



# CORPORATE SOCIAL RESPONSIBILITY **AFR**

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## FOREWORD

### ORGANISATION

All sectors of the company work together on all the social, environmental and societal aspects of the Group's Corporate Social Responsibility (CSR) policy, coordinated by the CSR Division (one person full time), who is also responsible for non-financial reporting.

Since 2016 the CSR Division, 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 Corporate Social Responsibility (CSR) Committee tasked with ensuring respect for the Code of Ethics, as well as enforcing the rules on ethics, conduct and compliance and overseeing the Group CSR policy.

An update on CSR activities is presented at each Meeting of the Board of Directors by the Chairman of the Board, Gilles Pélisson.

### MEMBERSHIP IN THE PACTE MONDIAL (GLOBAL COMPACT)

In 2016, TF1 group renewed its commitment alongside French and international companies to respect and promote the ten principles of the Global Compact on human rights, labour rights, the environment, and the fight against corruption.

### REFERENCE FRAMEWORKS GOVERNING GROUP CSR REPORTING AND IMPLEMENTATION OF THE "COMPLY OR EXPLAIN" PRINCIPLE

The Group's CSR report takes into account recommendations by the French Financial Markets Authority (AMF), as set out in the AMF guidance on CSR (DOC-2016-13) which summarises the guidance issued in 2010, 2013 and 2016.

The non-financial report covers employee-related, environmental and social aspects of TF1 group. It is included in this document in accordance with French regulatory requirements, such as Decree no. 2012-557 of 24 April 2012 relating to Article 225 of the Grenelle 2 Act, as well as the Decree of 19 August 2016 (which requires reporting on significant GHG emissions, including scope 3 emissions, the circular economy, tackling food waste and other ways in which natural resources are used).

A cross-reference table for the indicators required in Article 225 can be found in chapter 9.10.

The reporting requirement is linked to the need to obtain third-party verification of the information reported. The Group's CSR Information has been audited for the fifth consecutive year.

This report meets all the statutory criteria in accordance with the "comply or explain" principle. The definition and method of compilation of employee-related, environmental and social indicators is covered by two methodological guides shared with contributors, staff at Bouygues SA's sustainable development Division and the independent third party. To facilitate the consolidation of data and the verification of information, notably at Bouygues Group level, environmental and social indicators are presented for a deferred reporting period that runs from 1 October 2015 to 30 September 2016. Employee-related indicators cover the period from 1 January 2016 to 31 December 2016.

### SCOPE AND GENERAL PRINCIPLE OF COMPANY CONSOLIDATION

TF1 group generates revenues mainly in France and in Europe. In 2016, the breakdown was as follows: 96.9% (97.0% in 2015) in France, 2.5% (2.6% in 2015) in Europe excluding France, and 0.6% (0.4% in 2015) 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.

Modification made since the previous report:

- acquisition of Newen (almost 400 employees) and initial integration of the organisation into the report. Only some of the employee-related indicators could be included in the report on 2016 data. (see section 7.1.2). The report will be supplemented gradually. It is currently hampered by the large number of entities that make up the company.

## MATERIALITY STUDY, METHODOLOGY AND KEY ISSUES

The details of the methodology implemented for the materiality study can be found in the report included in this document.

The list of issues, corporate players, stakeholders and action plan can be found in section 7.3.4.

## VARIABLE COMPONENT OF EXECUTIVE REMUNERATION

Since January 2014, on a proposal by the Remuneration Committee, the Executive Director's variable remuneration has included a qualitative criterion on CSR performance: TF1's ongoing presence in at least four non-financial rating indices.

From 2017, a CSR criterion will apply to 5% of the variable pay of Executive Committee members. This criterion is different for each member of the comex since it depends on their position and the associated societal challenges.

## RECOGNITION OF THE PERFORMANCE OF TF1 GROUP IN STOCK MARKET INDICES ON SUSTAINABLE DEVELOPMENT

TF1 group continued to feature in all of the following indices in 2016:

### RobecoSam

- DJSI World and DJSI Europe Index. TF1 achieved "Gold" level in 2016.

### Vigeo (Eiris)

- Ethibel Sustainability Europe, Ethibel Excellence, Ethibel Pioneer.

### Ethifinance

- GAIA: TF1 group has featured in the GAIA Index since 2010. It came joint second in 2016 out of 85 companies analysed in the "Revenue > €500 million" category.

### Oekom

- Prime status.

### MSCI

- MSCI assessed TF1 for the first time and awarded it an A rating.

For the third consecutive year, TF1 was also awarded the *Grand Prix de la Transparence de l'information financière* in recognition of the transparency of its financial reporting.



## 7.1 SOCIAL INFORMATION

### 7.1.1 SOCIAL POLICY AND SOCIAL RISK FACTORS

TF1 group operates in a highly changing environment given the rapid evolution of technologies and the arrival of new players, including pure players in the digital sector. Global competition is strong amid a lacklustre economic context. This is why it is vital to foster the agility and creativity of employees and develop digital skills across all our businesses. In response to these developments, the Human Relations and CSR Division was reorganised at the start of 2016:

- the Human Relations Operational Division, which plays a major role in advising management and supporting the business day to day and covers all HR Departments at TF1 and its subsidiaries;
- the HR Shared Services Division (administration, payroll, information system), responsible for the quality and availability of HR data;
- the Social Affairs Division, which defines and implements the company's legal and social policy and manages the special relationship between management and labour;
- the Talent Development Division, in charge of anticipating skills requirements, formulating a structured career development policy and maintaining high standards of staff training through the TF1 University. It is also responsible for the employer brand and diversity;
- Corporate Communication Division.

The Group adapted to the economic environment by exercising wage restraint and scaling back recruitment in favour of internal mobility and without additional recourse to temporary staff or freelancers, who remain a marginal component of the workforce.

In terms of quality of working life, a number of company agreements establish a professional status that employees appreciate in terms of social protection, employee savings and access to training. This policy was not called into question in 2016.

Teleworking is currently being trialled. Thus far, teleworking has proved to be a win-win initiative and fosters buy-in of new technologies.

Since 2007, the year in which the TF1 Corporate Foundation and "Mission Handicap" were created, TF1 group has endeavoured to encourage job applications from those who would not otherwise apply. The Group has since stepped up its efforts to prevent discrimination, as attested by its securing the Diversity Label in 2010. Lastly, in 2015, TF1 publicly demonstrated its commitment to tackling all forms

of discrimination, signing the LGBT charter for the prevention of discrimination against lesbian, gay, bisexual and transgender people, sponsored by the organisation L'Autre Cercle.

Concerning promotion and compliance with the provisions of the fundamental agreements of the International Labour Organization (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.

#### HUMAN RESOURCES RISK

##### RISK IDENTIFICATION

- The openness, quality and commitment of TF1's employees are critical to the Group's success.  
  
Should the Group find itself unable to attract and retain the required expertise and talent, this could affect TF1's ability to achieve its objectives and have an adverse effect on its results.
- Synergies between activities require managers to foster cross-cutting approaches and the independence of employees, this last serving to generate commitment.

##### HOW THE RISKS ARE MANAGED

The new organisation put in place and in particular the new Talent Development Division fully take into account the Group's need to attract and retain skilled employees.

The Group's subsidiaries and management closely monitor employee-related indicators, the results and the appeal of TF1 among the current and future working population.

To attract talented individuals, the Group leads initiatives with targeted universities and schools. The Group has strengthened its presence in social media. The employer brand is showcased in the spirit of the *Raison d'être* of TF1 as established in 2014 and communicated in external communication campaigns.

To develop and retain talented individuals, the Group also focuses its efforts on a targeted remuneration policy and implements training and career development programmes.

## 7.1.2 SOCIAL REPORTING PARAMETERS

**Scope:** all employees having an employment contract with TF1 group.

Changes in scope from the previous report: consolidation of Newen. The indicators provided for 2016, the first year of consolidation for Newen, are partial since only data on workforce, gender, type of employment contract, socio-professional categories and staff departures were available. The number of indicators will be increased in the 2017 report.

Consequently, the indicators in this chapter cover four different scopes, expressed as a percentage of the workforce:

- 100%: World;
- 98.7%: France;
- 88.2%: World excluding Newen;
- 86.9%: France excluding Newen.

**Reference period:** 1 January 2016 to 31 December 2016.

## 7.1.3 WORKFORCE

The workforce of TF1 group is broken down as follows:

### OPEN-ENDED (OE) AND FIXED-TERM (FT) CONTRACTS

#### INDICATOR: GROUP OE AND FT WORKFORCE

At 31/12 (Scope: world, OE, FT)	% workforce	2016	2015	2014
Clerical, administration, technical and supervisory staff	100.0	706	673	684
Managers	100.0	1,849	1,759	1,792
Journalists	100.0	552	455	475
<b>TOTAL</b>	<b>100.0</b>	<b>3,107</b>	<b>2,887</b>	<b>2,951</b>

#### INDICATOR: OE AND FT WORKFORCE BY GEOGRAPHIC REGION

At 31/12 (Scope: world, OE, FT)	% workforce	2016	2015	2014
<b>France</b>	<b>98.7</b>	<b>3,064</b>	<b>2,844</b>	<b>2,906</b>
<b>International</b>	<b>1.3</b>	<b>43</b>	<b>43</b>	<b>45</b>
Europe (excluding France)	1.3	39	39	45
Africa and Middle East	0.1	2	2	0
North America	0.1	2	2	0
Central and South America	-	0	0	0
Asia-Pacific	0.0	0	0	0
<b>TOTAL</b>	<b>100.0</b>	<b>3,107</b>	<b>2,887</b>	<b>2,951</b>



**INDICATOR: AGE PYRAMID AND AVERAGE LENGTH OF SERVICE**

At 31/12 (Scope: world excluding Newen, OE, FT)	% workforce	2016	2015	2014
< 25 years	88.2	180	192	174
25-34 years	88.2	628	683	705
35-44 years	88.2	831	886	979
45-54 years	88.2	810	810	795
55 and over	88.2	290	273	253
Average age	88.2	41	41	41
Average length of service at TF1 group	88.2	12	12	12

**INDICATOR: TYPE OF EMPLOYMENT CONTRACT**

At 31/12 (Scope: world, OE, FT)	% workforce	2016	2015	2014
Number of employees on OE contract*	100.0	2,801	2,565	2,693
Number of employees on FT contract (including apprenticeship, work-study, professional development contract, etc.)	100.0	306	322	258
<i>o/w number of employees with a professional development contract</i>	<i>100.0</i>	<i>135</i>	<i>152</i>	<i>129</i>
<i>o/w number of employees with an apprenticeship contract</i>	<i>100.0</i>	<i>46</i>	<i>34</i>	<i>47</i>

\* Newen's employees with open-ended contracts have been consolidated into the TF1 group's workforce since 2016.

**SHORT-TERM CONTRACT WORKERS (EXCLUDING NEWEN)**

**TF1 GROUP POLICY ON THE USE OF TEMPORARY EMPLOYMENT**

TF1 group endeavours to maintain an extremely low rate of temporary employment (technical temporary staff, freelance actors, and Directors). The rate for TF1 group in 2016 was 9% and 3.2% for the TF1 channel – the lowest for a company in the private television broadcasting sector according to the benchmark published by the STP (a private television syndicate comprising TF1, M6 and Canal+).

Today, temporary employment within the Group is mainly concentrated at TF1 Production (the production of drama is, by nature, not constant over time).

This is due to the proactive approach adopted by TF1, which for several years has preferred to bring non-permanent employees onto fixed-term contracts as soon as activity levels permit. It also stems from the application of the 2006 Broadcasting Sector National Agreement for

workers employed on very short or part-time fixed-term contracts. TF1 played an active role in these negotiations under the auspices of the STP. Since 2007, TF1 has also sought to apply this agreement with its trade unions in the form of a collective agreement on the use of very short or part-time contracts in order to monitor and control the use of these types of contracts, restricting it to only those cases where the specifics and requirements justify it within TF1.

**STATUS OF TEMPORARY STAFF IN TF1 GROUP**

In order to provide temporary staff with high-quality social security cover, in 2008, the STP signed the National Inter-Sector Collective Agreement establishing collective cover for death and disability insurance.

TF1 group also allows temporary staff fulfilling eligibility conditions to benefit from the social and cultural activities offered by the TF1 Works Councils.

Temporary staff working at TF1 are also eligible for the Group's incentive and profit-sharing schemes, which draw on the Bouygues group's leveraged employee savings schemes.

**INDICATOR: RATE OF FULL-TIME EQUIVALENT WORKERS OVER 12 MONTHS REPRESENTED BY NON-PERMANENT EMPLOYEES**

Jan-Dec (Scope: World excluding Newen, $\Sigma$ temporary staff end of month/ $\Sigma$ temporary staff end of month + Workforce on OE contracts at end of year N)	% workforce	2016	2015	2014
Share of full-time equivalent workers represented by non-permanent employees (temporary staff excl. freelancers)	88.2	9.0%	9.9%	9.1%

## EMPLOYEES FROM OUTSIDE TF1

### INDICATOR: FTE OVER 12 MONTHS OF TEMPORARY WORKERS

Jan-Dec (Scope: France excluding Newen (temporary workers) ( $\Sigma$ days of temporary employment x 7 hours/1,607 hours)	% workforce	2016	2015	2014
Number of temporary workers as FTEs	86.9	3.7	8.0	19.5

The employment of staff external to TF1 group (temporary workers) corresponds to a full-time equivalent of 3.7, representing just 0.1% of the Group's permanent workforce. In its service contracts, TF1 includes

clauses related to the promotion and respect of the fundamental ILO Conventions' provisions, notably on the prohibition of forced labour.

## HIRING AND DEPARTURES

### INDICATORS: HIRING AND DEPARTURES

#### HIRES

Jan-Dec (Scope: World excluding Newen, OE/FT)	% workforce	2016	2015	2014
Number of hires on open-ended, fixed-term, apprenticeship contracts, etc.	88.2	585	538	421
o/w open-ended recruitment, France	88.2	172	93	102

#### DEPARTURES BY REASON

Jan-Dec (Scope: France, OE)	% workforce	2016	2015	2014
Number of resignations	98.7	88	61	48
Number of compulsory retirements	98.7	0	0	0
Number of retirements	98.7	2	1	0
Number of redundancies	98.7	146	77	83
Number of mutually agreed terminations of contract	98.7	89	30	36

#### FT DEPARTURES

Jan-Dec (Scope: France, FT)	% workforce	2016	2015	2014
Number of OE departures	98.7	423	295	241

In 2016, TF1 group has seen its recruitment on open-ended contracts, and departures from fixed-term contracts increase over the year, mainly attributable to the LCI migration to freeview on 5 April 2016. Each hiring request is the subject of an electronic "recruitment authorisation request", duly completed and ultimately signed off by TF1 group's Human Relations Director, in order to make sure that it is absolutely necessary. This decision paved the way for synergies between departments, helped

by a proactive job mobility policy. It should be noted that the recruitment of disabled workers, which is covered by a three-yearly agreement, and recruitment under work-study contracts are not concerned by these restrictions, but rather are encouraged to reach the thresholds defined in our agreements.

### INDICATOR: INSTABILITY RATE

Jan-Dec (Scope: France OE) ( $\Sigma$ resignation OE + $\Sigma$ dismissal OE + $\Sigma$ mutually agreed termination of contract)/average OE workforce	% workforce	2016	2015	2014
Instability rate	98.7	11.4%	6.6%	6.2%



TF1 endeavours to support employees who are led to leave the Group (other than through resignation). To this end, company-wide agreements in place within TF1 group companies provide for significantly higher levels of compensation for dismissed personnel than the minimum amounts required under the French Labour Code (between 35% and 100% of a month's salary per year of service, versus 20%).

The LCI's switchover to free-to-air DTT was accompanied by a merger with the digital arm of Metronews under the banner of LCI. This enabled employees on fixed-term contracts working for the channel to be moved onto permanent contracts.

## 7.1.4 ORGANISATION OF WORKING HOURS

### ANNUAL WORKTIME: SUMMARY OF WORKTIME ADJUSTMENT AGREEMENTS

Agreements on adjusting and reducing working hours (Time Off In Lieu, or "TOIL", agreements) have been reached in all Group companies. 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).

Regarding the monitoring of working hours, a precise count of worked and non-worked periods will be provided monthly to the employees concerned, who will be able to easily communicate any anomalies to their Human Relations Division. Concerning the monitoring of workloads, an additional interview will be organised at least once a year, on top of the interview envisaged as part of the annual performance appraisal. On the basis of this interview, line managers will, where required, propose an action plan aimed at rectifying any imbalance. Employees can also request the intervention of a Human Relations manager in the event of any contrasting appraisals of workload or when corrective measures are not applied.

Finally, a unanimous agreement on the reform of the working time account places an upper limit on the number of days that can be banked to encourage employees to take leave and thus improve work/life balance.

### BONUSES RELATED TO WORKING TIME

The TOIL agreements established within the Group also provide for a set of bonuses to compensate for the constraints related to specific work

### INDICATOR: ANNUAL WORKTIME OF PTAS<sup>(1)</sup>

Status of PTAS <sup>(1)</sup> (Scope: France, OE, FT)	Annual worktime of PTAS <sup>(1)</sup> (contractual and not actual hours)
Non-management in constant hours and cycles (employees and supervisory staff)	From 1,569 to 1,576 hours
Managers working in cycles	From 1,584 to 1,591 hours
Managers with a fixed number of annual days	From 213 to 216 days
Senior executives	N/A

(1) Production, technical and administrative staff.

organisations, given the constraints of the audiovisual business. Working time is assessed for the categories of staff concerned on a continuous broadcasting basis. As a result, agreements take into account the issue of rotas, early-morning and late-night shifts, the number of days in the week worked in each rota, and weekends and/or public holidays worked, with "hardship" allowances to compensate for these.

### POLICY ON TAKING REST DAYS AND LEAVE

All TF1 group companies are governed by worktime adjustment agreements that enable employees to manage their TOIL days, provided that each department continues to operate smoothly.

Likewise, to ensure that all employees have the opportunity to acquire new skills, for their own personal development and with no specific links to their jobs, the company allows TOIL days to be converted for personal development. TOIL days can thus be used by employees in order to finance all or part of the cost of the educational training chosen by the employee.

### TELEWORKING

TF1 is currently experimenting with teleworking. One-third of the 240 employees potentially concerned are teleworking one day a week. The day is chosen in agreement with their manager.

Teleworking is an aspiration of an unquantified but non-negligible number of Group employees. Several trade unions representing a majority of employees are communicating that aspiration to Human Resources.

For employees, teleworking is aimed at improving professional well-being and the quality of life in general, through: reduced commute times, stress and fatigue.

For the company, teleworking leads to more motivated and efficient employees as they are subject to fewer constraints.

**INDICATOR: ANNUAL WORKTIME OF JOURNALISTS**

Status of journalists (Scope: France, OE, FT)	Journalists' annual worktime (contractual and not actual hours)
Journalists with a fixed number of annual days	From 208 to 215 days
Senior executives	N/A

**ANNUAL WORKTIME: PART-TIME EMPLOYEES**

On average 195 permanent/fixed term staff were employed part-time in 2016. The decision to work part-time is a personal choice in practically all cases in TF1 group.

