Bolloré

Registration document
2018

AUTORITÉ
DES MARCHÉS FINANCIERS
AMF

This registration document was filed with the French *Autorité des marchés financiers* (AMF) on April 26, 2019, in accordance with article L. 212-13 of the AMF General Regulation. It may be used to support financial transactions if accompanied by a securities note approved by the AMF.

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It can be viewed and downloaded on **www.bollore.com.**

Message from the Chairman

Vincent Bolloré,
Chairman and Chief Executive Officer of Financière de l'Odet

Bolloré was founded in Brittany, in 1822, by my two great-great-great-great-grandfathers, François Le Marié and René Bolloré. They were followed successively by their children, Nicolas Le Marié, my great-great-great-uncle, and Jean-Claude Guillaume Bolloré, my great-great-great-grandfather, their children and their children's children, right down to my uncles and my father.
Today, it gives me great pride to see the seventh generation take over the reins, with the help of teams of cohesive and experienced leaders. Having seen him at work in the Group for twelve years, I firmly believe that Cyrille Bolloré is the right choice for this new chapter in the Group's story. As planned, I will remain Chairman and Chief Executive Officer of Financière de l'Odet – which controls 65% of Bolloré's share capital – until February 17, 2022, date of our bicentennial, to ensure that the transition is as smooth as possible.

Cyrille Bolloré,

Chairman and Chief Executive Officer of Bolloré

I am greatly honored by the confidence that the Board of Directors has shown me by unanimously appointing me Chairman and Chief Executive Officer of Bolloré, replacing Vincent Bolloré. Our goal is to pursue our Group's diversified development in our three business lines and to create sustainable value and jobs, as we have for more than thirty years. To this end, we will continue to invest in our host regions and further pursue the industrial and technological developments we have recently undertaken.

The 2018 results confirm the strength of our positioning and the Group's exciting momentum in its various businesses. The Bolloré Group's revenue increased by 7% at constant scope and exchange rates (+26% as reported). The Transportation and logistics activities reported a 6% increase to 6 billion euros, driven by increased maritime and air flows and the growth of port activities in Africa. At Bolloré Energy, revenue increased by 25% on the back of higher prices for oil products. The Electricity storage and solutions business recorded growth of 1% thanks to the Dedicated terminals division, a small increase in Plastic Films and improved Bluebus sales. Lastly, the Communications business grew by 4%, a performance owed chiefly to Vivendi (+4%), which enjoyed traction from Universal Music Group (+10%).

Consolidated operating income was 1.3 billion euros, a 25% increase attributable largely to the Communications business (+29%), driven by the very good performance of Vivendi's main activities, good momentum in the Transportation and logistics businesses (+9%) and the reduction in the losses of the Electricity storage division thanks to tighter cost control.

Business trends remained favorable in the early part of 2019. Transportation and logistics activities stand to benefit further from higher volumes in sea freight, air freight and port activities in Africa. In communications, Vivendi is confident about trends in its main activities this year. It is counting on further strong growth at Universal Music Group (having decided to sell up to 50% of its capital), continued efforts to improve the profitability of Canal+, a good performance from Havas and the consolidation of Editis, acquired in January 2019.

Lastly, the Bolloré Group plans to continue its investments in the field of electricity storage, where Blue Solutions is focusing on the two most promising applications, electric buses and electricity storage, by continuing to invest in the new and improved dry battery, which we plan to bring out in 2019.

> **"We will continue to invest in our host regions and further pursue the industrial and technological developments we have recently undertaken."**

1 Overview of the Group and its activities

Profile

Founded in 1822, the Bolloré Group is among the 500 largest companies in the world. Publicly traded, it is still majority controlled by the Bolloré family. The stability of its shareholder base enables it to follow a long-term investment policy.
Due to its diversification strategy based on innovation and international development, the Group currently holds strong positions in its three lines of business: transportation and logistics, communications, electricity storage and solutions.

More than
81,000
employees
in 127 countries

23
billion euros
in revenue
in 2018

1,107
million euros
in net income

28
billion euros
in shareholders' equity

Transportation and logistics

Bolloré Transport & Logistics is one of the world's leading transportation groups with more than 35,000 employees spread among 107 countries throughout Europe, Asia, the Americas and Africa where it carries out its business activities in ports, freight forwarding and railroads. It is also a major player in oil logistics in France and in Europe.

Communications

The Bolloré Group's Communications division consists primarily of its stake in Vivendi, with Universal Music Group, a global leader in the music industry, Canal+ group, France's leading pay-TV channel, Havas, one of the world's leading advertising and communications groups, and Gameloft, leader in mobile video games. It also owns the French free daily newspaper *CNews* and is also active in telecoms.

Electricity storage and solutions

Building on its position as a global leader in films for capacitors, the Bolloré Group made electricity storage a major priority for development. It has developed a unique technology in the form of Lithium Metal Polymer (LMP®) batteries, produced by its Blue Solutions subsidiary. Using this technology, the Group has diversified into mobile (car-sharing systems and electric cars, buses and trams) and stationary applications, as well as systems for managing these applications (IER, Polyconseil).

Other assets

Alongside its three core businesses, the Bolloré Group manages a portfolio of financial investments representing investments that totaled more than 4.7 billion euros at the end of 2018, including the Bolloré portfolio (Mediobanca, Socfin, etc.), worth 0.8 billion euros, and the Vivendi portfolio (Telecom Italia, Mediaset, etc.), worth 3.9 billion euros.

Key figures

Income statement

(in millions of euros)	2018	2017[1]	2016
Revenue	**23,024**	18,337	10,076
Share in net income of operating companies accounted for using the equity method	**23**	151	42
Operating income	**1,301**	1,115	627
Financial income	**140**	119	164
Share in net income of non-operating companies accounted for using the equity method	**172**	115	20
Taxes	**(506)**	700	(224)
Net income	**1,107**	2,049	588
Of which Group share	**235**	695	440

(1) December 2017 data restated, see section "Comparability of financial statements", page 178.

Operating income by segment

(by business, in millions of euros)	2018	2017[3]	2016
Transportation and logistics[1]	**511**	491	490
Oil logistics	**34**	36	54
Communications (Vivendi, media, telecoms)[2]	**940**	780	282
Electricity storage and solutions	**(152)**	(164)	(168)
Other (agricultural assets, holding companies)[1]	**(31)**	(28)	(31)
Operating income	**1,301**	1,115	627

(1) Before Bolloré trademark fees.
(2) Including, in 2018, twelve months' full consolidation of Vivendi, i.e. 959 million euros (compared with eight months' full consolidation and four months under the equity method for Vivendi, and twelve months' full consolidation for Havas, i.e. 804 million euros, in 2017).
(3) December 2017 data restated, see section "Comparability of financial statements", page 178.

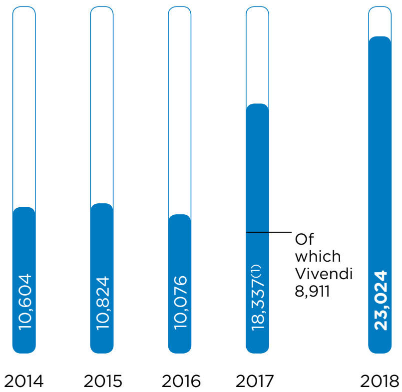
Balance sheet

(in millions of euros)	12/31/2018	12/31/2017[1]	12/31/2016
Shareholders' equity	**28,204**	31,091	10,281
Shareholders' equity, Group share	**9,234**	10,430	8,915
Net debt	**4,882**	4,841	4,259
Market value of the portfolio of listed securities[1][2]	**4,722**	7,432	4,553

(1) December 2017 data restated, see section "Comparability of financial statements", page 178.
(2) Excluding Group securities (see page 178).

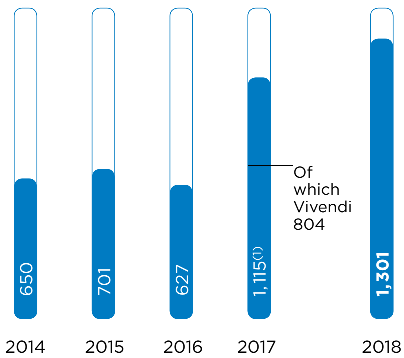
Change in revenue

(in millions of euros)



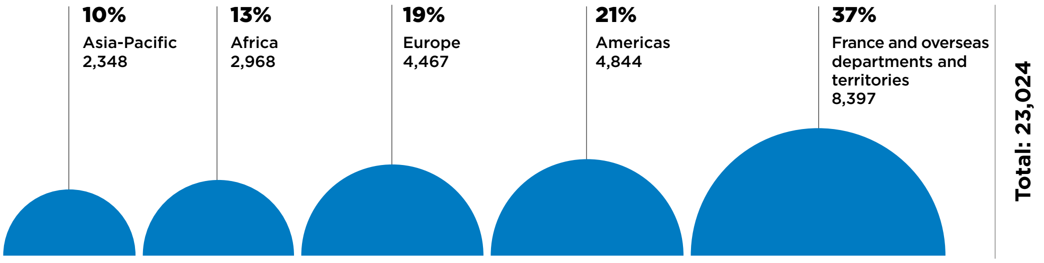
Change in operating income

(in millions of euros)

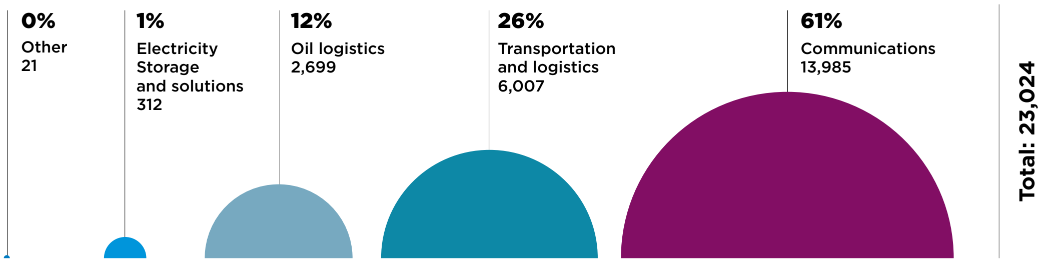


(1) December 2017 data restated, see section "Comparability of financial statements", page 178.

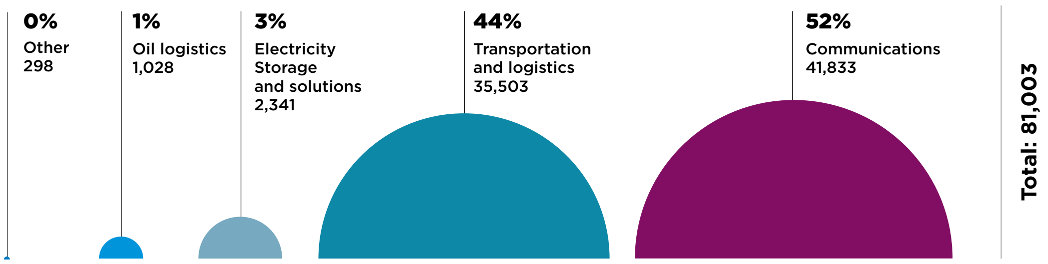
Breakdown of 2018 revenue by geographical area
(in millions of euros)



Breakdown of 2018 revenue by business
(in millions of euros)



Breakdown of workforce by business
(at December 31, 2018)



Economic organizational chart

At December 31, 2018

(as a percentage of capital)

55.3% Sofibol[1]
19.1% Compagnie du Cambodge[2]
5.6% Société Industrielle et Financière de l'Artois[2]
4.9% Financière Moncey[2]
3.6% Imperial Mediterranean[2]
2.3% Nord-Sumatra Investissements[2]

90.8%

Financière de l'Odet

64.3%[3]

Bolloré

Transportation and logistics

BOLLORÉ LOGISTICS

BOLLORÉ PORTS

BOLLORÉ RAILWAYS

Oil logistics

BOLLORÉ ENERGY

Communications

VIVENDI

Universal Music Group

Canal+

Havas

Other (Gameloft, New Initiatives, etc.)

MEDIA, TELECOMS

Electricity storage and solutions

BLUE SOLUTIONS

BLUE APPLICATIONS – DEDICATED TERMINALS AND SYSTEMS

PLASTIC FILMS

Other assets

PORTFOLIO OF SHAREHOLDINGS

(1) Directly held by Sofibol and its 99.5%-owned subsidiary Compagnie de Guénolé. Sofibol is controlled by Vincent Bolloré.

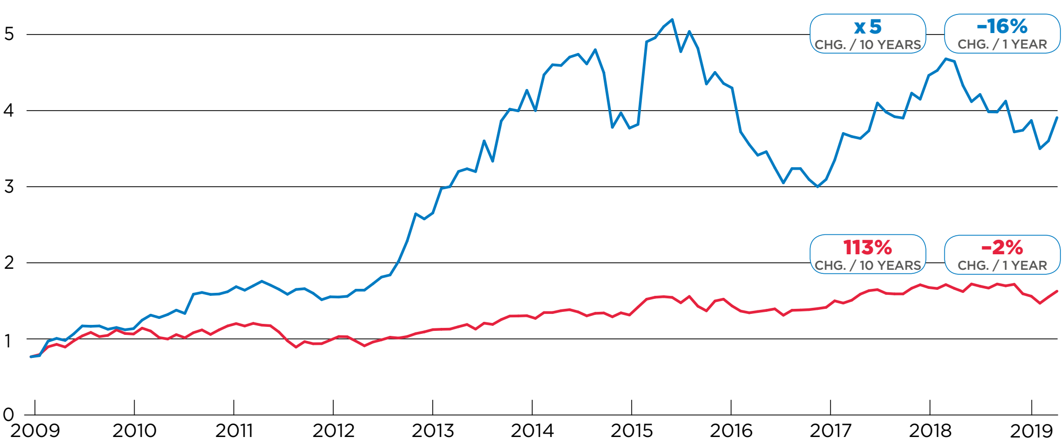
(2) Companies controlled by Bolloré.

(3) Including 0.5% held by Imperial Mediterranean, SBA and Nord-Sumatra Investissements, all Bolloré subsidiaries.

Stock exchange data

Change in the Bolloré share price

as of February 28, 2019 (in euros, monthly average)



Stock exchange data

	2018	2017	2016
Share price as of December 31 (in euros)	**3.50**	4.53	3.35
Number of shares as of December 31	**2,929,569,051**	2,921,611,290	2,910,452,233
Market capitalization as of December 31 (in millions of euros)	**10,253**	13,229	9,750
Number of shares issued and potential shares(1)	**2,921,086,213**	2,911,940,052	2,899,260,595
Diluted net income per share, Group share (in euros)	**0.08**	0.24	0.15
Net dividend per share (in euros)(2)	**0.06**	0.06	0.06

(1) Excluding treasury shares.
(2) Including an interim dividend of 0.02 already paid.

Bolloré shareholder base

As of December 31, 2018	Number of shares	% of capital
Financière de l'Odet	1,867,086,638	63.73
Other Group companies	15,421,646	0.53
Group total	**1,882,508,284**	**64.26**
Orfim	153,496,361	5.24
Public	893,564,406	30.50
Total	**2,929,569,051**	**100.00**

Our locations

A global group with over 81,000 employees in 127 countries

Transport and logistics

BOLLORÉ LOGISTICS
609 branch offices in 107 countries.

BOLLORÉ AFRICA LOGISTICS
250 subsidiaries in 46 countries.

BOLLORÉ ENERGY
125 branch offices and depots in France, Germany and Switzerland.

Communications

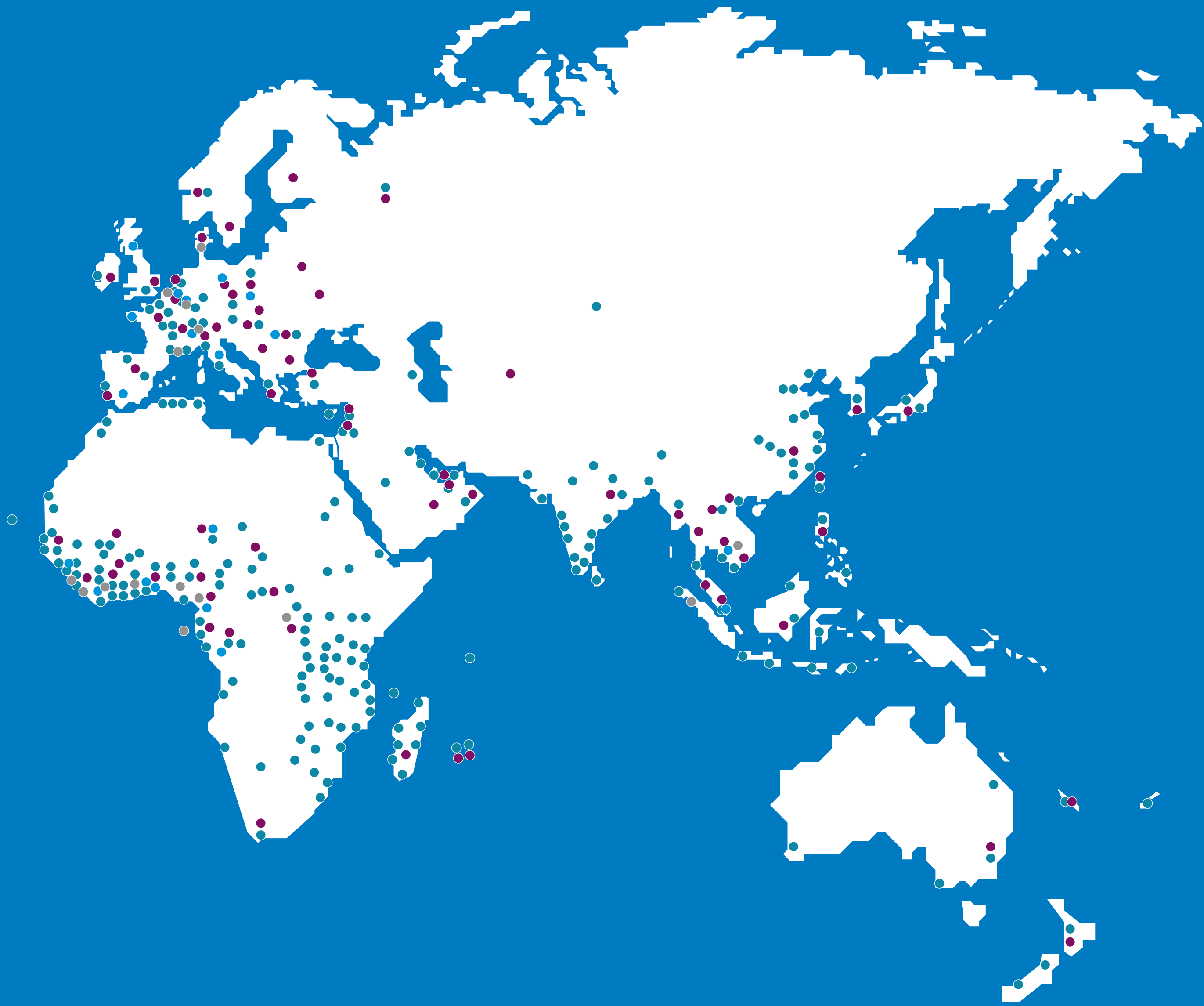
VIVENDI
Music (Universal Music Group), television and cinema (Canal+ group), advertising (Havas), video games (Gameloft), press *(CNews)*, telecoms.

Electricity storage and solutions

BATTERIES AND SUPERCAPACITORS, ELECTRIC VEHICLES
4 plants in France and Canada.

PLASTIC FILMS
3 plants in Europe and the United States.

IER – DEDICATED TERMINALS AND SYSTEMS
11 locations worldwide.



Transportation and logistics

Communications

Electricity storage and solutions

Agricultural assets

Agricultural assets

3 farms
in the United States
and 2 vineyards
in France.

Group strategy

The Bolloré Group has successfully changed over the past two centuries, transforming its businesses and adapting its model to ensure its resilience. It ranks today as one of the world's 500 largest companies. The stability of its shareholder base enables it to follow a long-term investment policy. Since it was taken over by Vincent Bolloré in the early 1980s, the Group has focused on three business lines, building on a diversification strategy that combines innovation and international expansion.

— In transportation and logistics

The Group has become one of the world's 10 biggest logistics operators and Africa's largest transportation group through a combination of organic and external growth. It is also a major player in oil logistics and distribution in France, Germany and Switzerland.

The acquisitions of Scac (1986), Delmas-Vieljeux (1991) and Saga (1997) have given the transportation and logistics activities an international dimension, with substantial operations in Africa. In the space of forty years, Bolloré has invested more than 4 billion euros in Africa, becoming the leading integrated logistics group in the region, where it manages 16 port terminals (mainly in West and Central Africa), 3 rail concessions, warehouses and dry ports, etc.

The Group is pursuing its development in Africa, particularly in the eastern regions, despite an increasingly competitive environment, and continues to contribute to the improvement of terrestrial infrastructures (links between ports and hinterland cities) and their connectivity.

The various acquisitions carried out have also enabled it to become a global player in the supply chain, where it acts as an aggregator of transportation and logistics solutions (purchase and sale of freight capacity, customs and regulatory compliance, logistics, multimodal transport, etc.) thanks to its global network of 609 branch offices in 107 countries and its major logistics hubs located in key centers for world trade. From Le Havre to Singapore, from Abidjan to Dubai and from Hong Kong to Miami, it is pursuing a program of expanding or creating logistics platforms. The Group's medium-term goal is to become one of the top five logistics companies worldwide.

To cope with the structural decline in the oil distribution market, Bolloré Energy is pursuing a strategy of diversifying into the storage of petroleum products. This was the aim behind the work undertaken and carried out since 2017 to redevelop the Rouen Petit-Couronne depot.

— In electricity storage and solutions

Building on its legacy business in fine paper, the Group has become the world's leading producer

1

of ultrafine paper and plastic films for capacitors. This know-how and the mastery of this technology have allowed it to create the unique Lithium Polymer Metal (LMP®) battery technology and to develop a set of mobile and stationary applications spanning electric cars, car-sharing, electric buses and electricity storage solutions. In the last twenty-seven years, the Group has invested more than 3 billion euros, and its battery has proven its effectiveness in a range of applications. While continuing research and development work on the battery, the Group is focusing on applications that appear to offer the best growth potential, namely electric buses and stationary electricity storage solutions.

— In communications and the media

The Group first invested in SFP in 2000, and then in Havas in 2004. In 2005, it created the Direct 8 TV channel, and in 2007 the *CNews* newspaper (formerly *Direct Matin*). It first acquired a stake in Vivendi in September 2012, and since then has become its main shareholder, currently owning 26% of the capital. Vivendi has been fully consolidated by Bolloré since April 2017.

An integrated media, content and communications group, Vivendi has leading positions in the main areas of content consumed worldwide, namely music, audiovisual production, advertising and video games.

UMG is the world leader in recorded music. With more than 50 labels covering all styles of music and operations in more than 60 countries worldwide, UMG works with some of the world's greatest artists, including The Rolling Stones, U2, Taylor Swift, Lady Gaga, Drake, Post Malone, Ariana Grande and Rihanna. The company also has unique expertise in scouting new artists and promoting their careers. The size of its catalog (more than 3 million titles) and various licensing agreements signed with major music platforms allow it to take full advantage of strong growth in the streaming and subscription market. This segment now accounts for more than 50% of sales of recorded music.

Canal+ group is a major player in television and cinema in France and internationally. It is a leader in the publishing, aggregation and distribution of exclusive premium and theme channels in France and internationally. It is also a benchmark in the production and distribution of films and TV series through its subsidiary Studiocanal.

Gameloft, a leader in mobile games. This content is distributed partly by its own platforms, through Canal+ group and the Dailymotion platform, but also through other partners, major music and digital platforms and telecom operators.

Communications is the domain of Havas, one of the world's leading advertising and communications groups, which brings its expertise in connecting brands and consumers through creativity, cross-media expertise and innovation. Havas has considerable expertise in monetizing free content in short formats, which are increasingly popular on platforms and mobile devices.

3

2

1.
Strong footprint in Africa, giving the Group the position of leading integrated logistics operator.

2.
Determination to build a world-class European group with Vivendi.

3.
Innovation and development strategy in all-electric applications with the LMP® battery.

Business model

Our resources

Human resources

81,003 employees in 127 countries
11,783 hires on permanent contracts

Patents and industrial processes

2,076 patents
LMP® batteries: the Group has developed a solid electrolyte manufacturing process used for the LMP® electric battery

Contracts and concessions

21 port concessions
6 car-sharing contracts
3 rail concessions
1 oil concession
22 5G licenses (telecommunication)

Industrial assets

8.3 million m² of warehouses, offices and open storage areas
2.2 million m³ of oil storage capacity
4 plants: 3 in Brittany and 1 in Canada
75 service stations and a Bolloré Energy fleet of **365** trucks

Organizational capital

The strength of the local network stems from the great diversity of geographical locations, and guarantees **synergies** between the Group's activities. The Group forges partnerships **to diversify investments** and reduce risks: most of port concessions are operated as consortia with partners

Our activities

Transportation and logistics

Logistics – Ports – Rail operations

Oil logistics

Distribution of oil products

Communications

Vivendi – Media and telecoms

Electricity storage and solutions

Blue Solutions — Blue Applications

Portfolio of shareholdings

35,503 employees
6,007 million euros in revenue
511 million euros in operating income

1,028 employees
2,699 million euros in revenue
34 million euros in operating income

41,833 employees
13,985 million euros in revenue
940 million euros in operating income

2,341 employees
312 million euros in revenue
(152) million euros in operating income

4.7 billion euros in listed securities
200,000 hectares of agricultural and wine-growing assets

Value created

For employees

4,554 million euros in personnel costs (Source: 2018 accounting data)
97% of staff work full time
20 hours of training per employee trained over the year

For governments and local communities

6,264 million euros in taxes raised, duties and similar levies, including
439 million euros in income taxes collected

- Contribution to **local development**
- Generation of **local jobs**
- Contribution to local **tax revenues**
- Value creation locally in **Bluezones** thanks to synergies between Blue Solutions and Vivendi
- Other local sponsorship actions

For the local economy

1,032 million euros in tangible and intangible investments for the opening of the Miami logistics hub or the inauguration of the extension of the Freetown terminal in Sierra Leone for instance
12,931 million euros in tangible and intangible assets. Continuation of investments related to the renovation of the DRPC (Dépôt Rouen Petit-Couronne) site or the development of a new LMP® module concept at Blue Solutions for instance

For shareholders

17% growth in operating income (at constant scope)
175 million euros in dividends paid by Bolloré SA

For the environment

10,281 metric tons of CO_2 equivalent avoided with 29.8 million km traveled in 2018 thanks to electric car-sharing services: Autolib', Lyon, Bordeaux, Turin, Indianapolis, Los Angeles, Singapore, London

CSR key figures

Ethics

Signatory of the **United Nations Global Compact.**

36,775 employees trained in combatting corruption and harassment, as well as in business ethics in the year.

Social

More than **81,000** employees.

More than **862,000** hours of training.

More than **230** sites with workplace health, safety and/or environment certification.

100,000 people (25,000 employees and their beneficiaries) benefiting from additional social security coverage in Africa.

Environment

106 million euros invested in R&D projects serving the energy transition (LMP® battery, electricity storage, electric mobility application, etc.).

