COVID-19 is a lease amendment. Lessees who use this practical expedient account for rent concessions related to COVID-19 as if they are not lease modifications, and recognise the impact of the concessions in profit or loss for the period. The TF1 group used that exemption in 2020, recognising a gain of €0.8 million for rent concessions, as indicated in Note 7.4.3 ("Right of use of leased assets").

IFRS IC agenda decision on lease terms

The IFRS Interpretations Committee (IFRS IC) was asked to clarify how to determine the term of a lease in two cases: (i) a lease that continues indefinitely but may be terminated at any time by the lessee or lessor subject to a notice period but with no penalty, and (ii) a lease contracted for a short term but subsequently renewable automatically several times. The provisional decisions issued by the IFRS IC on this matter do not call into question the lease terms currently determined by the TF1 group.

The Group elected not to early adopt any new standards or amendments.

2.2.2 New standards, amendments and interpretations issued by the IASB but not yet endorsed by the European Union

The principal new standards, amendments and interpretations issued by the IASB but not yet endorsed by the European Union are:

- Amendment to IAS 1, on "Classification of Liabilities as Current or Non-current", which did not result in any material change to the Group's current accounting practices.
- Amendment to IAS 37, on "Onerous Contracts – Cost of Fulfilling a Contract", which could alter the calculation of provisions for onerous contracts by changing the definition of "unavoidable costs under a contract", which are measured at the lower of the cost of fulfilling a contract and the penalties/compensation due if the contract is not fulfilled.
- Improvements to IFRS standards 2018-2020:
  - IFRS 9: Fees in the "10 per cent" Test for Derecognition of Financial Liabilities.
  - IFRS 16: Interest Rate Benchmark Reform.

At this stage, the Group does not expect those amendments and improvements to have a material impact.

2.3 CHANGES IN ACCOUNTING POLICY

The TF1 group did not make any significant changes in accounting policy during 2020.

As of 31 December 2020, the Group has changed the presentation of its financial statements (in particular the consolidated income statement and consolidated balance sheet) in order to provide more relevant information at Group level.

A breakdown between advertising revenue and other revenue is no longer presented on the face of the income statement. However, that breakdown continues to be presented in Note 4 ("Segment information").

"Programmes and Broadcasting rights" and "Other inventories" are now combined within the "Inventories" line item on the assets side of the balance sheet. The relevant information is provided in Note 7.2 ("Inventories: Broadcasting rights and other inventories").

"Audiovisual rights" and "Other intangible assets" are now combined within the "Intangible assets" line item on the assets side of the balance sheet. The relevant information is provided in Note 7.1 ("Intangible assets: audiovisual rights and other intangible assets").

In addition, a more detailed breakdown of current assets and liabilities is now provided.

Separate line items are now presented for "Trade receivables", "Customer contract assets", "Advance payments made on orders" and "Other current receivables", replacing the line item "Trade and other debtors" previously presented. Similarly, the line item "Trade and other creditors" as previously presented has been replaced by the line items "Trade payables", "Customer contract liabilities" and "Other current liabilities".

"Overdrafts and short-term bank borrowings" are now presented separately from "Current debt".

2.4 EXERCISE OF JUDGEMENT AND USE OF ESTIMATES

Preparation of the consolidated financial statements requires TF1 management to exercise judgement in the selection of accounting treatments. In addition, the Group uses estimates and assumptions regarded as realistic and reasonable for the remeasurement of assets, liabilities, income and expenses; those estimates and assumptions may have a material impact on the amounts reported in the financial statements. Subsequent events or circumstances may result in changes to those estimates or assumptions, which could affect the value of the Group's assets, liabilities, equity or net profit.

Accounting policies applied to balance sheet items that require the use of estimates are indicated in the relevant notes to the financial statements. Estimates are used in particular for goodwill (Note 7.4.1); indefinite-lived brands (Note 7.1.2); audiovisual and Broadcasting rights (Note 7.1.1); revenue recognition (Note 5.1); deferred taxes, especially where there is a history of tax losses over a number of years (Note 5.11); provisions, including for litigation and claims (Notes 7.3.3 and 7.4.6); leases (lease terms and incremental borrowing rates, Note 7.5.3); and retirement benefit obligations (Note 7.4.6.2).

NOTE 3 SCOPE OF CONSOLIDATION: SIGNIFICANT CHANGES AND HELD-FOR-SALE OPERATIONS

Accounting policy: business combinations, divestments and goodwill

Business combinations are accounted for using the acquisition method in accordance with IFRS 3.

The cost of a business combination is the fair value, at the date of exchange, of the assets transferred, the liabilities incurred or assumed, and the equity instruments issued by the Group, in exchange for control over the acquiree.

The identifiable assets, liabilities and contingent liabilities of the acquiree that satisfy the IFRS recognition criteria are recognised at their fair value at the acquisition date, subject to the exceptions specified in IFRS 3 (such as deferred taxes).

Any excess of the cost of a business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities at the acquisition date is recognised as goodwill. For each business combination, the Group can elect to account for non-controlling interests:

- **at fair value (full goodwill method); or**
- **at the non-controlling interest's proportionate share of the fair value of the acquiree's identifiable net assets (partial goodwill method), with the difference treated as an adjustment to the goodwill arising on the acquisition.**

Subsequent changes in percentage interest with no loss of control over the acquiree are accounted for as transactions between shareholders, with the difference between the purchase price (or sale price) and the carrying amount of the interest acquired (or sold) recognised in equity.

In the case of step acquisitions, equity interests held prior to acquisition of control are remeasured at fair value, with the effect of the remeasurement recognised in profit or loss or in other comprehensive income. The same applies to equity interests retained after loss of control.

Costs directly incurred to effect a business combination are recognised in profit or loss.

If the initial accounting for a business combination can be determined only provisionally by the end of the period in which the combination is effected, the TF1 group recognises any adjustments to the provisional values within twelve months following the acquisition date. If the adjustment between provisional and final fair value accounting materially affects the presentation of the financial statements, the comparative information for the period preceding the final accounting for the combination is restated as though the final accounting had been completed at the acquisition date.

If the share of the fair value of the identifiable assets and liabilities acquired exceeds the cost of the combination, the excess is recognised immediately in the income statement as negative goodwill (*i.e.* gain from a bargain purchase).

Subsequent to initial recognition, goodwill is measured at cost less any impairment losses, determined using the method described in Note 7.4.1. Any impairment losses are charged as an operating item in the income statement, and may not be subsequently reversed.

In the event of a partial sale of the component operations of a CGU, or if a CGU is split up, the TF1 group usually allocates the goodwill of the CGU in proportion to the relative values (as defined in the IFRS 13 hierarchy of valuation methods, see Note 7.4.5) of the divested, retained or split operations at the sale/split date, unless it can be demonstrated that another method better reflects the goodwill of the divested operation, in accordance with paragraph 86 of IAS 36.

The consolidated financial statements of the TF1 group for the year ended 31 December 2020 include the financial statements of the companies listed in Note 9.5.

3.1 SIGNIFICANT CHANGES IN SCOPE OF CONSOLIDATION IN 2020

There were no significant changes in scope of consolidation in 2020.

3.2 SIGNIFICANT CHANGES IN SCOPE OF CONSOLIDATION IN 2019

Acquisition of control over the De Mensen group

On 28 February 2019, the Newen group finalised the acquisition of a 60% equity interest in the De Mensen group, a Belgian audiovisual producer. The De Mensen group has been fully consolidated in the TF1 group consolidated financial statements since 1 March 2019.

The newly-acquired companies are included in the Studios & Entertainment operating segment for Financial Reporting purposes.

The vendors and the Newen group entered into a shareholder agreement which specifies the terms of exercise of the reciprocal undertakings whereby the vendors have an option to sell, and the Newen group has an option to acquire, the residual 40% equity interest between 2022 and 2028. The fair value of those commitments was determined on the basis of the company's acquisition business plan and recognised as a financial liability, with a corresponding amount deducted from shareholders' equity.

The acquisition generated final goodwill measured at €13.8 million, following a purchase price allocation conducted with assistance from an independent expert. The main assets remeasured in connection with the acquisition were order books and the associated deferred taxes.

Sale of Téléshopping's distance selling business and stores

On 30 January 2019, the TF1 group announced that it had entered into exclusive negotiations to sell Téléshopping's distance selling business and stores to former Téléshopping CEO Jérôme Dillard, an independent entrepreneur and acknowledged specialist in telesales. The TF1 group committed to continue broadcasting teleshopping programmes on its channels for the next five years. The sale agreement was signed on 15 March 2019, and the sale was completed on 11 April 2019.

As a result, the Téléshopping and Topshopping entities were deconsolidated with effect from 1 April 2019. The divested sub-group contributed revenue of €20.2 million and net profit of approximately €1 million to the TF1 group in the three months ended 31 March 2019. The impact of the divestment on the TF1 group financial statements is immaterial.

Acquisition of control over the Première Bobine (Reel One) group

On 4 October 2019, Newen finalised the acquisition of a 51% equity interest in the Première Bobine (Reel One) group, a major Canadian distributor of drama operating in the North American and international markets. Reel One devises and markets programs for the biggest American and European channels, and for SVoD platforms.

The Première Bobine (Reel One) group has been fully consolidated in the TF1 group consolidated financial statements since 1 October 2019.

Première Bobine Inc owns a 25% equity interest in the production group Champlain, which is accounted for as an associate by the equity method in the TF1 group consolidated financial statements.

The newly-acquired companies are included in the Studios & Entertainment operating segment for financial reporting purposes.

The vendors and the Newen group entered into a shareholder agreement which specifies the terms of exercise of the reciprocal undertakings whereby the vendors have an option to sell, and the Newen group has an option to acquire, the residual 49% equity interest between 2022 and 2026. The fair value of those commitments was determined on the basis of the company's acquisition business plan and recognised as a financial liability, with a corresponding amount deducted from shareholders' equity.

The acquisition generated final goodwill of €12.7 million (CAD 19.7 million), following a purchase price allocation conducted with assistance from an independent expert. The main assets remeasured were order books and customer relationships and the associated deferred taxes.

NOTE 4 SEGMENT INFORMATION

TF1 organises its operating activities into strategic business units, each of which is managed appropriately to the nature of (i) the products and services sold and (ii) the end customer. This segmentation serves as the basis for the presentation of internal management data, and is also used by the Group's operating decision-maker to monitor performance. The operating segments reported by the Group are those reviewed by the chief operating decision-maker.

Management assesses segmental performance on the basis of current operating profit. Segmental results, assets and liabilities include items directly or indirectly attributable to the relevant segment. Segmental capital expenditure represents total acquisitions of property, plant and equipment and intangible assets as recognised in the corresponding balance sheet line items. Inter-segment sales and transfers are conducted on an arm's length basis.

The TF1 group reports the following operating segments:

Broadcasting

The Broadcasting segment includes all of the Group's TV channels and websites. Revenues from those activities are generated by selling advertising airtime and by fees collected from cable, satellite and ADSL operators.

This segment also includes activities that generate non-advertising revenue derived directly from programmes broadcast on the Group's platforms (such as interactivity between viewers and programmes), and subsidiaries involved in production and audiovisual rights acquisition on behalf of the Group's TV channels (in accordance with French broadcasting regulations) and websites.

Studios & Entertainment

This segment consists of two sub-segments:

- Content subsidiaries whose activities are primarily focused on producing, acquiring, developing and commercialising audiovisual or music rights, licences and brands for exploitation independently of the Group's broadcasting operations. Revenue is derived from fees for the sale of broadcasting rights and all other exploitation rights in France or internationally, including physical and online video sales.

  Although these activities (carried on by TF1 Studios, Newen and TF1 Entertainment) are situated at different points along the value chain, they share the same business models and operate in markets that are ever more closely integrated.

  More specifically, TF1 Studios and Newen exploit complementary types of audiovisual rights which both entities sell into the market of French and European TV and video rights distributors.

  Consequently, TF1 management considers it relevant to monitor their financial performance collectively.

- The Home Shopping business, including online and in-store sales, was also included in this segment in 2019 given its relatively small contribution at TF1 group level. As mentioned in Note 3.2 ("Significant changes in scope of consolidation in 2019"), the distance selling and stores businesses of the Téléshopping unit were divested in the second quarter of 2019.

Digital

The Digital segment comprises (i) content publishing and special-interest web communities; monetisation of the digital audiences generated; and physical goods and services aimed at those audiences such as subscription boxes, magazines and live events, and (ii) digital agency and marketing activities.

Content creation also includes creating and buying audiences *via* special-interest online content and brand development; developing and running special-interest online communities; and developing and showcasing talent *via* multi-channel networks (MCNs). Monetisation is achieved by selling digital advertising space through stand-alone space-buying contracts and programmatic marketing auctions, and by selling subscription boxes, magazines and live events with sponsorship from advertisers.

In parallel, digital agency and marketing activities combine all services for digital advertisers including advertising agency services, audience development and targeting through e-commerce sites and social networks, and affiliation services.

4.1 INFORMATION BY OPERATING SEGMENT

Segmental income statement *(€m)*	Broadcasting		Studios & Entertainment		Digital		Total TF1 group	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Segment revenue	1,643.9	1,806.4	323.9	398.4	160.1	174.2	2,127.9	2,379.0
Elimination of inter-segment transactions	(31.1)	(32.2)	(14.7)	(8.4)	(0.4)	(1.1)	(46.2)	(41.7)
Group revenue contribution	**1,612.8**	**1,774.2**	**309.2**	**390.0**	**159.7**	**173.1**	**2,081.7**	**2,337.3**
of which Advertising revenue	*1,414.8*	*1,567.4*	*0.6*	*0.0*	*67.9*	*83.7*	*1,483.3*	*1,651.1*
of which Other revenue	*198.0*	*206.8*	*308.6*	*390.0*	*91.8*	*89.4*	*598.4*	*686.2*
Current operating profit/(loss)	**163.0**	**185.5**	**31.1**	**57.9**	**(4.0)**	**11.7**	**190.1**	**255.1**
% operating margin on Group contribution	10.1%	10.5%	10.1%	14.8%	-2.5%	6.8%	9.1%	10.9%
Share of net profits/(losses) of joint ventures and associates	(10.4)	(0.3)	(0.9)	(0.1)	-	(5.7)	(11.3)	(6.1)
Net profit/(loss) from discontinued or held-for-sale operations	-	-	-	-	-	-	-	-
BALANCE SHEET ITEMS								
Segmental non-current assets (excluding deferred taxes)	743.4	716.2	332.8	306.5	267.8	341.2	1,344.0	1,363.9
Segmental liabilities	58.7	55.0	11.6	7.9	6.0	2.8	76.3	65.7
Investments in joint ventures and associates	10.9	11.4	-	0.9	-	-	10.9	12.3
Capital expenditure	127.7	113.4	162.6	148.2	9.0	2.4	299.3	264.0

The split of revenue between advertising and other revenue within the Digital segment has been adjusted following the installation of new ERP software in the segment. The tables below show the quarterly revenue split for 2019 and 2020 used in the quarterly publications of TF1 during 2019 and 2020, and the adjusted figures for the same periods.

CUMULATIVE QUARTERLY REVENUE FIGURES AS PUBLISHED (BEFORE ADJUSTMENTS)

Cumulative data as at end of the period *(€m)*	03/2020	03/2019	06/2020	06/2019	09/2020	09/2019	12/2020	12/2019
Advertising revenue	15.1	19.2	30.4	44.6	48.0	63.5	67.9	90.6
Other revenue	20.4	21.3	38.0	41.0	57.7	60.2	91.8	82.5
DIGITAL REVENUE CONTRIBUTION	**35.5**	**40.5**	**68.4**	**85.6**	**105.7**	**123.7**	**159.7**	**173.1**

CUMULATIVE QUARTERLY REVENUE FIGURES (AFTER ADJUSTMENTS)

Cumulative data as at end of the period *(€m)*	03/2020	03/2019	06/2020	06/2019	09/2020	09/2019	12/2020	12/2019
Advertising revenue	14.2	18.5	29.0	41.0	45.9	58.4	67.9	83.7
Other revenue	21.3	22.0	39.4	44.6	59.8	65.3	91.8	89.4
DIGITAL REVENUE CONTRIBUTION	**35.5**	**40.5**	**68.4**	**85.6**	**105.7**	**123.7**	**159.7**	**173.1**

SEGMENTAL ASSETS AND LIABILITIES

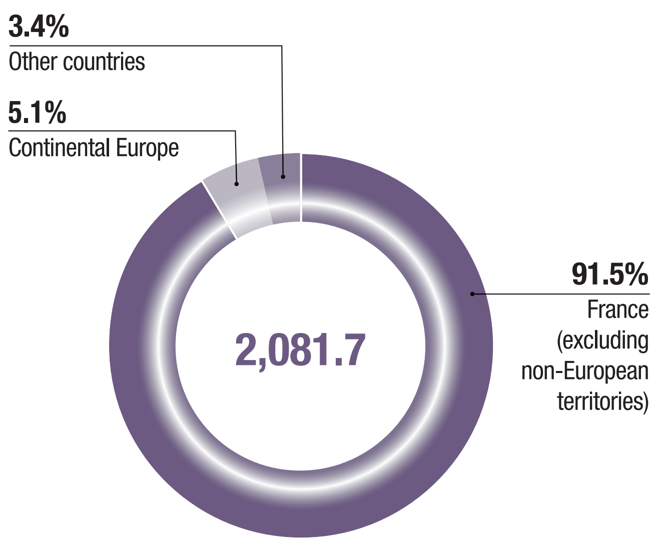
CAPITAL EXPENDITURE

Segmental assets include audiovisual rights, other intangible assets, goodwill, and property, plant and equipment, but not rights of use of leased assets.

Segmental liabilities include current and non-current provisions.

4.2 INFORMATION BY GEOGRAPHICAL SEGMENT

Revenue is generated mainly in France (excluding non-European territories), as shown in the graphic below; there was no significant year-on-year change in the geographical split of sales. All regions were affected in the same proportions by COVID-19.



	Revenue	
(€m)	**2020**	**2019**
France (excluding non-European territories)	1,905.3	2,147.1
Continental Europe	105.7	121.5
Other countries	70.7	68.7
TOTAL	**2,081.7**	**2,337.3**

France accounts for the vast majority of the Group's assets and capital expenditure; the amounts for other geographical segments are relatively immaterial. There was no material change in the geographical split between 2019 and 2020.

NOTE 5 NOTES TO THE INCOME STATEMENT

5.1 REVENUE

Accounting policy

TF1 recognises revenue either when the performance obligation is satisfied or when the customer obtains control over the good or service sold. Control is defined as the ability to direct the use of, and obtain substantially all of the remaining benefits from, an asset.

The specific revenue recognition policies applied to each business line are as follows:

Broadcasting segment

- **Advertising revenue Sales of advertising airtime are recognised on transmission of the related advertisement.**
  - **TF1 group channels: Advertising airtime sold by the Group's channels is measured either individually (spot by spot) or on a more aggregated basis according to campaign audience objectives (guaranteed GRP sales), applying the Group's general terms and conditions of sale and the specific terms applicable to each advertiser.**

Where the Group uses third-party advertising sales houses to sell advertising airtime but retains control over that airtime (as is the case in Switzerland and Belgium), it regards itself as acting as principal; the amount recognised in consolidated revenue is the gross sales revenue before deducting commission charged by the third party.

  - **Third-party media: Where the TF1 group sells advertising airtime on media owned by third parties, it is acting as a commercial agent for that airtime, and therefore recognises only its commission as revenue.**

- **Other revenue:**
  - **Theme channel distribution revenue: Fees charged by theme channels to cable and satellite operators that broadcast them are calculated on a per subscriber basis or as a fixed annual fee invoiced to the operator. Subscriber-based fees are recognised monthly on the basis of statements received from the operator. Fixed annual fees are recognised as revenue on a straight-line basis over the course of the year.**
  - **Free-to-air channel distribution revenue: "TF1 Premium" (an offer which includes access to the signal for the TF1 group's free-to-air channels plus a range of add-on services and content such as enhanced catch-up, start-over and bonus channels) is sold and billed to TV and telecoms operators by the Group. The operators invoice fees to TF1 for transmission of the content and services. TF1 acts as agent in the provision of this transmission service, and recognises the revenue net of transmission fees.**
  - **Other source of revenue: These include interactivity revenue, which arises when viewers play or vote during shows broadcast on TF1 group channels. The revenue collected is recognised gross in real time as and when calls are received; commission charged by telecoms operators is recognised as an expense, on the basis that the Group retains control over the programming of its interactive slots.**

Studios & Entertainment segment

- **Production and sale of audiovisual rights: Sales of audiovisual rights (whether acquired or produced in-house) are recognised on the date when the rights are opened.**

The TF1 group uses internet service providers (ISPs) to make its video on demand (VOD) services available. VOD revenue is recognised net of commission charged by ISPs, based on statements supplied by each ISP.

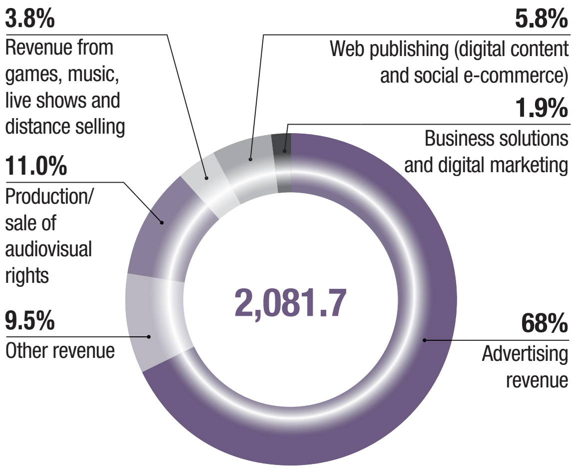
Revenue from physical sales of DVDs is recognised when the end customer makes a purchase, at the price at which the product is sold to the retailer or distributor.

- **Distance selling, games, music and live shows: Revenue from sales of merchandise and products by the Group's publishing and distribution activities is recognised on the date of delivery to the customer and reported net of (i) provisions for expected goods returns and (ii) paybacks made under certain distribution contracts.**
  Other revenue also includes sales-based royalties invoiced under licence agreements.

Digital segment

- **Advertising revenue Content on the segment's websites generates audiences, which are monetised with advertisers. Sales of advertising airtime are recognised when the relevant page and/or advertising banner has been viewed. Where the TF1 group uses a third-party advertising sales house or a third-party programmatic advertising auction platform and the third party deducts a commission before remitting the balance to the Group, the revenue is recognised net of the commission charged by the third party.**
- **Social e-commerce: The TF1 group has also developed physical offers targeted at web communities, such as gift boxes, magazines and events. Revenue on sales of those physical offers is recognised on the date of delivery to the customer.**
- **Agency and digital marketing revenue: Revenue from those activities is presented net of media buying and other costs incurred directly on behalf of the customer receiving the service.**

An analysis of revenue is provided below:



(€m)	FY 2020	FY 2019	Chg *€m*	Chg *%*
Advertising revenue	1,414.8	1,567.4	(152.6)	-10%
Other revenue	198.0	206.8	(8.8)	-4%
Broadcasting	**1,612.8**	**1,774.2**	**(161.4)**	**-9%**
Production/sale of audiovisual rights	229.7	263.2	(33.5)	-13%
Revenue from games, music, live shows and distance selling	79.5	126.8	(47.3)	-37%
Studios and Entertainment	**309.2**	**390.0**	**(80.8)**	**-21%**
Web publishing (digital content and social e-commerce)	120.2	135.8	(15.6)	-11%
Other revenue (digital marketing)	39.5	37.3	2.2	6%
Digital	**159.7**	**173.1**	**(13.4)**	**-8%**
Total revenue	**2,081.7**	**2,337.3**	**(255.6)**	**-11%**

The TF1 group's audiovisual production order book represents the volume of work needed to complete productions for which a firm order (signed contract or deal memo) has been placed and that are worth over €1 million individually. The order book stood at €225.2 million as of 31 December 2020, versus €143.4 million a year earlier.

5.2 PURCHASES CONSUMED AND CHANGES IN INVENTORY

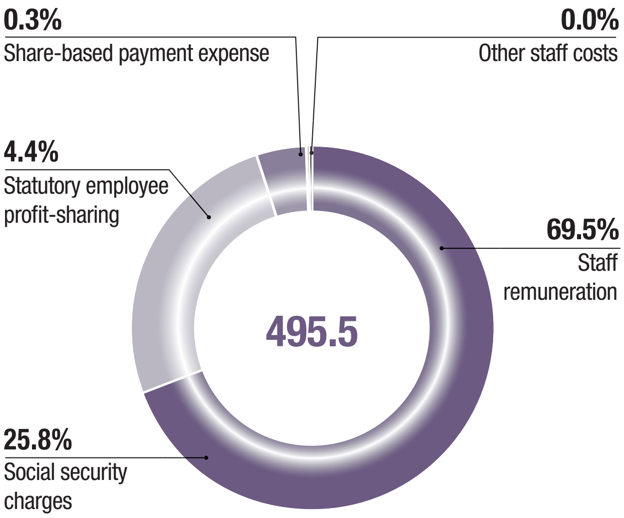
This item breaks down as follows:

(€m)	2020	2019
External production consumed[(1)]	(621.9)	(696.0)
Purchases of services[(2)]	(108.4)	(194.5)
Purchases of goods	(22.4)	(31.3)
Other purchases	(33.0)	(31.8)
Purchases consumed	**(785.7)**	**(953.6)**

(1) *"External production consumed" relates mainly to programmes acquired from third parties and broadcast by TF1, TMC, TFX and TF1 Séries Films, and by the theme channels TV Breizh, Histoire and Ushuaïa TV.*
(2) *Includes purchases of sports rights consumed during the period.*

5.3 STAFF COSTS

Staff costs break down as follows:



(€m)	2020	2019
Staff remuneration	(344.2)	(339.3)
Social security charges	(127.9)	(132.0)
Statutory employee profit-sharing	(21.7)	(7.4)
Share-based payment expense	(1.5)	(2.8)
Other staff costs	(0.2)	(3.3)
Staff costs	**(495.5)**	**(484.8)**

The movement in "Statutory employee profit-sharing" reflects the fact that in 2020 (unlike in 2019), the criteria for the voluntary profit-sharing scheme were triggered.

Defined-contribution pension plan expenses are included in "Social security charges", and amounted to €32.3 million in 2020.

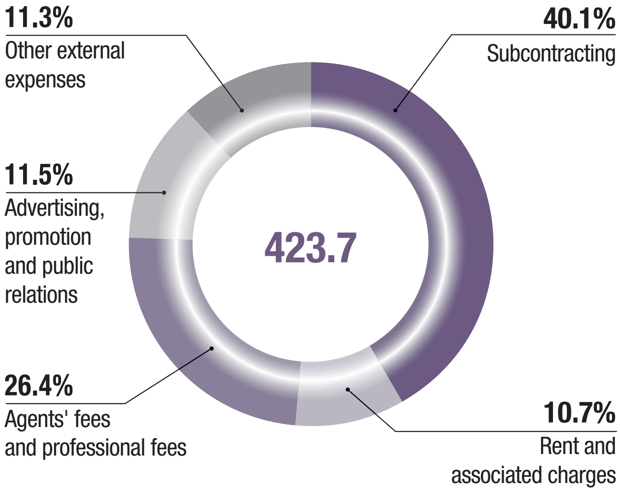
Expenses relating to retirement benefits under the collective agreements applicable to TF1 group companies are recognised as part of the net change in non-current provisions (see Note 7.4.6). Retirement benefits paid during the period are recorded in "Staff remuneration".

Expenses calculated in accordance with IFRS 2 in respect of stock option plans and performance share plans awarded by the parent company (TF1 SA) are classified as equity-settled share-based payment transactions (see Note 7.5.4).

Expenses calculated in accordance with IFRS 2 in respect of stock option plans and performance share plans awarded by other Group companies are classified as cash-settled share-based payment transactions, and recognised in "Staff remuneration".

5.4 EXTERNAL EXPENSES

External expenses break down as follows:

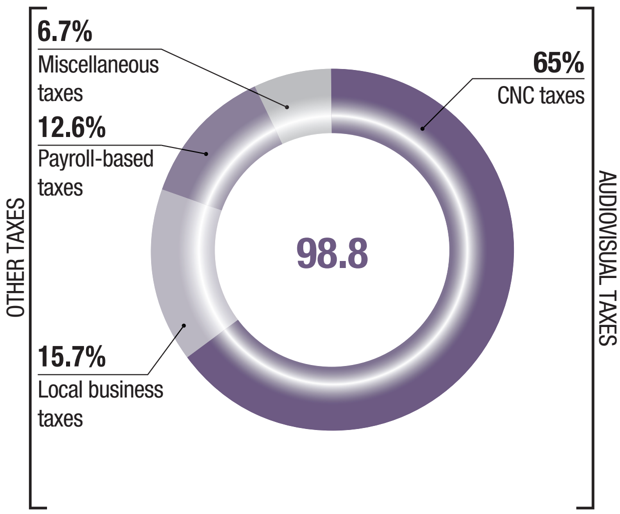


(€m)	2020	2019
Subcontracting	(169.7)	(181.0)
Rent and associated charges	(45.4)	(42.0)
Agents' fees and professional fees	(111.9)	(105.2)
Advertising, promotion and public relations	(48.6)	(54.3)
Other external expenses	(48.1)	(52.0)
External expenses	**(423.7)**	**(434.5)**

"Rent and associated charges" includes lease expense of €11.2 million, comprising lease payments on leases exempt from IFRS 16. For 2020, this mainly relates to expenses arising on short-term leases and leases of assets with a low as-new value. The non-lease components (service components) of lease contracts are also recorded in this line.

5.5 TAXES OTHER THAN INCOME TAXES

Taxes other than income taxes break down as follows:



(€m)	2020	2019
Audiovisual taxes	**(64.2)**	**(93.7)**
▪ National Centre for Cinematography (CNC) taxes	(64.2)	(76.0)
▪ Other audiovisual taxes	-	(17.7)
Other taxes	**(34.6)**	**(32.4)**
▪ Local business taxes	(15.5)	(13.6)
▪ Payroll-based taxes	(12.4)	(11.2)
▪ Miscellaneous taxes	(6.7)	(7.6)
Taxes other than income taxes	**(98.8)**	**(126.1)**

The year-on-year reduction in this line item is due mainly to reductions in industry-specific taxes, including (i) a €11.8 million fall in CNC taxes in line with the decrease in revenue, and (ii) the €17.7 million impact of the abolition of some minor taxes previously levied on ad sales houses, print media, broadcast advertising, radio, and premium-rate phone calls.

The "Miscellaneous taxes" line published in 2019 included €5 million on minor industry-specific taxes that have been reclassified in the comparatives presented above.

5.6 OTHER CURRENT OPERATING INCOME AND EXPENSES

(€m)	2020	2019
In-house production capitalised, and cost transfers*	205.2	180.0
Reversals of unused provisions	11.3	14.2
Operating grants	15.7	13.2
Investment grants	20.1	24.1
Foreign exchange gains	5.5	9.5
Other income *(including proceeds from divestments of consolidated entities and audiovisual tax credit)*	42.1	50.9
Other current operating income	**299.9**	**291.9**
Royalties and paybacks to rights-holders	(110.5)	(96.8)
Bad debts written off	(1.3)	(1.5)
Foreign exchange losses	(3.4)	(5.3)
Other expenses *(including carrying amount of divested consolidated entities)*	(13.3)	(15.5)
Other current operating expenses	**(128.5)**	**(119.1)**

* *The movement in "In-house production capitalised, and cost transfers" is mainly due to an increased level of activity in the Studios business (€17.9 million).*

5.7 NON-CURRENT OPERATING INCOME AND EXPENSES

Accounting policy

These line items contain a limited number of income and expense items, which are unusual but are material to the consolidated financial statements. TF1 reports these items separately in its income statement in order to give users of the financial statements a better understanding of the Group's ongoing operating performance.

For 2020, these items show a net expense of €75 million, consisting solely of the write-down taken against the Digital CGU, as described in Note 1 ("Significant events of 2020"). For more details, see Note 7.4.1 ("Goodwill").

5.8 INCOME FROM NET SURPLUS CASH/COST OF NET DEBT

Accounting policy

Income from net surplus cash or cost of net debt represents the net amount of "Expenses associated with net debt" and "Income associated with net debt".

"Expenses associated with net debt" comprise:

- **interest expense on current and non-current debt;**
- **amortisation of financial assets and liabilities measured at amortised cost;**
- **expenses arising from currency hedges;**
- **expenses arising from the use of fair value accounting for financial assets and financial liabilities (such as changes in the fair value of the ineffective portion of currency derivatives, and in the fair value of cash equivalents and of financial assets used for treasury management purposes);**
- **expenses arising on the disposal of assets used for treasury management purposes.**

Interest expense is recognised in the income statement in the period in which it is incurred.

"Income associated with net debt" comprises:

- **interest income associated with cash and cash equivalents and with financial assets used for treasury management purposes;**
- **income arising from currency hedges;**
- **other revenues generated by cash equivalents and financial assets used for treasury management purposes;**
- **income arising from the use of fair value accounting for financial assets and financial liabilities (such as changes in the fair value of the ineffective portion of currency derivatives, and in the fair value of cash equivalents and of financial assets used for treasury management purposes);**
- **income generated by the disposal of assets used for treasury management purposes.**

Income from net surplus cash/(cost of net debt) breaks down as follows:

(€m)	**2020**	**2019**
Interest income	0.3	0.1
Change in fair value of hedged portion of bond issues	-	-
Change in fair value of interest rate derivatives	0.3	-
Income and revenues from financial assets	1.7	0.6
Income associated with net debt	**2.3**	**0.7**
Interest expense on debt	(3.4)	(2.5)
Change in fair value of interest rate derivatives	-	0.2
Expenses associated with net debt	**(3.4)**	**(2.3)**
Income from net surplus cash/(cost of net debt)	**(1.1)**	**(1.6)**

5.9 OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses break down as follows:

(€m)	2020	2019
Dividend income	-	0.1
Gains on financial assets	0.5	0.3
Gains arising from changes in value of forward currency purchase/sale contracts	0.2	-
Gains arising from the effect of discounting assets and liabilities	-	-
Other income	1.6	1.0
Other financial income	**2.3**	**1.4**
Losses on financial assets	(0.4)	(0.2)
Losses arising from changes in value of forward currency purchase/sale contracts	-	(0.2)
Losses arising from the effect of discounting assets and liabilities	(7.6)	(5.2)
Other expenses	(2.4)	(2.3)
Other financial expenses	**(10.4)**	**(7.9)**

5.10 NET INCOME AND EXPENSE ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The table below shows income, expenses, gains and losses arising on financial assets and liabilities by category, split between items affecting financial income/expense and items affecting operating profit:

(€m)	Financial: FY 2020	Financial: FY 2019	Operating: FY 2020	Operating: FY 2019
Net income/(expense) on loans and receivables at amortised cost	2.0	0.3	(3.5)	(6.8)
Net income/(expense) on financial assets at fair value through profit or loss	0.1	0.1	-	-
Net income/(expense) on financial liabilities at amortised cost	(12.0)	(8.6)	-	-
Net income/(expense) on derivatives	0.5	0.1	-	(0.5)
Other income/(expense), net	0.2	-	-	-
Net income and expense on financial assets and financial liabilities	**(9.2)**	**(8.1)**	**(3.5)**	**(7.3)**

5.11 INCOME TAX EXPENSE

Accounting policy

Deferred taxation is recognised using the liability method on all temporary differences existing at the end of the reporting period between the carrying amount of assets and liabilities in the consolidated balance sheet and their tax base, except in the specific cases mentioned in IAS 12 (primarily goodwill).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets arising on deductible temporary differences and on the carry-forward of unused tax losses are recognised only to the extent that it is probable that they can be offset against future taxable profits.

Taxes on items recognised directly in equity are taken to consolidated reserves.

Deferred taxes are presented in the balance sheet in non-current assets or liabilities, after offset of assets and liabilities in each tax jurisdiction.

5.11.1 Current and deferred taxes

5.11.1.1 Income statement

(€m)	2020	2019
Current taxes	(50.0)	(80.2)
Deferred taxes	12.7	(1.8)
Income tax expense	**(37.3)**	**(82.0)**

In line with the 2020 Finance Act as voted in by the French National Assembly in December 2019, temporary differences for the Group's French entities have been calculated using a gradually reducing tax rate. The rates used range from 28.41% (for temporary differences reversing before 31 December 2021) to 25.83% (for temporary differences reversing after 31 December 2021).

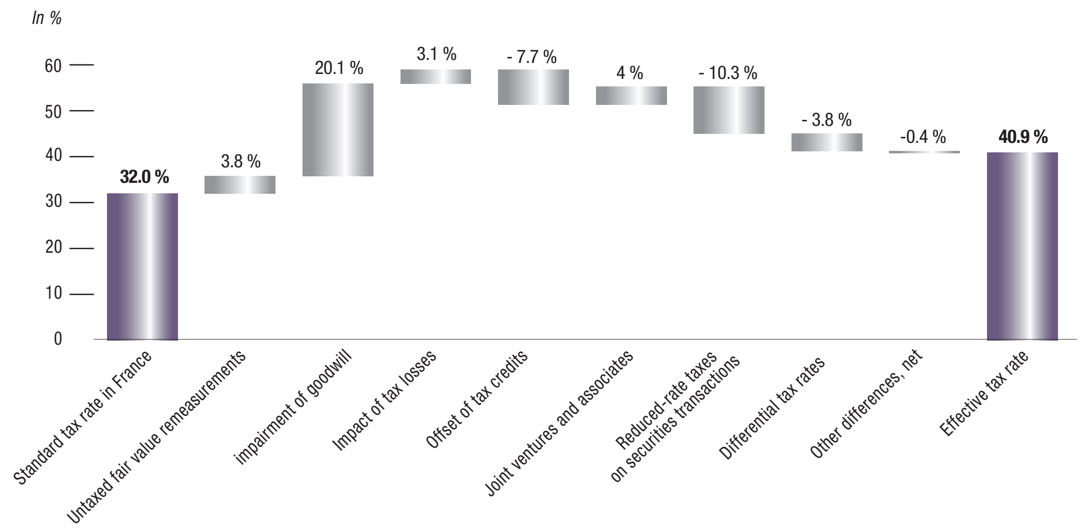
5.11.1.2 Tax proof

(€m)	2020	2019
Net profit attributable to the Group	**55.3**	**154.8**
Income tax expense	37.3	82.0
Non-controlling interests	(1.4)	0.4
Net profit from continuing operations before tax and non-controlling interests	**91.2**	**237.2**

TF1 made a group tax election on 1 January 1989, and has renewed that election regularly since that date.

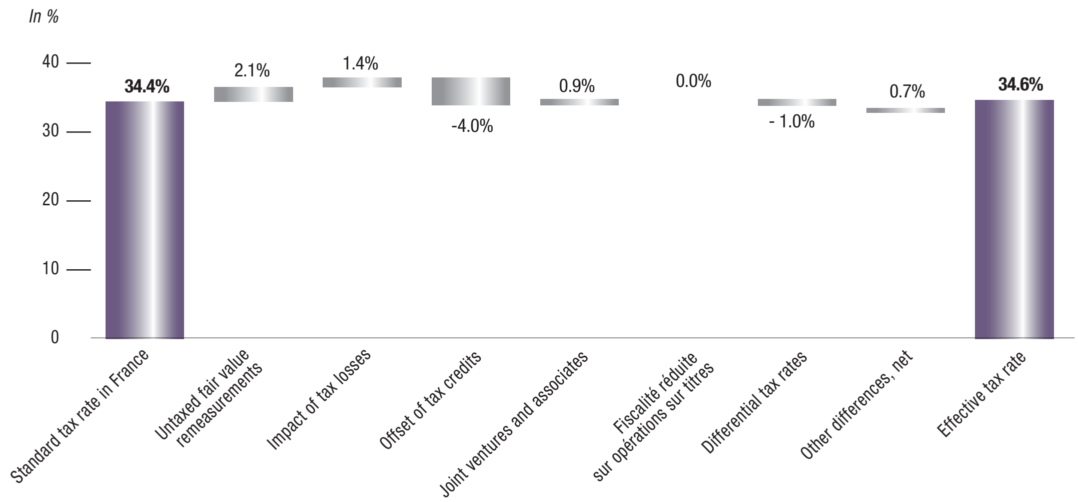
The theoretical current income tax rate applicable as of 31 December 2020 was 32.0%, versus 34.43% a year earlier. The Group's effective tax rate for 2020 was 40.9%, compared with 34.6% for 2019.

2020 TAX PROOF



2019 Tax proof	**34.4 %**	**2.1 %**	**1.4 %**	**(4.0 %)**	**0.9 %**	**0.0 %**	**(1.0 %)**	**0.7 %**	**34.6 %**

2019 TAX PROOF



2018 Tax proof	**34.4%**	**1.6%**	**(1.1%)**	**(6.2%)**	**0.0%**	**(1.4%)**	**(1.0%)**	**0.8%**	**27.2%**

5.11.2 Deferred tax assets and liabilities

5.11.2.1 Change in net deferred tax position

(€m)	2020	2019
Net deferred tax asset/(liability) at 1 January	**(47.1)**	**(43.7)**
Recognised in equity	0.3	3.9
Recognised in profit or loss	12.3	(1.8)
Changes in scope of consolidation and other items*	(0.4)	(5.5)
Net deferred tax asset/(liability) at 31 December	**(34.9)**	**(47.1)**

* *In 2019, the movement was mainly attributable to the purchase price allocations conducted on the acquisitions of De Mensen, Première Bobine (Reel One) and Gamned, and to the divestment of Téléshopping.*

5.11.2.2 Principal sources of deferred taxation

The principal sources of deferred taxation are as follows:

(€m)	2020	2019
Provisions		
Provisions for programmes	0.9	0.9
Provisions for retirement benefit obligations	12.8	12.2
Provisions for trade receivables	0.4	0.6
Other provisions	7.9	4.5
Employee profit-sharing	1.5	2.3
Tax losses available for carry-forward	4.0	1.0
Other deferred tax assets	1.9	4.1
Offset of deferred tax assets and liabilities	(29.4)	(25.6)
Deferred tax assets	**-**	**-**
Accelerated tax depreciation	(25.2)	(27.9)
Depreciation of head office building	(9.7)	(6.0)
Remeasurement of assets	(27.1)	(36.7)
Other deferred tax liabilities	(2.3)	(2.1)
Offset of deferred tax assets and liabilities	29.4	25.6
Deferred tax liabilities	**(34.9)**	**(47.1)**
Net deferred tax asset/(liability) at 31 December	**(34.9)**	**(47.1)**

Unrecognised deferred tax assets totalled €12.2 million (*versus* €12.6 million as of 31 December 2019), and comprised tax losses the recovery of which is not sufficiently probable to justify recognition. Those tax losses are available for carry-forward indefinitely.

5.11.2.3 Period to recovery of deferred tax assets

(€m)	Less than 2 years	2 to 5 years	More than 5 years	Offset of deferred tax assets and liabilities	Total
Deferred tax assets	**16.6**	**-**	**12.8**	**(29.4)**	**-**

Deferred tax assets recoverable after more than five years relate to timing differences in the recording of provisions for retirement benefit obligations.

NOTE 6

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

6.1 DEFINITION OF NET SURPLUS CASH/NET DEBT

Net surplus cash/net debt as reported by the TF1 group comprises the following items:

- the net cash position at the end of the period, comprising cash in hand, instant access deposits, cash equivalents, overdrafts and short-term bank borrowings, and current account credit balances;
- debt, comprising non-current and current financial liabilities; and
- financial assets contractually allocated to the repayment of debt.

Net surplus cash/net debt excludes non-current and current lease obligations.

A reconciliation between the cash position in the cash flow statement and the "Cash and cash equivalents" line in the balance sheet is presented below:

(€m)	2020	2019
Cash and cash equivalents in the balance sheet	178.6	105.3
Cash of held-for-sale operations	-	-
Treasury current account credit balances	-	
Overdrafts and short-term bank borrowings	(4.0)	(2.7)
Net cash position at end of period per the cash flow statement	**174.6**	**102.6**

6.2 NET CASH GENERATED BY/USED IN OPERATING ACTIVITIES

6.2.1 Depreciation, amortisation, provisions and impairment

An analysis of depreciation, amortisation, provisions and impairment is provided below:

(€m)	2020	2019
Intangible assets*	315.4	265.2
Property, plant and equipment	19.8	17.7
Financial assets	-	-
Non-current provisions	(0.3)	0.1
NET CHARGES TO/(REVERSALS OF) DEPRECIATION, AMORTISATION, IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS, AND NON-CURRENT PROVISIONS	**334.9**	**283.0**

* *Includes amortisation, provisions and impairment of audiovisual rights (Note 7.1.1) and intangible assets (Note 7.1.2).*

6.2.2 Other non-cash income and expenses

Other non-cash income and expenses comprise the following items:

(€m)	2020	2019
Effect of fair value remeasurement	8.0	6.9
Share-based payment	1.5	2.8
Grants released to profit or loss	(46.5)	(53.4)
TOTAL OTHER NON-CASH INCOME AND EXPENSES	**(37.0)**	**(43.7)**

6.2.3 Change in working capital requirements relating to operating activities

The change in operating working capital requirements relating to operating activities breaks down as follows:

(€m)	2020	2019
Increase/(decrease) in net inventories	(35.5)	3.6
Increase/(decrease) in trade and other receivables	21.3	20.4
Decrease/(increase) in trade and other payables	(69.2)	49.4
Decrease/(increase) in other liabilities	(19.6)	(41.1)
Increase/(decrease) in operating working capital needs before taxes	**(103.0)**	**32.3**

6.3 NET CASH GENERATED BY/USED IN INVESTING ACTIVITIES

6.3.1 Cash effect of changes in scope of consolidation

This item breaks down as follows:

(€m)	2020	2019
Net cash outflows on acquisitions	2.5	(39.4)
Net cash inflows from disposals	-	1.7
Effect of changes in scope of consolidation	**2.5**	**(37.7)**

For 2019, the net cash outflows relate mainly to the acquisitions of De Mensen and Première Bobine (Reel One).

Similarly, the movements in the items “Cash and cash equivalents acquired”, “Other assets acquired” and “Other liabilities acquired” in the table below relate mainly to the acquisitions of De Mensen and Première Bobine (Reel One) during the year (see Note 3.2, “Significant changes in scope of consolidation in 2020”).

For 2020, the main movements relate to an adjustment to the purchase price of Première Bobine (Reel One) and the first-time consolidation of Ringside Studios, a Newen subsidiary set up to develop British and international drama.

“Net cash outflows on acquisitions” consists of the following items:

(€m)	2020	2019
Cash and cash equivalents acquired	2.4	13.0
Financial assets acquired	-	17.7
Other assets acquired	(2.6)	85.8
Non-controlling interests acquired	0.9	-
Other liabilities acquired	(0.1)	(71.7)
Net assets acquired	0.6	44.8
Share of net assets acquired (A)	0.7	24.4
Goodwill (B)	(0.8)	28.0
Cash outflow (A) + (B)	**(0.1)**	**52.4**
Cash acquired	2.4	13.0
Cash of companies joining the consolidation during the period without acquisition	-	-
Net cash outflow	**(2.5)**	**39.4**

The table below shows the cash flow effects of disposals of subsidiaries:

(€m)	2020	2019
Cash inflows	-	0.4
Cash divested	-	1.3
Subscriptions to capital increases carried out by subsidiaries	-	-
Net cash inflow	**-**	**1.7**

For 2019, cash inflows mainly relate to the divestment of Téléshopping.

NOTE 7 NOTES TO THE CONSOLIDATED BALANCE SHEET

7.1 INTANGIBLE ASSETS: AUDIOVISUAL RIGHTS AND OTHER INTANGIBLE ASSETS

The line item "Intangible assets" consists of audiovisual rights and other intangible assets, as shown below:

(€m)	31 December 2020	31 December 2019
Audiovisual rights	198.6	157.4
Other intangible assets	140.9	155.1
TOTAL	**339.5**	**312.5**

7.1.1 Audiovisual rights

Accounting policy

This item primarily includes shares in films and audiovisual programmes produced or co-produced by TF1 SA, TF1 Films Production, TF1 Studio and TF1 Production; audiovisual rights produced by Newen; audiovisual distribution and trading rights owned by TF1 Studio and TF1 Entertainment; and music rights owned by TF1 group entities.

Audiovisual rights are recognised as an asset in the balance sheet at historical cost under "Audiovisual rights".

Amortisation methods for the various categories of audiovisual rights are as follows:

- **producer shares in French drama acquired by broadcasters: amortised on a straight line basis over the projected period of rights exploitation, in line with the expected pattern of consumption of future economic benefits;**
- **producer shares in French drama produced by the TF1 group: amortised on a reducing balance basis, in line with the expected pattern of consumption of future economic benefits;**
- **shares in movie co-productions and audiovisual distribution rights: amortised on a reducing balance basis, in line with the expected pattern of consumption of future economic benefits;**
- **audiovisual trading rights: amortised on a straight-line basis over the contractual term or the projected period of rights exploitation;**
- **music rights: amortised over 2 years, 75% of gross value in the first year and the remaining 25% in the second year.**

Use of estimates and judgement:

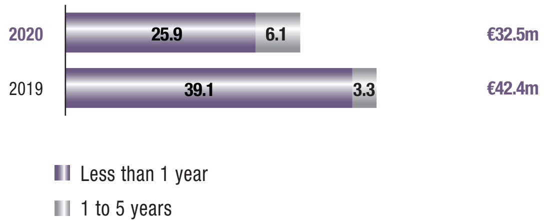
Impairment losses are recognised against audiovisual rights on a case by case basis, following an analysis of the expected future economic benefits relative to their carrying amount.