**INDICATOR: NUMBER OF PART-TIME EMPLOYEES**

Average Jan-Dec (Scope: France excluding Newen, OE, FT)	% workforce	2016	2015	2014
Part-time employees	86.9	195	203	214
Percentage of part-time employees	86.9	7.0%	7.1%	7.9%

**OVERTIME HOURS****INDICATOR: NUMBER AND AMOUNT PAID IN OVERTIME HOURS**

Jan-Dec (Scope: France excluding Newen, OE, FT, temporary staff)	% workforce	2016	2015	2014
Overtime hours	86.9	51,153	54,179	43,163
Amount (in euros)	86.9	1,597,331	1,695,148	1,361,460

**7.1.5 COMPENSATION AND EMPLOYEE SAVINGS**

Despite the challenging and uncertain economic environment and increased competition in the market for advertising space, the mandatory annual negotiations for 2016 resulted in a 1.2% increase in basic pay. Following the exemplary efforts of the management, a 1% increase was negotiated for members of the Management Committee, covering 150 key managers of the Group. To put these figures into perspective, inflation was zero.

**COMPENSATION & BENEFITS FUNCTION**

Salary increases, made entirely on an individual basis, take account of key competencies for the future of the Group, the results obtained and market values. In this context, the Human Relations Division has

appointed a "Compensation & Benefits" manager to define and evaluate overall employee remuneration, including all perquisites.

The creation of a Compensation & Benefits function within TF1 group reflects HR's determination to bring the remuneration strategy into line with company strategy and improve the correlation between performance and pay. With this in mind, salary surveys were commissioned from the firm Willis Towers Watson\*. The aim was to position the remuneration packages offered by TF1 group in relation to the market and update its practices if required.

This enabled TF1 group to benchmark the pay of each of its employees and introduce payroll management tools (salary bands, hiring matrices, diversity targeting, etc.).

\* Three surveys were carried out: a "cross-sector" survey for corporate and support functions; an audiovisual survey organised in conjunction with other major industry players for functions specific to the audiovisual sector; lastly, a survey focusing on managers.



## GROSS COMPENSATION

### INDICATOR: AVERAGE GROSS ANNUAL COMPENSATION BY PROFESSIONAL CATEGORY WITHIN THE GROUP

<i>Scope: France excluding Newen, OE excluding suspended contracts (in euros)</i>	% workforce	2016	2015	2014
Clerical, administrative, technical and supervisory staff	86.9	41,233	40,461	40,148
Managers	86.9	70,486	69,118	67,770
Journalists	86.9	81,544	78,620	77,515
All categories	86.9	67,789	65,699	64,553

### INCENTIVE, PROFIT-SHARING AND EMPLOYEE SAVINGS SCHEMES

TF1 group employee savings scheme (PEG) was created on 15 December 1992.

In all, 77.2% of eligible employees were members of the PEG scheme at 31 December 2016 (up from 76.6% in 2015). The company's maximum matching contribution is €3,750 gross per employee per year, making a total gross contribution of €6.8 million. The matching contribution is 200% on the first €300 paid, which encourages the lowest-paid

employees to save. Thereafter it is 100%, capped at a maximum of €3,750 per year.

To help employees prepare to fund their retirement, the Bouygues group has set up a retirement savings plan (PERCO). At 31 December 2016, 16.5% of eligible employees were members of the plan. The company's matching contribution varies from 20% to 100% depending on the amount invested by the employee, with a maximum of €1,290 gross per employee per year. The total amount of employer's contributions was €324,700.

### INDICATOR: RATES OF MEMBERSHIP OF THE GROUP EMPLOYEE SAVINGS SCHEME (PEG) AND RETIREMENT SAVINGS PLAN (PERCO)

<i>(Scope: OE, FT)</i>	% workforce	2016	2015	2014
Percentage of eligible employees who belong to the employee savings scheme (%) <i>(World excluding Newen)</i>	88.2	77.2%	76.6%	75.5%
Percentage of eligible employees who belong to the Group retirement savings plan (%) <i>(France excluding Newen)</i>	86.9	16.5%	16.5%	15.8%

### INDICATOR: AVERAGE GROSS AMOUNT PAID PER EMPLOYEE (PROFIT-SHARING AND INCENTIVE SCHEMES)

<b>Year of payment</b> <i>(Scope: France excluding Newen, all contracts)</i>	% workforce	2016	2015	2014
Average gross amount paid per employee under profit-sharing scheme (€)	86.9	2,436	1,048	1,206
Average gross amount paid per employee under the incentive scheme (€)	86.9	0	502	0

Group employees own 7.2% of TF1's share capital (up from 6.4% in 2015) through the TF1 Actions group investment fund.

## 7.1.6 PROFESSIONAL RELATIONSHIPS AND REPORT ON COLLECTIVE AGREEMENTS

### OVERVIEW OF PROFESSIONAL RELATIONSHIPS WITHIN TF1 GROUP

All Group companies have staff representative bodies: employee delegates, Works Councils, Combined Works Council and employee delegates, Health, Safety and Working-Conditions Committee and Trade Union Delegates, representing a total of 28 bodies and 193 elected representatives.

In application of the 2006 agreement on resources devoted to TF1's trade unions, it should be noted that the unions have full-time union officials (five in total within TF1 SA).

### REPORT ON COLLECTIVE AGREEMENTS

Concerning compensation and employee savings, as it does every year, TF1 group signed Mandatory Annual Negotiations (MAN) agreements at all the companies concerned.

Several agreements were signed with the trade unions in 2016:

- agreement on gender equality;
- third amendment to the agreement in connection with the incentive scheme.

As part of the MAN, in January 2016 TF1 negotiated an agreement on:

- a 1.2% increase in the base salaries of employees outside the Management Committee (150 *key managers* of the Group);
- a 1.0% increase in the base salaries of members of the Management Committee;
- the application of the negotiated increase for employees who went on maternity leave in 2015;
- the payment of 80.0% of public transport expenses (Navigo travel card & Vélib' bike rental);
- the payment of company restaurant admission fees for the amount of €5.60;
- continuation of the full salary (100%) for employees taking partial or full paternity or childcare leave;

- the authorisation of four days' paid leave for employees with a commitment under a civil partnership contract (PACS).

#### AGREEMENT RELATIVE TO THE PRIVATE HEALTH INSURANCE SCHEME

An amendment to the health insurance scheme of TF1 group (applicable from 1 January 2013) was signed by the trade unions (CFTC, FO, CGC, CFDT) with a view to adapting contributions and cover while maintaining a high-quality social security coverage consistent with market rates. On 1 July 2014, following several Meetings of the Death and Disability Insurance Coordination Committee (five in 2014), the decision was made to increase the amount of contributions so as to finance the impact of the carry-over of benefits resulting from the ANI (national inter-professional agreement) of 11 January 2013 and to return the health insurance scheme to financial equilibrium. As of 1 January 2016, in consultation with the trade unions, TF1 decided – two years ahead of schedule – to implement the “responsible agreement”, which imposes strict rules on the reimbursement of certain medical, optical and dental expenses.

#### 2016 STATISTICS FOR TF1 GROUP AS A WHOLE

(Scope: France excluding Newen)	Works Council	Employee delegates	Combined delegates	Board of Directors	Total
CFTC	13	17	17	12	59
FO	2	7	0	0	9
CGC	0	1	0	0	1
CGT	0	1	0	0	1
CFDT	4	7	0	0	11
Independent	0	0	0	0	0
<b>TOTAL</b>	<b>19</b>	<b>33</b>	<b>17</b>	<b>12</b>	<b>81</b>

#### INDICATOR: NUMBER OF MEETINGS AND COLLECTIVE AGREEMENTS (SCOPE: FRANCE EXCLUDING NEWEN)

Number of Meetings with employee representatives (Works Council + Employee delegates + Health, Safety and Working Conditions Committee + Board of Directors + combined delegates)	264
Number of collective bargaining Meetings with union delegates	25
Number of collective agreements signed during the year	11
Number of negotiations with employee representative bodies on organisational changes	7

#### INDICATOR: PARTICIPATION RATE IN WORKS COUNCIL ELECTIONS

(Scope: France excluding Newen)	% revenues	2016	2015	2014
Rate of participation in latest Works Council elections	86.9	79.8%	80.1%	79.6%



## 7.1.7 HEALTH, SAFETY AND SECURITY CONDITIONS

The policy on health and safety for employees has been a priority for TF1 group for many years and is applied across all its activities. The aim of this Group policy is to ensure the safety of employees, protect their health and improve their quality of life at work. The management seeks

to raise employee awareness about preventing occupational hazards and implementing safety measures. By implementing its action plan, it can tackle absenteeism.

### ABSENTEEISM AND REASONS FOR ABSENCE IN TF1 GROUP

#### INDICATOR: ABSENTEEISM

Jan-Dec (Scope: France excluding Newen, OE)	% workforce	2016	2015	2014
Absenteeism rate	86.9	2.97%	2.90%	2.48%
Total days' absence	86.9	26,590	26,700	24,000
Days absent for sickness	86.9	23,850	25,373	22,650
Days absent for occupational accidents	86.9	1,982	905	781
Number of days of absence for travel-related accidents	86.9	621	396	358
Number of days of absence for occupational illness	86.9	137	26	211

The absenteeism rate was up slightly (+0.07%), despite a near-identical total number of days' absence to 2015, since adjusted for the lower headcount on the same scope. The sharp rise in the number of days

absent for occupational accidents and travel-related accidents is mainly due to three prolonged periods of absence (more than 200 days).

#### INDICATORS: WORK-RELATED ACCIDENTS

(Scope: World excluding Newen, all contracts)	% workforce	2016	2015	2014
Number of work-related accidents with time off	88.2	20	14	17
Number of fatal work-related accidents (work-related/commuting)	88.2	0	0	0
Employees trained in health and safety	88.2	505	448	744
Frequency rate of work-related accidents	88.2	4.0	2.7	3.2
Severity rate of work-related accidents	88.2	0.4	0.2	< 0.2
Number of occupational illnesses	88.2	1	0	2

The significantly higher frequency rate is due to the rise in the number of occupational accidents in 2016 compared with 2015.

### CONTRIBUTORS TO THE HEALTH AND SAFETY POLICY

The Medical Department is central to this and is somewhere employees can turn to. Aside from day-to-day responsibilities for monitoring employee health and preventing occupational risks, the occupational physician, assisted by three nurses, defines and implements individual and collective measures, such as in the case of employees sent to report in countries affected by the Ebola virus.

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

bodies required by law (nine committees for health, safety and working conditions).

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.

### 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 reporting assignments.

Occupational health physicians raise awareness of lifestyle issues among the workforce and alert HR if and when they identify psychosocial risks.

Employees regularly attend medical check-ups arranged by TF1's Medical Department.

The Group's management, the Health, Safety and Working Conditions Committee and the occupational health team regularly issue recommendations on driving while on professional assignment. All these players work together to ensure that regular training is provided in life saving and first aid.

The DAGS has also beefed up site security procedures in view of the continuing threats in France, particularly towards the media. Since January, new 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 TRAINING

A total of 402 different employees received health and safety training in 2016 (versus 367 in 2015), reflecting the Group's concern for its employees.

This training was mainly aimed at news teams, with training on scooter use, first aid, risk areas and osteopathy. Technical staff also attend mandatory courses on electrical accreditation.

### MEASURING QUALITY OF LIFE AT WORK

To measure the quality of life at work, a health and well-being survey has been carried out every year since 2008. This voluntary questionnaire is offered to employees during their periodic medical check-ups. It is used to measure stress and anxiety levels and to implement action plans where necessary.

In the 2015 version of TF1 group opinion poll, 62% of employees expressed views on the 13 key issues covered by the questionnaire. The results of the third internal opinion poll indicate a positive team spirit, confidence in the management and a real sense of pride in belonging to the Group. No surveys were carried out in 2016.

TF1 group is mindful of the health benefits of sport and strives to create a pleasant working environment for its employees, offering them the use of a gym with discounted membership rates.

#### INDICATOR: PERCENTAGE OF EMPLOYEES WHO TOOK PART IN A SATISFACTION SURVEY

(Scope: France, OE)	% workforce	2016	2015	2014
% of employees who took part in a satisfaction survey	-	No survey	61.6%	No survey

## 7.1.8 EQUAL OPPORTUNITIES AND THE FIGHT AGAINST DISCRIMINATION

### DIVERSITY: FROM CHARTER TO LABEL

As a mark of its commitment to openness to all, TF1 group signed the Diversity Charter on 11 January 2010 before applying for Diversity Label accreditation, which was secured on 14 December 2010.

The Group proactively deployed its diversity policy as part of an approach named "From charter to label" geared towards the transition from charter to accreditation. The requirements of the label set out a strict framework for leading the whole company through an overall process of continuous improvement.

All target populations (managers, employees involved in programme-making, viewer services staff and HR), totalling more than 2,007 people since 2010 (420 of them in 2016), have received training in issues relating to diversity and the prevention of discrimination. Example of titles:

- Diversity, a social dialogue issue
- Managing diversity, a performance issue
- Diversity in newscasts and magazine programmes
- Masterclass conference: Gender diversity, a performance issue
- Women in leadership

- Diversity and disability: awareness, integration and day-to-day actions
- Diversity workshop in our newscasts
- The key to reflecting the diversity of French society
- Compiling, archiving and documenting images of diversity
- Communication on TF1 group diversity policy

The in-house counselling service dedicated to the fight against discrimination, set up in late 2012, was replaced in 2014 by Allodiscrim', an external and anonymous counselling service that employees can use to contact a lawyer to receive a legal opinion on the situation experienced.

The AFNOR report, delivered in early 2013 following an intermediate audit scheduled for two years after obtaining the label, highlighted the dynamism and effectiveness of the process as a whole, thanks to the relevance of the actions affecting diversity and equality of opportunities within the Group.

TF1 group is a member of the AFMD (the French Association of Diversity Managers) and has a seat on its Board of Directors.



**INDICATOR: NUMBER OF EMPLOYEES HAVING RECEIVED TRAINING ON DIVERSITY AT WORK**

(Scope: France excluding Newen)	% workforce	2016	2015	2014
Number of employees* having received training on diversity at work	86.9	420	192	130
<i>Including programme contributors</i>		7	0	43
Cumulative total since 2010	86.9	2,007	1,587	1,395
<i>Including programme contributors</i>		670	663	663

\* The indicator concerns the number of employees in training. Some employees may have attended several training courses.

**DISABLED EMPLOYEES**

A third three-year agreement (for 2014-2016) on hiring people with disabilities and keeping them in employment was signed on 30 April 2014 by all the trade unions and approved by DIRECCTE on 24 June 2014. The agreement notably provides for an ambitious recruitment plan of 24 people with disabilities on permanent or fixed-term contracts of over six months (including 18 on work-study programmes). Taking account of changes in scope (excluding Eurosport), these objectives make the new plan more ambitious than the previous plan, despite today's unfavourable employment context.

Work-study programmes are a favoured approach given the shortage of applicants for skilled positions. For the third time in a row, the Group worked with Cap Emploi and its disability-friendly education partners to run a recruitment campaign to integrate people with disabilities of all ages on work-study programmes. Subsidiaries of the Bouygues group joined the scheme in 2016.

For existing employees with disabilities, once again this year all requests for changes to the working environment (which affect more than 40% of such employees) were met through measures that included the co-financing of hearing aids, transport agreements, sign-language

equipment for the hearing-impaired, and modifications to the working environment.

To raise awareness of its open policy towards people with disabilities, TF1 is developing an increasing number of partnerships with organisations (including Osons l'égalité and Mozaic RH) and takes part in targeted campaigns such as Handichat and recruitment forums, including those by ESSEC and ADAPT.

TF1 group seeks to involve its target schools and universities, notably through the payment of its apprenticeship tax. TF1 group also responded to the invitation by the CSA and signed an agreement with several media and journalism schools aimed at fostering training and internships for students with disabilities.

One-day training courses on disabilities are coordinated by all employees seeking to find out more about the issue, and specific training courses are available for employees liable to welcome a person with disabilities as part of their team.

In addition, a masterclass on resilience with Boris Cyrulnik and Michael Jeremiasz, gold medal winners in the Paralympic Games, was given to 215 employees in TF1 group auditorium.

**INDICATOR: NUMBER OF DISABLED WORKERS EMPLOYED BY THE COMPANY**

(Scope: France excluding Newen)	% workforce	2016	2015	2014
Number of disabled employees in the company at 31/12 (all contract types)	86.9	67	68	70
Disabled employees hired during the year (fixed-term and open-ended contracts)	86.9	12	9	9

**PROFESSIONAL EQUALITY BETWEEN MEN AND WOMEN**

TF1 pursues an active policy of not discriminating between men and women, particularly in the areas of recruitment, career development and pay.

The professional gender equality agreement signed in 2012 and renegotiated in 2016 emphasises several indicators presented annually to elected representatives and incorporating these themes.

Gender diversity is a natural feature of TF1 group, 50% of whose staff and managers are women. However, this diversity varies in different parts of the business, with some divisions having a higher number of women and others a higher number of men. To tackle this, we are engaged in

several initiatives, including raising awareness of diversity issues (such as gender diversity) in our target schools and promoting internal mobility across the organisation. We are also mindful of this balance when recruiting, and ask recruitment agencies to refer both male and female candidates to us wherever possible.

Diversity in governance bodies has also increased throughout TF1 group. For example, women represent 35% of the Group Management Committee, a year-on-year increase of 7 points. In addition, 47% of junior managers (Deputy head of department level) are women.

To facilitate diversity at all levels of the company, HR has introduced career guidance and development initiatives for women. More than 50 women have received Women in Leadership training since 2012.

Alongside this, 38 women have been mentored as part of a mentoring scheme.

At the same time, concrete measures have been taken to foster a work/life balance. On 4 April 2016, the Group signed the parenthood charter.

In September 2015, TF1 set up a Fifty-Fifty network with almost 200 members, 20% of them men. Created at the instigation of Group employees with the help of the Human Relations Division, its aim is to

raise awareness of diversity and to spotlight the commitment of TF1 group towards this.

On 5 December 2016, TF1 group held an "Experts on the news" event designed to increase the number of women experts appearing on TV news. More than 180 experts participated in this one-day event, which consisted of two parts: a conference on the topic of "Expertise on TV news: what place for women?" and media training and public speaking workshops. It also featured a discussion workshop for TF1 and LCI experts and journalists.

<b>Breakdown of the workforce by gender at 31/12</b> (Scope: World, OE and FT)			2016	2015	2014
	% workforce				
Women	100		50.2%	50.9%	50.9%
Men	100		49.8%	49.1%	49.1%

#### INDICATOR: PROPORTION OF WOMEN STAFF BY STATUS

<b>At 31/12</b> (Scope: World, OE, FT)			2016	2015	2014
	% workforce				
% of women, clerical, administrative, technical and supervisory staff	100.0		55.1%	59.0%	59.9%
% of women, managers	100.0		51.5%	52.6%	50.6%
% of women, journalists	100.0		39.9%	46.0%	39.2%
% women, total	100.0		50.2%	50.9%	50.9%

#### INDICATOR: PROPORTION OF WOMEN STAFF BY HIERARCHICAL LEVEL

<b>At 31/12</b> (Scope: France excluding Newen, OE, FT)			2016	2015*	2014*
	% workforce				
% of women in management as a whole (Deputy heads of department, C4 and higher)	86.9		40.7%	39.8%	39.9%
% women in junior management (Deputy heads of department, C4)	86.9		49.1%	47.5%	47.8%
% of women in senior management as a whole (Deputy heads of department, C5 and higher)	86.9		38.1%	37.4%	37.3%
% of women in top management (Management Committee level)	86.9		34.5%	30.6%	29.3%

\* New indicators, recalculated for the two previous years at constant scope, i.e. excluding Eurosport.