63% reduction in GHG emissions recorded for ports connected to the electricity grid in Africa between 2016 and 2018, i.e. 14,861 metric tons of CO_2 equivalent avoided.

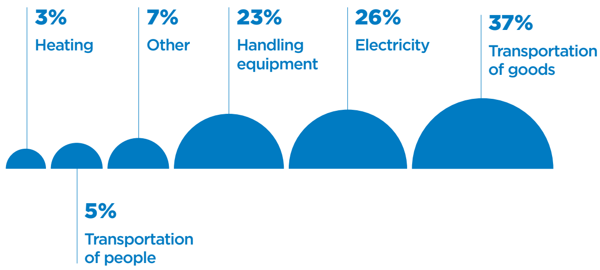
Regional development

656 societal projects funded by the Bolloré Group.

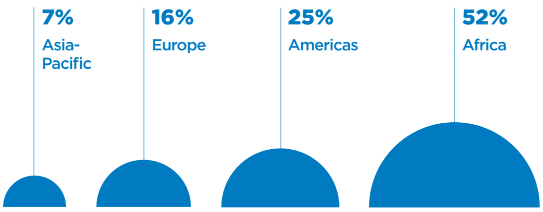
Nearly **560,000** film-goers brought back into cinemas thanks to solar-powered CanalOlympia movie theaters in Africa.

Breakdown of greenhouse gas emissions

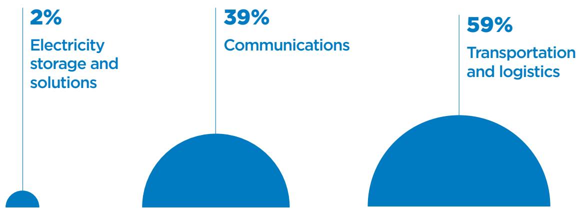
By emissions item



By geographical area



By division/business line



Indicators by region

Europe
39% of the workforce
56% of revenue
608.5 million euros of tangible and intangible investments
7,169 hires, or 41% of the total(1)
19,653 employees benefiting from training, i.e. 37% of the workforce(2)

Africa
30% of the workforce
13% of revenue
212.1 million euros of tangible and intangible investments
2,420 hires, or 14% of the total(1)
13,691 employees benefiting from training, i.e. 26% of the workforce(2)

Americas
16% of the workforce
21% of revenue
128.7 million euros of tangible and intangible investments
4,153 hires, or 24% of the total(1)
11,974 employees benefiting from training, i.e. 22% of the workforce(2)

Asia-Pacific
15% of the workforce
10% of revenue
82.6 million euros of tangible and intangible investments
3,751 hires, or 21% of the total(1)
8,236 employees benefiting from training, i.e. 15% of the workforce(2)

(1) Out of the total number of external permanent and fixed-term hires, excluding internal mobility.
(2) Out of the total number of employees who benefited from at least one training course in 2018.

Governance

Board of Directors
As of March 14, 2019

Cyrille Bolloré
Chairman and Chief Executive Officer

Vincent Bolloré(1)

Yannick Bolloré
Vice-Chairman

Cédric de Bailliencourt
Vice-Chairman

Gilles Alix
Representative of Bolloré Participations
Chief Executive Officer of the Bolloré Group

Nicolas Alteirac
Director representing the employees

Elsa Berst
Director representing the employees

Chantal Bolloré

Marie Bolloré

Sébastien Bolloré

Valérie Coscas(1)

Marie-Annick Darmaillac
Representative of Financière V

Hubert Fabri

Janine Goalabré
Representative of Omnium Bolloré

Dominique Hériard-Dubreuil

Céline Merle-Béral

Alexandre Picciotto

Olivier Roussel

Martine Studer

François Thomazeau

Audit Committee

François Thomazeau
Chair

Olivier Roussel

Martine Studer

Compensation and Appointments Committee (CAC)

Martine Studer
Chair

Gilles Alix

Elsa Berst

Olivier Roussel

20
directors

7
independent members

93%
Overall attendance rate at Board meetings

45%
women

55
years average age

(1) The renewal of these terms of office is not requested by the Directors.
The appointment of Virginie Courtin as a director will be submitted to the shareholders' vote at the Meetings of May 29, 2019.

Transportation and logistics

Bolloré Logistics
One of the world's leading transportation management groups, it is ranked among the top five European and the top ten global groups in the sector.

Bolloré Africa Logistics
Leading global player in transportation and logistics in Africa, where it operates 16 port concessions.

Bolloré Energy
Leading French independent distributor of domestic fuel-oil with a significant presence in Europe.

(Internal sources.)


BOLLORÉ


BOLLORÉ
ENERGY
BOLLORÉ

Bolloré Logistics

⟶ As a global leader in the supply chain, Bolloré Logistics is one of the 10 biggest global groups in transportation and logistics organization. Despite strong pressure on its margins, Bolloré Logistics saw an increase in its results in 2018. Its high added-value, personalized solutions, combined with industry expertise, guarantee immediacy, transparency, market knowledge and end-to-end control of the supply chain.

Whether large groups for which it operates complex supply chain management solutions or SMEs that entrust it with their international shipments, Bolloré Logistics' comprehensive offering aims to meet the needs of its importing and exporting customers. It is built around comprehensive and integrated expertise covering five areas of service:

> **Multimodal transportation:** designing and coordinating sea, land or air transportation plans.

> **Customs and statutory compliance:** responsibility for customs operations including managing the security and safety of goods.

> **Logistics:** inventory management and value-added logistics services.

> **Global supply chain:** real-time planning and management of supply-chain flows.

Revenue
3.5 billion euros

Industrial capital expenditure
31 million euros

Volumes handled
Air
689 thousand metric tons

Sea freight
873 thousand containers (TEUs)

Warehouses
996 thousand m²

Locations
107 countries / 609 branch offices

Workforce as of 12/31/2018
12,576 employees

1.
Secure warehouse for managing inventory on behalf of Group clients.

2.
Miami hub certified Gold by Leadership in Energy and Environmental Design (LEED®).

3.
Air transportation. Unloading of a satellite from an Antonov 124, United States, California.

> **Industrial projects:** designing tailored solutions for major international players in the energy, mining, construction and civil engineering industries, among others.

— Multiple fields of expertise

Bolloré Logistics has extensive expertise in luxury goods/cosmetics, oil and gas, pharmaceuticals, temperature-controlled food products, and defense. In the aeronautics and space segment, it has acquired a reputation as a specialist among a clientele that includes manufacturers, equipment suppliers and airlines, all of whom demonstrate their wish to outsource logistics services with an ever wider range of quality requirements and with increasingly challenging cost constraints.

— A global network

Bolloré Logistics places technological innovation firmly at the heart of its development strategy by integrating new purpose-designed tools, strengthening its global network. It assists its importing and exporting customers in their international expansion by offering flexible solutions that make them more responsive and competitive in their respective markets. In 2018, despite a challenging environment resulting from steadily narrowing margins, Bolloré Logistics experienced further growth in its logistics services, thanks in particular to an increase in air freight volumes.

In Europe, with 165 sites in 22 countries and 6,146 employees, the company this year renewed and extended its triple Quality-Safety-Environmental (IMS) certification. 107 branch offices in 14 European countries are now certified ISO 9001:2015, OHSAS 18001:2007 and ISO 14001:2015. The European network was extended further in 2018. Already operating in Norway, Bolloré Logistics strengthened its global end-to-end solutions offering in the Scandinavian markets during the year by acquiring a majority stake in Global Solutions A/S, a

Danish transportation and logistics operator. In France, despite a tense market environment, growth continued in 2018 thanks on the back of higher volumes, particularly in air transportation, significant growth in the aerospace business and the ramp-up of the Roissy airline hub in Paris. The United Kingdom, Switzerland and Italy saw a good increase in their flows, and French Guyana recorded strong growth, particularly in the final quarter.

In Asia, where the Group operates in 24 countries from the Indian subcontinent to the Pacific Ocean, with more than 5,310 employees, 2018 was marked by strong growth in volumes and exciting jobs for prestigious clients, particularly in Japan. The business benefited from significant developments in logistics for luxury goods, cosmetics and aerospace industry customers. An automated unit, equipped with shuttle robots among other features, has been commissioned at Green Hub Singapore to optimize the efficiency and quality of operations.

In the Middle East, the Group continued to grow despite a persistently troubled economic and political climate, thanks in large part to the start of activities with its partner Bahri in Saudi Arabia.

In the Americas, driven chiefly by operations in the United States, where sea and air volumes were strong in 2018, the Group opened a new warehouse in the Miami free trade zone in the spring. This multimodal platform of nearly 20,000 m² is designed to meet the needs of a range of customers, especially in cosmetics, aerospace, space and consumer products. Bolloré Logistics also benefits from its presence in Canada and Latin America.

Port operations in France: the Group has port logistics branch offices and subsidiaries in France, in Rouen, Montoir and Saint-Nazaire, La Rochelle and 10 regional ports. Capital expenditure on equipment and warehouses in recent years has made it possible to increase or consolidate traffic in these ports. The construction of logistics solutions is often a virtuous alternative in environmental terms, particularly when links to the port are provided by train, as is the case in La Rochelle for paper pulp, or by barge, as is the case for ferrous products in Rouen.

In addition, to mark its desire to develop innovative and eco-friendly solutions to meet customer demand, Bolloré Logistics has commissioned a fluvial unit between Le Havre and Bonneuil-sur-Marne via Gennevilliers. The new solution offers several advantages, including the environmental aspect of river transport, which is low in pollution and helps reduce greenhouse gas emissions. Bolloré Logistics plans to reduce the share of road transportation in favor of barge, which will allow it to deliver to customers located in the Paris consumption basin. This logistics link will be completed by a "last kilometer" service, operated mainly by trucks running on natural gas.

— Logistics hubs and eco-responsibility

Bolloré Logistics is reinforcing the project, initiated in recent years, based on large logistics hubs located at crossroads in international trade. From Le Havre to Singapore, from Paris to Dubai and from Hong Kong to Miami, it is pursuing a program of expanding or creating logistics platforms. In 2018, it undertook the construction of the fifth unit of its warehouse located in Roissy Charles-de-Gaulle, which has earned the BiodiverCity® label. This new 6,000 m² space, dedicated chiefly to logistics activities integrating high value added services, will give the site a total surface area of 30,000 m². It is scheduled to open in early 2019. Lastly, as part of its policy of building eco-friendly buildings, which it has been rolling out since 2012 with its sites in Singapore, Roissy, Le Havre and Melbourne, the Group strives to provide buildings with equipment offering better control over costs and CO_2 emissions, optimized energy management and solutions to preserve water resources and natural areas. —

Launch of the Powering Sustainable Logistics program

Developed with Bolloré Logistics customers and employees, the Powering Sustainable Logistics program launched in October 2018 is designed to respond to the new environmental, social and societal challenges that are impacting its activities. Based on ISO 26000 standard for the assessment of stakeholder CSR issues, it brings together all of the company's stakeholders around 11 commitments to be reached by 2025. Rolled out worldwide in the ongoing pursuit of progress and performance, it aims to reduce Bolloré Logistics' environmental and societal impact at every step in the logistics chain. The program helps customers achieve sustainable international growth by integrating CSR challenges for a responsible logistics chain into its day-to-day operations.

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3

Bolloré Africa Logistics

⟶ Bolloré Africa Logistics provides its local and international, public and private-sector customers with the leading integrated logistics network on the African continent and a range of turnkey services enabling goods to be imported and exported even in the most isolated regions. In 2018, the company continued to expand in Africa, and exported its know-how to emerging countries, essentially Haiti and East Timor.

— Terminals, stevedoring and maritime branch offices

As the driving force behind the logistics and industrial transformation of Africa, Bolloré Africa Logistics is present in 42 ports, and operates in 16 container terminal concessions (Republic of Côte d'Ivoire, Ghana, Nigeria, Cameroon, Gabon, Congo, Togo, Guinea-Conakry, etc.), 7 ro-ro (roll-on/roll-off) terminals, 2 wood terminals and a river terminal, plus a conventional stevedoring activity.

In 2018, port concessions recorded significant organic growth and gained market share. Container volumes handled reached 4.75 million TEUs this year, up from 4.3 in 2017. Expansion and investment continued throughout the year. Flagship projects include:

> **Republic of Côte d'Ivoire –** Faced with increased volumes generated by Republic of Côte d'Ivoire's sustained economic growth, a comprehensive modernization plan was launched last year at Abidjan Terminal to streamline goods traffic in and around the port and improve the quality of service. As a result, two new ship-to-shore (STS) container cranes dedicated to port handling were brought into service in 2018. Construction work on the second container terminal also continued. It will provide Abidjan with deepwater infrastructure that will be able to accommodate vessels with capacity of up to 8,500 containers by 2020. At the same time, Carena, the largest shipyard in West Africa, has acquired a third dock to strengthen its operational capacity and increase its capacity by more than 40%.

> **Cameroon –** The country's only deepwater port, Kribi Container Terminal, welcomed its first commercial vessel in March 2018. This modern and efficient terminal will contribute to the economic growth of Cameroon and its neighboring countries, particularly Chad and the Central African Republic.

Revenue
2.5 billion euros

Industrial capital expenditure
270 million euros

Volumes handled
4.75 million TEUs.
Logs and sawn timber: 1.1 million m³

Other goods
7,200,000 metric tons

Technical resources (handling and transit)
Vehicles: 6,275
Offices/warehouses/open storage areas: 7.3 million m²

Locations
48 countries/over 250 subsidiaries (including Haiti and Tuticorin)

Workforce as of 12/31/2018
22,927 employees

> **Sierra Leone –** After work spanning two years, the Freetown container terminal began operations in September 2018 with an additional 270 meters of dock and a 13-meter draft. The modernized terminal can now accommodate large ships. By increasing its processing capacity, it will facilitate trade, and in turn contribute to local economic growth.

> **Timor –** Construction work on the future port of Tibar in East Timor began in August 2018, marking the start of the country's first public-private partnership. This ambitious project involves the construction of a 630-meter dock with a 15-meter draft, the creation of a 27-hectare open storage area and the installation of new state-of-the-art equipment meeting the highest international standards.

In 2018, Bolloré Africa Logistics also continued its investments, particularly to extend new terminals such as that in Tema, Ghana. The first STS cranes and electrified rubber-tired gantries (eRTG) joined the seafront at the end of the year. This delivery marked the beginning of the site's transformation into a real port terminal, which should be operational from June 2019.

The Group's shipping activities represent a network of 76 branch offices in Africa, 21 branch offices in France and the Mediterranean region, backed up by 7 commercial hubs in Beijing, Dubai, Valencia, Athens, New Delhi, Singapore and Washington. In this respect, the Group handles around 9,000 port visits each year on behalf of large European or Asian shipping lines (30 lines in total, including 9 ranked among the global top 20) and on behalf of its many customers who include operators, traders, manufacturers, etc.

— Transit and logistics

In 46 countries on the African continent, Bolloré Africa Logistics manages all administrative and customs procedures for its customers both before and after transportation, for import and export, and manages the carriage of goods to their final destination. Its unique know-how in the management of logistics corridors and systems adapted to the countries in question make it possible to conduct import and export operations even in the most isolated areas.

Between 2017 and 2018, 100 million euros were invested to build state-of-the-art logistics centers, mainly in eight regional hubs (Morocco, Senegal, Republic of Côte d'Ivoire, Ghana, Nigeria, Cameroon, South Africa, and Kenya). This year, the company also strengthened its presence in East Africa, Somalia and Eritrea. By combining its know-how with the expertise of recognized local players, Bolloré Africa Logistics is expanding its service offering, increasing the quality of its services and developing new business opportunities.

> **Republic of Côte d'Ivoire –** In February 2018, a new 10,000 m² cocoa warehouse and potting station were commissioned in Vridi. The new infrastructure gives Bolloré Africa Logistics a storage area of more than 400,000 m² exclusively reserved for the country's cocoa exports.

> **Gabon –** At the year-end, operations started at the new Lastourville logistics platform. With a surface area of 14,000 m^2 connected to the rail network operated by Setrag, it allows the storage, management and container transportation of processed wood from forestry mills to OCT (Owendo Container Terminal), 557 km away.

— Rail operations

The Group operates three rail concessions in Africa: Sitarail, Camrail and Benirail. Essential to the economic and social development of the countries they cross, railroads keep goods and people moving smoothly between bordering countries and help give landlocked hinterland countries access to the sea.

> **Sitarail –** In November 2018, the plan to modernize the Sitarail network (1,260 km of track), which links Abidjan (Republic of Côte d'Ivoire) and Ouagadougou (Burkina Faso), won the best project prize in the Port, Airport and Railway Infrastructure category at the second Africa Investments Forum & Awards (AIFA). It provides for the acquisition of new railway equipment and the complete renovation of the rail network. Four new 2,250 horsepower locomotives manufactured in the United States have already been received to increase traction capacity. They precede the arrival of some 100 platform rail cars in 2019, which will allow Sitarail to increase network performance.

> **Camrail –** The 1,010-km network linking Douala with Ngaoundéré in Cameroon follows the landlocked corridor of North Cameroon, Chad and the Central African Republic. In 2018, Camrail continued its efforts and investments to secure its network and the quality of transportation despite the weakness of the freight market, particularly towards Chad. In 2018, the company launched a program to recruit 150 young people so as to train them in rail professions.

> **Benirail –** The Group has operated the Benin-Niger concession linking Cotonou and Parakou (450 km) since the summer of 2015. Because of legal proceedings brought against the State of Benin by a private Beninese player, the planned upgrade program could not be launched. Together with these States, the Group is exploring every avenue to break the deadlock, while protecting its interests and previous capital expenditure. Pending the results of this defining project, 600 railway workers work daily to transport more than 108,000 metric tons of freight and operate 500 trains between the cities of Cotonou and Parakou. —

Decongesting city centers to unlock the economic potential of countries

In line with the 2017 strategy launched to fight port congestion and streamline urban logistics, Bolloré Africa Logistics has continued its efforts to develop logistics and commercial platforms on city outskirts. The aim is to enable urban port infrastructure to unlock its full potential as a driver of economic growth. This is particularly the case at Diamniadio in Senegal, where a decongestion platform has been established for vehicles landed on the ro-ro terminal in Dakar. It has already resulted in a 10% to 15% reduction in truck traffic in the city, contributing to urban decongestion.

1.
Kribi, Cameroon's only deepwater port. A modern and efficient terminal to support the economic growth of Cameroon and neighboring countries.

2.
Congo Terminal, a container terminal with annual capacity of 1.2 million TEUs.

Bolloré Energy

⟶ Bolloré Energy is a key player in oil distribution and oil logistics in France, Switzerland and Germany. In 2018, despite logistics-related tension at the year-end, Bolloré Energy recorded a good performance in its oil pipeline and warehouse operations, thanks in particular to the synergies generated between oil logistics and distribution. It also strengthened its logistics operations in France with the commissioning early in the year of the Rouen Petit-Couronne Dépôt (DRPC), located upstream of the Paris region and its airports.

— Oil logistics

In France, Bolloré Energy wholly owns depots in Caen, Strasbourg, Mulhouse, Gerzat and, since this year, Chasseneuil-du-Poitou. It has stakes in the following depot-owning companies: DPL-Lorient (20%), SDLP-La Rochelle (18%), GPSPC-Tours (20%), EPV-Valenciennes (16%) and EPM-Mulhouse (14%). It is also an equal shareholder with the leading operator of petroleum products depots in France, Raffinerie du Midi (33.33%).
Moreover, Bolloré Energy is the majority shareholder of the Dépôt Rouen Petit-Couronne, which is the storage site of the strategic oil reserve for the Normandy and Île-de-France regions and their airports.
Lastly, it holds 95% of Société Française Donges-Metz (SFDM), which holds the operating license

Revenue
2.7 billion euros

Investments
30 million euros

Sale of petroleum products
3.2 million m^3

Distribution resources
125 branch offices and secondary depots, 365 trucks, 75 service stations

Storage capacity owned
2.2 million m^3

Workforce as of 12/31/2018
1,028 employees

for the 640-km Donges-Melun-Metz (DMM) pipeline and 4 depots located in Donges, La Ferté-Alais, Vatry and Saint-Baussant, with total storage capacity of 900,000 m^3. The DMM pipeline is connected to the wharf at the Grand Port Maritime in Nantes, the Total refineries in Donges and Grandpuits, the Trapil Le Havre-Paris pipeline network and the Central Europe Pipeline System (CEPS).
SFDM transports more than 3 million m^3 of petroleum products through the pipeline and ships more than 4.2 million m^3 from its depots. SFDM posted satisfactory results in 2018, despite logistics-related tensions and significant expenses for the maintenance of the pipeline and depots.
In addition, Bolloré Energy benefits from its 5.5% interest in pipeline transportation company Trapil, which is the leading pipeline operator in France.
In Switzerland, Bolloré Energy is the leading shareholder in operators of the TAR-Zurich and Sasma-Geneva depot, which supply the international airports of Zurich and Geneva respectively. Bolloré Energy is also a shareholder of several other depot operators, including S+M Tank-Oberbipp, with combined storage capacity of 360,000 m^3.
In Germany, Calpam, a Bolloré subsidiary, owns the Kleinostheim depot.

— Distribution of petroleum products

Leader in the independent distribution of petroleum products in France, Bolloré Energy offers its private and professional customers domestic

fuel, diesel and non-road diesel fuel. It has a network of more than 125 branch offices and secondary depots.

> **Retail distribution** represents 1 million m³ per year. It caters to households, farmers, buildings and public administrations in France and Germany. Bolloré Energy also offers its customers advisory and technical services related to fuel oil and gas heating, including the installation, maintenance and troubleshooting of boilers. In 2018, Bolloré Energy installed more than 600 new heating systems and serviced more than 20,000 boilers in France.
> **Service stations:** Bolloré Energy also operates a network of 75 service stations, including 57 in Germany under the Calpam trademark.
> **The e-commerce activity** was started in 2017, with the launch of hellofioul.fr, its online store selling domestic fuel oil. By creating its own online platform, Bolloré Energy has sought to take advantage of changes driven by the increased use of digital technology. It has also acted to diversify its distribution channels. Delivery logistics are provided by Bolloré Energy and its subsidiaries, optimizing their distribution resources and developing their customer portfolios.

> **Trading activity** represents more than 2 million m³ per year, and supplies carriers and retailers in France, Switzerland and Germany. Since the beginning of 2018, Bolloré Energy has diversified its product range. In some of its depots in France, it is now offering a new, more efficient and more environmentally friendly diesel known as Gomeco. Lastly, its German subsidiary, Calpam, in Hamburg, deploys a bunkering business for its northern-European ship-owner customers worldwide. In 2017, the service was expanded to serve the needs of southern-European shipowners.

Despite unfavorable weather throughout 2018, Bolloré Energy posted satisfactory results thanks to the quality and strength of its distribution and trading network.

The DRPC (Dépôt Rouen Petit-Couronne) depot was commissioned in early 2018

After redevelopment spanning three years, the Dépôt Rouen Petit-Couronne site was commissioned at the beginning of 2018. DRPC now offers its customers petroleum products storage capacity of more than 600,000 m³ and can already load more than 100 trucks per day. This strategic logistics site is of great importance for the Normandy and Île-de-France regions and their airports. It has several connections to the Trapil oil pipeline network, two sea-river wharves and a bus station. Designed to be fully compliant with all security, safety, environmental protection, product quality and customs and administrative regulations, this site provides its customers with a modern and efficient depot, open to all industry players.

— International development

Building on its expertise in the transportation and storage of petroleum products, Bolloré Energy aims to monetize its expertise throughout the world, and particularly in Africa, for large-scale projects. The company is developing a range of services for pipeline and storage companies. Bolloré Energy is also supporting Blue Solutions with the roll-out of its electricity storage solutions.

These developments benefit from synergies with the whole Bolloré Group and its many subsidiaries in Africa. —

1 and 2.
DRPC (Dépôt Rouen Petit-Couronne), designed in perfect compliance with safety, security and environmental protection requirements, a modern and efficient depot open to all industry players.

3.
Petroleum product storage tanks at the Dépôt Rouen Petit-Couronne.

Communications

Vivendi

World leader in music (Universal Music Group).
No. 1 in pay-TV in France (Canal+ group).
One of the world's largest advertising, digital and communication consulting groups (Havas).
A world leader in mobile video games (Gameloft).

Media and telecoms

Bolloré is also present in media and telecoms.


UNIVERSAL
UNIVERSAL MUSIC GROUP


BETC Paris/HAVAS
SAVE OUR SPECIES.
IUCN


CANAL+
GROUPE
LE BUREAU DES LEGENDES
SAISON 4

Vivendi

⟶ Following the increase in its shareholding in December 2018, the Bolloré Group crossed the 26% threshold in the share capital of Vivendi, whose strategy is to build a world-class European content, media and communications group.

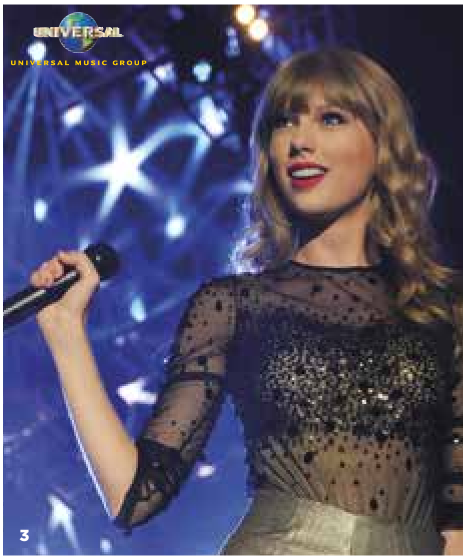
An industrial group incorporating media, content and communications, Vivendi brings together Universal Music Group (UMG), Canal+ group, Havas, Gameloft, Vivendi Village, Dailymotion and Editis, its newest addition.
With its huge roster of artists, its wealth of content and distribution platforms, Vivendi is the global leader in music, communications and video games, the European leader in cinema and the French leader in television.
Strengthened by its acquisition of Havas in 2017, Vivendi now holds a unique position in an environment in which content, platforms and brands converge. Havas has also just positioned itself across this entire value chain, from the creation of content through to its distribution. Cooperation between Vivendi's businesses can now be turned into businesses which create even more value by working together.
Vivendi intends to capitalize on its strength: producing original content for music, games, cinema and television for every audience worldwide and, in particular, for the new generation of digital consumers. The group also hopes to extract all of the creative potential from its franchises, creating or acquiring them along the lines of Paddington. The acquisition in early 2019 of Editis, the second-largest French publishing group, will allow the development of new entertainment franchises.
Finally, Vivendi's content needs to receive as much exposure as possible to maximize value. To do this, the group relies on its own networks and channels, while continuing to create strong partnerships with telecoms operators and digital platforms.

— Universal Music Group

Music, the leading asset of the group, is at the heart of Vivendi with Universal Music Group (UMG). For UMG, 2018 was a historic year: the group consolidated its global leadership using its unique know-how in supporting talent and its ability to exploit the potential of streaming. In 2018, the five most-listened to titles on Spotify worldwide were all performed by UMG talents (Drake, Post Malone and XXXTentacion). In addition, world-renowned artists such as Taylor Swift, The Rolling Stones and Elton John began or renewed their relationships with UMG in 2018.
UMG has three main operational units: recorded music, music publishing and merchandising.
The recorded music business is devoted to discovering artists and developing their careers, by marketing and promoting their music through multiple formats and platforms. UMG's business also extends to other areas such as copyright management, sponsorship, cinema and television.
The music publishing business aims to discover and develop productions from song-writers.