Movements in audiovisual rights during 2020 and 2019 were as follows:

(€m)	Gross value	Amortisation	Impairment	Total audiovisual rights
31 December 2018	**2,781.7**	**(2,403.0)**	**(234.5)**	**144.2**
Increases	255.1	(211.2)	(93.9)	(50.0)
Decreases	(3.2)	0.6	57.2	54.6
Changes in scope of consolidation and reclassifications	60.6	(45.7)	(6.3)	8.6
Translation adjustments				
31 December 2019	**3,094.2**	**(2,659.3)**	**(277.5)**	**157.4**
Increases	272.6	(212.6)	(73.8)	(13.8)
Decreases	(21.8)	18.4	62.6	59.2
Changes in scope of consolidation and reclassifications	(4.9)	(14.3)	15.0	(4.2)
Translation adjustments				
31 December 2020	**3,340.1**	**(2,867.8)**	**(273.7)**	**198.6**

For 2019, "Changes in scope of consolidation" includes the recognition of order books as a result of the purchase price allocation conducted on the acquisition of De Mensen (see Note 3.2, "Significant changes in scope of consolidation in 2019").

The chart below shows the maturities of capitalisable audiovisual rights acquisition contracts entered into by the Group to secure future programming schedules.



7.1.2 Intangible assets (other than audiovisual rights, see Note 7.1.1)

Accounting policy

Intangible assets (other than audiovisual rights) mainly comprise operating licences (other than broadcasting licences and audiovisual rights), brands and similar rights, and software. On the acquisition date, they are measured as follows:

- **at acquisition cost, net of accumulated amortisation and impairment losses; or**
- **at fair value as of the acquisition date, if acquired in a business combination.**

Subsequent to the acquisition date, intangible assets are measured at initial recognition cost less accumulated amortisation and impairment losses.

Intangible assets with finite useful lives are amortised using the straight-line method over their expected useful lives.

Intangible assets with indefinite useful lives, such as commercial brands owned by the Group, are not amortised. These brands are tested for impairment using the royalties method, which takes account of the future royalty cash flow streams that each brand would generate individually, based on the premise that a third party would be prepared to pay a royalty for using the brand (see Note 7.3).

The figures shown below are net carrying amounts:

(€m)	**Indefinite-lived brands**	**Concessions, patents & similar rights**	**Other**	**Total**
1 January 2019	**112.2**	**11.1**	**19.8**	**143.1**
Increases	-	0.9	13.9	14.8
Amortisation & impairment	-	(5.3)	(11.6)	(16.9)
Decreases	-	(0.1)	1.4	1.3
Changes in scope of consolidation and reclassifications	-	0.3	12.5[(1)]	12.8
31 December 2019	**112.2**	**6.9**	**36.0**	**155.1**
Increases	-	12.0	15.5	27.5
Amortisation & impairment	(17.1)[(2)]	(5.6)	(11.6)	(34.3)
Decreases	-	(0.4)	(6.5)	(6.9)
Changes in scope of consolidation and reclassifications	-	(0.5)	-	(0.5)
31 December 2020	**95.1**	**12.4**	**33.4**	**140.9**
gross value	*112.2*	*80.1*	*82.2*	*274.5*
amortisation and impairment	(17.1)	(67.7)	(48.8)	(133.6)

(1) For 2019, the movement for changes in scope of consolidation in the "Other" column mainly reflects the recognition of customer relationships and order books in the Première Bobine (Reel One) and Gamned purchase price allocations (see Note 3.2, "Significant changes in scope of consolidation in 2019").

(2) In 2020, impairment tests conducted on indefinite-lived brands using the method described in the "Accounting policy" section of this note showed impairment losses as of 31 December 2020 on the My Little Paris brand (€9.5 million) and the aufeminin brand (€7.6 million). Net of impairment, the carrying amount of Digital segment brands is €58.7 million.

The "Other" column includes intangible assets in progress that may be transferred to "Concessions, patents and similar rights" (*via* the "Increases" and "Decreases" lines) when they are brought into use.

7.2 INVENTORIES: BROADCASTING RIGHTS AND OTHER INVENTORIES

Accounting policy

Programmes and broadcasting rights

- **Initial recognition**

In order to secure programming schedules for future years, the Group enters into binding contracts, sometimes for a period of several years, under which it acquires (and the other party agrees to deliver) programme rights and sports transmission rights.

A programme is treated as ready for transmission and recognised in inventory under "Programmes and broadcasting rights" when the following two conditions are met: technical acceptance (for in-house and external productions), and opening of rights (for external productions).

In the case of rights and programmes for which these two criteria have not been met (programmes not yet delivered, sports rights for which the right to broadcast is not activated until the date of the event, etc.), the Group takes the view that it does not control the asset, since it has neither the right nor the ability to broadcast the programme. Consequently, such rights are not recognised in the balance sheet.

However, any advance payments made to acquire such rights are recognised as supplier prepayments.

The balance sheet line item "Programmes and broadcasting rights" includes:

- **in-house productions, made by TF1 group companies for TF1 channels;**
- **external productions, comprising broadcasting rights acquired by the Group's channels.**

The value of programmes and broadcasting rights is measured as follows:

- **in-house production: at overall production cost (direct costs plus a portion of indirect production costs);**
- **broadcasting rights and co-productions: at purchase cost, less consumption for the year calculated at the end of each reporting period.**

- **Accounting for consumption of programmes**

TF1 SA programmes (which account for most of the Group's programme inventory) are deemed to have been consumed as transmitted. If they are acquired for a single transmission, they are regarded as having been consumed in full at the time of that transmission. If they are acquired for two or more transmissions, consumption is calculated according to the type of programme using the rules described below, unless otherwise specified in the acquisition contract:

	Rules by type of programme		
	Dramas with a running time of at least 52 minutes	Films, TV movies, serials and cartoons	Other programmes and Broadcasting rights
1st transmission	80%	50%	100%
2nd transmission	20%	50%	-

(1) Based on an analysis conducted using recent historical data, patterns of consumption have changed, indicating a reduction in the future economic benefits of repeat broadcasts of series. As a result, the Group has decided to adjust the pattern of consumption for series from 1 January 2021 onwards, increasing the value consumed on first transmission to 67% and reducing the value consumed on second transmission to 33% for TF1 (*versus* 50% for each transmission up to and including 2020).

(2) Conversely, actual data from 2020 showed the value of films and TV movies on DTT, showing the benefits of making a third transmission that generates revenue equivalent to the first two (*versus* 50% for each of the first two transmissions previously).

As of 31 December 2020, to reflect the changes in pattern of consumption mentioned above, an additional provision of €14 million has been taken against series whose second transmission remains in inventory, in order to write down the carrying amount of that second transmission to its value in use. The change in patterns of consumption of feature-length dramas on DTT had no accounting impact in 2020.

"Other programmes and broadcasting rights" in the table above refers to children's programmes (other than cartoons), light entertainment, plays, factual and documentary programmes, news, sport, and dramas with a running time of less than 52 minutes.

Impairment and write-offs

A provision for impairment is recorded once it becomes probable that a programme will not be transmitted, or if the contractual value at which it was recognised in inventory exceeds the value attributable to it using the rules described above.

Use of estimates and judgement

Probability of transmission is assessed on the basis of the most recent programming schedules approved by management. If rights are resold, a provision is recorded once the sale is probable to cover any excess of the value at which the rights were initially recognised in inventory (or the amount of advance payments) over the actual or estimated selling price.

Programmes that have not been transmitted and the rights to which have expired are written off as a component of current operating profit, and any previously-recognised provisions are reversed.

- **Rights acquired to secure future programming schedules**

Rights ordered under irrevocable contracts but not yet available for transmission (see above) are disclosed in the section relating to contracts entered into by TF1 to secure future programming schedules, and are priced at the contractual amount (or the estimated future cash outflow in the case of output deal contracts) less any advance payments made.

Other inventories

Other inventories comprise assets held for sale in the ordinary course of business, in the form of supplies or goods that are consumed as part of a sale process.

They are carried at the lower of cost or net realisable value.

Cost includes the purchase price plus customs duties and other taxes, and other directly attributable costs, minus trade discounts, rebates and other similar items (settlement discounts).

The line item "Inventories" consists mainly of programmes and broadcasting rights:

(€m)	31/12/2020	31/12/2019
Programmes and broadcasting rights	470.4	508.3
Other inventories	14.9	13.1
TOTAL	**485.3**	**521.4**

The table below shows the movement in programme and broadcasting rights inventory, valued in accordance with the accounting policy described above.

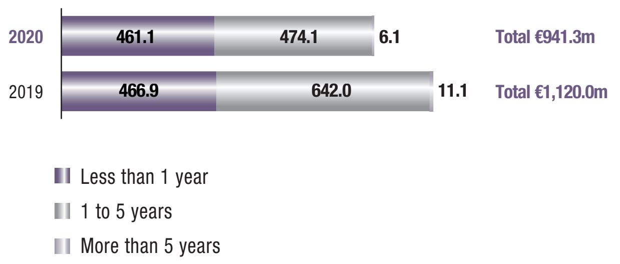
(€m)	Gross value	Impairment (net)	Inventories
1 January 2019	**666.4**	**(160.6)**	**505.8**
Net movement	(15.9)	18.4(1)	2.5
Translation adjustments	-	-	-
Changes in scope of consolidation and reclassifications	-	-	-
31 December 2019	**650.5**	**(142.2)**	**508.3**
Net movement	(37.4)	0.1(2)	(37.3)
Translation adjustments	-	-	-
Changes in scope of consolidation and reclassifications	(0.9)	0.3	(0.6)
31 December 2020	**612.2**	**(141.8)**	**470.4**

(1) Includes €49.3 million of impairment losses charged, €67.7 million of impairment losses reversed.
(2) Includes €64.6 million of impairment losses charged, €64.7 million of impairment losses reversed. The amount charged during the period includes the €14 million provision for changing patterns of consumption of series, as mentioned above.

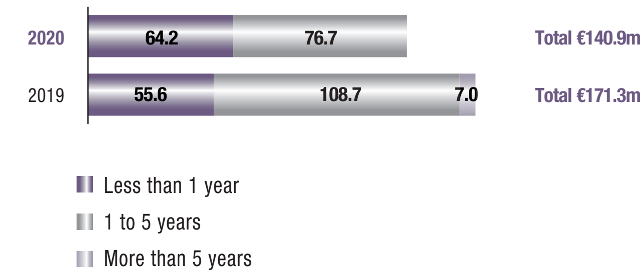
The programme and broadcasting rights inventory reported above is owned primarily by TF1 SA and the TF1 Acquisition de Droits economic interest grouping.

The charts below show the maturities of broadcasting and sports transmission rights acquisition contracts entered into by the Group to secure future programming schedules.

PROGRAMMES AND BROADCASTING RIGHTS (€M)



SPORT TRANSMISSION RIGHTS (€M)



Some of those broadcasting and sports transmission rights contracts are expressed in U.S. dollars; the amounts involved were the U.S. dollar equivalent of €24.6 million in 2020 and €40.6 million in 2019.

In 2020, programmes and broadcasting rights related mainly to TF1 SA (€320.5 million, *versus* €334.1 million in 2019) and to the Acquisition de Droits economic interest grouping (€501.6 million, *versus* €647.1 million in 2019).

Sports transmission rights commitments related mainly to TF1 SA and TF1 DS (€140.9 million in 2020, €171.1 million in 2019).

7.3 CURRENT ASSETS AND LIABILITIES

7.3.1 Trade and other receivables

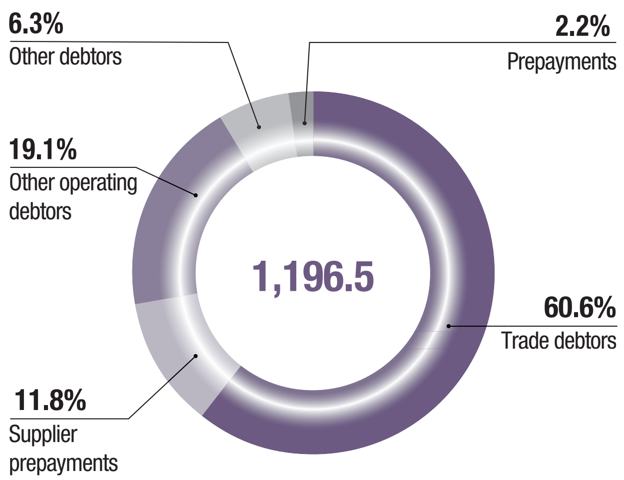
Accounting policy

These financial assets are initially recognised at fair value plus directly attributable transaction costs. At the end of each subsequent reporting period, they are measured at amortised cost using the effective interest method.

This category includes trade and other receivables, loans receivable, deposits and caution money, loans and advances to non-consolidated equity investments, cash, and current account advances to joint ventures, associates and non-consolidated entities.

Loans and receivables are assessed individually for objective evidence of impairment.

Impairment of trade receivables is measured using an expected loss model at the time of initial recognition. Because the Group's trade receivables do not have a material financing component, a standard simplified expected loss model is applied to all such receivables.



(€m)	Gross value 2020	Impairment 2020	Carrying amount 2020	Carrying amount 2019
Trade debtors	739.5	(14.5)	725.0	695.7
Supplier prepayments[1]	142.0	(1.0)	141.1	154.2
Other operating debtors[2]	228.7	-	228.7	247.6
Other debtors[3]	200.6	(125.7)	74.9	79.6
Prepayments	26.9	-	26.8	27.9
Trade and other debtors	**1,337.7**	**(141.2)**	**1,196.5**	**1,205.0**

(1) This line includes advance payments in respect of acquisitions of programmes and sports transmission rights.
(2) Primarily amounts due to the government, local authorities, employees and social security bodies.
(3) Primarily receivables relating to minimum guaranteed payments to rights holders under contracts for the distribution of audiovisual content.

Movements in provisions for impairment of trade and other receivables during the period are shown below:

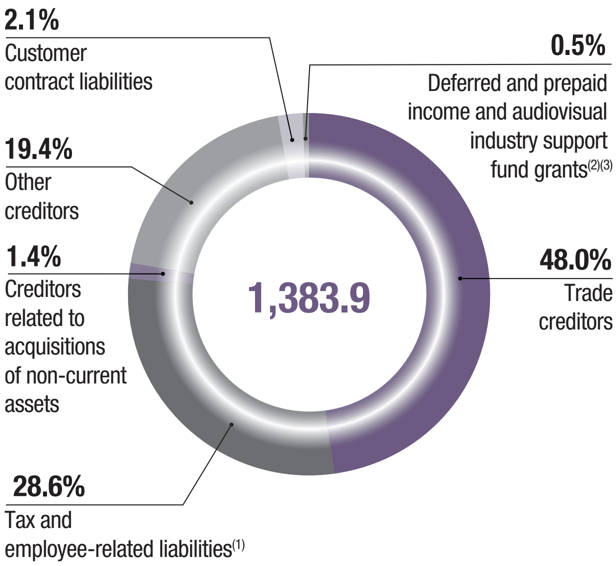
(€m)	2020	2019
Impairment as of 1 January	**(146.7)**	**(138.0)**
Additional provisions booked during the year	(0.3)	(11.2)
Reversals for debts written off during the year	1.2	2.3
Recovered during the year	1.9	0.5
Held-for-sale operations	-	-
Changes in scope of consolidation, translation adjustments and reclassifications	2.7	(0.3)
Impairment as of 31 December	**(141.2)**	**(146.7)**

7.3.2 Trade and other payables

7.3.2.1 Breakdown of trade and other payables

Accounting policy

Grants received by the TF1 group mainly comprise grants received by the Group's production companies from funds set up to support the audiovisual industry, in particular grants awarded by the French National Centre for Cinematography (CNC). Grants awarded by audiovisual industry support funds are initially recorded as deferred income in "Trade and other payables" on the liabilities side of the balance sheet once the grant has been definitively awarded. They are taken to the income statement under "Other current operating income" on exploitation of the corresponding rights.



(€m)	2020	2019
Trades creditors	664.4	642.8
Advance payments received	-	2.4
Tax and employee-related liabilities[1]	396.2	374.7
Creditors related to acquisitions of non-current assets	18.7	23.6
Other creditors	268.1	243.4
Custimer contract liabilities	29.4	30.8
Deferred and prepaid income and audiovisual industry support fund grants[2][3]	7.1	18.2
Trade and other creditors	**1,383.9**	**1,335.9**

(1) Mainly comprises VAT payable, and amounts owed to employees and social security bodies.
(2) Audiovisual industry support fund grants included in payables mainly comprise grants awarded by the CNC.

7.3.2.2 Movement in customer contract liabilities

	Upfront payments	Audience guarantees on advertising campaigns	Sales of rights not yet opened	Other	Total
2019	**24.8**	**2.9**	**3.1**	**0.0**	**30.8**
Increases	18.4	5.7	5.3	0.0	29.4
Revenue recognised during the period	(24.8)	(2.9)	(3.1)	0.0	(30.8)
2020	**18.4**	**5.7**	**5.3**	**0.0**	**29.4**

7.3.3 Current provisions

Accounting policy

Provisions are recorded when there is a legal or constructive obligation to a third party arising from a past event; the obligation will certainly or probably result in an outflow of resources with no corresponding inflow of resources; and the amount of the outflow can be measured reliably. Provisions are reviewed at the end of each reporting period, and adjusted where necessary to reflect the best estimate of the obligation as of that date.

Contingent liabilities are obligations whose existence will be confirmed only by the occurrence of future events or for which the outflow of resources cannot be measured reliably. No provision is recorded for contingent liabilities.

Use of estimates and judgement

Provisions include those booked to cover litigation and claims of whatever kind, the amount of which is estimated based on assumptions regarding the most likely outcomes. In determining those assumptions, TF1 management may if necessary rely on the assessments of external advisors.

Current provisions mainly comprise provisions for litigation and claims arising in the normal operating cycle and for which settlement will probably occur within twelve months. They are determined in the same way as non-current provisions (see Note 7.3.6).

The table below shows movements in current provisions during 2020:

(€m)	Litigation and claims: employees	Litigation and claims: commercial	Other contractual litigation, claims, and risks	Other	Total current provisions
1 January 2020	**2.6**	**3.4**	**3.5**	**5.3**	**14.8**
Charges	1.8	6.3	2.4	1.6	12.1
Reversals: used	(0.6)	(0.4)	(0.3)	(3.6)	(4.9)
Reversals: unused	(0.1)	(0.1)	(0.3)	(0.2)	(0.7)
Changes in scope of consolidation and reclassifications	0.1	(0.2)	-	-	(0.1)
31 December 2020	**3.8**	**9.0**	**5.3**	**3.1**	**21.2**

No material contingent liabilities had been identified as of the date of preparation of the financial statements.

Provisions for commercial litigation and claims mainly relate to ongoing disputes with customers, producers and rights-holders.

Provisions for other contractual litigation, claims and risks are intended to cover risks of claims from other third parties with contractual relations with TF1, including guarantees given by TF1 in connection with divestments of equity interests.

Alleged restraint of trade

In 2014, the Canal Plus Group filed a complaint with the Competition Authority against TF1, M6 and France Télévisions relating to certain practices adopted in the buying of rights to original French movies known as "catalogue" movies; TF1 was also heard. TF1 received a notice of grievance in February 2018, and presented its counter-arguments on 26 April 2018. In a decision of 27 May 2019, the authority decided to reject the complaint, which it judged to be without foundation. The Canal Plus Group lodged an appeal against this decision; the appeal was rejected by the Appeal Court, which on 8 October 2020 upheld the Competition Authority's original decision. The Canal Plus Group has now lodged an appeal with the Cour de Cassation (the French supreme court), which is currently ongoing.

In July 2019, Molotov.tv filed a complaint against TF1 and M6 with the Competition Authority alleging abuse of dominant position and restraint of trade. The Competition Authority rejected the complaint on 30 April 2020; Molotov has lodged an appeal. In a separate claim, Molotov brought an action in damages against TF1 in the Commercial Court on 10 November 2020, alleging unfair contractual terms and breach of the undertakings relating to SALTO. The procedure is currently ongoing.

These risks are not at present covered by any provision in the TF1 consolidated financial statements.

7.4 NON-CURRENT ASSETS AND LIABILITIES

Accounting policy

The recoverable amount of an asset is the higher of value in use or fair value less costs to sell. If fair value less costs to sell cannot be reliably measured, the recoverable amount of an asset is its value in use.

The value in use of assets to which independent cash flows can be directly allocated is determined individually. All other assets are grouped within cash-generating units (CGUs) to determine their value in use. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The value in use of an asset or a CGU is measured using the discounted cash flow (DCF) method, based on three-year cash flow projections in business plans approved by TF1 management and the Board of Directors plus a standard annual cash flow figure (after lease expenses) for the time horizon beyond the three-year business plan. The cash flows used are determined on an after-tax basis.

These cash flow projections are discounted using an after-tax discount rate, determined on the basis of the weighted average cost of capital (calculated using market parameters, such as beta and capitalisation) of a sample of companies representative of the business sector to which the asset being tested belongs.

The recoverable amount of the CGU's assets is then compared with their carrying amount in the consolidated balance sheet (after including the right of use of leased assets, and deducting lease obligations).

Use of estimates and judgement

The carrying amount of goodwill in the TF1 consolidated financial statements is reviewed at least annually. These impairment tests are sensitive to medium-term financial forecasts and to the discount rates used to estimate the value in use of cash-generating units (CGUs).

Impairment

At the end of each reporting period, the Group assesses whether there are internal or external events or circumstances which indicate that a non-current asset may have been impaired. If there is such an indication, or if the asset is required to be tested for impairment annually (goodwill, and intangible assets with indefinite useful lives), the recoverable amount of the asset is estimated.

An impairment loss is recognised where the recoverable amount of an asset or CGU is less than its carrying amount. Impairment losses on finite-lived and indefinite-lived items of property, plant and equipment and intangible assets may be reversed subsequently if the recoverable amount of the asset becomes greater than its carrying amount again. The only impairment losses that may not be reversed are those taken against goodwill.

7.4.1 Goodwill

In applying IFRS, the TF1 group has elected to recognise goodwill using the partial goodwill method, *i.e.* without remeasuring the non-controlling interests at the acquisition date based on the purchase consideration. Consequently, the effect of fair value remeasurements recognised on buyouts of non-controlling interests is offset against consolidated shareholders' equity, with no additional assets recognised in the balance sheet as a result of the transaction.

The table below shows movements in goodwill for the period, by segment:

(€m)	Broadcasting	Studios & Entertainment	Digital	Total
Goodwill at 1 January 2019	**407.7**	**164.1**	**245.3**	**817.1**
Acquisitions	-	28.1	-	28.1
Disposals	-	-	-	-
Translation adjustments		0.7		0.7
Reclassifications	-	(0.6)	(0.1)	(0.7)
Impairment	-	-	-	-
Goodwill at 31 December 2019	**407.7**	**192.3**	**245.2**	**845.2**
Acquisitions	-	(0.8)	-	(0.8)
Disposals	-	-	-	-
Translation adjustments	-	(0.9)	-	(0.9)
Adjustment	0.7	(0.0)	-	0.7
Reclassifications	-	-	-	-
Impairment	-	-	(57.9)	(57.9)
Goodwill at 31 December 2020	**408.4**	**190.6**	**187.3**	**786.3**

In 2020, the goodwill of the Digital CGU was written down by €57.9 million, as described in Note 1 ("Significant events of 2020"). Other movements in goodwill relate to (i) the acquisition of Ringside Studios in the Studios & Entertainment segment, as described in Note 6.3.1 ("Cash effect of changes in scope of consolidation"); and (ii) a reduction of €1.6 million in the final price for Première Bobine (Reel One).

In 2019, movements in goodwill for the Studios & Entertainment segment relate to the acquisitions described in Note 3.2 ("Significant changes in scope of consolidation in 2019"), primarily De Mensen and Première Bobine (Reel One).

(€m)	Broadcasting segment		Studios & Entertainment segment		Digital segment		Total	
Year	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Number of CGUs	**1**	**1**	**2**	**2**	**1**	**1**	**4**	**4**
Broadcasting CGU	433.9	433.2					433.9	433.2
Newen/TF1 Studios CGU			165.2	166.9	-		165.2	166.9
TF1 Entertainment CGU			-	-	-	-	-	-
Digital CGU			-	-	187.2	245.1	187.2	245.1
TOTAL GOODWILL	**433.9**	**433.2**	**165.2**	**166.9**	**187.2**	**245.1**	**786.3**	**845.2**

Impairment testing of goodwill

The recoverable amount of each of the four CGUs (Broadcasting, Newen/TF1 Studios, TF1 Entertainment and Digital) was determined by calculating the value in use using the discounted cash flow (DCF) method, based on three-year cash flow projections compiled from plans and budgets approved by the TF1 Board of Directors. Cash flows beyond the projection time horizon were extrapolated at a perpetual growth rate that reflects past experience and incorporates prudent assumptions about the growth potential of the markets in which each CGU operates, and their competitive positions in those markets.

The business plans used in the tests were prepared on the basis of revenue growth rates and operating margins consistent with actual performances over the previous five years. Those business plans take account of factors including:

- the impacts on advertising spend of the economic situation and competitive environment, and of trends in how content is consumed;
- the acceleration of the transformation of the TF1 group, and the organic expansion of its activities;
- the ongoing implementation of a resolutely multi-channel, multi-media and multi-line strategy that allies mass audience power with targeting across all platforms, plus the expansion of production activities and the development of new monetisation techniques, which is reflected by:
  - securing the stream of core business TV content (including news) and advertising,
  - leveraging a high-powered online offer, largely through a recovery strategy for Digital,
  - ongoing build-up of Newen to reinforce the production and distribution side, in France and internationally,
  - opening up new distribution channels (platformization, OTT) *via* the MYTF1 site and involvement in the SALTO project.

The perpetual growth rates applied for impairment testing as of 31 December 2020 were in a range between 1% and 2% depending on the nature of the CGU's business (versus the 1%-2% range used in 2019).

The after-tax discount rates applied as of 31 December 2020 were determined on the basis of external data sources, using the method described in Note 7.4 (data sources: market data from Associés en Finances), and were as follows:

- Broadcasting and Studios & Entertainment: 7.23% (*versus* 6.14% in 2019), reflecting a rise in risk premiums in the equities market;
- Digital: 9.01% (*versus* 7.85% in 2019).

The impairment tests conducted using the method described above showed that goodwill relating to the Digital CGU had become impaired as of 31 December 2020, as mentioned in Note 1 ("Significant events of 2020").

For the four CGUs, analyses were performed of the sensitivity of the calculations to key assumptions (discount rate, growth rate, normative cash flows), both individually and using combinations of discount rate and normative cash flow scenarios, including reasonably possible changes in those assumptions.

For confidentiality reasons, the results of those analyses are presented on an aggregated basis for the two CGUs in the Studios & Entertainment segment.

For those CGUs, recoverable amount would equal the carrying amount of the assets tested if the following assumptions (taken individually) were to be applied:

2020	Change in discount rate	Change in normative cash flows	Change in perpetual growth rate
Broadcasting CGU	946 bp	-83%	(1,185) bp
Studios & Entertainment CGUs (aggregated)	702 bp	-65%	(831) bp
Digital CGU	N/A	N/A	N/A

2019	Change in discount rate	Change in normative cash flows	Change in perpetual growth rate
Broadcasting CGU	693 bp	-66%	(878) bp
Studios & Entertainment CGUs (aggregated)	1,001 bp	-80%	(1,364) bp
Digital CGU	80 bp	-15%	(90) bp

For the Broadcasting CGU, in the event of a 10% reduction in normative cash flows combined with an increase of 50 basis points in the discount rate, the recoverable amount would exceed the carrying amount by €1,251 million (€1,084 million at end 2019).

For the aggregated Studios & Entertainment CGUs, in the event of a 10% reduction in normative cash flows combined with an increase of 50 basis points in the discount rate, the recoverable amount would exceed the carrying amount by €373 million (€584 million at end 2019).

For the Digital CGU, in the event of a 10% reduction in normative cash flows combined with an increase of 50 basis points in the discount rate, the recoverable amount would be lower than the carrying amount by €39 million (€15 million at end 2019).

In the parent company financial statements of TF1 SA, an impairment loss of €208 million has been recognised against the investment in Unify. The difference in the amount of the impairment loss between the consolidated and parent company financial statements is due to divergences between French GAAP and IFRS accounting treatments, whereby under IFRS certain transactions involving equity instruments can be recognised directly in equity, with no impact on assets or on profit or loss for the period. This applies specifically to:

- buyouts of non-controlling interests subsequent to TF1 obtaining control of the investee, totalling €104.5 million and comprising:
  - the acquisition of a further 22% equity interest in Aufeminin.com *via* a public tender offer and squeeze-out procedure at the end of 2018: €82.1 million,
  - the exercise of the first tranche of the Gamned performance share plan: €10.9 million, and
  - successive acquisitions of the 49% equity interest held by the founders of Bonzai Digital: €4.6 million;
- equity interests in non-consolidated companies, for which under IFRS there is the option to recognise remeasurements and impairment losses either in profit or loss, or directly in equity through other comprehensive income (OCI); the TF1 group elected the latter method as of 31 December 2019 and 31 March 2020 when recognising a 100% write-down of its equity interest in Unify subsidiary Studios 71 Monde, amounting to €28.5 million (TF1 has a 5.5% equity interest in this partnership, which is controlled by ProSieben Sat 1).

7.4.2 Property, plant and equipment

Accounting policy

- **Property, plant and equipment owned outright**

Property, plant and equipment is carried at acquisition cost net of accumulated depreciation and impairment losses.

Depreciation is charged on a straight-line basis over the expected useful life of the asset, taking account of any residual value of the asset:

Buildings	25 to 50 years
Technical installations:	3 to 7 years
Other property, plant and equipment:	2 to 10 years
Land is not depreciated	

Where an asset is made up of components with different useful lives, those components are recognized and depreciated as separate items within property, plant and equipment.

Gains or losses on disposals of property, plant and equipment represent the difference between the sale proceeds and the net carrying amount of the asset, and are included in "Other current operating income and expenses".

The table below shows movements in property, plant and equipment, and in depreciation and impairment, during the years ended 31 December 2020 and 2019 (the figures shown are net carrying amounts):

(€m)	Land	Buildings	Technical facilities	Other property, plant and equipment	Property, plant and equipment in progress	Total
1 January 2019	**61.9**	**76.2**	**15.5**	**33.2**	**4.7**	**191.5**
Increases	-	0.1	6.7	18.4	4.2	29.4
Depreciation & impairment	-	(3.3)	(6.1)	(8.7)	-	(18.1)
Decreases	-	0.1	-	(1.0)	-	(0.9)
Changes in scope of consolidation and reclassifications	2.9	0.8	0.4	3.8	(3.6)	4.3
31 December 2019	**64.8**	**73.9**	**16.5**	**45.7**	**5.3**	**206.2**
Increases	-	0.6	10.6	19.1	2.8	33.1
Depreciation & impairment	-	(2.3)	(8.7)	(9.2)	-	(20.2)
Decreases	-	0.1	(0.1)	(0.8)	-	(0.8)
Changes in scope of consolidation and reclassifications	-	-	8.4	(1.7)	(6.8)	(0.1)
31 December 2020	**64.8**	**72.3**	**26.7**	**53.1**	**1.3**	**218.2**
gross value	*64.8*	*113.6*	*181.6*	*168.8*	*1.3*	*530.1*
depreciation and impairment	-	(41.3)	(154.9)	(115.7)	-	(311.9)

7.4.3 Right of use of leased assets

Accounting policy

IFRS 16 defines the right of use under a lease as an asset that represents a lessee's right to use an underlying asset for the lease term.

This right of use is recognised by the TF1 group on the commencement date of the lease (the date on which the asset is made available). It is measured at cost, which includes:

- **the initial amount of the lease obligation;**
- **lease payments made in advance to the lessor, less any lease incentives received from the lessor;**
- **material initial direct costs incurred by the lessee to obtain the lease, *i.e.* costs that would not have been incurred if the lease had not been obtained;**
- **an estimate of the costs of dismantling the leased asset, or restoring it to the condition required by the terms of the lease.**

The right of use asset is amortised on a straight line basis over the lease term. It is written down by means of an impairment allowance if there is an indication that it may have become impaired.

The lease term is the non-cancellable period for which the lessee has the right to use the underlying asset, including any extension or termination options the lessee is reasonably certain to exercise.

Within the TF1 group, rights of use relate mainly to property leases contracted within France, generally with a lease term of nine years.

An analysis of the right of use of leased assets is presented below:

(€m)	Land & buildings	Technical facilities	Other property, plant & equipment	Total
1 January 2019	**98.2**	**-**	**-**	**98.2**
Translation adjustments	-	-	-	-
Changes in scope of consolidation	0.6	-	-	0.6
Lease amendments and other movements	14.1	-	-	14.1
Amortisation and impairment, net	(19.1)	-	-	(19.1)
31 December 2019	**93.8**	**-**	**-**	**206.2**
Translation adjustments	(0.1)	-	-	(0.1)
Changes in scope of consolidation	-	-	-	-
Lease amendments and other movements	13.4	-	-	13.4
Amortisation and impairment, net	(20.8)	-	-	(20.8)
31 December 2020	**86.3**	**-**	**-**	**86.3**
gross value	*177.6*	-	-	*177.6*
amortisation and impairment	(91.3)	-	-	(91.3)

In 2020, the TF1 group sublet part of the Atrium building. That sublease was classified as an operating lease in the TF1 financial statements, since the Group takes the view that it does not transfer substantially all the risks and rewards of ownership to the lessee. Consequently, the rental income derived from the sub-lease is being recognised in profit or loss on a straight line basis over the entire lease term (€0.2 million in 2020).

TIMING OF SUBLEASE RENTAL INCOME

	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 years or more	Total due > 1 year
Timing of sub-lease rental income as of 31 December 2020	**0.9**	**1.6**	**1.7**	**1.7**			**5.0**

In 2020, the Group was granted rent concessions of €0.8 million, recognised in profit or loss under the option permitted by the June 2020 amendment to IFRS 16 that allows entities to take such concessions to profit or loss without adjusting the carrying amounts of lease assets and liabilities; see Note 2.2, "New and amended IFRS accounting standards and interpretations".

7.4.4 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Accounting policy

Because goodwill included in the carrying amount of investments in associates and joint ventures is not presented separately, this goodwill is not tested individually for impairment, in accordance with IAS 36. The total carrying amount is tested for impairment by comparing its recoverable amount to its carrying amount if there is evidence that the investment is impaired.

The table below gives details of investments in joint ventures and associates:

(€m)	Vertical Station	Extension TV	SALTO*	Other	Total
1 January 2019	**9.4**	**10.0**	**-**	**1.4**	**20.8**
Share of profit/(loss) for the period	(0.5)	0.3	(0.6)	(0.3)	(1.1)
Provision for impairment	-	-	-	-	-
Dividends paid	-	(0.5)	-	-	(0.5)
Changes in scope of consolidation and reclassifications	(8.9)		1.0	1.0	(6.9)
Provision for risks	-	-	-		
31 December 2019	**-**	**9.8**	**0.4**	**2.1**	**12.3**
Share of profit/(loss) for the period	-	0.8	(10.8)	(1.3)	(11.3)
Provision for impairment	-	-	-	-	-
Dividends paid	-	-	-	-	-
Changes in scope of consolidation and reclassifications	-	-	10.4	(0.4)	10.0
Provision for risks	-	-	-	-	-
31 December 2020	**-**	**10.6**	**0.0**	**0.4**	**11.0**

* *The investment in SALTO, which had a carrying amount of €0.4 million as of 31 December 2019, had a carrying amount of zero as of 31 December 2020. A provision of €10.4 million was taken against the current account receivable with TF1 SPV SAS, the entity that owns the equity interest in SALTO, on the basis that the receivable is effectively quasi-equity. Consequently, that provision has been included in the amounts presented above.*

No other material income or expenses recognised directly in equity were reported by joint ventures or associates.

7.4.5 Other non-current financial assets

Accounting policy

Since 1 January 2018, financial assets have been classified in one of three categories (financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets fair value through profit or loss) depending on the business model for managing the asset and the contractual cash flow characteristics of the asset, which for each of those categories respectively are:

- **assets held within a business model whose objective is to hold assets in order to collect contractual cash flows;**
- **assets held within a business model whose objective is to hold assets in order to collect contractual cash flows and cash flows from selling the asset;**
- **assets held within any other business model.**

IFRS 9 also allows an elective treatment for equity instruments not held for trading, under which changes in fair value can be recognised through other comprehensive income (OCI); this treatment must be elected for each instrument individually, and is irrevocable.

Classification

The TF1 group holds financial assets in the following categories:

- **financial assets at amortised cost: These are assets held within a business model whose objective is to hold assets in order to collect contractual cash flows ("basic loans"). The TF1 group classifies the following assets within this category: trade and other receivables, loans receivable, deposits and caution money, loans and advances to non-consolidated equity investments, cash, and current account advances to joint ventures, associates and non-consolidated entities. Such assets are accounted for using the effective interest method, which means that on initial recognition they are measured at fair value (acquisition cost plus transaction costs). They are assessed individually for objective evidence of impairment;**
- **financial assets at fair value: The Group classifies the following financial assets in this category:**
  - **equity instruments owned by the Group: These are assets held within a business model whose objective is to hold assets in order to collect contractual cash flows and cash flows from selling the asset. TF1 classifies in this category equity interests in companies over which the Group exercises neither control nor significant influence. They are accounted for at fair value through profit or loss or through OCI, depending on the option elected by the Group. None of the Group's equity interests is held for trading,**
  - **derivative instruments (other than designated and effective hedging instruments): These are held-for-trading instruments (other business models).**

Use of estimates and judgement

IFRS 13 establishes a three-level hierarchy of fair value measurement methods for financial instruments:

- **Level I: measurement based on quoted prices in active markets;**
- **Level II: measurement based on observable market parameters;**
- **Level III: measurement based on non-observable market parameters.**

The methods used by the TF1 group in applying those principles are as follows:

The fair value of financial instruments is where possible measured by reference to the market price derived from trading on a national stock exchange or over-the-counter market. Where no quoted market price is available, fair value is estimated using other valuation methods such as the actual valuation of comparable transactions (revenue or EBITDA multiples) or the discounted cash flow method, which rely on observable (level II) or non-observable (level III) parameters.

Financial instruments whose fair value cannot be measured reliably are carried at cost.

The fair value of interest rate derivatives and currency derivatives is estimated using valuations obtained from bank counterparties or from financial models generally used in the financial markets, on the basis of market data at the end of the reporting period (level II method).

Because of their short maturities, the carrying amount of trade and other receivables, cash, and treasury current accounts is regarded as the best approximation of their fair value.

7.4.5.1 Analysis of all financial assets by category

2020 (€m)	Financial assets at amortised cost	Financial assets at fair value: Fair value through profit or loss	Financial assets at fair value: Fair value through OCI	Level*	Total
Other non-current financial assets	50.1	2.3	0.5	III	52.9
Advances and down-payments made on orders	141.1				141.1
Trade receivables	725.0				725.0
Customer contract assets	-				-
Other current receivables	330.4				330.4
Other current financial assets					-
Currency derivatives				*II*	-
Interest rate derivatives					-
Financial assets used for treasury management purposes					-
Cash and cash equivalents	178.6				178.6

* *See Note 7.4.5, section "Use of estimates and judgement".*

2019 (€m)	Financial assets at amortised cost	Financial assets at fair value: Fair value through profit or loss	Financial assets at fair value: Fair value through OCI	Level*	Total
Other non-current financial assets	26.1	2.1	9.1	III	37.3
Trade and other receivables	1,205.0				1,205.0
Other current financial assets					-
Currency derivatives			*0.3*	*II*	*0.3*
Interest rate derivatives					-
Financial assets used for treasury management purposes					-
Cash and cash equivalents	105.3				105.3

* *See Note 7.4.5, section "Use of estimates and judgement".*

No transfers between levels in the fair value hierarchy were made in either 2020 or 2019.

7.4.5.2 Other non-current financial assets

Accounting policy

This category mainly comprises equity instruments at fair value through profit or loss or through OCI, depending on the option elected by the Group. TF1 classifies in this category equity interests in companies over which the Group exercises neither control nor significant influence.

Equity instruments are classified at fair value through profit or loss if the investee's business activities are aligned on the Group's core business.

Other non-current financial assets break down as follows:

(€m)	2020	2019
Equity investments in non-consolidated entities	2.8	11.2
Loans and advances to non-consolidated equity investees	0.1	-
Loans receivable*	45.9	22.8
Deposits and caution money	4.1	3.3
Other financial assets	**52.9**	**37.3**

* *"Loans receivable" mainly comprise production finance advanced by a subsidiary of Première Bobine Inc. to Canadian audiovisual production companies belonging to the Champlain group, which is accounted for as an associate using the equity method in the TF1 group consolidated financial statements.*

Equity investments in non-consolidated entities

The main equity investments in non-consolidated entities as of 31 December 2020 break down as follows:

(€m)	% interest at year-end	Financial assets at fair value through profit or loss	Financial assets at fair value through OCI	Total
Studio71	6%			
Other		2.3	0.5	2.8
Equity investments in non-consolidated entities		**2.3**	**0.5**	**2.8**

In 2020, changes in the fair value of non-consolidated equity investments recognised in equity amounted to €9.1 million, and related to Studio71.

The main equity investments in non-consolidated entities as of 31 December 2019 break down as follows:

(€m)	% interest at year-end	Financial assets at fair value through profit or loss	Financial assets at fair value through OCI	Total
Studio71	6%		9.1	9.1
Other		2.1	-	2.1
Equity investments in non-consolidated entities		**2.1**	**9.1**	**11.2**

In 2019, changes in the fair value of non-consolidated equity investments recognised in equity amounted to €26.5 million, of which €18.4 million related to Studio71.

7.4.6 Non-current provisions

Accounting policy

The main types of non-current provisions are described below.

- **Provisions for retirement benefits**

The Group's employees are entitled to retirement benefits under defined-contribution and defined-benefit plans, which may be partially managed *via* the Group's pension funds.

Employees of the TF1 group's French subsidiaries belong to general and supplementary French pension schemes. These are defined-contribution plans, under which the TF1 group's obligation is limited to the payment of a periodic contribution based on a specified percentage of staff costs. Those contributions are expensed in profit or loss for the period under "Staff costs".

The Group's obligation is partially covered by an insurance contract. The provision for retirement benefits recognised in the balance sheet represents the total obligation less the value of this contract.

Use of estimates and judgement

The pension cost recognised for defined-benefit plans is determined using the projected unit credit method at the expected retirement date, based on final salary, and taking account of:

- **vested benefit entitlements under collective agreements for each category of employee based on length of service;**
- **staff turnover rate, calculated using historical average data for employees leaving the company;**
- **salaries and wages, including a coefficient for employer's social security charges as currently payable;**
- **an annual salary inflation rate;**
- **life expectancy of employees, determined using statistical tables;**
- **a discount rate, applied to the obligation and reviewed annually.**

Actuarial gains and losses arise on defined-benefit post-employment benefit plans as a result of changes in the actuarial assumptions used to measure the obligation and plan assets from one period to the next, and of differences between actual market conditions and the expected market conditions used in the assumptions. Since Januar 2011, the TF1 group has recognised actuarial gains and losses directly in equity, in accordance with the revised IAS 19.

- **Provisions for risks relating to commitments, litigation and claims**

These provisions cover litigation, claims and non-recurring risks for which settlement occurs outside the normal operating cycle.

Provisions for litigation and claims include the estimated amount payable to third parties in respect of litigation and claims. They also include provisions for charges relating to disputes with tax and social security authorities; in such cases, the amount shown on reassessment notices issued by the authorities is provided for unless the company concerned regards it as highly probable that it will successfully defend its position against the authorities.

Use of estimates and judgement

These provisions are measured as the probable outflow of resources resulting from ongoing litigation or claims arising from an event prior to the end of the reporting period.

7.4.6.1 Analysis of non-current provisions

The table below shows movements in non-current provisions during 2020 and 2019:

(€m)	Provisions for retirement benefits	Other items	Total
31 December 2018	**40.8**	**0.3**	**41.1**
Charges	3.7	-	3.7
Reversals: used	(1.6)	-	(1.6)
Reversals: unused	(1.9)	-	(1.9)
Actuarial (gains)/losses	9.7	-	9.7
Changes in scope of consolidation and reclassifications	(0.3)	0.2	(0.1)
31 December 2019	**50.4**	**0.5**	**50.9**
Charges	4.2	2.3	6.5
Reversals: used	(2.9)	(0.3)	(3.2)
Reversals: unused	(3.6)	-	(3.6)
Actuarial (gains)/losses	4.5	-	4.5
Changes in scope of consolidation and reclassifications	-	-	-
31 December 2020	**52.6**	**2.5**	**55.1**

7.4.6.2 Provisions for retirement benefit obligations

Accounting policy

Use of estimates and judgement: provisions for retirement benefit obligations are calculated by the TF1 group itself using the projected unit credit method, as described in Note 7.4.6. This calculation is sensitive to assumptions regarding the discount rate, the salary inflation rate and the staff turnover rate.

MAIN ACTUARIAL ASSUMPTIONS

	2020	2019	2018	2017	2016
Discount rate (iBoxx A10)	0.6%	0.9%	2.1%	1.5%	1.7%
Expected rate of return on plan assets	0.0%	2.5%	2.7%	1.5%	1.7%
Expected salary inflation rate	2.0%	2.0%	2.0%	2.0%	2.0%
Life table	INSEE	INSEE	INSEE	INSEE	INSEE

In accordance with recommendation 2013-02 issued by the CNC (the French auditors' professional body), only voluntary departures may be used when calculating the staff turnover rate for this purpose. Consequently, staff turnover rates were revised in 2020, based on actual voluntary departures in previous years.

A reduction of 50 basis points in the discount rate applied would increase the obligation by €4.6 million. Under the accounting policies applied by the Group, the resulting actuarial losses would be recognised directly in equity.

EXPENSE RECOGNISED IN THE INCOME STATEMENT FOR RETIREMENT BENEFIT OBLIGATIONS

(€m)	2020	2019
Current service cost	(3.7)	(2.6)
Interest expense on the obligation	(0.5)	(1.0)
Expected return on plan assets	-	0.2
Past service cost	-	-
Expense recognised	**(4.2)**	**(3.4)**
amount recognised in "Staff costs"	*(4.2)*	*(3.4)*
Actual return on plan assets	**-**	**0.2**

CHANGES IN THE FAIR VALUE OF THE RETIREMENT BENEFIT OBLIGATION AND OF PLAN ASSETS

(€m)	Retirement benefit obligation 2020	Fair value of plan assets 2020	Carrying amount 2020	Carrying amount 2019
Start of period	**57.3**	**(6.9)**	**50.4**	**40.8**
Current service cost for the period	3.7	-	3.7	2.7
Interest cost (unwinding of discount)	0.5	-	0.5	1.0
Reversals of provisions	(6.5)	-	(6.5)	(3.5)
Actuarial (gains)/losses	4.5	-	4.5	9.7
Changes in scope of consolidation and reclassifications	-	-	-	(0.1)
Expected return on plan assets	-	-	-	(0.2)
Held-for-sale operations	-	-	-	-
End of period	**59.5**	**(6.9)**	**52.6**	**50.4**

Plan assets are in the form of contributions paid into "Fonds Club no. 1", a mutual fund denominated in euros and managed by an independent financial institution. Based on financial information supplied by the fund manager, the gross return was 0% in 2020. As of 31 December 2020, the fund had an estimated fair value of €6.9 million.

7.5 SHAREHOLDERS' EQUITY

7.5.1 Share capital

Accounting policy

Treasury shares acquired by the TF1 group are deducted from consolidated equity. No gains or losses arising on the purchase, sale or cancellation of treasury shares are recognised in the income statement.

As of 31 December 2020, the share capital of TF1 SA consisted of 210,392,991 fully paid ordinary shares. Movements in share capital during 2020 were as follows:

Number of shares	Number of shares outstanding	Number of treasury shares	Total number of shares
1 January 2019	**209,928,940**	**-**	**209,928,940**
Capital increases[1]	728,385		728,385
Purchases of treasury shares[2]	(415,251)	415,251	-
Share exchange transaction			-
Cancellation of treasury shares		(415,251)	(415,251)
31 December 2019	**210,242,074**	**-**	**210,242,074**
Capital increases[1]	155,500		155,500
Purchases of treasury shares[2]	(4,583)	4,583	-
Share exchange transaction			-
Cancellation of treasury shares		(4,583)	(4,583)
31 December 2020	**210,392,991**	**-**	**210,392,991**
Par value	*€0.20*	*€0.20*	*€0.20*

(1) Arising from exercise of stock options (see Note 7.5.4.2).
(2) Treasury shares: see Note 7.5.4.4 on share buybacks below.

7.5.2 Earnings per share

Accounting policy

Basic earnings per share is obtained by dividing net profit for the period by the weighted average number of shares outstanding during the period.

All shares conferring unrestricted rights upon the shareholder are included. Shares in the parent company held by the company itself or by consolidated companies are excluded from the average number of shares outstanding.

Diluted earnings per share is calculated by including all financial instruments giving future access to the capital of the parent company, whether these instruments are issued by the parent company itself or by a subsidiary. The dilutive effect is calculated separately for each instrument, based on the conditions prevailing at the end of the reporting period and excluding anti-dilutive instruments.

Non-dilutive stock subscription option plans are excluded from this calculation.

Basic earnings per share is calculated on the basis of net profit for the year attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the year.

Because potentially dilutive ordinary shares have no adjusting effect on net profit for the year, diluted earnings per share is calculated on the basis of net profit for the year attributable to ordinary shareholders and of the weighted average number of ordinary shares outstanding during the year, adjusted for the effects of all potentially dilutive ordinary shares. Diluted earnings per share takes account of the dilutive effect of performance share plans, and of stock subscription option plans where the exercise price is lower than the average quoted market price of TF1 shares over the period.