#### INDICATOR: NUMBER OF NEW HIRES, WOMEN AND MEN

<b>Hiring</b> (Scope: World excluding Newen, OE/FT)			2016	2015	2014
	% workforce				
Women	88.2		332	310	241
Men	88.2		253	225	150
<b>TOTAL</b>	<b>88.2</b>		<b>585</b>	<b>535</b>	<b>391</b>



## INDICATOR: SALARIES, WOMEN AND MEN

Average gross annual salary for young graduates (in euros) <sup>(1)</sup> (Scope: France (excluding Newen), OE)	% workforce	Supervisory staff	Managers	Journalists
<b>Women</b>				
2016	86.9	24,301	33,937	36,075
2015	97.0	19,500	35,100	-
2014	96.9	19,058	33,300	-
<b>Men</b>				
2016	86.9	22,250	35,385	31,980
2015	97.0	21,125	37,440	30,745
2014	96.9	19,058	34,229	-

(1) Employees aged between 18 and 25 with less than one year of service. Female and male employees with the same education levels are hired on the same salary.

## INDICATOR: PROPORTION OF WOMEN AND MEN PROMOTED

Promotion rate <sup>(1)</sup> (Scope: France excluding Newen, OE)	% workforce	2016	2015	2014
Women	86.9	8.8%	9.2%	8.1%
Men	86.9	6.6%	7.9%	8.7%

(1) With a change in professional category.

## MEASURES FOR SENIOR EMPLOYEES

TF1 group signed an agreement with the trade unions in 2009 whereby it committed to keeping 184 employees aged 55 and over in employment. Despite a decrease in the workforce, this commitment has been respected every year.

The Group has pursued its policy for older employees since 2014 by including this objective, adapted following the loss of control of Eurosport, in the "Generation Contract" agreement implemented on 1 January 2014.

Also, older employees may request an interview to discuss and prepare for the second part of their careers. Tutors and sponsors are chosen as a priority from among employees aged over 45.

In March 2016, 150 employees attended a masterclass on different generations and intergenerational relations which took place in TF1 group auditorium.

## 7.1.9 SKILLS DEVELOPMENT

### NEW HR INFORMATION SYSTEM

In early 2016, the Group HR Division launched a new HR portal called "Positive Careers driven by Success Factors". Boasting a more efficient, agile and user-friendly interface, each stage of the employee's career is covered by new skills development modules:

#### ■ New performance appraisal:

TF1 group has launched a new skills assessment module.

With this new tool, employees can perform a self-appraisal before meeting with their manager to review their job-related skills and assess the eight core competencies vital to meet the challenges of the Group's transformation:

- **Innovation:** Fostering entrepreneurship and creativity.
- **Business:** Understanding how actions impact on the business and factoring in company revenue and performance. Being proactive in

optimising costs and contributions to value added. Taking action to boost profitability.

- **Digital:** Learning how to use digital tools to do the job and boost team performance. Harnessing the digital transformation and anticipating business opportunities.
- **Adaptability:** Adapting behaviour to suit the environment. Adopting different methods depending on the circumstances. Being able to handle new situations, unforeseen events and emergencies.
- **Collaborative:** Being a good team player. Seeking and acting on the advice of others. Embracing team objectives. Facilitating teamwork through the use of collaborative tools.
- **Ability to learn:** Taking ownership of new subjects and being open and receptive to applying new knowledge.

- **Resilience:** Bouncing back quickly after a setback. Knowing how to turn a failure into an opportunity.
- **Ability to anticipate:** Planning ahead, envisioning the expected results and organising oneself accordingly.

■ **New career interview:**

A new module allows employees to define a career development plan with their manager.

■ **New training programme offered by the tf1 university on the themes of innovation, business and digital (see below)**

**MENTORING**

38 female employees passed through the mentoring programme in 2016.

In TF1 group, mentoring means confidential personal guidance given on a voluntary basis. Mentors address the specific professional development needs of their mentees in order to build their confidence, hone their skills and increase the chances of them successfully achieving their personal and career goals.

**VOCATIONAL TRAINING**

Continuing professional development (CPD) is offered by the TF1 University. All Group employees have access to innovative learning formats designed to progress the Group's transformation.

In 2015, the TF1 University overhauled its CPD courses to address the following strategic issues:

- identifying with the ecosystem and grasping the issues surrounding the Group's transformation;
- making Innovation, Digital and Business central to business practices;
- fostering team spirit and increasing our agility.

An integrated training course for all permanent staff has been designed around three key pillars: **Innovation, Business and Digital**.

Four learning formats will be rolled out in 2017-2018:

- a three-day immersive course to ensure employee buy-in of the Group's transformation.

For three consecutive days, employees take part in collaborative workshops, attend lectures given by experts in their ecosystem and meet entrepreneurs so that they can:

- understand the latest trends in a connected world,
- seize opportunities in technological changes,
- differentiate by reinventing economic models,
- increase organisational capacities for innovation and operations;

- a workshop on the features of the collaborative tools that the Group has shared with its employees;
- a monthly masterclass to analyse current issues affecting the Group's businesses;

Seven new masterclasses were held in 2016 for a total of 1,407 participants. The topics covered in 2016 were the following: "Feedback on the CES", "The alchemy of generations", "e-sport 360°", "Cannes Festival", "Group content strategy", "The news in 2016", "Resilience: how challenges make us stronger". These conferences are recorded and are available on demand from the University's digital platform.

The programme is accompanied by a digital platform where other inspirational tutorials and videos can be downloaded.

In addition, new performance indicators will be introduced to measure the efficiency of these programmes:

- **Innovation:** number of new business projects supported by the Group (see number of incubated start-ups and internal projects involving the secondment of employees).
- **Digital:** digital revenues.
- **Business:** opinion survey on comprehension of the Group's strategy.

Employees are also offered specific training programmes:

**JOB-RELATED SKILLS DEVELOPMENT**

For example:

- "One LCI": the freeview switchover of LCI was accompanied by the launch of the "One LCI" project within the Group, aimed at merging the Group's digital news divisions (MYTF1News and Metronews.fr) with the 24-hour rolling news channel (LCI).

More than 300 employees (240 journalists and 70 technicians) from the Group's four different divisions, each with their own identity and culture (MYTF1News, Metronews.fr, LCI and the TF1 SA technical team), received editorial, technical and change management training. = 6,598.5 training hours;

- "MAMBO" (Media Asset Management By Objects) = 2,030.5 training hours;

- "HR Business Partners": to provide support to operational teams during the Group's transformation and enable them to espouse the Group's new ambition, HR operational staff must become "HR Business Partners". All the HR operational teams have been trained to challenge organisations, be assertive and be proficient in the use of HR management tools;

- "Digital Fabrik": Gaining an insight into the future of digital, new technologies and new consumer trends. Harnessing digital communication tools: website, SEO, SEA, SEM, *display/video*, Smart/ IP TV, email and social media = 1,680 training hours in 2016.

New performance indicator: number of non-permanent employees who received training.

In view of the Group's changing technological environment, non-permanent staff (those on fixed-term contracts, technical contractors and freelancers) receive the professional training they need to use in-house technical tools.



**INDICATOR: TRAINING OF NON-PERMANENT STAFF**

France excluding Newen (temporary staff)	2016	2015	2014
Non-permanent employees who received training	598	-	-

**MANAGEMENT AND HUMAN RELATIONS**

- “Onboarding managers”: supporting managers in their new role (developing management techniques and agility).
- “Learning expedition”: specific guidance for members of the Group Management Committee through participation in a Learning Expedition, which in 2016 took place in Seattle and San Francisco.

The programme has four objectives:

- understand the latest trends in a connected world;
- seize opportunities in technological changes;
- differentiate by reinventing economic models;
- increase organisational capacities for innovation and operations.
- “One-to-one coaching”: enabling managers to be assertive and address weaknesses within their teams.
- “Driving your professional development”: analysing and understanding the mechanisms of interpersonal communication. Developing listening skills. Identifying the frame of reference of the speaker and listener. Adapting to the audience. Designing an effective pitch and maximising its impact.

**HEALTH AND SAFETY TRAINING**

The number of hours spent on health and safety training was 2,916. This included 620.5 hours of health-related training (first aid, life-saving techniques, first aiders at work, stress management, etc.) and 2,295 hours of safety-related training (local security staff, accreditation for electrical hazards, risk awareness for news teams, etc.)

**LANGUAGE TRAINING**

A customised English-language certification course was specially designed for TF1 group employees. Eligible for the Individual Learning Account (ILA), it provides employees with 94 hours of English-language training in a variety of formats (face-to-face group lessons, telephone lessons, e-learning platform). At the end of the course, students take the Business Language Testing Service (BULATS) exam.

**DIVERSITY TRAINING**

A special course entitled “Women in leadership and equal opportunities” was offered to 15 female managers within TF1 group. In addition, the entire Recruitment Division of TF1 group has received awareness training on the risks of discrimination in recruitment.

In 2016 Group employees received 39,821 hours’ training (compared with 46,479 hours in 2015):

- 30,343.6 hours, or 76.2%, in developing job-related skills;
- 3,388.5 hours, or 8.51%, in management and human relations;
- 2,915.5 hours, or 7.32%, in health and safety;
- 2,109 hours, or 5.30%, in language learning (during working hours);
- 1,064.8 hours, or 2.67%, in Business Diversity and Management Diversity training and personal development.

All training courses are assessed and are the subject of regular reports and adjustments.

**INDICATOR: VOCATIONAL TRAINING, STATUTORY TRAINING ENTITLEMENTS**

(Scope: France excluding Newen, OE)	% workforce		2016	2015	2014
	86.9	Number	1,870	1,719	1,825
Number and % of OE employees who received training	86.9	%	77.2	68.2	71.7
% of payroll spent on training	86.9	%	2.9	2.8	2.7
Total training hours, all training systems	86.9	Number	39,821	46,479	43,112
of which number of internal training hours	86.9	Number	9,011	*	*
Average training hours per active OE*	86.9		16.4	-	-

\* No previous data since new indicator for 2016.

In 2016, particular emphasis was placed on optimising training costs through in-house training and activating the funding mechanisms available from OPCA, or official funding bodies (mainly through the ILA and block-release training). A total of 8,695 hours were activated this year under ILA schemes.

**CORPORATE COMMUNICATION**

To support the Group’s transformation (*OneTransfo*), the Corporate Communication Division has prepared a communication action plan to inform the Group’s employees of the new ambition and ensure that they understand and engage with it.

**THE FIRST AIM OF THIS COMMUNICATION IS TO EXPLAIN THE REASON FOR THE TRANSFORMATION**

Actions taken: special *OneTransfo* folder on the Group intranet with regular publication of special articles; flyers sent to employees outlining the Group’s ambition and transformation levers; information pack sent to participants after each Group Management Committee Meeting summarising the key points to be shared with their staff, etc.

**THE SECOND AIM IS TO COMMUNICATE THE VISION, STRATEGY AND TRANSFORMATION ITSELF**

Actions taken: monthly newsletters; discussion with Christine Bellin, Group Head of Strategy, Development and Transformation during a after-work events when she explained the key issues for TF1 (attended by more than 12 different departments and some 500 employees);

informal conversations between Gilles Pélisson and employees during regular breakfasts; exclusive interviews with the Chairman and video chats with members of the Executive Committee where employees can delve into certain aspects of the strategy.

**THE THIRD AIM OF THIS COMMUNICATION IS EMPLOYEE ENGAGEMENT AND BUY-IN WITH RESPECT TO THIS TRANSFORMATION**

Actions taken: alongside of *OneTransfo*, HR has devised a training course for all employees based on three key pillars: business, innovation and digital. During the training (known as “Connect” courses), employees from the Strategy Division summarise the key issues and give progress updates on the main projects. Intrapreneurship is part of the same objective for the Digital and Innovation Division and calls for employees to be bold and creative.

**7.1.10 ATTRACTING AND RETAINING TALENT**

**AGILE RECRUITMENT DEPARTMENT**

The Central Recruitment Department created in January 2016 (with a team of four dedicated recruiters) responds effectively to the needs of the business by identifying, attracting and integrating talent. New sourcing practices have also been introduced, including the use of social media and headhunting. The Department works closely with HR functional and operational teams on this strategic process.

**TALENT FACTORY**

In addition, interns and students on work-study programmes are closely monitored by their tutor and HR during and at the end of their work placement with the Group.

Students identified as particularly competent and who match the values and needs of the business receive special attention via the “Talent Factory”. The company stays in touch with them after they leave (through their manager, DDT, LinkedIn, etc.), sending them news and regularly inviting them to TF1 events.

**DEDICATED PROGRAMMES**

A talent policy is also in the process of being developed. This will identify experts, junior High Potentials, High Potentials and key people.

A monitoring and development programme will be put in place for each of these categories.

**INDICATOR: PROPORTION OF EMPLOYEES WHO HAD AN ANNUAL PERFORMANCE APPRAISAL**

(Scope: France excluding Newen, OE)	% workforce	2016	2015	2014
% of employees who had an annual performance appraisal	86.9	84.6%	79.9%	86.6%

The compensation paid to TF1 group’s top 400 managers includes a variable component linked to quantitative and qualitative objectives, the achievement of which is assessed during the annual interview.

as well as the implementation of a budget (€150K in 2015) dedicated to mobility support (integration period, work station) and the creation of a training course entitled “Driving your professional development” for employees looking to develop.

**INTERNAL MOBILITY**

TF1 group is obliged to support its developing businesses while adapting to the economic environment through a decrease in its overall workforce. That being the case, the success of the Group’s policy on internal mobility is crucial to the proper allocation of resources and the professional development of employees.

Internal mobility is the first step in the recruitment process and is governed by: an online mobility charter available on the Group’s intranet, setting out clear rules of procedure to ensure equal treatment. HR managers are responsible for upholding these rules. 170 internal transfers took place in 2016, filling 58.4% of openings.

Professional mobility is a major priority, as evidenced by the creation in 2013 of a Head of Professional Mobility position, carried over in 2014,

Each week, biographies of staff who have benefited from the job mobility scheme are posted on the intranet, while a profession within TF1 group is featured in a monthly video (« It’s my job »).





**INDICATOR: INTERNAL MOBILITY AS A PROPORTION OF TOTAL RECRUITMENT**

<i>(Scope: France excluding Newen, OE) (Transfers within TF1 group + arrivals from Bouygues group)/(external recruits on OE contracts + transfers within TF1 group + arrivals from Bouygues group)</i>	% revenues	2016	2015	2014
Internal mobility as a proportion of total recruitment (%)	86.9	58.4%	72.4%	55.8%

**EMPLOYEE COMMITMENT**

Employee support for the Group’s philanthropic initiatives is essential. Each year, 24 managers mentor young people from the TF1 Corporate Foundation, listening to their concerns and offering them the benefit of their experience and contacts. Other managers have volunteered to mentor young women who work for the Group or its partner firms.

A founding member of B.A.ba Solidarité, which fights against illiteracy, TF1 group has been involved with this issue since 2013. In all, 41 Group employees mentor 14 employees from the company Samsic.

**7.1.11 RELATIONS WITH SCHOOLS AND HOSTING OF INTERNS AND STUDENTS ON WORK-STUDY PROGRAMMES**

In 2016, TF1 group (including Newen) hosted 307 interns and 149 students on work-study programmes (37 on apprenticeship contracts and 112 on professional training contracts) in a number of sectors, including audiovisual, production, graphic design, journalism, acquisition, marketing, sales, communication, web, IT, finance, purchasing and HR.

The pay scale for interns varies depending on the student’s qualifications. However, it is significantly higher than the statutory minimum.

In line with TF1 group’s proactive policy in supporting young people through the transfer of know-how and experience, work-study placements and internships play an important part in the organisation.

This ambitious policy for both trainees and those on work-study programmes reflects a desire to help train young people, identify new talent and welcome younger generations to the company.

A real source of interaction between younger generations and more experienced employees, the scheme is supported by mentor training to ensure that professional support is given.

With this goal in mind, TF1 group has developed quality-driven partnerships with institutes such as ESSEC (seminars, lectures, research), EDHEC (innovation challenge), Centrale (business forums) and Epitech (start-up incubator).

The use of new digital applications and the fresh insights that younger generations bring to the business informs the debate in a way that is beneficial to the Group’s development.

With this goal in mind, the TF1 group has developed quality-driven partnerships with institutes such as ESSEC (Chair of the ESSEC in partnership with Orange and Société Générale, seminars, lectures, research), EDHEC (innovation challenge), Centrale (business forums) and Epitech (start-up incubator).

Interns and work-study students enjoy a generous remuneration policy together with a wide range of job opportunities, attracting young talent from different educational backgrounds.

Lastly, TF1 is a partner of the École de la Cité du Cinéma film school.

**INDICATOR: NUMBER OF INTERNS UNDER AGREEMENTS WITH SCHOOLS**

<i>(Scope: France excluding Newen, students on work-study programmes)</i>	% workforce	2016	2015	2014
Interns under agreements with schools	86.9	307	466	348

**7.1.12 EMPLOYEE BENEFITS**

**CHILDCARE ALLOWANCE**

To facilitate childcare arrangements, a subsidy of €8 a day is awarded to employees with children under four years old who are cared either at creche, or by a professional childminder at or outside the home.

**HOUSING ASSISTANCE**

TF1 group has relationships with three collecting bodies: Solendi, Amallia and Astria.

The amount awarded is limited to €1,830 a year. Works Councils are responsible for managing childcare allowances.

In 2016, employees of TF1 group received various forms of assistance under the housing assistance scheme: 23 employees found housing, 10 home loans for first-time buyers, 13 *Loca-Pass*, 0 *Mobili-Pass*, 0 *Pass-Assistance* and 5 home renovation loans were granted. A total

of 39 employees have benefited from the *Mobili-Jeune* scheme and 182 employees have been advised by housing associations. A total of 272 TF1 group employees benefited from the housing assistance scheme in 2016.

A representative of the housing assistance programme is regularly available to meet with employees and help them with the procedures involved and give advice about financing their home acquisition plans. In 2016, the representative was available on six occasions.

### **FITNESS AREA**

TF1 strives to create a pleasant working environment for its employees, offering them the possibility to use the Fitness Area, a gym at a preferential rate of €20 a month for a one-year subscription.

Ten sports instructors are available to employees Monday to Saturday. In addition to 29 group classes, the Fitness Area has 18 cardio-training machines (treadmills, bikes, etc.), 13 weight machines and 2 steam rooms.

### **SOCIAL WORKER**

A social worker is available during fixed weekly hours onsite at TF1 to inform employees of their rights and the 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.

The social worker's role covers a wide range of areas: from help with initial and ongoing access to housing, family budgeting, debt mediation, education and family relationships (family mediation), to the prevention of psychosocial risks (professional mediation), health (including dependency and mental health), care for those with long-term illnesses, disability and the inability to work, and also plays an alert role concerning identified social problems. Bound by professional secrecy rules, the role of the social worker is to find practical responses or solutions to the problems experienced by employees.