1

2



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It holds and manages the authors' copyrights to use them in recordings, public representations and related uses, such as in films and advertising.
Lastly, the merchandising business designs and sells products related to the artists and their brands. These products are sold via a number of distribution channels and concept stores, during tours and online.
In 2018, the growth of subscription streaming confirmed the recovery in the music market after years of decline. The number of subscribers to a musical streaming offer worldwide quadrupled between 2014 and 2018. UMG is playing a major role in the recovery of the industry thanks to the 400 partnerships it currently has with digital platforms on the international scene. In addition, the group has been particularly proactive in developing new sources of revenue, in particular through advertising and sponsorship agreements and as a result of the production and exploitation of audiovisual content.

— Canal+ group

Canal+ group is a major player in television and cinema in France and internationally. It has been the market leader in the production, content aggregation and distribution of premium first-release and special-interest channels in France, Africa, Poland, Vietnam and Myanmar (Burma) since February 2018. With its Studiocanal subsidiary, Canal+ group is also a major player in the production and distribution of movies.
Its objective is to offer its subscribers the best content and services in terms of exclusivity, quality, mobility and flexibility to consume and customize. With this in mind, a transformation plan was initiated to inject new momentum into Canal+ in France, by putting the subscriber back into the center of its model. In total, Canal+ group has 16.2 million subscribers worldwide.

Revenue
13.9 billion euros

Investments
586 million euros

Investments in content
2.7 billion euros

Workforce as of 12/31/2018
41,600 employees

1.
***Guyane*, season 2 aired in September 2018, a Canal+ original creation that continues to be a great success in terms of audience.**

2.
***A Star is Born,* directed by Bradley Cooper, the film event of late 2018. A winner at the Golden Globes and BAFTA Awards, nominated seven times at the Oscars.**

3.
Taylor Swift (UMG), pop-rock artist of the year, entered history at the American Music Awards with 23 awards received.

In 2018, Canal+ group strengthened the pillars of its programming schedule: cinema, drama and sports.
It announced the renewal of its agreement with French cinema, extending a historical partnership of over thirty years until the end of 2022. This agreement was a prerequisite for the signing on December 21, 2018 of the new media chronology that protects and strengthens the unique position of Canal+, which can now offer its subscribers films as early as six months after their theatrical release. On the fiction side, Original Creations' productions, such as *Hippocrate* or *Le Bureau des légendes*, have been acclaimed by both the public and critics. *Le Grand Bain*, which had an audience of 4.3 million viewers, is the biggest success for a Studiocanal film in France. The films *Mia et le lion blanc* (1.4 million tickets sold) and *Pupille* (0.8 million tickets sold) also performed well in theaters.
Finally, Canal+ group strengthened its sports offering, especially soccer, with the acquisition of full rights for the English Premier League, the most broadcast football championship in the world, for France and Poland. Canal+ will offer the 380 Premier League matches on its channels and on myCanal. The agreement covers the three seasons (2019-2020, 2020-2021 and 2021-2022) and will begin in August 2019. The acquisition of MotoGP rights for the first time illustrates the group's desire to diversify its sports offering, as recent developments in boxing and women's soccer have shown.

— Havas

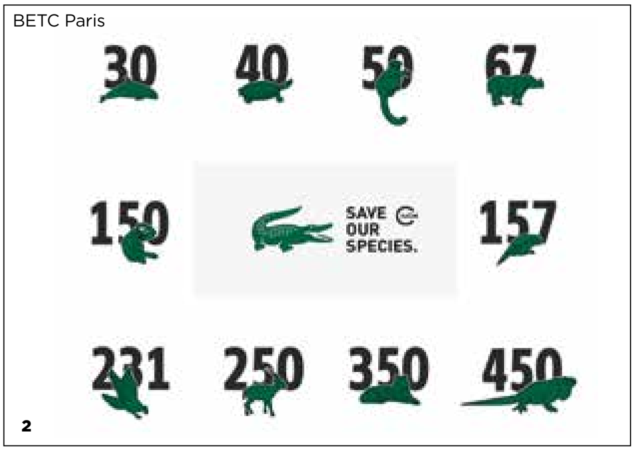
Having been incorporated into Vivendi in 2017, Havas is adding value to the group by lending its expertise in the area of consumer/brand relationship development through creativity, expertise across the media and innovation.
Considered to be one of the largest communications groups in the world, Havas is a customer-centered organization.
Havas has three operational units which cover all communications businesses: brand relationships with Havas Creative, media expertise with Havas Media and wellbeing with Havas Health & You.
The group's objective is to improve its response to its customers' new requirements and to become more efficient, offering a flexible, smooth and fully integrated service. With this aim, Havas brings all the group's communications expertise: creation, media, digital, events, public relations, data, etc. together under one roof, Havas Villages, where teams work in project mode together, smoothing the way for collaboration between all the businesses.
The group has 58 villages worldwide. Each Havas Village is unique, but they all share the same philosophy and creative energy and promote collaboration.
In 2018, the Havas group acquired five agencies that enabled it to strengthen its expertise in marketing, strategic, financial, health and digital communications, and creation in the luxury, health or multicultural marketing markets. • • •

Host/Havas Australia

1

Finally, the group's agencies were awarded a number of awards at various festivals and ceremonies around the world, including Lions at Cannes, where they had a record year, winning a total of 47 awards. Rosapark was voted International Agency of the Year by AdWeek magazine; Havas Media North America was named Agency of the Year by Mediapost. Host/Havas Australia was ranked second in the 2018 Campaign Brief Hot List and was named AWARD Awards Agency of the Year (a total of more than 20 awards, including 8 Gold). BETC was ranked among the best agencies in the world by the Gunn Report.
Eighteen months after its merger into Vivendi, Havas also distinguished itself by initiating several joint projects with other Group entities.

BETC Paris



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Havas Sport & Entertainment, Universal Music & Brands and Canal+ joined forces to stage the Top 14 final at the Stade de France in June 2018.

— Other activities: Gameloft

With the acquisition of Gameloft in 2016, Vivendi gained a foothold in the mobile games industry. Gameloft's expertise is recognized on a global level via its 189 smartphone video games, developed in its 19 design studios and with an average of 98 million players a month in 2018.
In 2018, two of its blockbusters (Minion Rush and Asphalt 8: Airborne) appeared in the top 10 most downloaded games in the world on the App Store, according to the App Annie tool.
Thanks to its unique creative force, Gameloft has developed a very large catalog covering all genres: mainstream games, action games, sport games, puzzle games, adventure games, etc. This development activity includes creating new games, regular catalog updates to prolong the life of the games and roll-out, which consists of adapting each new game to all the existing platforms and all models of telephone. Gameloft makes the quality of its productions, which it controls throughout the creative process, an absolute priority.
Gameloft has a large portfolio of own brands with internally designed and developed franchises such as Asphalt (racing game), Dungeon Hunter (adventure game), Dragon Mania Legends (simulation game), Modern Combat, Order & Chaos, Gangstar and World at Arms (action games). These franchises cover all genres of game and are aimed at a wide audience.
At the same time, Gameloft is also developing a number of games under partnership agreements with major rights holders. Gameloft works with DisneyPixar, Mattel, Hasbro, Fox, Universal, Marvel and Sega, which enables it to partner some of its games (Spider-Man, Disney Magic Kingdoms, UNO, Despicable Me, My Little Pony, Cars, Ice Age) with the biggest international brands.
As the world's leading publisher of mobile games, Gameloft is attracting the attention of the biggest brands. A partnership has just been signed with Lego for the creation of a new game in 2019.
Finally, Gameloft expanded at the end of 2018, acquiring the Fresh Planet studio, which is known for its famous SongPop games.

— Vivendi Village

In capitalizing on franchises, live entertainment and electronic box office, the group is exploring new forms of activity, grouped together under one roof in Vivendi Village.
Since 2016, when Vivendi became the owner of the Paddington brand (excluding the classic edition), franchising is at the heart of a cross-functional strategy based on the group's value chain. If 2017 saw the brand rise to the rank of a world franchise with the release of the movie *Paddington 2* (Studiocanal's greatest success to date, with global box office receipts of over 500 million dollars for both movies combined), other initiatives were launched by Vivendi group entities such as Gameloft's Paddington Run

mobile game produced by Gameloft. In early 2019, Studiocanal and the Nickelodeon channel signed an international agreement for a new Paddington TV series.

In live entertainment, Vivendi Village is present in the production of tours/festivals (with Olympia Production) and in the operation of theaters (Olympia and Théâtre de l'Œuvre in Paris, Abbey Road in London and CanalOlympia in Africa). CanalOlympia is the largest network of theaters and movie houses in Africa. The multi-purpose cinema, concert and entertainment spaces are targeted to a population that consumes a lot of content and entertainment. In 2018, over half a million tickets were sold and the network's venues hosted more than 260 events, including concerts by Universal artists Dadju and Damso. The CanalOlympia network had 11 theaters at the end of 2018.

In e-ticketing, Vivendi Village now has a strong ticketing network in six countries in Continental Europe and in the United Kingdom and the United States, through the acquisition of the Dutch company Paylogic in 2018. United around a single brand called See, these activities are marketed through See Tickets, Digitick and Paylogic. A total of over 23 million tickets were distributed throughout 2018 by this network.

— Dailymotion

Dailymotion is a leading digital player capable of hosting and broadcasting video content worldwide.

In 2018, Dailymotion launched a new version of its multi-screen platform, focusing its editorial positioning on:

• the 18-49 age group audience, which is not a strategic target for existing online video services;

• relevant and reliable content from leading publishers in four major themes: news, entertainment, music and sports;

• a completely redesigned user experience and a video play at the cutting edge of technology.

This new strategy resulted in an increase in the consumption of quality content, which now accounts for almost 50% of the overall audience (compared to around 35% the previous year). It now stands at about 2 billion views per month. This growth is driven by the signing of numerous partnerships with leading global content publishers (over 300 in 2018 including 100 in the United States and names like the *Financial Times*, A+E Networks, Axel Springer, TF1, NBA G League or AC Milan), including in new territories (Korea, Vietnam, India) where Dailymotion has very high levels of audience growth.

Audience growth is also driven by constant improvements to the user experience. In late 2018, Dailymotion offered a new version of its app, which includes a new homepage that automatically launches a stream of "videos of the moment".

Finally, for the first time, Dailymotion launched a monetization solution that allows it to be present throughout the entire value chain (hosting, distribution, monetization) of online videos. —

1.
Palau Legacy Project, "Palau Pledge", awarded nine Cannes Lions, including three grand prizes. A strong message about commitment to truly eco-responsible tourism.

2.
Lacoste, "Save Our Species", campaign focused on the protection of endangered species. Two Gold Lions, two Silver and six Bronze, awarded at Cannes to the agency BETC Paris.

3.
Dragon Mania Legends, a simulation game within a large portfolio of own brands, owned by Gameloft.

4.
Asphalt 9: Legends, launched in July 2018 by Gameloft, the latest instalment of the most downloaded mobile racing game franchise in the world.

Media and telecoms

⟶ In order to build a consistent editorial product within the Group's media companies, the free daily newspaper *Direct Matin* became *CNews* in 2017, with the iTélé channel taking the same name. With its presence in telecoms, the Group continued to expand its network of 3.5-GHz stations in France. It is also rolling out the first ultra high-speed Wi-Fi platform, Wifirst.

— *CNews* (formerly *Direct Matin*)

One of the most powerful French daily newspapers in terms of circulation and audience. Launched just twelve years ago, with its regional daily press partners (*La Dépêche*, *La Provence*, *Le Progrès* and *Midi Libre*), *CNews* has created a strong identity in the world of free newspapers due to its full national, regional and local content. Over the years, its broad approach to news coverage and its practical special-interest items developed a close relationship with its 1.8 million French readers every day (ACPM One 2017 LNM). Now titled *CNews*, the daily newspaper has succeeded in its gamble of becoming a content standard in media. *CNews* has a strong circulation strategy which was implemented by *Direct Matin* in the 10 large metropolitan areas where it is present (Paris/Greater Paris, Lille, Strasbourg, Lyon, Nice, Marseille, Montpellier, Toulouse, Bordeaux and Nantes) and distributes nearly 900,000 copies (OJD January-December 2018).

CNEWS

National circulation in print
Leading daily paper distributed in France: 885,627 copies(1)

Île-de-France print distribution
The number one daily distributed in Île-de-France: 547,085 copies(1)
1.8 million readers(2)

Workforce as of 12/31/2018
88 employees

(1) Source: ACPM/OJD 2018 cumulative print distribution.

(2) Source: ACPM One 2017 LNM researched under the CNews Matin brand.

Its extensive reach, with 2,730 distribution points – the majority of which are located close to public transport hubs, but also in large corporations, institutions and public administration buildings, top-tier higher education establishments and universities, and some 30 exclusive shopping centers- enable it to be, and to remain, as close as possible to urban consumption points. The digital version of the newspaper (mobile application and website) evolved into the unique CNews brand in April 2018.
The owner of CNews, Matin Plus, which brings together the editing teams and support functions (around 80 people), is a Bolloré Group subsidiary. Advertising is marketed by the Bolloré Média Régie teams, which, together with Canal+ Régie, launched a joint commercial offer called CNews Cube in April 2018, followed by thematic offers in September 2018. These services will enable advertisers to access advertising space on both the CNews television channel and in the pages of the newspaper and its digital versions.

1

1.
CNews, one of the most powerful French daily newspapers in terms of circulation, along with its mobile apps.

— Telecoms

- > **Bolloré Telecom,** as an operator and holder of 3.5-GHz frequency licenses across the whole of France, is deeply involved with international standards organizations and is working to develop 5G technologies on this frequency band. Bolloré Telecom's aim is to roll out a national 5G network offering an ultra high-speed, wireless connection. Pursuant to its commitments with ARCEP, the Group actively expanded a network of 3.5-GHz stations, with a total of more than 6,000 stations at December 31, 2018.
- > **Wifirst,** the first ultra high-speed Wi-Fi platform, operates half a million intuitive, secure and high-performance connection points. Wifirst's new concept of "Wi-Fi as a service" and its capacity to adapt to the spectacular growth in Internet use have enabled it to become the leading French supplier of managed Wi-Fi on the Residences & Hospitality markets.

In early 2018, Wifirst had about 600,000 households under contract and was operating nearly 150,000 Wi-Fi hotspots. Three million devices connect to the Wifirst network every month, mainly in France, but also in some 15 other countries (Europe and Africa). The growth outlook is promising, with Wifirst's 140 employees working together on innovations to make Wi-Fi the technical platform for all the digital services of the future.

— Other activities

The Bolloré Group runs the Mac Mahon movie theater in Paris, one of the premier venues for movie enthusiasts in France.
In addition, in the video games segment, the Bolloré Group holds a stake of more than 19.8% in Bigben Interactive, the leading European distributor of games and gaming accessories. —

TELECOMS
Bolloré Telecom
22 5G licenses in France

Wifirst
593,800 sites installed

Workforce as of 12/31/2018
145 employees

2.
Mac Mahon cinema in Paris.

3.
Wifirst, an Internet service provider specializing in Wi-Fi technology on the Residences & Hospitality markets.

Electricity storage and solutions

Blue Solutions

Blue Solutions designs and produces high-performance electric batteries based on Lithium Metal Polymer (LMP®) technology.

Blue Applications

On the strength of its LMP® battery technology, the Group is expanding into mobile (electric cars, car sharing, buses) and stationary applications using electric batteries (Bluezone, smart grid). Through IER and Polyconseil, it has specific expertise in electricity storage solutions (charging terminals, IT systems for car sharing, etc.).

Plastic films

The Bolloré Group is the leading global producer of films for capacitors and the third largest worldwide producer of shrink-wrap packaging films.

(Internal sources.)


BlueSolutions


Bluebus 12m

Blue Solutions

⟶ **By diversifying its historical business of producing paper and ultra-thin plastic films, the Bolloré Group has become a producer of dielectric films and now holds over one third of the global market. Building on this expertise, the Group continues to diversify into electricity storage based on the LMP® battery designed and produced by its subsidiary, Blue Solutions, stock market-listed since late 2013.**

— LMP® batteries

The culmination of twenty years of research, this high-performance battery, based on Lithium Metal Polymer (LMP®) technology, is differentiated by its high energy density and its safety in use as it is a dry battery (i.e. entirely solid). It is now used to equip fully-electric vehicles (cars, buses, other forms of transportation). More than 300 researchers, engineers and technicians are involved in the production of these advanced technology batteries at two production sites located in Ergué-Gabéric in Brittany and in Boucherville, Canada. In 2018, the annual production capacity was maintained at 500 MWh.
The LMP® battery pack, developed for mobility applications, has a minimum capacity of 35 kWh per unit. Under normal usage conditions, the battery life is greater than 3,000 charge cycles and enables an electric car, such as the Bluecar®, to travel at a maximum speed of 130 km/h and enjoy a range of more than 250 km at constant speed.
In stationary application, assembled and connected to the grid, these batteries can be used to store electrical power, to secure access to the grid, to include renewable energies and to store electrical power when the cost is low, for use when the cost is high, as well as to guard against the risk of power outages or to provide a solution during peak use of the electricity grid. They are also suitable for professional applications whenever there is a requirement to secure the power supply (hospital facilities, telecommunications relays, etc.).
Off-grid, LMP® batteries store electrical energy from renewable sources (photovoltaic panels in particular) to ensure the supply of electricity in areas off the power grid.
Installed capacity can range from a few kWh for individual users to several MWh for large storage capacities.
Since improvement of performance in this technology is a major challenge for Blue Solutions, the Group has intensified its R&D efforts since 2016 by capitalizing on the increase in energy density and battery power and promoting the development of new products through the acquisition of Capacitor Sciences Inc., a Californian start-up specializing in the study and research of new energy storage molecules.

Main advantages of this technology

> Significant energy density.
> A battery resistant to changes in temperature.

BATTERIES, SUPERCAPACITORS

2018 capital expenditure (including electric applications)
64 million euros, including 50 million euros for R&D

BATTERIES

2 plants,
in Brittany and Canada: 48 thousand m²

Production capacity
12,500 packs equivalent to 35 kWh per year

Another plant in Brittany
(Bluebus, Bluetram): 10,500 m²

Capacity
200 6-meter buses, and 200 12-meter buses, per year

SUPERCAPACITORS

Plant in Brittany
2,100 m²

Capacity
1 million components per year

Workforce as of 12/31/2018
420 employees (Blue Solutions France, Blue Solutions Canada and Capacitor Sciences Inc. in the United States)

It offers safety in use due to its entirely solid design, regardless of the external weather conditions.

> Proven performance and on-road reliability, due in particular to the car-sharing experience.
> A lifetime exceeding several thousand charge/discharge cycles.
> A controlled, continuous, high-performance industrial process.
> A recyclable battery, made solely from non-polluting materials.

— Supercapacitors

Blue Solutions has developed another electricity storage component, the supercapacitor, whose main field of application is the development of clean public transportation and hybrid cars. Blue Solutions is one of the only manufacturers of this type of product in the world.

Supercapacitors are characterized by very-high power density and low energy, very-short charge and discharge times, and the ability to cycle several million times without deteriorating.

Thanks to this technology, the Bolloré Group has developed a type of tramway that does not require heavy infrastructure (no rails nor power lines) and reduces capital expenditure for local authorities. In addition, when used in conjunction with an internal combustion engine, supercapacitors can cut fuel consumption and atmospheric pollution by 20% compared to a traditional engine.

Main advantages of this technology

> A specific power that is significantly higher than battery technologies.
> A lifetime of around several million charge and discharge cycles.
> Energy performance has negligible sensitivity to temperature and current variations.
> A very-high energy yield.
> A very simple charge-status control.

— Plastic films

With the ultra-thin technology acquired in the manufacture of thin paper, the Bolloré Group has become the global leader in polypropylene film for capacitors, electrical components for storing energy. Capacitors are used in both the manufacture of consumer products (appliances, DIY, air conditioning, etc.) and the construction of infrastructures (lighting, power transmission, rail transportation, etc.). The Group's Plastic films division has a plant in Brittany for these products and a conversion unit in the United States.

It has also developed a range of ultra-thin and resistant shrink-wrap packaging films which provide effective protection and attractive product packaging for industrial and food markets. The Pen-Carn plant in Brittany, which uses the highest standards of certification for quality, safety and hygiene, makes the Group one of the top three global manufacturers of packaging films. With new high-end products and a range of barrier films for food-packaging applications, this business is growing internationally. —

PLASTIC FILMS

Revenue
94 million euros,
of which 81% for export

Industrial capital expenditure
3 million euros

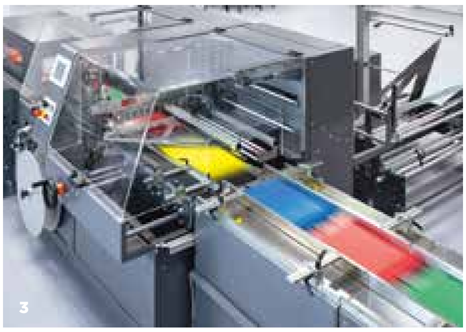
Sales of
23.3 thousand metric tons

Workforce as of 12/31/2018
446 employees

1.
The latest-generation LMP® high performance battery with optimized power density and energy performance.

2.
Bluecity 100% electric car-sharing service in London. The fleet now has 137 vehicles.

3.
Plant producing plastic films for capacitors, in Ergué-Gabéric, Brittany.


3

Blue Applications

Mobile applications

⟶ Working with the batteries designed and produced by Blue Solutions(1), the Bolloré Group produces and sells electricity storage solutions, ranging from the production of electric vehicles and the creation of car-sharing systems to complete solutions to produce, store and distribute decentralized, clean and free electricity using solar energy, particularly in Africa.

— Bluecarsharing

Thanks to the success achieved by Autolib', the Bolloré Group's historic car-sharing service in Île-de-France and Paris, new Bolloré Group electric car-sharing services have been rolled out in Europe, the Americas and Asia. Launched in 2011, Autolib' quickly became the benchmark for electric car-sharing in the world with its 4,000 cars and 6,200 charging terminals. Operated until July 2018, this innovative and powerful system has inspired many cities and contributed to the global development of electric mobility. It very quickly won over many users with its direct tracking offer and the option to reserve a car at the start of a journey or a space on arrival from their mobile phone. This car-sharing model is currently present in France, Italy, the United Kingdom, the United States and Singapore and provides a flexible and affordable transportation offer that adapts to the needs of regular and occasional users. It is a fully integrated Bolloré Group solution that brings together the expertise of its subsidiaries Bluecar, IER and Polyconseil in electric cars, charging infrastructures and information systems.

1

CAR SHARING

Bluecarsharing
Seven direct electric car-sharing services in the world: Bluely (Lyon, France), Bluecub (Bordeaux, France), BlueIndy (Indianapolis, United States) Bluetorino (Turin, Italy), BlueSG (Singapore), BlueLA (Los Angeles, United States), and Bluecity (London, United Kingdom)
Integrated services made up of Bluecar® electric cars, IER charging stations and the Polyconseil information system

ELECTRIC VEHICLES

Bluecar® and E-Mehari
Vehicles equipped with a 30 kWh LMP® battery
Bluecar®: Bolloré Group's electric car range: Bluecar® (city), Blueutility (utility) and Bluesummer (cabriolet)
E-Mehari: electric car produced by Citroën equipped with an LMP® battery

Bluebus
More than 280 Bluebus 6- and 12-meter models in circulation worldwide
> 6-meters (22 seats)
Range: 140-180 km
> 12-meters (about 100 seats)
Range: 220-280 km

Workforce as of 12/31/2018
618 employees

— Bluecar® and Blueutility

The product of its association with the famous Turin coach-builder Pininfarina, the four-seat Bluecar® electric city car has a 250-km range and maximum safety thanks to its LMP® (Lithium Metal Polymer) battery. With its onboard computer and GPS, the driver can access all relevant data: range indicator, drive statistics and route information. Production of the Bluecar® range was carried out in 2015 and 2016 at the Renault plants in Dieppe, as part of an industrial cooperation agreement between the Renault and Bolloré groups. Production at the Pininfarina plant in Turin continued in 2017.
Blueutility is the utility version of the Bluecar®, designed for use by professionals, artisans and tradesmen. It offers a spacious loading area with 1.4 m³ capacity.

— Bluesummer and E-Mehari

Since 2016, continuing the partnership signed on June 17, 2015 between the PSA and Bolloré groups, production of the Bluesummer cabriolet leisure vehicle suitable for off-road driving was halted to make way for the E-Mehari, the Citroën electric car fitted with the LMP® battery. It has been marketed since the second quarter of 2016.

— Bluebus

Bluebus is developing clean urban and suburban public transport solutions with 6- and 12-meter buses, using LMP® batteries. Its efficiency is enhanced by the use of deceleration energy recovery systems which allows charging when in use. The features of the Bluebus and its onboard technology make it possible to place the LMP® batteries on the roof, thereby improving vehicle safety and providing accessibility for people with reduced mobility thanks to flooring that is flat and low. The Bluebus is produced in France in an ISO 9001:2015-certified plant and has the Origine France Garantie certification. Over 280 Bluebus 6- and 12-meter buses are currently in circulation worldwide.

> **The 6-meter Bluebus** is a small electric bus with a range of 140-180 km thanks to the 3 LMP® batteries placed on the roof. Convivial and compact yet spacious and bright, it can accommodate 20 people and make its way through the small streets of the city center. It is present in many cities and companies, in France and internationally, and is referenced with the Union of Public Procurement Groups (UGAP), the purchasing center for public transit, and the *Syndicat intercommunal de la périphérie de Paris* for energy and communication networks (SIPPEREC).

> **The 12-meter Bluebus** runs on 8 LMP® batteries, which give it a range of 220-280 km. The plant for this bus was inaugurated in January 2016 and offers an annual production capacity of 200 12-meter Bluebuses. In May 2016, the RATP and Bluebus launched the first fully-electric bus route in Paris (341). Bluebus is now present on RATP route 115 and 126. After winning part of the RATP's second call for tenders in 2018, the RATP's total order is now 89 Bluebuses.

In May 2018, as part of its innovation partnership with Rennes Métropole, Bluebus equipped the Breton metropolitan area with seven 12-meter buses.

Both parties are continuing their collaboration to develop an articulated 18-meter electric bus. This was followed in November by four additional Bluebuses commissioned in the town of Vichy. Finally, in October, following the call for tenders won a year earlier, Bluebus vehicles were used for the first time outside France, in Brussels, where five 12-meter Bluebuses are currently in service as of the end of 2018.

— Bluetram

Running on tires and entirely electric, Bluetram is a clean public transport solution that needs neither rails nor overhead power lines. It can be quickly installed as it does not require heavy and costly infrastructure works. Using Blue Solutions technology (supercapacitors) and a telescopic charging connector, the Bluetram recharges at each stop in just twenty seconds, while passengers get on and off. Each recharge gives Bluetram a range of up to 2 km. To enable this rapid recharging, each stop is equipped with energy storage capacity equivalent to that of the vehicle.