	2020	2019
Net profit/(loss) from continuing operations (attributable to the Group)	55.3	154.8
Net profit/(loss) from discontinued or held-for-sale operations	-	-
Net profit attributable to the Group *(€m)*	**55.3**	**154.8**
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	**210,331,637**	**210,301,376**
Earnings per share from continuing operations	0.26	0.74
Earnings per share from discontinued or held-for-sale operations	-	-
Basic earnings per share *(€)*	**0.26**	**0.74**
AVERAGE NUMBER OF ORDINARY SHARES AFTER DILUTION	**210,482,037**	**210,607,276**
Diluted earnings per share *(€)*	**0.26**	**0.74**

The average number of ordinary shares after dilution is obtained by taking account of the following dilutive effects:

(number of shares)	2020	2019
Weighted average number of ordinary shares for the period	210,331,637	210,301,376
Dilutive effect of stock subscription option plans	-	-
Dilutive effect of performance share plans	150,400	305,900
Average number of ordinary shares after dilution	**210,482,037**	**210,607,276**

In 2020, only the 2018 performance share plan had a dilutive effect.

In 2019, only share subscription option plan no. 13 (awarded 12 June 2012) had an adjusted exercise price lower than the average quoted market price of TF1 shares over the period. That plan had expired as of 31 December 2019.

7.5.3 Changes in equity not affecting the income statement

Dividends

The proposed dividend in respect of the year ended 31 December 2020, to be paid in 2021, amounts to €94.7 million, or €0.45 per share.

As regards dividends in respect of the 2019 financial year, the Annual General Meeting of 17 April 2020 decided not to distribute a dividend, in line with a proposal from the Board of Directors intended to show solidarity and share the sacrifices expected of all the Group's partners and staff.

The dividend paid in 2019 in respect of the year ended 31 December 2018 amounted to €84.0 million, or €0.40 per share.

The yield on TF1 shares for each of the last five financial years is presented in the Universal Registration Document.

Because the dividend payable in 2021 is subject to approval by the shareholders, it was not recognised as a liability in the consolidated financial statements as at 31 December 2020.

7.5.4 Share-based payment and stock option plans

7.5.4.1 Stock option and performance share plan (PSP) awards

No new stock options were awarded in 2020. Details of the terms of plans awarded from 2015 to 2019 are provided in the notes to the financial statements of previous years.

7.5.4.2 Movement in number of options and performance shares outstanding

	2020		2019	
	Number of options/ performance shares	Weighted average subscription/ purchase price (€)	Number of options/ performance shares	Weighted average subscription/ purchase price (€)
Options/shares outstanding at 1 January	**4,959,800**	**9.92**	**4,448,585**	**9.96**
Options/shares awarded	-	-	1,549,100	8.87
Options/shares cancelled, not vested, or forfeited	(154,900)	10.97	(246,300)	12.84
Options exercised/shares vested	(155,500)	11.72	(728,385)	7.32
Options/shares expired	-	-	(63,200)	6.17
Options/shares outstanding at 31 December	**4,649,400**	**9.82**	**4,959,800**	**9.92**
Options/shares exercisable at 31 December	*2,183,400*	*13.29*	*1,633,600*	*13.97*

A total of 155,500 options were exercised during 2020. The average residual life of options outstanding as of 31 December 2020 was 21 months (compared with 22 months as of 31 December 2019).

7.5.4.3 Share-based payment expense

Accounting policy

TF1 may award stock subscription option plans and performance share plans to its employees (see Note 7.5.4.1).

In accordance with IFRS 2, the cost of these equity-settled share-based payment plans is recognised as an expense in "Staff costs", with the opposite entry recognised in equity.

The total expense relating to stock subscription option plans is measured at the date of grant using the Black-Scholes-Merton model, and is recognised on a straight-line basis over the vesting period.

The total expense relating to performance share plans is measured at the date of grant (taking into account any specific terms and conditions liable to affect fair value), and recognised over the vesting period on a straight line basis.

The opposite entry for the movement in this reserve during the period is charged to "Staff costs" in the income statement (see Note 5.3).

Expense related to stock option plans and performance share plans awarded by the TF1 group

The expense related to stock option plans and performance share plans, as recognised in "Staff costs", breaks down as follows:

				Staff costs	
(€m)	Date of grant	Lock-up period	Residual fair value	2020	2019
Plan no. 14	12/06/2015	3 years	-	-	-
Plan no. 15	08/06/2016	3 years	-	-	0.2
2017 plan	12/06/2017	3 years	-	0.2	0.4
2018 plan	08/06/2018	3 years	0.1	0.2	0.2
2019 plan	12/06/2019	2 years	0.4	0.7	0.5
TF1 2016 PSP	08/06/2016	3 years	-	-	0.3
TF1 2017 PSP	12/06/2017	3 years	-	0.3	0.7
TF1 2018 PSP	08/06/2018	3 years	0.2	0.5	0.5
TOTAL				**1.9**	**2.8**

Stock option plan expense was computed using the Black-Scholes model and the following assumptions:

	Exercise price	Expected volatility	Average maturity	Risk-free rate	Payout ratio	Liquidity discount	Fair value per option
Plan no. 14	€15.46	28%	5.18 years	0.41%	1.57%	-15%	€2.75
Plan no. 15	€10.99	34%	5.14 years	-0.18%	1.81%	-15%	€2.15
2017 plan	€11.45	30%	5.14 years	-0.24%	1.78%	-15%	€1.85
2018 plan	€9.83	26%	5.14 years	-0.01%	3.23%	-15%	€0.89
2019 plan	€8.87	31%	5.14 years	-0.47%	4.24%	-15%	€0.97

The average maturity used is less than the contractual life of the option in order to take account of exercises by grantees ahead of the contractual expiry date. The volatility assumptions used are consistent with the implied volatility reflected in the price offered at the date of grant by leading banks for TF1 stock options with the same maturity.

For 2019, the expense relating to the TF1 performance share plan was determined on the basis of the reference quoted market price of TF1 shares at the date of grant, *i.e.* €9.38.

Expense related to employee benefit plans awarded by the Bouygues group

The expense related to plans awarded by the Bouygues group to TF1 group employees was not material for 2020.

7.5.4.4 Share buybacks

In 2020, TF1 repurchased 4,583 of its own shares during the fourth quarter for a total amount of less than €0.1 million.

In 2019, TF1 repurchased 415,251 of its own shares during the first quarter for a total amount of €3.5 million.

7.5.4.5 Call options granted to non-controlling interests

The TF1 group had no commitments in place at 31 December 2020 that constituted a call option over TF1 or Bouygues shares exercisable by non-controlling interests.

7.5.5 Cash flow hedge reserve

(€m)	2020	2019
Reserve as of 1 January	**0.6**	**2.0**
Cash flow hedges reclassified to profit or loss during the period*	-	(1.3)
Change in fair value of new cash flow hedges contracted during the period	(0.8)	(0.1)
Change in fair value of existing portfolio of cash flow hedges during the period	-	-
Reserve as of 31 December	**(0.2)**	**0.6**

* *Amounts reclassified from equity to profit or loss are recognised as a component of operating profit.*

7.6 NET DEBT AND FINANCIAL LIABILITIES

7.6.1 Net debt

Net debt as reported by the TF1 group comprises the following items:

(€m)	31/12/2019	Translation adjustments	Changes in scope of consolidation[(1)]	Cash flows[(2)]	Changes in fair value *via* equity or profit/loss	Other movements	12/2020
Cash and cash equivalents	105.3		2.4	70.9			178.6
Financial assets used for treasury management purposes	-						-
Overdrafts and short-term bank borrowings	(2.7)		-	(1.3)			(4.0)
Available cash	**102.6**		**2.4**	**69.6**		**-**	**174.6**
Fair value of interest rate derivatives	-						-
Non-current borrowings	(200.1)	2.5	-	64.7	(7.4)	(0.1)	(140.4)
Current debt excluding overdrafts and short-term bank borrowings	(28.8)	1.5	-	(7.5)	-	(0.1)	(34.9)
Total debt	**(228.9)**	**4.0**	**-**	**57.2**[(2)]	**(7.4)**	**(0.2)**	**(175.3)**
Net surplus cash/(net debt)	**(126.3)**	**4.0**	**2.4**	**126.8**	**(7.4)**	**(0.2)**	**(0.7)**
Lease obligations	(99.5)	0.1	-	20.5[(3)]	-	(13.5)	(92.4)
Net surplus cash/(net debt) including lease obligations	**(225.8)**	**4.1**	**2.4**	**147.3**	**(7.4)**	**(13.7)**	**(93.1)**

(1) *Mainly relates to the acquisition of control over Ringside Studios, as described in Note 6.3.1 ("Cash effect of changes in scope of consolidation").*
(2) *The reduction in long-term borrowings results mainly from the repayment of €74 million of debt carried by Newen Studios, which was refinanced out of the TF1 group's available cash resources.*
(3) *Net cash flows from the principal financing transactions of 2020, as presented in the cash flow statement.*

7.6.1.1 Cash and cash equivalents

Accounting policy

The line "Cash and cash equivalents" in the balance sheet comprises cash, cash equivalents, and debit balances on treasury current accounts.

Cash consists of liquidity available in bank current accounts, and sight deposits. Cash equivalents are assets held in order to meet short-term treasury needs. Investments qualify as cash equivalents if they are readily convertible into cash, are subject to an insignificant risk of changes in value, and have a maturity of less than three months. Treasury current accounts represent cash invested with non-consolidated equity investees, joint ventures or associates, and current accounts with other Bouygues group entities.

Cash and treasury current accounts are financial assets classified in the "Loans and receivables" category, and carried at amortised cost.

Cash and cash equivalents consist of the following items:

(€m)	2020	2019
Cash	59.6	45.6
Money-market funds	3.0	3.0
Treasury current accounts*	116.0	56.7
Cash and cash equivalents of continuing operations	**178.6**	**105.3**

* *For 2020, "Treasury current accounts" include €113 million with Bouygues Relais, compared with €54.0 million for 2019.*

7.6.2 Financial liabilities

Accounting policy

Financial liabilities are classified in one of two categories: financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost.

- **Financial liabilities at fair value through profit or loss comprise:**
  - **liabilities regarded as held for trading, comprising liabilities incurred principally with a view to their redemption in the near term;**
  - **liabilities designated by the Group on initial recognition as financial instruments at fair value through profit or loss.**
- **Non-derivative financial liabilities at amortised cost mainly comprise borrowings (including credit facilities contracted with banks or with the Group), treasury current accounts with credit balances, bank overdrafts, and finance lease obligations.**

Where a financial liability is wholly or partially hedged by an interest rate instrument, the hedged portion is accounted for under hedge accounting rules (see Note 8.2.2).

Commitments to buy out non-controlling interests:

Commitments to buy out non-controlling interests are recognised as a financial liability, in accordance with IAS 32, with the opposite entry recognised in equity. Apart from discounting effects (recognised in "Expenses associated with net debt"), the effects of subsequent changes in the liability are also recognised in equity.

Use of estimates and judgement

The fair value of financial instruments is determined by reference to market prices. In the case of derivatives, market prices are determined and supplied to the TF1 group by its bank counterparties. Where no quoted market price is available, fair value is estimated using other valuation methods such as the discounted cash flow method.

Fair value of financial liabilities

Because of their short maturities, the carrying amount of bank overdrafts, trade and other payables and short-term borrowings is regarded by the Group as an approximation of their fair value.

The fair value of derivatives is estimated using valuations obtained from bank counterparties or from financial models generally used in the financial markets on the basis of market data at the end of the reporting period (level II method).

The table below shows financial liabilities by category:

2020 *(€m)*	**Financial liabilities at fair value through profit or loss**						
	Designated at fair value on initial recognition	**Held for trading**	**Level**	**Commitments to buy out non-controlling interests measured at fair value**	**Level**	**Financial liabilities at amortised cost**	**Total**
Non-current debt	-	-		98.7	III	41.7	140.4
Current debt	-	-		4.5	III	30.4	34.9
Trade payables	-	-		-		664.4	664.4
Customer contract liabilities	-	-		-		29.4	29.4
Other current liabilities	-	-		-		690.1	690.1
Overdrafts and short-term bank borrowings	-	-		-			-
Other current financial liabilities	-	-		-		-	-
Currency derivatives	-	-		-		-	-
Interest rate derivatives	-	-		-		-	-

2019 *(€m)*	**Financial liabilities at fair value through profit or loss**						
	Designated at fair value on initial recognition	**Held for trading**	**Level**	**Commitments to buy out non-controlling interests measured at fair value**	**Level**	**Financial liabilities at amortised cost**	**Total**
Non-current debt	-	-		94.1	III	106.0	200.1
Current debt	-	-		4.3	III	27.2	31.5
Trade payables	-	-		-		642.8	642.8
Customer contract liabilities	-	-		-		30.8	30.8
Other current liabilities	-	-		-		662.3	662.3
Overdrafts and short-term bank borrowings	-	-		-			-
Other current financial liabilities	-	-		-		-	-
Currency derivatives	-	-		-		-	-
Interest rate derivatives	-	-		-		-	-

In 2020, a commitment to buy out non-controlling interests was signed, amounting to €7.4 million. A number of buyout commitments to non-controlling interests have been renegotiated to take account of the impact of the 2020 economic crisis on actual and projected performance.

For 2019, "Other transactions with shareholders" mainly comprises commitments to buy out in full the non-controlling shareholders of De Mensen and Première Bobine (Reel One) following the acquisition of control in February 2019 and October 2019, amounting to €48.5 million. This item also includes remeasurements of liabilities for other commitments to buy out non-controlling shareholders.

7.6.3 Lease obligations

In accordance with IFRS 16, on commencement of a lease the lessee recognises a lease obligation in the balance sheet, equivalent to the present value of the lease payments over the lease term.

The following amounts are included in the lease payments used to measure the obligation:

- **fixed payments (including in-substance fixed payments, *i.e.* payments that may in form contain variability, but in substance are unavoidable);**
- **variable lease payments that depend on an index or a rate at the commencement date of the lease;**
- **payments due by the lessee under residual value guarantees;**
- **the exercise price of a purchase option, if that option is reasonably certain to be exercised;**
- **payments of penalties for terminating or not extending the lease.**

During the term of the lease, the carrying amount of the lease obligation is:

- **increased to reflect interest on the lease obligation, which is recognised as an expense in the income statement and calculated using the discount rate used on initial measurement; and**
- **reduced to reflect lease payments made.**

The discount rate used to calculate the lease obligation is determined for each asset on the basis of the incremental borrowing rate at the inception date of the lease. That rate is obtained by aggregating a market rate that reflects the location, currency and lease term, and a sector-specific spread that reflects the nature of the lease.

The Group elected to apply the practical expedients permitted by IFRS 16 to exclude leases where the as-new value of the underlying asset is less than €5,000, and assets where the lease term is reasonably certain to be less than twelve months. Such leases are recognised in profit or loss as and when lease payments are made. The Group also elected to account for each lease component separately, distinguishing the lease components from the non-lease (service) components.

As permitted by IFRS 16, the TF1 group elected not to apply the standard to leases of intangible assets.

The portion of long-term lease obligations due within less than one year is included in current liabilities.

(€m)	31/12/2019	Translation adjustments	Changes in scope of consolidation	Cash flows	New leases, lease modifications and other lease movements	31/12/2020
Non-current lease obligations	79.4	(0.1)	-	-	(8.0)	71.3
Current lease obligations	20.1	-	-	(20.5)	21.5	21.1
TOTAL LEASE OBLIGATIONS	**99.5**	**(0.1)**	**-**	**(20.5)**	**13.5**	**92.4**

Maturity of lease obligations

The table below provides a schedule of discounted future repayments (principal and interest) of lease obligations, based on residual contractual maturities:

	Current lease obligations			Non-current lease obligations						
	1 to 3 months	4 to 12 months	Total due <1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	5 to 6 years	6 years or more	Total due > 1 year
2020 lease obligations	8.3	12.8	21.1	19.6	16.5	15.9	13.5	2.3	3.5	71.3
2019 lease obligations	4.6	15.5	20.1	17.5	16.5	15.8	15.2	12.9	1.5	79.4

NOTE 8

RISK MANAGEMENT

8.1 CAPITAL MANAGEMENT POLICY

The TF1 group has a policy of maintaining a stable capital base, apart from any share buybacks (see the present Annual Financial Report and Registration Document).

In terms of equity capital, the Group uses various indicators, including gearing (defined as the ratio of net debt to equity). Gearing provides investors with an indication of the Group's level of indebtedness relative to the level of equity capital. It is calculated on the basis of net debt as defined in Note 7.6.1 and of shareholders' equity, including reserves used to recognise changes in the fair value of cash flow hedges and of available-for-sale financial assets.

As of 31 December 2020, the Group had net debt of €0.7 million, giving a gearing ratio of 0.04%, compared with net debt of €126.3 million and gearing of 8.1% as of 31 December 2019.

8.2 FINANCIAL RISK MANAGEMENT POLICY

Liquidity risk and market risk (interest rate risk, foreign exchange risk and own equity risk) are managed centrally by the Treasury unit within the Accounting, Tax, Treasury and Financing Department.

8.2.1 Liquidity risk

The Treasury unit is responsible for ensuring that the Group has access to adequate, sustainable and appropriate sources of financing. This involves:

- regular multi-currency pooling of surplus cash held by all entities controlled by TF1, to minimise the need for external funding;
- analysis and periodic updating of cash flow projections for all Group entities;
- negotiating credit facilities with phased maturities, and ensuring that such facilities are in place at all times.

The Group assesses liquidity risk by reference to the global drawdown on its confirmed credit facilities, net of available cash.

Financing risk

The TF1 group's financing strategy is based on its ability to cope with market fluctuations and a deteriorating economy while retaining its financial autonomy vis-à-vis the financial and banking markets. The strategy is devised so as to retain the possibility of seizing opportunities for organic growth or acquisitions, while at the same time optimizing the cost of financing by actively managing and renewing the portfolio of credit facilities. The Group's credit facilities are spread among a significant number of French and international banks. They are bilateral facilities and not subject to covenants regarding financial ratios.

The TF1 group's credit facilities are backed up by a cash pooling agreement with the Bouygues group.

2020 (€m)	Authorised facilities			Drawdowns			Available facilities
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total	
Confirmed bilateral facilities	295.0	745.0	1,040.0	25.1	0.0	25.1	1,014.9
Bouygues cash pooling agreement	-	-	-	39.9	-	39.9	(39.9)
TOTAL	**295.0**	**745.0**	**1,040.0**	**65.0**	**0.0**	**65.0**	**975.0**

2019 (€m)	Authorised facilities			Drawdowns			Available facilities
	Less than 1 year	1 to 5 years	Total	Less than 1 year	1 to 5 years	Total	
Confirmed bilateral facilities	305.0	735.9	1,040.9	94.0	(0.1)	93.9	947.0
Bouygues cash pooling agreement	-	-	-	30.0	-	30.0	(30.0)
TOTAL	**305.0**	**735.9**	**1,040.9**	**124.0**	**(0.1)**	**123.9**	**917.0**

Credit rating

The TF1 group has a credit rating from Standard & Poor's, which currently stands at BBB+/negative/A-2 (December 2020).

Maturity of non-derivative financial liabilities

The tables below provide a schedule of discounted future repayments (principal and interest) of financial liabilities, excluding lease obligations (see Note 7.6.3), based on residual contractual maturities:

2020 *(€m)*	Carrying amount	Residual contractual amount		
		Less than 1 year	1 to 5 years	Total
Trade and other payables	1,383.9	1,383.9	-	1,383.9
Other financial liabilities	179.3	38.9	140.4	179.3
TOTAL	**1,563.2**	**1,422.8**	**140.4**	**1,563.2**

2019 *(€m)*	Carrying amount	Residual contractual amount		
		Less than 1 year	1 to 5 years	Total
Trade and other payables	1,335.9	1,335.9	-	1335.9
Other financial liabilities	231.6	31.5	200.1	231.6
TOTAL	1,567.5	1,367.4	200.1	1567.5

Investment of surplus cash

The Group exercises great care in choosing the vehicles in which it invests temporary or structural cash surpluses, which must be:

- liquid, *i.e.* immediately accessible (current accounts, interest-bearing instant access accounts, etc.), with a maturity of no more than 3 months;
- paid interest on the basis of money-market indices, with no capital risk other than counterparty risk, and with no possibility of a sub-zero rate;
- contracted with high-grade counterparties.

As of 31 December 2020, €113.0 million out of the Group's €178.6 million of cash and cash equivalents was invested with Bouygues Relais under the terms of the cash pooling arrangement between the two entities.

(€m)	2020	2019
Interest-bearing bank account	3.0	4.6
Bouygues Relais cash pooling agreement	113.0	54.0
Other treasury current accounts	62.6	46.7
TOTAL	**178.6**	**105.3**

8.2.2 Market risk

The Group manages its exposure to interest rate risk and exchange rate risk by using hedging instruments such as swap contracts and forward purchases/sales. Derivatives are used solely for hedging purposes and are never used for speculative purposes.

The Treasury unit monitors the financial markets on a regular basis, and periodically updates the positions to be hedged after netting similar types of exposures between Group entities. The unit submits hedging scenarios to the Accounting, Tax, Treasury and Financing Department for approval; once they have been approved, it executes and administers the relevant market transactions.

Accounting policy

Derivative financial instruments are initially recognised at fair value as of the inception date of the contract, and are subsequently measured at fair value in accordance with IFRS 13.

The Group uses derivative financial instruments such as swaps, interest rate options, forward currency purchases and currency options to hedge its exposure to fluctuations in interest rates and exchange rates. Group policy is to trade on the financial markets solely for hedging purposes related to its business activities, and not to trade for speculative purposes.

- **Derivative financial instruments designated as hedges**

For hedge accounting purposes, a hedge may be classified into one of three categories:

- **fair value hedges, which hedge the exposure to changes in fair value of a recognised asset or liability or of a firm commitment, such as a fixed-rate loan or borrowing or an asset or liability denominated in a foreign currency;**
- **cash flow hedges, which hedge the exposure to variability in cash flows attributable to:**
  - **an asset or liability such as a floating-rate loan or borrowing,**
  - **a highly probable forecast transaction, or**
  - **foreign exchange risk relating to a firm commitment;**
- **hedges of a net investment in a foreign operation.**

At the inception of a hedge, the Group formally designates the financial instrument to which hedge accounting will apply, and documents:

- **the hedging relationship;**
- **the effectiveness of the hedging relationship, by conducting effectiveness tests both at inception and throughout all the financial reporting periods during which the hedge is designated.**

Hedging instruments that qualify for hedge accounting are accounted for as follows:

- **fair value hedges: changes in the fair value of the hedging instrument are recognised in profit or loss for the period symmetrically with changes in the fair value of the hedged item. The hedging instrument and the hedged item are both recognised in the balance sheet at fair value;**
- **cash flow hedges: the gain or loss (net of taxes) arising on the effective portion of the hedging instrument is recognised in equity, and the gain or loss on the ineffective portion is recognised in profit or loss. The amounts recognised in equity are taken to profit or loss in the period in which the hedged transaction affects the income statement.**
- **hedges of a net investment in a foreign operation: hedges of a net investment in a foreign operation are accounted for in the same way as cash flow hedges.**

- **Derivative financial instruments not designated as hedges**

Gains and losses arising from changes in the fair value of derivatives not designated as hedges within the meaning of IFRS 9 are recognised in the income statement.

8.2.2.1 Interest rate risk

The objective of the Group's interest rate risk management strategy is to lock in a fixed rate, or to a guarantee a maximum rate, in order to minimise cost of net debt over the short and medium term.

Exposure and sensitivity to interest rate risk

The schedules below analyse financial assets and financial liabilities, and the net exposure, by interest rate type and maturity.

	Financial assets		Financial liabilities		Net pre-hedging exposure		Hedging instruments		Net post-hedging exposure	
2020 *(€m)*	**Fixed rate**	**Floating rate**	**Fixed rate***	**Floating rate**	**Fixed rate**	**Floating rate**	**Fixed rate**	**Floating rate**	**Fixed rate**	**Floating rate**
Less than 1 year	0.0	178.6	(39.0)		(39.0)	178.6	-	-	(39.0)	178.6
1 to 5 years			(140.3)		(140.3)	-	-	-	(140.3)	-
TOTAL	**0.0**	**178.6**	**(179.3)**	**-**	**(179.3)**	**178.6**	**-**	**-**	**(179.3)**	**178.6**

* *Includes commitments to buy out non-controlling interests.*

	Financial assets		Financial liabilities		Net pre-hedging exposure		Hedging instruments		Net post-hedging exposure	
2019 *(€m)*	Fixed rate	Floating rate	Fixed rate*	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
Less than 1 year	1.3	104.0	(31.5)		(30.2)	104.0	-	-	(30.2)	104.0
1 to 5 years			(200.1)		(200.1)	-	-	-	(200.1)	-
TOTAL	**1.3**	**104.0**	**(231.6)**	**-**	**(230.3)**	**104.0**	**-**	**-**	**(230.3)**	**104.0**

* *Includes commitments to buy out non-controlling interests.*

The sensitivity analysis shown below measures the theoretical impact on cost of net debt of an immediate and constant movement of 1% across the entire yield curve for 2020 and 2019.

It is defined as the impact of applying this 1% movement to the net floating-rate exposure (this exposure being assumed to be constant over one year).

	2020		2019	
(€m)	Pre-tax impact on profit or loss	Pre-tax impact on equity	Pre-tax impact on profit or loss	Pre-tax impact on equity
Impact of a movement of +1% in interest rates	1.8		1.0	-
Impact of a movement of -1% in interest rates	(1.8)*		ns*	-

* *As of 31 December 2020 and 31 December 2019, the level of short-term interest rates is such that TF1 has no material exposure to a fall in interest rates.*

Interest rate derivatives

The TF1 group has not held any interest rate derivatives since 2011.

8.2.2.2 Foreign exchange risk

Accounting policy

Foreign currency translation: transactions denominated in foreign currencies carried out by subsidiaries are initially translated into the functional currency of the subsidiary or entity using the exchange rate at the transaction date. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rate. Any resulting translation differences are taken to profit or loss. Non-monetary assets and liabilities denominated in a foreign currency are recognised at historical cost and translated using the exchange rate at the transaction date.

Multi-currency foreign exchange risk and risk management

The Group's exposure to foreign exchange risk is mainly of an operating nature, and increased towards the end of 2019 due to the acquisition of Première Bobine (Reel One) in Canada. That acquisition also gave risk to a net investment risk as of 31 December 2019.

The Group's exposure to operating foreign exchange risk derives from recurring cash flows under contracts denominated in US dollars (multi-year broadcasting and sports transmission rights acquisition contracts, purchases of consumer goods and broadcasting rights sales); Canadian dollars (audiovisual content production); and Swiss francs (advertising airtime sales).

In overall terms, any significant appreciation in the exchange rate of the US dollar against the euro could have a negative effect on the results of the Broadcasting segment; and any significant appreciation in the exchange rate of the US dollar against the Canadian dollar could have a positive effect on the financial results of the Studios & Entertainment segment.

Over an 18-month time horizon, the risk is managed using appropriate hedging instruments that provide protection against a deterioration in the exchange rate position and eliminate the cash effect over the duration of the hedge. At the same time, the Group is committed to reducing its exposure to the US dollar by increasing the extent to which it uses the euro as the currency of payment in programme acquisition contracts.

During 2020, approximately 99.4% of cash inflows were in euros, 0.4% in Swiss francs, and 0.2% in US dollars. As regards cash outflows, approximately 99.2% (including acquisitions of broadcasting rights) were in euros, approximately 0.7% in US dollars, and 0.1% in Swiss francs.

The objective of the Group's foreign exchange risk management policy is to lock in a maximum exchange rate or guarantee a minimum exchange rate on its net long position and a minimum exchange rate on its net short position in each of the currencies used, over a rolling 12-to-18-month period.

Net investment foreign exchange risk

In 2020, Newen contracted a loan from the Bouygues group of 62.5 million Canadian dollars (€40 million) to finance its acquisition of Première Bobine (Reel One) in Canada, which constitutes a net investment hedging relationship.

Foreign exchange gains and losses arising from the translation of the loan and the net investment into euros were recognised directly in equity. No hedge ineffectiveness has been recognised.

Exposure and sensitivity to foreign exchange risk

The table below shows the Group's exposure to foreign exchange risk as of 31 December 2020:

Equivalent value in euros at 2020 closing exchange rates *(€m)*	USD(1)	CAD	CHF(2)	Other currencies	Total
Assets	40.2	24.0	12.4	10.5	87.1
Liabilities	(42.2)	(40.5)	(7.5)	(7.0)	(97.2)
Off balance sheet commitments	(24.6)	-	-	-	(24.6)
Pre-hedging position	**(26.6)**	**(16.5)**	**4.9**	**3.5**	**(34.7)**
Forwards and futures	1.6	-	(11.1)	-	(9.5)
Currency swaps	-	-	-	-	-
Net post-hedging position	**(25.0)**	**(16.5)**	**(6.2)**	**3.5**	**(44.2)**

(1) Net exposure in USD: some Group entities enter into multi-year rights acquisition contracts in the course of their ordinary activities that give rise to off balance sheet commitments. Most of the inventories purchased by Dujardin are paid for in US dollars. TF1 SA hedges its US dollar-denominated purchases.
(2) Net exposure in Swiss francs (CHF): this mainly relates to the ordinary activities of TF1; forward contracts in CHF are contracted solely to hedge future cash flows.

The table below shows the Group's exposure to foreign exchange risk as of 31 December 2019:

Equivalent value in euros at 2019 closing exchange rates *(€m)*	USD(1)	CAD	CHF(2)	Other currencies	Total
Assets	21.4	40.3	4.6	1.2	67.5
Liabilities	(8.5)	(68.7)	(0.4)	(1.2)	(78.8)
Off balance sheet commitments	(38.7)	-	-	-	(38.7)
Pre-hedging position	**(25.8)**	**(28.4)**	**4.2**	**(0.1)**	**(50.1)**
Forwards and futures	2.2	-	-	-	2.2
Currency swaps	12.8	-	-	-	12.8
Net post-hedging position	**(10.8)**	**(28.4)**	**4.2**	**(0.1)**	**(35.1)**

(1) Net exposure in USD: some Group entities enter into multi-year rights acquisition contracts in the course of their ordinary activities that give rise to off balance sheet commitments. Most of the inventories purchased by Dujardin are paid for in US dollars. TF1 SA hedges its US dollar-denominated purchases.
(2) Net exposure in Swiss francs (CHF): this mainly relates to the ordinary activities of TF1; forward contracts in CHF are contracted solely to hedge future cash flows.

The sensitivity analysis shown below measures the impact on profit or loss and equity of an immediate unfavourable uniform movement of 1% in the rate of the euro against all the other currencies involved, and represents the sum total of:

- the impact of applying that 1% movement to the net pre-hedging positions presented above;
- the change in the fair value of the portfolio of foreign exchange instruments in place at the end of the reporting period, applying the accounting treatments specified in IFRS 9.

	2020				2019			
	Pre-tax impact on profit or loss		Pre-tax impact on equity		Pre-tax impact on profit or loss		Pre-tax impact on equity	
(€m)	**+1%**	**-1%**	**+1%**	**-1%**	**+1%**	**-1%**	**+1%**	**-1%**
USD	0.2	(0.3)	-	-	0.2	(0.1)	-	(0.2)
CAD	0.2	(0.2)	-	-	0.3	(0.3)	-	-
CHF	0.1	(0.1)	0.1	(0.1)	-	-	-	-
Other	-	-	-	-	-	-	-	-
TOTAL	**0.4**	**(0.6)**	**0.1**	**(0.1)**	**0.5**	**(0.4)**	**-**	**(0.2)**

As of 31 December 2020, the sensitivity of the TF1 group's equity (including net profit for the period) to changes in the net foreign-currency accounting position arising from a uniform unfavourable movement of 1% in the rate of the euro against all the currencies involved would be -€0.1 million, before taking account of the effects of such a movement on the Group's future foreign-currency cash flows. The comparable figure at end 2019 was -€0.2 million.

Analysis of foreign exchange derivative instruments by currency
The tables below analyse foreign exchange hedging instruments by currency at the end of the reporting period:

31 December 2020 *(in millions)*	Currency	Nominal amount of hedges				Fair value *(€)*	
		Total foreign-currency amount	Amount *(€)*			Total amount	Of which designated as cash flow hedges
			Total	Less than 1 year	1 to 5 years		
Currency swaps	USD	-	-	-	-	-	-
	CAD	-	-	-	-	-	-
	CHF	-	-	-	-	-	-
Forward purchases	USD	6.0	4.9	4.9	-	0.1	0.1
Forward sales	USD	4.0	3.3	3.3	-	0.0	0.0
	CHF	12.0	11.1	11.1	-	0.0	0.0
TOTAL			**19.3**	**19.3**	**-**	**0.1**	**0.1**

31 December 2019 *(in millions)*	Currency	Nominal amount of hedges				Fair value *(€)*	
		Total foreign-currency amount	Amount *(€)*			Total amount	Of which designated as cash flow hedges
			Total	Less than 1 year	1 to 5 years		
Currency swaps	USD	14.4	12.8	12.8	-	(0.2)	(0.2)
	CAD	-	-	-	-	-	-
	CHF	-	-	-	-	-	-
Forward purchases	USD	2.5	2.2	2.2	-	0.3	0.3
Forward sales	CHF	-	-	-	-	-	-
TOTAL			**15.0**	**15.0**	**-**	**0.1**	**0.1**

The nominal amount represents the amount sold or purchased forward in the currency.

Fair value is the difference between (i) the nominal amount translated into euros at a forward rate recalibrated to reflect closing exchange rates and (ii) the nominal amount translated into euros at closing exchange rates.

Accounting classification and treatment
All foreign exchange instruments used by the Group are contracted to hedge its exposure to financial risks. In accordance with IFRS 9, they are classified as fair value hedges or cash flow hedges depending on the strategy applied. However, some instruments are ineligible for hedge accounting because they do not meet the relevant criteria, in particular where there has been a reversal of the initial strategy.

Transactions designated as cash flow hedges are used by TF1 SA to hedge sports transmission rights and audiovisual rights acquisition contracts, on which the amount and timing of payments are precisely agreed on a contractual basis.

(€m)	Ineligible for hedge accounting	Designated as fair value hedges	Designated as cash flow hedges	Total Fair value of financial instruments
2020				
Foreign exchange instruments – assets	-	-	0.1	0.1
Foreign exchange instruments – liabilities	-	-	-	-
TOTAL	**-**	**-**	**0.1**	**0.1**
2019				
Foreign exchange instruments – assets	-	-	0.3	0.3
Foreign exchange instruments – liabilities	-	-	-	-
TOTAL	**-**	**-**	**0.3**	**0.3**

Change in fair value of foreign exchange instruments

Changes in the fair value of foreign exchange instruments that qualify for hedge accounting consist of two elements:

- an effective portion (*i.e.* the portion closely correlated to changes in the fair value of the hedged items), which is recognised in remeasurement reserves as a component of equity;
- an ineffective portion.

Change in fair value of foreign exchange instruments

(€m)	Ineligible for hedge accounting	Designated as fair value hedges	Designated as cash flow hedges	Total
2020	**0.2**		**0.2**	**0.4**
effective portion			0.2	
ineffective portion	0.2			
2019	**0.2**	**-**	**1.6**	**1.8**
effective portion	-	-	1.7	
ineffective portion	0.2	-	(0.1)	

Counterparty risks

The Group applies policies designed to limit its exposure to counterparty risk, and in particular (i) the risk of non-recovery of trade receivables in connection with its ordinary activities, (ii) the risk of being unable to recover assets held by financial counterparties and (iii) the risk that financial counterparties will default on their commitments to the Group.

The Group believes that its exposure is limited, given that the cost of such risks has historically been immaterial both in overall terms and for each business segment.

In 2020, no single customer of the Group represented more than 2% of consolidated revenue.

The five largest customers represented no more than 7% of consolidated revenue.

The ten largest customers represented no more than 10% of consolidated revenue.

In 2020, no single supplier of the TF1 group represented more than 4% of consolidated revenue.

The five largest suppliers represented no more than 11% of consolidated revenue.

The ten largest suppliers represented no more than 17% of consolidated revenue; this figure reflects the specialised nature of some suppliers within the audiovisual industry, such as production studios.

Risk of non-recovery of receivables

2020 *(€m)*	Carrying amount	Not past due	Past due Total	< 6 months	6-12 months	> 12 months
Trade receivables	739.6	644.3	95.3	48.0	21.7	25.6
Provisions for impairment of trade receivables	(14.6)	(1.1)	(13.5)	(0.2)	(0.2)	(13.1)
TOTAL TRADE RECEIVABLES, NET	**725.0**	**643.2**	**81.8**	**47.8**	**21.5**	**12.5**

2019 *(€m)*	Carrying amount	Not past due	Past due Total	< 6 months	6-12 months	> 12 months
Trade receivables	710.3	583.2	127.1	88.7	13.7	24.7
Provisions for impairment of trade receivables	(14.6)	(1.4)	(13.2)	(0.4)	(0.8)	(12.0)
TOTAL TRADE RECEIVABLES, NET	**695.7**	**581.8**	**113.9**	**88.3**	**12.9**	**12.7**

In 2016, the TF1 group introduced a trade debtor management software program with recovery, risk management and financial information modules.

This program has standardised recovery processes across the Group, and bolstered the resources dedicated to revenue collection.

This has helped keep the risk of non-payment by customers to less than 0.1% of total annual billings.

Advertising airtime sales

TF1 Publicité sells advertising airtime on media for which it acts as agent (TV channels, radio stations and websites) to advertisers who over the years have often become regular airtime buyers, developing well-established partnerships. TF1 Publicité applies risk management policies adapted to the profile of its customer base.

The policy for managing the underlying counterparty risk relies on the operating terms of TF1 Publicité, of which its customers are aware. Those terms include:

- upfront payment in full, in advance of broadcast, for airtime orders placed by a new advertiser;
- upfront payment for new advertising campaigns from any advertiser with a track record of payment incidents. If those payment terms are rejected, TF1 Publicité may refuse to sell airtime to the buyer;
- payment of annual rebates in the form of "end-of-order" credit notes issued at the start of the following year, the final amount of which is contingent on the buyer paying its invoices on time.

On top of these procedures, TF1 Publicité has a Credit Management Department which performs regular financial health checks on advertisers, issues preventive payment reminders to agencies and advertisers, and (in the event of late payment) systematically issues graded reminders, charges late payment interest, and prepares legal recovery proceedings.

Subscriptions to Pay-TV channels

There is no significant risk of non-recovery as regards revenues payable by cable operators in France.

Rights sales

Rights sales within France present little risk since the main customers are French broadcasters and ISP/video operators, who are relatively few in number and are high grade counterparties with no history of payment default.

Risks are also limited as regards rights sales outside France, because the media needed to exploit the audiovisual works are not supplied until after the majority of the contractual amounts due have been paid.

There are no other significant exposures to individual customers in other Group subsidiaries that might have a lasting adverse impact on the Group's profitability.

Financial counterparties

In investing surplus cash, the TF1 group applies a policy of selecting only high-grade banks and financial institutions that meet minimum rating criteria and with which the Group has well-established relationships, including the provision of credit facilities to the Group (see Note 8.2.1 on liquidity risk).

NOTE 9

NOTES TO THE FINANCIAL STATEMENTS

9.1 OFF BALANCE SHEET COMMITMENTS

The off balance sheet commitments reported below comprise guarantee commitments given and received by the Group; reciprocal commitments not associated with the Group's operating cycles; and operating and finance lease commitments.

A commitment is reciprocal if the future commitment given by the Group is inseparable from the commitment given by the other party or parties to the contract. Reciprocal commitments given and received in connection with the Group's operating cycles are reported in the note relating to the relevant balance sheet item: Note 7.2 ("Inventories: Broadcasting rights and other inventories") for purchase contracts designed to secure future programming schedules, and Note 8.2.1 ("Liquidity risk") for confirmed bank credit facilities.

Off balance sheet commitments are stated at the amount of the outflow or inflow of resources specified in the contract. In the case of renewable contracts, the commitment is measured on the basis of the period until the next renewal date.

In the case of reciprocal commitments, the commitment given and the commitment received are measured on the basis of the net cash outflow or inflow for the Group.

The various types of commitments given and received by the Group are described below:

Guarantee commitments

This item comprises guarantees provided in connection with commercial contracts or leases.

None of the non-current assets held by TF1 (intangible assets, property, plant and equipment or financial assets) is subject to any pledge or mortgage.

Reciprocal contractual commitments

Image transmission

Image transmission commitments relate to the supply of television transmission services (Télédiffusion de France), and to the leasing of satellite capacity and transponders from private-sector companies.

Commitments relating to equity interests

This item comprises firm or optional commitments to deliver or receive securities.

Other reciprocal contractual commitments

This comprises commitments given or received under various contracts not associated with the recurring operations of Group companies.

No material off balance sheet commitments, as defined in the applicable accounting standards, are omitted from the disclosures below.

9.1.1 Guarantee commitments

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2020	Total 2019
Guarantee commitments					
Pledges, mortgages and collateral	-	-	-	-	-
Guarantees and endorsements given	8.3	11.2	0.1	19.6	16.6
Guarantee commitments given	**8.3**	**11.2**	**0.1**	**19.6**	**16.6**
Pledges, mortgages and collateral	-	-	-	-	-
Guarantees and endorsements received	-	-	-	-	-
Guarantee commitments received	**-**	**-**	**-**	**-**	**-**
Guarantee commitments, net	**8.3**	**11.2**	**0.1**	**19.6**	**16.6**

9.1.2 Reciprocal contractual commitments

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2020	Total 2019
Miscellaneous contractual commitments					
Image transmission	22.2	66.9	4.1	93.2	43.7
Commitments relating to equity interests	-	-	-	-	-
Other	45.4	9.3	-	54.7	12.9
Miscellaneous contractual commitments given	**67.6**	**76.2**	**4.1**	**147.9**	**56.6**
Image transmission	22.2	66.9	4.1	93.2	43.7
Commitments relating to equity interests	-	-	-	-	-
Other	45.4	9.3	-	54.7	12.9
Miscellaneous contractual commitments received	**67.6**	**76.2**	**4.1**	**147.9**	**56.6**
Miscellaneous contractual commitments, net	**-**	**-**	**-**	**-**	**-**

9.2 RELATED PARTY INFORMATION

9.2.1 Executive remuneration

Total remuneration paid during 2020 to key executives of the Group (*i.e.* the 11 members of the TF1 Management Committee mentioned in the Universal Registration Document) was €8.0 million, comprising:

(€m)	2020	2019
Fixed remuneration	4.9	4.8
Variable remuneration and benefits in kind	3.1	3.1

Additional information:

- the portion of expenses relating to stock options and performance shares awarded to these key executives was €0.5 million;
- the portion of the total obligation in respect of retirement and other post-employment benefits relating to those key executives was €2.5 million.

The Bouygues group offers the members of its Executive Committee, who include Gilles Pélisson, a supplementary pension capped at 0.92% of the reference salary for each year's membership of the scheme and at eight times the annual social security ceiling. Entitlement to benefits under that scheme, which constitutes a post-employment benefit, is contingent upon performance obligations (at the level of the Bouygues and TF1 groups).

The expense (re-invoiced to TF1 by Bouygues) relating to the contribution paid in 2020 to the investment fund of the insurance company which manages the scheme was €0.257 million (€0.274 million after including charges).

Apart from loans of shares made to key executives who are also members of the Board of Directors in connection with their duties, no material loans or guarantees were extended to key executives or members of the Board of Directors.

9.2.2 Transactions with other related parties

Transactions with other related parties are summarised in the table below:

	Income		Expenses		Receivables		Payables	
(€m)	2020	2019	2020	2019	2020	2019	2020	2019
Parties with an ownership interest	56.4	55.7	(31.8)	(29.5)	122.0*	72.4*	54.5	44.5
Joint ventures	-	-	11.7	0.6	15.7	0.2	3.6	0.1
Associates	-	-	-	-	-	0.6	-	-
Other related parties	-	-	-	-	-	-	-	-
TOTAL	**56.4**	**55.7**	**(20.1)**	**(28.9)**	**137.7**	**73.2**	**58.1**	**44.6**

* *Primarily the Bouygues Relais cash pooling agreement (see Note 8.2.1).*

In 2020, agreements entered into with joint ventures and associates related primarily to operating transactions in the ordinary course of business in the audiovisual sector, recharges of head office administrative expenses, and income and expenses arising from short-term cash pooling transactions.

Agreements entered into with parties with an ownership interest comprise agreements with Bouygues SA and with other Bouygues group companies that are subsidiaries of Bouygues SA. Those agreements are of an ordinary commercial nature (including in particular sales of advertising airtime to Bouygues Telecom and services purchased from Bouygues Energies & Services), except in the case of transactions with Bouygues Relais under the short-term cash pooling agreement.

In 2020, the TF1 group sublet part of the Atrium building to Bouygues Telecom, on a lease that expires on 31 December 2024. The sublease was classified as an operating lease in the TF1 financial statements; see Note 7.4.3 ("Right of use of leased assets") for further details.

The off balance sheet commitments reported in Note 9.1 do not include any material commitments to related parties.

9.3 AUDITORS' FEES

The table below shows fees paid by the Group to its auditors:

	Mazars				EY				Other audit firms			
	Amount		%		Amount		%		Amount		%	
(€m)	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Audit of consolidated and individual company financial statements	**(1,068)**	**(1,039)**	**97%**	**97%**	**(1,013)**	**(954)**	**96%**	**96%**	**(182)**	**(235)**	**96%**	**98%**
TF1 SA	*(221)*	*(245)*			*(226)*	*(230)*			-	-		
Subsidiaries	*(847)*	*(794)*			*(787)*	*(724)*			*(182)*	*(235)*		
Other procedures and services related directly to the audit engagement	**(29)**	**(33)**	**3%**	**3%**	**(45)**	**(42)**	**4%**	**4%**	**(7)**	**(4)**	**4%**	**2%**
TF1 SA	-	-			*(42)*	*(42)*			-			
Subsidiaries	*(29)*	*(33)*			*(3)*	-			*(7)*	*(4)*		
Audit-related fees	**(1,097)**	**(1,072)**	**100%**	**100%**	**(1,058)**	**(996)**	**100%**	**100%**	**(189)**	**(239)**	**100%**	**100%**
Other services provided by audit firms to fully consolidated subsidiaries												
Company law, tax and employment law	-	-	-	-	-	-	-	-	-	-	-	-
Other (if > 10% of audit-related fees)	-	-	-	-	-	-	-	-	-	-	-	-
Other fees	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL AUDITORS' FEES	**(1,097)**	**(1,072)**	**100%**	**100%**	**(1,058)**	**(996)**	**100%**	**100%**	**(189)**	**(239)**	**100%**	**100%**

The amount of fees paid by the TF1 group to its auditors for the statutory audit of the consolidated and individual company financial statements for the year ended 31 December 2020 was €2.3 million.

The amount of fees paid by the Group in 2020 for non-audit services (other procedures and services related directly to the audit engagement, and other services provided by the audit firms to fully consolidated companies) was €0.1 million (CSR report, assurance and advisory services on corporate actions during the year).

In accordance with Articles 28-1, 82 and 99 of the law of 30 September 1986 as amended, TF1's Broadcasting licence has been "automatically" renewed several times.

TF1 also has a supplementary licence to broadcast in high definition (HD), awarded by the CSA (the French broadcasting regulator) in decision no. 2016-818 of 19 October 2016, for a five-year period ending 5 May 2023.

9.4 DEPENDENCE ON LICENCES

TF1 is an audiovisual communications service that requires a licence. Initially, TF1 was awarded a 10-year licence from 4 April 1987 (under the law of 30 September 1986); that licence expired in 1997.

The licence was renewed for a further five-year period (*via* decision no. 96-614 of 17 September 1996) from 16 April 1997, with no requirement to submit to a competitive tendering process.

9.5 DETAILED LIST OF COMPANIES INCLUDED IN THE CONSOLIDATION

Consolidation methods

Subsidiaries

Subsidiaries are entities over which TF1 exercises control. TF1 controls an entity where it has (i) power over the entity, (ii) exposure, or rights, to variable returns from its involvement with the entity, and (iii) the ability to affect those returns. Subsidiaries are included in the consolidation from the date on which control is effectively transferred to the Group. Divested subsidiaries are excluded from the consolidation from the date on which the Group ceases to have control. The Group accounts for investees over which it exercises exclusive control using the full consolidation method.

Under this method, 100% of all assets, liabilities, equity, income and expenses of each subsidiary are combined on a line-by-line basis in the consolidated financial statements. Non-controlling interests in equity and in net profit are identified separately under "Non-controlling interests" in the consolidated balance sheet and the consolidated income statement.

Joint ventures

Joint ventures are equity investees over which TF1 contractually shares control with one or more other parties.

Joint ventures are accounted for by the equity method.

Associates

An associate is an entity over which TF1 exercises significant influence, which means that it has the power to participate in the financial and operating policy decisions of the investee without exercising control. Significant influence is presumed to exist if the parent company holds, directly or indirectly, 20% or more of the voting power of the investee. This presumption is reviewed in light of the way in which the investee is effectively governed and managed. The Group accounts for investments in associates using the equity method.

Under this method, the investment in the associate is initially recorded in the balance sheet at acquisition cost. The carrying amount is then increased or decreased by the Group's share of the associate's profits or losses and of other changes in the equity of the associate subsequent to the acquisition date.

Translation of the financial statements of foreign entities

The financial statements of foreign operations are translated into euros, the reporting currency of the TF1 group. All assets and liabilities of foreign entities are translated at the closing exchange rate; income and expenses are translated at the average rate for the period. Translation differences arising from this treatment, and from retranslating the opening equity of foreign entities at the closing exchange rate, are taken to equity under "Share premium and reserves". On disposal of a foreign entity, these differences are taken to profit or loss as part of the gain or loss on disposal.