### **SPORTS ASSOCIATION**

Through TF1's sports association, the Group enables employees to practice sports in a number of areas. In 2015 and 2016, the association had 19 sections and 367 members. The association also offers preferential subscriptions for sports clubs (e.g. Forest Hill and Club Med Gym).

### **GRAS SAVOYE**

A representative is available every week to advise employees on procedures in connection with medical issues or help them secure reimbursement under their supplementary health insurance schemes.

### **C'EVIDENICA**

A new optician service is now available to all employees at TF1's headquarters. Employees are eligible for the direct payment system, while their paperwork is also taken care of.



## 7.2 ENVIRONMENTAL INFORMATION

### 7.2.1 GENERAL ENVIRONMENTAL POLICY

#### RISK FACTORS TAKEN INTO CONSIDERATION AND GENERAL POLICY

TF1's activity is not subject to environmental risks associated with climate change, including in the event of a sharp rise in energy prices or tax on carbon emissions. Only TF1's head office located on the banks of the Seine has required the implementation of a flood prevention plan. This plan is described in the Industrial and Environmental Risks section of chapter Risk Factors of this document. The nature of the Group's activities at head offices also does not generate risks related to biodiversity or the quality of water and soil.

The direct environmental footprint of media activity is equivalent to that of the services sector in terms of greenhouse gas emissions. The media sector generates transport, the purchasing of electronic equipment and the consumption of electricity.

Media companies also owe it to their stakeholders to set an example. This is why the TF1 group has made a twofold commitment: to the "Ecoprod" policy, which strives to implement eco-friendly audiovisual production practices, and to the management of its internal processes.

The Group has deployed a proactive policy across all its buildings and in all areas over which it has control: applying action plans and continuous improvement initiatives in connection with the consumption of fluids, electric energy and raw materials (paper) and the management of waste, consistently above and beyond legal requirements. Collective catering, an environmental challenge but also an issue on which employees need to be educated, is the subject of an action plan led in close collaboration with the catering provider. Increasingly, energy consumption and waste management are factored in at an early stage of any project involving the technical solutions used by the Reporting Department and departments managing fixed equipment.

In October 2015, the Group signed the Paris Climate Action Charter. The ISO 50001 certification policy launched by the Group is due to be completed in 2017.

The environmental impact of a media group is also indirect: it manifests itself through its ability to raise public awareness of this issue. In addition to the 20-years of broadcasting the *Ushuaïa* programme on TF1, the Group's channels and websites raise the environmental awareness of viewers and web users year-round in several areas, including weather forecasts, TV news stories, the *Ushuaïa* TV thematic channel, and campaigns on environmental information for children etc.

2015 and 2016 saw exceptional editorial coverage by Group channels of climate issues and of the COP21 international talks in Paris and the COP22 talks in Marrakesh. The Group organised several conferences intended for stakeholders on climate issues and existing solutions.

#### IN-HOUSE ENVIRONMENTAL MANAGEMENT STRUCTURES

The Corporate and Security Services Division is in charge of all the plans to control consumption and manage waste. One full-time equivalent employee works on keeping track of the action plans, particularly in waste management, collecting indicators, managing the "HQE Exploitation" certification application, keeping the EMS up to date and the ISO 50001 certification process.

#### ENVIRONMENTAL ASSESSMENT AND CERTIFICATION PROCEDURES FOR BUSINESSES

##### AIMING FOR ISO 50001 CERTIFICATION

In 2015, the Group launched an ISO 50001 certification policy which was due to be completed in early 2016. The project has been postponed due to the Corporate and Security Services Division's schedule in 2016. However, TF1 did satisfy regulatory requirements by performing an energy audit at the La Tour building (covering 85% of the entity's total energy bill) which was completed on 9 May 2016.

ISO 50001 certification policy will include the implementation EMS involving all Group players (Group Purchasing Division, Technological and IT Division, maintenance, servicing and catering service providers). It will enable management to develop an organisational model, as well as a more accurate tool with which to pursue its target of reducing its environmental footprint. The EMS is in the process of being designed with the help of ELAN and numerous contacts have been made with the AFNOR certification body. Coordination is organised with the CSR Division.

##### OTHER TOPICS

In addition to its legal obligations, TF1 checks air quality (dust content, hygrometry) and water quality (coffee machines, water fountains) five or six times a year. TF1 has Socotec and Veritas inspect all its equipment (and air-cooling towers in particular).

TF1 works on environmental issues with certified providers (ISO 9001 and/or 14001 for waste management, electrical equipment maintenance and furniture purchasing).

#### STAFF TRAINING AND COMMUNICATION MEASURES

Staff are regularly educated on sustainable development through specific sections of the Intranet and during dedicated events.

Every year, two TF1 managers attend the "IMB – Social and Environmental Responsibility" seminar organised by the Bouygues group and regularly enhanced by new approaches to sustainable development and Group strategy.

TF1 is a founding partner of the Nicolas Hulot Foundation and renewed its commitment to the foundation at the end of 2016.

## EXPENDITURE ON PREVENTING THE ENVIRONMENTAL IMPACTS OF OUR ACTIVITY - THE ENVIRONMENTAL FOOTPRINT OF PRODUCTION

The audiovisual sector emits roughly one million tonnes of CO<sub>2</sub> equivalent a year into the atmosphere, around a quarter of which is directly linked to shoots, according to a study of key figures in the industry carried out in France in 2011 and available at [www.ecoprod.com](http://www.ecoprod.com)<sup>(1)</sup>. To reduce this footprint, TF1 launched the Ecoprod initiative in 2009 with the ADEME (French agency for the environment and energy management, AUDIENS), the Commission du Film d'Île-de-France, the Centre national du cinéma et de l'image animée, Pôle Médias du Grand Paris and France Télévisions.

Ecoprod has created an online resource centre at [www.ecoprod.com](http://www.ecoprod.com). The resources are provided free of charge to industry professionals and presented regularly at events and through partnerships with specialised media.

The website includes best practice sheets by business line, a carbon footprint calculator for audiovisual production (Carbon'Clap), a guide on eco-friendly production and first-hand testimonials useful to producers and other professionals in the industry.

Since 2014, an environmental commitment charter has been proposed to small and medium-sized audiovisual services entities. By the end of 2016, more than 75 businesses had signed this charter. For those who signed on to the charter, training was also developed to help them implement its proposed measures.

In 2016, a new version of the calculator was put on line with revised emission factors and a further level of detail. A partnership was entered into with the European Training Centre for Film Production (CEFPF) to

incorporate an eco-production module within the production manager training course. Ecoprod also launched the Eco-production Award, in collaboration with the Deauville Green Awards, a film festival focusing on sustainable development. The Île-de-France region, building on the momentum initiated by Ecoprod, launched a call for proposals to study audiovisual and performing arts industry sorting and recycling processes. Lastly, a new guide to the environmental footprint of post-production activities is being produced and should be published in January 2017.

TF1 contributes €5,000 in cash, and €5,000 in kind, to the Ecoprod initiative every year.

TF1's activities do not give rise to the implementation of provisions on the reduction of environmental risks or the introduction of an organisation structure to manage pollution accidents outside Group companies.

## MEASURES TAKEN TO ENSURE COMPLIANCE WITH LEGAL PROVISIONS

TF1 continues to monitor regulations governing its technical installations that are rated as having a potential ecological impact (ICPE under the French Environmental Code).

The installations governed by these regulations are classified according to activity, extent of activity and level of risk or harm involved, and are therefore subject either to authorisation or to declaration. TF1 has several installations subject to ICPE regulations, including electric generators, cooling units and cooling towers. All these installations comply with ICPE regulations and do not cause any harm. The checks made by TF1's maintenance teams are rigorous, and all the compulsory sanitary checks are compiled in an Annual Report that is sent to the competent authorities.

## 7.2.2 ENVIRONMENTAL REPORTING PARAMETERS

**Reference period:** 01/10/2015 to 30/09/2016

**Scope of indicators:** only companies housed in the "Tour" and "Atrium" headquarters buildings in Boulogne-Billancourt which accommodate 2,860 work stations and 83.4% of the Group's employees, accounting for 82.7% of Group revenue at 30 September 2016.

All other activities (Téléshopping, TMC, Ouest Info, Newen) are in office space in shared buildings, occupying a small surface area, for which we have neither the reporting data nor the ability to take significant action on the indicators.

### 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 measures are based on meter readings;
- electricity and consumption data is taken from bills and corroborated by remote readings obtained from EDF's internet site through a load-graph 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 (GDA, a SAMSIC group subsidiary) to which the Group has entrusted waste management and monitoring services. Invoicing is done by weight;
- refrigerant fluids are measured on the basis of invoices 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, accounting for any refills in the intervening period;
- fuel consumption is based on the statements provided by Total and related to professional card use for fill-ups.

(1) Study scope: the production of theatre-release films, video and television programmes, sound recording and music publishing, television programming and broadcasting, or businesses with the French Business Activity Codes 59 and 60.



## 7.2.3 POLLUTION AND NUISANCES

### PREVENTING AND REMEDYING EMISSIONS

TF1, through the activity of its head offices, does not release effluents into the water or soil.

In the specifications written by our maintenance contractors, the Group requires them to certify that they observe a policy aiming to reduce the use of products that are harmful for the environment.

Our maintenance partner, SAMSIC, 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, waste water 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.

### CONSIDERATION OF NOISE POLLUTION AND ANY OTHER FORMS OF ACTIVITY-SPECIFIC POLLUTION

#### 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 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 submitted to the Health and Safety Committees.

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 RADIOWAVES ON HEALTH

Regarding the broadcasting aerials located on the roof of the main TF1 building in Boulogne-Billancourt, measurements were performed in 2007 and communicated to the Health & Safety Committees. These measures showed that authorised levels in the approach area around

the aerials were not 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 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 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 radiowave-emitting system that is put into service.

As was the case with the deployment of the WIFI network, each new facility is subject to measurement by the approved laboratory, APAVE. In 2013, Bouygues Telecom's mobile telephony facilities were adapted to 4G. On a request by TF1, APAVE performed a new series of measurements showing no lack of compliance with essential standards. In 2015, a series of checks were carried out on radiation emitted by WIFI equipment within the areas occupied by e-TF1 teams and the results were sent to the Health and Safety Committees.

Since no significant changes or new equipment were introduced in 2016, there were no new measures.

TF1 checks parcels and envelopes received using an X-ray machine. Pursuant to regulations, this equipment is authorized 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 Health and Safety Committees.

## 7.2.4 CIRCULAR ECONOMY

### PREVENTION AND RECYCLING MEASURES AS WELL AS OTHER FORMS OF WASTE RECOVERY AND DISPOSAL

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).

Overall waste increased to 785 tonnes as a result of numerous internal site redevelopments in 2016. Throughout the period in question,

renovation work was carried out over several floors, housing over 700 work stations, including those belonging to LCI.

The main types of waste are:

- 234 tonnes of ordinary industrial waste collected for sorting, 76% of which is recovered;
- 171 tonnes of food waste, all of which is recovered by means of anaerobic digestion to produce methane for use as a soil conditioner for agricultural land;

- 214 tonnes of bulky waste from skips which is sorted for recyclable materials (wood, cardboard, ferrous and non-ferrous metals, rubble), then sent to specific recycling networks (52% of the waste collected).

Illustration of some the prevention measures:

- TF1 informs its service providers of waste issues by including special criteria in calls for bids and contracts, and by taking shared action as part of the provision of the service. They do not use disposable wipes or non-biodegradable products for cleaning;
- in the event of moving, TF1 no longer uses disposable cardboard boxes. Instead, the company has made the choice of a more sustainable type of container which may be reused 30 times, hence making it possible to reduce the amount of waste cardboard (10,000 cardboard boxes purchased and scrapped per year were replaced by 1,000 reusable containers);

- to reduce waste paper: paperless handling of documents (expense claims, annual performance appraisals), reduction of paper, ink, waste and DVDs (1,000 fewer DVDs per year); introduction of a coercive printing policy with a pin code required for colour printing and default printing on both sides of the paper; introduction of a print analysis tool (Watch doc).

Since July 2013, the TF1 group has used waste disposal services supplied by GDA, a subsidiary of the SAMSiC group. A waste monitoring form (BSD) is drawn up for each waste item in accordance with prevailing regulations (Article R. 541-43 of the French Environmental Code). GDA coordinates waste collection with each of the collecting companies, who report back to them the weight and percentage of material recycled. All waste is tracked in the waste registry, in accordance with the same regulations. An in-house employee has been appointed to manage this tracking process.

Waste is sorted and recycled or else incinerated to produce energy.

#### INDICATOR: QUANTITY OF COLLECTED WASTE (IN TONNES)

Site	% revenues	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
<b>TF1</b>		<b>785</b>	<b>546</b>	<b>689</b>
<i>Total recycled waste</i>	<b>82.7</b>	<i>514 (65%)</i>	<i>354 (65%)</i>	<i>454 (66%)</i>

#### MEASURES TO PREVENT FOOD WASTE

Dishes are weighed by the catering provider (SODEXO) in accordance with its contract and second helpings of bread have to be paid for, thereby naturally reducing food waste.

Every year there is a specific day on which the issue of food waste is brought to the attention of consumers.

#### SUSTAINABLE USE OF RESOURCES

##### WATER CONSUMPTION

Water is primarily used in the air conditioning circuit, the washrooms and kitchens. Spraying the air-cooling towers accounts for 40% of the total water consumption of the La Tour building. Consumption continued to drop over the period due, in particular, to the renovation of two air-cooling towers which are now much more efficient.

#### INDICATOR: WATER CONSUMPTION (IN CUBIC METRES)

Site	% revenues	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
<b>TF1 – TOUR/TRIUM</b>	<b>82.7</b>	<b>48,228</b>	<b>51,785</b>	<b>50,506</b>

Action taken since 2011:

- the faulty pumping system in the high pressure mixed-water network was replaced;
- automatic detectors and electrically operated flow control valves have been installed on the washroom basins to reduce consumption;
- service providers have been made more aware of reducing consumption;
- leak detection campaigns are conducted on a regular basis;
- in vehicle maintenance, the mobile video units have introduced a waterless car wash solution (Ecowash);

- as part of the 2012-2014 catering contract, consumption indicators specific to collective catering have been put in place. The same indicators were used for the 2015-2017 contract.

##### RAW MATERIALS CONSUMPTION

For an audiovisual sector group like TF1, the main raw material consumed is paper. Several initiatives have been launched to reduce internal consumption (45 tonnes in 2016, down nine tonnes compared to 2015), including shifting to electronic in-house publications, the rollout of multifunction printers, the reduction of the number of printers and systematic double-side printing. The Group uses paper with EU Ecolabel certification, the density of which was reduced to 70g per sheet.





**INDICATOR: PAPER CONSUMPTION (IN TONNES)**

Site	% revenues	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
<b>TF1 – TOUR/ATRIUM</b>	<b>82.7</b>	<b>45</b>	<b>54</b>	<b>52</b>

In catering, TF1 also requests service providers, through a contractual guarantee, to favour local sourcing and seasonal vegetables.

**ENERGY CONSUMPTION**

**Electricity**

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.

Consumption began to fall in 2010. This drop in consumption is the result of improved management of facilities through the technical management of the building, greater efficiency in the closed water circuit

in the air-conditioning system (through renovation works eligible for the *Certificat d'Économie d'Énergie*), and switching off the air conditioning equipment when the buildings are empty. Studio air conditioning units are now switched off according to studio schedules.

Public commitments (to a 20% drop in electricity consumption between 2012 and 2020) were given by the TF1 group when it signed the Paris Climate Action Charter on 12 October 2015.

**INDICATOR: ELECTRICITY CONSUMPTION (IN MEGAWATT HOURS)**

	% revenues	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
<b>TF1 – TOUR/ATRIUM</b>	<b>82.7</b>	<b>22,060</b>	<b>22,366</b>	<b>22,750</b>

**Fuel oil**

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. For the period under consideration, consumption totalled 10,465 litres, resulting from the use of generator units solely for monthly tests.

The fuel consumption of the vehicles used to film reports for TF1 and LCI (motorbikes, cars, mobile video trucks) amounted to 226,056 litres of Premier and Excellium diesel, Super 98 or lead-free 95 petrol.

**INDICATOR: FUEL OIL CONSUMPTION (IN LITRES)**

	% revenues	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
<b>GENERATOR FUEL OIL TF1 TOUR/ATRIUM</b>	<b>82.7</b>	<b>10,465</b>	<b>8,365</b>	<b>17,974</b>
<b>FUEL - ALL VEHICLES (REPORTING – COMPANY CARS)</b>	<b>82.7</b>	<b>226,056</b>	<b>215,770</b>	<b>218,691</b>

**MEASURES TAKEN TO IMPROVE ENERGY EFFICIENCY**

**BUILDING MANAGEMENT**

- Shorter working hours of the terminal equipment in the offices (air conditioning);
- more precise control of the shutdowns of the air treatment units in the studios;
- replacing a cool-water production group using water-circuit cooling by an air-cooling group, increasing the efficiency of the circuit and reducing spraying of the air-cooling towers of the IGH office tower;
- starting in 2014, a programme to renew the air-cooling towers of the IGH office tower was initiated, consisting of the introduction of more efficient and economical towers;
- in 2016, a renovation programme for the building was commissioned with a view to replacing the lighting system with LED bulbs and the heat pumps by more economical equivalents (air conditioning).

**IN PRODUCTION PROCESSES (STUDIOS/ NEWS COVERAGE/BROADCASTING)**

The LCI channel designed its studios with lighting provided entirely by LED bulbs which last longer, consume less energy and do not heat up, thereby cutting the studio's total consumption (lighting and A/C) to 7kW on average - a tenth of the consumption of a studio lit with conventional systems.

The three new mobile video units are lighter, more modern and completely autonomous. They are also fitted with batteries that recharge when the vehicle is in motion, thus reducing energy consumption. The mobile video units comply with the "Euro 4" standard and are fitted with 6-speed gearboxes to limit consumption. A small generator, connected to a Vitron system, provides energy when needed. Equipment is switched on individually and only as required.

## IN IT

- Replacement of existing machines with more economical ones, all computers have “Epeat Gold” certification and all screens have “Energy Star” certification;
- deactivation and reactivation of workstations;
- launch of a teleworking pilot test in 2014, with 150 employees taking part to date, or around 7,800 teleworking days per year;
- specific work schedule for the reorganisation of 20 machine rooms that host the IT hardware used in production and post-production activities for computing and storage. The plan has several objectives:
  - to optimise useful space (freeing up m<sup>3</sup>),
  - to improve security (at several different levels: audiovisual and IT system – access – fire – supervision etc.),
  - to simplify the deployment of new infrastructures,
  - to optimise and significantly reduce energy consumption (power supply for equipment and cooling units).
 across all these items, experience gained with regard to Data Centres was used and, in particular:

- the concept of “hot aisles” (cooling racks directly rather than entire rooms),
- densification of racks and arrangement of cables to optimise air circulation,
- choosing equipment that adapts to the real-time load, that can even learn to anticipate, rather than withstand (changes in weather - different machine loads at different times of the day and night);
- virtualisation of several machines (through a server) and the use of the Cloud (Private or remote Data Centre).