With a length of 6 meters, it can carry 22 passengers. It is produced at the Blue Solutions plant in Ergué-Gabéric, Brittany, within the Bluebus plant. The first Bluetram was inaugurated on the Champs-Élysées in Paris at the beginning of December 2015 for the Paris Climate Conference (COP21), where it transported visitors, free of charge, between the Arc de Triomphe and Place de la Concorde throughout the winter. Since January 2018, Bluetram has been operating in Singapore at Nanyang Technological University (NTU) for a two-year period. —

(1) Blue Solutions has stock options, exercisable from January 1, 2020 to June 30, 2020 on the various entities under the Blue Applications' scope of consolidation: Bluecar/Bluecarsharing/Autolib', Bluebus, Bluetram, Blueboat, Bluestorage, IER, Polyconseil.

New innovative solutions for smart cities

In addition to car sharing and electric vehicles, the Bolloré Group pursues its ambitions in electromobility by developing charging infrastructure networks through its subsidiaries Source London and Bluelib. This charging solution open to all users of electric vehicles is the result of the Bolloré Group's experience in electromobility and the expertise of its subsidiaries IER and Polyconseil, which develop the charging infrastructures and information system. The Bolloré Group hopes to continue to develop its electromobility and smart cities activities by proposing new innovative solutions adapted to the city of tomorrow.

2

3

1.
12-meter Bluebus, a clean public transport solution running on eight LMP® batteries.

2.
Bluetorino car-sharing service in Italy. The fleet currently has 187 vehicles and 278 charging stations.

3.
Bluetram, an alternative clean public transit solution that needs neither rails nor overhead power lines.

Blue Applications

Stationary applications

⟶ Essential solutions for the development of renewable energies, and the electrification of areas without access to energy, the stationary applications developed by Blue Solutions are based on the new performances of our Lithium Metal Polymer (LMP®) batteries. This "entirely solid" technology has unique advantages in terms of safety and operation, without the need for air conditioning.

— Bluestorage

Bluestorage sells energy storage solutions ranging from 250 kWh to several MWh with on-grid systems, connected to the electricity network, or off-grid systems for isolated areas that are not connected to the national grid. These storage systems are offered as standalone systems, to be incorporated by our partners into an overall solution, or as turnkey systems combined with electricity production and energy conversion and management. Thirty or so facilities are already operational worldwide.

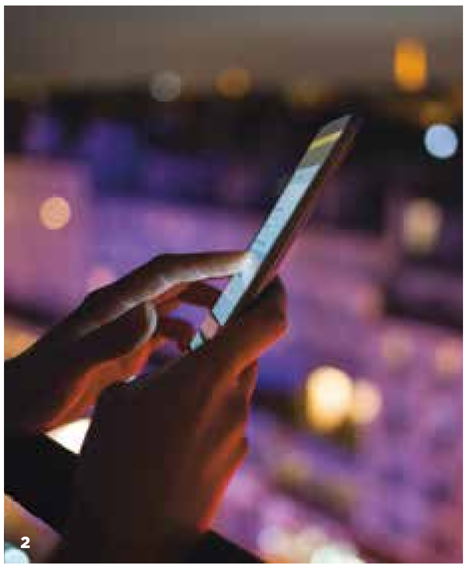
Within the field of on-grid applications, Bluestorage high-capacity storage solutions enable energy producers and power grid operators to incorporate renewable energies on a large scale and help to make the grid more flexible (smoothing and offsetting production) and resilient with frequency and voltage control services and management of congested lines.

Bluestorage is thus offering to operate a 2-MWh storage system in Odet (Finistère) for Engie, for the reduced energy consumption market, to relieve the pressure on the grid during peak periods. Bluestorage has also developed 100%-renewable charging solutions for electric cars and buses, combining solar parking shades and storage systems, which are already operational in Le Puy-en-Velay, Angkor Vat, Abidjan and Yaoundé. Bluestorage has also been selected by a major renewable energy operator who uses our storage systems to optimize the incorporation of energy produced by the large solar power plants in Tulles and Nîmes into the grid.

Bluestorage off-grid applications allow users to access energy from sites, villages and communities that are not connected to the national grid, by creating mini-grids powered by renewable electricity combined with a storage solution. Bluestorage also offers isolated industrial sites hybrid production systems, combining solar energy with batteries, thereby reducing operating costs and pollution from diesel generators.

Africa, where rural electrification is a major social and economic community development issue, is an important reference for Bluestorage with 20 or so operational systems totaling 6 MWh of storage. This is what led to the creation of the Bluezone and CanalOlympia programs, supported by Vivendi, a network of movie theaters and concert halls that is entirely energy self-sufficient due to a combination of local photovoltaic production and Bluestorage batteries. To date, 11 concert halls are operational, and at least that many in addition are scheduled for 2019.


1


2

These worldwide achievements demonstrate the relevance, performance and robustness of Bluestorage systems as drivers of the energy transition and progress in enabling off-grid communities to access energy.

— IER

For its design of optimization and safety solutions for flows of goods and people, IER continues to develop terminals, self-service kiosks and identification and geolocation systems. More recently, thanks to its charging stations, Bolloré Group subsidiary IER has become a key player in the electromobility market.
In the field of charging terminals and automatic identification solutions, IER's expertise has enabled it to become a key player in new mobility solutions for transportation and especially for electric car sharing. As the world leader in the design, manufacture and marketing of terminals for the largest transportation networks (air, rail), IER has developed a complete range of self-service solutions from purchase to check-in to boarding of passengers. Over 10,000 terminals offering dedicated administrative services have been rolled out (post offices, family benefits fund offices).
It designs, develops and integrates a combination of identification, traceability and mobility solutions for use by industry and by logistics and transportation operators. With expertise encompassing a comprehensive range of identification (bar code, RFID, vocal, Wi-Fi, GPRS, etc.), IER has become the gold standard for integration and service across the supply chain. IER supports the French government and local authorities respectively within the framework of the law on the decentralization of paid parking as well as in the issuance of electronic penalty notices.
For IER, it is essential to ensure the maintenance of its solutions in operational conditions. It therefore supports its installed equipment worldwide and relies on high-performance tools, proven processes and experienced teams.

— Polyconseil

For ten years, Polyconseil has specialized very strongly in innovation and digital transformation to provide its public and private customers with a comprehensive and multi-sectoral value offering. The firm continues its expansion in France and internationally by providing teams capable of transforming organizations and their offers through innovative digital projects, particularly in the smart mobility and smart cities sectors.
The firm has been involved in many major projects on which it has contributed its strategic and technological expertise: business plan, project management, design and development of information systems, big data and artificial intelligence. —


3

BLUESTORAGE

Energy storage capacity from 250 kWh to several MWh
20 Bluezones in Africa
50 theaters and movie houses in deployment in Africa

IER GROUP

Revenue
145 million euros including 55% for export

Investments
2 million euros

R&D
10 million euros

Locations
3 research and investigation centers / 4 manufacturing centers in France, Belgium and Canada / 11 service and maintenance centers

Workforce as of 12/31/2018
713 employees

POLYCONSEIL

R&D
10 million euros

Workforce as of 12/31/2018
144 employees

1.
Shelters, large storage areas for electric batteries.

2.
Unique expertise in digital transformation, especially in car-sharing and electricity storage management systems.

3.
IER terminals, SlimLane secure corridors installed in the Bishopsgate district, London.

Other assets

Portfolio of shareholdings

Bolloré and Vivendi's portfolios of listed securities represent over 4.7 billion euros, including 0.8 billion for the Bolloré portfolio (Mediobanca, Socfin group, etc.) and 3.9 billion euros for the Vivendi portfolio (Telecom Italia, Mediaset, Spotify, Tencent Music, etc.).
The Bolloré Group is also a shareholder of Socfin group, one of the largest independent planters in the world which manages around 200,000 hectares. Finally, it owns three farms in the United States and vineyards in the south of France.


DOMAINE DE
LA CROIX

Portfolio of shareholdings

→ The Bolloré Group manages a portfolio of shareholdings in listed companies with a value of more than 4.7 billion euros at year-end 2018. It is made up of the Bolloré portfolio of 0.8 billion euros (shareholdings in Mediobanca, Socfin, etc.) and the Vivendi portfolio worth 3.9 billion euros at the end of 2018 (shareholdings in Telecom Italia, Mediaset, etc.). In addition, the Group has various agricultural assets.

— Shareholdings

The stock market value of the Bolloré Group's portfolio of listed securities stood at 4.7 billion euros at December 31, 2018.

The portfolio held directly by Bolloré was worth 0.8 billion euros at the end of 2018:

> Mediobanca[1] (7.9%), the stock market value of which stood at 545 million euros at December 31, 2018. The Group is the second-largest shareholder in Mediobanca, with two representatives on the Board of Directors;

> shareholdings in the Socfin group[1] with a stock market value of 229 million euros at December 31, 2018 (see agricultural assets).

The Bolloré Group also holds 1.2% of Vallourec and 19.8% of Bigben Interactive, one of the European leaders in the design and supply of video game console accessories.

1.
Mediobanca, Italian investment bank, listed on the Milan stock market.

MAIN SHAREHOLDINGS

Bolloré listed equity portfolio
Mediobanca: 7.9%(1)
Socfin group: 39.4%
Vallourec: 1.2%
Bigben Interactive: 19.8%

Vivendi listed equity portfolio
Telecom Italia(2): 23.9%
Mediaset: 28.8%

Agricultural assets
Shareholdings in Socfin group
American farms: 3,300 hectares
Vineyards: 242 hectares, including 116 hectares of viticultural rights
Bottles produced: 650,000

(1) Shareholdings consolidated by the equity method.
(2) Shareholdings consolidated by the equity method in Vivendi's financial statements.

The Vivendi shareholding portfolio, worth 3.9 billion euros, comprises in particular the following stakes:

> Telecom Italia[3], in which Vivendi is the largest shareholder with 23.9% of the capital with a market value of 1,759 million euros at the end of December 2018.

> Mediaset, of which it is the second-largest shareholder with 28.8% of the capital, with a market value of 934 million euros at the end of December 2018.

In 2018, Vivendi sold 2.3 billion euros' worth of shares (Ubisoft, Fnac, Telefónica). The remainder of the shareholding in Ubisoft was sold in April 2019 for 429 million euros. In total, the sale of Ubisoft represented an inflow of 2 billion euros and an economic gain of 1.2 billion euros.

— Agricultural assets

The Bolloré Group is a major shareholder in the Socfin group through its interests in Socfin (39.4%) and in its subsidiaries, Socfinasia (22.3%) and Socfinaf (8.6%). Socfin is one of the leading independent planters worldwide and manages over 200,000 hectares of plantations.

In Asia, Socfin is present in Indonesia through Socfindo, which farms 48,000 hectares of oil palms and rubber trees, and has expanded into Cambodia, where it has undertaken the planting of 7,200 hectares of rubber trees.

In Africa, Socfin has numerous plantations in various countries, such as Cameroon, where Socapalm and SAFA Cameroun manage 44,000 hectares of oil palms and rubber trees, and in Republic of Côte d'Ivoire, where Société des Caoutchoucs de Grand Bereby (SOGB) farms 24,100 hectares of oil palm and rubber tree plantations. It is also present in Nigeria (24,600 hectares), in Liberia (16,500 hectares), in the Democratic Republic of Congo (6,200 hectares) and in Sierra Leone (12,300 hectares). It also more recently established a presence in Ghana

(6,800 hectares) and São Tomé (2,100 hectares), where it has undertaken new plantations that are not yet mature.

The Bolloré Group also has three farms in the United States, representing around 3,300 hectares. New capital expenditures are being made to transform existing former crop plantations (soy, cotton, etc.) into olive groves. More than 2.5 million olive trees were planted by the end of 2018, covering close to 1,300 hectares.

Finally, the Group is also a shareholder and farmer of a number of vineyards in the south of France, in the "Côtes de Provence" appellation area where the "cru classé" wines Domaine de La Croix and Domaine de la Bastide Blanche are produced. These vineyards represent a total area of 242 hectares, including 116 hectares carrying viticultural rights, which produce approximately 650,000 bottles per year. —

(1) Consolidated by the equity method.
(2) Not including the 0.02% held by Financière de l'Odet.
(3) Shareholdings consolidated by the equity method in Vivendi's financial statements.

2.
Transformation of farms into olive groves in the United States.

3.
Palm oil plantations in Africa.

Corporate social responsibility

The Group has a proactive policy based around four key pillars, creating value and forging a link between the company's men and women, the environment and stakeholders. Each of its divisions is committed to driving CSR on a day-to-day basis within their core business.

Creating value and connections between women and men, and their environment

Anticipating and meeting the expectations of our customers by reducing the risks related to the ethics of our business, protecting our human capital by deploying a social, health and safety policy that enables sustainable relationships, preserving the riches of our environment by investing in the development of innovative products and services, being a player in the development of our company and the territories in which we operate: these are all factors that will ensure the creation of value tomorrow.

— Acting responsibly and promoting human rights in our businesses

The Group is committed to reducing the risks associated with the ethics of its business. It naturally pays great attention to the prevention of occupational risks incurred by its employees and is committed to practicing all of its businesses with responsibility.

> Building a framework for ethical business conduct.

> Promoting human rights in our businesses and supply chains.

— Innovating in response to major economic and environmental change

The Bolloré Group invests on a long-term basis in the development of innovative, connected offers that respect people and the environment.

> Managing the environmental impacts of our activities.

> Making the management of our carbon footprint central to the development of our products and services.

1

2

— The company's greatest strength: uniting its men and women

The commitment and development of our employees is at the heart of our performance. Attracting, retaining and training employees is a priority.

> Protecting the health and ensuring the safety of the women and men exposed as part of our activities.

> Attracting talent and developing the skills of our employees.

> Maintaining social dialog and promoting workplace wellness.

— Making a long-term commitment to local development

The Bolloré Group contributes to the economic growth, employment and skills development of local communities, and helps give landlocked hinterland countries access to the sea, and the development of public services.

> Contributing to and promoting local employment.

> Investing in the local economy.

> Building and maintaining dialog with stakeholders.

> Undertaking societal actions for the benefit of local populations. —

3

4

1.
Shared spaces in a friendly atmosphere for Havas Villages teams.

2.
Bluezone in Kaloum, Guinea-Conakry, 100% energy-independent, an economic development space dedicated to local populations.

3.
6-meter and 12-meter Bluebus, clean public transit solutions.

4.
CanalOlympia, the first network of movie houses and theaters in Africa powered by solar energy.

Promoting a commitment to solidarity


2

— Fondation de la 2e chance

Set up in June 1998 at the initiative of Vincent Bolloré, the Fondation de la 2e chance has been recognized for its public utility since 2006. Chaired by Marie Bolloré, the Fondation de la 2e chance helps people aged 18 to 62 who have faced extreme hardship in life and who presently live in a vulnerable situation, but who have a real desire to get their lives back on track. In addition to aid that is sought from elsewhere, it offers them human and financial support (up to 8,000 euros for company start-up/takeover projects and 5,000 euros for training projects) to successfully complete a realistic and sustainable professional project: training leading to a qualification, start-up or takeover of a company. This financial "leg-up" is accompanied by professional and emotional sponsoring provided to the project owner, until the project reaches a successful conclusion. The Foundation's continued activities are supported by a team of employees and volunteers. There are 6 employees at the Foundation's headquarters, which is housed by the Bolloré Group, who coordinate all Foundation stakeholders. A network of 1,000 working volunteers acts as on-site delegates, instructors and sponsors throughout France.

On November 2, 2015, the Fondation de la 2e chance was re-awarded the IDEAS label. This label is recognized and trusted by donors, and establishes respect among non-profit organizations for the implementation of best practice in relation to corporate governance, financial management and monitoring efficiency.

In 2018, the Fondation de la 2e chance celebrated its twentieth anniversary. Over the past two decades, it has helped over 7,500 people get a fresh start. In 2018, 358 new candidates were given support, with average aid per case of 2,700 euros. 78% of candidates received aid for training and 22% for creating a company. Successful beneficiaries aged between 26 and 40 years old represented 40% of the projects supported. As each year, the 60 delegates of the intermediary sites were brought together and numerous regional meetings were held at the initiative of the three regional coordinators.


1

The Foundation in 2018

An average of 400 people supported each year

75 large private corporations, public and financial institutions

1,000 volunteer instructors and sponsors at 60 sites in France

— Foyer Jean-Bosco

The Group acquired a building belonging to the Little Sisters of the Poor, built in 1896 and located in rue de Varize, in Paris, in the 16th arrondissement, that was fully restored

Sponsorship commitments and policy

More than 2 million euros paid annually in education and health

By 2020, 90% of projects will benefit youth and humanitarian health

— Sponsorship: priority given to supporting young people

On January 1, 2018, the Bolloré Group introduced a new sponsorship policy. Based on the desire to coordinate projects of general interest run by associations and social enterprises in Europe and internationally, it encourages its subsidiaries and its employees to get involved in civic engagement projects to improve the economic and social situations of young people and provide effective humanitarian healthcare. Each year, the Bolloré Group pays more than 2 million euros to associations that work mainly in the fields of education and health. The solidarity commitment of the Bolloré Group is based on four guidelines:

> the Group is committed to supporting young people as its first priority;
> each new or renewed project is now subject to eligibility criteria, as with all solidarity actions to which the Group is committed;
> both male and female employees are encouraged to get involved, giving them the opportunity to make best use of their skills and lend their expertise to the projects being funded;
> the Group intends to provide effective financial, technical and human support to projects across all continents, while committing to high-quality long-term partnerships that aim for social innovation. —

between 2012 and November 2015. Today, the Foyer Jean-Bosco has more than 160 rooms, mainly used by young students from French provinces and from abroad, but also provides rooms for the sick and the elderly. This year, the 135 students represented numerous different nationalities from Europe, the Middle East, Asia and the Antilles. The students created a choir and an orchestra and participate each week in charity work in Paris. The Foyer Jean-Bosco is a place of fraternal and inter-generational solidarity. It is an innovative scheme that will allow all participants to develop their talents while learning to live in unison.

1.
Support for Fondation de la 2e chance in the financing of an inventory of wood and tools, for the creation of an instrument-making workshop.

2.
Foyer Jean-Bosco, former house of the Little Sisters of the Poor (Paris 16th arrondissement), fully restored.

3.
Alpha Éducation in Cameroon, support for young graduates in considerable financial difficulty in their job search.


3

History of the Group

⟶ Founded in Brittany in 1822, the family business specializing in the manufacture of thin paper was taken over by Vincent Bolloré at the beginning of the 1980s. Having developed a core area of specialist industries related to plastic film technology and thin paper, the Bolloré Group acquired a controlling interest in Sofical in 1986, closely followed by the acquisition of JOB to develop a Tobacco business as well as Scac and then Rhin-Rhône in 1988 to develop a Transportation business.

— 1991: takeover of Delmas-Vieljeux, followed by the merger by absorption of Scac by Delmas, which was renamed Scac-Delmas-Vieljeux (SDV).

— 1994: sale by Bolloré of a portion of the Non-woven industrial and disposable products business and of the Tubes and plastic connectors business.

— End 1996: takeover of the Rivaud group, in which the Bolloré Group had held investments since 1988.

— 1997: takeover of Saga, in which Albatros Investissement had, since 1996, had a 50% stake alongside CMB-Safren.

— 1998: merger by absorption of Scac-Delmas-Vieljeux by Bolloré Technologies to become Bolloré.

— 1999: Albatros Investissement, the leading shareholder in Bolloré, is renamed "Bolloré Investissement". Bolloré buys the African network AMI and Bolloré Investissement purchases the British shipping line OTAL and its land transport network in Africa.

— 2000: sale of 81% of the Cigarette paper business to the American group Republic Technologies, which handled a large portion of rolling paper distribution in the United States. Acquisition of Seita's 40% stake in Coralma, a tobacco subsidiary of the Group, 60% of which was already owned through Tobaccor. Granting of the concession for the third largest oil pipeline in France, the Donges-Melun-Metz (DMM) pipeline. Tender offer followed by a squeeze-out concerning Mines de Kali Sainte-Thérèse, and tender offers on Compagnie des Caoutchoucs de Padang and Compagnie du Cambodge, finalized on January 3, 2001.

— 2001: sale of 75% of the Tobacco business (Tobaccor), based in Africa and Asia, to the British group Imperial Tobacco. Sale of the 30.6% stake in Rue Impériale de Lyon. Takeover by Bolloré Énergie of a stake in the business of BP's oil logistics subsidiary in France. Acquisition by Delmas, Bolloré's shipping subsidiary, of 80% of the Italian firm Linea-Setramar.

— 2002: acquisition by IER of the specialist access control firm Automatic Systems. Sale to Imperial Tobacco of a further 12.5% stake in Tobaccor. Merger by absorption by Compagnie du Cambodge of Société Financière des Terres Rouges and Compagnie des Caoutchoucs de Padang. Bolloré Énergie takes over part of Shell's oil logistics business in France. Acquisition by SDV of the freight forwarding business of the German group Geis, with an important transport network in Asia. Merger of six companies in the freight forwarding business, resulting in the creation of SDV Logistique Internationale. Acquisition of equity stake in Vallourec.

— 2003: sale of the remaining interest in Tobaccor (12.5% payable at the end of 2005). Purchase of Consortium de Réalisation's (CDR) 40.83% holding in Compagnie des Glénans. Start of operations of the factory purchased in the Vosges region of France by the Paper division. The Group's holding in Vallourec rises above the 20% threshold (voting stock).

— 2004: sale of the Malaysian plantations. Acquisition of a 20% stake in Havas. Development of the Bluecar®, a prototype electric vehicle that runs on Batscap batteries.

— 2005: launch of Direct 8, the digital terrestrial television (DTT) station developed by the Group. Bluecar® presented at the Geneva Motor Show. Acquisition of Air Link, India's third largest freight operator. Acquisition of a 25% stake in Aegis. Sale of 7.5% of Vallourec's share capital.

— 2006: sale of the shipping business (Delmas). Launch of *Direct Soir*, the first free daily evening newspaper. Awarding of 12 regional WiMax licenses. New series of Bluecar® prototypes delivered. Sale of 10.2% of holding in Vallourec. Squeeze-out of minority interests in Socfin.

Starting in 1985
Diversification of the Group into transportation and logistics

Starting in 2004
Diversification of the Group into media and communications

2016
Delivery of the first Bluebuses to RATP

Tender offer on Bolloré and merger of Bolloré and Bolloré Investissement. Change of name from “Bolloré Investissement” to “Bolloré”.

— **2007:** acquisition of JE-Bernard, one of the leading logistics and freight forwarding groups in the United Kingdom, and Pro-Service, an American logistics company specializing in the aeronautics and space industry. Acquisition of assets in Avestor in Canada. Partnership with Pininfarina for the manufacture and sale of an electric car.

Launch of the free daily newspaper *Direct Matin Plus*. Start of testing of pilot equipment intended for WiMax. Sale of 3.5% of equity share in Vallourec and strengthened position in Havas and Aegis. Tender offer on Nord-Sumatra Investissements followed by a squeeze-out.

— **2008:** sale of 3.6% of holding in Vallourec. Creation of two joint ventures for the development of electric vehicles (Pininfarina for the Bluecar® and Gruau for the Microbus). Awarding of an additional eight WiMax licenses obtained. Acquisition of White Horse, a leading road haulage firm in the Copper Belt corridor, and SAEL, the fifth largest freight chartering firm in South Africa. Acquisition of 60% of the share capital of the CSA group, 40% of which had already been held by the Bolloré Group since 2006. Increase of shareholding in Vallourec to 2.9% on December 31, 2008.

— **2009:** winning of the concession for the Cotonou container terminal in Benin and start of operations at the Pointe-Noire port terminal in Congo. Sale of the Papers business to the American group Republic Technologies International. Start of operations at the two electric battery factories in Brittany and Canada, and market launch of supercapacitors. Strengthening of shareholding in Vallourec to 5.2% as at December 31, 2009.

— **2010:** winning of port concessions in Africa (Freetown in Sierra Leone, Lomé in Togo, etc.).

1.
With historical roots in Africa, transportation and logistics activities have taken on an international dimension.

2.
A constant desire to do business by investing heavily in the communications sector.


1


2

Acquisition of the digital terrestrial TV station Virgin 17, renamed “Direct Star”. Winning of the Autolib’ contract for the self-service hire of electric Bluecar® vehicles in the Paris region. Reclassification of Mediobanca and Generali shareholdings in Bolloré. Delisting of the company Saga.

— **2011:** acquisition of a 49% stake in LCN (Les Combustibles de Normandie) in order to eventually secure 100% control. Beginning of construction of a new Lithium Metal Polymer (LMP®) battery factory in Brittany. Sale of 3.5% of holding in Vallourec. Agreement to sell the free channels Direct 8 and Direct Star to Canal+ group in exchange for Vivendi shares. Acquisition of 1.1% holding in Vivendi. Acquisition of equity stake in Vivendi. Winning of the concession for the management of the port of Moroni in the Comoros Islands. Launch of Autolib’ service. Successful first bond issue for 350 million euros due in five years.

— **2012:** sale of the Direct 8 and Direct Star channels to the Canal+ group, against a 1.7% shareholding in Vivendi’s share capital. Acquisition of an additional 2.2% shareholding in Vivendi, bringing the interest to 5%. Following the sale of 20% of Aegis to Dentsu, the balance of its shareholding (6.4%) will be contributed to the bid launched by Dentsu. Following the share buyback tender offer made by Havas, the Bolloré Group’s shareholding in Havas was raised from 32.8% to 37.05% and to 36.9% by the end of 2012.

— **2013:** winning of the management of the petroleum port of Pemba in Mozambique, the Container Terminal no. 2 in Abidjan, Republic of Côte d’Ivoire, and the Dakar ro-ro terminal in Senegal. Acquisition of PMF – Petroplus-Marketing France by the Oil logistics division. Delisting of Plantations des Terres Rouges of which the Bolloré Group now holds 100%. Initial public offering (IPO) of Blue Solutions on the NYSE Euronext Paris market on October 30, 2013. Launch of Bluely car-sharing services (Lyon-Villeurbanne) and Bluecub (Bordeaux). Disposal of the remaining 6.4% held in Aegis, at the beginning of 2013.

— **2014:** sale of SAFA, which owned a plantation in Cameroon (SAFACAM), for a 9% interest in Socfinaf. Public exchange offer on Havas

1

shares. Disposal in July 2014 of 16% of the Euro Media Group. Disposal of the 14% interest in Harris Interactive, as part of an offer made by Nielsen in February 2014. Inauguration of the Bluetram plant in Brittany. Experimental car-sharing system in Indianapolis (United States), BlueIndy. Bids won in London to manage the network of 1,400 charging terminals, and for the delivery of 6-meter and 12-meter buses for RATP.

— **2015:** increase in the shareholding in Vivendi's share capital to 14.4%. Successful public share exchange offer on Havas bringing ownership up to 82.5%, followed by a placement of 22.5% to maintain liquidity in the shares, bringing ownership down to 60% of the share capital. Award of port concessions for Kribi in Cameroon, Dili in East Timor and Varreux in Haiti. Launch of the BlueIndy electric car-sharing service in Indianapolis (United States). Inauguration of the new Bluetram plant. Presentation of the 12-meter long electric bus. Partnership with PSA Peugeot Citroën to develop and sell the E-Mehari.