Company	Country	Activity	31 December 2020 % interest	31 December 2020 Method	31 December 2019 % interest	31 December 2019 Method
Broadcasting						
TF1 SA	**France**	**Broadcasting**	**Parent company**	**-**	**Parent company**	**-**
APHELIE SNC	France	Real estate company	100.00%	Full	100.00%	Full
E-TF1	France	Content/Broadcasting: internet and TV services	100.00%	Full	100.00%	Full
EXTENSION TV	France	Theme channel	50.00%	Equity	50.00%	Equity
GIE ACHAT DROITS	France	Acquisition/sale of audiovisual rights	100.00%	Full	100.00%	Full
HISTOIRE	France	Theme channel	100.00%	Full	100.00%	Full
LA CHAINE INFO	France	Theme channel	100.00%	Full	100.00%	Full
MEDIA SQUARE	France	Advertising airtime sales	13.40%	Equity	24.70%	Equity
MONTE-CARLO PARTICIPATIONS	France	TMC holding company	100.00%	Full	100.00%	Full
OUEST INFO	France	TV news images agency	100.00%	Full	100.00%	Full
RAISE MEDIA INVESTMENT	France	Management of equity holdings	99.50%	Equity	99.50%	Equity
SALTO	France	Broadcasting of internet and TV services	33.33%	Equity	33.33%	Equity
SALTO GESTION	France	Holding company	33.33%	Equity	33.33%	Equity
TF1 DISTRIBUTION (formerly PRÉFAS 6)	France	Distribution of TV channels	100.00%	Full	100.00%	Full
TF1 DS	France	Acquisition/sale of audiovisual rights	100.00%	Full	100.00%	Full
TF1 EXPANSION	France	Holding company	100.00%	Full	100.00%	Full
TF1 Films Production	France	Movie co-production	100.00%	Full	100.00%	Full
TFX	France	Theme channel	100.00%	Full	100.00%	Full
TMC	Monaco	Theme channel	100.00%	Full	100.00%	Full
TF1 ONE INNOVATION	France	Holding company	100.00%	Full	100.00%	Full
TF1 PRODUCTION (formerly GLEM)	France	Programme production	100.00%	Full	100.00%	Full
TF1 PUBLICITÉ	France	TF1 advertising airtime sales	100.00%	Full	100.00%	Full
TF1 SÉRIES FILMS	France	Theme channel	100.00%	Full	100.00%	Full
TF1 SPV SAS	France	Holding company	100.00%	Full	100.00%	Full
TV BREIZH	France	Theme channel	100.00%	Full	100.00%	Full
USHUAÏA TV	France	Theme channel	100.00%	Full	100.00%	Full

Company	Country	Activity	31 December 2020		31 December 2019	
			% interest	Method	% interest	Method
Studios & Entertainment						
17 JUIN DÉVELOPPEMENT	France	Holding company	-	-	69.04%	Full
17 JUIN DÉVELOPPEMENT ET PARTICIPATIONS	France	Holding company	99.97%	Full	69.63%	Full
17 JUIN FICTION	France	Audiovisual production	99.97%	Full	69.04%	Full
17 JUIN MEDIA	France	Audiovisual production	99.97%	Full	69.04%	Full
ABRAFILMS	France	Audiovisual production	80.00%	Full	80.00%	Full
AND SO ON	France	Audiovisual production	100.00%	Full	100.00%	Full
BARJAC PRODUCTION	France	Audiovisual production	100.00%	Full	100.00%	Full
BIRBO	Denmark	Audiovisual production	33.33%	Equity	33.33%	Equity
BLUE JUNCTION CANADA INC	Canada	Holding company	100.00%	Full	100.00%	Full
BLUE SPIRIT HOLDING	France	Audiovisual production	100.00%	Full	100.00%	Full
BLUE SPIRIT LAB	France	Audiovisual production	100.00%	Full	100.00%	Full
BLUE SPIRIT PRODUCTION	France	Audiovisual production	100.00%	Full	100.00%	Full
BLUE SPIRIT STUDIO	France	Audiovisual production	100.00%	Full	100.00%	Full
BOXEUR 7	France	Audiovisual production	100.00%	Full	100.00%	Full
CANADA INC.	Canada	Holding company	100.00%	Full	100.00%	Full
CAPA DÉVELOPPEMENT	France	Holding company	88.09%	Full	88.09%	Full
CAPA DRAMA	France	Audiovisual production	88.09%	Full	88.09%	Full
CAPA ENTREPRISE	France	Audiovisual production	88.09%	Full	88.09%	Full
CAPA PICTURES	France	Audiovisual production	79.28%	Full	79.28%	Full
CAPA PRESSE	France	Audiovisual production	88.09%	Full	88.09%	Full
CAPA PROD	France	Audiovisual production	88.09%	Full	88.09%	Full
CAPA SÉRIES	France	Audiovisual production	88.09%	Full	88.09%	Full
CAPA STUDIO (formerly VS3)	France	Audiovisual production	88.09%	Full	88.09%	Full
CCCP TELEVISIE BV	Netherlands	Audiovisual production	51.00%	Full	51.00%	Full
CHAMPLAIN MEDIA INC.	Canada	Audiovisual production	25.00%	Equity	25.00%	Equity
CIBY 2000	France	Exploitation of audiovisual rights	100.00%	Full	100.00%	Full

Company	Country	Activity	31 December 2020 % interest	31 December 2020 Method	31 December 2019 % interest	31 December 2019 Method
COLUMN FEATURES	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
COLUMN FILM NEDERLAND BV	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
COLUMN PROJECTS	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
COSTUMES ET DÉCO	France	Audiovisual production	100.00%	Full	100.00%	Full
DE MENSEN	Belgium	Audiovisual production	100.00%	Full	100.00%	Full
DUJARDIN	France	Producer of board/card games	100.00%	Full	100.00%	Full
EXPLORER	France	Audiovisual production	88.09%	Full	88.09%	Full
FACELESS LIMITED	United Kingdom	Audiovisual production	100.00%	Full	-	-
GALLOP TAX SHELTER	Belgium	Holding company	100.00%	Full	100.00%	Full
GARDNER & DOMM	Belgium	Audiovisual production	100.00%	Full	100.00%	Full
HET LAASTE BEDRIJF	Belgium	Audiovisual production	100.00%	Full	100.00%	Full
HUYSEGEMS	Belgium	Real estate company	100.00%	Full	100.00%	Full
ITC PROD (formerly MI2)	France	Audiovisual production	100.00%	Full	-	-
LEONIS	France	Audiovisual production	100.00%	Full	100.00%	Full
LEONIS PRODUCTIONS LIMITED	United Kingdom	Audiovisual production	100.00%	Full	-	-
LES FILMS A5	France	Audiovisual production	88.09%	Full	88.09%	Full
LES GENS	Belgium	Audiovisual production	100.00%	Full	100.00%	Full
LVPB	France	Audiovisual production	100.00%	Full	100.00%	Full
MDA CONSEIL	France	Management consultancy	100.00%	Full	100.00%	Full
MUZEEK ONE (holding company)	France	Holding company	100.00%	Full	100.00%	Full
NABI PRODUCTION UK LTD	United Kingdom	Audiovisual production	100.00%	Full	-	-
NEWEN	France	Audiovisual production	100.00%	Full	100.00%	Full
NEWEN CONNECT	France	Audiovisual production	100.00%	Full	100.00%	Full
NEWEN DISTRIBUTION LTD	United Kingdom	Holding company	100.00%	Full	100.00%	Full
NEWEN STUDIOS	France	Holding company	-	-	100.00%	Full
NIMBUS FILM	Denmark	Audiovisual production	33.08%	Equity	33.08%	Equity
NIMBUS FILM HOLDING	Denmark	Holding company	33.08%	Equity	33.08%	Equity
NIMBUS FILM SALES	Denmark	Audiovisual production	33.08%	Equity	33.08%	Equity

Company	Country	Activity	31 December 2020		31 December 2019	
			% interest	Method	% interest	Method
PLAY 2	France	Music production	100.00%	Full	100.00%	Full
PREMIÈRE BOBINE INC.	Canada	Holding company	100.00%	Full	100.00%	Full
PRODUCTION VALLEY	France	Audiovisual production	100.00%	Full	100.00%	Full
PULSATIONS	France	Audiovisual production	99.97%	Full	69.04%	Full
PULSATIONS MULTIMEDIA	France	Audiovisual production	99.97%	Full	69.04%	Full
PUPKIN FILM	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
PUPKIN FILM HOLDING	Netherlands	Holding company	100.00%	Full	100.00%	Full
PUPKIN FILM & TELEVISIE	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
REEL ONE ENTERTAINMENT, INC.	United States	Programme distribution	100.00%	Full	100.00%	Full
REEL ONE INTERNATIONAL LIMITED	United Kingdom	Programme distribution	100.00%	Full	100.00%	Full
RINGSIDE STUDIOS LIMITED	France	Audiovisual production	65.00%	Full	-	-
ROYAL ME UP PRODUCTIONS	France	Audiovisual production	80.00%	Full	80.00%	Full
SKYLINE ENTERTAINMENT	Belgium	Audiovisual production	100.00%	Full	100.00%	Full
SNC ÉDITIONS MUSICALES BOXEUR DE LUNE	France	Audiovisual production	100.00%	Full	100.00%	Full
STS ÉVÉNEMENTS	France	Commercial operation of live show venues	55.00%	Full	55.00%	Full
STUDIO BLUE SPIRIT CANADA	Canada	Audiovisual production	100.00%	Full	100.00%	Full
STUDIOS DE MARSEILLE	France	Audiovisual production	100.00%	Full	100.00%	Full
STUDIOS DE SÈTE	France	Audiovisual production	100.00%	Full	100.00%	Full
STUDIOS POST & PROD	France	Audiovisual production	100.00%	Full	100.00%	Full
TELECIP	France	Audiovisual production	100.00%	Full	100.00%	Full
TELFRANCE	France	Audiovisual production	100.00%	Full	100.00%	Full
TELFRANCE & CIE	France	Holding company	100.00%	Full	100.00%	Full
TELFRANCE SERIE	France	Audiovisual production	100.00%	Full	100.00%	Full
TELFRANCE SERIES MARSEILLE (formerly RDVPS)	France	Audiovisual production	100.00%	Full	100.00%	Full
TEL SÈTE	France	Audiovisual production	100.00%	Full	100.00%	Full
TF1 STUDIO	France	Exploitation of audiovisual rights	100.00%	Full	100.00%	Full
TF1 ENTERTAINMENT	France	Telematics, spin-off rights	100.00%	Full	100.00%	Full
TF1 EVENTS	France	Event management	100.00%	Full	100.00%	Full

Company	Country	Activity	31 December 2020		31 December 2019	
			% interest	Method	% interest	Method
TF1 VIDEO	France	Exploitation of video rights	100.00%	Full	100.00%	Full
TUVALU DIGITAL BV	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
TUVALU MEDIA BV	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
TUVALU MEDIA GROUP BV	Netherlands	Audiovisual production	100.00%	Full	100.00%	Full
TUVALU MEDIA NETHERLANDS BV	Netherlands	Holding company	100.00%	Full	100.00%	Full
TUVALU MEDIA NETHERLANDS MANAGEMENT BV	Netherlands	Holding company	100.00%	Full	100.00%	Full
UNE MUSIQUE	France	Publisher of music & sound recordings	100.00%	Full	100.00%	Full
VF2 PRODUCTIONS, LLC	United States	Audiovisual production	-	-	100.00%	Full
VOCIFEROUS FILMS, LLC	United States	Audiovisual production	-	-	100.00%	Full
YELLOW THING	France	Audiovisual production	33.34%	Equity	33.34%	Equity
Digital						
ALFEMMINILE.COM	Italy	Digital content management	100.00%	Full	100.00%	Full
AUFEMININ	France	Digital content management	100.00%	Full	100.00%	Full
BEMFEMENINO	Brazil	Digital content management	100.00%	Full	100.00%	Full
BIGGIE HOLDING	France	Holding company	100.00%	Full	100.00%	Full
CUP INTERACTIVE SAS	France	Audiovisual production	85.64%	Full	85.64%	Full
DEVTRIBU	France	Audiovisual production	100.00%	Full	100.00%	Full
DOCTISSIMO	France	Digital content management	100.00%	Full	100.00%	Full
ENFEMENINO.COM	Spain	Digital content management	100.00%	Full	100.00%	Full
ÉTOILE CASTING SAS	France	Digital content management	100.00%	Full	100.00%	Full
FACTORY ELEVEN	France	Audiovisual production	85.64%	Full	85.64%	Full
GAMNED	France	Advertising airtime sales	100.00%	Full	100.00%	Full
GAMNED BENELUX	Belgium	Advertising airtime sales	100.00%	Full	100.00%	Full
GAMNED DO BRAZIL	Brazil	Advertising airtime sales	100.00%	Full	100.00%	Full
GAMNED GROUP NEW	France	Advertising airtime sales	100.00%	Full	100.00%	Full
GAMNED MIDDLE EAST	United Arab Emirates	Advertising airtime sales	100.00%	Full	100.00%	Full
GAMNED SEA	Malaysia	Advertising airtime sales	100.00%	Full	100.00%	Full

Company	Country	Activity	31 December 2020		31 December 2019	
			% interest	Method	% interest	Method
GAMNED SUISSE	Switzerland	Advertising airtime sales	100.00%	Full	100.00%	Full
GBE & W	France	Digital content management	100.00%	Full	100.00%	Full
GOFEMININ.DE	Germany	Digital content management	100.00%	Full	100.00%	Full
JOYCE	France	Digital content management	100.00%	Full	100.00%	Full
LIVINGLY MEDIA INC	United Kingdom	Digital content management	100.00%	Full	100.00%	Full
MAGNETISM	France	Digital marketing consultancy	100.00%	Full	100.00%	Full
MARMITON	France	Digital content management	100.00%	Full	100.00%	Full
MAYANE COMMUNICATIONS	United Kingdom	Digital content management	100.00%	Full	100.00%	Full
MERCI ALFRED	France	Digital content management	100.00%	Full	100.00%	Full
MY LITTLE BOX KK	Japan	e-commerce	100.00%	Full	100.00%	Full
MY LITTLE PARIS	France	e-commerce	100.00%	Full	100.00%	Full
NETMUMS LTD	United Kingdom	Digital content management	100.00%	Full	100.00%	Full
NEWEB DEVELOPPEMENT	France	Audiovisual production	85.64%	Full	85.64%	Full
SOFEMININE.CO.UK	United Kingdom	Digital content management	100.00%	Full	100.00%	Full
STUDIO 71 (formerly FINDER STUDIOS)	France	Digital content management	51.00%	Full	51.00%	Full
TF1 DIGITAL CONTENT	France	Holding company	100.00%	Full	100.00%	Full
UNIFY	France	Holding company	100.00%	Full	100.00%	Full
UNIFY ADVERTISING	France	Audiovisual production	85.64%	Full	85.64%	Full
UNIFY DIGITAL FACTORY	France	Digital marketing consultancy	100.00%	Full	100.00%	Full
UNIFY STUDIO (formerly AUFEMININ.COM PROD)	France	Digital content management	100.00%	Full	100.00%	Full
VERTICAL STATION	France	Digital content management	100.00%	Full	100.00%	Full
YKONE	France	Digital marketing consultancy	100.00%	Full	100.00%	Full
YKONE USA	United States	Digital marketing consultancy	100.00%	Full	100.00%	Full

9.6 EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period to report.

6.3 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the group presented in the management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended 31 December 2020

To the Annual General Meeting of Télévision Française 1 – TF1,

OPINION

In compliance with the engagement entrusted to us by your annual general meetings, we have audited the accompanying consolidated financial statements of Télévision Française 1 – TF1 for the year ended 31 December 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at 31 December 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the audit committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from 1 January 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the COVID-19 pandemic, the financial statements for this accounting period have been prepared and audited under special circumstances. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. These measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and on how audits are performed.

It is in this complex, evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

PROGRAMMES AND RIGHTS

RISK IDENTIFIED

Relevant note to the consolidated financial statements: 7.1. Audiovisual rights and broadcasting rights

The programmes, broadcasting rights and audiovisual rights, recognized in the balance sheet or presented as off-balance-sheet commitments, constitute the programmes and rights.

- The programmes and broadcasting rights correspond to firm contracts, sometimes multi-year contracts, for the acquisition of programmes and rights to broadcast sports events taken out by the group in order to secure its programming for the coming years.

  As at 31 December 2020, these programmes and broadcasting rights are recognized in inventories for €470m when they are deemed "broadcastable", i.e., when the following criteria are met:
  - technical acceptance has been obtained,
  - the date of the opening-up of the rights is reached.

  The value of the inventories is determined based on the production cost or the acquisition cost less consumptions for the year. When a programme has been purchased for two or more broadcasts, except in specific contractual cases, it is consumed according to the rules defined by the group depending on the type of programme concerned.
- The audiovisual rights mainly correspond (i) to the shares in films and audiovisual programmes produced or co-produced by the group and/or (ii) to the audiovisual rights distributed by the group.

  As at 31 December 2020, these audiovisual rights are recognized, at their historical cost, in intangible assets related to audiovisual rights for a net value of €199m. The amortization of these fixed assets is determined, by category of audiovisual rights, according to the methods set out in Note 7.1.1 to the consolidated financial statements.
- Off-balance-sheet commitments, given by the group in the amount of €1,134m as at 31 December 2020, concern the programmes and rights for which the group considers that the criteria described hereabove have not been met. These commitments are valued for the contractual amounts or, in the case of output deals, for the estimated amount of future disbursements after deduction of advance payments made.
- The programmes and rights are depreciated when their recoverable amount is less than their net carrying amount. The recoverable amount of these programmes and rights is determined:
  - in the case of the programmes and broadcasting rights, on the basis of their broadcasting probability assessed based on forecast programme schedules validated by management,
  - in the case of the audiovisual rights, on the basis of the analysis of the future economic benefits defined by type of right.

We considered that the reality and the valuation of the programmes, broadcasting rights and audiovisual rights, as well as the completeness of the commitments made relatving to these programmes and rights, constituted a key audit matter, given the significant share represented by these programmes and rights in the group's accounts, and the high level of estimation and judgment used by management to assess the value of these programmes, broadcasting rights and audiovisual rights.

OUR RESPONSE

Our work mainly consisted of the following:

- familiarizing ourselves with the internal control procedures and the information systems set up contributing to the recognition of the programmes, broadcasting rights and audiovisual rights, as well as the corresponding expenses;
- as regards the programmes and broadcasting rights:
  - conducting IT general controls on the management software involved in the recognition of the programmes and rights used by the group's most significant subsidiaries;
  - reviewing and ensuring the reliability of the transfers of data between the inventory management interfaces, as well the key reports obtained from these applications used for our audit;
  - testing the design and effectiveness of the group's key controls on the processes for the recognition and estimation of the programmes and broadcasting rights;
  - performing a critical review of the documentation justifying the trend in the rate of consumption of series broadcast by TF1 and verifying the arithmetical accuracy of the related quantified impacts, as presented in note 7.2 to the consolidated financial statements;
- performing analytical procedures on the movements in the inventories of programmes and rights.

On the basis of a sample, we:

- assessed the value of the fixed assets in progress by consistency with the stage of completion of the productions in progress and the related expenses;

- tested the value of the audiovisual rights in the catalogue:
  - by assessing the analysis of the future economic benefits performed by the group;
  - by examining whether the depreciation rates thus determined by type of broadcasting right were correctly applied;
- tested the correct recording in the balance sheet or in off-balance-sheet commitments by consistency with the technical acceptance and the date of the opening-up of the rights;
- tested the value of the programmes and the broadcasting rights held in inventory:
  - by reconciling the programmes present in inventory with the contracts signed,
  - by reconciling the programmes not depreciated with the programmes in the forecast schedule,
  - by performing a retrospective analysis on the unwinding of depreciation and scrapping for which no provision was recognized;
- examined the correct application of the rules on the consumption of inventories defined by the group by reconciliation with the broadcasting findings;
- assessed the value of the off-balance-sheet commitments:
  - by assessing through discussion and/or reconciliation with legal documentation, the main assumptions used within the scope of the estimation of the broadcasting rights purchased to secure programming for future years;
  - by evaluating the reasonableness of the main assumptions used within the scope of the valuation of the commitments given in respect of the output deals;
  - by assessing the main assumptions used within the scope of the valuation of the commitments given in respect of the rights purchase agreements;
- assessed the permanence of the methods used to calculate non-GAAP indicators such as the cost of the programmes.

ADVERTISING REVENUE LINKED TO THE COMMERCIALES BROADCAST

RISK IDENTIFIED

Relevant notes to the consolidated financial statements: 2 Accounting principles and policies, 5.1 Operating revenues, 7.2.1 Trade and other debtors, and 7.2.2 Trade and other creditors

The advertising revenue linked to the commercials broadcast represents the major part of the group's revenue (€1,415m as at 31 December 2020). The group's trade debtors in terms of net value amount to €725m as at 31 December 2020. Other liabilities mainly include credit notes and discounts granted as well as deferred income.

Sales of advertising airtime are recognized when the corresponding commercials are broadcast. The advertising revenue linked to the commercials broadcast by the group corresponds to the amount of sales of advertising airtime invoiced to the advertisers, and is made in strict compliance with French regulations (agreement signed with the CSA – *Conseil Supérieur de l'Audiovisuel*, the French broadcasting regulatory authority).

Sales of airtime are made according to the general terms and conditions of sale, and the terms specific to each advertiser and agency. There are two main types of sales:

- sales of airtime with an audience target (guaranteed GRP) based on the reconciliation of the broadcasting information on audience levels obtained by companies that are recognized specialists in the measurement of audiences and advertising volumes;
- sales of airtime on a "spot by spot" basis, which result from negotiation between the advertisers and the broadcasters.

The implementation of pricing is subject to an estimate which integrates performance criteria relating to the achievement of the targets defined for a campaign (achievement of the guaranteed GRP, etc.). These estimates are reflected in the accounts by discounts in the form of credit notes or deferred income in respect of free commercials.

In view of the predominance, in the group's revenue, of advertising revenue linked to the commercials broadcast, and as the advertising revenue is based on these various estimates, we considered its valuation to be a key audit matter.

OUR RESPONSE

Within the scope of our work:

- We familiarized ourselves with the procedures and information systems set up to monitor the recognition of the advertising revenue and its valuation.
- We tested the key controls, as well as the IT general controls and application controls for the main information systems, with regard to:
  - segregation of duties,
  - the entry of campaign contractual terms and prices into the system,
  - the amount of advertising revenue calculated by the system for each campaign, which we compared to the contractual commitments in terms of audience and price;
- We studied the correlation between the accounting entries justifying the revenue for the period and all the amounts collected, taking into account the variations in trade debtors, invoices to be drawn up, deferred income and VAT.

- We also performed the following procedures on a sample of contracts:
  - We analyzed the contractual clauses and reconciled the financial data with the accounting documents issued (invoices and/or credit notes).
  - We tested the compliance of the methods applied with the rules defined in the relevant notes to the consolidated financial statements.
  - We tested the level of the estimates established as at 31 December 2020 (invoices or credit notes to be issued) in view of the performances achieved by the portfolio of contracts and by testing the unwinding of the discounts provisioned from one period to the next.

VALUATION OF THE GOODWILL AND OTHER INTANGIBLE ASSETS OF THE DIGITAL CGU

RISK IDENTIFIED

Relevant notes to the consolidated financial statements: 1 Significant events of 2020, 7.1.2 Intangible assets, and 7.4 Non-current assets and liabilities

The net carrying amount of the Digital CGU assets tested, after impairment, amounts to €268m as at 31 December 2020, including €187m of goodwill and €59m of brands. As stated in Notes 1, 7.1.2 and 7.4 to the consolidated financial statements, in accordance with IAS 36 Impairment of Assets, non-depreciable identifiable assets and goodwill are subject to an impairment test at each annual close or more frequently if there is an indication that an asset may be impaired.

Impairment is recognized when the recoverable amount of these assets is lower than their net carrying amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use.

- For brands, the recoverable amount is determined according to the royalty savings method, which requires management to make significant judgments, in particular when establishing revenue forecasts according to the three-year plan and the royalty rate used.
- For the valuation of the CGU to which the goodwill is allocated, the value in use is determined by reference to the present value of net future cash flows and requires management to make significant judgments, in particular when establishing forecasts and determining the discount and perpetual growth rates.

These valuations led the group to recognize a pre-tax expense of €75m in respect of the impairment loss on the "aufeminin" and "My Little Paris" brands for €17m and €58m in respect of the impairment loss on the Digital CGU goodwill during the financial year ended 31 December 2020, as stated in Notes 1, 7.1.2 and 7.4 to the consolidated financial statements.

In view of the materiality of these assets in the group's consolidated financial statements and the level of judgment required by management inherent in the estimates and assumptions used, we consider the valuation of the Digital CGU brands and the recoverable amount of its goodwill to be a key audit matter.

OUR RESPONSE

Within the scope of our work:

- We familiarized ourselves with the budgetary process and the key controls related to this process;
- We assessed the methods used by management to determine the recoverable amount of the Digital CGU brands and goodwill. We obtained the latest three-year plans drawn up by management and validated at the TF1 board meeting on 15 December 2020, as well as the results of the impairment tests performed by management on the brands and the CGU.
- On the basis of this information, our work consisted in the following:
  - For brands:
    - Reconciling the carrying amount of the brand assets tested with the accounting records;
    - Assessing the determination of the recoverable amounts of the brands using the royalty savings method;
    - Analyzing, with the assistance of our valuation specialists, the consistency of the royalty savings rates used for the brand recoverable amount test;
    - Verifying the arithmetical accuracy of the brand valuation models used by management;
  - For goodwill:
    - Reconciling the net carrying amount of the assets tested with the accounting records;
    - Analyzing the cash flow projections, in particular the consistency of the data on the margins and assumptions used to determine the normative cash flow, beyond the medium-term business plan, with the available market data and management's latest estimates presented to the governance bodies;
    - Assessing the forecasts by comparing them with the data used in the previous impairment tests and the historical performance of the Digital CGU;
    - Analyzing, with the assistance of our valuation specialists, the consistency of the discount rates used for the test of the goodwill recoverable amount, notably by comparing them with the available market data;
    - Verifying the arithmetical accuracy of the cash flow projection valuation models used by management;

- Verifying the analysis of the sensitivity of the recoverable amount of the CGU tested to a variation in the main assumptions used (long term growth rate, change in the normative flow or in the discount rate);
- Assessing the appropriateness of the disclosures in the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

As required by French legal and regulatory texts, we have also verified in accordance with professional standards applicable in France the information pertaining to the group presented in the board of directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement provided for in Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information relating to the group given in the management report, it being specified that, in accordance with Article L. 823-10 of said Code, the information contained in this statement has not been verified by us regarding its fairness or consistency with the consolidated financial statements. This information should be the subject of a report by an independent third party.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

FORMAT OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor concerning the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451.1.2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the CEO, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018. With regard to the consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above-mentioned Regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of Télévision Française 1 – TF1 by your annual general meeting held on 15 May 2001 for MAZARS and on 14 April 2016 for ERNST & YOUNG Audit.

As at 31 December 2020, MAZARS was in its 20th year and ERNST & YOUNG Audit in its 5th year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The audit committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the board of directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the audit committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the audit committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the audit committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as set out in particular in Articles L.822-10 to L.822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the audit committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris-La Défense, 10 February 2021

The Statutory Auditors

French original signed by:

MAZARS	**ERNST & YOUNG Audit**
Gilles Rainaut	Nicolas Pfeuty

6.4 PARENT COMPANY FINANCIAL STATEMENTS

6.4.1 PARENT COMPANY INCOME STATEMENT (FRENCH GAAP)

(€m)	*Note*	2020	2019
Operating income		**1,229.1**	**1,330.3**
TF1 channel advertising revenue	*2.12 & 4.1*	998.4	1,117.0
Revenue from other services		47.2	42.3
Income from ancillary activities		15.3	11.7
Revenue		**1,060.9**	**1,171.0**
Inventorised production		0.3	0.3
Capitalised production		7.8	3.2
Operating grants		0.0	0.0
Reversals of depreciation, amortisation, provisions and impairment		74.0	63.4
Cost transfers	*4.2*	78.9	83.9
Other income		7.2	8.5
Operating expenses		**(1,132.5)**	**(1,281.0)**
Purchases of raw materials and other supplies	*4.3*	(448.1)	(579.1)
Change in inventory	*4.3*	(11.7)	1.0
Other purchases and external charges	*4.4*	(212.0)	(252.2)
Taxes other than income taxes	*4.5*	(67.6)	(81.1)
Wages and salaries	*4.6*	(131.0)	(121.4)
Social security charges	*4.6*	(53.1)	(54.4)
Depreciation, amortisation, provisions and impairment			
■ amortisation and depreciation of non-current assets		(75.0)	(62.3)
■ impairment of non-current and current assets		(78.7)	(77.8)
■ provisions for liabilities and charges		(11.6)	(6.6)
Other expenses	*4.7*	(43.7)	(47.1)
Operating profit		**96.6**	**49.3**
Share of profits/(losses) of joint operations		**0.0**	**0.0**
Financial income		42.8	107.9
Financial expenses		(342.8)	(124.5)
Net financial income/(expense)	***4.8***	**(300.0)**	**(16.6)**
Profit/(loss) before tax and exceptional items		**(203.4)**	**32.7**
Exceptional income		**14.7**	**403.5**
Exceptional income from operating transactions		0.0	0.0
Exceptional income from capital transactions		1.4	391.4
Reversals of provisions		13.3	12.1
Exceptional expenses		**(21.9)**	**(404.6)**
Exceptional expenses on operating transactions		(2.1)	(4.4)
Exceptional expenses on capital transactions		(6.7)	(393.1)
Depreciation, amortisation, provisions and impairment		(13.1)	(7.1)
Exceptional items	***4.9***	**(7.2)**	**(1.1)**
Employee profit-sharing		0.0	0.0
Income taxes	*4.10 & 4.11*	4.1	(13.3)
NET PROFIT/(LOSS)		**(206.5)**	**18.3**

6.4.2 PARENT COMPANY BALANCE SHEET (FRENCH GAAP)

Assets *(€m)*	*Note*	31/12/2020 Net	31/12/2019 Net
Intangible assets	***2.2 & 3.1***	**56.9**	**42.2**
Audiovisual rights		45.4	34.5
Other intangible assets		11.5	7.7
Property, plant and equipment	***2.3 & 3.2***	**62.5**	**50.8**
Technical facilities		17.3	9.3
Other property, plant and equipment		44.3	36.3
Property, plant and equipment under construction		0.9	5.2
Non-current financial assets	***2.4 & 3.3***	**1,108.5**	**1,332.1**
Investments in subsidiaries and affiliates		767.8	1,195.7
Other long-term investment securities		0.0	0.0
Loans receivable		105.0	120.0
Other non-current financial assets		235.7	16.4
Non-current assets		**1,227.9**	**1,425.1**
Inventories and work in progress	*2.5 & 3.4*	85.2	97.6
Advance payments made on orders	*2.6 & 3.5.1*	110.9	102.9
Trade receivables	*2.7 & 3.5.2*	227.1	228.0
Other receivables	*3.5.3*	327.3	362.0
Short-term investments and cash	*2.8 & 3.6*	320.1	143.8
Prepaid expenses	*3.7*	7.5	6.5
Current assets		**1,078.1**	**940.8**
Unrealised foreign exchange losses		0.0	0.0
TOTAL ASSETS		**2,306.0**	**2,365.9**

Liabilities and shareholders' equity *(€m)*	***Note***	**31/12/2020**	**31/12/2019**
Share capital		42.0	42.0
Share premium		20.2	20.2
Legal reserve		4.3	4.3
Other reserves		771.3	771.3
Retained earnings		569.3	551.0
Net profit/(loss) for the year		(206.5)	18.3
Restricted provisions	*2.10*	15.0	13.1
SHAREHOLDERS' EQUITY	***3.8***	**1,215.6**	**1,420.2**
Provisions for liabilities and charges	***2.11 & 3.9***	**112.4**	**61.5**
Bank borrowings(1)		0.0	0.0
Other borrowings(2)		486.0	376.5
Trade payables		197.4	218.3
Tax and employee-related liabilities		139.0	123.0
Amounts payable in respect of non-current assets		6.9	7.6
Other liabilities		145.7	156.2
Deferred income		3.0	2.6
Liabilities	***3.10***	**978.0**	**884.2**
Unrealised foreign exchange gains		0.0	0.0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**2,306.0**	**2,365.9**
(1) of which bank overdrafts and bank accounts in credit		*0.0*	*0.0*
(2) of which intra-group current accounts		*486.0*	*376.5*

6.4.3 PARENT COMPANY CASH FLOW STATEMENT (FRENCH GAAP)

Cash flow statement *(€m)*	**2020**	**2019**
1 – Operating activities		
■ Net profit for the year	(206.5)	18.3
■ Depreciation, amortisation, provisions and impairment(1)(2)	375.9	94.2
■ Investment grants released to the income statement	0.0	0.0
■ Net (gain)/loss on disposals of non-current assets	0.0	0.2
Operating cash flow before changes in working capital	**169.3**	**112.7**
■ Acquisitions of television programmes(2)	2.8	(4.2)
■ Amortisation and impairment of television programmes(2)	(0.6)	4.8
■ Inventories	12.4	(5.6)
■ Trade and other operating receivables	35.0	22.9
■ Trade and other operating payables	(14.9)	4.4
■ Advance payments received from third parties, net	(8.0)	36.8
Change in operating working capital needs	**26.7**	**59.1**
Net cash generated by/(used in) operating activities	**196.1**	**171.8**
2 – Investing activities		
■ Acquisitions of property, plant & equipment and intangible assets(1)(2)	(114.0)	(104.6)
■ Disposals of property, plant & equipment and intangible assets(1)(2)	0.0	0.0
■ Acquisitions of investments in subsidiaries and affiliates and own shares	(2.1)	(268.6)
■ Disposals/reductions of investments in subsidiaries and affiliates	0.6	392.9
■ Impact of mergers	(27.2)	0.3
■ Net change in amounts payable in respect of non-current assets	(0.7)	(0.9)
■ Net change in other non-current financial assets	14.2	(120.0)
Net cash generated by/(used in) investing activities	**(129.2)**	**(100.8)**
3 – Financing activities		
■ Change in shareholders' equity	0.0	3.5
■ Net change in debt	109.4	(43.2)
■ Dividends paid	0.0	(83.8)
Net cash generated by/(used in) financing activities	**109.4**	**(123.5)**
TOTAL CHANGE IN CASH POSITION	**176.3**	**(52.6)**
Cash position at beginning of period	143.8	196.4
Change in cash position	176.3	(52.6)
Cash position at end of period	320.1	143.8

(1) Excludes television programmes recognised as non-current assets.
(2) Acquisitions, consumption, disposals and retirements of television programmes, which are accounted for as non-current assets in the parent company financial statements, are included in "Changes in operating working capital needs" in this cash flow statement in order to provide a fair representation of cash flows comparable with that presented in the consolidated financial statements.

6.5 NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

The parent company financial statements for the year ended 31 December 2020 have been prepared in accordance with legal and regulatory requirements as currently applicable in France.

NOTE 1 SIGNIFICANT EVENTS

COVID-19

In early January 2020, the emergence of a new coronavirus (COVID-19) was announced by the Chinese healthcare authorities, and the WHO declared a global pandemic on 11 March 2020. The virus circulated actively in many countries, including France, and restrictive measures were imposed. While ensuring business continuity wherever possible, the TF1 group prioritised the health of its staff, and was careful to comply with those restrictive measures. The crisis caused by the spread of the COVID-19 virus had a serious impact on the some of the TF1 group's operations, especially during the first lockdown and firebreak.

In particular, the impact of the COVID-19 crisis on the company's operations and performances was reflected in a decrease in advertising revenue (despite an increase in audiences and average daily viewing times); close control over the cost of programmes, which reduced costs over the full year; and use of furlough schemes.

The year-on-year performance variances shown in the financial statements mainly reflect the effects of the COVID-19 crisis. Given the multiple impacts of the crisis, and the cost-saving measures introduced, it is not possible to quantify separately the impact of COVID-19 on year-on-year performance.

In terms of government support, the company received furlough payments of €0.4 million.

WRITE-DOWN OF INVESTMENTS IN UNIFY

A provision for impairment amounting to €208.2 million was taken against the investment in Unify in the 2020 financial statements.

MERGER OF NEWEN STUDIOS INTO TF1 SA

To streamline the legal structure of the TF1 group, Newen Studios (the parent company of the Newen division, and holder of the equity investment in Newen) was merged into TF1 SA effective 1 December 2020. Consequently, TF1 SA held 99.07% of the share capital of Newen as of 31 December 2020.

NOTE 2 ACCOUNTING POLICIES

The accounting policies described below have been applied in compliance with the principles of prudence, lawfulness and fairness in order to represent faithfully the company's assets, liabilities and financial position and the results of its operations, in accordance with the following fundamental concepts:

- going concern;
- consistency of method from one period to the next;
- accrual basis of accounting;

and in accordance with the general rules applicable to the preparation and presentation of annual individual company financial statements in France.

The basic method used for measuring items recorded in the books of account is the historical cost method.

2.1 COMPARABILITY OF THE FINANCIAL STATEMENTS

There were no changes in accounting policy during the year ended 31 December 2020.

2.2 INTANGIBLE ASSETS

2.2.1 Audiovisual rights

Audiovisual rights comprise:

- drama co-production shares;
- television programmes intended for broadcast on the TF1 channel.

2.2.1.1 Drama co-production shares

This line item shows acquisitions of drama co-production shares made since the new regulations came into force in 2015, as an add-on to acquisitions of broadcasting rights for certain programmes. Such acquisitions enable TF1 SA to own certain tangible and intangible assets, in particular the exploitation rights for those programmes.

Payments for such co-production shares are definitively recognised as intangible assets when (i) technical acceptance has occurred and (ii) the rights period has opened for the broadcasting rights acquired in parallel with the co-production share. Payments made for co-production shares before those conditions are met are recognised in the balance sheet as intangible assets in progress. Intangible assets in progress also include advances paid for literary works ahead of co-production contracts.

Co-production shares are amortised over their expected useful lives. A provision for impairment is recognised if expected future revenues are lower than the net book value of the asset.

Tax depreciation is charged against co-production shares in accordance with the policies described in note 2.10, "Restricted provisions".

2.2.1.2 Television programmes

This line item shows residual drama co-production shares that pre-date the new regulations, and production shares in other programmes. Television programmes are recognised as intangible assets at the time of technical acceptance and opening of rights, and are measured at the contractual acquisition price. Payments made for rights before those conditions are met are recognised in the balance sheet as intangible assets in progress with effect from the end of shooting.

The amortisation rules applied to capitalised programmes are the same as those for programme inventories (see Note 2.5, "Inventories").

A provision for impairment is recorded once it becomes probable that a programme including a production share will not be transmitted. Probability of transmission is assessed on the basis of the most recent programming schedules approved by management. Tax depreciation is charged against television programmes not yet transmitted in accordance with the policies described in note 2.10, "Restricted provisions".

2.2.2 Other intangible assets

Other intangible assets are measured at acquisition cost (or production cost), net of accumulated amortisation and impairment.

Software and licences are amortised on a straight line basis over their estimated useful lives. Tax depreciation may be applied on the basis specified in note 2.10, "Restricted provisions".

2.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is carried at acquisition cost net of accumulated depreciation and impairment.

Depreciation methods and periods are summarised below:

Technical facilities	Straight line	3 to 7 years
Other property, plant and equipment	Straight line	3 to 10 years

2.4 NON-CURRENT FINANCIAL ASSETS

Equity investments are measured at acquisition cost, comprising the purchase price and transaction costs.

Annual impairment tests are performed on the basis of revenue and profit projections, primarily derived from business plans, using the discounted cash flow (DCF) method. If the value in use of an investment falls significantly below acquisition cost other than on a temporary basis, a provision for impairment is recorded. If necessary, this provision may be supplemented by a provision for impairment of the current account with the investee and a provision for liabilities and charges.

Tax depreciation is charged against transaction costs relating to acquisitions of equity interests in accordance with the policies described in note 2.10, "Restricted provisions".

2.5 INVENTORIES

In order to secure programming schedules for future years, TF1 SA enters into binding contracts (in addition to production share acquisition contracts) under which it acquires (and the other party agrees to deliver) programme rights and sports transmission rights.

A programme is recognised in inventory once technical acceptance and opening of rights have occurred. Programme inventory is measured at acquisition cost or total production cost (direct costs plus indirect costs attributable to the production, but excluding borrowing costs which are recognised as an expense).

Payments made before the conditions for recognition are met are recognised in the balance sheet under "Advance payments".

Programmes acquired for a single transmission are regarded as having been consumed in full on transmission.

Where programmes are acquired for two or more transmissions, consumption is calculated as follows:

- programmes not individually valued in contracts:

Type of programme	Dramas with a running time of at least 52 minutes	Films, TV movies, serials, cartoons*	Other programmes
■ 1st transmission	80%	50%	100%
■ 2nd transmission	20%	50%	

* *Based on an analysis conducted using recent historical data, patterns of consumption have changed, indicating a reduction in the future economic benefits of repeat broadcasts of series. As a result, TF1 has decided to adjust the pattern of consumption for series from 1 January 2021 onwards, increasing the value consumed on first transmission to 67% and reducing the value consumed on second transmission to 33%.*

- programmes individually valued in contracts: consumption reflects the contractual unit price.

"Other programmes" in the table above refers to children's programmes (other than cartoons), light entertainment, plays, factual and documentary programmes, news, and dramas with a running time of less than 52 minutes.

A provision for impairment is recognised:

- once it becomes probable that a programme will not be transmitted (probability of transmission is assessed on the basis of the most recent programming schedules approved by management);
- where it is probable that a programme will be resold, and its carrying value in inventory exceeds the actual or estimated selling price.

As of 31 December 2020, to reflect the changes in patterns of consumption mentioned above, an additional provision has been taken against series whose second transmission only remains in inventory, in order to write down the carrying amount of that second transmission to its value in use from 1 January 2021 onwards.

Rights acquisition contracts not recognised in inventory at the end of the reporting period are priced at the contractual amount (or the estimated future cash outflow in the case of output deal contracts) less any advance payments made in respect of the contract, which are recognised as an asset in the balance sheet in "Advance payments made on orders"; these contracts are discussed in the section on inventories.

2.6 ADVANCE PAYMENTS

This line includes (i) sums paid to acquire rights to broadcast programmes for which technical acceptance and/or opening of rights has yet to occur and (ii) sums paid for production shares in television programmes where shooting has not been completed at the end of the reporting period. A provision for impairment may be taken against advance payments where necessary.

Payments made to purchase sports transmission rights are recognised in "Advance payments" until the sporting event takes place. If the rights are resold, a provision is recorded once the sale is probable, to cover any excess of the amount of advance payments over the actual or estimated selling price.

2.7 TRADE RECEIVABLES

Trade receivables are recognised at face value.

Doubtful or disputed accounts are written down *via* an impairment provision that reflects the age of the debt and the situation of the debtor.

2.8 SHORT-TERM INVESTMENTS AND CASH

TF1 SA provides centralised treasury management for the Group. Treasury current account debit balances are classified as cash in order to achieve consistency with the classification of treasury current account credit balances included in "Other borrowings".

Short-term investments are measured at acquisition cost. A provision for impairment is recorded if the recoverable amount falls below acquisition cost.

2.9 FOREIGN-CURRENCY TRANSACTIONS AND UNREALISED FOREIGN EXCHANGE GAINS/LOSSES

Invoices received and issued in foreign currencies are translated into euros at the rate prevailing on the date of initial recognition, and foreign-currency payables/receivables at the end of the financial year are translated using the exchange rate prevailing as of 31 December. Unrealised foreign exchange losses and gains are recorded on the relevant lines on the assets and liabilities sides of the balance sheet.

The company also recognizes unrealised gains and losses arising on currency hedges associated with payables and receivables carried in its own balance sheet or in the balance sheets of subsidiaries to which it has provided guarantees (see Note 5.2.1).

Any unrealised foreign exchange losses arising as a result are covered by a provision included in "Provisions for liabilities and charges".

2.10 RESTRICTED PROVISIONS

This item comprises:

- tax depreciation on drama co-production shares and television programmes, calculated from the first day of the month following the end of shooting. This tax depreciation is reversed on the date when the asset is definitively recognised as an intangible asset (in the case of co-production shares), or when it is transmitted or written off as no longer transmittable (in the case of television programmes).

The tax depreciation described above is calculated in accordance with the rules defined by the French tax authorities on 3 July 1970. The monthly percentages used are:

Month 1	20%
Month 2	15%
Months 3 to 9	5%
Months 10 to 24	2%

- tax depreciation of software and licences acquired on or before 31 December 2016 or developed internally, in addition to the accounting depreciation recognised in the balance sheet;
- tax depreciation on transaction costs on acquisitions of equity interests, calculated over five years on a straight line basis.

2.11 PROVISIONS FOR LIABILITIES AND CHARGES

Provisions are recorded when there is a legal or constructive obligation to a third party arising from a past event; the obligation will certainly or probably result in an outflow of resources with no corresponding inflow of resources; and the amount of the outflow can be measured reliably. Provisions are reviewed at the end of each reporting period, and adjusted where necessary to reflect the best estimate of the obligation as of that date.

Contingent liabilities are obligations whose existence will be confirmed only by the occurrence of future events or for which the outflow of resources cannot be measured reliably. No provision is recorded for contingent liabilities.

2.11.1 Retirement benefits

The company's employees are entitled to retirement benefits under defined-contribution and defined-benefit plans, which may be partially managed by pension funds.

TF1 SA employees belong to general and supplementary French pension schemes. These are defined-contribution plans, under which the company's obligation is limited to the payment of a periodic contribution based on a specified percentage of staff costs. Those contributions are expensed in profit or loss for the period under "Staff costs".

The pension cost recognised for defined-benefit plans is determined using the projected unit credit method at the expected retirement date, based on final salary, and taking account of:

- vested benefit entitlements under collective agreements for each category of employee based on length of service;
- staff turnover rate, calculated using historical average data for employees leaving the company;
- salaries and wages, including a coefficient for employer's social security charges as currently payable;
- an annual salary inflation rate;
- life expectancy of employees, determined using statistical tables;
- a discount rate, applied to the obligation and reviewed annually.

The Group's obligation is partially covered by an insurance contract. The provision for retirement benefits recognised in the balance sheet represents the total obligation less the value of this contract.

Actuarial gains and losses arise on defined-benefit post-employment benefit plans as a result of changes in the actuarial assumptions used to measure the obligation and plan assets from one period to the next, and of differences between actual market conditions and the expected market conditions used in the assumptions. These actuarial gains and losses are recognised in the income statement, as charges to or reversals of provisions for liabilities and charges.

2.11.2 Other provisions for liabilities and charges

These mainly comprise provisions for litigation and claims. The provision is measured as the probable outflow of resources resulting from ongoing litigation or claims arising from an event prior to the end of the reporting period. They include provisions for tax and social security disputes. The amount shown on reassessment notices issued by the authorities is provided for unless the company regards it as highly probable that it will successfully defend its position against the authorities. The undisputed portion of reassessment notices is recognised as a liability as soon as the amount is known.

2.12 ADVERTISING REVENUE

Sales of advertising airtime are recognised as revenue on transmission of the advertisement or commercial. The revenue recognised is the amount invoiced by advertising sales agencies (primarily TF1 Publicité) to the advertiser for the airtime, less the agency commission.

TF1 makes marginal use of barter transactions involving advertising with media other than television, such as radio or print media. Such transactions are reported on a non-netted basis in "Revenue" and in "External charges".

2.13 OFF BALANCE SHEET COMMITMENTS:

Image transmission commitments represent fees payable to transmission service operators until the expiry date of their contracts.

Caution money and guarantees paid under commercial contracts are disclosed as off balance sheet commitments.

2.14 FINANCIAL INSTRUMENTS

TF1 uses financial instruments to hedge its exposure to fluctuations in interest rates and exchange rates. That exposure arises from transactions carried out by TF1 SA itself, and from foreign exchange guarantees provided to subsidiaries as part of the Group's centralised foreign exchange risk management policy.

Group policy is to trade on the financial markets solely for hedging purposes related to its business activities, and not to trade for speculative purposes.

Gains and losses on financial instruments used for hedging purposes are measured and recognised symmetrically with the recognition of gains and losses on the hedged item.