A successful layout guide will be compiled in 2017 to aid project managers and highlight the return on the investment in the initiative. Initial returns on the investment are expected in 2018 and are likely to improve over the years.

## USE OF RENEWABLE ENERGIES

In 2013, the TF1 group took out a contract with EDF on the supply of *kWh Équilibre*-labelled electricity for 2015 and 2016. For each kWh consumed by TF1, EDF commits to producing the same quantity from renewable energy sources. The contract was renewed for 2017 and 2018.

## 7.2.5 CLIMATE CHANGE

### MEASUREMENT OF GREENHOUSE GAS (GHG) EMISSIONS

GHG emissions were assessed within the scope of the EMS using the Bilan Carbone® carbon audit method.

Scopes 1 and 2 were updated with activity data from 01/10/2015 to 30/09/2016 and revised using version 7 of the Bilan Carbone® assessment.

The measurements taken within scope 3 include:

- purchases (programmes, goods and services);
- travel (business and commuting), waste and fixed assets;

- indirect energy emissions.

This is referred to as Scope 3A, upstream of the activity. The use of goods and services by the end-consumer (broadcasts watched on television sets, computers, laptops or tablets) cannot be measured. An estimate of this type of emissions had been calculated in the past, based on energy consumption estimates of television sets in proportion to TF1’s audience and showed that this item made a significant contribution to indirect emissions. However, this estimate may vary and is not sufficiently accurate, therefore it will not be calculated again in future.

Scope 3A is updated partially each year, and fully every 3 years. The next complete update will be in 2017.

### INDICATOR: GREENHOUSE GAS EMISSIONS

Bilan Carbone® emissions by source in equivalent tonnes of CO <sub>2</sub> V7 of the Bilan Carbone®	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 at 30/09/2014
Scope 1: Direct emissions from fixed sources (generator fuel oil)	29	23	49
Scope 1: Direct emissions from mobile sources (reporting and company vehicles)	607	580	588
Scope 1: Direct fugitive emissions (refrigerant gases)	410	679	622
Scope 2: Indirect electricity consumption-related emissions	1,334	1,353	1,376
Scope 2: Indirect steam consumption-related emissions	352	360	387
Scope 3: Emissions relating to energy consumption not covered by direct or indirect energy emissions	520	518	532
Scope 3: Products purchased	83,338	83,312	88,019
Scope 3: Fixed assets	1,188	1,060	977
Scope 3: Waste generated	219	170	157
Scope 3: Business travel (excluding report vehicles and company cars)	3,735	3,493	2,991
Scope 3: Employee travel	1,290	1,329	1,329
<b>TOTAL (EXCL. PRODUCT USE)</b>	<b>93,021</b>	<b>92,876</b>	<b>97,027</b>



Emissions by scope of the Greenhouse Gas Protocol in equivalent tonnes of CO <sub>2</sub>	Uncertainty	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
Scope 1	23.0%	1,046	1,282	1,259
Scope 2	10.0%	1,686	1,713	1,763
<i>Ratio in tonnes of scope 1+2 CO<sub>2</sub> by employee</i>		0.95	1.0	1.0
<i>Ratio in tonnes of scope 1+2 CO<sub>2</sub> per million euro of revenue</i>		1,345	1,370	1,324
<i>Ratio in tonnes of scope 1+2 CO<sub>2</sub> per square metre</i>		43	43	48
Scope 3A (excl. product use)	50.0%	90,289	89,881	94,005
<b>TOTAL SCOPES 1, 2, 3A (EXCL. PRODUCT USE)</b>		<b>93,021</b>	<b>92,876</b>	<b>97,027</b>

The “Carbon’Clap” resource, developed by the Ecoprod collective of which TF1 is a founding partner, is used to measure greenhouse gas emissions for internal channel productions. Initial key figures have been established by production type (average hour of non-scripted programme: 8 tonnes; drama filmed in Île-de-France: 25 tonnes; drama filmed in Europe: 45 tonnes; exceptional sports events (such as World Cup Football: 1,550 tonnes).

Other purchasing (“Other inputs”) is estimated on the basis of a financial factor.

These figures were consolidated with those of the Bouygues group, as part of the Group’s carbon accounting. They were communicated to the Police Headquarters as required by the Grenelle 2 Act voted in July 2010 and specifically decree no. 2011-829 published on 11 July 2011 (BEGES – report on greenhouse gas emissions).

### PLAN TO REDUCE GHG EMISSIONS

- Plan to reduce electricity consumption with an objective of -20% by 2020 compared with 2012 (see above);
- a purchasing and depreciation policy incorporating environmental criteria for IT hardware and broadcasting equipment;
- employee travel (Corporate Travel Plan to be launched in 2010):
  - corporate fleet: emissions limit of 160g/km of CO<sub>2</sub> set for petrol models and 150g/km of CO<sub>2</sub> for diesel models. Policy to promote the use of hybrid models (10% of the fleet),
  - incentive to use public transport via 80% reimbursement of public transport passes,

- introduction of an electric vehicle car sharing service for employees’ professional travel, replacing the use of taxis,
- introduction of an electric bike sharing service for employees for local business travel and journeys between home and work (from March 2017),
- use of Excellium diesel in report vehicles, hybrid car testing under way.

an initial employee survey was carried out in 2010 on commuting. A second commuting survey was administered in April 2014. The results of survey, analysed by Innovation 24, a Bouygues subsidiary, show clear-cut changes in mobility choices compared with the 2010 survey, with the gradual adoption of more environmentally friendly transport means:

- a considerable increase in the use of public transport: +13%,
- +4% for walking and biking for employees living in Boulogne-Billancourt and nearby areas,
- car use is down 10%, and 5% to 10% of commutes are now carpooled.

### OTHER GASES

To comply with regulations on the gradual elimination of gases that damage the ozone layer (Regulation (EC) no. 2037/2000 of the European Parliament and the European Council of 29 June 2000, with a 2015 deadline), TF1 replaced various air-conditioning system components (around 1,600 heat pumps and air-conditioning cabinets and five water chillers). Gas used in cooling equipment is one of the fluids covered by prevailing regulations. Every precaution is taken when purging obsolete equipment before scrapping.

## 7.3 SOCIETAL INFORMATION

### 7.3.1 SOCIETAL POLICY AND SOCIAL RISK FACTORS

As a broadcaster, TF1 group has a fundamental responsibility towards society. It is therefore committed to ensuring that its programmes comply with the ethical and professional commitments made to the public<sup>(1)</sup>, and that the information broadcast on Group channels is of the highest quality.

In terms of business ethics, in 2014, under the responsibility of its Corporate Secretary, Group Head of Ethics, TF1 initiated a structured Compliance approach with a dedicated organisation. TF1 has also introduced its own Code of Ethics, as well as compliance programmes and training plans.

The diversity of the programmes offered, their inclusive and non-discriminatory nature and the emphasis on solidarity and community spirit are all key issues for TF1. As a leading media group, it has made these central to its CSR policy. The TF1 Corporate Foundation, focused on the professional integration of young people from disadvantaged neighbourhoods, is a key player in the Group's diversity policy. Socially responsible actions are led by all TF1 divisions, represented by a cross-functional committee and offering a consistent approach to the numerous requests made to the Group.

The Purchasing Division introduced a Responsible Purchasing policy on its creation in 2008. That policy was extended in 2013 to purchasing rights and Téléshopping.

TF1 group has made tackling piracy a priority, cracking down on the illegal recording of Group content and pursuing an active content protection policy.

Lastly, the protection of personal data has become an increasingly important issue for the Group in recent years. As such, the topic is addressed in depth in this document.

TF1 group encourages respectful and constructive dialogue with all its stakeholders. The development of a close relationship with the public, bringing all individuals the opportunity to dialogue with the Group, is a key element in its communication policy.

### SOCIETAL RISK FACTORS

#### RISKS RELATED TO IMAGE AND ETHICAL NON-COMPLIANCE

The main societal risk for TF1 consists in failing to respect the Group's public commitments in the ethics and compliance of the content it produces and broadcasts. From this standpoint, TF1 has a particular responsibility given its leading-channel status. It also represents a licence-to-operate risk, if the regulator were to identify major cases of non-compliance.

#### RISK MANAGEMENT POLICY

Respecting its commitments is a central Group concern. The Group's risk management policy is designed to ensure:

- programme compliance, under the responsibility of the General Counsel's Department and the Broadcasting Division;
- the responsibility and independence of the News Division;
- that all staff involved in programme-making are trained on their rights and duties by the Legal Affairs Division.

### 7.3.2 SOCIETAL REPORTING PARAMETERS

#### Scope:

- ethics, solidarity, purchasing: the entire Group;
- programme compliance, audience relations: TF1, TNT channels: TMC, NT1, HD1, and LCI.

#### Period under review:

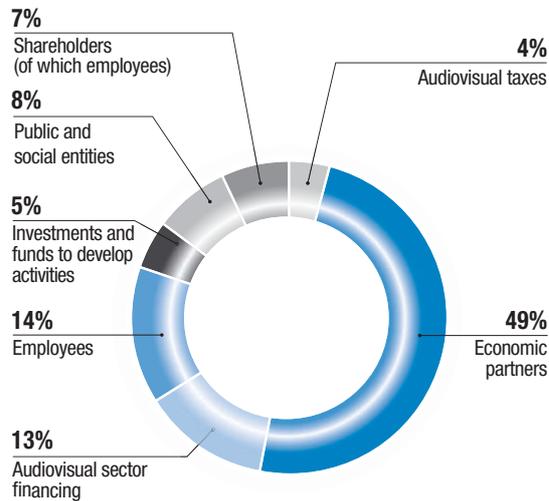
Reporting on societal issues concerns the period from 01/10/2015 to 30/09/2016 with the following exceptions:

- programme compliance: 2015 (discussions still ongoing with the CSA for 2016);
- channels subtitling, calculated for 2016 by TF1's information systems;
- philanthropic actions, calculated by information systems for the whole of 2016.

(1) TF1 agreement: [http://www.csa.fr/infos/textes/textes\\_detail.php?id=8169](http://www.csa.fr/infos/textes/textes_detail.php?id=8169).

### 7.3.3 TERRITORIAL, ECONOMIC AND SOCIAL IMPACT

#### ECONOMIC CONTRIBUTION OF THE COMPANY (% OF REVENUES)



Source: estimates of the company

The diagram above shows an estimate of the distribution of TF1 group 2016 revenues (€2,063 billion) among its main stakeholders. It illustrates the Group's contribution to the audiovisual sector in particular, through the payment of taxes, its production obligations and the royalties it pays to societies of authors.

- *Audiovisual taxes* = Centre National de la Cinématographie (CNC) + taxes for the financing of France Télévisions + tax for community radio and press.
- *Public and social entities* = corporate tax + company value-added contribution (CVAE) + social welfare bodies + social contributions.
- *Audiovisual sector financing* = obligation to invest in French drama and in film + copyright.
- *Shareholders (including employees)* = dividends + share buybacks.

#### CORPORATE FOUNDATION INITIATIVES

The TF1 Corporate Foundation, set up in 2007, focuses on diversity and professional integration. Every year, the Foundation holds a competition to hire people aged between 18 and 30 from working-class areas.

Candidates are selected by a panel of professionals. They are offered a two-year work/study placement with TF1 group, supervised by a tutor and a mentor who will help them establish a network and instruct them

#### INDICATORS: TF1 CORPORATE FOUNDATION INITIATIVES

	2016	2015	2014
Young people from disadvantaged areas welcomed by the Foundation	13	11	13
High schools visited (students concerned)	16 (1,800)	19 (2,100)	20 (2,500)
Year 10 work placements <sup>nts</sup>	120	90	60
Participation in the Forum des Métiers business event	10	12	12
Start-ups supported with the association CREO	26	12	-
Writing workshops	6	4	-
Studio visits	14	12	15

on corporate principles. The scheme covers more than 25 professions in the fields of journalism and audiovisual production, as well as the company's service businesses.

The TF1 Foundation held its ninth intake in mid-September 2016 with thirteen candidates selected.

In 2016, the Foundation also launched a series of pioneering initiatives focusing on diversity:

- in partnership with the French Ministry of Education, the first inter-company work experience programme was set up. This allowed year 10 pupils from underprivileged neighbourhoods to gain experience of working for different companies and introduce them to a wide range of professions. This year, ten companies (Air France, Auchan, Coca-Cola, L'Oréal, Microsoft, Schneider Electric, Ubisoft, Adecco, Eurosport and TF1) offered a four-week work placement to four year 10 classes (120 pupils), in four different *départements* of France (Aube, Lot, Haute-Corse and Ariège);
- the Foundation also organised a film competition, MYFRANCE, in partnership with Shine France, the French broadcasting regulatory authority (CSA) and the Ministry of Education, with the aim of getting secondary school pupils to produce a short film on the subject of "living together". The prizes were awarded on 5 July at the Ministry of Education. The film that won first prize was broadcast on TF1 on 14 July.

TF1 group – represented by Arnaud Bosom, Executive Vice President Human Resources and CSR, and Samira Djouadi, Chief Executive of the TF1 Foundation – signed the *Entreprises et quartiers* charter for the Ile-de-France region and Paris in May 2016, and for the Hauts-de-Seine *département* in June. This is the regional version of the national *Entreprises et quartiers* charter which the Group signed in 2013, aimed at promoting employment and economic development in local areas. The companies that signed the agreement have pledged to facilitate access to employment for people living in underprivileged neighbourhoods and in Ile-de-France in general for the period 2015-2020.

Over the years, the Foundation has seen a real diversity in the candidates applying to TF1. For those who have dropped out of formal education, it gives them the chance to regain confidence and return to the job market.

Each year, the Foundation meets with high-school students and supports innovative learning approaches: In 2015, it became the partner of the "class without grades" at the Louise Michel secondary school in Epinay-sur-Seine, organising a "digital camp" for 26 girls in partnership with Microsoft and arranging visits to the TF1 newsroom and showroom.

The TF1 Corporate Foundation also organises the Diversity Award for innovative, independent and responsible journalism on the themes of immigration and integration, in partnership with the French-American Foundation.

## 7.3.4 DIALOGUE WITH STAKEHOLDERS

### CHALLENGES, EQUIPMENT STAKEHOLDERS (SH), DIALOGUE AND ACTIONS

Challenge	Objective	Key players	Dialogue method	Examples of actions
<b>Challenges involving the content produced and broadcast</b>				
Independence of the Group's editorial teams, pluralism of information	To foster public trust through high-quality, independent and pluralistic information	TF1: News Division, Legal Affairs Division and General Counsel's Department SH: regulatory authorities: French broadcasting regulatory authority (CSA), Public	Participation in working groups, production of reports, proposals	Annually: <ul style="list-style-type: none"> <li>all staff involved in programme-making are trained on their rights and duties by the Legal Affairs Division;</li> <li>in progress: publication of the Editorial Code of Ethics.</li> </ul> <b>See 7.3.9 News</b>
Ethics and integrity in programmes	Unite audiences through programmes designed to have universal appeal, while adhering strictly to our ethical and professional commitments	TF1: Programme units, Compliance Division, Legal Affairs Division and General Counsel's Department SH: French broadcasting regulatory authority (CSA), Producers, Public	Direct interaction with contributors to news and programme content, reminder of the agreement signed with the CSA in contracts	Year-round: <ul style="list-style-type: none"> <li>dialogue with producers;</li> <li>ongoing monitoring and viewing of programmes by the Compliance Division.</li> </ul> <b>See 7.3.8 Respect of ethics and compliance rules in content</b>
On-screen representation of national diversity and gender equality	Accurately reflect, without stereotyping, the diversity of French society in our programme content	TF1: Programme units, News Division, Human Relations Division, Training SH: Producers French broadcasting regulatory authority (CSA) Public	TF1 sets out its quantitative commitments before the CSA, sending a letter to all producers of non-scripted broadcasts asking them to focus on diversity during castings Reminder of the agreement signed with the CSA in contracts	In 2016: <ul style="list-style-type: none"> <li>new commitments on the role of women at the different channels;</li> <li>qualitative and quantitative studies (presence of women and ethnic minorities in TF1 news programmes), training plan;</li> <li>organisation of the Experte à la Une event;</li> <li>MYFRANCE film competition aimed at secondary school pupils on the subject of "living together".</li> </ul> <b>See 7.3.12 Promoting diversity</b>
Public awareness campaign	Use programmes to raise public awareness of major environmental and social issues.	TF1: Programme units, News Division, Social media External Communication Division News team journalists SH: Producers Public	Discussions with producers, Audience Relations	Year-round: <ul style="list-style-type: none"> <li>various stories covered by news programmes;</li> <li>messages in weather forecasts;</li> <li>Ushuaia TV dedicated to sustainable development.</li> </ul> <b>See 7.2.1 General environmental policy and 7.3.12 Promoting diversity</b>
Foster artistic creation and the diversity of cultural practices	To enhance the cultural offering, support the emergence of new talent and champion the diversity of styles and forms of expression	TF1: Programme units, News Division, Innovation and Digital SH: Producers Public	Frequent meetings with producers, schools Creative workshops, Encouragement at open castings	Year-round: <ul style="list-style-type: none"> <li>rights purchasing policies;</li> <li>creative development for the music venue Seine Musicale, TF1 Musique, TF1 Film Productions, creative workshop;</li> <li>three series produced <i>through</i> a unique partnership with NBC Universal (United States) and RTL (Germany);</li> <li>acquisition of Newen;</li> <li>sponsorship for La Fémis (the French state film and television school) to create TV pilot shows.</li> </ul>



Challenge	Objective	Key players	Dialogue method	Examples of actions
Protection of vulnerable viewers	Protect and inform vulnerable viewers, including children and adolescents, about any unsuitable content and risks of addiction	TF1: Channel and Broadcasting Division SH: Public French broadcasting regulatory authority (CSA)	Commitment to the CSA, annual review	<ul style="list-style-type: none"> <li>No programmes that are prohibited for children under 18, content rating if not suitable for all audiences;</li> <li>child psychologist who views all youth series purchased by TF1, with a special focus on the online safety of its young viewers.</li> </ul> <p><b>See 7.3.10 Protection of young viewers</b></p>
Universal programme accessibility	Make programmes accessible to everyone, including persons with sensory impairment	TF1: Channel and Broadcasting Division SH: Public and associations	Response to viewers, signing of charters to improve policies	<ul style="list-style-type: none"> <li>Subtitling and audio description of programmes on all Group channels consistently exceed legal requirements. In 2016:</li> <li>closed captioning of commercials introduced.</li> </ul> <p><b>See 7.3.11 Programme accessibility</b></p>
Dialogue and proximity to our audiences and all our partners	As a generalist media outlet, to remain in touch with social trends so that it can meet viewers' expectations. Make it easy for viewers to contact the Group	TF1: External Communication Division, News Ombudsman, <i>community managers</i> SH: Public	Personalised answers to emails, phone calls and letters, debates with channel personalities, journalists' blogs, etc.	<ul style="list-style-type: none"> <li>Coordination of social media by community managers;               <ul style="list-style-type: none"> <li>news Ombudsman;</li> <li>nationwide visits by TF1 personalities (#LesRencontresTF1);</li> </ul> </li> <li>through the Foundation, organising meetings with sixth form students, work experience for secondary school pupils, and visits to TF1 studios.</li> </ul> <p><b>See 7.3.4 Dialogue with stakeholders</b></p>
Responsible advertising	Honour our commitments for wholesome, truthful and fair advertising	TF1: TF1 Publicité Sales Division and Business Development Division of TF1 Publicité SH: Advertising watchdog (ARPP), Public Advertisers Media agencies French Competition Authority	Direct meetings with advertisers, general terms and conditions of sale posted online <a href="http://www.tf1pub.fr">www.tf1pub.fr</a> website, References magazine, events, Campus, etc.	<ul style="list-style-type: none"> <li>Advertising regulations and compliance rules applied to all advertising messages, whatever the medium and broadcasting format, including on-demand audiovisual media services.</li> </ul> <p><b>See 7.3.13 Compliance and ethics in advertising</b></p>
Philanthropy and employee commitment	TF1, a generalist channel, creates social cohesion in France and can raise the profile of charities	TF1: Solidarity Committee, Corporate Foundation, HR Division, Corporate Communication SH: Associations and NGOs	Response to requests, long-term contracts and partnerships	<ul style="list-style-type: none"> <li>Each year, various types of support are given. With the production of commercials, free advertising, special campaigns, donation of game show winnings, the support is wide-ranging.</li> </ul> <p><b>See 7.3.5 Partnership and sponsorship initiatives</b></p>