— **2016:** opening of the 12-meter bus factory line on January 15, 2016. Launch of the electric car-sharing service in Turin, Italy, on March 18, 2016. Crossing of 20% threshold for capital and votes in Vivendi on October 7, 2016. Vivendi is accounted for using the equity method as from this date.

— **2017:** 195th anniversary of the Bolloré Group. Full consolidation of Vivendi from April 26, 2017. Acquisition by Vivendi of the Bolloré Group's 59.2% holding in Havas, followed by a simplified takeover bid on the rest of the Havas share capital, a public repurchase offer and squeeze-out, enabling Vivendi to hold 100% of the Havas capital. Finalization of the Bolloré simplified takeover of Blue Solutions, with the acquisition of 7.6% of the Blue Solutions capital. Disposal of the holding of around 10% in Gaumont as part of the share repurchase offer. Acquisition of the concession for the new Kribi container terminal in Cameroon. Partial takeover of Necotrans assets. Inauguration of the new multipurpose terminal in Owendo, Gabon, where the Bolloré Group will be the exclusive operator of the Container activity.

— **2018:** increase in the share capital of Vivendi, through the exercise of options and new acquisitions of shares, bringing the stake to 26.28% of the capital and 28.51% of the voting rights at December 31, 2018. Sale by Vivendi of the 27.3% stake in Ubisoft for 2 billion euros. Sale by Vivendi of the 11% stake in Fnac-Darty for 267 million euros. End of the Autolib' car-sharing service in Paris. Launch of an electric car-sharing service, BlueLA, in Los Angeles.

— **2019:** acquisition by Vivendi of 100% of Editis capital.

1.
Responses to issues related to climate change, including the development of clean public transit.

2 Bolloré Group non-financial performance

The Bolloré Group has successfully evolved over the last two centuries, adapting and transforming its business to ensure that it remains resilient. The diversification of its activities has since been accompanied by significant international expansion. This development was possible thanks to its ownership and family culture, which enabled it to see its activities from a long-term point of view and invest in innovative projects in complete independence (1).

The Bolloré Group's development is based on a strong corporate culture and values such as fairness, entrepreneurial spirit, solidarity, agility, boldness and diversity, which are reflected in the four key pillars of its development strategy and Corporate Social Responsibility (CSR) policy.

1. CSR challenges and strategy

1.1. Group CSR strategy

By conducting a materiality analysis of its CSR challenges and mapping its priority risks, the Bolloré Group has been able to define and adapt the pillars of its CSR strategy for 2017-2022. In doing so, it is better able to communicate and showcase its commitments to the stakeholders it encounters through its business. Anticipating and responding to customer expectations by mitigating the risks around business ethics, protecting human capital by implementing a health and safety policy conducive to a lasting relationship with employees, safeguarding environmental assets by investing in the development of innovative products and services, and being an actor in the development of society and the communities where the Group operates – these are all factors that will create value for the future.

The Group has a proactive policy based around four key pillars, creating value and forging a link between the company's men and women, the environment and stakeholders. Each of its divisions is committed to driving CSR on a day-to-day basis within their core business.

FOUR KEY PILLARS FOR A SUSTAINABLE COMMITMENT

UNITING PEOPLE, THE COMPANY'S GREATEST STRENGH

- Protecting the health and ensuring the safety of the women and men exposed as part of our activities.
- Attracting talent and developing the skills of our employees.
- Maintaining social dialog and promoting workplace wellness.

ACTING RESPONSIBLY AND PROMOTING HUMAN RIGHTS IN OUR ACTIVITIES

- Building a framework for ethical business conduct.
- Promoting human rights in our businesses and supply chains.

INNOVATING IN RESPONSE TO MAJOR ECONOMIC AND ENVIRONMENTAL CHANGES

- Managing the environmental impacts of our activities.
- Making the management of our carbon footprint central to the development of our products and services.

COMMITTING OVER THE LONG TERM TO REGIONAL DEVELOPMENT

- Contributing to and promoting local employment.
- Investing in the local economy.
- Building and maintaining dialog with stakeholders.
- Undertaking societal actions for the benefit of local populations.

This policy was, originally built on the seven main priority challenges identified in the materiality matrix updated in 2017, to include Vivendi (see diagram below), was further strengthened by the completion of the Group's CSR risk map in 2018.

1.2. Bolloré Group non-financial risk mapping

The entry into force of Decree no. 2017-1265 of August 9, 2017, implementing Order no. 2017-1180 of July 19, 2017 relating to the publication of non-financial information by large companies and corporate groups (the "Barnier Directive"), has changed the non-financial reporting exercise this year. Now required to publish an non-financial performance statement, the Group has revised the mapping of its challenges through a risk-based approach.

To produce this new map, the Group called upon representatives from all its businesses to identify the risks faced by Bolloré Transport & Logistics (Bolloré Ports, Bolloré Logistics, Bolloré Railway, and Bolloré Energy) and Blue Solutions (including Blue Applications).

Four workshops were held on risk-scoring, led by a consultancy firm and using software to rank the risks identified and ensure the effectiveness of the method used. The workshops were attended by members of the Management Committees, as well as representatives from support and operational functions (purchasing, human resources, QHSE, legal, etc.).

A universe consisting of 16 CSR risks and opportunities, covering the themes outlined by the Law, were scored using a methodology which took into account the risk severity and frenquency, in line with the Bolloré Group's general risk map. The risks relate to the risks inherent in the Group's business. They were considered throughout the value chain (supply, operations, use of products and services sold), taking into account all stakeholders (company, employees, customers, society, public authorities, competition, etc.). The risk of corruption and conflicts of interest, considered a priority, was scored at Group level by the Compliance Department.

The risks of the Business Units of Bolloré Transport & Logistics were consolidated using a weighting method, taking into account revenue, operating income and workforce.

Lastly, because Vivendi conducted the same exercise for its scope in 2018 (see Vivendi registration document, in section 4.3 on the main non-financial risks), and in a bid to gain an overview of the Bolloré Group (including Vivendi), a reconciliation of each risk universe was carried out.

The Bolloré Group's CSR risk mapping attests to the relevance of the Group's priority challenges, in keeping with the work carried out during the materiality analysis in previous years. The priority risks identified are a natural fit with the four key pillars of the Bolloré Group's CSR strategy (see table below).

(1) For further details on the Group, its activities and business model, please see Chapter 1 of this registration document.

Pillars of the CSR strategy	Priority Group risks	BOLLORÉ TRANSPORT & LOGISTICS	BlueSolutions	vivendi	
Uniting people, the company's greatest strength	Workplace health and safety				
	Attracting and retaining skills			Attracting talent and retaining internal talent	See Vivendi 2018 registration document – Chapter 1 – section 4.4.4
	Working conditions and social dialog			Social dialog	See Vivendi 2018 registration document – Chapter 1 – section 4.4.4.6 "Looking after people"
Acting responsibly and promoting Human Rights in our activities	Health and safety of users and third parties				
	Human Rights			Human Rights and fundamental freedoms in activities	See Vivendi 2018 registration document – Chapter 1 – section 4.4.4.6 "Looking after people"
				Duty of care related to the supply chain	See Vivendi 2018 registration document – Chapter 2 – section 3 "Compliance program"
	Protection of personal data (GDPR)			Security and data protection	See Vivendi 2018 registration document – Chapter 2 – section 3 "Compliance program"
	Corruption and conflicts of interest			Corruption	See Vivendi 2018 registration document – Chapter 2 – section 3 "Compliance program"
Innovating in response to major economic and environmental changes	Local pollution and management of hazardous materials				
	Carbon impact and opportunity of products and services			Carbon intensity of activities	See Vivendi 2018 registration document – Chapter 1 – section 4.4.5 "Environmental initiatives"
Committing over the long term to regional development	Risks and opportunities related to relations with local communities				
	Specific communication risks: Risks related to content			Attracting talent and retaining external talent	See Vivendi 2018 registration document – Chapter 1 – section 4.4.3.2 "Supporting policies for responsible content"
				Responsible nature of content	See Vivendi 2018 registration document – Chapter 1 – section 4.4.3.2 "Supporting policies for responsible content"

Risks rated as major at division level are shaded.
The Bolloré Transport & Logistique risks have been consolidated using the method explained on page 58.

Bolloré Group's management of priority risks is explained throughout the non-financial performance Statement in this registration document. The management of Vivendi's priority risks is detailed in the non-financial Reporting Statement in its 2018 registration document.

1.3. CSR governance

Two bodies comprise the Group's CSR governance: the Ethics – CSR and Sponsorship Committee, and the Group CSR Department.

ETHICS – CSR AND SPONSORSHIP COMMITTEE

In 2014, the Group Ethics Committee became the Ethics – CSR Committee, confirming the fact that ethics is a major pillar in the Group's CSR commitments. In 2016, sponsorship was brought under the Group Ethics – CSR and Sponsorship Committee in order to better coordinate the Group's societal activities.
The Committee has the following members: a Chairman, the Group's Executive Management, Division Heads, Group Head of Human Resources, Group General Counsel, Group Chief Financial Officer, Group Head of Management Control, Group Head of Compliance, Head of Investor Relations, Group Head of Communications and CSR, and Group Head of Sponsorship.
The aim of this Committee is to establish the working priorities in terms of ethics, compliance, CSR and sponsorship, which the divisions are then tasked with implementing. The Committee meets once or twice a year to review ongoing or completed actions and projects, and to confirm the priority projects and outlook in the three areas.

CSR DEPARTMENT

The Group CSR Department is managed by the Head of Communications and CSR, reporting to the Group Vice-Chairman, who is also Group CFO and a Director. The Group CSR team, which was expanded in 2018, works with the CSR departments of the divisions and their network of CSR representatives to roll out the Group CSR strategy within each entity and report the key non-financial information of the Bolloré Group. Since the integration of Vivendi, the internal CSR network now has nearly 786 contributors in 873 entities worldwide, including more than 350 for "Bolloré Transport & Logistics" and "Blue Solutions" alone.

1.4. Performance monitoring

Since 2009, the Bolloré Group has developed an IT system dedicated to efficient non-financial reporting through the development of an integrated software package. In 2018, the Group further strengthened its non-financial reporting with two major developments:
- the expansion of the scope with the integration of 535 entities of the Vivendi Group (including Havas) and 350 contributors;
- the improved reliability of non-financial indicators with the inclusion in the reporting tool of social indicators for the Bolloré Group (including Vivendi).

More than 100 non-financial indicators are monitored and reported during the annual campaign.
Since 2012, the indicators that the Group considers to be the most material have been subjected to in-depth audits in accordance with the Grenelle II Law, updated this year by Order no. 2017-1180, which brings French legislation into line with the EU's Barnier Directive. These audits, carried out by an accredited independent third party, are combined with qualitative interviews. The aim is first to certify that the topics covered are exhaustive, in view of the priority CSR risks identified for the Group, and second to verify the reliability of the data published.
In 2018, the Bolloré Group began work on selecting and standardizing its key performance indicators (KPIs) to best illustrate its CSR risk management. The KPIs are, insofar as it is possible and relevant to do so, adapted at Group level and/or tailored specifically to the divisions according to their particular challenges.
Between now and 2022, work will continue on standardizing the policies implemented separately by each of the divisions, at Group level, if relevant and feasible given the diversity of the business lines and activities. Work will also continue on defining measurable targets and monitoring the rollout of concrete action plans to strengthen the Group's risk management. These commitments are part and parcel of the Bolloré Group's CSR policy, implemented on a daily basis within each core business with a view to continued improvement.

2. Four key pillars for a sustainable commitment

2.1. Uniting people, the company's greatest strength

2.1.1. PROTECTING THE HEALTH AND ENSURING THE SAFETY OF THE WOMEN AND MEN EXPOSED AS PART OF OUR ACTIVITIES

DESCRIPTION OF THE RISKS

Workplace health and safety R[1]

Workplace health and safety for users and third parties R[1][2]

Bolloré Transport & Logistics and Blue Solutions operate in environments with a high accident risk. The issue is particularly material with regard to industrial activities, such as handling, production and assembly, construction, freight and passenger transport, and even the handling and transportation of hazardous goods. The vast international reach of Bolloré Transport & Logistics (106 countries, including 46 in Africa) also requires particular vigilance depending on the local context.
In the same way as for its employees, one of the Bolloré Group's priority risks is ensuring the health and safety of partners and subcontractors working on its sites, as well as users and local communities which could be impacted by its activities. The risks relating to the safety of users and third parties in the context of freight and passenger transport operations are particularly material.

GROUP POLICY

The Bolloré Group's priority is to ensure the workplace health and safety of its employees and third parties exposed in the course of its activities. The Group implements the appropriate policies and procedures to manage this risk in all of its divisions and their facilities. It is committed to investing in the prevention of workplace hazards and accidents, to improving working conditions, and to training and raising awareness of health and safety regulations among its employees and stakeholders working on-site (subcontractors, partners, suppliers, customers, etc.).

ACTION PLAN AND AREAS FOR IMPROVEMENT

By 2022, the Group will endeavor to:
- steadily reinforce the health and safety reporting exercise across all its divisions to improve the consolidated vision of the policies and actions deployed;
- move towards the homogenisation of policies or at least of performance monitoring indicators and targets for the divisions. Work began on the homogenisation of the Group's Health, Safety, and Environment policies in 2018. It will continue for the Bolloré Transport & Logistics division throughout 2019. This helps to strengthen the procedures put in place and contributes to the effectiveness of vigilance cycles within all Business Units, so as to manage the workplace health and safety risks for employees;
- continue the awareness-raising efforts of the Executive management in each division. This was initiated through risk management workshops in 2018 to define policies and action plans implemented in a concrete and measurable way at Group level, or at a division level when the specific nature of the activities so requires.

The policies, action plans and KPIs identified to measure the risk management relating to the health and safety of the Bolloré Group's employees, users and third parties are presented below, by division and theme.

(1) R: Priority risk.
(2) R: Initially identified in the Group's CSR risk mapping as belonging to the Human Rights risk category, management of workplace health and safety risks of users and third parties is covered by the procedures put in place by the Group to manage workplace Health and Safety risks (social risks category). Management of health risks of users and third parties is accordingly covered at the same time as workplace health and safety risks.

QUALITY, HEALTH, SAFETY AND ENVIRONMENT MANAGEMENT SYSTEM

Drawing on a process of continued improvement, the Bolloré Group deploys management systems and a certification policy that meet recognized standards such as ISO 9001 (quality management) and 14001 (environmental management), OHSAS 18001 (occupational health and safety management), IRIS (International Railway Industry Standard), and other international standards. The implementation of these management systems ensures that the health and safety of Group employees is taken into account on a daily basis within a virtuous cycle of vigilance.

— Bolloré Group (excluding Vivendi)

	2018	2017	2016	2015
Number of sites with workplace health and safety certification (>ISO 9001, OHSAS 18001, etc.)	231	125	113	90
% of sites with workplace health and safety certification (>ISO 9001, OHSAS 18001, etc.)	21	12	11	9

Bolloré Transport & Logistics

The various division entities have general and operational Quality, Health, Safety and Environment (QHSE) procedures. Adapted for each business in the form of different policies signed off by the Executive management, they provide a framework that, by promoting the prevention of accidents and incidents, guarantees a safe working environment in which the equipment conforms to the standards and regulations in force, ensuring the well-being of employees while persuading them to take ownership of the health and safety aspects of their work.

The Executive management of Bolloré Transport & Logistics is committed to ensuring that the implementation of QHSE policies is properly monitored and supervised. The Management Committees set targets, provide the means for the policies and associated action plans to be deployed, monitor their implementation and correct any discrepancies.

In response to the challenges raised by their implementation in different regions, the QHSE management systems of Bolloré Transport & Logistics comply with the legal and regulatory requirements applicable to logistics and transport operations. In a constant bid to improve the quality of the services offered and meet customer expectations at all times, these QHSE management systems rely on recognized international standards such as ISO 9001:2015 and OHSAS 18001 (or from now on its equivalent, ISO 45001). The Executive management of the Business Units ensure that the necessary resources are available for the implementation, maintenance and continued improvement of the QHSE management system.

The integrated QHSE management systems reflect the knowledge and experience of the company. They are based on the following themes:

- definition of the roles and responsibilities at all hierarchical levels;
- presentation of QHSE policies, their objectives and targets;
- risk mapping, identification, assessment and mitigation;
- promotion and development of an QHSE culture in the workplace by encouraging employees to adopt safe behaviors to improve QHSE performance;
- analysis of incidents/accidents to prevent their recurrence and to refine work processes;
- audits, inspections, performance analysis, etc., to measure the effectiveness of the QHSE management system.

These measures address the risks associated with the health and safety of users and third parties at Bolloré Transport & Logistics. All subcontractors, suppliers and partners are expected to comply with them.

The rules that subcontractors must obey are also specific QHSE contractual requirements, and apply to port and rail activities as well as to logistics, transportation and energy activities.

- **Bolloré Ports and Bolloré Railways**

Regarding port operations, the headquarters of Bolloré Ports has QHSE ISO 9001:2015 certification for technical support and coordination, for all activities throughout the scope covering health and safety processes. The Management, in association with coordinators from the various departments, actively supports the entire hierarchy with training, consulting, auditing, troubleshooting and continued improvement. Each year, the French ports are also audited by AFAQ/AFNOR, and the international terminals by SGS and Bureau Veritas (ISO 9001:2015). This annual certification demonstrates the effectiveness of port processes focused on customer satisfaction.

Monthly reporting is carried out by all sites, where more than 20 performance indicators are monitored each month.

In addition, the Pedestrian Free Yard (see paragraph on Preventing workplace hazards, on page 62), an integral part of the Bolloré Port and Rail safety management system and certified by accredited independent inspection bodies, helps to make container terminals safe places for people to work.

Through its Integrated QHSE Management System, Bolloré Ports ensures that its service providers, like all other external stakeholders present on its sites, comply with the requirements specific to the entity, as well as local regulatory requirements.

Bolloré Railways has an identical management process to the Group and Bolloré Transport & Logistics, but specializing in rail operations. It uses an approach based on the international standard ISO/TS 22163:2017 (quality management system for rail organizations) and International Railway Industry Standard (IRIS). To that end, the entities are working to promote participatory management in which everyone is responsible for achieving this goal.

The safety policies of Bolloré Railways, implemented by the Executive management, also cover the activities of subcontractors and suppliers, as well as passenger safety.

— Port and rail concessions and Ports certifications

2018 fiscal year	Sites covered by a QHSE management system	Pedestrian Free Yard	ISPS certified sites	ISO 9001 certified sites	ISPS France certified sites	ISO 14001 certified sites	OHSAS certified sites
Number of sites	44[(1)]	40	37	32	12	3	2
Coverage rate across all sites	100%	91%	100%	73%	100%	7%	5%

(1) Inland Container Depot (ICD) not covered

- **Bolloré Logistics**

Committed to a process of continuous improvement of its HSE management system across its network.

80% of Bolloré Logistics regions are OHSAS 18001-certified

In accordance with the policy developed within its Integrated Health, Safety and Environment Management System and backed by its Management, the practices and procedures outlined in the operational manual apply to all employees of external companies, visitors and partners of Bolloré Logistics. As stated in its Quality and Performance Policy, the suppliers and subcontractors of Bolloré Logistics are subject to a selection process focused in particular on their ability to comply with contractual security requirements. At sites where Oil & Gas or Mining industrial projects are carried out on behalf of customers (e.g. management of a logistics hub), Bolloré Logistics implements specific HSE management plans. These plans describe the measures taken by Bolloré Logistics to enforce local regulatory requirements and standards, its own HSE policies and those of its customers. It applies throughout the site, both to Bolloré Logistics staff and to subcontractors hired by or on behalf of the Business Unit.

- **Bolloré Energy**

The Health, Safety and Environment policy, updated in 2018, covers the risks associated with occupational health and safety issues. Bolloré Energy makes every effort to meet the expectations of its customers. It has compiled a database of best practices to manage occupational health and safety risks, particularly in transport, in the context of the delivery of its products and services to individuals.
Bolloré Energy relies on its major accident prevention policy to mitigate and manage health and safety risks that could apply to third parties, including industrial accidents potentially affecting local residents. This is subject to strict processes conforming to recognized standards (SEVESO, ICPE, ISO 14001 and ADR (European Agreement concerning the International Carriage of Dangerous Goods by Road)).

100% of SEVESO sites are covered by a major risks prevention policy

Blue Solutions

Blue Solutions is the only company to have entirely solid technology, composed of lithium metal film and a solid polymer electrolyte. Blue Solutions has extremely high safety levels owing to the absence of solvents. This avoids the risk of thermal runaway and offers the capacity to withstand high external temperatures (up to 180°C), without air conditioning, as well as high voltages.
The Health, Safety and Environment policy applied to the Group's activities in Brittany (Bolloré Films Plastique, Blue Solutions and Bluebus) is implemented through three improvement programs presented and validated by the OHS Committee. The number of Committee members exceeds the legal requirement. The induction procedure for newcomers at the battery site was updated in 2018.
For Blue Solutions' mobile applications, the prevention of health and safety risks forms part of a continued improvement process, covering employees as well as temporary staff and contractors. An accident analysis and feedback process is used to develop preventive and corrective actions to improve occupational risk management.
At IER, a Group subsidiary which is part of the "Systems" business of Blue Applications, workplace occupational health and safety is also a core concern. The coordination of these activities is therefore handled formally within HR and infrastructure management processes, mainly involving:

- the drafting and publication of documents (single risk assessment document, safety guidelines, safety data sheets, chemical data sheets, etc.);
- the organization of training in the prevention of risks that employees are exposed to (electrical certification, manual handling, chemical hazards, etc.);
- compliance with safety guidelines;
- employee awareness of health and safety procedures;
- systematic analysis of the causes of workplace accidents at all sites, implementation of action plans and proposals for corrective action, and publication for stakeholders. In addition, all actions in terms of workplace health and safety are formalized in a general action plan which is monitored on a monthly basis. Lastly, a system for reporting hazardous situations from the field has succeeded in preventing workplace accidents at the Besançon site;
- regular risk assessments.

PREVENTING OCCUPATIONAL HAZARDS AND ACCIDENTS

As a result of the Group's ongoing efforts, the number of workplace accidents, and the workplace accident lost time frequency and severity rates declined in 2018.

— ***Bolloré Group (excluding Vivendi)***

	2018	2017	2016	**Change 2017/2018**
Number of workplace accidents with lost-time	385	444	365	–13%
Lost Time Injury Frequency Rate (LTIFR) (x1,000,000)	4,93	5.78	5.06	–15%
Severity rate of workplace accidents (x1000)	0.16	0.17	0.14	–6%

Bolloré Transport & Logistics

Depending on the activities of the Business Units, the occupational risks related to the Group's activities and business lines undergo specific health and safety analysis. In addition, each entity identifies and complies with the applicable external requirements, be they regulations or contractual clauses. The general QHSSE (Quality, Health, Safety & Environment) procedures of Bolloré Transport & Logistics feed into different policies (e.g. General driving rules, Drugs and Alcohol Policy, etc.), which are monitored and regularly reviewed. These procedures help to establish and maintain a high level based on the best French and international health and safety standards, wherever the Group operates.

Improvement plans are implemented following an occupational risk assessment, accident and incident analysis, QHSE audits, and regulatory monitoring. Equipment and facilities are monitored and periodically tested and maintained. Health and safety audits and inspections are conducted internally to boost prevention through regular monitoring of sites, facilities and equipment, and by external inspection bodies for facilities subject to regulatory requirements.
Subcontractors working for Bolloré Transport & Logistics are subject to the same requirements as the standards applied to Group employees. They also undergo the same specific analysis and share the same KPIs in terms of health and safety, whether based on regulations or contractual clauses. In addition, the issue of subcontracting is addressed at weekly meetings of the Ethics and Compliance Committee of Bolloré Transport & Logistics, composed of Executive Committee members.

Compliance with and enforcement of these rules, together with the monitoring of the associated KPIs, help to mitigate workplace risks and accidents as part of a continued improvement process.

- **Bolloré Ports and Bolloré Railways**

Prevention is a key aspect of the health and safety policy of port and rail entities, particularly as regards the risks and responsibilities involved in maneuvering specialized industrial equipment, such as in container handling (more than 10 million containers handled in 2018). The appropriate procedures are in place for conventional handling operations that are more hazardous than container handling. Employees such as gantry crane operators, locomotive drivers and drivers of specialized vehicles (identified as the business lines most at risk) undergo routine testing for at-risk behavior stemming from the use of medication, drugs or alcohol.

Given the risks specific to terminals, in 2014 Bolloré Ports launched a specific safety process, the Pedestrian Free Yard. As an integral part of the Safety Management System, this concept helps to make container terminals safe places for people to work. The Pedestrian Free Yard, certified each year by an accredited independent inspection body, has resulted in the number of port accidents falling to one-quarter of the previous level since it was introduced.

In 2018, a diagnostic was carried out on driving operations and on all maintenance processes for rail infrastructure. For certain aspects of infrastructure maintenance, a mandatory inspection by the business lines concerned has been introduced and is verified by accredited organizations. This is part of the plan for the new rail safety management system.

The QHSE management system integrates the process of evaluation and selection of subcontractors and suppliers, taking into account various criteria such as adherence to the Group's health and safety standards or ethics and compliance.

The general QHSE policy introduced by Bolloré Ports and Bolloré Railways presents as its key objectives communication with subcontractors around HSSE regulations and implementation, and their support in achieving the policy's standards. The Business Unit considers the application of these rules by its subcontractors and suppliers to be a prerequisite for the development of their business relationship. The parties sign a work permit summarizing the risk prevention measures. Any deviation identified during audits and inspections due to a malfunction or the subcontractor's failure to meet pre-agreed targets is systematically addressed, documented, and corrected with the appropriate corrective action.

With regard to port operations, additional requirements are imposed in accordance with the procedures that apply to "sensitive" transport. This is in addition to compliance with security codes specific to terminals, such as the International Ship and Port Facility Security Code (ISPS Code), aimed at the prevention of terrorist risks on land and at sea.

Regarding rail operations:

- Any external contractor required to work on Camrail sites must prepare a Safety and Environmental Prevention Plan (PPSE). The aim of this plan is to ensure that the basic measures for the protection of workers and local communities have been taken, particularly with regard to health and safety, and that the contractor will continue to implement them during the works. A detailed risk analysis is also carried out based on the type of works, accompanied by risk prevention, mitigation and management measures and a commitment from firms to comply with all internal regulations.
- Rail entities use all possible means to ensure the safety of passengers and goods, especially hydrocarbons. Rail safety requires greater vigilance on all railway lines and structures, both during operations and maintenance work. To that end, a predictive, preventive and curative maintenance system for hauling equipment and mobile equipment has been set up in accordance with manufacturers' maintenance specifications, international standards and standards applicable to rail networks. The protection of individuals and property is entrusted to the transport police and security guards from private security firms. Their actions also ensure the safety of local people. As evidence that risks are given due consideration, a map is being produced to measure safety at railroad crossings throughout the rail network.
- With regard to the right of way of railway concessions, a 15-metre clearance on either side of the track ensures the safety of local residents and people living near railway lines. In accordance with national and international regulations, the right of way is checked each day, for example by the first train of the day, as well as by local residents' monitoring committees. These monitoring committees contribute to rail safety by keeping tracks free from vegetation and reporting malfunctions or damage. The monitoring committees meet with the Executive management several times a year. During these meetings, the training and equipment needs of local residents are identified and implemented.