NOTE 3

NOTES TO THE BALANCE SHEET

3.1 INTANGIBLE ASSETS

3.1.1 Audiovisual rights

Audiovisual rights break down as follows:

Gross value *(€m)*	01/01/2020	Increases	Decreases	Transfers	31/12/2020
Drama co-production shares	265.2	57.6	(1.6)	13.4	334.6
Drama co-production shares in progress	16.6	28.4		(13.4)	31.6
Television programmes	6.4	3.2	(7.6)		2.0
TOTAL	**288.2**	**89.2**	**(9.2)**	**0.0**	**368.2**
Amortisation	**01/01/2020**	**Increases**	**Decreases**		**31/12/2020**
Drama co-production shares	101.3	59.9			161.2
Television programmes	0.0	3.2	(3.2)		0.0
TOTAL	**101.3**	**63.1**	**(3.2)**	**0.0**	**161.2**
Impairment	**01/01/2020**	**Increases**	**Decreases**		**31/12/2020**
Drama co-production shares	152.4	65.6	(56.4)		161.6
Television programmes	0.0				0.0
TOTAL	**152.4**	**65.6**	**(56.4)**	**0.0**	**161.6**
Net value	**34.5**				**45.4**

Commitments relating to drama co-production shares and television programmes for future years break down as follows:

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2020	Total 2019
Drama co-production shares	35.7	56.8	0.4	92.9	52.2
Television programmes	6.0	0.3	0.1	6.4	1.1

3.1.2 Other intangible assets

Movements in other intangible assets are shown below:

Gross value *(€m)*	01/01/2020	Increases	Decreases	Transfers	31/12/2020
Software	25.7	4.7	(0.3)	1.6	31.7
Other intangible assets	1.6				1.6
Intangible assets in progress	4.2	1.5		(1.6)	4.1
TOTAL	**31.5**	**6.2**	**(0.3)**	**0.0**	**37.4**
Amortisation	**01/01/2020**	**Increases**	**Decreases**	**Transfers**	**31/12/2020**
Software	22.2	2.1			24.3
Other intangible assets	1.6				1.6
TOTAL	**23.8**	**2.1**	**0.0**	**0.0**	**25.9**
Net value	**7.7**				**11.5**

3.2 PROPERTY, PLANT AND EQUIPMENT

The table below shows movements in property, plant and equipment during the year, and the associated depreciation:

Gross value *(€m)*	01/01/2020	Increases	Decreases	Transfers	31/12/2020
Technical facilities	78.0	5.0	(6.2)	6.6	83.4
Other property, plant and equipment	113.4	14.3	(2.5)	0.2	125.4
Property, plant and equipment in progress	5.2	2.5		(6.8)	0.9
TOTAL	**196.6**	**21.8**	**(8.7)**	**0.0**	**209.7**
Depreciation	**01/01/2020**	**Increases**	**Decreases**	**Transfers**	**31/12/2020**
Technical facilities	68.7	3.5	(6.1)		66.1
Other property, plant and equipment	77.0	6.3	(2.2)		81.1
TOTAL	**145.7**	**9.8**	**(8.3)**		**147.2**
Net value	**50.8**				**62.5**

3.3 NON-CURRENT FINANCIAL ASSETS

This item breaks down as follows:

(€m)	Equity investments	Other non-current financial assets	Loans receivable	Other	Total
GROSS VALUE AT 1 JANUARY 2020	**1,272.1**	**16.2**	**120.0**	**0.2**	**1,408.5**
Increases					
■ TF1 Distribution – capital increase	2.0				2.0
■ Newen – following merger of Newen Studios into TF1 SA	34.1	218.4*			252.5
■ Caution money				0.8	0.8
Decreases					
■ Unify – loan			(15.0)		(15.0)
■ Newen Studios	(225.8)				(225.8)
GROSS VALUE AT 31 DECEMBER 2020	**1,082.5**	**234.7**	**105.0**	**1.0**	**1,423.2**
Provisions for impairment					
1 January 2020	**76.4**	**0.0**	**0.0**	**0.0**	**76.4**
Charges	238.3				238.3
Reversals					0.0
31 December 2020	**314.7**	**0.0**	**0.0**	**0.0**	**314.7**
NET VALUE AT 31 DECEMBER 2020	**767.8**	**234.7**	**105.0**	**1.0**	**1,108.5**

* *Negative merger premium allocated to the investment in Newen.*

The €238.3 million of impairment losses recognised during the year relate to equity interests in 100%-owned subsidiaries (see note 2.4), primarily the €208.2 million impairment loss taken against the investment in Unify (see note 1, "Significant events"). The difference of €133 million as compared with the impairment loss recognised in the consolidated financial statements (€75 million as of 31 December 2020) is due to the specific accounting treatments required for certain equity transactions under IFRS; see note 7.4 ("Non-current assets and liabilities") to the TF1 consolidated financial statements.

The remaining €30.1 million of impairment losses relate to TF1 Studio.

3.4 INVENTORIES AND WORK IN PROGRESS

This item mainly comprises Broadcasting rights yet to be consumed, and breaks down as follows:

(€m)	Acquired rights	In-house production	Total 2020	Total 2019
INVENTORY AT 1 JANUARY	**109.7**	**2.5**	**112.2**	**110.8**
PURCHASES DURING THE YEAR	**448.1**	**104.4**	**552.5**	**728.2**
Consumption on transmission	(436.5)	(107.6)	(544.1)	(656.2)
Expired, retired and resold rights	(23.4)	3.6	(19.8)	(70.7)
TOTAL CONSUMPTION	**(459.9)**	**(104.0)**	**(563.9)**	**(726.9)**
INVENTORY AT 31 DECEMBER	**97.9**	**2.9**	**100.8**	**112.2**
CHANGE IN INVENTORY	**(11.8)**	**0.4**	**(11.4)**	**1.4**
PROVISIONS FOR IMPAIRMENT				
1 January	**14.6**	**0.0**	**14.6**	**18.8**
Charges*	13.0		13.0	5.7
Reversals	(12.0)		(12.0)	(9.9)
31 December	**15.6**	**0.0**	**15.6**	**14.6**

* *Includes €2.5 million of additional provisions booked to reflect changes in the pattern of consumption of series.*

The table below shows the maturity of broadcasting and sports transmission rights acquisition contracts entered into by TF1 to secure future programming schedules:

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total 2020	Total 2019
Programmes and Broadcasting rights(1)	**779.2**	**469.2**	**0.0**	**1,248.4**	**1,435.8**
Sports transmission rights(2)	**60.9**	**76.7**		**137.6**	**167.5**
TOTAL	840.1	545.9	0.0	1,386.0	1,603.3

(1) Includes contracts entered into by GIE TF1 Acquisitions de droits on behalf of TF1 SA and shown in that entity's assets or off balance sheet commitments.
(2) Includes contracts entered into by TF1 DS (the company that acquires rights to sporting events broadcast on TF1), and shown in that entity's assets or off balance sheet commitments.

The portion of those contracts expressed in foreign currencies is €27.1 million (all in US dollars).

3.5 ADVANCE PAYMENTS AND RECEIVABLES

3.5.1 Advance payments made on orders

This mainly comprises advance payments for programme broadcasting rights and sports transmission rights, amounting to €106.5 million.

3.5.2 Trade receivables

TF1 Publicité acts as agent for TF1 SA, selling advertising airtime in return for commission indexed to actual revenues. Receivables owed by TF1 Publicité to TF1 SA amounted to €187.9 million as of 31 December 2020, compared with €192.7 million as of 31 December 2019.

3.5.3 Other receivables

This item mainly comprises taxes recoverable (VAT and income taxes), and balances on current accounts with subsidiaries.

3.5.4 Provisions for impairment of advance payments and receivables

(€m)	01/01/2020	Charges	Reversals	31/12/2020
Advance payments	0.0			0.0
Trade receivables	0.1			0.1
Other receivables	0.0			0.0
TOTAL	**0.1**	**0.0**	**0.0**	**0.1**

3.5.5 Receivables by due date

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-current assets	15.0	60.0	31.0	106.0
Current assets*	582.5	7.5		590.0
TOTAL	**597.5**	**67.5**	**31.0**	**696.0**

* *Includes trade and other receivables, net of impairment*

3.6 SHORT-TERM INVESTMENTS AND CASH

This item breaks down as follows:

Gross value *(€m)*	2020	2019
Short-term investments	**0.0**	**0.0**
Bank deposits (instant access)	8.6	9.6
Treasury current accounts with debit balances*	311.3	134.0
Advertising airtime sales	0.2	0.2
Cash	**320.1**	**143.8**
TOTAL	**320.1**	**143.8**
Provisions for impairment of current accounts and short-term investments		
1 January	**0.0**	**0.0**
Charges	0.0	0.0
Reversals	0.0	0.0
31 December	**0.0**	**0.0**
NET VALUE	**320.1**	**143.8**

* *These current accounts include:*
- *cash placed with Bouygues Relais (€113.0 million as of 31 December 2020, versus €54.0 million as of 31 December 2019);*
- *current accounts with Group companies (€108.3 million as of 31 December 2020, versus €80.0 million as of 31 December 2019);*
- *a current account bridging loan to TF1 subsidiary Newen (€90 million as of 31 December 2020).*

3.7 PREPAID EXPENSES

Prepaid expenses amounted to €7.5 million as of 31 December 2020, compared with €6.5 million as of 31 December 2019.

3.8 SHAREHOLDERS' EQUITY

The share capital is divided into 210,392,991 ordinary shares with a par value of €0.20, all fully paid.

(€m)	01/01/2020	Appropriation of profit (2020 AGM)	Increases	Decreases	31/12/2020
Share capital	42.0				42.0
Share premium	20.2				20.2
Legal reserve	4.3				4.3
Retained earnings	551.0	18.3			569.3
Other reserves	771.3				771.3
Net profit for the year	18.3	(18.3)	(206.5)		(206.5)
Sub-total	**1,407.1**	**0.0**	**(206.5)**	**0.0**	**1,200.6**
Restricted provisions	13.1		13.0	(11.1)	15.0
TOTAL	**1,420.2**	**0.0**	**(193.5)**	**(11.1)**	**1,215.6**
Number of shares	**210,242,074**		**155,500**	**(4,583)**	**210,392,991**

Restricted provisions comprise the following items:

(€m)	01/01/2020	Charges	Reversals	31/12/2020
Audiovisual rights	9.7	7.5	(8.5)	8.7
Transaction costs on acquisitions of equity interests	1.2	0.3	(1.4)	0.1
Software and licences	2.2	5.2	(1.2)	6.2
TOTAL	**13.1**	**13.0**	**(11.1)**	**15.0**

3.9 PROVISIONS FOR LIABILITIES AND CHARGES

Provisions are established using the methods described in note 2.11. Movements during the year were as follows:

(€m)	01/01/2020	Charges	Reversals (used)	Reversals (unused)	31/12/2020
Provisions for litigation and claims	4.6	6.9	(2.7)	(0.4)	8.4
Provisions for related entities	27.0	74.0	(26.9)		74.1
Provisions for retirement benefit obligations	29.9	4.5	(4.7)		29.7
Other provisions for liabilities and charges	0.0	0.2			0.2
TOTAL	**61.5**	**85.6**	**(34.3)**	**(0.4)**	**112.4**

Provisions for litigation and claims cover risks relating to tax and legal exposures, and employment tribunal claims.

Provisions for related entities consist of TF1 SA's share of the losses of subsidiaries, including those established in the form of partnerships, plus provisions for risks relating to subsidiaries.

The €29.7 million provision for retirement benefit obligations represents the present value of the obligation (€35.0 million) minus the fair value of plan assets (€5.3 million). The main assumptions used in calculating the present value of the obligations are:

- discount rate: 0.6019%;
- salary inflation rate: 2.00%;
- age on retirement: 62 years.

No material contingent liabilities (claims liable to result in an outflow of resources) were identified as of the balance sheet date.

3.10 LIABILITIES

3.10.1 Bank borrowings

TF1 SA had confirmed credit facilities of €870 million with various banks as of 31 December 2020, none of which was drawn down at that date; of that amount, €155 million was due to expire within less than one year and €715 million after more than one year.

3.10.2 Other borrowings

This item comprises surplus cash invested on behalf of subsidiaries under cash pooling agreements, totalling €486.0 million as of 31 December 2020 and €376.5 million as of 31 December 2019.

3.10.3 Other liabilities

This item mainly comprises credit notes and accrued discounts in favour of TF1 Publicité amounting to €112.3 million (€129.1 million as of 31 December 2019).

3.10.4 Liabilities by maturity

(€m)	Less than 1 year	1 to 5 years	More than 5 years	Total
Other borrowings	486.0			486.0
Trade payables	197.4			197.4
Tax and employee-related liabilities	139.0			139.0
Amounts payable in respect of non-current assets	6.9			6.9
Other liabilities	145.0	0.7		145.7
TOTAL	**974.3**	**0.7**	**0.0**	**975.0**

3.10.5 Accrued income and expenses

(€m)			
Accrued income included in:		**Accrued expenses included in:**	
Trade receivables	5.8	Trade payables	72.8
Other receivables	26.3	Tax and employee-related liabilities	78.2
		Amounts payable in respect of non-current assets	3.7
		Other liabilities	112.3

3.11 DEFERRED INCOME

Deferred income (€3.0 million) relates to the subsidiary TF1 Publicité, and represents commitments to provide advertising slots to customers free of charge. The corresponding amount as of 31 December 2019 was €2.6 million.

NOTE 4

NOTES TO THE INCOME STATEMENT

4.1 REVENUE

Advertising revenue of €998.4 million was recognised in 2020 (including €20.9 million with non-French customers), compared with €1,117.0 million in 2019 (including €19.3 million with non-French customers).

4.2 COST TRANSFERS

This item (€78.9 million in 2020, *versus* €83.9 million in 2019) mainly comprises reimbursements of costs incurred by TF1 SA on behalf of its subsidiaries.

4.3 PURCHASES OF RAW MATERIALS AND OTHER SUPPLIES AND CHANGES IN INVENTORY

These items relate to broadcasting rights consumed during the period, amounting to €459.9 million (2019: €578.1 million). See Note 3.4.

4.4 OTHER PURCHASES AND EXTERNAL CHARGES

This item includes costs of €18.0 million relating to sports transmission rights in 2020, compared with €59.1 million in 2019. Sports transmission rights were sharply down year-on-year due to the lack of major sporting events in 2020.

It also includes transmission costs of €9.0 million (including occasional provision of circuits), of which €0.9 million were recharged to other entities within the TF1 group. The net amount was therefore €8 million in 2020, compared with €7.8 million in 2019.

4.5 TAXES OTHER THAN INCOME TAXES

The main item included on this line is the contribution to the French cinematographic industry support fund (€50.9 million in 2020, compared with €62.0 million in 2019).

4.6 WAGES, SALARIES AND SOCIAL SECURITY CHARGES

For 2020, this item includes an accrued expense of €10.5 million for the voluntary profit-sharing scheme.

4.7 OTHER EXPENSES

This item includes payments to copyright-holders and holders of related rights, amounting to €43.1 million in 2020 (*versus* €46.7 million in 2019).

6

4.8 NET FINANCIAL INCOME/EXPENSE

The components of net financial income/expense are as follows:

(€m)	2020	2019
Dividends and transfers of profits/losses from partnerships	9.6	47.7
Net interest paid or received	2.5	1.9
Provision for impairment of equity investments*	(238.3)	(41.2)
Provisions for risks relating to shares of partnership losses	(74.0)	(26.9)
Foreign exchange losses and provisions for unrealised foreign exchange losses	0.2	1.9
NET	**(300.0)**	**(16.6)**

* *See Note 3.3*

Interest received from related companies in 2020 was €2.4 million, compared with €1.9 million in 2019.

4.9 EXCEPTIONAL ITEMS

Exceptional items break down as follows:

(€m)	2020	2019
Retirement/expiration of rights and gains/losses on disposals of intangible assets	(5.6)	(1.5)
Retirement and gains/losses on disposals of property, plant and equipment	(0.3)	0.0
Net change in provisions (including tax depreciation)(1)	0.3	5.0
Gains/(losses) on disposals of non-current financial assets	0.6	(0.1)
Other commitments(2)	(2.2)	(4.5)
NET	**(7.2)**	**(1.1)**

(1) The net change in provisions during 2020 comprises a net reversal of provisions for claims and litigation of €2.2 million, and a net charge to tax depreciation of €1.9 million. The net change in provisions during 2019 comprised a net reversal of provisions for claims and litigation of €2.3 million, and a net reversal of tax depreciation of €2.7 million.

(2) Miscellaneous expenses mainly comprise a tax reassessment of €2.2 million (€3.3 million in 2019). This was cancelled out by a reversal of a provision of the same amount (€2.2 million in 2020, see above, and €3.3 million in 2019).

4.10 INCOME TAXES

This item breaks down as follows:

(€m)	2020	2019
Income tax expense incurred by the tax group (net of tax credits)	(15.6)	(44.7)
Income tax credit receivable from companies entitled to tax credits	19.3	31.2
Income tax credit/(expense) from prior periods	0.5	(1.2)
Net change in provision for income taxes	0.0	1.4
INCOME TAXES	**4.1**	**(13.3)**
Profit before tax and profit-sharing	(210.6)	31.6
Effective tax rate	(1.95%)	42.09%

Exceptional items generated a tax gain of €3.2 million.

TF1 made a group tax election on 1 January 1989. Under the group tax election agreement, the tax liability borne by each company included in the election is the same as it would have borne had there been no group tax election. The group tax election included 66 companies as of 31 December 2020.

The tax group had no tax losses available for carry-forward as of 31 December 2020.

The difference between the standard French tax rate and the effective tax rate, in both 2020 and 2019, is due to (i) deductions of income and add-backs of expenses not taxed at the full rate (mainly dividends and long-term capital gains) and (ii) adjustments related to the tax group (tax savings arising from the losses of tax group member companies, and eliminations/reinstatements of intragroup transactions).

The total amount of tax losses of subsidiaries that generated savings for the tax group in 2020 and may generate a tax liability in the future is €47.3 million.

4.11 DEFERRED TAX POSITION

The table below shows future tax effects that have not yet been recognised by TF1 SA but will be recognised when the underlying transactions are recognised in the income statement, calculated using the tax rate applicable in 2021 (28.41%).

(€m)	Future increases in tax liability	Future reductions in tax liability
Restricted provisions	4.2	-
Provisions for risks		1.1
Accrued employee profit-sharing, holiday pay entitlement and social solidarity contributions, unrealised foreign exchange gains and losses	-	3.0

NOTE 5

OTHER INFORMATION

5.1 OFF BALANCE SHEET COMMITMENTS:

The tables below show off balance sheet commitments by type and maturity:

Commitments given *(€m)*	Less than 1 year	1 to 5 years	More than 5 years	Total 2020	Total 2019
Operating leases	26.3	93.9	28.0	148.2	171.7
Image transmission contracts	5.3	19.2	1.4	25.9	7.2
Guarantees(1)	8.3	11.2	0.1	19.6	16.6
Commitments relating to equity interests(2)				0.0	0.0
Other commitments(3)				0.0	0.1
TOTAL	**39.9**	**124.3**	**29.5**	**193.7**	**195.6**

Commitments received *(€m)*	Less than 1 year	1 to 5 years	More than 5 years	Total 2020	Total 2019
Operating leases	26.3	93.9	28.0	148.2	171.7
Image transmission contracts	5.3	19.2	1.4	25.9	7.2
Commitments relating to equity interests(2)				0.0	0.0
Other commitments(3)				0.0	0.3
TOTAL	**31.6**	**113.1**	**29.4**	**174.1**	**179.2**

(1) This item relates to guarantees provided by TF1 SA against default by its subsidiaries.
(2) This item comprises firm or optional commitments to deliver or receive securities.
(3) Other commitments given and received mainly comprise the fair value of currency instruments (see Note 5.2.1).

Other reciprocal commitments relating to the operating cycle are reported in the notes relating to the relevant balance sheet item (in particular, commitments to secure future programming schedules) and to the financing of those items (see note 3.10-1).

TF1 SA had not contracted any complex commitments as of 31 December 2020.

5.2 USE OF HEDGING INSTRUMENTS

5.2.1 Hedging of foreign exchange risk

TF1 is exposed to fluctuations in exchange rates as a result of:

- making and receiving commercial payments in foreign currencies;
- providing subsidiaries with a guaranteed annual exchange rate per currency, applied to annual projections of their foreign-currency cash needs or surpluses.

At the end of each reporting period, TF1 recognises:

- the foreign exchange loss or gain arising from the application of the foreign exchange guarantees described above;
- unrealised foreign exchange gains and losses arising on payables and receivables carried in its own balance sheet or in the balance sheets of subsidiaries to which it has provided guarantees.

Periodically, TF1 updates its consolidated net exposure and reassesses its foreign exchange risk. The strategy applied is to lock in or guarantee a maximum exchange rate on its net long position and a minimum exchange rate on its net short position in each of the currencies used, over a rolling 12-to-18-month period depending on market opportunities.

TF1 buys and sells currency forward and contracts swaps to protect itself against exchange rate fluctuations.

As of 31 December 2020, the equivalent value of such hedging instruments contracted with banks was €19.2 million:

- €8.1 million of forward purchases (all in US dollars, valued at the closing exchange rate);
- €11.1 million of forward sales (all in Swiss francs, valued at the closing exchange rate).

5.3 EMPLOYEES

The average headcount of TF1 SA is as follows:

	2020	2019
Clerical and administrative	96	80.3
Supervisory	193	207
Managerial	851	854
Journalists	237	237
Interns	26	24
Intermittent employees	64	86
TOTAL	**1,467**	**1,489**

5.4 EXECUTIVE REMUNERATION

Total remuneration paid during 2020 to key executives of the TF1 group (*i.e.* the ten members of the TF1 Management Committee mentioned in the Annual Report) was €8.0 million.

The portion of the total obligation in respect of retirement and other post-employment benefits relating to those key executives was €2.5 million.

The Bouygues group offers the members of its Executive Committee, who include Gilles Pélisson, a supplementary pension capped at 0.92% of the reference salary for each year's membership of the scheme, which represents a post-employment benefit. The expense (invoiced to TF1 by Bouygues) relating to the contribution paid in 2020 to the investment fund of the insurance company which manages the scheme was €0.3 million.

No material loans or guarantees have been extended to key executives or members of the Board of Directors.

5.5 STOCK OPTIONS AND PERFORMANCE SHARE PLANS

Disclosures about stock options and performance shares awarded to employees are provided in the "Report on stock options and performance shares" in the TF1 Registration Document.

5.6 REMUNERATION OF CORPORATE OFFICERS FOR SERVING AS DIRECTORS

The amount paid during 2020 to corporate officers for serving as directors was €0.3 million.

5.7 AUDITORS' FEES

The amount of fees paid by TF1 SA to its auditors for the financial year was €0.5 million.

5.8 CONSOLIDATION

TF1 SA is consolidated in the financial statements of the Bouygues group, using the full consolidation method.

5.9 LIST OF SUBSIDIARIES, AFFILIATES AND OTHER EQUITY INVESTMENTS

Company/Group	Currency	Share capital	Equity other than share capital and profit/loss	Share of capital held	Gross book value of invest-ment(1)	Net book value of invest-ment(1)	Outstanding loans and advances	Guarantees provided(2)	Revenues for most recent financial year	Profit/(loss) for most recent financial year	Dividends received during the year
(In thousands of euros or other currency as specified)											
I. Subsidiaries (at least 50% of the capital held by TF1 SA)											
■ TF1 Publicité		2,400	40,133	100.00%	3,038	3,038	-	-	1,474,683	16,614	-
■ TF1 Films Production		2,550	29,203	100.00%	1,768	1,768	-	-	45,242	3,902	-
■ TF1 Entertainment		3,000	10,127	100.00%	3,049	3,049	-	-	18,224	2,241	-
■ E-TF1		1,000	31,630	100.00%	1,000	1,000	-	-	128,508	24,860	-
■ TF1 Vidéo		3,000	1,431	100.00%	23,100	1,611	-	-	20,006	1,647	-
■ TF1 Expansion		269	182,232	100.00%	291,292	291,292	-	-	0	(65,313)	-
■ TF1 Studio		15,000	6,143	100.00%	138,431	70,969	-	-	40,780	(166)	-
■ La Chaine Info		4,500	1,382	100.00%	2,059	59	8,757	-	32,295	(24,098)	-
■ Ouest Info		40	(1,263)	100.00%	2,617	17	1,274	-	0	(53)	-
■ TF1 Production		10,080	8,008	100.00%	39,052	39,052	-	-	63,280	1,764	-
■ TF1 Management		40	(19)	100.00%	80	80	-	-	0	(5)	-
■ PRÉFAS 20		40	(27)	100.00%	40	40	-	-	0	(4)	-
■ Unify		312,697	(109,457)	100.00%	312,697	104,496	-	-	1,574	(121,882)	-
■ PREFAS 25		40	(15)	100.00%	40	40	-	-	0	(4)	-
■ PREFAS 26		40	(3)	100.00%	40	40	-	-	0	3	-
■ PREFAS 27		40	(3)	100.00%	40	40	-	-	0	3	-
■ PREFAS 28		40	(3)	100.00%	40	40	-	-	0	3	-
■ PREFAS 29		40	(3)	100.00%	40	40	-	-	0	3	-
■ TF1 DIstribution		2,040	824	100.00%	2,040	2,040	-	-	118,895	69	-
■ TF1 DS		100	0	100.00%	100	100	-	-	19,944	(3)	-
■ Newen		30,830	55,180	99.07%	34,125	34,125	90,000	-	10,180	(4227)	-
■ TF1-SPV		1,003	(567)	100.00%	1,003	1,003	-	-	298	(10,773)	-
■ Monte-Carlo Participation		33,700	156,941	100.00%	213,827	213,827	46,000	-	186	39,476	-
■ TF1 Acquisition de Droits		0	0	91.00%	0	0	199,464	-	259,327	(50,913)	-
II. Affiliates (10% to 50% of the capital held by TF1 SA)											
■ Médiamétrie*		14,880	25,309	10.80%	44	44	-	-	95,542	2,480	-
■ A1 International		N/D	N/D	50.00%	12,809	0	-	-	N/D**	N/D**	-
■ SMR6		75	15	20.00%	15	15	5	-	78	2	-
III. Other equity investments (less than 10% of the capital held by TF1 SA)											
■ Médiamétrie Expansion*		843	(449)	2.42%	91	0	-	-	0	(32)	-
■ Extension TV		50	2,125	0.004%	2	2	-	-	11,078	1,676	-
■ Aphélie		2	49,841	0.05%	0	0	-	-	19,775	16,136	-
■ SOFIOUEST*		5,640	72,785	0.0057%	19	19	-	-	1,345	17,017	-
TOTAL SUBSIDIARIES, AFFILIATES & EQUITY INVESTMENTS					**1,082,498**	**767,846**	**345,500**	**0**	**-**	**-**	**0**

(1) Includes transaction costs (if any).
(2) "Guarantees provided" represent guarantees given by TF1 SA to cover possible default by a subsidiary and disclosed in off balance sheet commitments.
** "Share capital", "Equity other than share capital and profit/loss", revenues, and profit/loss all relate to the 2019 financial year.*
***N/D not disclosed.*

NOTE 6 EVENTS AFTER THE REPORTING PERIOD

None.

6.6 STATUTORY AUDITORS' REPORT ON THE INDIVIDUAL FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the financial statements of the company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended 31 December 2020

To the Annual General Meeting of TF1,

OPINION

In compliance with the engagement entrusted to us by your annual general meetings, we have audited the accompanying financial statements of TF1 for the year ended 31 December 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at 31 December 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the audit committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes) for the period from 1 January 2020 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5, section 1, of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

Due to the global crisis related to the COVID-19 pandemic, the financial statements for this accounting period have been prepared and audited under special conditions. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. These measures, such as travel restrictions and remote working, have also had an impact on companies' internal organization and on how audits are performed.

It is in this complex, evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

MEASUREMENT OF EQUITY INVESTMENTS

RISK IDENTIFIED

Relevant note to the financial statements: 2.4 – Non-current financial assets.

As at 31 December 2020, the equity investments recorded in assets for the net carrying amount of €1,108.5m, represent 48% of the total balance sheet of TF1. They are recognized at the date of their entry at acquisition cost, corresponding to the cost of purchase plus any acquisition expenses, to which additional tax depreciation is applied over five years. These equity investments are depreciated when their value in use is significantly less than their net carrying amount, thus representing an impairment of €238m for the year ended 31 December 2020.

As stated in Note 2.4 to the financial statements, the value in use of each equity investment is determined on the basis of the forecasts established by the company, according to the business outlook and profitability prospects measured notably on the basis of the business plans and the discounted cash flows method.

The determination of the value in use of each equity investment is based on the assumptions and estimates drawn up by management, notably the projected cash flows derived from the business plans, the growth rate used for these projected cash flows and the discount rate applied to them.

We considered the measurement of the equity investments to be a key audit matter, given the high degree of estimation and judgement used by management and the sensitivity of the values in use to changes in the projection assumptions.

OUR RESPONSE

In order to assess the estimate of the values in use of the equity investments, based on the information provided to us, our work consisted mainly of the following:

- familiarizing ourselves with the budget process and the key controls related to said process;
- obtaining the methods of calculation of the values in use and, in particular, the projected cash flows for the companies to which these equity investments relate, in order to:
  - evaluate their consistency with the medium-term business plans approved by management and presented to the board of directors of TF1 for approval;
  - examine the consistency of the assumptions used with the economic environment at closing date;
  - assess the assumptions used for the determination of the normative cash flow, beyond the medium-term business plan;
  - compare the forecasts used for prior periods as well as for the financial year ended 31 December 2020 with the corresponding actual figures in order to assess the achievement of past targets;
  - check the permanence of the methods used;
- assessing, with the support of our valuation specialists, the discount rates used for the calculation of the value in use;
- verifying the arithmetical accuracy of the calculations of the values in use used by your company;
- verifying the sensitivity analyses, in particular relating to the equity investments whose recoverable amounts are close to their carrying amounts;
- assessing the appropriateness of the disclosures in the notes to the financial statements.

PROGRAMMES AND RIGHTS

RISK IDENTIFIED

Relevant notes to the financial statements: 2.2.1 and 3.1.1 Audiovisual rights, 2.5 and 3.4 Inventories and work in progress, 2.6 Advance payments, 3.5.1 Advance payments.

- The programmes, broadcasting rights and audiovisual rights, recognized in the balance sheet or presented as off-balance-sheet commitments, constitute the programmes and rights.
- The programmes and broadcasting rights correspond to firm contracts, sometimes multi-year contracts, for the acquisition of programmes and rights to broadcast sports events taken out by TF1 in order to secure its programming for the coming years.
- As at 31 December 2020, these programmes and broadcasting rights are recognized in inventories for €85.2m when they are deemed "broadcastable", i.e., when the following criteria are met:
  - technical acceptance has been obtained,
  - the date of the opening-up of the rights is reached.

The value of the inventories is determined based on the production cost or the acquisition cost less consumptions for the year. When a programme has been purchased for a single broadcast, it is 100% amortized upon its broadcast. When the purchase is for two or more broadcasts, except in specific contractual cases, the programme is consumed according to the rules defined by TF1 depending on the type of programme concerned.

- The audiovisual rights mainly correspond (i) to television programmes for broadcast and (ii) to the producers' shares invested by TF1.

As at 31 December 2020, these audiovisual rights are recognized, at their contractual acquisition cost, in intangible assets related to audiovisual rights for a net value of €45.4m. The amortization of these fixed assets is determined, by category of audiovisual rights, according to the methods set out in Note 2.2.1 to the financial statements.

- Off-balance-sheet commitments, given directly or indirectly by TF1, concern the programmes and rights for which the company considers that the criteria described hereabove have not been met. These commitments are valued for the contractual amounts or, in the case of output deals, for the estimated amount of future disbursements after deduction of advance payments made. Contracts for the acquisition of programmes and rights, in respect of securing the programming for the coming years, amount to €1,386m as at 31 December 2020.

- The programmes and rights are depreciated when their recoverable amount is less than their net carrying amount. The recoverable amount of these programmes and rights is determined:
  - in the case of the programmes and broadcasting rights, when it is probable that a programme will not be broadcast based on its broadcasting probability assessed on the basis of forecast programme schedules validated by management,
  - in the case of co-production shares in drama, based on expected forecast revenue.

  We considered that the reality and the valuation of the programmes, broadcasting rights and audiovisual rights, as well as the completeness of the commitments made relating to these programmes and rights constituted a key audit matter, given the significant share represented by these programmes and rights in TF1's accounts, and the high level of estimation and judgement used by management to assess the value of these programmes, broadcasting rights and audiovisual rights.

OUR RESPONSE

Our work mainly consisted of the following:

- familiarizing ourselves with the internal control procedures and the information systems set up contributing to the recognition of the programmes, broadcasting rights and audiovisual rights, as well as the corresponding expenses;
- for the programmes and broadcasting rights:
  - conducting IT general controls on the management software involved in the recognition of the programmes and rights used by TF1,
  - testing and ensuring the reliability of the transfers of data between the inventory management interfaces, as well the key reports obtained from these applications used for our audit,
  - testing the design and effectiveness of the key controls set up by TF1 on the processes for the recognition and estimation of the programmes and broadcasting rights;
- performing analytical procedures on the movements in the inventories of programmes and rights.

On the basis of a sample, we:

- assessed the value of the fixed assets in progress by consistency with the stage of completion of the productions in progress and the related expenses;
- tested the value of the audiovisual rights in TF1's catalogue:
  - by assessing the analysis of the future economic benefits performed by TF1,
  - by examining whether the inventory depreciation rates determined by type of broadcasting right were correctly applied;
- tested the correct recording in the balance sheet or in off-balance-sheet commitments by consistency with the technical acceptance and the date of the opening-up of the rights;
- tested the value of the programmes and the broadcasting rights held in inventory:
  - by reconciling the programmes present in inventory with the contracts signed,
  - by reconciling the programmes not depreciated with the programmes in the forecast schedule,
  - by performing a retrospective analysis on the unwinding of depreciation and scrapping for which no provision was recognized;
- examined the correct application of the rules on the consumption of inventories defined by TF1 by reconciliation with the broadcasting findings;
- assessed the value of the off-balance-sheet commitments and prepayments on trade orders:
  - by assessing through discussion and/or reconciliations with legal documentation, the main assumptions used within the scope of the estimation of the broadcasting rights purchased to secure programming for future years,
  - by evaluating the main assumptions used within the scope of the valuation of the commitments given in respect of the rights purchase agreements.

ADVERTISING REVENUE LINKED TO THE COMMERCIALS BROADCAST

RISK IDENTIFIED

Relevant notes to the financial statements: 2.7 Trade debtors, 2.12 Advertising, 3.5.2 Trade debtors, 3.10.3 Other liabilities, 3.11 Deferred income and 4.1 Revenue.

The advertising revenue linked to the commercials broadcast represents the major part of TF1's revenue (€0.998m as at 31 December 2020). The company's trade debtors owed by TF1 Publicité in terms of net value amount to €188m as at 31 December 2020. Other liabilities mainly include credit notes and discounts granted as well as deferred income.

Sales of advertising airtime are recognized when the corresponding commercials are broadcast. The advertising revenue linked to the commercials broadcast recognized by the entity corresponds to the amount of sales of advertising airtime invoiced to the advertisers less the agency commission, and is made in strict compliance with French regulations (agreement signed with the CSA – *Conseil Supérieur de l'Audiovisuel*, the French broadcasting regulatory authority).

Sales of airtime are made according to the general terms and conditions of sale, and the terms specific to each advertiser and agency. There are two main types of sales:

- sales of airtime with an audience target (guaranteed GRP) based on the reconciliation of the broadcasting information on audience levels obtained by companies that are recognized specialists in the measurement of audiences and advertising volumes;
- sales of airtime on a "spot by spot" basis, which result from negotiation between the advertisers and the broadcasters.

The implementation of pricing is subject to an estimate which integrates performance criteria relating to the achievement of the targets defined for a campaign (achievement of the guaranteed GRP, etc.). These estimates are reflected in the accounts by discounts in the form of credit notes or deferred income in respect of free commercials.

In view of the predominance of advertising revenue in TF1's revenue, and as this advertising revenue is based on various estimates, we considered its valuation to be a key audit matter.

OUR RESPONSE

Within the scope of our work:

- We familiarized ourselves with the procedures and information systems set up to monitor the recognition of the advertising revenue and its valuation.
- We tested the key controls, as well as the IT general controls and application controls for the main information systems, with regard to:
  - segregation of duties,
  - the entry of campaign contractual terms and prices into the system,
  - the amount of advertising revenue calculated by the system for each campaign, which we compared to the contractual commitments in terms of audience and price.
- We assessed the correlation between the accounting entries justifying the revenue for the period and all the amounts collected, taking into account the variations in trade debtors, invoices to be drawn up, deferred income and VAT.
- We also performed the following procedures on a sample of advertising airtime contracts:
  - We analyzed the contractual clauses and reconciled the financial data with the accounting documents issued (invoices and/or credit notes).
  - We tested the compliance of the methods applied with the rules defined in the relevant notes to the financial statements.
  - We tested the level of the estimates established as at 31 December 2020 (invoices or credit notes to be issued) in view of the performances achieved by the portfolio of contracts and by testing the unwinding of the discounts provisioned from one period to the next.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS PROVIDED TO SHAREHOLDERS WITH RESPECT TO THE FINANCIAL POSITION AND THE FINANCIAL STATEMENTS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the board of directors and in the other documents provided to the shareholders with respect to the financial position and the financial statements.

We attest that the information relating to payment times referred to in article D. 441-4 of the French Commercial Code (*Code de commerce*) is fair and consistent with the financial statements.

INFORMATION ON CORPORATE GOVERNANCE

We attest that the Corporate Governance section of the board of directors' management report sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code *(Code de commerce)* relating to remunerations and benefits received by or allocated to the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlled by it that are included in the consolidation scope. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information given in accordance with the requirements of Article L. 22-10-11 of the French Commercial Code (*Code de commerce*) relating to the items that your company considered likely to have an impact in the event of a public tender or exchange offer, we have agreed this information to the source documents provided to us. Based on these procedures, we have nothing to report on this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

FORMAT OF PRESENTATION OF THE FINANCIAL STATEMENTS INTENDED TO BE INCLUDED IN THE ANNUAL FINANCIAL REPORT

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor concerning the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451.1.2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the CEO, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed as statutory auditors of TF1 by your annual general meeting held on 15 May 2001 for MAZARS and on 14 April 2016 for ERNST & YOUNG Audit.

As at 31 December 2020, MAZARS was in its 20th year and ERNST & YOUNG Audit in its 5th year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The audit committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the board of directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the audit committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the audit committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the audit committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as set out in particular in Articles L.822-10 to L.822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*). Where appropriate, we discuss with the audit committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris-La Défense, 10 February 2021

The Statutory Auditors

French original signed by:

MAZARS
Gilles Rainaut

ERNST & YOUNG Audit
Nicolas Pfeuty

7

SHARE OWNERSHIP AND STOCK MARKET INFORMATION AFR

7.1 SHARE OWNERSHIP

7.1.1 GENERAL INFORMATION

LEGAL ENVIRONMENT

Under the terms of Article 39 of law no. 86-1067 of 30 September 1986 as amended, no single natural or legal person acting alone or in concert may directly or indirectly hold more than 49% of the capital or voting rights of a company that holds a licence to operate a national terrestrial television service whose average annual audience (terrestrial, cable and satellite) exceeds 8% of the total television audience.

Under the terms of Article 40 of law no. 86-1067 of 30 September 1986 as amended, no natural or legal person of non-European nationality may make any acquisition that has the effect of directly or indirectly increasing to more than 20% the percentage interest held by foreigners in the capital of a company that holds a licence to operate a terrestrial television service.

Under the terms of Article 41 of law no. 86-1067 of 30 September 1986 as amended, no single natural or legal person may directly or indirectly hold more than seven individual licences to operate a national Digital Terrestrial Television service.

MANAGEMENT OF TF1 SHARES

As the issuing company, TF1 provides its own registrar and paying agent services.

SHAREHOLDER AGREEMENTS RELATING TO THE CAPITAL OF TF1

As far as the company is aware there are at present no shareholder agreements or concert parties relating to the capital of TF1, and no agreements that if implemented could result in a change of control of the company at a future date.

7.1.2 SHAREHOLDERS AND OWNERSHIP STRUCTURE

NUMBER OF SHARES AND VOTING RIGHTS

Date	Number of shares comprising the share capital	Total number of voting rights	
		Theoretical(1)	Exercisable(2)
31 December 2020	210,392,991	210,392,991	210,392,991
31 December 2019	210,242,074	210,242,074	210,242,074
31 December 2018	209,928,940	209,928,940	209,928,940

(1) In compliance with Article 223-11 of the AMF General Regulation, the number is based on the total number of shares to which voting rights are attached, including shares from which voting rights have been stripped.
(2) This number, provided for information purposes, excludes shares from which voting rights have been stripped.

There are no double voting rights.

To the best of the company's knowledge, no TF1 shares have been pledged and TF1 has pledged none of its subsidiaries' shares.

The control structure of the company is described below. However, the company considers that there is no risk of abuse of control. The Board of Directors and Board committees include a significant proportion of independent Directors. In addition, TF1 applies the recommendations of the AFEP/MEDEF Corporate Governance Code, which are included as an appendix to the Board of Directors' Rules of Procedure.

To the best of the company's knowledge, there has been no material change in the ownership structure since 31 December 2020.

CHANGES IN OWNERSHIP STRUCTURE

To the best of the knowledge of the Board of Directors, changes in the company's share ownership structure over the past three years are as indicated below:

	31 December 2020			31 December 2019			31 December 2018		
	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights
Bouygues	**91,946,297**	**43.7%**	**43.7%**	**91,946,297**	**43.7%**	**43.7%**	**91,946,297**	**43.8%**	**43.8%**
Free float – foreign(1)	**53,568,607**	**25.5%**	**25.5%**	**62,019,036**	**29.5%**	**29.5%**	**63,826,445**	**30.4%**	**30.4%**
Free float – France(1)(2)	**46,856,677**	**22.3%**	**22.3%**	**39,711,812**	**18.9%**	**18.9%**	**38,843,310**	**18.5%**	**18.5%**
TF1 employees	**18,021,410**	**8.6%**	**8.6%**	**16,564,929**	**7.9%**	**7.9%**	**15,312,888**	**7.3%**	**7.3%**
via FCPE TF1 Actions(3)	*17,645,441*	*8.4%*	*8.4%*	*16,294,686*	*7.8%*	*7.8%*	*15,121,278*	*7.2%*	*7.2%*
as registered shareholders(4)	*375,969*	*0.2%*	*0.2%*	*270,243*	*0.1%*	*0.1%*	*191,610*	*0.1%*	*0.1%*
Treasury shares	-	-	-	-	-	-	-	-	-
TOTAL	**210,392,991**	**100%**	**100%**	**210,242,074**	**100%**	**100%**	**209,928,940**	**100%**	**100%**

(1) Estimates based on Euroclear statements.
(2) Including unidentified holders of bearer shares.
(3) Shares held by employees under the employee share ownership scheme. FCPE TF1 Actions, the fund associated with the scheme, receives voluntary contributions from employees and the top-up contribution paid by the company. It invests in TF1 shares by buying them directly on the market. The employee representatives on the Supervisory Board of the FCPE TF1 Actions fund exercise the voting rights attached to the equity securities in its portfolio and decide whether to tender the securities into a public offer.
(4) Employees holding registered shares exercise their voting rights individually.

DECLARATIONS OF CROSSING OF SHARE OWNERSHIP THRESHOLDS

Declarations of the crossing of share ownership thresholds by registered intermediaries or fund managers brought to the attention of TF1 in 2020, including statutory declarations brought to the attention of the AMF and declarations required under the TF1 Articles of Association brought to the attention of the company, were as follows.

Date of declaration	Date of transaction on the market	Registered intermediary or fund manager	Threshold	Nature of change	Number of shares	% of share capital	% of voting rights
03/01/2020	02/01/2020	Blackrock Investment Management UK	1%	Up	2,379,147	1.13%	1.13%
07/01/2020	06/01/2020	Blackrock Investment Management UK	1%	Down	1,771,490	0.84%	0.84%
10/01/2020	09/01/2020	Blackrock Investment Management UK	1%	Up	2,415,865	1.15%	1.15%
13/01/2020	10/01/2020	Blackrock Investment Management UK	1%	Down	2,009,333	0.96%	0.96%
27/01/2020	24/01/2020	Blackrock Investment Management UK	1%	Up	2,263,350	1.08%	1.08%
28/01/2020	27/01/2020	Blackrock Investment Management UK	1%	Down	1,877,342	0.89%	0.89%
16/03/2020	16/03/2020	Amundi	2%	Up	4,427,106	2.11%	2.11%
26/03/2020	25/03/2020	Newton Investment Management Ltd.	4%	Down	8,246,997	3.92%	3.92%
02/04/2020	01/04/2020	Citigroup Inc.	2%	Down	3,174,547	1.51%	1.51%
03/04/2020	02/04/2020	Citigroup Inc.	1%	Down	311,869	0.15%	0.15%
04/05/2020	30/04/2020	Newton Investment Management Ltd.	3%	Down	5,223,456	2.48%	2.48%
06/05/2020	05/05/2020	Citigroup Inc.	1%	Down	33,048	0.02%	0.02%
08/05/2020	08/05/2020	Amundi	2%	Down	3,948,625	1.88%	1.88%
14/05/2020	13/05/2020	Citigroup Inc.	3%	Up	6,331,486	3.01%	3.01%
15/05/2020	14/05/2020	Schroders plc	2%	Down	4,177,821	1.99%	1.99%
19/05/2020	18/05/2020	Citigroup Inc.	3%	Down	6,275,916	2.99%	2.99%
21/05/2020	21/05/2020	Newton Investment Management Ltd.	1%	Down	0	0.00%	0.00%
21/05/2020	20/05/2020	Schroders plc	3%	Up	7,964,267	3.79%	3.79%
28/05/2020	27/05/2020	Chargeurs	1%	Up	2,130,000	1.01%	1.01%
29/06/2020	26/06/2020	Blackrock Investment Management UK	1%	Up	2,246,884	1.07%	1.07%
30/06/2020	29/06/2020	Blackrock Investment Management UK	1%	Down	2,084,973	0.99%	0.99%
21/07/2020	20/07/2020	Moneta Asset Management	1%	Up	2,235,000	1.06%	1.06%
14/08/2020	13/08/2020	Blackrock Investment Management UK	1%	Up	2,111,669	1.00%	1.00%
17/08/2020	14/08/2020	Blackrock Investment Management UK	1%	Down	1,979,181	0.94%	0.94%
18/08/2020	17/08/2020	Blackrock Investment Management UK	1%	Up	2,152,059	1.02%	1.02%
19/08/2020	18/08/2020	Blackrock Investment Management UK	1%	Down	1,976,313	0.94%	0.94%
21/08/2020	20/08/2020	Blackrock Investment Management UK	1%	Up	2,326,160	1.11%	1.11%
28/08/2020	27/08/2020	Blackrock Investment Management UK	1%	Down	2,097,131	1.00%	1.00%
01/09/2020	31/08/2020	Blackrock Investment Management UK	1%	Up	2,147,252	1.02%	1.02%

Date of declaration	Date of transaction on the market	Registered intermediary or fund manager	Threshold	Nature of change	Number of shares	% of share capital	% of voting rights
02/09/2020	01/09/2020	Blackrock Investment Management UK	1%	Down	2,085,922	0.99%	0.99%
04/09/2020	03/09/2020	Blackrock Investment Management UK	1%	Up	2,190,698	1.04%	1.04%
16/09/2020	15/09/2020	Blackrock Investment Management UK	1%	Down	1,982,491	0.94%	0.94%
22/09/2020	21/09/2020	Sycomore Asset Management	1%	Down	1,985,881	0.94%	0.94%
23/09/2020	22/09/2020	Blackrock Investment Management UK	1%	Up	2,181,411	1.04%	1.04%
29/09/2020	28/09/2020	Blackrock Investment Management UK	1%	Down	1,968,725	0.94%	0.94%
30/09/2020	29/09/2020	Blackrock Investment Management UK	1%	Up	2,160,317	1.03%	1.03%
07/10/2020	06/10/2020	Blackrock Investment Management UK	1%	Down	2,070,921	0.98%	0.98%
20/11/2020	18/11/2020	LLB Fund Services AG	1%	Up	3,117,251	1.48%	1.48%
25/11/2020	24/11/2020	Citigroup Inc.	3%	Up	6,329,492	3.01%	3.01%
27/11/2020	26/11/2020	Citigroup Inc.	3%	Down	6,305,998	3.00%	3.00%
30/11/2020	27/11/2020	Citigroup Inc.	3%	Up	6,355,825	3.02%	3.02%
02/12/2020	01/12/2020	Citigroup Inc.	3%	Down	6,227,848	2.96%	2.96%
16/12/2020	15/12/2020	Citigroup Inc.	3%	Up	6,375,919	3.03%	3.03%
17/12/2020	16/12/2020	Citigroup Inc.	3%	Down	6,214,825	3.02%	3.02%
04/01/2021	31/12/2020	Blackrock Investment Management UK	1%	Up	2,153,062	1.02%	1.02%

Declarations of the crossing of share ownership thresholds by registered intermediaries or fund managers brought to the attention of TF1 since 1 January 2021 are as follows:

Date of declaration	Date of transaction on the market	Registered intermediary or fund manager	Threshold	Nature of change	Number of shares	% of share capital	% of voting rights
05/01/2021	04/01/2021	Blackrock Investment Management UK	1%	Down	1,864,586	0.89%	0.89%
07/01/2021	07/01/2021	Dimensional Fund Advisors LP	1%	Down	2,081,158	0.99%	0.99%
12/01/2021	11/01/2021	Blackrock Investment Management UK	1%	Up	2,174,016	1.03%	1.03%
13/01/2021	12/01/2021	Blackrock Investment Management UK	1%	Down	1,989,999	0.95%	0.95%
20/01/2021	19/01/2021	Blackrock Investment Management UK	1%	Up	2,130,476	1.01%	1.01%
01/02/2021	29/01/2021	Citigroup Inc.	3%	Up	6,369,754	3.03%	3.03%

To the best of the company's knowledge, there are no shareholders other than Bouygues, FCPE TF1 Actions and Newton Investment Management holding more than 5% of the voting rights.

FCPE TF1 Actions, the vehicle for the TF1 group employee share ownership scheme, held 8.4% of the share capital as of 31 December 2020.

7.2 STOCK MARKET INFORMATION

7.2.1 DESCRIPTION OF TF1 SHARES

TF1 shares are quoted on Euronext Paris, compartment A.

ISIN code: FR0000054900; CFI: ESVUFN, ICB: 5553 – Broadcasting and Entertainment.

Ticker: TFI.

As of 31 December 2020, TF1 shares were listed in various stock market indices including the SBF 120, CAC Mid 60, CAC Mid & Small, Next 150 and Euro Stoxx® Total Market Media.

There is currently no request pending for admission to another stock exchange.

7.2.2 SHARE PRICE AND VOLUMES

On 31 December 2020, TF1 shares closed at a price of €6.59; this represents a fall of 10.9% over 2020 as a whole, compared with a fall of 7.1% for the CAC 40 index and 7.6% for the SBF 120.