**Challenges concerning the company's actions**

Responsible use of data and cyber security	Protect the personal data of our customers, viewers and employees and ensure that data are processed and used responsibly	TF1: Legal Affairs Division, TF1 Digital, TF1 Publicité, Internal Resources Division, HR Division SH: Employees, internet users Service providers	Privacy policy available online on all MYTF1 media, intranet articles	<ul style="list-style-type: none"> <li>Policy for the processing and security of personal data collected since 2007, reinforcing internal encryption techniques, signing of a confidentiality agreement for employees with access to personal data;</li> <li>signing of the IAB Europe European Charter by TF1 Publicité;</li> <li>working group to anticipate measures to put in place in order to comply with the new regulations on personal data, applicable from 25 May 2018.</li> </ul> <p><b>See 7.3.14 Issues in digital media/Protection of personal data and users' data</b></p>
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Challenge	Objective	Key players	Dialogue method	Examples of actions
Ethics and compliance in business relations	Establish effective and ethical governance principles and transparent communication. Apply CSR principles to the supply chain	TF1: Legal Affairs and Purchasing Divisions, and General Counsel's Department SH: Suppliers, public authorities	Employee communication Signing of a personal letter of commitment from managers Supplier assessment via EcoVadis	<ul style="list-style-type: none"> <li>Ethics and CSR Committee in place since 2014; <ul style="list-style-type: none"> <li>rollout plan for the Code of Ethics and compliance programmes;</li> <li>Charter of Institutional Relations;</li> <li>Ethics and Compliance risk mapping;</li> <li>guide to day-to-day ethical practices.</li> </ul> </li> </ul> <p><b>See 7.3.6 Ethics and social responsibility of the Group</b></p>
Fair distribution of value and protection of copyright	Advocating the fair distribution of value created among the various actors in the Group's ecosystem, mainly through copyright protection, a major source of economic balance in our sector	TF1: Legal Affairs Division and General Counsel's Department, Purchasing Division SH: Rights holders, internet users Content-sharing platforms	Legal action and awareness-raising initiatives Discussions with suppliers, contractual clauses, Responsible Purchasing Charter	<ul style="list-style-type: none"> <li>Responsible purchasing policy;</li> <li>actions to remove illegal content from sharing platforms and social media using dedicated tools.</li> </ul> <p><b>See 7.3.7 Responsible purchasing policy</b> <b>7.3.14 Issues in digital media/Fight against piracy and protection of copyright</b></p>
Development of the skills and employability of employees	For the company: to be able to rely on the competence and commitment of employees, as well as on the quality of training programmes. For employees: to acquire knowledge and skills in line with the company's expectations, and to be empowered to design their own career plan	TF1: HR/Talent Division SH: Employees	New performance appraisals and career interviews Themed breakfasts, meetings with the Chairman & CEO Communication of strategy via a monthly newsletter	<ul style="list-style-type: none"> <li>New training programme offered by the TF1 University based on Innovation, Business and Digital (Connect plan); <ul style="list-style-type: none"> <li>masterclasses for all employees.</li> </ul> </li> </ul> <p><b>See 7.1.9 Skills development</b> <b>7.1.10 Attracting and retaining talent</b></p>
Quality of life at work, including management/employee relations	Mitigate occupational risks, foster social dialogue, safeguard employee health and safety and ensure quality of life at work	TF1: HR Division/Social Affairs, <i>managers</i> SH: Employees and staff representative bodies	Negotiation of agreements with trade unions, internal communication publications, satisfaction survey, annual performance appraisal, etc.	<ul style="list-style-type: none"> <li>All Group companies have staff representative bodies;</li> <li>various agreements signed in 2016, including third amendment to the profit-sharing agreement;</li> <li>Strategic Workforce Planning Agreement under negotiation.</li> </ul> <p><b>See 7.1.6 Professional relationships and report on collective agreements</b></p>
Equal opportunities, gender equality and diversity within the company	Provide equal opportunities and promote diversity within the company. Ensure gender equality in terms of pay and promotion	TF1: HR Division/Operational HR teams and Social Affairs, <i>managers</i> SH: Employees and staff representative bodies	Negotiation of agreements with trade unions, internal publications	<ul style="list-style-type: none"> <li>Agreements on "Ethnic diversity, gender equality, disability and older workers";</li> <li>signing of the Entreprises et quartiers agreement to promote local employment and economic development with regional authorities in Ile de France and Paris; <ul style="list-style-type: none"> <li>ninth Foundation intake.</li> </ul> </li> </ul> <p><b>See 7.1.8 Equal opportunities and the fight against discrimination</b></p>



Challenge	Objective	Key players	Dialogue method	Examples of actions
Environmental impact of the business	Reduce the company's direct environmental footprint. Encourage the entire film and audiovisual industry to build environmental protection into its practices	TF1: Corporate Services Division Ecoprod collective/CSR Division SH: Employees Suppliers	Intranet articles Clauses in specifications	<ul style="list-style-type: none"> <li>■ Annually: various mitigation measures (EPEAT Gold computers, Energy Star monitors, workstation hibernation, reduced system operating times, etc.;</li> <li>■ 2015: signature of the Paris Climate Action Charter;</li> <li>■ 2016: introduction of a machine room policy;</li> <li>■ 2017: Launch of an ISO 5001 certification process.</li> </ul> <p style="text-align: right;"><b>See 7.2 Environmental information</b></p>

## AUDIENCE RELATIONS

### AUDIENCE RELATIONS DEPARTMENT (ARD)

Building a strong relationship with the public is a priority for TF1 group.

The rollout of the audience dialogue system is a key feature of TF1's policy to forge closer ties with viewers, the goal being to make TF1 an accessible media entity fostering interactive contacts with its audiences and bringing diversified programmes to its viewers.

The ARD was set up to implement a broad range of initiatives to develop an ongoing relationship with the public across France, and on social media. The Group wants to raise the channel's profile and share its values with viewers and reviewers alike. Using the communication tools put in place – such as the TF1&Vous section accessible from MYTF1.fr, TF1's significant presence on social media, letters and phone calls – viewers can share their views on programmes and presenters at any time. The ARD provided 45,000 individual responses in the period under review.

### SOCIAL NETWORKS, GRASSROOTS EVENTS

TF1's presence on social media, through Facebook, Twitter, Instagram, Snapchat, Google+ and Periscope, is part of the same drive to build closer ties, by offering people a unique space in which to dialogue and

interact. In 2016, TF1's community managers took part in discussions with 56 million followers who subscribe to the programmes and channel pages and to the TF1 group corporate communications page. Subscribers get exclusive programme information and loyalty offers, including invitations, goodies and advance showings. They can also share their views on programmes and services. TF1 group is present on social media through its presenters, many of whom engage with their followers.

Dialogue between the social media team and the public is now key to promoting content, connecting with audiences and driving traffic to different screens. Using competitions, trailers and special campaigns, social media officers generate posts and content which foster engagement with an extremely broad community (the TF1 channel has 8.7 million followers on social media).

The Audience Relations Department has seen its role evolve as it seeks to engage in conversation with followers. Customer relations now involve responding directly to questions and comments from followers on social media.

To generate maximum impact and "likes", the social media team organises regular Facebook Live events. Celebrities from the channel or artists who work with the Group's subsidiaries (performers from TF1 Musique, actors from TF1 Studio co-productions) also take part in these original live interviews.

### INDICATORS: AUDIENCE RELATIONS

	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
Replies to contacts via email, post and calls to the ARD <sup>(1)</sup>	45,000	55,000	65,000
Total number of followers on all social media and TF1 group accounts ( <i>subsidiaries, programmes, presenters, etc.</i> )	over 56 million	over 30 million	over 20 million

(1) ARD: Audience Relations Department.

### NEWS OMBUDSMAN

News ombudsman Françoise-Marie Morel receives the public's opinions, requests for explanations and complaints via the Audience Relations Department (on tf1.fr). She listens to comments about presenters and the treatment (or non-treatment) of news stories. She replies on her web page <http://www.lci.fr/la-mediatrice-vous-repond/>

She explains how newscasts are put together and what the rules are. She can also reply to certain individual queries. She advises the Editorial team when many people express similar reactions on a given issue.

### 7.3.5 PARTNERSHIP AND SPONSORSHIP INITIATIVES

The Solidarity Committee, created in 2001, groups various company representatives (Broadcasting, Advertising, Human Relations and CSR, and the Corporate Foundation). It coordinates TF1's community-minded initiatives with requests from associations.

TF1 Publicité and the TF1 channel provide direct assistance to non-profit organisations and help them raise their profile through: special prime-time campaigns, the production and airing of commercials free of charge, donations of game show winnings, and cash donations

managed by the Solidarity Committee, providing a range of assistance measures corresponding to a broad spectrum of social issues.

Air time is offered to a varied range of organisations and causes. Les Pièces Jaunes, Les Restos du Cœur, Sidaction, ELA (the fight against leukodystrophy) and now the Laurette Fugain organisation have become very important recurring operations.

In 2016, the Group donated a total €37.3 million to 121 organisations.

#### PHILANTHROPY INDICATORS: NUMBER OF ORGANISATIONS CONCERNED, NATURE AND AMOUNT OF DONATIONS

	2016	2015	From 01/10/2013 to 30/09/2014
Number of organisations having received donations	121	140	153
Cash donations to organisations (€000)	3,817	3,339	3,198
Donations in kind (value in €000)*	31,539	31,291	29,964
Sponsorship administrative costs and contributions to Foundations (€000)	1,961	1,895	1,973
<b>TOTAL VALUE OF INITIATIVES (€000)</b>	<b>37,317</b>	<b>36,525</b>	<b>35,135</b>

\* Free advertising, production of commercials, direct donations, donation of game show winnings.

### 7.3.6 INNOVATION AND START-UP ECOSYSTEM

For TF1 group, digital represents the cornerstone of development. The Group has therefore introduced a partnership policy for start-ups with the launch of "One Innovation", an investment fund with an initial budget of €2 million. The aim of "One Innovation" is to provide funding for five to ten start-ups before their first or second round of equity-raising. This policy is accompanied by:

- training with Epitech, the graduate school of digital innovation recognised for its disruptive teaching. The aim of this support programme is to help students develop their ideas in relation to the business activities of TF1 group;

- incubation with Paris&Co: the Paris Innovation and Economic Development Agency and TF1 have joined forces to create an incubator on the theme of "New products and services", with a view to forming business partnerships;

- acceleration in partnership with Orange Fab to develop their market and industrialise their business.

The Group has also developed a media for equity strategy which allows more mature start-ups and BtoC to access TV exposure.

### 7.3.7 ETHICS AND SOCIAL RESPONSIBILITY OF THE GROUP

#### GROUP ENVIRONMENT

TF1 group operates in a complex and changing regulatory, technological and competitive environment. The Group has committed to respecting – on its channels and on-demand audiovisual media services – the ethical and professional principles enshrined in the agreements signed by its channels with the CSA and the regulations governing its activities.

#### THE GROUP'S ETHICS, COMPLIANCE AND CSR POLICY

Since 2009, TF1 group has taken a structured approach towards "Compliance", overseen by its General Counsel as Group Ethics Officer. The rollout of this initiative consisted of three pillars: *Ethics, Compliance and Corporate Social Responsibility*.

In 2014, TF1 introduced its own Code of Ethics. Applicable to everyone at the Group, the Code of Ethics aims to rally Group employees around core values and rules of conduct, namely: respect for the law and the overriding interests of the Group, the quality of relations with all internal and external stakeholders (including subsidiaries, employees, customers, suppliers, shareholders, institutions and public authorities), the protection of Group assets, the prevention of conflicts of interest and the fight against corruption. The Code also sets out the Group's commitments on environmental respect, social responsibility, sponsorship and responsible purchasing. It involves the introduction of a whistleblowing system enabling employees to inform the Group Head of Ethics of any infringements of the Code of Ethics they may observe in the carrying out of their duties and within a pre-established scope.



Distributed to all permanent employees of the Group, the Code of Ethics is available online on the Group intranet and corporate website ([www.groupe-tf1.fr/en](http://www.groupe-tf1.fr/en)).

The Code has been enhanced and supplemented by compliance programmes based on four key themes: (i) “*Competition*”, (ii) “*Anti-corruption*”, (iii) “*Conflicts of interest*”, and (iv) “*Compliance in securities trading*”. The programmes were individually assigned to the Group’s senior executives, accompanied by a training and awareness-raising scheme, and published online on the TF1 group intranet.

In parallel, the Board of Directors decided to set up an *Ethics and Corporate Social Responsibility Committee* in 2014, tasked with ensuring respect for the Code of Ethics, as well as enforcing the rules on ethics, conduct and compliance and overseeing the Group CSR policy.

Composed of two independent Directors, a Director representing employees, the Group Ethics Officer, the Legal Affairs Director and the Group Head of CSR, the Ethics and CSR Committee is responsible for the following:

■ in terms of Ethics:

- ensuring that the Group respects applicable laws and regulations, as well as agreements and commitments made with government authorities, and more broadly, the loyalty, honesty, sincerity and fairness with which it is duty bound to conduct its internal and external relations,
- maintaining within the company rules based on trust, mutual respect, dignity and fairness, consistent with the principles set forth in the Code of Ethics.

■ in terms of CSR:

- overseeing the commitment of the Group and the relevance of its vision on CSR, by directing foresight work aimed at better understanding the expectations of customers and other stakeholders and taking account of the proper integration of CSR principles in the Group’s global strategy.

The work of the Ethics and CSR Committee is presented to the Board of Directors.

### **Introduction of an organisational structure for the implementation and monitoring of Ethics and Compliance**

The operational rollout of the Code of Ethics and compliance programmes is the responsibility of ethics and compliance officers in each business unit (Legal Directors) in coordination with and under the supervision of a Group Compliance Officer reporting to the Legal Affairs Director and General Counsel.

### **MAIN INITIATIVES IN 2016**

The Ethics and CSR Committee met twice in 2016.

It approved the continued rollout of the Code of Ethics and Compliance Programmes, including: (i) changes to the Compliance Programmes with a *personal letter of commitment signed by managers* in 2016; (ii) the drafting of a *Charter of Institutional Relations* in view of the *Bill on transparency, the fight against corruption and the modernisation of the economy* (the “*Sapin II*” Law); (iii) a draft *Charter of Ethics for Journalists*, setting out best practice in terms of verifying and protecting sources, respect for human rights, the rules on certain professional practice, and the professional ethics of journalists.

In addition, TF1 required all of the members of the General Management Committee to commit, publicly and on a personal basis, to uphold and implement the Group’s compliance programmes in their organisation, as well as making sure they are upheld. This approach was supported by specific awareness-raising efforts aimed at the main senior executives, including the main conditions of the Sapin 2 Act concerning transparency, the fight against corruption, and the modernisation of the economy, as well as a mapping of these risks in the Group’s different businesses.

The Ethics and Compliance risk map was also examined, together with a review of the associated training, including a progress report on the Group’s IT security.

The Code is accompanied and illustrated by a *Guide to day-to-day ethical practices*, with practical insights, examples and recommendations, available on the Group’s intranet site.

The Committee has examined the various CSR actions taken by the Group, particularly in the areas of diversity, philanthropy, sustainable development and transparency of non-financial reporting. The transparency of non-financial reporting in 2016 was confirmed by Ernst & Young with moderate assurance in its unqualified audit opinion.

## **7.3.8 RESPONSIBLE PURCHASING POLICY**

To implement TF1’s CSR policy at the Group’s service providers and suppliers, in 2008 TF1 initiated a Responsible Purchasing and Purchasing Diversity policy excluding the purchasing of rights.

In 2013 the scope of Responsible Purchasing was extended to include Rights Acquisitions, covering the acquisitions of rights to broadcast programmes and live sporting events with a view to feeding the Group’s different channels, and purchases by the T el eshopping company, notably through the introduction of CSR assessments of the major partners of these structures. In 2016, CSR risk mapping for Group purchasing helped raise awareness among buyers and legal advisors of TF1 Entertainment, TF1 Games and TF1 Publishing.

Since 2012, TF1 group has been a signatory of the Responsible Supplier Relations Charter, comprising 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.

In 2016, the Purchasing Division revised its Purchasing and CSR Policy. The policy is an opportunity to outline the general principles of the responsible purchasing approach. The policy can be found on the TF1 Corporate site under “Our responsible purchasing commitments”.

All buyers are required to implement it. The Head of Purchasing coordinates the policy and provides operational leadership. In addition, the Responsible Purchasing Committee meets with buyers to review the deployment and adoption of the policy.

## EXTERNAL EXPENDITURE EXCLUDING RIGHTS

TF1 group Purchasing Division, part of the Finance and Purchasing Division, is responsible for all external expenditure excluding purchases of rights and goods.

The remit of the Group Purchasing Division is to optimise all the Group's contractual conditions while maintaining the quality of the goods and services procured and seeking to build well-balanced and lasting relations with suppliers.

The Purchasing Division seeks to contribute to the Group's operational performance and support its transformation plan.

The purchasing process is secured within SAP and complies with the principles of internal control concerning the separation of roles and responsibilities for making supplier orders.

## RIGHTS ACQUISITION PROCESS

The rights acquisition process at TF1 group respects the Group's internal control procedures, presented in detail in section 2.2.2 of this document.

The Group endeavours to assess and control the risks inherent in all envisaged acquisitions.

To that end, the rights acquisition process is secured at each key step of the commitment by the multiplicity of the players involved, with any engagement made as part of a collegial decision and backed by a formal process including numerous indicators and a Group Contractual Policy established by the Legal Affairs Division, shared with the Operational Divisions, then approved annually by the Executive Management.

They enable the strict respect of Group objectives on compliance in business, law and competition and the Diversity Charter. By rallying managers and employees around shared values, the Group pays particular attention to the prohibition and prevention of anti-competitive, dishonest and corrupt practices. As mentioned in the introduction to chapter 7 of this document, TF1 has for several years renewed its membership of the United Nations Global Compact, one of whose principles is aimed at fighting against corruption in all its forms.