To ensure compliance with and application of workplace health and safety tools and policies, an annual QHSE audit program has been put in place. Based on the highest standards and best practice, the audit programs are reviewed annually as part of the renewal of ISO 9001 certification. Management is focused on two main targets: zero accidents and a lost time injury (LTI) rate of less than 1.

— Bolloré Ports and Bolloré Railways

Employees	Change 2017/2018
Number of workplace accidents with lost-time	–22%
Lost Time Injury Frequency Rate (LTIFR) (x1,000,000)	–25%
Severity rate of workplace accidents (x1,000)	0%

- **Bolloré Logistics**

As part of the rollout of its Integrated Management System, Bolloré Logistics adapted the health and safety policies for its regions and business activity (risks related to handling, storage and transport, etc.). These policies are combined with targets and corrective and preventive actions, measured by various KPIs, some of which are also target-based.

In addition, quarterly HSE indicators are compiled to track HSE performance. Each accident and incident reported undergoes a root cause analysis and could potentially lead to a corrective action plan being put in place. The indicators reported for subcontractors are identical to those implemented for Bolloré Logistics staff:

— Bolloré Logistics

Employees	Change 2017/2018
Lost Time Injury Frequency Rate (LTIFR)	–9%
Severity rate	–2%

In 2018, the main indicators improved significantly compared with the previous year.

When hiring external contractors, the subsidiaries of Bolloré Logistics choose firms based on their ability to contribute safely to the business. Risks linked to concurrent activities are analyzed and specific prevention and protection measures are identified. All the information on the risks associated with their activities and the risk mitigation measures put in place are shared with external contractors.

In addition, a subcontractor management process is established to ensure a high level of HSE quality. This process leads to the accreditation, selection, and monitoring of subcontractors. For example, transport firms mobilized by Bolloré Logistics in Africa must abide by a special charter. The *Carriers' Charter* is attached to each contract signed with subcontractors in Africa. The charter is part of a broader effort to minimize injury to passengers and damage to cargo, equipment and the environment. It specifically makes provision for:

- training in defensive driving;
- the health of road drivers and their driving proficiency;
- compliance at all times with the General Code of Conduct of Bolloré Logistics;
- compliance at all times with the Alcohol and Drugs Policy of Bolloré Logistics.

- **Bolloré Energy**

A major accident prevention policy, updated in 2018, is in place at Bolloré Energy's most at-risk sites. To reduce the risk of an accident, Bolloré Energy has introduced preventive maintenance contracts at all of its facilities (safety procedures, storage facilities, etc.). Preventive checks offer scope for more in-depth checks of depots and the correction of any problems.
To minimize the risks from any work carried out by external contractors, a safety plan is drawn up (information on the site risks in view of the work to be carried out) and a fire permit may be issued.
The measures to prevent workplace hazards and accidents implemented in connection with Bolloré Energy's activities help to protect both third parties (subcontractors present on site) and customers.

— Bolloré Energy

Employees	Change 2017/2018
Number of workplace accidents with lost-time	3%
Lost Time Injury Frequency Rate (LTIFR) (x1,000,000)	–3%
Severity rate (x1,000)	–10%

Regular drills are carried out locally by teams to prepare for possible emergencies, such as a fire outbreak at the loading point. In 2018 a "crisis unit" drill took place, where the scenario consisted of an accident caused to a third party and involved local teams and staff from the company's headquarters.

Blue Solutions

For Bluebus activities, in 2018, more than one million euros was invested to prevent the occupational risks associated with the commissioning of a new specialized facility (bubble 10) for the packaging business, handling equipment for Blue Solutions and additional means of access to prevent falls during assembly of its 12-meter bus. There were no major incidents relating to product use in 2018.

— Batteries and Plastic Films

Employees	Change 2017/2018
Number of workplace accidents with lost-time	–8%
Lost Time Injury Frequency Rate (LTIFR) (x1,000,000)	–7%
Severity rate of workplace accidents (x1,000)	15%

Incident analysis and feedback from Blue Solutions' mobile applications are used to develop preventive and corrective actions to improve occupational risk management.
Internal audits are regularly carried out – particularly at the Bairo plant in Italy, responsible for the production of car-sharing vehicles – to ensure that safety equipment (PPE such as gloves and masks for cleaning cars) is worn on the production line and that the defined procedures are followed. The plant also uses certification to provide a safe working environment for its employees (e.g. renewal of fire certificates, warehouse safety certificates, etc.).

More than 475,000 euros excl. tax invested in favour of health, safety and employees' working environment(1)

All electric vehicles in production and operation meet the type-approval criteria to which they are subject, including the safety of occupants. Crash tests carried out during development are compliant and attest to vehicle safety.
In 2018, a visitor book was introduced at IER's Besançon site to record all persons on-site at any given time. More than 30 prevention plans have been agreed with external contractors on French sites.
Any company working on IER & Automatic Systems France sites for the upkeep, maintenance or improvement of premises and installations is subjected to a risk assessment and reminded of the rules applicable on-site. This assessment is formalized in a fire permit/safety plan for external contractors and a safety protocol for carriers.

IMPROVEMENT IN WORKING CONDITIONS

Bolloré Transport & Logistics

Within each Business Unit, the various jobs and occupations, which are sometimes extremely specialist and high-risk, are analyzed to optimize working conditions for our employees.

- **Bolloré Ports and Bolloré Railways**

Bolloré Ports and Bolloré Railways both have very specific, high-risk occupations which are given special consideration.
Risk mapping is regularly carried out for each post, covering all sites and taking into account the risks associated with subcontracting. Depending on the analysis, various corrective actions are possible:
- adaptation of the working conditions;
- adaptation of the working environment;
- adaptation of the equipment.

For example, regular breaks and staff rotation are organized for the occupations concerned, e.g. locomotive drivers or gantry crane operators working at a height of 70 meters. In addition, the purchase and use of equipment conforming to the standards and regulations in force, as well as regular maintenance of facilities, is a requirement of the HSE policy at Bolloré Ports and Bolloré Railways. Technicians have special personal protective equipment (PPE) to protect them from noise, odors, visual and physical impact identified during the occupational risk mapping carried out for each occupation. At Bolloré Railways, the company physician visited workstations to assess the hazards faced by employees in 2018. Counseling units are also set up following a railway incident.
These measures form part of specific local action plans and are implemented for each new activity or occupation introduced at sites. In addition, audits of the working environment, such as noise or light intensity, are routinely carried out during new construction or the extension of a new port activity.

- **Bolloré Logistics**

Where mechanical handling is not feasible, the risks are assessed taking into account the task, load, physical effort, working environment and individual ability. Ergonomic principles and risk mitigation techniques are then implemented. Moreover, operators are trained in the correct movements and posture before carrying out manual handling operations. This training is repeated as often as necessary, to supplement rather than replace safe working methods. Training and information materials are also produced to make employees aware of the occupational risks they face.

- **Bolloré Energy**

In 2018, Bolloré Energy continued to roll out its three-year training plan for correct movements and posture, which is one of the main risks linked to its business. As in 2017, working groups involving staff representatives were set up to map occupational risks and identify the preventive actions to be put in place. Various actions were therefore carried out in 2018, such as the provision of safety equipment for visitors, or a new server for ordering PPE.

(1) Autolib', Bluecarsharing, Bluely, Bluecub, Bluestation, Bluecar Italy.

Blue Solutions

The Brittany sites have adopted a policy for the prevention of arduous working conditions through commitments and actions that dovetail with the dynamic process of occupational risk prevention, in place for several years (health and safety policy and collaboration with the company physician). Since July 2016, the factors that contribute to arduous working conditions have been analyzed as part of the risk assessment for each position beyond legal obligations. The company's policy is to take preventive technical, organizational and protective measures to minimize the arduous conditions employees might face (noise, awkward postures, heavy lifting, exposure to chemicals). Shift work, inherent to the activity, is the only issue that cannot be addressed by prevention. That is why, since 2016, people who have done shift work for most of their careers have benefited from an ambitious plan allowing them to retire early, making it possible to compensate for the non-retroactivity of the personal hardship account (additional time deposited in the time savings account). Stress prevention measures are also implemented through specific training.
For Blue Solutions' mobile applications, particular attention is given to hardware and equipment. Employees in charge of vehicle maintenance have special protective equipment. In addition, internal audits are carried out to ensure the use of safety equipment on the production line and compliance with the defined procedures.
A chemical risk assessment has also been carried out jointly with the OHS Committee to adapt and/or modify products without reducing their effectiveness. In effect, eliminating or substituting certain products diminishes employee exposure to dangerous chemical agents and reduces the need for wearing PPE, which poses a significant physical constraint. Therefore, by liaising closely with occupational medicine, some posts have been successfully adapted to improve the working conditions.
IER has been engaged in an active process to prevent workplace hazards for several years, developing its health and safety policy in consultation with the company physician. Since July 2016, hardship factors are analyzed as part of the risk assessment of each workstation. At the same time, the flows and design of the production and storage lines of the IER plants in Besançon and Persan have been subject to various modifications with a view to optimizing processes. In this context, a new terminal assembly line was rolled out in Besançon in 2017 to reduce arduous postures and improve workstation ergonomics. Further work was carried out on this in 2018 and will continue in 2019.
IER regularly conducts optimization initiatives at its production sites, such as the layout of production lines or the acquisition of ergonomic handling equipment. Initiatives of this nature have reduced employee exposure to health risks stemming from handling activities and arduous postures. This reduces the likelihood of occurrence of work-related illnesses such as musculoskeletal disorders (MSD).
In addition, projects based on the 5S methodology (sort, set in order, shine, standardize and sustain) since 2017 were rolled out to all sites.
An online "safety induction" also educates and trains employees in HSE risks and procedures. It is mandatory for all newcomers (staff on open-ended or fixed-term contracts, apprentices, interns and temporary workers) at IER and Automatic Systems France sites.
HSE action plans are monitored with year-end completion rates of more than 90%.

TRAIN AND RAISE AWARENESS

Bolloré Transport & Logistics

All Bolloré Transport & Logistics Business Units ensure that employees are recruited and trained to fulfill their role and perform the tasks assigned to them, including those that may have an impact on health, safety and the environment.
Training and awareness-raising on HSE topics are given to subcontractors according to the same principles of compliance with safety regulations enshrined in the QHSE policies of Bolloré Transport & Logistics Business Units. They must also ensure that their staff are qualified and certified to perform the required tasks. Bolloré Transport & Logistics reminds its subcontractors of the basic safety rules for day-to-day operations (e.g. handling heavy loads, hazardous products, transport and traffic regulations).
Every year, Bolloré Transport & Logistics commemorates the World Day for Safety and Health at Work, when major awareness and safety campaigns take place around the world. Established by the International Labour Organization (ILO), the World Day for Safety and Health at Work takes place on April 28. It is an opportunity for companies to raise awareness and promote safety among their employees, on an annual theme chosen by the ILO or on topics of their choice. In 2018, more than 16,000 employees (Bolloré Logistics, Bolloré Ports and Bolloré Railways) took part in the event.

- **Bolloré Ports and Bolloré Railways**

In view of the specific nature of their business, Bolloré Ports and Bolloré Railways offer four main types of training:
- daily safety training or toolbox (health and safety briefings relating to the tasks to be performed by operators);
- specific job training: locomotive drivers, gantry crane and other crane operators, oversized cargo handling, etc.;
- training on hazardous materials handled and transported (see "Environmental management system", page 83);
- periodic training given to members of the Occupational Health and Safety Committee (OHSC).

In addition, a graduate school for the railway industry was established in 2017 in partnership with specialized training organizations. With regard to port operations, in addition to the use of the Bolloré Pan-African training center, the terminals use organizations such as GMP and Global Port Training.

— Bolloré Ports and Bolloré Railways

(Number of hours of training)	**2018**	2017	**Change 2017/2018**
HSE training hours for employees	60,088	80,961	–26%(1)
HSE training hours for subcontractors	105,425	23,704	345%(2)

(1) The decrease in training hours in 2018 is due to the end of the employee training program at the Port of Kribi following its opening in 2017.
(2) The sharp increase in training hours for subcontractors is due to the opening of the ports of TBC Brazzaville, TVB Haiti and MPS 2 in 2018.

Regarding the awareness of third parties and users, a reminder of the safety rules can be issued at meetings held between representatives of the Business Unit and the populations concerned (particularly within monitoring committees).

- **Bolloré Logistics**

The training provided to all new employees covers the following points: the commitment of the Executive Management, a presentation of the QHSE actors, and the risks and precautions in respect of manual handling, forklift operation, hazardous goods, fire emergency procedures, etc.
The themes of the HSE training and awareness programs implemented by the entities depend on the nature of the activities carried out, and the risks to which employees are exposed (PPE training, hazardous substances, fire-fighting, working at height, etc.).
In addition to this are the 15-minute safety talks given to small groups of employees in the field. These activities allow a dialogue to be established with employees using a Q&A format. This approach is particularly instructive since it also gives employees an opportunity to provide feedback. This can then feed into discussions about possible areas for improvement, such as redesigning traffic flows or signposting hazardous zones.
Every nine months, Bolloré Logistics publishes a QHSE review covering the various operational challenges and issues (KPIs, certification, specific actions deployed on sites, projects, etc.).

— ***Bolloré Logistics***

(Number of hours of training)	**2018**	**Change 2017/2018**
HSE training hours for employees	More than 25,000	–4%
HSE training hours for subcontractors	29,600	–57%

HSE meetings are held regularly at sites. They are also a communication channel for conveying messages to participants or for holding safety moments. Annual training and awareness activities are organized for subcontractors and external firms. The training focuses on topics specific to the activities carried out, e.g. manual handling, lifting loads, defensive driving, etc.

- **Bolloré Energy**

At Bolloré Energy, major training plans are regularly implemented alongside routine awareness-raising, such as the "study weeks" organized by head office for local managers to discuss and share best practices to be implemented day to day. The training covers movements and postures, workplace first-aiders, etc. External drivers conducting loading operations at Bolloré Energy sites are also trained to understand the risks during loading.
In 2018, Bolloré Energy continued its safety campaign aimed at training all branch managers in the various risks related to their activities and on the appropriate preventive actions.
During the 2018 World Day for Safety and Health at Work, the branch managers of Bolloré Energy also made their employees aware of the risks associated with the storage and transport of hazardous goods.

— ***Bolloré Energy***

(Number of hours of training)	**2018**	2017	**Change 2017/2018**
HSE training hours for employees	9,990	10,729	–7%

Blue Solutions

Training and awareness-raising for employees on the risks of stress are organized on the Brittany sites. Stress and Management training courses are given to all managers, regardless of their status. In addition, extensive safety training is also provided:
- training and refresher courses for workplace first-aiders;
- training for first and second responders;
- awareness of the root cause analysis method;
- ATEX (Explosive ATmospheres) training for the battery site;
- safety management and safety visit;
- correct posture and manual handling techniques;
- legionella risks;
- laser risk;
- radiological risk.

Blue Solutions also took part in training organized by the local fire service for emergency response protocols on the LMP® battery, and notably in the third "Emergency Response for Vehicles" training event.

— ***Plastic Films, Blue Solutions, Bluebus***

(Number of hours of training)	**2018**	2017	**Change 2017/2018**
HSE training hours for employees	4,474	5,178	–14%

In 2018, "car-sharing" employees from Blue Solutions' mobile applications, who are also exposed to numerous risks related to vehicle maintenance operations, work on charging terminals, pedestrians, and vehicles on public roads, also received training and awareness-raising in Paris, Lyon and Bordeaux.

— ***Autopartage***

(Number of hours of training)	**2018**
HSE training hours for employees	390
Number of employees trained	67

The chemical hazards prevention program that IER introduced in 2013 continued during the year. This consisted of identifying and assessing the chemical hazards involved and educating employees on the correct use and storage of hazardous chemicals. Further training is provided in small groups if specific needs are identified.

— IER

(Number of hours of training)	**2018**	2017	**Change 2017/2018**
HSE training hours for employees	2,191	1,348	63%

PROTECTING HEALTH

The Bolloré Group protects its employees from physical and mental harm. Staff are also responsible for looking after their health. The Group's occupational health objectives are as follows:
- protecting the health of everyone in the workplace;
- providing a framework to identify and minimize health risks;
- reducing the impact of health risks on our business;
- complying with all regulatory and legal requirements.

The Group ensures that staff are in good health and medically fit before giving them an assignment.
Health is assessed and monitored in several ways:
- pre-employment medical;
- increased monitoring of staff potentially exposed to high risks;
- immunization or disease prevention programs, where necessary.

The Bolloré Group also offers an effective social protection. This is reflected in access to healthcare and prevention programs, which vary depending on the location. In Africa, for example, the complementary health cover offered to employees far exceeds the legal requirements. The Group has also extended its policy of access to healthcare and prevention to beneficiaries and local communities, depending on the location.
When working on-site, subcontractors may have access to the Group's medical facilities, particularly in an emergency. Depending on the type of operation and the location, subcontractors may also be invited to undergo screening and immunization.

Bolloré Transport & Logistics

Ensuring the health and well-being of all employees, and making the necessary arrangements to provide medical care, are key requirements of the healthcare policies implemented by the entities of Bolloré Transport & Logistics.
The Business Units of Bolloré Transport & Logistics have arranged supplementary health insurance on behalf of staff and their families, enabling them to access healthcare and obtain the reimbursement of medical expenses. Fully 80% to 100% of the costs are covered, depending on the cover provided under the supplementary insurance scheme.

More than 100,000 people in Africa benefit from supplementary health coverage (25,000 employees and their beneficiaries).

The QHSE departments of Bolloré Transport & Logistics entities are particularly focused on the prevention of pandemics, epidemics and local health emergencies. Health monitoring therefore takes place on a permanent basis, and the Bolloré Group crisis unit is mobilized to monitor the progression of epidemics. In 2018, the Bolloré Group made its managers aware of the introduction of special procedures (e.g. daily reminders of safety rules and training for employees and subcontractors) in affected countries to tackle the various epidemics and pandemics in regions where the Group operates (e.g. yellow fever in Nigeria, Lassa fever in West Africa and the Ebola pandemic in North Kivu, etc.).
The Group is also implementing various preventive measures to combat diseases such as malaria, sexually transmitted infections (STIs) and HIV/AIDS. For instance, to prevent and reduce the spread of mosquitoes and malaria, Bolloré Logistics imposes the following requirements, particularly in Africa:
- provision of the appropriate treatment where possible to non-immunized and semi-immunized personnel;
- removal of standing water if possible, particularly around offices and residential areas;
- installation of mosquito screens on the windows of Bolloré Logistics offices and residential buildings;
- regular campaigns to maintain a high level of awareness of the risks of malaria.

An information and education program on STIs and HIV/AIDS is delivered to all staff in Africa. Educational material such as leaflets and posters are distributed and displayed at Bolloré Logistics' sites. With a view to improving the prevention of and protection against STIs, Bolloré Logistics encourages and helps all members of staff to make an early diagnosis, so that they can be aware of their status and adopt safe and appropriate measures.

More than 12,000 employees benefit from vaccination campaigns and screening, od which more than 80% dedicated to employees in Africa.

- **Bolloré Ports and Bolloré Railways**

Bolloré Port and Bolloré Railways have arranged access to a regular medical service for employees and their families, as well as medical treatment, vaccinations and medicines. All employees undergo an annual medical check-up, with additional medical examinations for workers exposed to particular risks. In all, 100% of port and rail sites are covered by dedicated internal or external healthcare facilities. When local health services are inadequate or too far from operational sites, Bolloré Ports and Bolloré Railways implement the necessary resources (medical centers, medical personnel, ambulances, medical equipment) to ensure the health of their employees, their beneficiaries and, where necessary, sub-contractors and third parties.
Additional medical check-ups are required for special subcontracted operations such as underwater inspection of infrastructure. In the event of a health crisis, subcontractors are subjected to the same requirements as employees in terms of prevention and protection.
With regard to users of Bolloré Railways trains, in parts of the rail network where there is no medical center, local medical facilities are authorized to provide medical care for anyone injured on the track. Nurses are present on all passenger trains to look after passengers. They are authorized to provide free medical care and essential medication during the journey.
To protect the health of people living near the railway tracks, preventive measures are organized during meetings with local residents' committees. For example, vaccination campaigns for pregnant women and newborn babies, arranged for staff, are also open to local communities.
As public transport can be a major cause of the spread of diseases and epidemics, the rail entities of Bolloré Railways carry out epidemiological monitoring, benefiting employees and, by extension, the communities living next to the track. A health monitoring system to combat specific epidemic and endemic diseases has also been set up. For example, impregnated mosquito nets are distributed to the families of employees to prevent the spread of malaria.
Meningitis vaccination campaigns have also been carried out in the eastern and northern sections of the rail network. Furthermore, staff are made aware of measures to prevent and manage certain diseases through the periodic distribution of the railway health bulletin and through the health column in the monthly newsletter for railway workers.
The Duty of care plan report describes the follow-up to the Camrail accident and the measures and action plans implemented, which illustrate the Group's approach to the Duty of care cycle (see section 2.2.2, "Duty of care" on page 74).
In addition, specific measures are taken when public health issues are identified in relation to Camrail's operations. In 2018 for example, during track maintenance work, Camrail had to replace several kilometers of wooden sleepers which had been treated with creosote to prevent them from rotting and were therefore a health hazard. To prevent the public from coming into contact with the sleepers, Camrail took the necessary steps to remove them and store them in special areas under surveillance prior to their destruction (see section 2.3.1 on page 83). An Occupational Health and Safety Committee (OHSC) operates centrally and in each of the coordinating bodies within the rail network. The committee meets three times a year with the relevant authorities, such as the National Social Insurance Fund (CNPS) and the Ministry of Employment and Social Security.

Lastly, the medical center located near Camrail's central workshops in the Bassa area has been approved by the Cameroonian Ministry of Public Health to provide care for people living with HIV/AIDS. It also serves the local community and is an authorized vaccination center for public campaigns, recording more than 32,000 consultations each year.

- **Bolloré Logistics**

In addition to the strict application of the Group's health policies, Bolloré Logistics rallied behind World Vision Day in 2018.
For the second consecutive year, Bolloré Logistics, in partnership with Essilor, the global leader in ophthalmic optics and a key player in visual health, organized awareness-raising workshops on vision for its employees. The campaign proved to be a success, since 1,450 employees took part at 32 sites in eight countries across Europe, ASPAC (Asia-Pacific) and MESA (Middle East Africa). Good eyesight allows people to acquire knowledge, access employment and integrate socially within their environment. This awareness-raising campaign is in line with Bolloré Logistics' CSR program, "Powering Sustainable Logistics", and specifically one of the 11 commitments "Ensuring a safe and healthy work environment for everyone".
Disease control programs implemented in some parts of the world also apply to companies operating on sites.

- **Bolloré Energy**

Bolloré Energy employees benefit from compulsory and supplementary medical cover, in accordance with the legislative requirements in the countries where they are based (France, Germany and Switzerland).

- **Electricity Storage & Solutions**

All Blue Solutions employees benefit from compulsory and supplementary medical cover, in accordance with the legislative requirements in the countries where they are based.
In terms of the health issues that could affect users and third parties, within Blue Solutions' mobile applications, special audits are carried out to certify that manufacturing components do not contain any prohibited heavy metals. Suppliers also provide declarations certifying that their products do not contain heavy metals that have been banned in Europe.
These checks are carried out during the approval phase of each project, which allows a more thorough analysis of the raw materials of each component.
Moreover, while polluting emissions from internal combustion engine vehicles are a major public health issue, the tests carried out in 2018 by the Regional Department of Environment and Energy in Île-de-France calculated the CO_2 emissions from vehicles manufactured by the division to be 0 g/km.

2.1.2. BEING AN ATTRACTIVE EMPLOYER

2.1.2.1. ATTRACTING AND RETAINING TALENTED EMPLOYEES

DESCRIPTION OF THE RISK

Attracting and retaining skills R[1]

Bolloré Transport & Logistics and Blue Solutions employees perform a diverse range of activities in a large number of locations. This implies the need for a high degree of consistency in the quality of service provided to customers in order to meet the required standard of operations. That is why the issue of retaining the women and men of the company while developing their skills is a key driver of operating efficiency and innovation aimed at ensuring the sustainability and development of our activities.

GROUP POLICY

RELATIONSHIPS WITH SCHOOLS: GOING OUT TO MEET FUTURE TALENTS

Relationships with schools are a key pillar of recruitment policy. Establishing close links with schools, universities and associations is our preferred way of meeting students.
Going into schools is a means of showcasing our values, challenges, professions and opportunities, and helping students project themselves into the Group. It also offers the teams a clearer picture of the professional expectations of new generations and helps them offer potential employees the right opportunities.
The challenge is not so much to attract young people from the most reputable training courses, but to find promising profiles that match the Group's culture and values, while forging a lasting bond between the company and the students most in line with its needs.
That is why HR teams and the operating representatives of each business line regularly take part in recruitment forums organized by partner schools and attend thematic workshops (conferences, case studies, HR coaching, etc.). Events of this nature involve many employees from both divisions, who are very enthusiastic about getting involved and sharing their experience with students each year.
For 2019, the challenge will be to reinforce messages by ensuring greater consistency in the Group's communication on all recruitment forums.

Trainee experience: nurturing future talents

The Group fills hundreds of internship and combined work-study positions through initiatives carried out in schools. It offers opportunities in operating positions (supply chain, logistics, transportation, shipping, civil engineering, port, rail, industrial project management, R&D projects, trade, etc.) and in support functions (finance, law, information systems, human resources, marketing, etc.).
A trainee welcome program has been developed within the Bolloré Transport & Logistics division. HR support does not end with the morning of integration devoted to the scope of activities within the Group and meeting other trainees in the company. It continues throughout the contract.

— Bolloré Group (excluding Vivendi)

	2018
Number of interns	2,191
Number of school partnership	156

RECRUITMENT

Recruitment contributes decisively to the company's performance by bringing in the best profiles in line with the Bolloré Group's culture and values, and with our operating needs.
That is why the Group has drawn up a recruitment process with the aim of organizing the various stages of the process in the most efficient way possible, and making the system as a whole more reliable.
The shared recruitment process:

- promotes consultation between recruitment actors to define the needs in response to the company's development challenges;
- communicates needs through the most relevant media, both internally and externally;
- makes the selection of talents more objective through the use of assessment tools that help gain a better understanding of the applicants' three key dimensions, namely their abilities, their technical and behavioral skills, and what motivates them;
- guarantees equal opportunities for all profiles, with the firm conviction that diversity is a source of productivity and creativity in companies.

The process is structured and transparent. It has six central stages: definition of the need, sourcing of the applicants, sorting of the applications, assessment interviews, choice of the candidate and integration.