During 2020, the average share price was €5.63 and the average daily trading volume of TF1 shares was 477,393, 19% more than in 2019. The highest volume of shares traded in a single day was 1,867,320, on 28 May 2020.

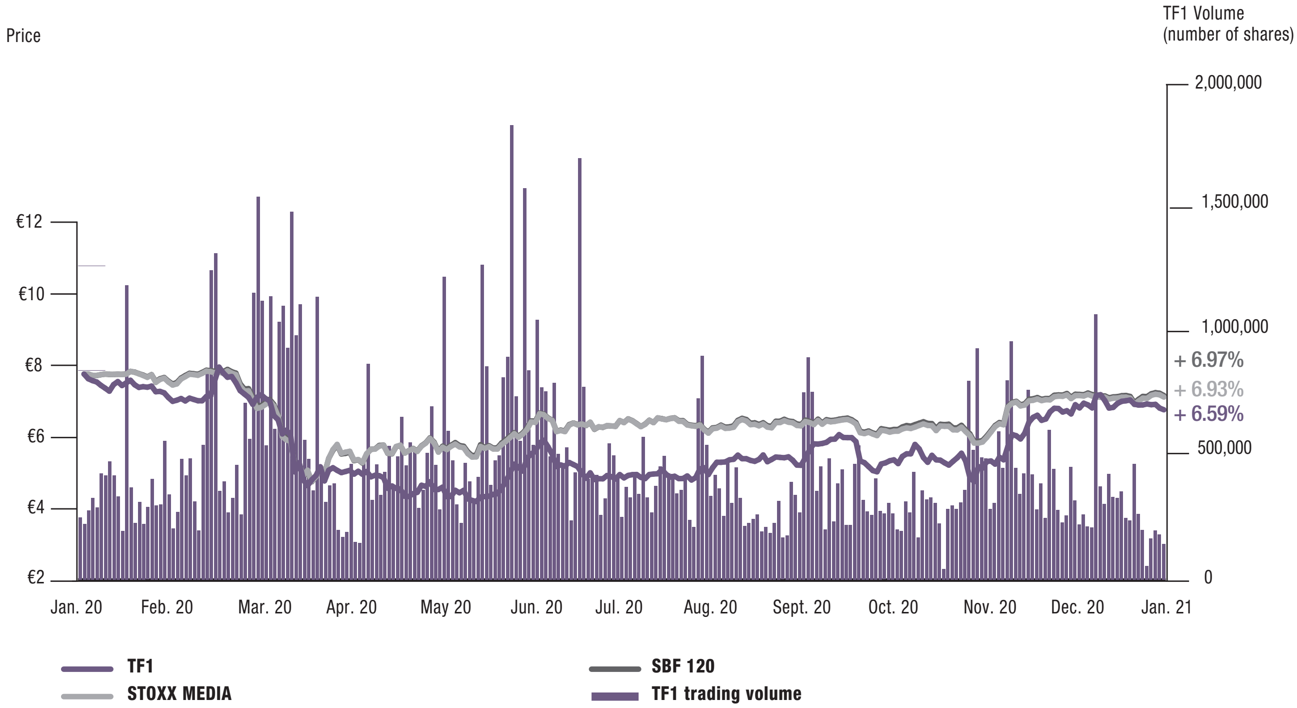
The market capitalisation of the TF1 group as of 31 December 2020 was €1,386 million. The P/E (price/earnings) ratio as of 31 December 2020 (based on net profit attributable to the Group) was 26x, compared with a P/E of 10x as of 31 December 2019.

The table below shows trends in share prices and trading volumes in TF1 shares during 2020:

2020	High[(1)] *(€)*	Low[(1)] *(€)*	Closing price *(€)*	Average number of shares traded[(2)]	Market capitalisation[(3)] *(€m)*
January	7.54	6.82	6.82	378,969	1,433
February	7.73	6.74	6.93	552,482	1,456
March	6.99	4.57	4.98	753,443	1,047
April	4.96	4.28	4.47	467,287	940
May	5.15	4.15	5.06	660,005	1,064
June	5.78	4.74	4.81	667,891	1,012
July	5.05	4.72	4.87	433,026	1,024
August	5.39	5.05	5.12	297,237	1,077
September	5.93	4.94	5.24	408,495	1,101
October	5.67	4.68	5.04	358,727	1,060
November	6.63	5.15	6.48	461,299	1,363
December	6.99	6.59	6.59	305,455	1,386
Full year	7.73	4.15	6.59	477,393	1,386

Euronext.

(1) Highs and lows represent the highest and lowest values recorded at close of trading.
(2) The volume of shares traded refers to average daily trading volumes on Euronext.
(3) Calculation based on the monthly closing price multiplied by the number of shares reported at the end of the month.



7.2.3 DIVIDENDS AND YIELD

No interim dividends were paid out of 2020 profits.

Dividends are remitted to shareholders from their date of payment, either by TF1 for pure registered shares or by financial institutions for managed registered shares and bearer shares.

Dividends that are not claimed within five years are remitted to the government.

Year	Total number of shares as of 31 December	Dividend paid for the year *(net, in €)*	Payment date	Quoted market price *(€)* at close of trading			Yield based on closing price
				High	Low	Closing price	
2018	209,928,940	0.40	2 May 2019	12.75	6.61	7.08	5.6%
2019	210,242,074	-(1)	-	10.08	6.40	7.40	-
2020	210,392,991	0.45(2)	5 May 2021	7.73	4.15	6.59	6.8%

(1) In response to the COVID-19 crisis, the TF1 Board of Directors Meeting held on 31 March 2020 decided to abandon the proposed dividend distribution at the Annual General Meeting of 17 April 2020.
(2) Subject to approval by the Annual General Meeting of 15 April 2021.

7.3 RELATIONS WITH THE FINANCIAL COMMUNITY

7.3.1 OVERVIEW OF THE YEAR

Financial communication at the TF1 group is based on the principle of providing the market with fair, accurate and precise information, as described in section 2.3.2.3 ("Process for managing published financial information") of this Universal Registration Document.

Our Investor Relations team is in close ongoing dialogue with the financial community, from analysts to actual or potential institutional and individual investors.

Fourteen analysts regularly follow the TF1 group.

We meet our investors in various ways: roadshows, general and industry-specific conferences, face-to-face meetings and telephone calls. Investor events are normally held in Paris, or in other important European financial markets such as London, Frankfurt, Milan, Madrid and Zurich. In 2020, most such events took place remotely, given the public health implications of the COVID-19 pandemic. Our Investor Relations team was in most cases accompanied by our CEO and/or CFO. During the year, the team took part in over twenty events, each of which included a number of meetings with investors.

Because CSR is a core concern for the TF1 group, our CSR team has for several years operated its own communications policy, built on three pillars: solidarity, diversity, and sustainability. Our Investor Relations team, supported by our Head of CSR, is a participant at investor events devoted to CSR issues.

In 2020, the TF1 group was awarded the "Silver Transparency Label" at the annual Grands Prix de la Transparence awards[1]. This was a just reward for the ongoing efforts of our people, and for our commitment to providing all our stakeholders with high-quality, reliable and transparent information, especially in an economic and financial environment impacted by the COVID-19 crisis. Transparency is key to building long-term trust in our company on the part of all our stakeholders, from shareholders and financial analysts to our employees and the general public.

7.3.2 DOCUMENTS AVAILABLE TO THE PUBLIC

Every quarter, we prepare a presentation of our financial results, which is available to the public on the TF1 corporate website (www.groupe-tf1.fr/en): go to the "Investors" page and click on "Results and Publications" > "Investor Presentations".

During the period of validity of this Universal Registration Document, the following documents can be consulted at our registered office and/or online on our corporate website: www.groupe-tf1.fr/en, by clicking on Investors/Governance or Investors/Regulated Information:

- the latest version of our Articles of Association;
- all reports, letters and other documents, evaluations and declarations issued by the Statutory Auditors or other experts commissioned by TF1 of which parts are included or cited in theUuniversal Registration Document.

HISTORICAL FINANCIAL INFORMATION FOR 2018 AND 2019

Pursuant to Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129, the following information is incorporated by reference in this Universal Registration Document:

- the selected financial information and consolidated financial statements for the year ended 31 December 2018 and the Statutory Auditors' report on those consolidated financial statements, as presented respectively on pages 122 to 128, 132 to 202 and 232 to 236 of our 2018 Registration Document filed with the AMF on 7 March 2019 under number D.19-0121;
- the selected financial information and consolidated financial statements for the year ended 31 December 2019 and the Statutory Auditors' report on those consolidated financial statements, as presented respectively on pages 151 to 156 and 162 to 240 of our 2019 Universal Registration Document filed with the AMF on 10 March 2020 under number D.20-0118.

Those documents are available on the TF1 corporate website: www.groupe-tf1.fr/en, click on Investors/Regulated Information.

(1) *Organised by Labrador Company, these awards are presented annually to French companies in recognition of the quality and accessibility of their regulated information across all categories of user.* ***The Silver Transparency Label*** *is awarded to companies that achieve a transparency rating more than 20% above the overall average for the SBF 120.*

REGISTERED SHARE SERVICE

Registered Share Service: Gaëlle Pinçon – Marie-Caroline Thabuy

- *Numéro Vert* (toll-free *via* fixed line, in France only): 0 805 120 007
- E-mail: relationsactionnaires@tf1.fr or servicetitres.actionnaires@bouygues.com

Our Registered Share Service gives shareholders owning pure registered shares direct access to their securities account free of charge.

Access is *via* the Olis-Actionnaires website, which allows shareholders to consult their share account in real time, and to access their personal detail and documents in just a few clicks.

- To access the site, go to https://serviceactionnaires.tf1.fr/.

Holding shares in registered form guarantees that you are regularly sent information about the company, and are automatically invited to Shareholders' General Meetings.

Shareholders wishing to convert their shares to pure registered shares are advised to send a request to that effect to their financial intermediary.

From the Annual General Meeting of 15 April 2021 onwards, our shareholders will have the option of using the VotAccess platform to vote online at shareholder meetings, and to obtain their Notice of Meeting packs electronically.

Shareholders who do not hold their shares in registered form can vote using VotAccess if the financial intermediary managing their account has signed up to the platform.

7.4 AUTHORISATIONS AND CORPORATE ACTIONS

7.4.1 AMOUNT OF SHARE CAPITAL AND CATEGORY OF SHARES

Share capital as of 31 December 2019	**€42,048,414.80, divided into 210,242,074 shares with a par value of €0.20.**
Number of voting rights as of 31 December 2019	210,242,074*
Issuance of new shares between 1 January and 31 December 2020	155,500 shares issued on vesting of performance shares
Cancellation of own shares	4,583 own shares cancelled on 28 October 2020
Share capital as of 31 December 2020	**€42,078,598.20, divided into 210,392,991 shares with a par value of €0.20.**
Number of voting rights as of 31 December 2020	210,392,991*

* *Includes shares from which voting rights have been stripped, in compliance with the calculation methods specified in Article 223-11 of the AMF General Regulation.*

There are no founders' shares, profit certificates, convertible or exchangeable bonds, voting right certificates, investment certificates, double voting rights, or preference shares.

Shares are freely negotiable subject to the applicable legal and regulatory restrictions and specifically to the conditions stipulated by law no. 86-1067 of 30 September 1986 as amended. Shareholders are bound to comply with specific requirements relating to ownership or acquisition of the company's shares as contained in the Articles of Association and in laws and regulations.

To ascertain the profile of its share owners, TF1 periodically reviews its registered and bearer shareholder base, as identified through Euroclear.

7.4.2 SHARE BUYBACKS

The Annual General Meetings of 18 April 2019 and 17 April 2020 approved share buyback programmes authorising the Board of Directors (as permitted under Articles L. 225-209 *et seq.* of the French Commercial Code) to buy on or off market a quantity of the company's shares capped at 10% of the share capital on the date the buyback programme is used, for the purposes specified in European Regulation 596/2014 and in connection with market practices authorised by the AMF. The Annual General Meetings of 18 April 2019 and 17 April 2020 authorised the Board of Directors to reduce the share capital by cancelling repurchased shares, up to a limit of 10% of the share capital per 24-month period.

The table below, prepared pursuant to Article L. 225-211 of the French Commercial Code, summarises transactions carried out under those share buyback authorisations in 2020.

TRANSACTIONS IN ITS OWN SHARES BY TF1 DURING 2020

Number of own shares held by the company as of 31 December 2019	
Number of shares bought during 2020 (at an average price of €5.47*)	4,583
Number of shares cancelled during 2020	4,583
Number of shares sold during 2020	-
Number of own shares held by the company as of 31 December 2020	-
Value (at purchase price) of own shares held by the company as of 31 December 2020	-
Analysis of transactions by purpose	
Cancellation of own shares	
Number of shares cancelled during 2020	4,583
nominal value:	€917
percentage of share capital:	0.01%
Reallocated to other purposes	-
Number of own shares held by the company as of 31 December 2020 outside the liquidity contract	-
Liquidity contract	-

* *Amount of transaction costs: immaterial*

The authorisation to buy back the company's own shares granted by the Annual General Meeting of 17 April 2020 expires on 17 October 2021. Accordingly, a proposal will be submitted to the next Annual General Meeting on 15 April 2021 to renew that authorisation on the basis described below.

7.4.3 DESCRIPTION OF THE NEW SHARE BUYBACK PROGRAMME SUBMITTED FOR APPROVAL BY THE ANNUAL GENERAL MEETING ON 15 APRIL 2021

Pursuant to Articles 241-2 and 241-3 of the AMF General Regulation, the company hereby provides a description of the share buyback programme that will be submitted for approval by the Annual General Meeting on 15 April 2021. That programme will replace the programme authorised by the thirteenth resolution of the Annual General Meeting of 17 April 2020.

NUMBER OF OWN SHARES AND PERCENTAGE OF SHARE CAPITAL HELD BY TF1 – OPEN POSITIONS IN DERIVATIVES

As of 31 December 2020, the company did not own any of its own shares. It had no open position in derivatives.

AUTHORISATION REQUESTED FROM THE ANNUAL GENERAL MEETING OF 15 APRIL 2021

The Board of Directors is requesting from the Annual General Meeting of 15 April 2021 authorisation to buy back the company's own shares, up to a maximum of 10% of the share capital.

That authorisation would cover various objectives, including those mentioned in Article 5 of Regulation 596/2014/EU on market abuse and Article L. 22-10-62 of the French Commercial Code, or a market practice recognised by the AMF.

Those objectives are:

- reducing the share capital by cancelling shares on the conditions stipulated by law, subject to authorisation from an Extraordinary General Meeting;
- allotting or transferring shares to employees or corporate officers of the company or of related companies, particularly in connection with profit-sharing or stock option plans, or *via* company or Group savings schemes, or through the allotment of shares;
- holding shares and as the case may be using them subsequently as a means of payment or exchange in the event of an acquisition, merger, demerger or transfer of assets, in accordance with applicable regulations;
- promoting market liquidity and the regularity of listings of the company's equity securities, and avoiding any pricing discrepancies not justified by market trends, by implementing a liquidity contract managed by an investment service provider acting in compliance with a market practice accepted by the AMF;
- fulfilling obligations attached to debt securities, in particular securities giving entitlement to the allotment of shares in the company *via* redemption, conversion, exchange, or in any other way;
- implementing any market practice accepted by the AMF and more generally, conducting any transaction that complies with applicable regulations.

OBJECTIVES OF THE NEW BUYBACK PROGRAMME

Subject to approval by the Annual General Meeting of the resolution relating to share buybacks, the Board of Directors Meeting of 10 February 2021 decided to set the objectives of the new buyback programme as follows:

- reducing the share capital by cancelling shares on the conditions stipulated by law, subject to authorisation from an Extraordinary General Meeting;
- allotting or transferring shares to employees or corporate officers of the company or of related companies, particularly in connection with profit-sharing or stock option plans, or *via* company or Group savings schemes, or through the allotment of shares.

The Board of Directors reserves the right to extend the programme to other objectives included among those submitted to the Annual General Meeting of 15 April 2021 for approval. In that eventuality, the company would inform the market *via* a press release.

MAXIMUM PERCENTAGE OF SHARE CAPITAL – MAXIMUM NUMBER AND CHARACTERISTICS OF THE SHARES THAT THE COMPANY IS PROPOSING TO ACQUIRE – MAXIMUM PURCHASE PRICE

The programme allows the company to buy back its own shares at a price of up to €20 per share, subject to adjustments relating to corporate actions.

The Board of Directors has set the maximum amount of funds allocated to the buyback programme at €300 million, equivalent to a maximum of 15,000,000 shares based on the price of €20 per share submitted to the Annual General Meeting for approval.

As required by law, the total number of shares held at any given date may not exceed 10% of the share capital at that same date.

The shares acquired may be reallocated or transferred subject to the conditions set by the AMF, and in particular those contained in AMF Position-Recommendation DOC-2017–04, "Guidance on trading by listed issuers in their own securities and stabilisation measures".

Repurchased shares retained by TF1 are stripped of voting rights and are not entitled to payments of dividend.

Shares may be acquired, sold, transferred or exchanged by any means subject to AMF rules, on market or off market, *via* multilateral trading facilities or systematic internalisers or over the counter, by means of derivative financial instruments, and at any time, except during the period of a public tender offer or public exchange offer for the company's shares.

The portion of the programme that may be carried out through block trades is not restricted, and may extend to the entire programme.

DURATION OF THE BUYBACK PROGRAMME

Eighteen months starting from the Annual General Meeting of 15 April 2021.

7.4.4 TRADING IN TF1 SHARES DURING 2020 BY DIRECTORS AND KEY EXECUTIVES OR BY PERSONS REFERRED TO IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

In accordance with Article 223-26 of the AMF General Regulation, the following table sets out transactions in TF1 shares carried out in 2020 by directors and key executives or persons of equivalent status:

Person involved	Office held	Transaction	Nature of transaction	Number of Number of transactions	Number of transactions of shares	Gross amount before taxes and fees *(€)*
Christine Bellin	Executive Vice President, Strategy and Customer Distribution	In a personal capacity	Vesting of performance shares	1	7,000	N/A *
Philippe Denery	Executive Vice President, Finance and Procurement	In a personal capacity	Vesting of performance shares	1	8,500	N/A *

* *Shares vested following confirmation by the Board of Directors Meeting on 13 February 2020 that the performance conditions for the 2017 performance share plan had been met. Opening quoted market price of TF1 shares on 11 June 2020: €5.30.*

7.4.5 FINANCIAL AUTHORISATIONS

FINANCIAL AUTHORISATIONS IN EFFECT AS OF THE DATE OF THE ANNUAL GENERAL MEETING OF 15 APRIL 2021

The following table summarises financial authorisations granted by the General Meeting to the Board of Directors and still in effect, and the use made of such authorisations in 2020.

The only authorisations used during 2020 were those to (i) trade in the company's own shares and (ii) reduce the share capital.

Authorisation	Maximum nominal amount of capital increases	Maximum nominal amount of debt securities	Validity of autho-risation	Time remain-ing[(1)]	Annual General Meeting	Resolution no.	Use made of authorisation during the year
Share buybacks and capital reductions							
Purchase by the company of own shares	10% of share capital		18 months	6 months	17/04/2020	13	4,583 shares purchased
Reduction of share capital by cancellation of shares	10% of share capital per 24-month period		18 months	6 months	17/04/2020	14	4,583 repurchased shares cancelled
Issuance of securities							
Capital increase with PR[(2)]	€8.4m	€900m	26 months	2 months	18/04/2019	16	Authorisation not used
Capital increase by incorporation on share premium, reserves or profits	€400m		26 months	2 months	18/04/2019	17	Authorisation not used
Capital increase without PR[(2)] by public offering	€4.2m	€900m	26 months	2 months	18/04/2019	18	Authorisation not used
Capital increase without PR[(2)] by private placement	10% of share capital per 12-month period €4.2m	€900m	26 months	2 months	18/04/2019	19	Authorisation not used
Setting of issue price without PR[(2)] of equity or other securities	10% of share capital		26 months	2 months	18/04/2019	20	Authorisation not used
Increase in number of securities to be issued in the event of a capital increase with or without PR[(2)]	15% of initial issue		26 months	2 months	18/04/2019	21	Authorisation not used
Capital increase to remunerate in-kind contributions of shares or securities giving access to the capital of another company, outside of a public exchange offer	10% of share capital	€900m	26 months	2 months	18/04/2019	22	Authorisation not used
Capital increase without PR[(2)] to remunerate securities tendered as part of a public exchange offer initiated by TF1	€4.2m	€900m	26 months	2 months	18/04/2019	23	Authorisation not used
Issues reserved for employees and executive officers							
Grants of stock options	3% of share capital		38 months	14 months	18/04/2019	26	Authorisation not used
Awards of performance shares, whether existing or to be issued	3% of share capital		38 months	14 months	18/04/2019	27	Authorisation not used
Capital increase reserved for employees and/or corporate officers participating in a company savings scheme (PEE)	2% of share capital		26 months	2 months	18/04/2019	25	Authorisation not used

€m: millions of euros.

(1) Starting from the vote at the Annual General Meeting of 15 April 2021.
(2) PR: Pre-emptive rights.

FINANCIAL AUTHORISATIONS SUBMITTED FOR APPROVAL BY THE ANNUAL GENERAL MEETING OF 15 APRIL 2021

The table below summarises the financial authorisations that shareholders will be asked to grant to the Board of Directors at the Annual General Meeting of 15 April 2021.

These new delegations replace previous resolutions with the same purpose and are in the same vein as similar ones authorised at previous Annual General Meetings, while remaining consistent with customary practice and recommendations as regards amount, ceiling and duration.

The company will not be permitted to buy back its own shares during the period of a public tender offer or public exchange offer. In addition, share buybacks may be effected by the use of derivatives, the Board taking the view that the terms offered by such use might be in the financial interest of the company and shareholders. The 10% ceiling and €300 million allocation have both been maintained to ensure that the Board of Directors retains ample room for manoeuvre.

Authorisation	Maximum nominal amount of capital increases	Maximum nominal amount of debt securities	Validity of authorisation	Time remaining(1)	Annual General Meeting	Resolution no.
Share buybacks and capital reduction						
Purchase by the company of its own shares	10% of share capital		18 months	18 months	15/04/2021	13
Capital reduction through cancellation of shares	10% of share capital per 24-month period		18 months	18 months	15/04/2021	14
Issuance of securities						
Capital increase with PR(2)	€8.4m	€900m	26 months	26 months	15/04/2021	15
Capital increase through incorporation of share premium, profits or reserves	€400m		26 months	26 months	15/04/2021	16
Capital increase without PR(2) by public offering, other than those under article L. 411-2 of the Monetary and Financial Code	€4.2m	€900m	26 months	26 months	15/04/2021	17
Capital increase without PR(2) by public offering under article L. 411-2-1° of the Monetary and Financial Code	10% of share capital per 12-month period €4.2m	€900m	26 months	26 months	15/04/2021	18
Setting of issue price, without PR(2), of shares or securities	10% of share capital		26 months	26 months	15/04/2021	19
Increase in the number of securities to be issued in the event of a capital increase with or without PR(2)	15% of initial issue		26 months	26 months	15/04/2021	20
Capital increase to remunerate in-kind contributions made up of shares (or securities giving access to capital) of another company, outside of a public exchange offer	10% of share capital	€900m	26 months	26 months	15/04/2021	21
Capital increase without PR(2), to remunerate securities tendered as part of a public exchange offer initiated by TF1	€4.2m	€900m	26 months	26 months	15/04/2021	22
Issues reserved for employees and executive officers						
Capital increase reserved for employees and/or corporate officers participating in a company savings scheme (PEE)	2% of share capital		26 months	26 months	15/04/2021	24

€m: millions of euros.

(1) Starting from the vote at the Annual General Meeting of 15 April 2021.
(2) PR: Pre-emptive rights.

7.4.6 POTENTIAL SHARE CAPITAL

As of 31 December 2020, there were no stock subscription options outstanding with an exercise price lower than the market price at 31 December 2020 (the last quoted price in the financial year) of €6.59.

Information about stock options outstanding is provided in Note 7.4.5.2. to the consolidated financial statements, in section 6 of this universal registration document.

7.4.7 CHANGES IN SHARE CAPITAL DURING THE LAST FIVE YEARS

CHANGES IN SHARE CAPITAL TO 31 DECEMBER 2020

			Increase/(decrease) in share capital *(€)*			
Date	**Corporate action**	**Number of shares**	**Nominal value**	**Share premium/ incorporation of reserves**	**Total share capital after change** *(€)*	**Total number of shares**
01/01/2016 to 26/10/2016	Exercise of stock options in plan no. 13 at €6.17	150,317	30,063	897,392	42,160,612	210,803,060
27/10/2016	Cancellation of own shares	(1,420,718)	(284,144)	(12,814,113)	41,876,468	209,382,342
27/10/2016 to 31/12/2016	Exercise of stock options in plan no. 13 at €6.17	35,200	7,040	210,144	41,883,508	209,417,542
	Exercise of stock options in 2011 plan at €12.47	30,000	6,000	368,100	41,889,508	209,447,542
01/01/2017 to 31/12/2017	Exercise of stock options in 2012 plan (no. 13) at €6.17	418,200	83,640	2,496,654	41,973,148	209,865,742
01/01/2018 to 31/12/2018	Exercise of stock options in plan no. 13 at €6.17	63,198	12,640	377,292	41,985,788	209,928,940
07/06/2019	Vesting of performance shares	160,100	32,020	32,020	42,017,808	210,089,040
01/01/2019 to 12/06/2019	Exercise of stock options in plan no. 13 at €6.17	568,285	113,657	3,392,661	42,131,465	210,657,325
29/10/2019	Cancellation of own shares	(415,251)	(83,050)	(3,445,855)	42,048,414	210,242,074
11/06/2020	Vesting of performance shares	155,500	31,100	31,100	42,079,515	210,397,574
28/10/2020	Cancellation of own shares	(4,583)	(917)	(24,173)	42,078,598	210,392,991

7.5 OTHER INFORMATION

7.5.1 GENERAL INFORMATION

Company name: TÉLÉVISION FRANÇAISE 1 – TF1

Registered office: 1, quai du Point du jour
92100 Boulogne-Billancourt, France

Telephone: +33 (0)1 41 41 12 34

Registration number: 326 300 159 RCS Nanterre

APE code (principal business): 6020A – General interest broadcaster

Legal Entity Identifier (LEI) code: 969500WQFC6OAQYG7E65

Legal form: *société anonyme* (public limited company)

Date of incorporation: 17 September 1982

Date of expiration: 31 January 2082

Financial year: 1 January to 31 December

Legislation: French-law company

Corporate website: https://groupe-tf1.fr/en

NB: Information provided on the corporate website does not form part of this Universal Registration Document, unless incorporated in the prospectus by reference.

7.5.2 CORPORATE PURPOSE (ARTICLE 2 OF THE ARTICLES OF ASSOCIATION)

The purpose of the company shall be:

- to operate an audiovisual communication service as authorised by applicable laws and regulations including in particular the conception, production, scheduling and broadcasting of television programmes, including advertising messages and announcements;
- to carry out, in France or abroad, industrial, commercial, financial, movable property or real property operations or transactions relating directly or indirectly to that purpose or to purposes which are similar, related or complementary or which may facilitate the attainment or development thereof or to any company asset, including:assessing, producing, acquiring, selling, renting and exploiting recordings of images and/or sound, news reports and films intended for television, cinema or radio broadcasting:
  - undertaking advertising sales transactions,
  - providing services of all kinds for radio and television broadcasting,
  - All of these directly or indirectly, on its own behalf or on behalf of third parties, either alone or with third parties, through the creation of new companies, capital contributions, limited partnerships, subscriptions, purchase of company shares or rights, mergers, alliances, joint ventures, inward or outward franchising of assets or rights, or by any other means.

The company shall act in accordance with its terms of reference and with applicable legislation.

7.5.3 DISTRIBUTION OF PROFITS (ARTICLE 25 OF THE ARTICLES OF ASSOCIATION)

Five per cent of the net profit for the financial year minus any prior-year losses shall be appropriated to constitute the legal reserve. Such appropriation shall cease to be mandatory once the legal reserve reaches an amount equal to one-tenth of the share capital. It shall become mandatory again when for any reason the reserve falls below one-tenth of the share capital.

Distributable earnings shall comprise net profit for the financial year minus (i) any prior-year losses and (ii) any amounts appropriated to reserves in compliance with the law and the Articles of Association, plus any retained earnings brought forward.

Those earnings shall be distributed between all shareholders in proportion to the number of shares they own.

7.5.4 GENERAL MEETINGS (ARTICLES 18 TO 23 OF THE ARTICLES OF ASSOCIATION)

Shareholders' Meetings shall be convened in accordance with the rules stipulated by law. General Meetings shall be open to all shareholders irrespective of the number of shares they own.

In accordance with Article L. 22-10-10 of the French Commercial Code, the specific procedures for the participation of shareholders in General Meetings that are included in the Articles of Association are provided below.

ARTICLE 18 - GENERAL MEETINGS

Collective decisions of the shareholders shall be taken in General Meetings, qualified as Ordinary or Extraordinary depending on the nature of the decisions they are required to take.

Each regularly constituted General Meeting shall represent the shareholders as a whole.

The deliberations of General Meetings shall be binding on all shareholders, even if absent, dissenting or legally incapable.

ARTICLE 19 - NOTIFICATION TO ATTEND AND VENUE FOR GENERAL MEETINGS

General Meetings shall be convened and reach decisions as provided by law.

General Meetings shall be held at the Registered Office or any other place indicated in the notification to attend.

ARTICLE 20 – ACCESS TO GENERAL MEETINGS

All shareholders may participate in General Meetings, irrespective of the number of shares they own, in person or by proxy, on condition that they provide proof of identity and of ownership of their shares, in the form and place indicated in the notification to attend meeting, at the latest five days before the date of the General Meeting, as provided by law regarding the participation of shareholders in General Meetings.

However, the Board of Directors may reduce or waive this time limit provided that it does so for all shareholders.

Shareholders that are legal entities shall participate in Meetings through their legal representatives or any person appointed for this purpose by the latter.

Any shareholder may, as provided by the law and regulations, vote by proxy or by correspondence at any General Meeting, either on paper or (upon the decision of the Board of Directors published in the notification of the Meeting and notification to attend, or as the case may be, in the personal notification of the Meeting) by remote transmission.

ARTICLE 21 – QUORUM - VOTING - NUMBER OF VOTES

I In Ordinary and Extraordinary General Meetings, the quorum shall be calculated on the entire number of shares constituting the share capital, excluding non-voting shares as provided by law.

Where votes by correspondence are concerned, only voting slips received by the Company before the Meeting, within the time limit and pursuant to the conditions provided by law, will be counted.

For the purposes of calculating the quorum and the majority, shareholders participating in the Meeting by videoconference, internet or by telecommunication links enabling them to be identified of which the nature and conditions comply with the prevailing laws and regulations, shall be considered as present.

II Voting rights attached to shares are proportional to the capital they represent. At equal nominal value, each equity or dividend share entitles the holder to one vote. There are no double voting rights.

III If shares are held in usufruct, the voting rights attached to these shares shall belong to the beneficial owners in Ordinary General Meetings and to the bare owners in Extraordinary General Meetings.

7.5.5 RIGHTS ATTACHED TO SHARES (ARTICLES 7 TO 9 OF THE ARTICLES OF ASSOCIATION)

Each share shall give entitlement to a share in the corporate assets and in the distribution of profits proportionate to the interest in the capital that it represents. Each shareholder shall have as many voting rights and may cast as many votes at meetings as he has shares. Pecuniary and non-pecuniary rights may be restricted by law or under the Articles of Association. Under Article 7 of the Articles of Association, shareholders whose identity has not been declared to the company are stripped of voting rights. Article 8 of the Articles of Association refers to Article 40 of law no. 86-1067 of 30 September 1986, as amended, which stipulates a mechanism for capping voting rights. For a description of that mechanism refer to section 1.6.

7.5.6 CROSSING OF OWNERSHIP THRESHOLDS SPECIFIED IN THE ARTICLES OF ASSOCIATION (ARTICLE 7 OF THE ARTICLES OF ASSOCIATION)

Any person acting alone or in concert who obtains at least 1%, 2%, 3% or 4% of the capital or voting rights shall within the five days following registration in their account of the shares that caused them to attain or exceed that threshold declare to the company, by sending a registered letter with acknowledgement of receipt to the registered office, the total number of shares and the number of voting rights they possess.

Such declaration must be made on the conditions stipulated above every time the threshold of 1%, 2%, 3% or 4% is crossed either upwards or downwards.

In the event of failure to make a declaration as stipulated above, those shares in excess of the thresholds that should have been declared shall be stripped of voting rights on the conditions stipulated by law if one or more shareholders holding at least 5% of the capital so request at a General Meeting.

7.5.7 SHAREHOLDER AGREEMENTS ENTERED INTO BY TF1

TF1 has entered into a number of shareholder agreements, the most significant of which are:

PROSIEBEN SHAREHOLDER AGREEMENT

TF1, Mediaset, and the other shareholders of ProsiebenSat.1 Digital Content LP have entered into a shareholder agreement relating to the equity stakes (6% in the case of TF1) taken by them in the capital of ProsiebenSat.1 Digital Content LP, a company governed by English law that operates Studio71, the no. 3 MCN (Multi Channel Network) worldwide. The principal terms of the agreement are as follows:

- TF1 has the right to designate one member of the Board of Directors of ProsiebenSat.1 Digital Content LP;
- TF1 has an option to buy the shares held by ProsiebenSat.1 Digital Content LP (49%) in the joint subsidiary that operates Studio71 in France in the event that the right to force a sale of TF1's shares in ProsiebenSat.1 Digital Content LP is exercised.

ProsiebenSat.1 Digital Content LP will develop the activities of Studio71 through subsidiaries in France (with TF1) and in Italy and Spain (with Mediaset).

SALTO SHAREHOLDER AGREEMENT

TF1, M6 and France Télévisions have entered into a shareholder agreement relating to their respective equity interests (1/3 for TF1) in SALTO, a French-law company whose corporate purpose is to distribute paid-for linear and non-linear audiovisual services and content in France (including the overseas departments and territories), Monaco and Andorra. The principal terms of the agreement as regards TF1 are:

- TF1 has the right to designate two of the 6 members of the SALTO Supervisory Board;
- the customary cash-out mechanisms are available to TF1, subject to certain conditions, if it decides to exit the equity of SALTO. However, TF1 (like the other shareholders) has committed to retain an equity stake for at least five years from the date SALTO obtains a licence, except in certain specific circumstances.

7.5.8 FACTORS LIABLE TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

Refer also to the explanations about the licensing regime and legal restrictions on ownership of the share capital of TF1 provided in section 1.6. Specifically, Article 42-3 of the French Audiovisual Communication Act of 30 September 1986 as amended states that TF1's licence to operate a national terrestrial television service may be withdrawn by the CSA (the French broadcasting regulator) without notice in the event of a substantive change in the data on the basis of which the licence was issued, including changes in the share ownership structure.

Pursuant to Article L. 22-10-11 of the French Commercial Code, the factors liable to have an impact in the event of a public tender or exchange offer for the company's shares are as follows:

- **ownership structure**: the relevant information on the ownership structure and voting rights is provided in section 7.1.2. The principal shareholders of TF1 are Bouygues and TF1 group employees (*via* the "TF1 Actions" employee share ownership fund). Their votes could have an impact in the event of a public offer for TF1 shares;
- **restrictions on the exercise of voting rights under the Articles of Association**: under Article 7 of the Articles of Association (summarised in section 7.5.6), voting rights are stripped from shareholders who fail to declare that they have crossed a threshold of 1%, 2%, 3% or 4% of the company's share capital or voting rights. Those restrictions could have an impact in the event of a public offer for TF1 shares;
- **restrictions on share transfers under the Articles of Association and contractual clauses notified to the company pursuant to Article L. 233-11 of the French Commercial Code**: not applicable;
- **direct or indirect holdings in the share capital of which TF1 is aware, pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code**: this information is provided in section 7.1.2;
- **list of holders of securities conferring special control rights, and description of those rights**: not applicable.
- **control mechanisms stipulated as part of employee share ownership schemes:** the rules of the "TF1 Actions" employee share ownership fund stipulate that (i) decisions relating to the exercise of voting rights attached to the company's shares are taken solely by employee members of the fund's Supervisory Board representing holders of units in the fund and (ii) in accordance with Article L. 214-165 of the Monetary and Financial Code, such votes are taken after discussion with the company's representatives on the Supervisory Board but without those representatives being present. It is the fund's Supervisory Board (not the employees themselves) that decides whether to tender shares into a public offer; the fund held 8.4% of the voting rights as of 31 December 2020;
- **agreements between shareholders of which the company is aware and which could place restrictions on the transfer of shares and the exercise of voting rights**: not applicable;
- **rules applicable to the appointment and replacement of members of the Board of Directors**: the company is administered by a Board of Directors with between three and eighteen members, subject to the dispensations stipulated by law, plus employee representative Directors and an employee shareholder representative Director (see sections 3.1.1 and 3.1.2 of this universal registration document);

- **rules applicable to amendments to the company's Articles of Association**: under Article L. 225-96 of the French Commercial Code, only an Extraordinary General Meeting of the shareholders has authority to amend the Articles of Association; any clause that stipulates otherwise is deemed null and void;
- **powers of the Board of Directors to issue and buy back shares**: refer to the tables summarising authorisations and delegations of powers presented in section 7.4.5. In particular:
  - the authorisation to buy back the company's own shares up to a limit of 10% of the share capital on the date such authorisation is used, as granted by the Annual General Meeting of 17 April 2020 (13th resolution), prohibits any order being placed during the period of a public offer for the company's shares; the Annual General Meeting scheduled for 15 April 2021 will be asked to replace that authorisation with a new authorisation with the same purpose (13th resolution) up to a limit of 10% of the share capital on the date such authorisation is used,
  - as regards issuance of debt securities, it is appropriate that the Board of Directors should be able to act in the corporate interest by using the delegations of powers or authorisations granted by the Annual General Meeting of 18 April 2019 (15th, 17th, 18th, 21st and 22nd resolutions) even during the period of a public offer for the company's shares; the Annual General Meeting scheduled for 15 April 2021 will be asked to renew all the financial authorisations granted to the Board of Directors (see section 8.2),
  - there is no current or pending resolution whereby the General Meeting of shareholders would delegate powers to the Board of Directors to issue share warrants during the period of a public offer for the company's shares;
- **agreements entered into by the company that would be amended or lapse in the event of a change of control:** refer to the explanations about the licensing regime provided in section 1.6. Specifically, Article 42-3 of the French Audiovisual Communication Act of 30 September 1986 as amended states that TF1's licence to operate a national terrestrial television service may be withdrawn by the CSA without notice in the event of a substantive change in the data on the basis of which the licence was issued, including changes in the share ownership structure;
- **agreements under which directors or employees would be entitled to compensation if they resign or are dismissed without genuine and serious cause or if their employment is terminated as a result of a public offer**: not applicable.

7.5.9 AGREEMENTS ENTERED INTO BY CORPORATE OFFICERS OR SHAREHOLDERS WITH SUBSIDIARIES OR SUB-SUBSIDIARIES OF TF1

Pursuant to Article L. 22-10-10 of the French Commercial Code, any agreements entered into directly or *via* an intermediary between (i) the Chief Executive Officer, a Director, or a shareholder holding more than 10% of the voting rights of TF1 SA and (ii) any other company of which TF1 directly or indirectly owns more than half of the share capital, must be disclosed in the report on Corporate Governance unless such agreements relate to ordinary transactions contracted on an arm's length basis. TF1 is not aware of the existence of any such agreements.

7.5.10 ARTICLES OF ASSOCIATION

The TF1 Articles of Association can be consulted at the company's registered office, and are also available on the corporate website at: http://www.groupe-tf1.fr/en/investors/governance.

7.6 STATUTORY AUDITORS' REPORT ON THE REDUCTION IN CAPITAL

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Combined General Meeting of 15 April 2021

Fourteenth resolution

To the Shareholders,

In our capacity as Statutory Auditors of your company and in compliance with Article L. 22-10-62 of the French Commercial Code (*Code de commerce*) in respect of the reduction in capital by the cancellation of repurchased shares, we hereby report on our assessment of the terms and conditions of the proposed reduction in capital.

Your Board of Directors proposes that it be authorized, for a period of 18 months as from the date of this Shareholders' Meeting, to proceed with the cancellation of shares the company was authorised to repurchase, representing an amount not exceeding 10% of its total share capital, by periods of 24 months in compliance with the article mentioned above.

We have performed those procedures which we considered necessary in accordance with professional guidance issued by the national auditing body (Compagnie Nationale des Commissaires aux Comptes) for this type of engagement. These procedures consisted in verifying that the terms and conditions for the proposed reduction in capital, which should not compromise equality among the shareholders, are fair.

We have no matters to report as to the terms and conditions of the proposed reduction in capital.

Done at Paris La Défense, 26 February 2021

The Statutory Auditors

French original signed by:

ERNST & YOUNG Audit Nicolas Pfeuty	MAZARS Gilles Rainaut

7.7 STATUTORY AUDITORS' REPORT ON THE ISSUE OF SHARES AND VARIOUS SECURITIES WITH OR WITHOUT CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Combined General Meeting of 15 April 2021

Fifteenth, seventeenth, eighteenth, nineteenth, twenty-first, twenty-second and twenty-third resolutions

To the Shareholders,

In our capacity as Statutory Auditors of your company and in compliance with Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report on the proposed delegation of authority to your Board of Directors to proceed with various issues of shares and/or securities, operations upon which you are called to vote.

On the basis of its report, your Board of Directors proposes that

- you delegate authority to it, with the possibility of subdelegating such authority under the conditions laid down by law, for a period of twenty-six months as from the date of this meeting, to decide on the following operations and set the final terms and conditions of these issues, and proposes that, if necessary, your preferential subscription rights be cancelled:
  - the issue, without cancellation of preferential subscription rights (fifteenth resolution) (i) of ordinary shares of the company, and (ii) of securities of any kind, issued against payment or free of charge, giving access by any means, immediately and/or in the future, at any time or on a set date, to ordinary shares to be issued by the company,
  - the issue, with cancellation of preferential subscription rights, by means of a public offering other than those referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code (*Code monétaire et financier*) (seventeenth resolution), of (i) ordinary shares of the company, as well as (ii) any securities giving access by any means, immediately and/or in the future, to ordinary shares to be issued by the company,
  - the issue with cancellation of preferential subscription rights, by means of public offerings referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code and within the limit of 10% of the share capital per year (eighteenth resolution), of (i) ordinary shares of the company, as well as (ii) any securities giving access by any means, immediately and/or in the future, to ordinary shares to be issued by the company,
  - the issue of ordinary shares of the company and/or securities, in the event of a public exchange offer initiated by your company (twenty-second resolution);
- you authorize it, by the nineteenth resolution and within the scope of the implementation of the delegation of authority referred to in the seventeenth and eighteenth resolutions, to set the issue price within the legal annual limit of 10% of the share capital;
- you delegate to it, for a period of twenty-six months, the necessary powers to proceed with the issue of ordinary shares of the company or securities giving access by any means, immediately and/or in the future, to ordinary shares to be issued by the company, with a view to remunerating contributions in kind granted to the company and consisting of equity securities or securities giving access to the capital (twenty-first resolution), within the limit of 10% of the share capital.

The total nominal amount of the capital increases in cash that may be carried out immediately or in the future shall not, according to the fifteenth resolution, exceed €8,400,000 under the fifteenth resolution.

The total nominal amount of the capital increases in cash that may be carried out immediately or in the future shall not, according to the twenty-third resolution, exceed €4,200,000 under the seventeenth, eighteenth, nineteenth, twentieth, twenty-first and twenty-second resolutions and will be deducted from the overall limit of €8,400,000 set by the fifteenth resolution.

These limits take into account the additional number of securities to be created within the context of the implementation of the delegations of authority to increase the share capital with or without preferential subscription rights, under the conditions provided for in Article L. 225-135-1 of the French Commercial Code, if you adopt the twentieth resolution.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on other information relating to these operations provided in the report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (Compagnie Nationale des Commissaires aux Comptes) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to these operations and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for the proposed issues, we have no matters to report as to the methods used to determine the issue price of the equity securities to be issued provided in the Board of Directors' report in respect of the seventeenth and eighteenth resolutions.

We have the following matters to report on the Board of Directors' report:

- the Board of Directors' report does not provide justification in support of the methods used to determine the price of the equity securities to be issued within the limit of 10% of the share capital per year under the nineteenth resolution. We are therefore unable to report on the methods used to calculate the issue price;
- moreover, as the report does not specify the methods used to determine the issue price of the equity securities to be issued within the context of the implementation of the fifteenth, twenty-first and twenty-second resolutions, we cannot report on the choice of constituent elements used to determine the issue price;
- in accordance with Article R. 225-116 of the French Commercial Code, we will issue a supplementary report, if appropriate, when your Board of Directors has exercised these delegations of authority in the event of the issue of securities that are equity securities giving access to other equity securities or giving entitlement to the grant of debt securities, in the event of the issue of securities giving access to equity securities to be issued and in the event of the issue of shares with cancellation of preferential subscription rights.

Paris-La Défense, 22 February 2021

The Statutory Auditors

French original signed by:

MAZARS	ERNST & YOUNG Audit
Gilles Rainaut	Nicolas Pfeuty

7.8. STATUTORY AUDITORS' REPORT ON THE INCREASE IN CAPITAL RESERVED FOR EMPLOYEES WHO ARE MEMBERS OF A COMPANY SAVINGS SCHEME

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

Combined Meeting of April, 15th 2021

Twenty-fourth resolution

To the Extraordinary General Meeting,

In our capacity as Statutory Auditors of your company and in compliance with Articles L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby report on the proposed delegation of authority to the Board of Directors to decide on an increase in capital by an issue of ordinary shares with cancellation of preferential subscription rights, an operation upon which you are called to vote. The amount of this operation may not exceed 2% of the capital as at the date of the Board of Directors' decision.

This increase in capital is submitted for your approval in accordance with Articles L. 225-129-6 of the French Commercial Code (*Code de commerce*) and L. 3332-18 *et seq.* of the French Labour Code (*Code du travail*).

Your Board of Directors proposes that, on the basis of its report, it be authorized, for a period of 26 months as from the date of this Shareholders' Meeting, to decide on an increase in capital and that your preferential subscription rights to the ordinary shares to be issued be cancelled. If applicable, it will be responsible for fixing the final conditions of this operation.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 and R. 225-114 of the French Commercial Code (*Code de commerce*). Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on other information relating to the share issue contained in this report.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (Compagnie Nationale des Commissaires aux Comptes) for this type of engagement. These procedures consisted in verifying the information provided in the Board of Directors' report relating to this operation and the methods used to determine the issue price of the shares.

Subject to a subsequent examination of the conditions for the proposed increase in capital, we have no matters to report as to the methods used to determine the issue price for the ordinary shares to be issued set out in the Board of Directors' report.

As the final conditions for the increase in capital have not yet been determined, we cannot report on these conditions and, consequently, on the proposed cancellation of preferential subscription rights.

In accordance with Article R. 225-116 of the French Commercial Code (*Code de commerce*), we will issue a supplementary report, if necessary, when your Board of Directors has exercised this authorization.

Paris La Défense, 26 February 2021

The Statutory Auditors

French original signed by:

ERNST & YOUNG Audit	MAZARS
Nicolas Pfeuty	Gilles Rainaut

8

GENERAL MEETING

8.1 AGENDA

ORDINARY BUSINESS

1. Approval of the financial statements for the 2020 financial year.
2. Approval of the consolidated financial statements for the 2020 financial year.
3. Appropriation of profits for the 2020 financial year and setting the amount of the dividend.
4. Approval of regulated agreements referred to in Articles L. 225-38 et seq. of the French Commercial Code.
5. Approval of the components of total remuneration and benefits of any nature paid in or granted for the 2020 financial year to Gilles Pélisson as Chairman and Chief Executive Officer.
6. Approval of the information concerning the remuneration of the corporate officers described under Article L. 22-10-9 of the French Commercial Code.
7. Approval of the remuneration policy applicable for Gilles Pélisson, Chairman and Chief Executive Officer.
8. Approval of the remuneration policy for Directors.
9. Reappointment of Laurence Danon Arnaud as Director for a three-year term,
10. Reappointment of Bouygues as Director for three-year term,
11. Reappointment of SCDM as Director for a three-year term,
12. Appointment, for a period of three years, as Director representing the employee shareholders of Marie Aude Morel,
13. Authorisation granted to the Board of Directors to transact in the Company's shares for an 18-month period, subject to a maximum of 10% of the share capital.

EXTRAORDINARY BUSINESS

14. Authorisation granted to the Board of Directors to reduce the share capital by cancelling treasury shares, for an 18-month period.
15. Delegation of authority granted to the Board of Directors to increase the share capital by public offer, while maintaining shareholders' preferential right of subscription, by issuing shares and any securities giving immediate or deferred access to the Company's shares, for a 26-month period.
16. Delegation of authority granted to the Board of Directors to increase the share capital by incorporating premiums, reserves, profits or others, for a 26-month period.
17. Delegation of authority granted to the Board of Directors, for a period of twenty-six months, to increase the share capital by public offer other than those referred to in Article L. 411-2 of the French Monetary and financial Code, with cancellation of shareholders' preferential right of subscription, through the issuance of shares and any securities giving immediate and/or future access to Company shares.
18. Delegation of authority granted to the Board of Directors to increase the share capital, without shareholders' preferential right of subscription, by issuing shares and any securities giving immediate or deferred access to the Company's shares, for a 26-month period by public offers as described under Article L. 411-2 I of the French Monetary and Financial Code.
19. Authorisation granted to the Board of Directors to set, according to the terms determined by the General Meeting, the issue price of equity securities without shareholders' preferential right of subscription, for immediate or deferred issue, for a 26-month period.
20. Delegation of authority to the Board of Directors to increase the number of shares to issue in the event of a capital increase with or without shareholders' preferential right of subscription, for a 26-month period.
21. Delegation of authority granted to the Board of Directors to increase the share capital without shareholders' preferential right of subscription, with a view to remunerating contributions in kind granted to the Company and consisting of equity securities or securities giving access to the capital of another Company, not as part of a public exchange offer, for a 26-month period.
22. Delegation of authority granted to the Board of Directors to increase the share capital, without shareholders' preferential right of subscription, to remunerate securities contributed to the company as part of a public exchange offer initiated by the company, for a 26-month period.
23. Overall limitation of financial authorisations.
24. Delegation of authority granted to the Board of Directors to increase the share capital, without shareholders' preferential right of subscription, in favour of employees or corporate officers of the Company or affiliated companies who are members of a company savings plan, for a 26-month period.
25. Amendment to Article 10 of the Articles of Association for the purpose of complying with the new legal provisions applicable in terms of appointing a Director representing employee shareholders.
26. Authorisation to carry out formalities.