## ACQUISITION OF AUDIOVISUAL PROGRAMMES (EXCLUDING SPORTS RIGHTS)

Under the Group Contractual Policy, the GIE TF1 Acquisitions de droits, an economic interest group which includes all of the Group's channels, and the Content Purchasing Division, tasked with acquiring rights and optimising their circulation within the Group, acquires broadcasting rights for feature films, series and TV films. Where applicable, it sells rights that are not being used by Group broadcasters to third parties to optimise inventory management.

The channels send their requests to the Purchasing Division, in the Content Division. A committee of representatives from channels belonging to the economic interest group is tasked with approving the overall breakdown of commissioned rights. It sends the requests together with the breakdown to the Purchasing Division, which then purchases the programmes.

The Group calls on a broad range of producers. Acquisition decisions are based on the artistic quality of programmes and on the editorial

policy of the Group's channels, the aim being to foster diversity and work with a diverse range of rights suppliers (location, size, innovation, etc.) in accordance with the principles of the Diversity Label.

Acquisitions are approved by special committees grouping all the decision-makers on the basis of objective criteria defined beforehand:

- the Rights Acquisition and Trading Division presents an overview of the project characteristics: unit price, number of broadcasts, rights transformation procedures, programming slots in the grids of the ordering parties, rights use period, sub-licensing (where applicable), territory, secondary use, and billing and payment conditions;
- the Artistic Division checks that the programme complies with the editorial line of the commissioning channels;
- the Programming Division ensures that the rights correspond to the programming grids of the Group's channels, ratings objectives and the channels' inventory control;
- the Deputy Director of Finance and Purchasing approves the inscription of the acquisition in the cost of the programmes and the investment budget of the Programme Unit, the projected profitability of the acquisition, the inventory level, the compliance of the acquisition cost with the price due, and the inclusion of performance clauses where appropriate;
- the Legal Affairs Division, which ensures that Group Contractual Policy is followed, drafts and implements model purchasing agreements and negotiates and approves any waiver clauses.

Final approval of the commitment is made in line with the procedures and delegations of powers implemented by the Executive Management.

The Rights Acquisition Department is responsible for updating the programmable inventory of broadcasters and ensuring the respect of contractual provisions concerning payment.

## ACQUISITION OF SPORTS RIGHTS

Sports rights are acquired by the division responsible for sports, usually through calls for tender initiated by the rights-holders (federations, rights agencies, etc.). These calls for tender, generally open to all broadcasters, respect European and national regulations (French Sports Code). For the largest projects, the Board of Directors forms a special committee responsible for approving the proposals.

## MAIN INITIATIVES

Through its Responsible Purchasing policy, the TF1 Purchasing Division adopts a multi-pronged approach in accordance with the Group's CSR policy. 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 development for its buyers.

A map of the rudimentary risks, 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, compliance with TF1's commitments on the ethics and professionalism of content, misfeasance and piracy) were summarised and a list drawn up of the measures in place. These were accompanied by an action plan.



## **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, while establishing multi-annual contracts for services or supplies requiring significant investment and implementation.

For several years, TF1 group has had a balanced contractual framework compliant with the legislation. In early 2015 it amended its General Terms and Conditions of Purchase.

## **SUPPLIER ASSESSMENT WITH ECOVADIS**

Since 2008, one area of the implementation of the Responsible Purchasing policy has been based on CSR assessments of suppliers for ex-rights purchases. 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. These assessments are made through campaigns or as part of calls for tender or renegotiations of contracts worth over €500K, so as to integrate the CSR criterion in the final decision.

By the end of September 2016, 160 suppliers had been assessed using EcoVadis over the previous three years. The breakdown by company size is as follows: 65% of large enterprises and 35% of very small enterprises (VSEs) and small and medium-sized enterprises (SMEs).

Analysis of these conclusions further contributes to the successful management of supplier relations and is used to put in place an action plan with service providers identified as being at risk (based on the overall rating or one of the EcoVadis scores). In 2015, the Purchasing Division decided to set up more formal action plans with evaluated service providers: accordingly, the professional development course for buyers has been supplemented by training on the “EcoVadis – Analysis of reports and resulting action plans” methodology, with a brief guide to the main wording.

The average score for the panel of suppliers contacted and assessed was 56/100 (the average for EcoVadis is 42/100). Fully 78% of these suppliers had their registered office in France.

In addition to the EcoVadis assessments, the Purchasing Division has developed a “CSR Questionnaire” as a complementary supplier knowledge tool. This questionnaire covers all aspects of CSR, from the environment to safety, and uses a fast and effective analysis to identify key social issues for suppliers and verify their relevance within the purchasing process. The questionnaire is incorporated into all consultations and is a way of educating frontline staff at a very early stage in the process.

## **PURCHASER TRAINING AND INVOLVEMENT**

All buyers in the Ex-rights Purchasing Division have been trained in responsible purchasing and CSR since 2015. In 2016, two new buyers received this training.

Moreover, between 10% and 25% of the collective variable remuneration of buyers from the TF1 group Purchasing Division depends on their purchasing CSR actions: inclusion of CSR criteria in purchasing decisions, monitoring of the management plan, promotion of the use of the sheltered sector, deployment of CSR assessments (EcoVadis or CSR questionnaire).

## **USE OF THE SHELTERED/ADAPTED SECTOR**

The Purchasing Division maintains a list of establishments in the sheltered/adapted sector for a range of services, including printing, catering, packaging and mailing, creation and communication, the maintenance of green spaces and the recycling of cassettes.

## **INTEGRATION OF CSR CRITERIA AND CLAUSES IN TENDERS**

A sustainable development and diversity clause – renamed the “ethics and compliance clause” in 2015 in reference to the Group’s new 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.

## SUMMARY OF ACTIONS FOR DEPARTMENTS INVOLVED IN THE PROCESS

	Ex-rights Purchasing Division	Rights Purchasing Division	Téléshopping	TF1 Games/TF1 Publishing
Publication of the Responsible Purchasing policy	Yes	-	-	-
Buyer training on responsible purchasing	Yes	Yes	Yes	-
CSR criteria included in tenders	Yes	Yes	Yes	-
EcoVadis assessment	Yes	Yes	Under discussion, depending on applicability	Under discussion, depending on applicability
CSR questionnaire sent out during tenders	Yes	Under review	-	-
CSR risk mapping	Yes	No	Yes	Yes
Responsible Supplier Relations Charter	Yes	-	-	-

## RESPONSIBLE PURCHASING INDICATORS

	From 01/10/2015 to 30/09/2016	From 01/10/2014 to 30/09/2015	From 01/10/2013 to 30/09/2014
Total business scope (€m)	1,321.8	1,342.5	1,450.5
Expenses addressed by CSR criteria (€m)	1,321.8	1,342.5	1,450.5
Share of expenses addressed (in %) <sup>(1)</sup>	95% <sup>(2)</sup>	41.2%	39.3%
Number of suppliers assessed by EcoVadis or in the process of assessment	160	152	161
Revenue covered by an EcoVadis assessment or in the process of assessment (€m)	396.2	344.8	339
Revenue with the sheltered/adapted sector (€000)	402.6	370.7	311.1
% of buyers trained in responsible purchasing <sup>(3)</sup>	100.0%	100.0%	100.0%

(1) Expenditure covered by a responsible purchasing policy or purchasing procedures integrating CSR criteria (e.g. contracts incorporating a CSR/SD clause).

(2) Following the campaign in 2015 to include the CSR/Diversity clause in contracts, 95% of contracts now contain these clauses. Only non-contract purchases (an estimated 5% of purchase values) are not routinely addressed.

(3) Around 20 buyers, including 7 in the Ex-rights Purchasing Division and 4 in the Rights Purchasing Division.

## 7.3.9 RESPECT OF ETHICS AND COMPLIANCE RULES IN CONTENT

The issues covered in this document on produced and distributed content go above and beyond the requirements of the Grenelle 2 Act, as they are of particular importance for TF1.

The General Counsel's Department is responsible for fulfilling the commitments made through agreements signed by the Group's channels, and for dialogue with the CSA. This last structure works closely with the Compliance Division, part of Broadcasting and in particular tasked with verifying commitments on programme compliance and the protection of young viewers. Dialogue with the regulator is carried out via hearings and written contributions, giving rise to requests and proposals on quantified commitments and the drafting of reports.

### INDICATORS ON THE CONFORMITY OF PROGRAMMES WITH ETHICAL AND COMPLIANCE COMMITMENTS

The scope for all content-related aspects is 2015.

Two actions were taken in 2015: (i) one caution and two warnings for TF1 and (ii) one caution and two warnings for LCI.

As a reminder, TF1 broadcast 7,636 hours of programmes (excluding advertising and sponsorship) and covered more than 10,492 stories in its TV news. During the same period, LCI broadcast around 18 hours a day of rolling news programmes.





Channel	Subject	Scope of the CSA analysis	Type of breach	Intervention of the CSA
TF1	<b>Ethical reporting</b> Breach of public order	Special editions of the TF1 news on 7-9 January 2015 covering the Charlie Hebdo attacks and their aftermath	Failure to uphold public order by broadcasting images of the attack on the Dammartin print works and by reporting that people might be hiding inside the building. These images could have endangered the lives of hostages in the Hyper Cacher supermarket, since Coulibaly was known to be working in concert with the Kouachi brothers	Caution
TF1	<b>Ethical reporting</b> Violation of the right to presumption of innocence	Special editions of the TF1 news on 7-9 January 2015 covering the Charlie Hebdo attacks and their aftermath	Violation of the right to presumption of innocence by reporting the alleged involvement of a relative of one of the Kouachi brothers, who was later cleared	Warning
TF1	<b>Ethical reporting</b> Human rights	1pm and 8pm news on 10 June 2015	Invasion of Vincent Lambert's privacy by broadcasting images of him on his hospital bed without obtaining his permission	Warning
LCI	<b>Editorial responsibility</b> Breach of public order	Special news programmes which aired on 7-9 January 2015 covering the Charlie Hebdo attacks and their aftermath	Failure to uphold public order by broadcasting images of the attack on the Dammartin print works. These images could have endangered the lives of hostages in the Hyper Cacher supermarket, since Coulibaly was known to be working in concert with the Kouachi brothers. The programme also reported that people were probably hiding in the grocery store. On the evening of 7 January, it disclosed information that could have been used to identify the perpetrators of the Charlie Hebdo attacks	Caution
LCI	<b>Ethical reporting</b> Violation of the right to presumption of innocence Public order	Special news programmes which aired on 7-9 January 2015 covering the Charlie Hebdo attacks and their aftermath	Violation of the right to presumption of innocence by reporting the alleged involvement of a relative of one of the Kouachi brothers, who was later cleared, and of the need to maintain public order by broadcasting images of police surrounding the Hyper Cacher supermarket	Warning
LCI	<b>Ethical reporting</b> Human rights	News bulletins on 10 June 2015	Invasion of Vincent Lambert's privacy by broadcasting images of him on his hospital bed without obtaining his permission	Warning

Reminder of the gradual scale of the CSA's measures: Correspondence (not accounted for here) – Warning – Caution – Penalty.

The terrorist attacks in January and November 2015 cast a shadow over France. Although the audiovisual coverage of the first wave of attacks prompted the CSA to issue various cautions and warnings against all French broadcasters, including TF1 and LCI, it made no comment on the treatment of the dramatic events linked to the attacks on 13 November. As a result neither TF1 nor LCI received any warning or caution.

The Act of 21 July 2016 authorised the CSA to draw up a "Code of Conduct" for the audiovisual coverage of acts of terrorism. Following

its consultation of media representatives in September, on 20 October 2016 the CSA adopted a text entitled *Precautions for the audiovisual coverage of acts of terrorism*, published a few days later. The aim of the document is to help the media reconcile freedom of information with other public interests, such as the need for a proper investigation, non-interference with law enforcement operations, protection of victims and their relatives and respect for human dignity.

## 7.3.10 NEWS

### NEWS DIVISION, SOCIETY OF JOURNALISTS

The News Division is tasked with ensuring that the ethical principles of the profession are applied.

It ensures the independence of the editorial staff. Through dialogue and debate, it creates an initial barrier against any attempt to breach the ethical boundaries of journalism. The editorial staff may tackle

any issue and strive to treat each one in a balanced fashion, taking an approach that is commensurate with the importance of the news. The Society of Journalists, created following the privatisation of TF1, has as members 75% of the 230 or so journalists who make up the editorial team. Presenters and the News and Editorial Team Directors are not members of the Society. The Society's role is to create a space for dialogue in which members of the editorial staff may broach any

question concerning compliance in journalistic practice and the integrity and independence of journalists. The Society of Journalists promotes the concept of responsibility in journalism as a profession. It meets with the News Division upon request and throughout the year.

The News Division will contribute in its areas of expertise to the work of the Ethics and CSR Committee with a view to supplementing and detailing the application of the ethical principles applicable to the Division.

## CHARTER OF PROFESSIONAL ETHICS FOR JOURNALISTS

The main unions representing journalists in France have adopted the charter of Professional Ethics for Journalists, available on the website of the National Union of Journalists (SNJ) ([www.snj.fr/IMG/pdf/Charte2011-SNJ.pdf](http://www.snj.fr/IMG/pdf/Charte2011-SNJ.pdf)). The National Collective Labour Agreement for Journalists (CCNTJ), which applies to all 37,000 press card-carrying journalists in France, also establishes ethical principles.

The journalists of the Group's editorial teams, who hold the Press Card, have *de facto* adopted these rules and principles.

The TF1 group News Division is still looking at a specific charter of ethical standards for the Group's journalists. This will need to take into account recently enacted legislation, such as Act no. 2016-1524 of 14 November 2016 aimed at strengthening the freedom, independence and pluralism of the media. By law, each media firm will be required to have a charter of ethical standards. In addition, by 1 July 2017 TV channels must appoint an independent committee tasked with enforcing the principles of integrity, independence and pluralism of their news and programmes.

The rights, obligations and principles enshrined in the charter will apply to all TF1 group journalists – including journalists working in digital media – who are already required to uphold the various ethical and professional commitments made by the News Division in recent years.

## NEWS ITEM VIEWING AND ERROR CORRECTION

Each news item is viewed by at least four people: the assistant chief editor, the managing editor, the chief editor and the presenter. The Director of the Editorial Team also views many stories. If a mistake is made on air, it is frequently corrected before the end of the programme by the presenter. Wherever he so wishes, the Director of the Editorial Team can call on the Director of Legal and Regulatory Affairs for his advice on the matter in question.

## PRESS TRIPS AND EMBEDDED JOURNALISTS

Outside official travel, journalists may only take part in press trips with their manager's approval. This is granted on condition that the person organising the trip has been informed of the lack of guaranteed editorial coverage.

TF1 regularly sends embedded journalists (those incorporated into the armed forces on the ground) with French and American forces, without, however, cutting itself off from other sources, because this offers a way to get physically closer to war zones. The journalist is rarely the only special correspondent on the ground. TF1 tries to do stories on peripheral topics outside the army. The practice of "embedding" is announced when the news coverage is broadcast.

## TREATMENT OF HUMAN INTEREST STORIES, PREVENTION OF UPSETTING IMAGES

TF1 does not cover human interest stories unless they link to a wider social issue. The Editorial team endeavours to gauge this dimension by reading dispatches and conducting preliminary investigations.

One of the Editorial Division's principles is to avoid showing gratuitous violent images. If a story may be difficult to watch, the presenter will warn viewers, saying that "some of the following issues may be upsetting". Sources are always given for images. Also, images are never modified, except to add graphics.

## QUALITY OF IMAGE SOURCES, AMATEUR VIDEO

The Editorial team pays very close attention to the quality of image sources, and the use of home videos is banned unless the source can be properly verified. When such material (which may be cropped and mounted) is used, the words "Home Video" are displayed and, if necessary, the date when the video was shot will be shown. These videos are paid for according to the type of event, the quality and the duration of the sequence used. TF1 has established a scale that takes into account the event, video quality and duration.

## STATUS OF GROUP JOURNALISTS' BLOGS

If a journalist writes in the name of the channel, the Editorial Division considers that his or her contributions to blogs or social networks create exposure to personal and corporate liability. The rules that apply on air also apply to blogs. Any failure to act impartially will not be tolerated any more than it would be on the channel, and penalties are possible.

## UNDERCOVER WORK

The Editorial team considers that it is the duty of journalists to report what goes on even in closed countries. Outside war zones, experienced journalists from TF1's Investigations unit may work undercover if the subject justifies it, usually for social or economic subjects.

## TRAINING PERSONNEL ON MEETING THEIR OBLIGATIONS

Legal and Regulatory Affairs organises regular training and interventions on legal aspects for all staff members involved in preparing reports for TF1 and LCI televised news broadcasts. Participants are reminded of the laws that apply to them in their role as news providers. In addition to the rights of the press and copyright, the seminars also discuss CSA rules and oversight.



### LCI SWITCHES OVER TO FREE-TO-AIR DTT

After several attempts and various proceedings before the *Conseil d'État*, on 17 December 2015 LCI was finally authorised by the CSA to switch over to free-to-air DTT on channel 26 with effect from 5 April 2016.

The move from pay TV to free-to-air was accompanied by a certain number of obligations for LCI. These are detailed in an addendum to the agreement between the channel and the CSA, signed on 17 February 2016. Under the terms of the addendum, LCI agreed that – unless a

major event occurs – newscasts and headlines will not exceed 30% of total broadcasting time and that at least 30% of its programming will consist of special news magazine shows covering different topics (e.g. the economy, politics, culture, diversity of French society, etc.). LCI also must broadcast a weekly news programme for children and adolescents and a news programme with audio description for the blind and partially sighted. Lastly, LCI has pledged that at least 30% of presenters will be women, eventually with a view to achieving parity.

## 7.3.11 PROGRAMME ACCESSIBILITY

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.

### 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 theme channels go beyond their subtitling obligations.

### INDICATOR: COMPLIANCE WITH SUBTITLING OBLIGATIONS BY GROUP CHANNELS

Channel	2016 obligation	2016 actual
TF1	100%	100%
TMC	100%	100%
NT1	60%	86%
HD1	40%	66%
Ushuaïa TV	10%	34%
Histoire	10%	43%
TV Breizh	20%	62%
LCI	3 daily newscasts during the week and 4 daily newscasts at weekends and on public holidays From 1 March: 3 daily newscasts	3 daily newscasts during the week and 4 daily newscasts at weekends and on public holidays From 1 March: 3 daily newscasts

### CONCERNING FRENCH SIGN LANGUAGE

Channel	2016 obligation	2016 actual
LCI	1 daily newscast during the week at 8pm From 1 March: 1 daily newscast at 8pm	1 daily newscast during the week at 8pm From 1 March: 1 daily newscast at 8pm

Although these obligations do not apply to advertising spots, some advertisers request that their commercials are broadcast with closed captioning for the hearing-impaired (around 10% of the commercials

that aired on TF1 in 2015, plus a special campaign organised with the AACC in May 2016).



## AUDIO DESCRIPTION

To serve the one 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.

In 2016, TF1 broadcast 159 programmes with audio description, 57 with audio description for the first time.