- The need is defined through exchanges between the HR liaison (recruitment manager, HR manager, HR coordinator) and the requesting manager to specify the brief based on the existing job description or a template of the job description form. HR teams work closely with operating staff to identify needs more closely and fine-tune the profile sought. A technical and expert

(1) R: priority risk

approach combined with a human resources approach is then used to select applicants with development potential and who also match values.
- Sourcing (circulation of the brief and search for applicants) is performed both internally and externally, through a range of media. Internal circulation is an essential means of promoting employee mobility. Internal recruitment will always be preferred for an equal level of skills.
- External distribution methods are adapted to the local context. They include job boards, cooptation, recruitment agencies, social networks, newspapers, employment organizations, CV banks and partner schools.
- Applications are selected on the basis of objective criteria such as experience, training and specific skills. Promoting equality of opportunity and diversity is a key part of the sorting process. It is done in close collaboration between operating and HR teams.
- Each application is treated with care, in resonance with a central value of the Bolloré Group, namely regard for others.
- The number of assessment interviews varies depending on the position, with at least one interview with the operating team and one with HR. Objectivity and homogeneity in the evaluation are achieved thanks to tools including interview guides, telephone interview sheets and interview evaluation sheets.
- The candidate is selected in consultation between the recruitment, HR and operating actors.
- Integration is the final phase of the process and a key element of the success of a hire.

Two optional steps can be added to this process depending on the need: specific evaluation techniques (personality test using proven tools on which HR have been trained, languages, professions, assessment, etc.) and references.
The use of these complementary evaluation techniques helps fine-tune the evaluation, but must be strictly correlated to the type and level of position, and can only be performed by HR staff who have received specific training.
Referees are only consulted for the leading candidate or the two best applicants in the selection process, and two references are requested systematically (former managers). In some countries, this implies the candidate's agreement.
In accordance with the provisions of the Sapin II law and the recommendations of the French anti-corruption agency, which sets the framework governing anti-corruption procedures, the Group guarantees a transparent, non-discriminatory recruitment process free of any conflicts of interest in all of its subsidiaries.

— Bolloré Group (excluding Vivendi)

	2018	2017	Change 2017/2018
Number of external hires	5,771	4,483	29%

— Bolloré Group (excluding Vivendi)

(in percentage)	as of October 19, 2018
Percentage of women on the Board of Directors or the Supervisory Board (among voting members elected at the General Shareholders' Meeting)	44.4
Percentage of women in the Compensation Committee	50.0
Percentage of women in the Appointments Committee	50.0

PROMOTING DIVERSITY: A MAJOR FOCUS OF THE GROUP'S HR POLICIES

Promoting diversity and equal opportunities is a major focus for the company's recruitment policy. It is also an important dimension of policies in several areas of human resources.
The Group has elected to adopt a Diversity Charter, signed by Gilles Alix, its Chief Executive Officer. It contains six commitments:
- non-discrimination;
- development of an inclusive culture;
- recruitment and integration of people with disabilities;
- contribution to social inclusion;
- promotion of equality between men and women;
- contribution to the professional integration of young people, particularly in connection with the sponsorship policy.

The Charter is intended to be widely circulated among the Group's managers and HR teams.

— Bolloré Group (excluding Vivendi)

(in percentage)	2018
Women non-managers(1)	27.6
Women managers(2)	28.5

(1) Workforce Total Female Managers/Workforce Total Managers.
(2) Workforce Total Female Non-Managers/Workforce Total Non-Managers

MOBILITY: CAPITALIZING ON THE SKILLS DEVELOPED BY EMPLOYEES THROUGH OUR INTERNATIONAL NETWORK

Employee mobility is both a priority and a practical reality within the Bolloré Group. It is an approach that not only serves to meet the professional aspirations of employees and increase their engagement, but one that also helps meet our business challenges by fostering the sharing of knowledge acquired within our various entities.
Mobility can be geographical, implying a change in the employee's place of work at the national or international level, or functional, with a change of position within the same segment, in another segment or through connections between our various activities.
From a practical perspective, the mobility policy stems from the fact that priority is given to internal applications in our recruitment process.
Mobility can also result from a personal initiative by the employee. In such cases, it is simplified by various processes, including annual appraisals, career committees and the human resources information system (HRIS). It is facilitated by the fact that all vacancies (except confidential ones) are posted on the job exchange, offering potential applicants the chance to discuss the job with the employee's line Manager and/or Human Resources Manager.
Considerable work was done to promote internal mobility within the Group in 2018. Special attention was given to offering as many new opportunities as possible to the near 400 people whose jobs had to be eliminated following the termination of the Autolib' contract. A member of the Group's HR team was given special responsibility for this. The result was more than 400 job offers for the employees in question.
It has been decided to maintain the new organization going forward so as to boost mobility within the Group sustainably.

TRAINING POLICY

Already complex, our environment is changing and becoming more competitive at a rapid pace, and Bolloré must address the major challenges resulting from its transformation by developing service quality as a guarantee of performance and accountability.
The key pillars of this transformation are leadership, growth and innovation. The Group needs to be more efficient and agile and to work in a more cross-cutting and collaborative way.
The aspects of training policy pertaining to the Group's professions are the responsibility of each division. For the managerial aspects, the policy is formed at Group level and uses shared resources.
For Bolloré Transport & Logistics, three priorities have been identified:

• Priority 1: contribute to the overall performance of Bolloré Transport & Logistics and to the success of the policies of the central functions

- Convey the policies of the central departments.
- Give life to a shared culture (values, history, strengths).
- Circulate our standards (skills, know-how).

• Priority 2: contribute to the development of the operating performance of teams and employees

The performance expected within each Business Unit, agency and work team requires constant professionalism. Training is the key here.

• Priority 3: contribute to the success of mobility projects, retraining and individual employee projects

Bolloré Transport & Logistics has also chosen to invest resolutely in "personal development" training courses aimed at enabling employees or managers to improve their communication and optimize their relationships with others, to develop their emotional intelligence, and to increase their confidence and self-esteem in order to make them comfortable in their professional environment.
The company's investment in these training courses is therefore important, because giving voice to their motivations and developing and improving their personal and professional management help employees position themselves better in their jobs and gain fulfillment from their work.
On top of classic training plans, the Blue Solutions divisions have adopted a skills validation scheme for operators (teleoperators, car-sharing service ambassadors, etc.) who had few training certificates or diplomas when they started working. The aim is to improve everyone's confidence in their skills and encourage them to invest in improving them. Another aim is to promote employability and market recognition, both internally and externally, of the skills actually held by these operators.
Lastly, on the managerial aspects common to the Group as a whole, a range of internal training programs has been developed and rolled out in recent years. Its aim is to support the Group's managers at each of the pivotal stages of their careers. It therefore includes training for local managers (Proxy), middle managers (MAPS) and senior management (Top Leadership). 2018 saw the resumption of training sessions bringing together managers from several divisions. This process will be continued and amplified in 2019.

— Bolloré Group (excluding Vivendi)

	2018	2017
Number of employees trained	25,324	19,468
Hours of training provided	500,225	460,489
Average hours of training per employee trained	19.75	23.65

Rolled out within Bolloré Transport & Logistics, two programs merit special mention:

The B'Tomorrow program, which has five main objectives:

- offer a pertinent support solution for Young Talents identified by career committees in various parts of the world;
- strengthen the sense of belonging and promote the retention of this population, in which turnover is particularly high;
- create digital communities that help develop synergies at divisional level;
- offer Young Talents job openings and mobility proposals;
- ensure the sustainability of our organizations by anticipating managerial succession possibilities and expertise channels.

Managers for Tomorrow training

The Managers for Tomorrow program is designed to give trainees a better grasp of the Bolloré Group's strategy, values and activities, and to ensure a better understanding of the role played by managers in our company.
Designed for managers identified by Career Committees, it allows participants to acquire and reinforce their operating and managerial skills and techniques.
Built on a modular basis, it offers a blended view of "business" activities and the cross-cutting functions. Round tables and presentations led by Operations Managers reinforce group and individual work.
The Managers for Tomorrow program meets several objectives:

- identify potential employees and ensure the sustainability of our organizations by anticipating managerial succession possibilities and channels of expertise;
- offer an adapted support solution for potential employees identified by regional Career Committees;
- retain our employees by reinforcing the sense of belonging to the Company: enable interaction with the decision-makers of the various business units, give them a long-term vision and allow them to project themselves within the Group;
- create an international community able to identify and develop synergies or business within the Group.

SUPPORTING PROFESSIONAL DEVELOPMENT

The annual appraisal

• The annual appraisal: a key human resources process

To harmonize practices, the Group has established a single annual cycle in all countries where annual appraisals are held. The process is designed to foster the development person's of our skills and talents as a means of meeting organizational challenges.
Within this framework, a single annual appraisal system has been developed to ensure the harmonization of evaluation criteria. It has been rolled out throughout the international scope.

— Bolloré Group (excluding Vivendi)

	2018	2017	**Change 2017/2018**
Number of annual appraisals conducted	27,238	25,640	+6.2%

• The annual appraisal: a driver of skills development

The data obtained from the annual appraisals are consolidated and used by each HR Manager, giving rise to the implementation of several individualized action plans (training initiatives, support in and consideration of mobility requests, training, tutoring, etc.). The content of this moment of exchange between employees and their management is therefore key to support in fulfilling their desire for development within the Group.

The challenges facing the Career Committees

Career Committees, now a feature across the entire Group, are geared towards anticipating developments within the organization and establishing the appropriate succession plans and the necessary development measures, through collective discussion. Another purpose is to provide a forum for discussing possible career developments for employees and individual action plans. The challenge they face is to guarantee proactive management of jobs and skills.

The professional development interview

Mandatory in some countries, the professional development interview process was revisited this year to make it more operational and pragmatic. It is used within the Group as an indispensable adjunct to the career review, and allows Group employees to discuss their career development with their managers once a year.

PAY AND COMPENSATION POLICY

The Bolloré Group has set a clear course for its compensation policy. Its aim is that wages should be aligned with local markets in each of the countries where it operates and that the benefits it offers its employees should compare favorably with established practice in each market.
It has therefore continued to implement the infrastructure needed to achieve this ambition. A system for weighing up job requirements has been adopted on a test basis in Asia and one of the Group's African units, as well as part of the headquarters.
In response to risks, the Group seeks to ensure that it has the right skills at the right place and at the right time to support its strategy.
The policy rolled out within the Group is one of acting proactively to meet the challenges that lie ahead. The implementation of combined actions is seen as a factor of success and competitiveness, but also as a driver of forward-looking management and decision-making.
Its purpose is to:
- optimize the recruitment, training, mobility and leveraging of key know-how;
- contribute to the implementation of the talent management and future skills development strategy.

It is in this way that we are:
- responding to risks related to attractiveness issues:
- – strengthening the employer brand,
- – optimizing recruitment,
- – adapting jobs to changes in the environment and corporate strategy,
- – anticipating internal problems related to the age structure,
- – affirming the Group's added value on the market by the consistent development of the businesses;
- responding to risks related to retention issues:
- – promoting internal mobility,
- – revitalizing and motivating employees by valuing skills and support for professional projects – training,
- – finding new drivers of loyalty for the key skills structure,
- – facilitating the transmission of knowledge and know-how so as not to lose key skills.

— *Bolloré Group (excluding Vivendi)*

(in percentage)	2018	2017	Change 2017/2018
Turnover(1)	11.95	9.79	+2.15 points

(1) Turnover calculation formula: [(Number of employees hired on open-ended contracts in year N + Number of departures of employees on open-ended contracts in year N)/2] / Workforce on open-ended contracts at 12/31/N–1.
The number of departures of employees on open-ended contracts is calculated based on the difference between the total number of departures and the number of employees whose fixed-term contract has ended ("End of fixed-term contract").
Employees on fixed-term contracts who leave before the end of their contract, included in the category "Other reasons" (death, end of probationary period, etc.), could potentially affect turnover since these employees would be taken into account in the calculation.

2.1.2.2. PROMOTING SOCIAL DIALOG AND QUALITY WORKING CONDITIONS

DESCRIPTION OF THE RISK

Working conditions and social dialog R(1)

The Transport & Logistics and Electricity Storage and Solutions businesses operate in many countries where local standards in terms of working conditions and social dialog can vary greatly, representing a risk not only to employee health and development, but also for business continuity, and services delivering within the timeframe and to the standard expected by customers.

GROUP POLICY

The Bolloré Group is committed to guaranteeing and promoting quality social dialog over the long term, combining economic reality and response to internal social expectations to ensure collective corporate performance without jeopardizing existing balances. This is a central plank of the construction of a corporate social responsibility approach, making it the focus of special attention.
Specific features include:
- promotion of social dialog;
- development of company-specific agreements and, more specifically, working conditions as the driver of the company's performance;
- defense of any action aimed at combating discrimination and promoting professional equality.

The Human Resources teams implement these guiding principles and common values throughout the world, taking care to adapt them to:
- the specific nature of each country as regards prevailing legal provisions;
- the economic reality and strategy of each company (determining the scope of company-specific agreements possible depending on the structure concerned);
- Inter- and intra-Business Unit diversity; and
- human resources management and development priorities (retention of existing employees and/or attractiveness for job applicants through qualitative company agreements).

This policy gives rise to a rich and lively social dialog organized within the Group as part of negotiations with employee representatives or in other forms, depending on the laws of each country in the network.
It should be noted that the Group's subsidiaries undertake to facilitate the expression of employees in countries where the International Labour Organization (ILO) conventions on the freedom to organize have not been ratified.
The development of industrial relations as a vector for the construction of a body of company-specific agreements is a subject of constant concern, with the aim of maintaining as peaceful as possible a social climate and ensuring ongoing dialog with employee representative and similar bodies.
Best practices, successful experiences and difficulties encountered on industrial relations matters are shared between central and local functions in direct exchanges and at HR seminars and workshops.
Regular communication between local Human Resources teams and Industrial Relations Departments and the Group Human Resources Department is reflected in ongoing change to and development of the employee management approach in a continuous improvement process.
Social dialog and company-specific agreements must be a source of genuine social engineering for the company, allowing it to adapt labor standards to its requirements in terms of business productivity. In other words, they must facilitate organization and adaptation to ongoing transformations resulting from economic globalization while ensuring a fair redistribution of profits to employees in the form of benefits.

— *Bolloré Group (excluding Vivendi)*

(in percentage)	2018
Percentage of entities where employees benefit from union representation and/or staff representation	50

ACTION PLAN AND AREAS FOR IMPROVEMENT

The actions and objectives for 2019 and 2020 in this area are set out below:
- the first is to continue applying the procedure for consolidating the various collective agreements in place within Bolloré Transport & Logistics and to develop it so as to maintain a comprehensive approach to social dialog and the specific agreements covering all entities in the division;
- the second is to promote shared approaches to social dialog while ensuring the preservation of the specificities of legal entities in respect of their country of location, their business, their economic results or their management and Human Resources development priorities;
- the third is to define performance indicators with associated objectives to measure progress and plan corrective actions in the event of non-progression.

For social dialog and the development of company-specific agreements in the operating entities, it has been decided to present a focus by geography

(1) R priority risk

rather than by business so as to take into account the specificities of laws applicable in each country, which naturally impact internal company standards.
For Bolloré Transport & Logistics, the four Business Units (Bolloré Logistics, Bolloré Ports, Bolloré Railways and Bolloré Energy) can be grouped into three geographies:

1. NORTH AFRICA, WEST AND CENTRAL AFRICA, SOUTHERN AFRICA AND EAST AFRICA

Social dialog is a long-standing priority of the various African entities. This makes for great diversity and fruitfulness in negotiations, collective agreements and exchanges between the various local managements and employee representatives.
The various elements bearing on company-specific agreements are dealt with most often in the form of single agreements combining a series of distinct issues (wages, classifications, working hours, complementary social welfare benefits, etc.). They are a key driver of collective performance.
It is with this in mind that thinking is underway to design practical initiatives in terms of coordinated and efficient management of the population of dockers.
The aim is to strengthen the medium- and longer-term impact on the preservation of good industrial relations currently prevailing, without neglecting improvements to workplace safety.
To this end, a Strategic Committee led by the executive management of Bolloré Ports, including the Human Resources Department and all relevant Country and Region Directors has been established. It met several times in 2017 and 2018. Initial actions are expected in 2019.

Noteworthy achievements include:
- Collective Bargaining Procedure Agreement, Bolloré Transport & Logistics Malawi, July 2, 2018;
- Company Agreement, Bolloré Transport & Logistics Côte d'Ivoire, July 2, 2018;
- Minutes of the consultation between executive management and union representatives, Congo Terminal, November 22, 2017;
- Company Agreement, Sitarail, November 13, 2018;
- Collective Agreement, Bolloré Transport & Logistics Benin, SOCOPAO Benin and SEP, August 2018;
- Collective Company Agreement, Moroni Terminal, June 1, 2017;
- Social Dialog Agreement, Camrail, November 27, 2018.

2. AMERICAS, ASIA-PACIFIC, MIDDLE EAST AND SOUTH ASIA

These areas, with a few exceptions, tend to have national labor regulations rather than agreements specific to each entity.
Many entities establish unilateral internal industrial relations arrangements that reflect their own priorities, including equality of treatment and non-discrimination.
Other entities, less numerous, have conducted negotiations giving rise to a collective agreement.

Noteworthy achievements include:
- Policy on Harassment and Workplace Violence, Bolloré Logistics Canada, April 1, 2017;
- Equal Employment Opportunities Policy, Bolloré Logistics Australia, 2018;
- Collective Labor Agreement, Bolloré Logistics Vietnam, March 1, 2017.

3. EUROPE

Culturally, most of Bolloré Transport & Logistics' French entities have developed varied and unique company-specific agreements resulting from internal negotiations between management and the unions.
In that, they reflect a trend encouraged by lawmakers in recent years, in which standard-setting power has been devolved from a central level (national law) to a local level (company) by increasing the number of issues open to negotiation at the company level in the aim of promoting tailored rules for individual companies, taking a broad national standard as the starting point.
Other European countries are adopting the same process in terms of company-specific agreements, with the exception of a few European countries where national labor law is limited and where the size of the entities concerned does not allow for the development of a significant internal body of company-specific agreements.

Noteworthy achievements include:
- Organization of Working Time Agreement, Bolloré Logistics (France), July 12, 2017;
- Profit-sharing Agreement, Normande de Manutention (France), May 4, 2018;
- Agreement on Professional Equality and Quality of Life at Work, Bolloré Ports France, November 22, 2018;
- Intergenerational Contract, SFDM (France), May 15, 2017;
- 2018 Mandatory Annual Negotiations Agreement, Bolloré Energy (France), March 8, 2018.

With this in mind, it has been decided for the three geographies mentioned above to favor internal exchanges (formal and informal meetings, other vectors) as a means of developing internal connections and anticipating employee expectations, and also as a way of developing processes that facilitate the spread of Bolloré Transport & Logistics' guiding principles in the area of social dialog and the promotion of shared values.
For the Systems and Telecommunications division, the year's highlight was the restructuring carried out as a result of the end of Autolib' activity. It was conducted in a spirit of permanent dialog with employees and their representatives. Dialog resulted in the signing of three agreements covering plans to safeguard employment in the three companies involved in the restructuring – agreements that created the conditions for the reclassification of a vast majority of employees and which were signed unanimously by all parties. People who have not yet found other positions continue to receive support and assistance from the company.
For the Electricity Storage and Solutions division in Brittany, the year's highlight was the signing of an agreement to harmonize social conditions within the existing Economic and Social Unit between the companies operating on the Ergué-Gabéric site.

2.2. Acting responsibly and promoting Human Rights in our activities

2.2.1. GUARANTEEING BUSINESS ETHICS

DESCRIPTION OF THE RISK

Corruption and conflicts of interest R[1]

The French law of December 9, 2016, known as Sapin 2, came into force on June 1, 2017. It requires both French and foreign companies to take specific measures to fight corruption.
Corruption risk mapping is intended to respond to a dual challenge: (i) understand the factors liable to affect the various activities and their performance, with the aim of guarding against the legal, human, economic and financial consequences resulting from insufficient care, and (ii) foster greater knowledge and in turn better control of these risks.
A risk management tool, corruption risk mapping is the cornerstone of the Bolloré Group's corruption risk management strategy , namely, the identification of corruption risks, comparison and assessment of the existing treatment of corruption risk, identification of residual corruption risk after the implementation of mitigation strategies, and mobilization of the organization through a shared methodology and a tool determined by a specific project.
For the development of a risk-based approach, the Bolloré Transport & Logistics scope was chosen to pilot the development of Group-wide corruption risk mapping, with particular attention paid to the various geographies and their exposure to corruption risks within the scope of their activities.

(1) R: priority risk

GROUP POLICY

Ethics are considered one of the Group's assets, a factor that contributes to reputation and loyalty. The Bolloré Group created effective and consistent ethical measures in order to communicate clear rules of conduct to all of its employees. It is based on a Code of Ethics (2000), the commitments of which were reaffirmed in 2012 under the name "Ethics and Values". This document was subsequently revisited in 2017, with the dual aim of providing a reminder of the 12 fundamental principles of the initial 2000 Charter and including the key features of France's new Sapin 2 anti-corruption law. Lastly, the General Code of Business Conduct/Compliance Guide applicable to the entire Group, was significantly revised in 2017 and distributed to all staff in the last quarter of 2018. However, as stated in the "Ethics and Values" Charter, "the scrupulous respect of the laws and regulations in force" is not enough. This is why the Bolloré Group is committed to an ethical and responsible approach, based on strong commitments which are conducive to shared outcomes for its activities as a whole.

Based on the principles of the United Nations Global Compact as regards Human Rights, labor rights, the protection of the environment and the fight against corruption, as well as on the Group's values, this approach aligns economic performance to shared business ethics" (see point I of the Ethics Charter), published on the website www.bollore.com.

The first point breaks down into a number of obligations:

- preserve the Group's image, its shared heritage;
- ensure the necessary confidentiality, notably as regards personal data;
- make ethics the focus of relationships with the authorities;
- pay strict attention to conflicts of interests;
- ensure that reliable and accurate financial information is available;
- maintain business relationships that comply with ethical standards;
- guarantee objectivity in choosing suppliers.

ETHICS GOVERNANCE

To ensure the effectiveness of these measures, the Ethics-CSR and Anti-corruption Committee lays down and coordinates the rollout of ethics policy within the Group. Led by the Committee Chairman, appointed by the Group Chairman, the Committee's members include Group and Division Chairmen and Chief Executive Officers, the Head of Internal Audit, the Group Human Resources Director, the CFO, the Group General Counsel, the Group Chief Compliance Officer and any other person that Executive management feels will help the Committee carry out its work.

The Group's Chief Compliance Officer is supported by a dedicated structure of experts, the Compliance Department, which is hosted by the logistics business but serves the entire Group. There is a network of compliance representatives across the Group's logistics activities, with further representatives in the process of being appointed in the other divisions. This "local" network reports hierarchically to the various levels of management and executive management at the divisions. In operational terms, it reports to the Group Compliance Department.

COMPLIANCE MANAGEMENT SYSTEM IN PLACE WITHIN THE DIVISIONS

- The Bolloré Group Code of Ethics is the Group's reference document within the meaning of Articles L. 233-1 and L. 233-3 of the French commercial code *(Code de commerce)*. Entitled "Ethics and Values" and common to all divisions, it sets out the core aspects of the ethics system. It is the first point of reference for the whole system, the second being the United Nations Global Compact, which the Bolloré Group signed in 2003. This Ethics Charter is one of the documents provided to new hires within the company, and is mandatory for all managerial staff.
- The code of conduct: this document has been substantially revised; its June 2017 version covers all Bolloré Group businesses and scopes, within the meaning of Articles L. 233-1 and L. 233-3 of the French commercial code (*Code de commerce)*[1]. It sets out the ethics issues given the greatest importance: transportation safety, employee health and safety, the fight against corruption, respect for competition rules and respect for the environment. The new version contains recommendations on a further two important areas: prevention of conflicts of interest and compliance with export control regulations and trade sanctions. To enable each person to take them into account within their scope of action, they are described in detail, along with the principles, rules of conduct and behaviors to adopt. This code will naturally be kept up to date with new laws, regulations and requirements of national or international origin. Its distribution among all staff was completed in late 2018.
- Management system for ethics compliance and anti-corruption measures: to give the ethics principles described above a practical footing, the Procedures Manual sets out operational rules. They cover risk assessment (reviewed in 2018 to meet the new mapping criteria laid down by the Sapin 2 law and the recommendations of the French anti-corruption agency), awareness raising, training, rules concerning third-party gifts and entertainment, supplier selection (due diligence), as well as accounting transparency and the auditing of the compliance management system.
- The whistleblowing system: as a last resort, a whistleblowing procedure is available to employees in each division. Its purpose is to allow employees to report – in the strictest confidence – serious breaches in matters relating to finance, corruption, anti-competitive practices, discrimination or harassment, health and safety, or environmental protection to the Chief Compliance Officer. The procedure has been reviewed to incorporate the requirements of Sapin II and the recommendations of the French anti-corruption agency.

SIGNIFICANT EVENTS IN 2018

While actions throughout the year were in line with the Group's strategy laid down in previous years, the focus in 2018 was on adapting the Group's anti-corruption system to the requirements of Sapin 2 and the recommendations of the French anti-corruption agency (AFA), published at the end of December 2017, which are intended to prevent and detect corruption and influence peddling in France or internationally.

The project was launched in January 2018 by the management of the Bolloré Group, which made it a priority, under the stewardship of the Chief Compliance Officer. Conducted in three stages, it will run until January 2020.

The first two stages, analysis of the situation with regard to the AFA's recommendations and the implementation of transitional measures, were conducted through four key projects in 2018:

- the first was corruption risk mapping covering our main businesses;
- at the same time, anti-corruption compliance reporting was conducted in collaboration with our subsidiaries in the countries where the Group operates;
- the results of risk mapping and compliance reporting gave rise to the first steps of an action plan drafted at headquarters and in the subsidiaries. Country action plans were also developed, demonstrating a determination to guarantee appropriation of corruption risk mapping in the field. They cover the AFA's eight recommendations, addressing the priority risks identified in the corruption risk mapping by strengthening current arrangements for third-party assessment and training and for the AFA's five other recommendations;
- the last key plank of the compliance system adaptation was the structuring of the global network of compliance representatives and the training of employees.

In addition, the many requests from third parties during the year led the Compliance Department to take action to meet the expectations of stakeholders in this area, not only in the field of anti-corruption but also as regards international trade sanctions, which were a big issue in 2018.

OUTCOMES AND PERFORMANCE INDICATORS

The management of the adaptation of the anti-corruption system in project mode, which resulted in very strong mobilization across the Group, mirroring its importance as a priority, was made possible by the reinforcement of the Group's human resources and expertise in the field of anti-corruption. This

(1) Sapin II: "When the company prepares consolidated financial statements, the obligations set out in this Article concern the company itself as well as all subsidiaries, within the meaning of Article L. 233-1 of the French commercial code *(Code de commerce)*, or companies it controls, within the meaning of Article L. 233-3 of the same Code. Subsidiaries or controlled companies that exceed the thresholds referred to in this paragraph I are deemed to fulfill the obligations provided for in this Article if the company that controls them, within the meaning of the same Article L. 233-3, implements the measures and procedures provided for in paragraph II of this Article and if these measures and procedures apply to all the subsidiaries or companies it controls." As such, none of the foregoing concerns Vivendi and its subsidiaries, which are not controlled within the meaning of Article L. 233-3.

involved the establishment of means to develop and monitor the introduction of actions identified within the project, backed up by specific support through dedicated IT applications.