8.2 REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS

ORDINARY BUSINESS

RESOLUTIONS 1 AND 2 – APPROVAL OF THE 2020 FINANCIAL STATEMENTS

SUBJECT AND PURPOSE

We propose that you approve the individual and consolidated financial statements for the financial year 2020.

The activities of TF1 and its Group during the past financial year, their situation and the results of the activities are presented in chapters 1 and 5; the individual and consolidated financial statements are included in chapter 6. Your Statutory Auditors will present their reports on the 2020 financial statements. These reports are included in chapters 3. All of this documentation is also available on the website groupe-tf1.fr/

RESOLUTION 3 – APPROPRIATION OF PROFITS FOR THE 2020 FINANCIAL YEAR AND SETTING THE AMOUNT OF THE DIVIDEND (€0.45 PER SHARE)

TOPIC AND PURPOSE

We propose, after noting the existence of a distributable profit of €362,768,680.52, taking into account the net loss for the financial year of €206,544,525.47 and the retained earnings of €569,313,205.99, to decide the following allocation and distribution:

- distribution in cash of a dividend of €94,676,845.95 (a dividend of €0.45 per share of €0.20 nominal value), on the basis of the 210,392,991 shares outstanding at 31 December 2020;
- appropriation of the balance in retained earnings €268,091,834.57.

The dividend will be paid on 5 May 2021. The dividend ex-date will take place on 3 May 2021 and the closing date for positions will be set on 4 May 2021 in the evening.

The entire dividend is eligible, upon option, for the 40% rebate mentioned in Section 3–2, Article 158 of the French General Tax Code.

In accordance with Article 243 bis of the French General Tax Code, the amount of dividends distributed in respect of the three previous financial years is indicated below in the third resolution.

We remind you that the unit amount of the dividends per share for the financial years 2017 and 2018 were respectively €0.35 and €0.40. No dividends were paid in respect of the 2019 financial year.

RESOLUTION 4 – APPROVAL OF RELATED-PARTY TRANSACTIONS

SUBJECT AND PURPOSE

We propose that you approve the so-called related-party agreements entered into during the financial year 2020 between TF1 and one of its corporate officers (executive, director), a company in which a TF1 corporate officer also holds an office or a shareholder holding a fraction of the voting rights greater than 10% or, in the case of a shareholding company, the controlling company.

This approval fits within the framework of the special procedure for related-party agreements, the purpose of which is to prevent any conflicts of interest.

In accordance with the law, these agreements were subject to prior authorisation by the Board of Directors, since the directors concerned neither attended nor took part in the vote.

The Statutory Auditors' special report on related-party agreements is presented in Section 3.3. The agreements mentioned in this special report and already approved by previous General Meetings are not resubmitted to the vote of the General Meeting.

The Board of Directors has authorised the renewal, for the year 2020, of the related-party agreements described below; as in previous years, we ask you to approve these agreements.

Corporate Services Agreement with Bouygues

Interest

This agreement, a common feature of corporate groups, allows TF1 to benefit from the services, expertise and coordination that Bouygues makes available to the different companies within its group, in different areas such as management, human resources, finance, communications, sustainable development, corporate sponsorship, new technologies, insurance, legal counsel, innovation consulting and others.

Each year, TF1 enters into this agreement to enjoy access to this expertise and services.

Authorisation and financial conditions

In its meeting held on 15 December 2020, the TF1 Board of Directors authorised the renewal of this agreement for one year beginning on 1 January 2021.

This agreement is based on rules of allocation and invoicing of the shared service costs, including specific services invoiced to TF1 under normal business terms (market price), and payment of residual shared costs reinvoiced to TF1, according to allocation keys, and limited to a percentage of TF1's revenue. Invoicing of the shared costs is subject to a 10% margin for high-added-value services and 5% for low-added-value services.

In 2020, Bouygues invoiced TF1 a total of €3.0 million, equivalent to 0.14% of the TF1 group's total revenue (compared with €3.5 million in 2019, or 0.15% of consolidated revenue).

Topic

Expertise

Bouygues provides TF1 with services and expertise in several areas such as management, human resources, finance, communications, sustainable development, corporate sponsorship, new technologies, insurance, auditing, legal counsel, and innovation consulting.

Depending on its needs and in accordance with the agreement authorised annually by the Board of Directors, TF1 makes use of these services by requesting them from the experts at any time throughout the year as questions, issues or discussions arise.

Facilitation of the corporate functions

In addition to the advice and assistance provided, the joint services provide leadership for all of the Group's business lines, including by organising meetings between professionals to promote exchanges, technical discussions or take ownership of changes to regulations.

Examples of these types of services in 2020 included:

- **Human Relations**: Bouygues SA provided the HR Department of the TF1 group with its services and expertise in the following areas: HR development and training, legal affairs, remuneration policy and employee benefits, HRIS and CSR. In this context, Bouygues SA leads many expert committees ("Mobility", "Training", "Employee Data", "HRIS", "Remuneration & Benefits", "Employee Relations", "Academic Relations", "Diversity/CSR" and others), for the purposes of coordinating HR initiatives, ensuring legal and regulatory monitoring and sharing expertise and best practice in all of these areas. These committees meet several times per year. The following events and functional seminars are included in these common service fees:
  - in 2020, several TF1 group executives took part in training sessions at the Bouygues Management Institute, a training institute for Bouygues group management methods and values,
  - each year, the Legal Affairs Department of Bouygues holds a training session as part of the "legal affairs refresher course" for TF1's HR Directors and Managers. HR executives also receive coaching during the "Vaugouard" HR induction seminars,
  - bouygues SA also endeavours to integrate new hires by means of the "Bouygues group Welcome Days",
  - lastly, the Bouygues group meets every year, when circumstances permit, for a forum to promote internal mobility, called "Opportunity";
- **Internal control**: the TF1 group receives support from Bouygues concerning internal control and risk management tools and methodologies, including:
  - during 2020, the Risk Managers of the Bouygues group's various businesses met several times to work on the internal control tool that was implemented at TF1 in 2019 and the upgrades of the version installed in 2020 before the internal control campaign,
  - meetings were organised and led by Bouygues so that representatives of the businesses could:
    - share knowledge of external benchmarks in relation to internal control and risk mapping to assess Group methods and compare these with other companies' practices,
    - share information on regulatory changes, particularly in relation to the French law on the duty of diligence and the Sapin II Act,
  - in addition, a half-day training module on internal control is provided each year by the head of internal control of Bouygues SA with the auditors of each of the Group's business lines. The topics covered concern the objectives of internal control, the methodology, the principles and the regulatory framework;
- Corporate Social Responsibility (**CSR**): the TF1 group's CSR Director relies on the initiatives put in place by the Bouygues group's Sustainable Development Department. She also draws on the expertise developed by the Bouygues group in this area, notably in the development of relevant monitoring indicators and with regard to the relationship with non-financial ratings agencies and other stakeholders;
- The **Technology Division** of TF1 group benefits from numerous synergies with the corresponding divisions of other Bouygues group subsidiaries, thanks to "cross-functional coordination" provided by Bouygues SA. Such functional leadership takes the following form:
  - a Strategy Committee that is dedicated to sharing feedback on the methods and technology adopted in the various entities,
  - a Group IT Security Committee which brings together the cybersecurity teams of each entity to enable the sharing of best practices, the exchange of information in real time (particularly in the event of a virus attack), and the selection and implementation of common solutions,
  - a purchasing working group, which steers negotiations of Group contracts with the major global technology suppliers,
  - a Careers Committee, which periodically examines mobility opportunities among entities in the group of IT experts,
  - a community of employees who, under the "Bytech" brand, ensures the function's external visibility for the purposes of attracting and recruiting people with backgrounds in IT and digital technology;
- The **Accounting Department** of TF1 group also benefited from the establishment, in 2020, of a working group initiated by Bouygues on the new European regulations European Single Electronic Format[1]. This working group enabled the identification of relevant transcription tools and the sharing of expertise between teams, as well as the definition of a common framework, allowing the TF1 group to publish financial statements in XHTML format as of the 2020 financial year.

(1) This regulation calls for all companies listed within the European Union to present their annual financial reports in a harmonised electronic format - xHTML.

In addition, in the context of the COVID-19 crisis, the Bouygues group provided support to the TF1 group, in particular by enabling the rapid supply of surgical masks to staff essential to the continuity of the activities of the channels.

Lastly, in 2020, the Bouygues group, as a major shareholder, regularly offered its support, both formally and/or informally, with operational issues, particularly in the areas of legal and finance.

Parties concerned

- Charlotte Bouygues, permanent representative of SCDM, Olivier Bouygues, Pascal Grangé, permanent representative of Bouygues, and Olivier Roussat.
- Bouygues is a shareholder.

Reinvoicing of the supplementary pension granted to Gilles Pélisson, Chairman and Chief Executive Officer

TF1 and Bouygues signed the renewal of the re-invoicing agreements for the financial years 2020 and 2021, from 1 January 2020 to 31 December 2021, for the re-invoicing by Bouygues of the share of the premiums paid to the insurance company by Bouygues for the benefit of Gilles Pélisson, in respect of the supplementary pension contribution with defined benefits and acquired rights governed by Article L. 137-11-2 of the French Social Security Code.

This agreement allows TF1 to grant its Chief Executive Officer the benefit of a supplementary pension and to benefit from negotiations carried out on a shared basis within the Bouygues group, between Bouygues and the executives of its various business lines, Bouygues having signed a contract outsourcing the management of the executive supplementary pension plan with an insurance company on terms consistent with market practices.

Bouygues re-invoices TF1 the share of the premiums paid to the insurance company for its Chief Executive Officer.

In respect of the 2020 financial year, Bouygues reinvoiced €274,483 excluding VAT, but including the tax paid to URSSAF (social security body).

The authorisation for the re-invoicing of this agreement for the 2021 financial year had no financial impact on 2020. However, it will have an effect on the 2021 financial year.

Parties concerned

- Charlotte Bouygues, permanent representative of SCDM, Olivier Bouygues, Pascal Grangé, permanent representative of Bouygues, and Olivier Roussat. Gilles Pélisson.
- Bouygues is a shareholder.

For the use of aircraft held by AirBy

This agreement gives TF1 the possibility of contacting AirBy, which is indirectly owned by Bouygues and SCDM, and the operator of a Global 6000 aircraft, or, failing that, an equivalent aircraft including the plane itself and all flight-related costs, for a period of one year from 1 January 2021.

No amount was invoiced in 2020. TF1 has not used this facility since 2009.

Parties concerned

- Charlotte Bouygues, permanent representative of SCDM, Olivier Bouygues, Pascal Grangé, permanent representative of Bouygues, and Olivier Roussat.
- Bouygues is a partner.

RESOLUTIONS 5 AND 6 – APPROVAL OF 2020 REMUNERATION OF CORPORATE OFFICERS ("SAY ON PAY EX-POST")

SUBJECT AND PURPOSE

The 2020 universal registration document features, in Section 3.4, the required information on remuneration paid or granted to corporate officers (Chairman and Chief Executive Officer and Directors) for the 2020 financial year.

In the 5th **resolution**, we invite you to approve the fixed, variable and exceptional components of the total remuneration and benefits in-kind paid or granted for the year ended 31 December 2020 to Gilles Pélisson as Chairman and Chief Executive Officer.

In the 6th **resolution**, we invite you to approve all of the information on 2020 remuneration.

RESOLUTIONS 7 AND 8 – APPROVAL OF THE REMUNERATION POLICY FOR CORPORATE OFFICERS ("SAY ON PAY EX ANTE")

The remuneration of corporate officers is rightly the focus of growing attention from shareholders and investors and recent regulations have increased the requirements for transparency over such remuneration as well as the powers of the General Meeting.

The principles for compensating corporate officers detailed in Section 3.5 and the draft resolutions that we invite you to approve have factored in these changes.

In the 7th **resolution**, you are asked to approve the remuneration policy, the principles and criteria for determining, distributing and granting the fixed, variable, and exceptional components of the total remuneration and the benefits in-kind attributable to Gilles Pélisson in relation to his term of office as Chairman and Chief Executive Officer.

In the 8th **resolution**, we propose that you approve the remuneration policy for directors.

This policy has been passed by the Board of Directors, based on proposals from the Nominating and Remuneration Committee. It contributes to the company's sustainability and fits into its business strategy.

RESOLUTIONS 9 TO 12 – TERMS OF OFFICE OF DIRECTORS

SUBJECT AND PURPOSE

In the **9th, 10th and 11th resolutions**, we submit for your approval the renewal, for three years, of the terms of office of Laurence Danon Arnaud, of Bouygues represented by Pascal Grangé and of SCDM represented by Charlotte Bouygues, which expire at the end of the General Meeting of 15 April 2021.

As is the case every year, the Board considered the desirable balance between its composition and that of its committees, particularly in terms of diversity (balanced representation of women and men, ages, qualifications and professional experience).

The Board of Directors seeks to improve the standard and effectiveness of corporate governance at TF1 by regularly reviewing its composition and diversity, together with the Directors' competencies, experience, commitment, motivation and accountability. Other issues assessed include the proportion of independent Directors and gender balance, and adopting the Board practices that are best suited to the company.

At its meeting held on 10 February 2021, the Board of Directors reviewed the terms of office of Directors that were expiring at the next General Meeting, taking into account its composition, organisation and functioning with regard to the rules of governance set forth in the Articles of Association, the Internal Procedures and the recommendations of the AMF, the High Committee for Corporate Governance, the AFEP/MEDEF Corporate Governance Code and market practices, as well as the expertise of current directors, their availability and their involvement and the need to maintain the same level of independent Directors and women.

The Board paid particular attention to the experience and knowledge of the Group's businesses that each Director needs in order to contribute effectively to the work of the Board and its three committees.

Overall, the Board of Directors has sought to maintain a balanced membership that can address the challenges facing the Group.

The Board of Directors first obtained the opinion of the Nominating and Remuneration Committee, which reviewed the offices held with regard to the independence criteria defined by the AFEP/MEDEF Code.

Director CVs are presented in Section 3.1.3.

The latest composition of the Board of Directors can be viewed at any time on the corporate website: https://www.groupe-tf1.fr/en/investors/governance/board-directors.

Reappointment of three Directors

Your Board of Directors has previously obtained the opinion of the Nominating Committee, which has decided that these three Directors, Laurence Danon Arnaud, the Bouygues company represented by Pascal Grangé and the company SCDM represented by Charlotte Bouygues, contribute to the Board's work and that of its Committees their experience, and their ability to understand the challenges and risks of the TF1 group's business lines.

In addition, it concluded that Laurence Danon Arnaud would continue in 2021 to have no business relationship with the TF1 group and that she would continue to discharge her duties as an independent Director with regard to all the criteria defined by the AFEP/MEDEF Code.

A Director of TF1 since July 2010 and Chair of the Audit Committee since April 2013, Laurence Danon Arnaud, a French businesswoman, also shares her widely recognised expertise in finance and accounting with the Board.

Charlotte Bouygues, currently e-Commerce Director of Aufeminin, and Pascal Grangé Deputy Chief Financial Officer of the Bouygues group, who joined the Board of Directors in the first half of 2020, bring their knowledge and experience in France and internationally in the fields of the media, the audiovisual environment and the industrial world to the Board. Pascal Grangé, member of the Audit Committee as of 14 February 2020, also provides the Board with the benefit of his recognised expertise and experience in financial and accounting matters.

If their terms of office are renewed, Bouygues and SCDM have announced their intention to retain their permanent representatives on the TF1 Board of Directors.

The Board of Directors, in accordance with the recommendations of the Nominating Committee, considers that these directors fully participate in the Board's work; their contribution is particularly appreciated and their knowledge of the media and the French audiovisual environment informs the work of the Board.

In 2020, the attendance rate of these three directors was 100% at the meetings of the Board of Directors and the Committees on which they sit.

The Board of Directors, acting on the recommendation of the Nominating and Remuneration Committee, is asking the shareholders to approve the reappointment of these Directors for a further three-year term of office expiring at the end of the General Meeting held in 2024 to approve the 2023 financial statements.

The vote to renew their terms of office would reinforce the expertise of the Board and maintain the 44% independence (vs 33.3% expected in controlled companies) and the 56% women on the Board (the Directors representing the staff and the Director representing the employee shareholders to be appointed at the Annual General Meeting are not taken into account in this calculation of these percentages).

Appointment of the Director representing employee shareholders

TF1 had no obligation to arrange for the election of directors representing employee shareholders pursuant to Article L. 225-23 of the French Commercial Code prior to the publication of Law 2019-486 of 22 May 2019 on the business growth and transformation action plan (the "Pact" Law), which removed the exemption that applied to TF1.

In accordance with section II of Article 186 of the Pact Law, the Board of Directors presented to the General Meeting of 17 April 2020, the amendment to the Articles of Association of TF1 necessary for the election of the Director representing employee shareholders. The amendment to the Articles of Association was adopted by 100% (18th resolution). Her appointment is submitted to the vote of the General Meeting of 15 April 2021 (12th resolution).

The Nominating and Remuneration Committee, as well as the Board of Directors, took note of the appointment of the candidate by the Supervisory Board of the mutual fund TF1 Actions.

Curriculum vitae of Marie Aude Morel

Date of birth: 12/02/1972

Nationality: French

Education and professional background: Graduate with an engineering degree in Management IT from EISTI CY-TECH and a master's degree in Telecoms and Media Management from Paris Dauphine University. Marie-Aude Morel joined TF1 in 1995. She held various positions within the TF1 Group: IT Researcher from 1995 to 1997, Manager of French Drama from 1997 to 2001, Manager at TF1 Publicité from 2001 to 2004, IT Project Manager for broadcasting and broadcasting rights from 2004. In 2012, she was appointed head of the broadcasting support team and held the position of Treasurer of the Social and Economic Committee of TF1 SA from 2013 to 2020.

Since January 2021, she has worked as a Business Intelligence Project Manager in the Technology Department.

The candidate for the term of office was appointed by the Supervisory Board of the mutual fund TF1 Actions, at its meeting of 28 January 2021, from among its employee members; the latter having been newly elected on 14 January 2021, in accordance with the Pact Law, which stipulates that as of 1 January 2021, the salaried members of the Board of Directors are elected, by all shareholders.

She will have the same powers and the same responsibilities as non-employee representative directors and employee representative directors.

Her term of office is for a period of three years, until the General Meeting held in 2024, called to approve the 2023 financial statements.

Her duties end at the end of the Ordinary General Meeting held in the year in which her term of office expires.

The duties of the employee representative Director shall automatically terminate ahead of schedule if the employment contract is terminated (subject to cases of intra-group transfer) or if the TF1 group exits the company that employs that Director. The Board of Directors shall then take all measures to organise the replacement of the Director whose term of office has thus expired.

Offices and positions held outside the TF1 Group:

None

Directorships and offices expiring in the last five years:

None

Composition of the Board of Directors after the General Meeting

Subject to approval by the Annual General Meeting of the 9th to 12th resolutions, the composition of the Board of Directors after the Annual General Meeting will be as follows:

- 4 independent female directors: Marie Allavena, Laurence Danon Arnaud, Pascaline de Dreuzy and Catherine Dussart;
- 2 Directors representing the employees: Sophie Leveaux Talamoni and Sabrina Zerbib;
- 1 Director representing employee shareholders: Marie-Aude Morel;
- 1 Executive Director: Gilles Pélisson;
- 4 Directors representing the principal shareholder: Olivier Bouygues, Olivier Roussat, Bouygues, represented by Pascal Grangé and SCDM, represented by Charlotte Bouygues.

Among its directors not representing employees, the Board of Directors of TF1 would have four independent Directors, a proportion of 44%, and also five women, a proportion of 56% (directors elected by employees and the Director representing shareholder employees are not counted in determining the percentages).

The average age would be reduced from 60 to 57; the average seniority would be 6.6 years. (calculation at the date of the Annual General Meeting of 15 April 2021).

The composition of the Board of Directors is updated regularly on the company's website

www.groupe-tf1.fr/en, Investors > Governance > Board of Directors

RESOLUTION 13 – PURCHASE OF TREASURY SHARES

SUBJECT AND PURPOSE

In the **13th resolution** submitted for your approval, we invite you to renew the authorisation given each year to the company to purchase treasury shares under a buyback programme.

The objectives of the buyback programme would be to:

- reduce the share capital by cancelling shares under the conditions provided for by law, subject to authorisation by the Extraordinary General Meeting;
- grant shares to employees or corporate officers of the company or affiliated companies, in particular as part of profit-sharing schemes, stock option schemes, corporate or group savings plans, or through the allotment of free shares;
- retain shares and, where appropriate, use them subsequently as payment or exchange for acquisitions, mergers, demergers or transfers of assets, in compliance with regulatory requirements;
- promote market liquidity and regularity in the company's equity securities listings and avoid price variances not justified by market trends, by making use of a liquidity agreement to be managed by an investment service provider acting in compliance with AMF-approved market practice;
- fulfil obligations related to debt securities, in particular securities giving entitlement to company shares through redemption, conversion or exchange, or in any other manner;
- implement any market practice accepted by the AMF and generally to carry out any other transaction in compliance with prevailing regulations.

At its Meeting on 10 February 2021, your Board of Directors decided to restrict the objectives of the buyback programme to the first two points above. It reserves the right to extend the programme to other objectives. In such circumstances, the company would inform the market.

In 2020, TF1 acquired 4,583 shares in TF1, for cancellation purposes. On 28 October 2020, the Board of Directors decided to cancel all of the 4,583 treasury shares.

At 31 December 2020, the company did not own any treasury shares.

Ceiling for the authorisation

The authorisation will be granted within the following limits:

- maximum percentage of the share capital authorised for repurchase: 10% of capital;
- maximum price per share: €20;
- maximum overall amount: €300 million;
- duration: 18 months.

These transactions may be carried out at any time, except during a public offer for the company's shares.

Treasury shares have no voting rights and dividends accruing to them are carried forward as retained earnings.

EXTRAORDINARY BUSINESS

RESOLUTION 14 – OPTION TO REDUCE SHARE CAPITAL BY CANCELLING SHARES

SUBJECT AND PURPOSE

We invite you to delegate, for a period of 18 months, all powers to the Board of Directors, for the purpose of cancelling all or part of the company shares acquired as part of the share purchase programmes authorised by the General Meeting.

The purpose of the 14th resolution is to authorise the Board of Directors, if it deems appropriate, to reduce the share capital of the company, on one or more occasions and by up to 10% of the share capital per 24-month period, by cancelling some or all of the shares acquired under the share purchase programmes authorised by the General Meeting. This authorisation would be given for an 18-month period. It would replace that given previously by the Annual General Meeting of 17 April 2020.

This new delegation is in the same vein as similar ones authorised at previous Annual General Meetings and remain consistent with usual practices and recommendations concerning the amount, ceiling and duration (18 months).

The company will not be permitted to buy back its own shares during the period of a public tender offer or public exchange offer. In addition, share buybacks may be carried out through the use of derivatives. The Board of Directors has taken the view that the terms offered by such use might be in the financial interest of the company and shareholders. The 10% limit and €300 million allocation have both been maintained to ensure that the Board of Directors retains ample room for manoeuvre.

Cancelling repurchased shares makes it possible to offset the dilutive impact on shareholders arising from the creation of new shares following, for example, the exercise of stock options.

Ceiling for the authorisation

The authorisation will be granted within the following limits:

- authorisation limit: 10% of the share capital per period of twenty-four months;
- duration of the authorisation: eighteen months.

RESOLUTIONS 15 TO 23 – OPTION TO INCREASE SHARE CAPITAL BY ISSUING SECURITIES OR SHARES WITH OR WITHOUT THE PREFERENTIAL RIGHT OF SUBSCRIPTION

SUBJECT AND PURPOSE

We invite you to renew the previous authorisations delegating the powers of the General Meeting to the Board of Directors to issue securities giving immediate or deferred access to the company's capital, for a period of 26 months.

Over the years, the General Meeting has regularly granted the Board of Directors the necessary authorisations so that it may seize opportunities offered by the financial markets, to complete the best transactions depending on the company's strategy and working capital requirements, with a choice of securities giving access to the capital.

In addition, the 21st resolution will make it easier for TF1 to carry out acquisitions or mergers with other companies without having to pay cash, and the 22nd will enable TF1 to propose to the shareholders of a listed company to exchange their shares for TF1 shares issued for this purpose, and thus enable TF1 to acquire shares in the company in question without having to use bank loans, for example.

The Board has not used the authorisations or financial delegations granted by the 2019 Annual General Meeting expiring in 2021.

The different financial delegations and authorisations to be granted to the Board of Directors by the General Meeting of 15 April 2021 will replace, from the day of their approval by the Annual General Meeting, those previously granted for the same purpose.

The delegations provided by these resolutions aim to issue capital shares and securities giving access to capital with or without preferential right of subscription. The policy of the TF1 Board of Directors is to privilege, on principle, the maintenance of shareholders' preferential right of subscription. Nevertheless, the cancellation of shareholders' preferential right of subscription may be necessary and in this case the Board of Directors can grant shareholders an irreducible and/or reducible priority subscription option.

The maximum nominal amount of immediate or deferred capital increases that may be performed under the authorisations to be granted, will be €8.4 million (20% of the capital – "overall ceiling") with preferential right of subscription (15th resolution) or €4.2 million (10% of capital – "sub-ceiling") without preferential right of subscription. The maximum nominal amount of debt securities to be issued under the authorisations to be granted will be €900 million.

The sub-ceiling applies to the following issues according to the type of transactions planned, namely:

- Capital increases public offers as described under Articles L 411-2 and L411-2 1 of the French Monetary and Financial Code, without preferential right of subscription (17th and 18th resolutions);
- issues as remuneration for in-kind contributions of securities from another company, and not part of a public exchange offer (21st resolution);

- issues as remuneration for in-kind contribution of securities in the context of a public exchange offer initiated by TF1 (22nd resolution).

The 16th resolution proposes authorising the Board of Directors to increase the share capital by incorporating reserves, profits, premiums or other sums which may be capitalised within the limit of a nominal amount of €400 million.

This ceiling is independent and distinct from the overall ceiling established in the 15th resolution.

In accordance with law, the issue price of equity securities must be at least equal to the average of the quoted market prices on the three trading days preceding the day on which it is set, possibly reduced by a discount of 5%. However, the 19th resolution proposes authorising the Board of Directors to derogate from the price setting conditions provided in the 17th and 18th resolutions by retaining an issue price equal to the average of the quoted market prices over a maximum period of 6 months preceding the issue or an issue price equal to the volume weighted average price on the day preceding the issue (VWAP 1 day) with a maximum discount of 10%.

In the 20th resolution (the over-allocation clause), the proposal is made to allow the Board to seize opportunities in the financial markets by authorising it to vote additional issues for any capital increases with or without preferential subscription rights, within 30 days of the close of the subscription period, at the same price and up to a maximum of 15% of the original issue.

RESOLUTION 24 – DELEGATION TO INCREASE CAPITAL TO BENEFIT EMPLOYEES BELONGING TO A GROUP SAVINGS PLAN

SUBJECT AND PURPOSE

In **the 24th resolution** submitted for your approval, we invite you to renew the authorisation granted to the Board of Directors, for a term of 26 months and up to 2% of the share capital, to carry out capital increases reserved for employees of the TF1 group who are members of the group corporate savings plan (PEE/PEG).

The subscription price may be determined by applying the maximum legal discount on the market price, in exchange for a lock-up period. The company is convinced that it is important that employees share in the success of the Group, in which they are the key players. The employee savings plans and capital increases reserved for employees enable them to generate savings and hold a direct stake in the Group's performance, which increases their commitment and motivation.

The 24th resolution aims to once again authorise the Board of Directors, for a term of 26 months, to carry out, in the proportion and at the time it will deem fit, one or more capital increases reserved for employees of the TF1 group who are members of the corporate group savings plan (PEE/PEG), within a maximum limit of 2% of the share capital, without any preferential right of subscription.

In accordance with Article L. 3332-19 of the French Labour Code, the subscription price will be equal to the average listed price on the Euronext Paris Eurolist market during the twenty trading sessions prior to the date of the decision setting the opening date of the subscriptions, along with a maximum discount of 30% (or 40% if the lock-up period stipulated in the plan is greater than or equal to ten years.)

As of 31 December 2020, 71.4% of employees were members of the PEE via the TF1 Actions mutual fund. Employees held 8.4% of the share capital and voting rights. The management company of the FCPE TF1 Actions company investment savings plan purchases, without discount, on the market, the TF1 shares held by the investment savings plan.

The cap set at 2% of share capital is independent of the authorisations for granting performance shares and stock options.

RESOLUTION 25 – PROVISIONS APPLICABLE TO THE APPOINTMENT OF DIRECTORS REPRESENTING THE EMPLOYEES

SUBJECT AND PURPOSE

In the **25th resolution** which is submitted for your approval, we ask you to amend Article 10 of the Articles of Association, required for the admission to the Board of Directors of Directors representing employees, as part of the representation mandatory under the terms of Article L. 225-27-1 of the French Commercial Code.

Since the privatisation of TF1, at least one-sixth of the Board of Directors has been made up of employee representatives, in accordance with Article 66 of Act no. 86-1067 of 30 September 1986 regarding freedom of communication. To this end, two Directors are elected by TF1 SA employees, one from the college of executives and journalists, the other from the college of employees, technicians and supervisors.

By Ordinance no. 2020-1642 of 21 December 2020, Article 66 was repealed. The mandatory representation of employees on the Board of Directors of public limited companies as required by Article L. 225-27-1 of the French Commercial Code now applies to TF1. This article provides for the appointment of a Director representing the employees if the Board of Directors comprises eight or less Directors and of two such Directors if the Board of Directors has more than eight Directors.

On the proposal of the Selection and Remuneration Committee, and after having obtained the opinion of the TF1 Social and Economic Committee, the Board proposes the appointment by the trade union(s) having obtained the most votes in the first round of the elections mentioned in Articles L. 2122-1 and L. 2122-4 of the French Labour Code in the Company and its subsidiaries, direct or indirect, whose registered office is located in France. Given the absence of any transitional arrangements, it is necessary that the Articles of Association of TF1 SA be amended as of the General Meeting of 2021 to allow the appointment of new employee representatives.

RESOLUTION 26 – AUTHORISATIONS FOR FORMALITIES

SUBJECT AND PURPOSE

In **the 26th resolution** submitted for your approval, you are invited to authorise the completion of all legal or administrative formalities and all filing and publishing requirements contained in current legislation.

Information on the company's operations, to be provided under the law, is included in the management report that you received.

You are asked to vote on the proposed resolutions.

The Board of Directors.

8.3 DRAFT RESOLUTIONS

ORDINARY BUSINESS

FIRST RESOLUTION

(APPROVAL OF THE FINANCIAL STATEMENTS FOR THE 2020 FINANCIAL YEAR)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the Board of Directors and the Statutory Auditors' reports, approves the individual financial statements for the year ended 31 December 2020 as presented, as well as the transactions reflected in those financial statements and summarised in those reports.

SECOND RESOLUTION

(APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2020 FINANCIAL YEAR)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the consolidated financial statements for year ended 31 December 2020 and the Board of Directors' and statutory auditors' reports, approves the consolidated financial statements for the 2020 financial year as presented, as well as the transactions reflected in those financial statements and summarised in those reports.

THIRD RESOLUTION

(APPROPRIATION OF PROFITS FOR THE 2020 FINANCIAL YEAR AND SETTING THE AMOUNT OF THE DIVIDEND)

The Shareholders' Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, notes that the distributable profit for the financial year amounts to €362,768,680.52.

Taking into account the net loss for teh financial year of €206,544,525.47 and retained earnings of €569,313,205.99, it resolves, on proposal of the Board of Directors, the following appropriation of distributable profit:

- distribution in cash of a dividend of €94,676,845.95 (*i.e.* a dividend of €45 per share of €0.20 par value);
- allocation of the balance to retained earnings of €268,091,834.57

The ex-dividend date on the Euronext Paris market will be 3 May 2021. The dividend will be payable in cash on 5 May 2021 to shareholders of record at the close of business on 4 May 2021.

With this option, the entire dividend is eligible for the 40% rebate mentioned in Section 3–2, Article 158 of the French General Tax Code, if the option has been taken for paying tax according to the sliding scale for income tax.

The General Meeting authorises the appropriation to retained earnings of the dividends on the shares that TF1 is authorised to hold as treasury shares, in accordance with Article L. 225-210 of the French Commercial Code.

The General Meeting notes that the dividends distributed for the last three financial years were as follows:

	2017	2018	2019
Number of shares	209,865,742	209,928,940	210,242,074
Unit dividend	€0.35	€0.40	€0
Total dividend(1)(2)	€73,453,009.70	€83,971,576.00	€0

(1) Dividends actually paid, with deduction where applicable for shares held by TF1 not entitled to distribution.
(2) Dividends eligible for the 40% rebate provided for in Article 158.3.2 of the French General Tax Code.

FOURTH RESOLUTION

(APPROVAL OF THE RELATED-PARTY AGREEMENTS STIPULATED IN ARTICLE L. 225-38 OF THE FRENCH COMMERCIAL CODE)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having reviewed the special auditors' report on related-party agreements covered by article L. 225-38 et seq. of the commercial code, approves the related-party agreements presented in this report and not yet approved by the General Meeting.

FIFTH RESOLUTION

(APPROVAL OF THE COMPONENTS OF TOTAL REMUNERATION AND BENEFITS OF ANY NATURE PAID IN OR GRANTED FOR THE 2020 FINANCIAL YEAR TO GILLES PELISSON AS CHAIRMAN AND CHIEF EXECUTIVE OFFICER)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having reviewed the corporate governance report, approves the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the course of or allocated for the financial year ended on 31 December 2020 to Gilles Pélisson in his role as Chairman and Chief Executive Officer, as presented in Section 3.4 of the 2020 universal registration document.

SIXTH RESOLUTION

(APPROVAL OF THE INFORMATION CONCERNINNG THE REMUNERATION OF CORPORATE OFFICERS AS DESCRIBED UNDER ARTICLE L. 22-10-09 OF THE FRENCH COMMERCIAL CODE)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, in accordance with Article L. 22-10-34 of the French Commercial Code, having acknowledged the corporate governance report, approves the information published pursuant to Article L. 22-10-9 of the French Commercial Code, as presented in Section 3.4 of the 2020 universal registration document.

SEVENTH RESOLUTION

(APPROVAL OF THE REMUNERATION POLICY APPLICABLE TO GILLES PELISSON, CHAIRMAN AND CHIEF EXECUTIVE OFFICER)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the corporate governance report, drawn up in accordance with Article L 22-10-8 of the French Commercial Code, approves the remuneration policy for Gilles Pélisson in his role as Chairman and Chief Executive Officer, described in Section 3.5 of the 2020 universal registration document.

EIGHTH RESOLUTION

(APPROVAL OF THE REMUNERATION POLICY FOR DIRECTORS)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the corporate governance report, drawn up in accordance with Article L. 22-10-8 of the French Commercial Code, approves the remuneration policy for Directors, described in Section 3.5 of the 2020 universal registration document.

NINTH RESOLUTION

(REAPPOINTMENT OF LAURENCE DANON ARNAUD AS DIRECTOR FOR A THREE-YEAR TERM)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the Board of Directors' report, reappoints Laurence Danon Arnaud as Director for a three-year term of office expiring at the end of the Ordinary General Meeting called to approve the financial statements for the 2023 financial year.

TENTH RESOLUTION

(REAPPOINTMENT OF BOUYGUES AS DIRECTOR FOR A THREE-YEAR TERM)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the Board of Directors' report, reappoints Bouygues as Director for a three-year term of office expiring at the end of the Ordinary General Meeting called to approve the financial statements for the 2023 financial year.

ELEVENTH RESOLUTION

(REAPPOINTMENT OF SCDM AS DIRECTOR FOR A THREE-YEAR TERM)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the Board of Directors' report, reappoints SCDM as Director for a three-year term of office expiring at the end of the Ordinary General Meeting called to approve the financial statements for the 2023 financial year.

TWELFTH RESOLUTION

(APPOINTMENT, FOR A PERIOD OF THREE YEARS, AS DIRECTOR OF MARIE AUDE MOREL REPRESENTING EMPLOYEE SHAREHOLDERS)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, having acknowledged the Board of Directors' report, appoints as Director, representing employee shareholders, for a term of three years, Marie Aude Morel.

The term of office of Marie Aude Morel will end at the end of the Ordinary General Meeting called to approve the financial statements for the 2023 financial year.

THIRTEENTH RESOLUTION

(AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO TRANSACT IN THE COMPANY'S SHARES FOR AN 18-MONTH PERIOD, SUBJECT TO A MAXIMUM OF 10% OF THE SHARE CAPITAL)

The General Meeting, ruling in compliance with the quorum and majority rules for Ordinary General Meetings, pursuant to Article L. 22-10-62 of the French Commercial Code, having reviewed the Board of Directors' report including the description the treasury share buyback programme:

1. hereby authorises the Board of Directors to carry out or have the company carry out the buybacks, under the conditions set out below, of a number of shares representing up to 10% of the company's share capital at the date of the buyback, in compliance with the prevailing legal and regulatory conditions applicable at that date;
2. resolves that this authorisation may be used for the following purposes, corresponding either to a market practice accepted by the AMF (French financial markets authority) or an objective provided for in Article 5 of Regulation (EU) No. 596/2014 on market abuse, or an objective specified in Article L. 22-10-62 of the French Commercial Code:
   - reduce the share capital by cancelling shares under the conditions provided for by law, subject to authorisation by the Extraordinary General Meeting,
   - grant shares to employees or corporate officers of the company or affiliated companies under the terms and conditions laid down by law, in particular as part of profit-sharing schemes, stock option schemes, through an allotment of shares, or corporate or group savings plans,
   - retain shares and, where appropriate, use them subsequently as payment or exchange for acquisitions, mergers, demergers or transfers of assets, in compliance with regulatory requirements,
   - promote market liquidity and regularity in the company's equity securities listings and avoid price variances not justified by market trends, by making use of a liquidity agreement to be managed by an investment services provider acting in compliance with AMF-approved market practice,
   - fulfil obligations related to debt securities, in particular securities giving entitlement to company shares through redemption, conversion or exchange, or in any other manner,

– implement any market practice accepted by the AMF and generally to carry out any other transaction in compliance with prevailing regulations;

3. resolves that the vesting, sale, transfer or exchange of these shares may be carried out, on one or several occasions, in compliance with rules issued by the AMF in its position/recommendation No. 2017-04, on- or off-market, including on a multilateral trading facility (MTF) or *via* a systematic "internaliser", or over the counter, in any manner, including the acquisition or disposal of blocks of shares, by using derivative financial instruments, and at any time, except during a takeover bid for the company's shares. The entire programme may be carried out through block trades;
4. resolves that the purchase price may not exceed €20 (twenty euros) per share, subject to any adjustments relating to share capital transactions. If share capital is increased by incorporating premiums, earnings, reserves or free shares into capital, or in the event of a stock split or reverse stock split, the price indicated above shall be adjusted by a multiplication factor equal to the ratio of the number of shares making up the share capital before the transaction to the number of shares after the transaction;
5. sets at €300,000,000 (three hundred million euros), the maximum amount of funds intended to carry out the share buyback programme thus authorised;
6. notes that, in accordance with law, the total shares held at any given date may not exceed 10% of the share capital outstanding at that date;
7. gives full powers to the Board of Directors, with the power to subdelegate, in accordance with applicable law, to implement this authorisation, place all stock orders, conclude all agreements, in particular with a view to the registration of purchases and sales of shares, to complete all declarations and formalities with the AMF or any other body, and in general to take all necessary measures to execute the decisions taken within the scope of this authorisation;
8. resolves that the Board of Directors shall inform the General Meeting of the transactions carried out, in accordance with applicable regulations;
9. sets the period of validity of this delegation at eighteen months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, and replaces any previous delegation of powers for the same purpose.

EXTRAORDINARY BUSINESS

FOURTEENTH RESOLUTION

(AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO REDUCE THE SHARE CAPITAL BY CANCELLING TREASURY SHARES, FOR AN 18-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, pursuant to Article L. 22-10-62 of the French Commercial Code, having acknowledged the Board of Directors' report and the Statutory Auditors' report:

1. hereby authorises the Board of Directors to cancel, at its sole discretion, in one or more instances, all or part of the shares that the company holds or might come to hold as a result of the use of the various authorisations to buy up its own shares granted by the General Meeting to the Board of Directors, to the extent of up to 10% of the total number of the shares comprising the company's share capital on the date of the operation, in any given period of twenty-four months;
2. authorises the Board of Directors to charge the difference between the purchase value of the cancelled shares and their nominal value to all available premium and reserve funds;
3. delegates to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, full powers to carry out the capital reduction(s) resulting from cancellations of shares authorised by this resolution, to have the relevant entries made in the financial statements, to amend the Articles of Association accordingly, and generally to attend to all necessary formalities;
4. sets the period of validity of this delegation at eighteen months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, and replaces any previous delegation of powers for the same purpose.

FIFTEENTH RESOLUTION

(DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY PUBLIC OFFER, WHILE MAINTAINING SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, BY ISSUING SHARES AND ANY SECURITIES GIVING IMMEDIATE OR DEFERRED ACCESS TO THE COMPANY'S SHARES, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 228-91 and L. 228-92 and L. 228-93 of the French Commercial Code:

1. delegates to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, its authority to decide upon, in the proportions, at the times and according to the terms and conditions it deems appropriate, one or several capital increases by issuing with shareholders' preferential right of subscription, both in France and abroad, in euros, in foreign currencies or any monetary unit calculated with reference to several currencies, (i) ordinary company shares and (ii) any securities of any kind, issued against payment or free of charge, giving immediate and/or deferred access by all means, at any moment or on a fixed

date, to ordinary shares issued by the company, the subscription of which may be carried out either in cash or through offsetting of receivables;

2. resolves that the total amount of the cash capital increases likely to be performed immediately and/or at a future date under this delegation may not exceed an overall ceiling of €8,400,000 (eight million four hundred thousand euros) in nominal value, to which sum shall be added, where appropriate, the nominal amount of additional shares to be issued, to retain, in accordance with the law, the rights of holders of securities giving access to the company's ordinary shares; the nominal amount of the ordinary shares that may be issued under the seventeenth, eighteenth, twenty-first and twenty-second resolutions of this General Meeting will be deducted from this overall ceiling;
3. resolves that the securities giving access to the company's ordinary shares as issued may also consist of debt securities or be associated with the issue of such securities, or allow the issue thereof as intermediate securities. They may notably take the form of subordinated or non-subordinated securities with a fixed or indefinite duration and be issued in euros or foreign currencies or in any monetary units calculated with reference to several currencies;
4. resolves that the nominal amount of all of the debt securities likely to be issued under this delegation may not exceed €900,000,000 (nine hundred million euros) or the corresponding value in any other currency or any unit of account on the date the issue is decided, it being specified that this amount does not include the reimbursement of premium(s) above par, if this was established. The nominal amount of the debt securities which may be issued under the seventeenth, eighteenth, twenty-first, and twenty-second resolutions will be deducted from this overall ceiling. Loans that give access to the company's ordinary shares may carry interest at a fixed and/or variable rate, or include capitalisation, and may be repaid with or without a premium or amortised, it being specified that the shares may also be repurchased at the Stock Exchange or in the context of a purchase or exchange offer by the company;
5. in the event of use by the Board of Directors of this delegation, it resolves that:

a. shareholders will have, in proportion to the sum of their shares, an irreducible preferential right of subscription to ordinary shares and securities which may be issued under this resolution,

b. the Board of Directors will also have the power to grant shareholders a reducible right of subscription, which may be exercised in proportion to their rights and within the limits of their requests,

c. if irreducible subscriptions and, if applicable, reducible subscriptions do not absorb the entire issue of ordinary shares or securities performed under this delegation, the Board may use, in the order it determines, any of the following options:
   - limit the issue to the amount of subscriptions collected, provided that this amounts to at least three quarters of the issue decided upon,
   - freely share all or part of the unsubscribed securities,
   - offer all or part of the unsubscribed securities to the public, on the French and/or international market and/or abroad,

d. the Board of Directors shall determine the characteristics, amount and terms and conditions of any issuance and of the securities issued. In particular, it shall determine the category of shares issued and shall set, bearing in mind the indications contained in its report, their subscription price, with or without premium(s), the terms and conditions of payment, their vesting date, retroactively if applicable, as well as the terms and conditions under which the securities issued under this resolution will give access to the company's ordinary shares, as well as the conditions under which the right to grant securities giving access to ordinary shares would be temporarily suspended in accordance with current legal provisions,

e. the Board of Directors will have full powers, with the right to subdelegate in accordance with the applicable law, to implement this delegation, notably by concluding all agreements for this purpose, in particular with a view to the successful conclusion of any issue, in order to carry out the above issues, on one or more occasions, in the proportions and at the times when it sees fit, in France and/or where necessary, abroad and/or on the international market – as well as, where appropriate, to refrain from doing so – record the completion thereof and amend the Articles of Association accordingly, as well as to carry out any formalities and declarations and apply for any necessary authorisations to carry out and successfully conclude these issues;

6. notes that this delegation implies that the shareholders waive their preferential right of subscription to ordinary company shares to which the securities that may be issued on the basis of this delegation may provide entitlement;
7. sets the period of validity of this delegation, at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, and replaces any previous delegation of powers for the same purpose.

SIXTEENTH RESOLUTION

(DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY INCORPORATING PREMIUMS, RESERVES, PROFITS OR OTHERS, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules specified in Articles L. 225-98 and L. 22-10-32 of the French Commercial Code, having acknowledged the Board of Directors' report, and in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 225-130 and L. 22-10-50 of the French Commercial Code:

1. delegates to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, its authority to decide upon, in the proportion and at the time it will deem fit, one or more capital increases by successively or simultaneously incorporating issue premiums, reserves, profits or other sums into the capital whose capitalisation will be lawful and compliant with the Articles of Incorporation, in the form of the allocation of free shares or an increase in the nominal value of existing shares or by a combination of these two methods;
2. resolves that the total amount of the capital increases that may be performed under the terms of this resolution may not exceed €400,000,000 (four hundred million euros) it being specified that to that sum shall be added, where appropriate, the additional amount of ordinary shares to be issued, to retain, in accordance with the law, the rights of holders of securities giving access to the company's ordinary shares. The ceiling of this delegation is independent and distinct from the overall ceiling established in the fifteenth resolution;
3. in the event of use by the Board of Directors of this delegation, it resolves that, in accordance with the provisions of Articles L. 225-130 and L. 22-10-50 of the French Commercial Code, in the event of a capital increase in the form of an allocation of free shares, fractional shares will not be tradeable or transferrable and the corresponding capital securities will be sold; the sums derived from the sale will be allocated to the owners of the rights within the time specified in the regulations;
4. resolves that the Board of Directors will have all powers, with authority to subdelegate to any person authorised by law, to implement this delegation, and generally, to take all measures and perform all formalities required for the successful performance of each capital increase, record the completion thereof and amend the Articles of Association accordingly;
5. sets the period of validity of this delegation, at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, and replaces any previous delegation of powers for the same purpose.