### INDICATOR: COMPLIANCE WITH AUDIO DESCRIPTION OBLIGATIONS OF THE TF1, TMC AND HD1 CHANNELS

Channel	2016 obligation	2016 actual
TF1	80 audio-described programmes, including audio description for 50 new programmes on TF1	159 audio-described programmes, including audio description for 57 new programmes on TF1
TMC	20 new programmes with audio description on TMC	21 new programmes with audio description on TMC
HD1	12 new programmes with audio description on HD1	17 new programmes with audio description on HD1

## 7.3.12 PROTECTION OF YOUNG VIEWERS

### RATING INFORMATION FOR YOUNG VIEWERS AND YOUTH PROGRAMMES

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 brings together the heads of broadcasting, programming, programme compliance, acquisitions and youth programming.

To see all the child protection commitments made by TF1, read the requirements for applying the CSA’s content rating signage system at [http://www.csa.fr/infos/controle/television\\_signaletique\\_C.php](http://www.csa.fr/infos/controle/television_signaletique_C.php).

### A PSYCHOLOGIST FOR TFOU’S YOUTH PROGRAMMES

Over the last ten years, a child psychologist has viewed all the youth series purchased and works upstream in close cooperation with the artistic team on series co-produced by the channel. He or she suggests cuts or sometimes rates episodes as being unfit for broadcast, when he or she considers the images inappropriate for children. These recommendations are always followed.

### CHILD PROTECTION AND CONNECTED TELEVISIONS

In 2009, by publishing a charter for French publishers on connected televisions, TF1 contributed to raising the awareness of the public authorities on the subject of the risks caused by the disappearance of the boundaries between television and the Internet. This subject was taken over by the CSA in 2012, which established a commission on connected televisions, for which one of the four main subjects was child protection. TF1 continued its contribution by participating in this working group.

### TFOU AND INTERNET SECURITY FOR CHILDREN

TFou.fr is the TF1 group’s youth site, attracting an average 200,000 unique visitors a month.

Since it was created in February 2000, TFou has paid particular attention to securing the browsing of its internet users. This is largely due to a moderation system for all its content and the protection of the personal data of children (no photographs, contact details or personal information may be exchanged).

All of the community areas are highly controlled: the contributory areas are moderated before publication by the company Concileo and chats use a lexicon of words pre-selected by the TFou.fr team on the same principle as a predictive-text language. In this way, users of the TFou.fr site can learn to use the Internet in a way that is genuinely recreational, which lets them express their feelings or emotions, but using expressions and a vocabulary acceptable to all. In addition, a parents’ corner includes information about web safety: <http://www.tfou.fr/coin-parents/>





### 7.3.13 PROMOTING DIVERSITY

The TF1 company fights against stereotypes and seeks to broadly represent diversities in civil society, as do the channels, with all of the players involved in these issues and free of any competitive spirit.

TF1 group strives to reflect the diversity of the whole of society on its channels and websites, without stereotyping or omissions. Quantified commitments are sent to the regulator each year. A letter is sent each year to the producers of TF1 magazine, game, entertainment and reality TV shows to raise awareness of the issue of diversity within the programmes they make for the channel. All employees responsible for programme production attend special training on taking account of diversity in all its aspects.

The channel holds an annual screenwriting talent contest for children's programmes. This is followed by the production and screening of a short film on a topic of public interest, depending on that year's theme, in partnership with the SACD and other partners (with a budget of €15,000). The theme for 2015/2016 is equality between girls and boys. The competition is run in partnership with the copyright collection society SACD, the charity Enfance Majuscule and the national publishers union SNE. A total of 44 entries were received. The prizes will be awarded on 17 November 2016.

TF1 group conveys this conviction internally, advocating open and respectful relationships between employees and rejecting any discriminatory practices or attitudes.

In the outside world, the Group supports learning projects, the professional integration of young people and the various innovative schemes delivered by the TF1 Foundation or by partners such as the *École de la Cité*.

### 7.3.14 COMPLIANCE AND ETHICS IN ADVERTISING

#### RELATIONS WITH ADVERTISERS

TF1 Publicité provides its clients and partners with a website, [www.tf1pub.fr](http://www.tf1pub.fr), containing General Terms and Conditions of Sales (GTCS), a newsletter, the latest news in the sector and numerous proposals for innovation in the field of advertising.

The GTCS are presented every year, 15 days before their official publication, to the Advertisers' Union, to shed light on the major principles underpinning campaigns in the coming year. The GTCS are then presented to media agencies.

Even if the media agency handles the budget of the advertiser and remains a day-to-day partner of TF1 Publicité, each of the advertisers is accorded at least one presentation meeting a year by the sales staff. To strengthen this direct contact, TF1 Publicité decided in late 2013 to set up a sales team dedicated to advertisers. This preferred contact exists at sales, division and Chairman level. An event reserved for advertisers is organised for the presentation of the programme grid.

A satisfaction survey is carried out every year with advertisers and used as a means of improving relations with TF1 Publicité.

#### DIVERSITY COMMITTEE

Since 2010, the Diversity Committee has included the managers of Broadcasting, Human Relations, the TF1 Corporate Foundation and CSR. In 2015, it was reorganised to focus on produced and broadcast content, and now includes a representative from each programme unit. It also includes representatives from the various internal and external communication departments.

It defines and coordinates diversity policy in the following focus areas:

- coordinating TF1 group thinking on diversity issues (particularly programmes and content) by sharing practices and through knowledge transfer and external contributions;
- organising the diversity actions and initiatives of TF1 group;
- relaying TF1's diversity policy to institutions, opinion leaders and civil society, in association with the communication divisions.

In 2016, it focused its efforts on performing quantitative studies and utilising the results. The Committee commissioned two studies relating to TV news: an internal study on the role of women in the news, and a study by the French research centre for the study and observation of living standards (CREDOC) on the representation of ethnic minorities. In 2017, the results of these studies, based on a robust, transparent and reproducible methodology, will be incorporated into the Group's editorial action and communication plans.

In contrast to received wisdom, TF1 is affordable to all and particularly to small and medium-sized businesses, for which TF1 is an undisputed development booster.

#### COMPLIANCE WITH REGULATIONS

Advertising messages broadcast on Group channels are subject to General Regulations, sector co-regulation via the ARPP, and CSA opinions. These advertising regulations and compliance rules apply to all advertising messages, whatever the medium and broadcasting format. Since 1 January 2012, TF1 has applied the ARPP ruling. This seeks to extend the commitments that the channel made to the CSA in 1990 to include advertising messages on the Group's on-demand audiovisual media services (MYTF1.fr, MYTF1 on IPTV, MYTF1 apps on smartphones). As a result, advertising messages must be submitted in advance to the ARPP, as well as being viewed internally.

The prior opinion of the ARPP is always taken into account before broadcasting advertisements on television or on-demand audiovisual media services (ODAMS). TF1 Publicité's Programming and Broadcasting Division, assisted where required by the Legal Affairs Division, views or listens to every TV, radio or internet advertising message before it goes out.

TF1 Publicité's advertising airtime sales agency may refuse a message, even if the ARPP has approved it, or impose special broadcasting conditions if the message does not seem appropriate for the editorial line of the media on which it is to be aired, and particularly for TF1's family audience. In this case, a letter is sent to the person, advertiser or PR agency that created the message. A solution is sought to adjust the message or its time slot to fit the editorial line of the medium. If no

solution can be found, the message does not go out. The general terms and conditions of sales address such situations.

TF1 Publicité is represented on the ARPP Board of Directors and in the main joint negotiating organisations (Syndicat National de la Publicité Télévisée, Centre d'étude des supports de Publicité, EDI Pub). The Group thus plays a part in building the ethical and compliance framework for the industry.

## 7.3.15 ISSUES IN DIGITAL MEDIA

### REGULATORY FRAMEWORK

#### REGULATION OF ONLINE PUBLIC COMMUNICATION SERVICES

For its digital audiovisual services (mainly MYTF1, TFou, TFouMax sites and apps), TF1 group is subject to regulation on on-demand audiovisual services (see "Audiovisual regulations applying to ODAMS" below) and, as such, is also subject to CSA regulation. Where these services do not correspond with the legal definition of on-demand audiovisual services (for example, MYTF1News or WAT), the Group is subject mainly to the Act of 21 June 2004 on confidence in the digital economy and to all provisions of the French Consumer Code. In all cases, the Group is also required to comply with the Act of 29 July 1881 on the freedom of the press (notably the prohibition of defamatory and insulting remarks and the vindication or negation of crimes against humanity), as well as, for all media, the regulations arising from the French Data Protection Act of 6 January 1978 and the ruling of 5 December 2013 on cookies and web trackers, and is therefore regulated by the French data protection authority (CNIL). The regulations on cookies are aimed at ensuring transparency with users as to the number of cookies stored on users' computers and the reasons for these, and in particular at countering "targeted" cookies.

With regard to the digital content hosting site WAT, as host, it is not responsible for content uploaded by users, but is subject to a certain number of obligations (storage of IP addresses and other technical data, icon enabling users to report inappropriate content, reporting of "hate" content to the authorities, prompt removal of reported content).

#### AUDIOVISUAL REGULATION APPLYING TO ODAMS

Following the Act of 5 March 2009, the implementing orders of 2 July 2010 and 12 November 2010, and the CSA's ruling of 14 December 2010, TF1 group is required to comply with regulations on ODAMS for all its non-linear services covered by the corresponding legal definition (particularly the MYTF1 and TFou MAX services, irrespective of the media used, be it a PC, TV, smartphone, tablet, game console, etc.), as well as all non-linear services (such as catch-up TV) offered by the Group's channels. This regulation leads to obligations in terms of (i) the contribution to the production of European and French-speaking

film and audiovisual works (for example, financing web series), (ii) exposure to European and French-speaking film and audiovisual works, (iii) advertising and sponsorship, (iv) the protection of young viewers (CSA signage on all programmes concerned and trusted zone listing programmes for general viewing) and (v) compliance.

### THE FIGHT AGAINST PIRACY AND THE PROTECTION OF COPYRIGHT

TF1 group is committed to tackling piracy and leads numerous actions and initiatives in this area. It has had an anti-piracy intelligence unit since 2007.

The unit monitors and analyses the methods of delivery – without permission from rights holders – of audiovisual and cinematographic content on the Internet, and works with government agencies (Alpa, CNC, law enforcement, HADOPI, CSPLA, etc.) and bodies responsible for enforcing French and European intellectual property laws.

The unit uses special software to remove illegal content from sharing platforms and social media on a daily basis, in accordance with Act no. 2004-575 of 21 June 2004 on building confidence in the digital economy.

The unit also takes legal action. For example, between 2008 and 2014, TF1 filed lawsuits against YouTube and Dailymotion after discovering that its content existed on a massive scale on these platforms, which failed to remove it promptly following notification. The lawsuits led to (i) a settlement between TF1 group and YouTube (Google), which has since firmly committed to using and improving its content protection software (Content ID) and ensuring that rights holders may control their content online, and (ii) Dailymotion being ordered to pay TF1 €1.38 million for infringement of copyright and unfair competition.

Lastly, the unit raises awareness among key players – not only platforms, but also rights holders – so that they implement the most effective protection tools. TF1 strongly supports the deployment of "automated content recognition technology" ("fingerprint technology"). This allows rights holders to generate "fingerprints" on their programmes (unique computer DNA for each content), which are then sent to video-sharing platforms to prevent the uploading of content (content uploaded illegally



is recognised by the software and automatically filtered and blocked). To protect its content, TF1 uses technology developed by the National Audiovisual Institute ("Signature") for Dailymotion, and Google ("Content ID") for YouTube. In 2016, TF1 took steps to ensure that the software will detect pirated content that has been deliberately altered to avoid filtering (a practice known as "cropping", consisting of significantly altering the image or playback speed). These actions will also be deployed on other platforms such as Facebook, which predominantly allows videos to be shared privately (i.e. between "friends"), thus avoiding detection and making it impossible to request the removal of illegal content; Facebook has agreed to use proprietary filtering technology ("Rights Manager"). This is currently undergoing tests and should be implemented in France in 2017. Actions are also under way on Twitter.

On DDL ("Direct DownLoad") and streaming sites, TF1 uses a specialist service provider for the detection and removal of illegal links relating to programmes on which TF1 group has exclusive rights and which are particularly prone to piracy (mainly films, drama and US series). Several million links to pirated content are removed each year by robots which constantly crawl these sites.

At the same time, TF1 is continuing its efforts to raise awareness among content producers so that they start using fingerprints to protect their content in the digital world as soon as possible.

Politically, both at the national and European levels, TF1 actively lobbies for the protection of copyright and the overall system of creation financing. The initiative sponsored by the European Commission (Proposal for a Directive on Copyright in the Digital Single Market) requiring websites and social media that allow video-sharing to provide right holders with filtering tools would be a step in the right direction towards wider protection of intellectual property rights.

## PROTECTION OF PERSONAL DATA AND USERS' DATA

### GENERAL DATA SECURITY POLICY

In 2007, TF1 group introduced a data security policy (revised in July 2016) to revisit the issue of data security within TF1 group in the light of the new threat of cyber attacks (e.g. Sony Pictures, TV5).

The document, the foundation of security within TF1 group, defines the framework for all actions in terms of security governance, including the scope of application, the role of each player, the bodies involved and performance indicators.

On the protection of employees' data, the policy states:

- that it is the duty of information system administrators not to read the personal data of employees;
- that the information present in the information system must be classified with a confidentiality criterion that expresses the personal nature of the information;
- that within business lines and subsidiaries, the owner of the information is always identified. He or she must ensure the legal compliance of processing, by contacting the Social Affairs Division, particularly when

handling personal data (statements to be filed with the French data-protection authority, CNIL);

- that each new sensitive application undergoes a security audit/intrusion test, commissioned by TF1, or is ISO 27001 certified if used in the cloud, e.g. "Positive Careers", the HR solution of TF1 group (SAP SuccessFactors).

### ADDITIONAL DATA SECURITY PROCESSES

The following processes supplement the data security policy:

- reinforcing encryption techniques: sensitive shared resources (particularly for HR), certain USB sticks and emails for the staff concerned. Since early September 2016, encryption of the hard drives of all users identified as "insiders" or "confidential" (such as HR personnel) has been under way: this is currently 50% complete and is due to be finalised by the end of February 2017. TF1 group aims to introduce encryption on all desktop PCs in the company within three years (by which point its hardware upgrades will be completed);
- deployment, by the end of December 2015, of an internal communication plan setting out the 11 basic security rules that apply at TF1 group;
- creation of a Security Operations Centre (SOC) in October 2016 to monitor IT security. The SOC significantly increases our ability to detect security incidents and cyber attacks;
- introduction in July 2016 of a cloud directive for selecting IT solutions, with the requirement for subcontractors to be ISO 27001 compliant if handling personal data.

### ACTIONS OF THE SOCIAL AFFAIRS DIVISION

Various actions will be pursued under the data protection plan, including the signing of a confidentiality agreement for employees who have access to personal data.

### ACTIONS OF THE LEGAL AFFAIRS DIVISION

In November 2013, the Legal Affairs Division launched an awareness-raising initiative on best practice in data protection, as a reminder of the principles, the role of the person responsible for processing personal data and points of contact for the CNIL (the French data protection authority) within TF1 group. In May 2015, this initiative led to a practical and simplified version of the legal framework being posted on the corporate intranet of TF1 group (accessible to all employees).

In addition, the Legal Affairs Division has identified the specific actions necessary to comply with the provisions on personal data of the Digital Republic Act of 7 October 2016. These actions will be rolled out to coincide with the adoption of the various decrees.

Lastly, on 3 October 2016 the Legal Affairs Division launched plans for compliance with Regulation (EU) 2016/679 of 27 April 2016 (the General Data Protection Regulation). TF1 has established a working group composed of employees from the Legal Affairs Division, the Innovation & Digital Division and TF1 group business lines, with the task of anticipating the technical and organisational measures to be implemented within TF1

group to comply with the new rules on personal data applicable from 25 May 2018.

## PROTECTION OF USERS' DATA

### Digital services of e-TF1

The sites and apps published by e-TF1 are compliant with all legal provisions, available on the website of the French data protection authority (CNIL) via the following link: <http://www.cnil.fr/>. e-TF1 works closely with the CNIL when publishing data protection statements or updating existing statements. The privacy policy is available online on all digital assets and must be specifically accepted when registering. e-TF1 regularly checks that the recommendation on cookies and other web trackers contained in Article 32-II of the Act of 6 January 1978 (the "Deliberation") has been applied. For example, it carries out technical audits of cookies and web trackers stored when visiting electronic communication services produced by e-TF1 (web/mobile sites and apps) with a view to ensuring compliance. Similarly, in the contracts signed with its technology partners, publishers and advertisers, e-TF1 strives to enforce compliance with regulations on the protection of users' personal data. The online communication services (websites) developed by e-TF1 are now covered by a cookie policy. In addition, e-TF1 has introduced technical devices allowing users to disable third-party cookies directly.

### Behavioural advertising

TF1 Publicité sells behavioural advertising (advertising whose content depends on users' browsing behaviour and interests) on MYTF1 across all formats.

#### a) Users:

TF1 Publicité and e-TF1, publisher of MYTF1, guarantee respect for users' rights in accordance with the provisions of the French Data Protection Act by various appropriate means:

- privacy policy available online on all MYTF1 media,
- signing by TF1 Publicité in February 2013 of the IAB Europe European Charter on online behavioural advertising, laying down best practices in this area,
- banner informing users that by continuing to browse the MYTF1 website, they accept that cookies will be used to offer them services tailored to their interests, with a link to their cookie settings,
- signing in September 2013 of a licensing agreement with the EDAA (European Interactive Digital Advertising Alliance) enabling TF1 Publicité to add the interactive icon "choose advert" on any

behavioural advertising, which links to a page where the user can choose whether or not to receive this type of advertising.

Under this agreement, TF1 Publicité is subject to an annual audit by an outside body accredited by the EDAA, with a view to being certified as compliant with the best practices laid down in the IAB Europe Charter, based on the following criteria:

- prior information given to users on privacy and the privacy policy,
- option for users to decide whether their data may be collected for behavioural advertising purposes,
- assurances regarding the security, backup and storage of the data collected,
- ban on targeting children or using "sensitive" segments (based on criteria such as ethnic origin, political, religious or philosophical views or sexual orientation),
- handling of complaints from users about behavioural advertising.

The audit was carried out in the second half of 2016. During this period, TF1 Publicité made the necessary changes to obtain certification, which it is currently awaiting.

#### b) Contracts:

TF1 Publicité has also committed to choosing technical providers who in turn are signatories of the IAB Europe Charter, to ensure the correct application of regulatory constraints regardless of the company sending the cookies.

More specifically, the contracts of the sub-department guarantee that both the advertiser and the sub-department have included in their respective media, in a special area separate from the General Terms and Conditions of Use, clear and unequivocal information for users on:

- the collection of information regarding their browsing behaviour from their connected computer and, to that end, the use of cookies,
- the use of said information for advertising purposes and in particular the sending of targeted advertising by the advertiser and/or the sub-department,
- their right to refuse the use of cookies by indicating several procedures to that effect, the period of time over which collection may be stored and the consequences of such refusal on the use of the services proposed on the type of media concerned.

The sub-department guarantees that the use of cookies does not involve the collection of personal data according to prevailing regulation, including the IP address of the computer via which the user is connected.