SEVENTEENTH RESOLUTION

(DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY PUBLIC OFFER OTHER THAN THAT DESCRIBED UNDER ARTICLE L. 411-2 OF THE FRENCH MONETARY AND FINANCIAL CODE, WITHOUT SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, BY ISSUING SHARES AND ANY SECURITIES GIVING IMMEDIATE OR DEFERRED ACCESS TO THE COMPANY'S SHARES, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 22-10-51, L. 22-10-52, L. 228-91 et seq. of the French Commercial Code:

1. delegates to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, its authority to decide upon, in the proportions, at the times and according to the terms and conditions it deems appropriate, one or several capital increases by public offer, other than that described under Article L. 411-2 of the French Monetary and Financial Code, by issuing without shareholder preferential right of subscription, both in France and abroad, in euros, in foreign currencies or any monetary unit calculated with reference to several currencies, (i) ordinary company shares and (ii) any securities of any kind, giving immediate and/or deferred access by all means, to any ordinary shares issued by the company, the subscription of which may be carried out either in cash or through offsetting of receivables;
2. resolves that the total amount of the share capital increases that may be performed immediately and/or at a future date under this resolution cannot exceed €4,200,000 (four million two hundred thousand euros) in nominal amount, it being specified that to that sum shall be added, where appropriate, the nominal amount of additional shares to be issued, to retain, in accordance with the law, the rights of holders of securities giving access to the company's ordinary shares. This amount will be deducted from the overall ceiling established in the 15th;
3. resolves that the securities giving access to the company's ordinary shares as issued may also consist of debt securities or be associated with the issue of such securities, or allow the issue thereof as intermediate securities. They may notably take the form of subordinated or non-subordinated securities with a fixed or indefinite duration and be issued in euros or foreign currencies or in any monetary units calculated with reference to several currencies;
4. resolves that the nominal amount of all of the debt securities that may be issued by virtue of this delegation may not exceed €900,000,000 (nine hundred million euros) or the corresponding value in any other currency or any unit of account on the date the issue is decided. This amount will be charged against the overall ceiling established in the 15th, it being specified that this amount does not include the reimbursement of premium(s) above par, if this was established. Loans that give access to the company's ordinary shares may carry interest at a fixed and/or variable rate, or include capitalisation, and may be repaid with or without a premium or amortised, it being specified that the shares may also be repurchased at the Stock Exchange or in the context of a purchase or exchange offer by the company;

5. resolves to waive shareholders' preferential right of subscription to securities that may be issued under this delegation, and to confer upon the Board of Directors the power to grant shareholders an irreducible and/or reducible priority to subscribe for such securities in accordance with the provisions of Article L. 22-10-51 of the French Commercial Code. If subscriptions, including any subscriptions by existing shareholders, do not absorb the entire capital increase, the Board of Directors may limit the amount of the transaction under the conditions provided by law;
6. notes that this delegation implies that the shareholders waive their preferential right of subscription to ordinary company shares to which the securities that may be issued under this delegation may provide entitlement;
7. resolves that the Board of Directors shall determine the characteristics, amount and terms and conditions of any issuance and of the securities issued. In particular, it shall determine the category of shares issued and shall set, bearing in mind the indications contained in its report, their subscription price, with or without premium, their vesting date, retroactively if applicable, as well as the duration or the terms and conditions under which the securities issued on the basis of this resolution will give access to the company's ordinary shares, in accordance with the law, as well as the conditions under which the right to allocate securities granting access to the company's ordinary shares would be temporarily suspended in accordance with current legal provisions. It is specified that, unless the provisions of the nineteenth resolution are applied, the issue price of the ordinary shares and securities shall be such that the sum immediately received by the company, plus any amount to be received subsequently by the company will be, for each share issued at least equal to the minimum amount stipulated by the prevailing regulations at the date of the issue, *i.e.* on this day, according to the provisions of Article R. 22-10-32 of the French Commercial Code, the weighted average of the prices quoted on the regulated market during the three trading days preceding the determination of the subscription price minus a potential discount of 5%;
8. resolves that the Board of Directors will have full powers, with the right to subdelegate in accordance with the applicable law, to implement this delegation, notably by concluding all agreements for this purpose, in particular with a view to the successful conclusion of any issue, in order to carry out the above issues, on one or more occasions, in the proportions and at the times when it sees fit, in France and/or where necessary, abroad and/or on the international market – as well as, where appropriate, to refrain from doing so – record the completion thereof and amend the Articles of Association accordingly, as well as to carry out any formalities and declarations and apply for any necessary authorisations to carry out and successfully conclude these issues;
9. sets the period of validity of this delegation, at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, and replaces any previous delegation of powers for the same purpose.

EIGHTEENTH RESOLUTION

(DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY PUBLIC OFFER AS DESCRIBED UNDER ARTICLE L. 411-2 1 OF THE FRENCH MONETARY AND FINANCIAL CODE, WITHOUT SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, BY ISSUING SHARES AND ANY SECURITIES GIVING IMMEDIATE OR DEFERRED ACCESS TO THE COMPANY'S SHARES, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 411-2-1° of the French Monetary and Financial Code and Articles L. 225-129, L. 225-129-2, L. 22-10-51, L. 22-10-52, L. 228-91 et seq. of the French Commercial Code:

1. delegates to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, its authority to decide upon, in the proportion and at the time it will deem fit, one or more capital increases, by means of the offer(s) stipulated in Article L. 411-21 of the French Monetary and Financial Code, by issuing without shareholders' preferential right of subscription, both in France and abroad, in euros, in foreign currencies or any monetary unit calculated with reference to several currencies, (i) ordinary company shares and (ii) any securities of any kind, giving immediate and/or deferred access by all means, to ordinary shares issued by the company, the subscription of which may be carried out either in cash or through offsetting of receivables;
2. resolves that the total amount of the share capital increases likely to be performed immediately and/or at a later date under this resolution can neither exceed 10% of share capital over a period of twelve months, nor €4,200,000 (four million two hundred thousand euros) in nominal amount, it being specified that the capital increases will be charged against the overall ceiling established in the fifteenth resolution. Where appropriate, to this sum will be added the nominal amount of additional shares to be issued, to retain, in accordance with the law, the rights of holders of securities giving access to the company's ordinary shares;
3. resolves that the securities giving access to the Company's ordinary shares as issued on the basis of this resolution, may also consist of debt securities or be associated with the issue of such securities, or allow the issue thereof as intermediate securities. They may notably take the form of subordinated or non-subordinated securities with a fixed or indefinite duration and be issued in euros or foreign currencies or in any monetary units calculated with reference to several currencies;
4. resolves that the nominal amount of all of the debt securities likely to be issued under this delegation cannot exceed €900,000,000 (nine hundred million euros) or the corresponding value in any other currency or any unit of account on the date the issue is decided. This amount will be charged against the overall ceiling established in the fifteenth resolution, it being specified that this amount does not include the reimbursement of premium(s) above par, if this was established. Loans that give access to the company's ordinary shares may carry interest at a fixed and/or variable rate, or include capitalisation, and may be repaid with or without a premium or amortised, it being specified that the shares may also be repurchased at the Stock Exchange or in the context of a purchase or exchange offer by the company;

5. resolves to waive shareholders' preferential right of subscription to ordinary shares and/or securities that may be issued under this delegation;
6. notes that this delegation implies that the shareholders waive their preferential right of subscription to ordinary Company shares to which the securities that may be issued on the basis of this delegation may provide entitlement;
7. resolves that the Board of Directors shall determine the characteristics, amount and terms and conditions of any issuance and of the securities issued. In particular, it shall determine the category of shares issued and shall set, bearing in mind the indications contained in its report, their subscription price, with or without premium, their vesting date, retroactively if applicable, as well as the duration or the terms and conditions under which the securities issued on the basis of this resolution will give access to the company's ordinary shares, in accordance with the law, as well as the conditions under which the right to allocate securities granting access to the company's ordinary shares would be temporarily suspended in accordance with current legal provisions. It is specified that, unless the provisions of the nineteenth resolution are applied, the issue price of the ordinary shares and securities shall be such that the sum immediately received by the company, plus any amount to be received subsequently by the company will be, for each share issued at least equal to the minimum amount stipulated by the regulations in force at the date of the issue, *i.e.* on this day, according to the provisions of Article R. 22-10-32 of the French Commercial Code, the weighted average of the prices quoted on the regulated market during the three trading days preceding the determination of the subscription price minus a discount of 5%;
8. resolves that the Board of Directors will have full powers, with the right to subdelegate in accordance with the applicable law, to implement this delegation, notably by concluding all agreements for this purpose, in particular with a view to the successful conclusion of any issue, in order to carry out the above issues, on one or more occasions, in the proportions and at the times when it sees fit, in France and/or where necessary, abroad and/or on the international market – as well as, where appropriate, to refrain from doing so – record the completion thereof and amend the Articles of Association accordingly, as well as to carry out any formalities and declarations and apply for any necessary authorisations to carry out and successfully conclude these issues;
9. sets the period of validity of this delegation at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, any previous delegation of powers for the same purpose.

NINETEENTH RESOLUTION

(AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS TO SET, ACCORDING TO THE TERMS DETERMINED BY THE GENERAL MEETING, THE ISSUE PRICE OF EQUITY SECURITIES WITHOUT SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, FOR IMMEDIATE OR DEFERRED ISSUE, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the Statutory Auditors' special report and in accordance with the provisions of Article L. 22-10-52, paragraph 2 of the French Commercial Code, and to the extent that the securities to be issued, immediately or at a future date, are equivalent to company shares admitted for trading on a regulated market:

1. authorises the Board of Directors, with authority to subdelegate under and in accordance with applicable law, for each of the issues decided upon in application of the seventeenth and eighteenth resolutions and within a limit of 10% of the share capital (as it existed on the date of this General Meeting) over a period of twelve months, to depart from the price setting conditions set out in the prevailing regulations on the date on which this authorisation is exercised, *i.e.* on this day, according to the provisions of Article R. 22-10-32 of the French Commercial Code, and to set the issue price of equity securities to be issued immediately or at a later date, by public offering under Article L. 411-2 of the French Monetary and Financial Code or by public offering as covered by Article L. 411-2 1 of the Code, according to the following procedures:

a. for equity securities to be issued immediately, the Board may choose between the following two procedures:
   - issue price equal to the average price recorded over a maximum period of six months preceding the issue,
   - issue price equal to the volume weighted average price on the day preceding the issue (VWAP 1 day) with a maximum discount of 10%,

b. for equity securities to be issued at a later date, the issue price will be such that the sum immediately received by the company plus that which they are likely to receive subsequently is, for each share, at least equal to the amount specified above;

2. resolves that the Board of Directors will have all powers to implement this resolution under the conditions set out by the resolution under which the issue is decided;
3. sets the period of validity of this authorisation at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, any previous authorisation for the same purpose.

TWENTIETH RESOLUTION

(DELEGATION OF POWERS GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE NUMBER OF SHARES TO ISSUE IN THE EVENT OF A CAPITAL INCREASE WITH OR WITHOUT SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129-2 and L. 225-135-1 of the French Commercial Code:

1. delegates powers to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, to decide, in the event of a capital increase with or without preferential right of subscription, to increase the number of shares to be issued, within thirty days of closing the subscription, within a limit of 15% of the initial issue, at the same price as that of the initial issue, subject to compliance with the ceiling(s) set out in the resolution under whose application the issue is decided;
2. sets the period of validity of this authorisation at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, any previous authorisation for the same purpose.

TWENTY-FIRST RESOLUTION

(DELEGATION OF AUTHORITY TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL WITHOUT SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, WITH A VIEW TO REMUNERATING CONTRIBUTIONS IN KIND GRANTED TO THE COMPANY AND CONSISTING OF EQUITY SECURITIES OR SECURITIES GIVING ACCESS TO THE CAPITAL OF ANOTHER COMPANY, NOT AS PART OF A PUBLIC EXCHANGE OFFER, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 22-10-53 and L. 228-91 et seq. of the French Commercial Code:

1. delegates to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, the powers to issue, based on the report of the contributions auditor mentioned in the 1st and 2nd paragraphs of Article L. 225-147 of the French Commercial Code, ordinary company shares or securities giving immediate and/or deferred access by all means, to ordinary shares that may be issued by the company, in order to pay for contributions in kind granted to the company and comprising shares or securities giving access to the capital of another company, when the provisions of Article L. 22-10-54 of the French Commercial Code do not apply;
2. resolves that the total nominal amount of the capital increases likely to be performed, immediately or in the future, by virtue of this delegation, is set at 10% of the share capital existing on the date of this General Meeting. This nominal amount will be deducted from the overall ceiling set out in the 15th resolution;
3. resolves that the nominal amount of all of the debt securities that will be issued under this resolution may not exceed €900,000,000 (nine hundred million euros) or the corresponding value in any other currency or any unit of account on the date the issue is decided, it being specified that this amount does not include the reimbursement of premium(s) above par, if this was established. This amount will be deducted from the overall ceiling established in the 15th resolution;
4. resolves, insofar as this is necessary, to cancel to the benefit of holders of equity securities or other securities that are the subject of contributions in kind, shareholders' preferential right of subscription to shares and/or securities that may be issued under this delegation;
5. notes that this delegation implies that the shareholders waive their preferential right of subscription to ordinary company shares to which the securities that may be issued under this delegation may provide entitlement;
6. resolves that the Board of Directors will have all powers, with the power to subdelegate under and in accordance with the law, to implement this resolution, in particular to approve, on the basis of the report of the Statutory Auditor(s), the evaluation of contributions and the granting of specific benefits; to acknowledge the final completion of the share capital increases performed under this delegation, amend the Articles of Association accordingly; carry out any formalities and declarations and apply for all the authorisations required to perform the issues, as well as determine the conditions under which the right to allocate securities granting access to ordinary shares would be temporarily suspended, in accordance with the applicable legal provisions;
7. sets the period of validity of this delegation at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, and any previous delegation of powers for the same purpose.

TWENTY-SECOND RESOLUTION

(DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL, WITHOUT SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, TO REMUNERATE SECURITIES CONTRIBUTED TO THE COMPANY AS PART OF A PUBLIC EXCHANGE OFFER INITIATED BY THE COMPANY, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 22-10-54 and L. 228-91 et seq. of the French Commercial Code:

1. delegates to the Board of Directors, with the power to subdelegate under and in accordance with applicable law, its authority to issue ordinary shares and/or securities to remunerate securities contributed under a public exchange initiated by the company, in France or abroad, according to local rules, on the securities of a company whose shares are admitted to trading on a regulated market as set out in Article L. 22-10-54 of the French Commercial Code;
2. resolves that the nominal amount of the total share capital increases that may be performed immediately or in the future under the terms of this resolution may not exceed a total amount of €4,200,000 (four million two hundred thousand euros), where appropriate, to this sum will be added the nominal amount of additional shares to be issued, to retain, in accordance with the law, the rights of holders of securities giving access to the company's ordinary shares. This amount will be deducted from the overall ceiling established in the 15th resolution;
3. resolves that the nominal amount of all of the debt securities that will be issued under the terms of this resolution may not exceed €900,000,000 (nine hundred million euros) or the corresponding value in any other currency or any unit of account on the date the issue is decided, it being specified that this amount does not include the reimbursement of premium(s) above par, if this was established. This amount will be deducted from the overall ceiling established in the 15th resolution;
4. resolves to waive shareholders' preferential right of subscription to ordinary shares and/or securities that may be issued under this delegation;
5. notes that this delegation implies that the shareholders waive their preferential right of subscription to ordinary company shares to which the securities that may be issued under this delegation may provide entitlement;
6. resolves that the Board of Directors will have all powers, with the power to subdelegate under and in accordance with the law, to implement this resolution and, in particular:
   - set the exchange ratio and, where appropriate, the amount of the balance in cash to be paid,
   - record the number of securities contributed to the exchange,
   - determine the dates, the conditions governing the issue, in particular the price and the vesting date, of new shares or, where appropriate, securities giving immediate or deferred access to ordinary company shares,
   - establish the conditions under which the right to allocate securities granting access to ordinary shares would be temporarily suspended in accordance with current legal provisions,
   - record among the liabilities under the item "contribution premium", relating to the rights of the shareholders, the difference between the issue price of the new shares and their nominal value,
   - assign all costs and taxes incurred or paid in connection with the authorised transaction to such "contribution premium", where applicable,
   - in general, take all useful measures and conclude all agreements to ensure the successful completion of the authorised transaction, record the resulting capital increases and amend the Articles of Association accordingly;
7. sets the period of validity of this delegation at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, any previous delegation of powers for the same purpose.

TWENTY-THIRD RESOLUTION

(OVERALL LIMITATION OF FINANCIAL AUTHORISATIONS)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having read the report of the Board of Directors, resolves that:

- the total nominal amount of the cash capital increases that may be performed, immediately or in the future, by virtue of the authorisations granted by the seventeenth, eighteenth, nineteenth, twentieth, twenty-first and twenty-second resolutions of this General Meeting, which will not include, where appropriate, the nominal amount of additional shares to be issued to retain the rights of holders of securities giving access to ordinary company shares, is set at €4,200,000 (four million two hundred thousand euros) and will be deducted from the overall ceiling of €8,400,000 (eight million four hundred thousand euros) set out in the 15th resolution of this General Meeting;
- the total nominal amount of debt securities likely to be issued by virtue of the authorisations granted by the fifteenth, seventeenth, eighteenth, twenty-first and twenty-second resolutions of this General Meeting, it being specified that this amount does not include the reimbursement of premium(s) above par, if this was established, is set at €900,000,000 (nine hundred million euros) or the corresponding value in any other currency or any unit of account on the date the issue is decided.

TWENTY-FOURTH RESOLUTION

(DELEGATION OF AUTHORITY GRANTED TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL, WITHOUT SHAREHOLDERS' PREFERENTIAL RIGHT OF SUBSCRIPTION, IN FAVOUR OF EMPLOYEES OR CORPORATE OFFICERS OF THE COMPANY OR AFFILIATED COMPANIES WHO ARE MEMBERS OF A COMPANY SAVINGS PLAN, FOR A 26-MONTH PERIOD)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors and the Statutory Auditors' special report, and in accordance with the provisions of the French Commercial Code, in particular Articles L. 225-129-2, L. 225-129-6 (paragraph 1) and L. 225-138-1, and Articles L. 3332-1 et seq. of the French Labour Code:

1. delegates to the Board of Directors the authority to decide, at its sole discretion, in the proportion and at the time it will deem fit, one or more share capital increases, within a maximum limit of 2% of share capital existing on the date the decision is made, by issuing new shares to be paid up in cash and, where necessary, by the capitalisation of reserves, profits or premiums, and the allocation of free shares or other securities giving access to the capital under the conditions established by law; resolves that the ceiling for this delegation is independent and distinct and that the amount of the resulting share capital increases will not be deducted from the other ceilings established by this General Meeting nor the common ceiling set out in the twenty-sixth resolution for the options for subscription or purchase of shares and the twenty-seventh resolution on performance shares at the General Meeting of 18 April 2019;
2. reserves subscription of all of the shares to be issued to TF1 employees and corporate officers and employees and corporate officers of French or foreign companies which are affiliated to TF1 according to the legislation in force, who belong to a company or group savings plan or any inter-company savings plan;
3. resolves that the subscription price for new shares as set by the Board of Directors or its delegate, in accordance with the provisions of Article L. 3332-19 of the French Labour Code, upon each issue, may not be above the average opening listed price for the share on the Euronext Paris market over the twenty trading days preceding the date on which the decision to establish the opening date of the subscription is madenor below this average plus the maximum premium set by law;
4. notes that this resolution cancels shareholders' preferential right of subscription for the benefit of the employees and corporate officers for whom the capital increase is reserved and waives all rights to other shares and securities giving access to the performance shares issued under this resolution;
5. delegates all powers to the Board of Directors to:
   - decide the date and terms of the issues performed under this resolution; in particular to decide whether the shares will be subscribed directly or through the intermediary of a common investment fund or of another entity in accordance with current legislation,
   - decide and set the terms for the allocation of free shares or other securities giving access to the share capital, pursuant to the authorisation granted in point 1, above; set the issue price of new shares to be issued pursuant to the rules defined above, the opening and closing dates of subscriptions, the vesting dates, the time period for payment, within the limit of a maximum of three years, and set the maximum number of shares that can be subscribed by each employee, per issue,
   - record the completion of capital increases to reflect the amount of shares actually subscribed,
   - complete, directly or indirectly, all transactions and formalities,
   - amend the Articles of Association accordingly,
   - charge the costs of the capital increases against the amount of the premium relating to each increase and deduct from such amount the necessary amounts so that the legal reserve is equal to one-tenth of the new amount of share capital after each increase,
   - and generally do whatever is necessary.

   Within the limits established by law and those that it may have previously set, the Board of Directors may delegate to the Chief Executive Officer or, with the latter's agreement, to one or several Deputy Chief Executive Officers, the powers granted to it under the terms of this resolution;
6. sets the period of validity of this delegation at twenty-six months from the date of this General Meeting, it being specified that this delegation cancels, to the extent of the unused amounts, any previous delegation of powers for the same purpose.

TWENTY-FIFTH RESOLUTION

(AMENDMENT OF ARTICLE 10 OF THE ARTICLES OF ASSOCIATION IN ORDER TO COMPLY WITH THE PROVISIONS OF ARTICLES L. 225-27-1 AND L. 22-10-7 OF THE FRENCH COMMERCIAL CODE APPLICABLE TO THE APPOINTMENT OF DIRECTORS REPRESENTING EMPLOYEES)

The General Meeting, ruling in compliance with the quorum and majority rules for Extraordinary General Meetings, having acknowledged the report of the Board of Directors eport, hereby resolves to make the statutory amendments necessary for admission of employee shareholder representative Directors onto the Board of Directors, and in accordance with the provisions of Articles L. 225-27-1 and L. 22-10-7 of the French Commercial Code.

The General Meeting resolves that these new provisions are applicable at the expiry of the current terms of office of the Directors representing the personnel elected in accordance with Article 66 of Act no. 86-1067 of 30 September 1986, before being repealed by Ordinance no. 2020-1642 of 21 December 2020 on the provision of audiovisual media services.

Consequently, the General Meeting hereby resolves to amend Article 10 – "Board of Directors", as follows.

Previous version

ARTICLE 10 – BOARD OF DIRECTORS

I The Company is directed by a Board of Directors composed of three to eighteen members, subject to the exceptions set forth by law, and one employee shareholder representative Director, elected by the General Meeting, at the proposal of the Supervisory Board of the Company collective investment fund (FCPE), created in the context of the employee savings scheme of the TF1 group and invested primarily in TF1 shares. The Supervisory Board of the FCPE elects one candidate, by simple majority, from among the employee members of the Supervisory Board. Pursuant to Article 66 of Law No. 86-1067 of 30 September 1986, at least one-sixth of the Board of Directors consists of employee representatives, one seat being reserved for engineers, managers and those in a similar category.

II During the life of the Company, non-employee representative Directors are appointed or reappointed by the Ordinary General Meeting of Shareholders.

III-1 Non-employee representative Directors and the employee shareholder representative Director hold office for three years. The duties of a non-employee representative Director and of the employee shareholder representative Director shall expire at the end of the Annual Ordinary General Meeting, held in the year during which the term of office of said Director expires. The duties of the employee representative Director shall automatically terminate ahead of schedule if the employment contract is terminated (subject to cases of intra-group transfer) or if the TF1 group exits the company that employs that Director. The Board of Directors shall then take all measures to organise the replacement of that Director whose term of office has thus expired.

III-2 Employee representative Directors hold office for two years. The term of office of an employee representative Director terminates on announcement of the results of the votes of the electoral colleges held to appoint employee representative Directors; such appointment normally takes place two weeks before the General Meeting for the preceding financial year held during the year in which the term of office of said Director expires.

III-3 Directors can always be re-elected. Non-employee representative Directors can be removed at any time by the Ordinary General Meeting. Employee representative Directors and the employee shareholder representative Director can only be removed for misconduct in office, by a summary judgement of the Presiding Judge of the District Court (Président du Tribunal de Grande Instance), at the request of a majority of the members of the Board of Directors. The judgement is immediately enforceable. Except in the event of termination by the employee, breach of employment contract of a Director elected by the employees or of employee shareholder representative Directors can only be imposed by the adjudication panel of the Industrial CourtEmployment Tribunal (Conseil des Prud'hommes) ruling in a summary judgement. The judgement is immediately enforceable.

IV Non-employee representative Directors may be natural or legal persons; they must, when appointed, name a permanent representative who is subject to the same conditions and obligations and who incurs the same responsibilities as if they were a Director in their own right, without prejudice to the joint responsibility of the legal person they represent. This office of permanent representative is granted to them for the length of the term of the legal person they are representing. They must be reappointed each time the latter is reappointed. If the legal person removes its representative from office, it is required to notify the Company of such removal, without delay, by recorded delivery, and of the identity of its new permanent representative; the same is true in the event of the death, resignation or prolonged incapacity of the permanent representative.

V If one or more seats of non-employee representative Directors fall vacant between two General Meetings due to death or resignation, the Board of Directors may make one or more interim appointments.If one or more seats of employee representative Directors fall vacant due to death, resignation, dismissal or termination of employment contract, the vacant seat is filled by an alternate. Appointments of Directors made by the Board of Directors are submitted for ratification at the very next Ordinary General Meeting. If they are not ratified, the deliberations and actions taken previously shall remain no less valid.If only one or two Directors remain in office, they, or alternatively, the Statutory Auditors must immediately convene the Ordinary General Meeting of Shareholders for the purpose of completing the Board.The Director appointed to replace another shall remain in office only as long as the unexpired portion of the term of office of their predecessor.

New version

ARTICLE 10 – BOARD OF DIRECTORS

10.1 The Company is managed by a Board of Directors comprising three to eighteen members, subject to the exceptions provided for by law, appointed or renewed in office by the Ordinary General Meeting of Shareholders, for a term of three years.

Their duties end at the end of the Ordinary General Meeting held in the year during which the term of office of said Director expires.

If one or more seats of non-employee representative Directors fall vacant between two General Meetings due to death or resignation, the Board of Directors may make one or more interim appointments.

These appointments are subject to ratification by the next Ordinary General Meeting. If they are not ratified, the deliberations and actions taken previously shall remain no less valid. The Director appointed to replace another shall remain in office only as long as the unexpired portion of the term of office of their predecessor.

Non-employee representative Directors may be natural or legal persons; they must, when appointed, name a permanent representative who is subject to the same conditions and obligations and who incurs the same responsibilities as if they were a Director in their own right, without prejudice to the joint responsibility of the legal person they represent. This office of permanent representative is granted to them for the length of the term of the legal person they are representing. They must be reappointed each time the latter is reappointed.

If the legal person removes its representative from office, it is required to notify the Company of such removal, without delay, by recorded delivery, and of the identity of its new permanent representative; the same is true in the event of the death, resignation or prolonged incapacity of the permanent representative.

10.2 The Board of Directors comprises one or two Directors representing employees in accordance with Article L. 225-27-1 of the French Commercial Code.

When the number of non-employee Directors is less than or equal to eight, a Director representing employees must be appointed. If the number of Directors not representing employees exceeds eight, two Directors representing employees must be appointed.

When only one Director representing employees is to be appointed, this Director is appointed by the trade union that obtained the most votes in the first round of the elections mentioned in Articles L. 2122-1 and L. 2122-4 of the French Labour Code in TF1 and its direct or indirect subsidiaries whose registered office is located in France. When two Directors representing employees are to be appointed, these Directors are appointed by each of the two trade unions having obtained the most votes in the first round of these elections.

The duties of the Director(s) representing employees take effect on the date of their appointment. They expire at the end of a period of two years from that date; this appointment must normally be made within two weeks prior to the General Meeting held in the year in which the terms of office of said Directors expire.

If the number of Directors not representing employees becomes less than or equal to eight, the terms of office of the two Directors representing employees shall continue until their term.

The duties of the employee representative Director shall automatically terminate ahead of schedule if the employment contract is terminated (subject to cases of intra-group transfer) or if the TF1 Group exits the company that employs that Director.

If one or more seats of Directors representing employees become vacant by death, resignation, dismissal or termination of the employment contract, the vacant seat shall be filled by an employee appointed under the same conditions pursuant to Article L. 225-34 of the French Commercial Code.

Except in the event of termination at the initiative of the employee, the termination of the employment contract of a Director representing the employees may only be pronounced by the adjudication office of the Industrial Court (Conseil des Prud'hommes), issued under the accelerated procedure on the merits. The judgement is immediately enforceable.

10.3 The Board of Directors includes a member representing employee shareholders pursuant to Article L. 225-23 of the French Commercial Code, appointed or reappointed by the Ordinary General Meeting of Shareholders for a term of three years, on the proposal of the Supervisory Board of the FCPE, created as part of the TF1 Group employee savings plan and invested mainly in TF1 shares. The Supervisory Board of the FCPE elects one candidate, by simple majority, from among the employee members of the Supervisory Board.

His or her duties shall end at the end of the Ordinary General Meeting held in the year during which the term of office of said Director expires.

The duties of the employee representative Director shall automatically terminate ahead of schedule if the employment contract is terminated (subject to cases of intra-group transfer) or if the TF1 Group exits the company that employs that Director. The Board of Directors takes all measures to organise their replacement.

Except in the event of termination at the initiative of the employee, the termination of the employment contract of the Director representing the employee shareholders may only be pronounced by the adjudication office of the Industrial Court (Conseil des Prud'hommes), issued under the accelerated procedure on the merits. The judgement is immediately enforceable.

10.4 Director appointed to replace another shall remain in office only as long as the unexpired portion of the term of office of their predecessor.

Directors may be dismissed at any time by the Ordinary General Meeting. By way of derogation from the foregoing and pursuant to Article L. 225-32 of the French Commercial Code, Directors representing employees may only be dismissed for misconduct in the exercise of their mandate, by decision of the President of the Judicial Court, issued under the accelerated procedure on the merits, at the request of the majority of the members of the Board of Directors. The judgement is immediately enforceable.

If only one or two Directors remain in office, they, or alternatively, the Statutory Auditors must immediately convene the Ordinary General Meeting of Shareholders for the purpose of completing the Board.

TWENTY-SIXTH RESOLUTION

(AUTHORISATION TO CARRY OUT FORMALITIES)

The General Meeting, ruling in compliance with the quorum and majorityrules required for Extraordinary General Meetings, hereby grants allpowers to the bearer of an original, a copy or a transcript of the minutesof this General Meeting to accomplish all legal or administrativeformalities and to make all publications and registrations required by theprevailing legislation.

9

ADDITIONAL INFORMATION

9.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND INFORMATION ON THE VERIFICATION OF THE FINANCIAL STATEMENTS

RFA

9.1.1 STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I hereby certify that the information contained in this universal registration document is, to the best of my knowledge, consistent with the facts and does not contain any omissions likely to affect its import.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in compliance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the company and the consolidated companies, and that the management report for which a cross-reference table indicates the content (see Section 9.6 of this document), presents a true and fair view of the development and performance of the business, results and financial position of the company and the consolidated companies and that it describes the main risks and uncertainties facing them.

Boulogne-Billancourt, 9 March 2021

Chairman and CEO

Gilles C. Pélisson

9.1.2 INFORMATION CONCERNING STATUTORY AUDITORS

Holders	Date of first appointment	Expiry date of term
Ernst & Young Represented by Nicolas Pfeuty Tour First, 1, place des Saisons– 92400 Courbevoie Paris La Défense	General Meeting of 14 April 2016	General Meeting voting on the 2021 financial statements
Mazars Represented by Gilles Rainaut Tour Exaltis – 61, rue Henri-Regnault – 92075 Paris La Défense	General Meeting of 15 May 2001	General Meeting voting on the 2024 financial statements
Alternates	**Date of first appointment**	**Expiry date of term**
Auditex (EY Group) Tour First, 1, place des Saisons– 92400 Courbevoie Paris La Défense	General Meeting of 14 April 2016	General Meeting voting on the 2021 financial statements

The fees paid to the Statutory Auditors by TF1 and its subsidiaries are shown in Chapter 6, Note 9.3 of this document.

9.1.3 NAME OF THE INDEPENDENT THIRD-PARTY VERIFIER OF SOCIAL, ENVIRONMENTAL AND SOCIETAL INFORMATION

The social, environmental and societal information has been verified by the firm EY et Associés, Sustainable Development Department. Ernst & Young et Associés is the independent verifier whose accreditation request has been approved by the French National Accreditation Body (COFRAC) under number 3-1681.

9.2 CALENDAR

15 April 2021: Combined General Meeting of shareholders

28 April 2021: 2021 first quarter results

27 July 2021: First half of 2021 results

28 October 2021: Results for the first nine months of 2021

These dates may be subject to change.

9.3 INFORMATION INCLUDED BY REFERENCE

The following information is included by reference in this document:

- the consolidated financial statements for the year ended 31 December 2019, the relevant report of the Statutory Auditors and the Group's management report included on pages 161 to 240 of the registration document filed with the French Financial Markets Authority (AMF) on 10 March 2020 under number D. 20-0118;
- the consolidated financial statements for the year ended 31 December 2018, the relevant report of the Statutory Auditors and the Group's management report included on pages 132 to 202 of the registration document filed with the French Financial Markets Authority (AMF) on 7 March 2019 under number D. 19-0121;

9.4 FINANCIAL PRESS RELEASES PUBLISHED IN 2020

Date of release	Subject
23 January 2020	New organisation Unify Advertising: Geraldine L'henaff appointed Chief Executive Officer
23 January 2020	Unify: Martin Boronski appointed Chief Technical Officer
31 January 2020	Unify becomes the 100% shareholder of Vertical Station
12 February 2020	Newen creates production company Ringside Studios with UK producer Gub Neal
14 February 2020	2019 Annual results of the TF1 group
10 March 2020	Publication of the 2019 TF1 universal group registration document
23 March 2020	Suspension of 2020 guidance due to the impact of COVID-19
1 April 2020	Impacts of COVID-19: TF1 group waives its 2020 targets and dividend distribution
29 April 2020	TF1 group first quarter results 2020
30 April 2020	The TF1 group launches a new podcast offering
2 June 2020	Agreement signed with Mediapro for the creation of the Telefoot channel
2 June 2020	Sabina Gros appointed CEO of Unify in charge of revenue and publishers
23 June 2020	Appointment of Bastien Morassi as Managing Editor of LCI
29 July 2020	TF1 group first half results 2020
31 July 2020	The TF1 group creates a new 4K offer
26 August 2020	TF1 PUB and MYTF1 join forces with the Goodeed start-up for more responsible advertising
18 September 2020	Didier Casas appointed General Secretary of the TF1 group
15 October 2020	Creation of the Newen Connect brand, bringing together Newen Distribution, TF1 Studio and Reel One
28 October 2020	TF1 group results for the first 9 months of 2020
9 November 2020	The TF1 group and SACD (Société des Auteurs et Compositeurs Dramatiques) sign an agreement
27 November 2020	The TF1 group takes fifth place in the Dow Jones Sustainability Index
14 December 2020	Two agreements signed with Orange. A first agreement on segmented advertising, another on the distribution of channels including an unprecedented premium replay service
15 December 2020	The TF1 group publishes the objectives of its climate strategy 2030
23 December 2020	Impairment of the goodwill of the Unify Division, with no impact on the cash position

All regulated information is available on the website https://groupe-tf1.fr/en/investissors/regulated-information.

9.5 ADDRESSES OF MAIN SUBSIDIARIES AND HOLDINGS

- **1, quai du Point-du-Jour, 92100 Boulogne-Billancourt**

e-TF1

Histoire

La ChaîneInfo - LCI

STS Evénements

Studio71

TF1 Digital Content

TF1 Studio

TF1 Distribution

TF1 Entertainment

TF1 Events

TF1 Films Production

TF1 One Innovation

TF1 Production

TF1 Publicité

TF1 Séries Films

TF1 Vidéo

TV Breizh

TFX

Une Musique

Ushuaïa TV

- **48, rue du Faubourg du Temple, 75011 Paris**

Unify Digital Factory

- **ZA du Pot au Pin – Entrepôt A4, 33612 Cestas Cedex**

Dujardin

- **89, avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine**

Extension TV – Série Club

- **71, rue de la Victoire, 75009 Paris**

Newen

- **6 bis, quai Antoine Ier, 98090 Monaco**

Télé Monte-Carlo – (TMC)

- **174, quai de Jemmapes, 75010 Paris**

Vertical Station (ex-MinuteBuzz)

- **4th floor Ariel House, 74a Charlotte St, Bloomsbury, London W1T 4QJ, Regno Unito, United Kingdom**

EBX

- **8-10, rue Saint-Fiacre/33-35 rue du Sentier, 75002 Paris**

aufeminin

Doctissimo

Marmiton

Mayane Communication

Unify Advertising

Ykone

- **13, boulevard de Rochechouart, 75009 Paris**

My Little Paris

- **201 Redwood Shores Parkway, Suite 300, Redwood City, CA 94065 (USA)**

Livingly Media

- **5, rue Cyrano de Bergerac, 75018 Paris**

Gamned!

- **20/22, rue des Bons Enfants, 75001 Paris**

Blue Spirit

- **195, rue Jean-Jacques Rousseau, 92130 Issy-les-Moulineaux**

17 Juin Production

- **80, rue de la Croix Nivert, 75015 Paris**

CAPA

- **14, avenue Gustave Eiffel, 78180 Montigny-Le-Bretonneux**

TelFrance

9.6 CROSS-REFERENCE TABLES

RFA

9.6.1 APPENDICES 1 AND 2 TO THE DELEGATED REGULATION NO. 2019/980

14.3	Information about the Audit Committee and Remuneration Committee	62-88
14.4	Corporate governance compliance statement	74-88
14.5	Future changes to the composition of administrative and management bodies and committees	62-73
15	**Employees**	
15.1	Number of employees	139-141
15.2	Shareholdings and stock options	92-108, 226-228, 294-303
15.3	Agreements providing for employee holdings in the capital of the issuer	143-145
16	**Main shareholders**	
16.1	Shareholders owning more than 5% of capital and voting rights	286-289
16.2	Different voting rights	286-289
16.3	Control of the issuer	286-289
16.4	Agreements known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	286-289
17	**Transactions with related parties**	**300-303**
18	**Financial information concerning the assets and liabilities, financial position and results of the issuer**	
18.1	Historical financial information	3-20, 163-174, 175-284
18.2	Interim and other financial information	163-174, 175-284
18.3	Audit of historical annual financial information	251-255, 279-284
18.4	*Pro forma* financial information	163-174, 175-284
18.5	Dividend policy	20, 172-173, 226, 291, 311, 318
18.6	Legal and arbitration proceedings	48-51, 210-211
18.7	Significant changes in the trading or financial position	not applicable
19	**Additional information**	
19.1	Share capital	224, 295-303
19.2	Memorandum and Articles of Association	300-303
20	**Major contracts**	**172, 183, 186-187**
21	**Documents available**	**186-187, 303, 335**

9.6.2 ANNUAL FINANCIAL REPORT (AFR)

RFA

The cross-reference table below identifies, in this universal registration document, the information that constitutes the Annual Financial Report to be published by listed companies in accordance with Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the French Financial Markets Authority (AMF) General Regulation.

Information included in the Annual Financial Report required by Article L. 451-1-2 of the French Monetary and Financial Code and by Article 222-3 of the AMF General Regulation	Universal registration document
Annual financial statements	258-278
Consolidated financial statements	176-250
Management report	see 9.6.3
Declaration of the natural person assuming responsibility for the aforementioned documents	332
Statutory Auditors' report on the annual financial statements	279-284
Statutory Auditor's report on the consolidated financial statements	251-257

9.6.3 MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

This cross-reference table identifies the information that constitutes the management report in accordance with Articles L. 22-10-34 et seq. and L. 232-1 of the French Commercial Code. Unreferenced articles mentioned below are part of the French Commercial Code.

Items required by the French Commercial Code and the French Monetary and Financial Code, the French General Tax Code and the General Regulation of the French Financial Markets Authority	Universal registration document
Company and Group situation and activity	
Analysis of changes to the business, the results and the financial position of the company and the Group during the past financial year. (L. 225-100-1, I, pt 1, L. 232-1-II, L. 233-26)	3-35, 163-174
Financial and non-financial key performance indicators (L. 225-100-1, I, pt 2)	20, 26-37
Material events occurring between the closing date of the financial year and the date on which the management report was prepared (L. 232-1-II, L. 233-26)	172, 250
Main shareholders and holders of voting rights at General Meetings and changes made during the financial year (L. 233-13)	286-287, 294-298, 315-316
Branches (L. 232-1, II)	not applicable
Significant equity investments in companies headquartered in France (L. 233-6, paragraph 1)	186-187
Cross-shareholdings (L. 233-29, L. 233-30 and R. 233-19)	not applicable
Foreseeable developments, outlook (L. 232-1-II, L. 233-26)	21, 171
Research and Development activities (L. 232-1, II, L. 233-26)	12
TF1 results over the last five financial years (R. 225-102)	173
Payment terms for suppliers and customers (D. 441-4)	174
Amount of inter-company loans granted by TF1 and Statutory Auditor's statement: not applicable (L. 511-6 and R. 511-2-1-3 of the French Monetary and Financial Code)	not applicable
Internal Control and Risk Management	
Main risks and uncertainties (L. 225-100-1, I, pt 3)	44-51
Financial risks related to the effects of climate change (L. 22-10-35, pt 1)	not applicable
Internal control and risk management procedures relating to the preparation and processing of financial and accounting information (L. 22-10-35, pt 2)	53-60
Information on the objectives and policy concerning the hedging of each main category of transactions and on exposure to price, credit, liquidity and cash flow risks; use of financial instruments by the company (L. 225-100-1, pt 4)	176-250
Vigilance plan (L. 225-102-4)	not applicable
Capital and ownership structure	
Structure, changes in the company's share capital and crossing of thresholds (Article L. 233-13)	286-289
Acquisition and disposal by the company of its own shares (Article L. 225-211)	294-296
Employee shareholding (L. 225-102, paragraph 1)	286-287

Items required by the French Commercial Code and the French Monetary and Financial Code, the French General Tax Code and the General Regulation of the French Financial Markets Authority	Universal registration document
Statement of any adjustments for securities giving access to the share capital in the event of share buybacks or financial transactions (R. 228-99; R. 228-91 and L. 225-181)	not applicable
Information on transactions by executives and related persons in the company's shares (L. 621-18-2 of the French Monetary and Finacial Code and L. 223-26 of the General Regulation of the French Financial Markets Authority)	297-298
Dividends distributed over the previous three financial years (Article 243 bis of the French General Tax Code)	20, 172-173, 226, 291, 311, 318
Other information	
Injunctions or financial penalties for anti-competitive practices pronounced by the Competition Authority and required to be included in the Annual Report: not applicable. (L. 464-2)	not applicable
Additional tax information Articles 223 *quater* of the French General Tax Code	172

9.6.4 CORPORATE GOVERNANCE

The cross-reference table below refers to the elements of the report on corporate governance in accordance with Articles L. 225-37 and seq. of the French Commercial Code. Unreferenced articles mentioned below are part of the French Commercial Code.

Remuneration information	
Remuneration policy for corporate officers (L. 22-10-8, I., paragraph 2)	92-97
Remuneration and benefits in kind paid by TF1 during the financial year or granted to each corporate officer during the financial year. (L. 22-10-9, I., pt 1)	92-97
Relative proportion of fixed and variable remuneration (L. 22-10-9, I., pt 2)	92-94
Use of the option to request the return of variable remuneration (L. 22-10-9, I., pt 3)	not applicable
Commitments made by TF1 to its corporate officers (L. 22-10-9, I., pt 4)	95-96, 105-108
Remuneration paid or allocated by a company included in the scope of consolidation within the meaning of Article L. 233-16 (L. 22-10-9, I., pt 5)	not applicable
Pay ratio (L. 22-10-9, I., pt 6)	97-98
Annual change in remuneration, company performance, average employee remuneration and remuneration levels over the last five financial years (L. 22-10-9, I., pt 7)	97
Explanation of how total remuneration complies with the remuneration policy adopted (L. 22-10-9, I., pt 8)	92-97
Method in which the vote at the last Ordinary General Meeting provided for in II of Article L. 22-10-34, I) was taken into account (L. 22-10-9, I., pt 9)	92-97
Deviation from the procedure for implementing the remuneration policy and any exceptions (L. 22-10-9, I., pt 10)	92-97
Application of the provisions of the second paragraph of Article L. 225-45 (suspension of payment of directors' remuneration in the event of non-compliance with the gender balance on the Board of Directors): not applicable (L. 22-10-9, I., pt 11)	not applicable
Governance information	
Composition, conditions of preparation and organisation of the work of the Board and Committees Changes in the composition of the Board during the year (L. 22-10-10, pt 1)	62-64, 79-82
Diversity policy applied to members of the Board (L. 22-10-10, pt 2)	77
General management procedures (L. 225-37-4, pt 4, L.22-10-10)	79-82
Restrictions on the powers of the Chief Executive Officer imposed by the Board of Directors (L. 22-10-10, pt 3)	79
Reference to a Corporate Governance Code and application of the comply or explain principle (L. 22-10-10, pt 4)	75
Special procedures relating to shareholders' participation in General Meetings or provisions in the Articles of Association concerning these procedures (L. 22-10-10, pt 5)	88, 292, 301
Valuation procedure for current agreements (L. 22-10-10, pt 6)	303
Information about the assessments of the Board and actions taken (Article 10 of the AFEP/MEDEF Corporate Governance Code)	82
List of offices and positions held in any company by each corporate officer during the financial year (L. 225-37-4, L. 22-10-10)	65-73
Agreements entered into between an officer or a significant shareholder and a subsidiary (L. 225-37-4, pt 2 and L. 22-10-10)	302-303

Summary table of current delegations of authority granted by the General Meeting to increase the share capital (L. 225-37-4, pt 3 and L. 22-10-10)	297
Agreements entered into, directly or through an intermediary, between a corporate officer or a shareholder holding more than 10% of TF1's voting rights, and a company controlled by TF1 within the meaning of Article L. 233-3	303
Procedure implemented to regularly assess current agreements (L. 22-10-10)	303
Information likely to have an impact in the event of a public tender or exchange offer (L. 22-10-11)	
Capital structure of TF1	286-289
Restrictions on the exercise of voting rights or on stock transfers and contractual provisions brought to TF1's attention pursuant to Article L. 233-11 of the French Commercial Code	301-303
Direct or indirect shareholdings in the capital of TF1 of which the company is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code	301-303
List of holders of securities with special rights of control and a description of these rights	301-303
Control mechanisms provided in a employee stock ownership plan wherein rights of control are not exercised by the employees	301-303
Agreements between shareholders of which TF1 is aware and which could place restrictions on the transfer of shares and the exercise of voting rights	301-303
Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments to the Articles of Association of TF1	74-77, 302
Authority of the Board, particularly for issuing or buying back shares	296-299, 303
Agreements made by TF1 which are amended or terminated in the event of a change in control of TF1	300-303
Agreement providing for remuneration of members of the Board or employees should they resign or be dismissed not for cause or if their employment ends due to a public tender for shares (purchase or exchange)	300-303

9.7 GLOSSARY

ADSL: Asymmetric Digital Subscriber Line, high-speed network connection providing access to the internet, fixed-line telephone, and television services.

AMF: *Autorité des Marchés Financiers*, the French Financial Markets Authority. Independent public authority which regulates financial players and products on the French stock market.

ARPP: *Autorité de Régulation Professionnelle de la Publicité*. ARPP, the French Regulatory Authority for Advertising, strives to foster legal, honest and truthful advertising in the interests of consumers, the public and advertising professionals.

WCR: working capital requirement. Current assets minus current liabilities (including current provisions but excluding current cash, financial liabilities and debt hedging instruments).

Gross advertising revenue: catalogue prices given by sellers of advertising space in accordance with their general conditions of sale, excluding discounts and reductions, applied to a volume of advertising sold.

Net advertising revenue: gross advertising revenue minus discounts granted to advertisers.

CNC: *Centre National du Cinéma et de l'image animée*. A public administrative body that implements the government's policy regarding cinema and other animation arts and industries, notably audiovisual, video and multimedia.

AFEP/MEDEF Corporate Governance Code: A set of recommendations on corporate governance and the remuneration of the Executive Directors of listed companies, published by the *Association Française des Entreprises Privées* (AFEP, the French association of large companies) and the *Mouvement des Entreprises de France* (MEDEF, the French business confederation).

Cost of programmes: the sum of the cost of the programmes broadcast on the Group's free-to-air channels and the cost of written-off or rights-expiring programmes, provisions made for programming (excluding sports events) and capital gains or losses from intra-group disposals.

CSA: *Conseil Supérieur de l'Audiovisuel.* Independent administrative authority created pursuant the Act of 17 January 1989, whose purpose is to guarantee the freedom of audiovisual communication in France under the conditions defined in Act 86-1067 of 30 September 1986.

Display: includes all marketing methods (programming and non-programming related), all devices (mobile, desktop, IPTV) and is broken down into 3 formats: classic display (banners, recommended content and content links), video display (instream and outstream formats) and special operations.

Individual viewing times (IVT): a ratings indicator measuring the average television viewing time per day of the individuals of a given population.

Internet service providers (ISP): company that provides internet access, *via* ADSL, cable or optical fibre.

W<50PDM: advertising target of women aged under 50 purchasing decision-makers.

Goodwill: difference between the acquisition price of a company and its net book value.

GRI: Global Reporting Initiative. A global initiative for reporting on economic, environmental and social performance.

GRP: Gross Rating Point. Indicator measuring the advertising pressure of a campaign on a given target. The GRP is equal to the average number of opportunities for an advertising campaign to generate contacts with its target, expressed in points of penetration. It is calculated by multiplying coverage of the target by average repetition.

High Definition (HD): image resolution with definition in excess of 720 lines. A Full HD picture may have up to nearly 2.1 million pixels, almost five times more than a standard image.

IFRS: International Financial Reporting Standards. The accounting standards that must be applied by listed companies in the preparation of their financial statements, in order to harmonise their presentation.

IPTV: Internet Protocol Television: access to television channels and services (such as catch-up) through a telecom operator's box.

Interactivity: TV programme or website that seeks audience participation (voting, taking part in a game, etc.).

OTT: Over The Top. Method of distributing content *via* the internet without the involvement of an intermediate distributor.

Sponsorship: When an advertiser links their brand to a programme for visibility and possibly image enhancement, depending on the type of programme.

Audience share: percentage of audience of a medium (television, radio, etc.) calculated in relation to the total audience for that medium.

Advertising market share: advertising investments made by an advertising sales agency or entity in a media market (television, radio, etc.).

Prime time: Part of the schedule when the audience is largest. In France, television prime time is in the evening, generally from 8.00 pm. "Access prime time" is between 6.00pm and 8.00pm.

SACD: *Société des Auteurs et Compositeurs Dramatiques*, is a French copyright management collective. Its main focus is to receive and distribute copyright for SACD members working in the live entertainment and audiovisual industries.

SVOD: Subscription Video on Demand. Video on demand subscription service. Paying subscribers can access a catalogue of videos on demand, free of advertising.

Catch-up television: replay or catch-up TV. Programmes that have recently been broadcast on TV can be viewed again in full. A free or pay service, it may also include supplements not shown with the original programme, such as summaries.

Connected television: refers both to a television set connected directly or indirectly to the internet and the television offering from internet providers, broadcast *via* internet protocol television (see entry).

DTT: Digital Terrestrial Television. Digital method of broadcasting television using the terrestrial network. A box, which may or may not be built into the television set, can reproduce images compressed at source.

Net cash: Available cash after the deduction of total debt.

Unique visitors: the total number of individuals who have visited a website or used an application at least once during the period under consideration. Individuals who visit the same website or use the same application several times are counted only once.

9.8 INDEX

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