Other noteworthy achievements in 2018 illustrating this reinforcement include:

- the implementation of compliance reporting for headquarters companies and the many international subsidiaries in the Group's main activities;
- the upgrade of the platform offering anti-corruption e-learning training, which was successfully completed by more than 21,000 Group employees around the world as at December 31, i.e. 93% of the target population;
- the development of a management platform for compliance with and commitment to anti-corruption policies among suppliers, allowing questionnaires to be distributed and processed on a large scale;
- the circulation of the General Code of Business Conduct/Compliance Guide in all our subsidiaries worldwide; and
- the Group holding an international anti-corruption day on December 10, 2018, with the aim of illustrating the commitment of its managers in matters of ethics and anti-corruption.

2.2.2. DUTY OF CARE

In 2017, France expanded its regulations to include a new "Duty of Care Law" pertaining to parent companies and order-giving companies. The objective of the Duty of Care law is to extend the liability of transnational corporations so as to forestall and avoid catastrophes such as happened at Rana Plazza in Bangladesh in 2013. The companies affected by the law must draw up a vigilance plan The law operates in several areas where serious offenses may arise from the activities of a company or its supply chain:

- Human Rights and fundamental freedoms;
- personal health and safety;
- the Environment.

The law affects subsidiaries directly or indirectly controlled by the parent company along with the activities of suppliers and subcontractors with whom there is an established business relationship.

THE BOLLORÉ GROUP'S VIGILANCE

Because of the nature, diversity and geographical locations of its businesses, the Group's approach to Duty of care is based on the following principles:

- ensuring the compliance of the Group and its business relationships with the most relevant international standards and local legislation in force, when this is more demanding;
- paying particular attention to its employees, suppliers and subcontractors, notably through vigilance concerning working conditions and high standards of health and safety for all;
- preserving the environment through accurate measurement of the impact of the activities of the Group and those of its business relationships as well as setting up actions to protect against and mitigate environmental risks;
- applying particular vigilance to safety conditions and respect for the fundamental rights of the users of the Group's services and solutions and people living near our areas of activity.

The Bolloré Group has identified its priorities for concentrating efforts in terms of action plans, geographical areas and resource allocation. The purpose of this work is to obtain results in exercising reasonable Duty of care that are effective and transferable to all of the Group's business activities all around the world. It also tends to strengthen the Duty of care procedures through a process of continued improvement.

Note that the Bolloré Group's vigilance plan does not apply to companies in which it holds a shareholding that does not give control within the meaning of article L. 233-16 of French commercial code *(Code de commerce)*. Nonetheless, whenever it can, the Bolloré Group acts on its duty of reasonable care as a responsible shareholder.

METHODOLOGY

The Duty of care plan is written at the level of the Group CSR Department, which is in charge of its execution in coordination with the departments and business units involved in the risks identified, such as the Purchasing Department, the QHSE managers, the Legal Department, the Risk Department and the Ethics and Compliance Department. The deployment of the vigilance system is built around a multi-year program. This program covers all measures intended to identify, evaluate and control risks and will bring together all of the operational departments concerned in the head office and in the subsidiaries. The main elements of the system will be defined after a complete appraisal and analysis of all vigilance processes existing within the Group. These existing efforts will then be adapted and adjusted as needed to form and supplement the core of the Bolloré Group's Duty of care system.

The Vivendi Group has devised and implemented its own Duty of care system (see 3.2 Duty of care, Vivendi 2018 registration document, page 109).

	2017	2018	2019 ACTION PLAN
Risk mapping	**Groupe Bolloré Duty of care internal audit** • Bolloré Transport & Logistics QHSE departments • Blue Solutions QHSE departments **3 families of Duty of care risks identified:** • Human Rights risks • Health and safety risks • Environmental risks	**Groupe Bolloré CSR risk rating:** • Management Committees of Bolloré Transport & Logistics Business Uunits • Blue Solutions Management Committee **Vivendi CSR risk rating and consolidation with the Bolloré Group** **6 families of CSR risks identified:** • Social risks • Environmental risks • Human Rights risks • Local impact risks • Ethical risks • Communication risks	**INTEGRATION OF THE DUTY OF CARE INTO THE GROUP CSR STRATEGY** **1. Meet the 2018 objectives:** • Creation of working groups to formalize the Group Human Rights Charter • Application of the Diversity Charter • Preparation and launch of a Responsible Purchasing action plan following the audit conducted in 2018 • Preparation of an Ethics and CSR system **2. Implement the whistleblowing system** **3. Continue to run workshops to monitor risk management:** • Preparation of action plans by risk • Harmonization of existing systems • Implementation of pilot projects • Organization of audits and development of KPIs and objectives **4. Launch a training/awareness-raising campaign of the various professions on Human Rights issues**
Actions implemented	**Identification of risk prevention and management procedures** • Identification of a priority vigilance geography • Preparation of the Group-wide vigilance plan	**Consolidation of CSR risks and Duty of care risks** **Purchasing Department internal audit** • Preparation of a Diversity Charter • Integration of CSR criteria into existing ethical procedures (e.g. supplier questionnaire) • Formalization of policies in a Duty of care cycle and establishment of a whistleblowing system	
Difficulties encountered	• Range of extremely different issues depending on the business and geography of implementation • Difference in policies maturity by activity and organizational and operational complexity **2018 objectives** • Conduct an audit of Purchasing Department CSR processes and clauses • Move towards the harmonization of operating policies	 **2019 objectives** • Formalize a Human Rights Charter • Apply the Diversity Charter • Harmonize the Ethics system • Formalize Responsible Purchasing procedures	

CONTINUOUS IMPROVEMENT APPROACH

Bolloré Group's mapping of Duty of care risks

In 2017 the mapping of Duty of care risks completed in preparing the Bolloré Group's vigilance plan identified three major families of risk. The results of this initial exercise were tested and confirmed in 2018 in the Group CSR risk mapping undertaken to implement the requirements of the Statement of non-financial performance. Those results, once incorporated into the universe of CSR risks as rated by the members of the Executive Committees and representatives of support and operating functions, were ranked among the top priority risks of the Bolloré Group. That incorporation places Duty of care at the heart of the Group's CSR strategy, which takes the approach of including all of these risks in its Statement of non-financial performance, with special focus on Sub-Saharan Africa, the region that emerged as a priority in its 2017 Vigilance Plan.

Pooling of DPEF and duty of care risks	
Social risks	• Workplace health and safety • Attracting and retaining skills • Social dialog
	Duty of care risks: B2B health and safety
Environmental risks	• Local pollution and transport/storage of hazardous materials • Impacts and carbon opportunity of products and services
	Duty of care risks: environmental and relating to the health and safety of employees, users and third parties
Local impact risks	• Risks and opportunities related to relations with local communities
Human Rights risks	• Human Rights in supplies • Health and safety of users and third parties • Personal data protection (GDPR)
	Duty of care risks: Human Rights and health and safety of users and local communities
Ethical risks	• Corruption and conflicts of interest

Risks related to Human Rights and Fundamental Freedoms are tackled across divisions depending on the issues involved in various CSR risks such as employment-related, health and safety and, especially, Human Rights risks (see 2.2.5 Promoting Human Rights in our activities, on page 81 and the Cross-reference table in 3.3 on page 109).

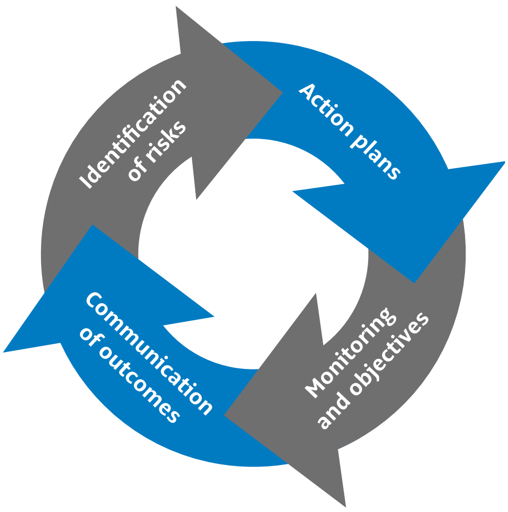
Definition of the priority geographical area

The Group defined a priority geographical area on which it will concentrate its actions in carrying out its Duty of care. The criteria adopted to define the priority geographical area are: the number of employees, the presence of all businesses in the area and the level of the human development index of the countries concerned. The workforces of the subsidiaries located in these countries represent 80% of the Group's workforce outside the OECD.
This approach will enable the appropriate resources to be dedicated to improving the existing vigilance systems and lessons to be learnt that can be applied in other areas of operations. This priority area, focused on 25 countries of Sub-Saharan and central Africa, is shown in blue on the map.
The value of setting this geographical area as top priority was proven in 2018, particularly in terms of Human Rights, by being consistent with the 2018 Global Slavery Index of the International Labour Organization and the Walk Free Foundation.

Monitoring measures taken and performance evaluation

The measures taken to meet Duty of care risks are detailed in the Statement of non-financial performance. In addition, the Group's performance in limiting its risks is tracked and assessed in a yearly non-financial report overseen by the Group and the monthly QHSE reports overseen by the divisions.
More than 100 indicators of resources and results as to employment-related, environmental, societal and governance issues are shared and studied internally, as part of a systematic process of constant improvement and performance monitoring. Yearly external audits test the robustness of the data reported.
These indicators are also adjusted and supplemented every year. In extending the vigilance plan into 2019, this will year focus on defining relevant indicators of resources beyond those already used.
The performance evaluation of the measures taken is coupled with corrective steps and actions for improvement whenever necessary as part of the continued improvement of the Bolloré Group's vigilance cycle.

Vigilance cycles



The vigilance cycle approach is based on the three phases of implementing Duty of care: identifying the risks, processing them, and reporting the outcomes of the procedures in use. The approach ensures at each stage of the cycle that the appropriate choices have been put in place to provide reasonable and effective Duty of care over the issues seen as priority issues. This method is also meant to make it easier to teach various audiences concerned about the Duty of care procedures, involve them, identify improvements and adapt them where appropriate.

Establishing a whistleblowing and reporting system

In 2018 the Compliance Department and the CSR Department collaborated on revising the existing whistleblowing system, which now encompasses in one place both the issues of corruption and influence peddling, and those of Duty of care, which have been defined and detailed. Since the Sapin II. law requires an alert system similar to that required by the Duty of care Act, both systems were developed on the same platform as a way to pool them and to comply with the requirement of the AFA and the CNIL.
This whistleblowing system had been discussed with the employee representative bodies and will be again in 2019 to present the developments made in this new version.
Reports of violations are handled at the headquarters by the Ethics and CSR Committee, which functions completely independently.
The members of this Committee and its Chairman are appointed by the Group's Executive management.
In this system, third parties may handle the issues reported, provided the whistleblower has previously agreed, particularly if a deeper investigation turns out to be necessary.
Moreover, if an inquiry establishes the materiality of a reported violation and that the alleged perpetrator(s) is or are responsible for it, then disciplinary and/or legal action will be taken against the person(s) accused (see 2.2.1 Ensuring our business ethics, on page 72).

Definition of stakeholders

Work is ongoing within the Group to define a method common to the various business lines and to all divisions to map stakeholders.
A specific questionnaire to identify the various stakeholders, the issues that concern them and their links with the Group and their degree of importance to our activities is undergoing revision.
The Group continues its efforts to develop mapping software. The aim will be to eventually ensure a process of dialogue with the relevant stakeholders that can improve the effectiveness of its Duty of care systems.

SUMMARY OF PLAN IMPLEMENTATION

In 2018, the Bolloré Group organization for the CSR system and CSR reporting changed significantly, with the inclusion of 621 entities in Vivendi, including Havas, the upgrading of the Havas reporting system and the incorporation of the HR reporting system into the CSR software. Part of the CSR staff concentrated on the work of harmonizing the reporting procedures, tracking indicators and configuration of the tool, which is now used by 873 entities and involves the contributions of 780 people who, under the coordination of the CSR Department, will have an important role in implementing the Duty of care.
Furthermore, the Duty of care program has been put into the priority risks identification exercise of the Statement of non-financial performance and, by extension, into the CSR strategy (see 1.1 Group CSR Strategy, on page 58).

Accordingly, the CSR team, enlarged in 2018, organized a variety of cross-divisional work meetings, such as:

Producing a state of purchasing processes

The Group's Duty of care and CSR risk map highlight the risks of serious violations of Human Rights, health and safety and the environment in the supply chain. As announced in the 2017 Duty of care plan, in 2018 the Group engaged an outside firm of experts to help conduct a substantial analysis of the practices and processes of the middle-office Purchasing Departments.
This endeavor produced a survey of the tools and practices so as to apply Duty of care measures.

1. Examples of tools used in the supplier and subcontractor selection phase

The cross-divisional (centrally expensed) Purchasing Department includes CSR criteria in its calls for tenders, and these are tailored to the type of product or service open for bid. CSR criteria are weighted 5-7%.
As a specific example, the charter written for outsourced trucking firms in Africa prohibits employing or involving children or minors in the work. This document is appended to the contracts and must be signed by the contractor.
In addition, Bolloré Logistics has created a CSR Charter for its suppliers, updated in 2018, that deals with issues relating to Human Rights and workplace rights.

2. Examples of tools used in the contracting phase

Besides appending the traditional Codes of Conduct and QHSE requirements, most major construction contracts in and out of France include Duty of care components. Thus, as part of subcontracting contracts the part of the contract concerning the treatment of personnel lists requirements relating to: the prevention of AIDS, respecting the rights of foreign workers, measures against insects and pestilence, prohibition of alcohol, drugs, weapons and ammunition, respect for local religious customs, access to suitable food and water for workers, the terms of payment for funerals in the event of fatal accidents, the prohibition of forced labor and child labor, non-discrimination and equal opportunities, representation of employees and trade unions, etc.
The recent construction contracts of the Ports of Timor, Tuticoran (India) and Freetown (Sierra Leone), for example, included these clauses.

3. Principal actions taken in 2018

This mission has made it possible to raise awareness in the majority of middle-office managers, map the types of purchasing at risk and so to devise actions to take in the short, medium and long-terms.
Furthermore, in close collaboration with the Compliance Department, criteria taking CSR and Human Rights into account were included in the ethical due diligence procedure for the Group's suppliers, subcontractors and intermediaries through some 20 open-ended and closed-ended questions, such as minimum contractual age for employment, how minimum wages and weekly hours of work are set, the existence of a management system for the environment, health and safety, criteria for selecting suppliers, etc. The analysis of the answers also includes a screening identifying any CSR-type controversies that may arise with each company. The questionnaire will gradually be sent to an increasingly broad range of contractors in order to cover all contractors identified as being at risk.
Lastly, a "sustainable offer" contact person has since been named for the Bolloré Logistics sea freight business.
It should be noted, however, that implementing measures of reasonable Duty of care may be challenging given the circumstances in certain regions. It is not unusual that certain suppliers or service providers have no competitors in the local, regional or even national market, as for example in the case of railway construction or the procurement of oils. The Group's entities may therefore have very restricted influence or latitude in applying CSR criteria to the selection of a supplier.

4. Objectives

Formalize a Group vigilant purchasing approach:
- organize an awareness campaign for personnel concerned with Human Rights in procurement, primarily by training in responsible purchasing practices, possibly extended to sales force;
- as a specific instance, after this endeavor, the Construction Purchasing Department also set itself the objective of formalizing in a single document all requirements relating to CSR and Duty of care and to include more of these criteria related to Duty of care in their risk analyses.

Actions related to employment issues

In order to cope both with the risks identified for the Statement of non-financial performance and with the Human Rights risks of the Duty of care, a status report on the social dialog and more particularly on the collective agreements of Bolloré Transport & Logistics was carried out in all countries where it has locations in order to share best practices and to identify the main areas for improvement. (See 2.1.2 Being an attractive employer, paragraph on Working conditions and social dialog, on page 71).
Work groups were organized to reflect in a formal way the challenges related to non-discrimination and fostering diversity. This effort lead to the creation of a Group Diversity and Inclusion Charter, which was adopted in 2018. In 2019, its implementation will enlist the efforts of working groups to write and carry out actions plans.

Strengthening and promotion Ethics and Human Rights measures

Additionally, work have begun with the management concerned to homogenize the different approaches to ethics. The principles, general rules and commitments of the Group with respect to the Duty of care and more particularly Human Rights were defined. The optimal way to codify them is still under study and is part of a much larger plan to review, update and align the existing approaches.
Before preparing all the Group entities for applying actions and procedures that will be set up under the Duty of care and familiarizing them effectively with the different concepts, an educational memo for operating personnel was written in 2018 and will be circulated in 2019 among select managers.
In 2018, various actions were taken locally in regard to respecting and promoting Human Rights, based on the broad guidelines promulgated by the Group through its foundational documents, especially in the priority geographic area. Here are a few examples:
- Bolloré Transport & Logistics Tanzania and Nigeria educates and trains employees through ethical and compliance programs.
- on World Safety Day, Bolloré Logistics Taiwan, for example, organized a challenge on the abolition of child labor, enabling employees to gain basic knowledge of the subject through a series of questions.
- Bolloré Logistics Chile arranged a chat about child labor, forced labor and compulsory labor, on that day.
- Bolloré Logistics in China and India accept only people aged at least 18 years as qualified employees. In Timor, the minimum age applied is 17 years, and a clause on the protection of children is written into the company handbook, as it is at Bolloré Logistics Indonesia and Bolloré Transport & Logistics Nigeria.
- Bolloré Logistics Singapore and Bangladesh put the subject of child labor into their e-learning and classroom training, as well as in the welcoming package for new hires.
- Bolloré Logistics Vietnam raises awareness among all its employees through posters and arts workshops.
- Bolloré Logistics Thailand and Korea are SEDEX-certified.
- Bolloré Logistics Netherlands held an awareness-raising session for its managers in December 2018, and Bolloré Logistics UK started an anti-slavery program.
- Bolloré Logistics Cameroon and Congo includes these topics in its ethics and compliance program, in close collaboration with the Human Resources Department.
- Bolloré Logistics Chad, Gabon, DRC and Kenya raise awareness among their employees through various channels.
- Bolloré Logistics Katanga arranged an awareness-raising session led by the HR department and the Ethics delegate about the laws on the subject and the texts to which Bolloré Transport & Logistics subscribes.
- Kribi Terminal informed its personnel about its commitments to the United Nations Global Compact. Freetown Terminal also organized awareness sessions.
- Human Resources and the Personnel department of Togo Terminal and Lomé Multipurpose Terminal received awareness-raising training to ensure that no forced labor or compulsory labor occurs on their sites. The terminals take part in projects and actions to promote the well-being children and their individual growth.

- Bolloré Transport & Logistics Bénin automatically writes into its various contracts a section forbidding child labor anywhere in the outsourcing chain (janitorial services, waste processing, etc.)

Reconciliation of Health & Safety processes

Following the work begun with the divisions' various QHSE departments in 2017, it continued in 2018 with a view to reconciling the QHSE processes (Protecting the health and ensuring the safety of men and women exposed as part of our activities, on page 60).

Managing environmental issues

The management of environmental hazards pertaining to the activities of the Bolloré Group is clarified in the environmental section of the Statement of non-financial performance (see 2.3. Innovating to face major environmental issues, on page 83), primarily from a risks viewpoint, related to local pollution and managing hazardous materials (transportation and storage). These issues are notably factored into the environment management systems implemented under the QHSE policies of the entities. For example, the vigilance cycle of the mining division's activities, detailed below, is a concrete illustration of the management of environmental hazards related to transportation serving customers in the mining industry.

Vigilance cycle of Bolloré Logistics' mining activities

- **Risk identification**

Activity: Transportation activities serving the customers of Bolloré Logistics that operate in the mining industry are particularly good illustrations of the vigilance cycle deployed by the Group. These activities are carried out in the area defined as priority in the vigilance plan and by their nature present multiple risks. This activity is part of the Oil & Gas Mining and Chemical segment, which accounts for 18% of Bolloré Logistics' business volume.
Countries identified: The Duty of care priority geographical area (Democratic Republic of the Congo, Zambia, Rwanda, Burundi, Tanzania, Senegal, Burkina Faso, Mali, Republic of Côte d'Ivoire and Mauritania).
Issues: The known problem areas in this region are many, with risks of contributing directly or indirectly to conflicts, and serious violations of Human Rights in connection with the extraction, trade, processing and export of resources; of tolerating, profiting from, contributing to or assisting compulsory labor or child labor; and of illegally exploiting land, dislocating people, polluting surroundings or harming the health of the local population.

- **Treatment of risk**

Governance: The environmental, labor-related and societal risks associated with our transportation & logistics activities have been identified for many years and are handled primarily by the QHSE Departments.
Tools
– The charters and general policies of Bolloré Logistics encompassing operations in Africa, including the transportation of mining products, cover all the issues identified – such as the general rules of conduct in Africa, policies as to quality, drugs and alcohol, Health, HSE and Safety, and the roadways quality charter to be signed by carriers along with the contract.
– The integrated QHSE management system includes several procedures tailored to the Africa region A statement of certifications by country is kept up to date. A comprehensive African certification project is in progress and will be completed in 2019.

— Certifications and standards followed to by the Division

ISO 9001	Quality management
ICMC	Cyanide transportation
OHSAS 18001	Management of occupational health and safety
SQAS	Quality, safety and environmental systems related to the transportation of hazardous goods
ISO 22000	Food safety
ISO 14001	Environmental management
TAPA FSR C	Warehouse safety

General risk management framework: the divisions employ mitigation procedures that take into account all stakeholders: employees, subcontractors and service providers working on Group facilities, plus neighboring communities. Compulsory training courses in each of the following areas are detailed in a Bolloré Logistics standard. The management of risks associated with transportation and logistics in the mining industry is based on strict oversight of subcontracting and the management of hazardous products.

Subcontracting oversight
Special oversight is given to the management of subcontractors and third parties, and includes:
- a selection procedure and yearly assessment;
- an appendix to all subcontracting contracts excluding transportation, listing the minimum commitments expected from subcontractors (QHSE Minimum requirements);
- an appendix to all subcontracting contracts for transportation, listing the minimum commitments expected from subcontractors (Subcontracted road transport requirements);
- a procedure for managing subcontractors, defining the controls applied by Bolloré Logistics (HSE Management of subcontractors);
- as part of ISO 9001 certification, for each entity certified, an information sheet on each process was created. One of the items on that sheet is a list of the interested parties and their expectations. This sheet was identified in 2018 as a possible means of adding to the Duty of care/CSR processes.

Management of hazardous products
As regards the management of hazardous products, a special written procedure lays out how hazardous products are to be managed, stored and transported. The rare cases of accidents with an impact on the environment are also covered by formal procedures: accidental spillage, fire prevention/protection. Special plans deal with the transportation of cyanide.
A crisis management response: Bolloré Logistics has a Crisis Management Process that spells out the organization to be deployed in a crisis situation and describes the procedures and tools for coordinating communications both within the company and with external stakeholders, such as the media, local authorities and other third parties. This document identifies several categories of risk depending on the event (natural disasters, human rights violations, facilities failures, industrial accidents, political crises, health crises, etc.) and provides a methodology for responding.
This procedure is supplemented by a business continuity plan, per country, to enable the quickest possible return to normal operations after an emergency.

- **Stage-specific Duty of care**

Duty of care specific to each stage of operations is undertaken, reflecting the issues associated respectively with the importation and exportation phases of mining operations:
- the construction stages (import phase);
- the raw materials transportation stages (export phase) such as copper, supply equipment for the mines and the chemical extraction agents such as cyanide.

- **Import phase**

Organization of mineral exporting
- In keeping with its commitments, the Group believes that its responsibility begins once a project is under consideration. The process of setting up procedures for the exportation of a mineral is arranged several years ahead of the operating phase and defined by a stringent qualitative approach based on precise criteria and a methodology for screening and profiling the companies involved.
- If a project does not meet Bolloré Logistics' criteria, the decision is made that Bolloré Logistics will not participate in the import or export phases.

- **Export phase**

Risk identification
- Three types of minerals are subject to particular vigilance: tantalum, tin and tungsten, the 3T minerals. These minerals are essential in the manufacture of numerous electronic products and are liable to fall into the hands of many intermediaries, sometimes in fraudulent ways. As a freight agent, the Group may be a part of the supply chain of such minerals.

- Road surveys are always made ahead of a project to identify the roads to use, risky areas and the existing parking areas, bridges and towns and villages that must be crossed. This makes it possible to spot the potential difficulties specific to each route. A report is then prepared to list all the points identified in this analysis and attach to them the risk management steps to be taken for maximum safety. It identifies, with photos, such things as schools on the route, potholes and speed bumps, markets, electrical lines or any major feature and lays out how to deal with them. Some projects have been turned down because they involve too many risks (too many towns and villages, impassible roads, etc.).

Organization of mineral exporting

To ensure and carry out the highest standards expected in its logistics business in terms of health, safety and Human Rights, the Group only deals with partners who are members of ITSCI, a traceability program compliant with the recommendations of the OECD for responsible mineral supply chains, which strives to avoid financing conflicts, violations of Human Rights or other risks such as corruption in mineral supply chains, so as to address the problem of blood minerals, especially in the Great Lakes region.

Application of reasonable care

The ITSCI program also helps companies apply reasonable care through risk assessments and independent audits, and every month compiles and circulates a list of organizations such as mines and exporters which are reporting inconsistent information. As a matter of precaution, the Group rules out doing business with those organizations. The carriers are managed internally and subject to specific Group procedures. This reasonable care is undertaken systematically for new entrants and coupled with a field audit.

Measure to reduce Health, Safety and Environmental risks

As part of its logistics activities, the transportation of chemical inputs calls for managing and storing hazardous products. Bolloré Logistics' comprehensive qhse management system reduces the environmental impact of its activities, and ensures the highest standards in terms of health and safety. In this respect, special measures and stringent procedures are applied to cyanide, primarily through ICMC certification (international cyanide management code), which imposes numerous requirements to control processes and supplements national and international regulations.
In 2018, the five BTL Burkina entities, republic of Côte d'Ivoire, Ghana, Senegal and Sogeco (Mauritania) had ICMC certification for transport protocols. Audits for renewal will be made in 2019.
Special training is given to drivers. With every departure of a convoy, every truck is inspected. The vehicles undergo preventive maintenance at least once a year and a maintenance plan is required of Bolloré Logistics subcontractors. All parties involved in the transport of cyanide are required to attend training sessions.

Consultation and dialog with stakeholders

Based on road surveys, consultation meetings are held with the residents of the towns and villages through which the convoys transporting the most critical products pass. The discussions are formalized with a signed attendance sheet, and officers are appointed in each country so that dialog can continue.
For the sake of continued improvement, the members of ITSCI, including the Bolloré Group, meet yearly on OECD premises for lectures and discussions on best practices in managing the risks associated with the 3T minerals.

— 2018 indicators

Number of accidents related to the transportation of cyanide (hazardous materials)	1
Number of accidental spills	0
Number of violations found in ICMC Code third-party inspections	0

Within Bolloré Logistics (African operations specifically).

Duty of care cycle in the event of serious accident

- **Follow-up of the Camrail accident**

On October 21, 2016 in Cameroon, a railway disaster resulted in the death of 80 people and more than 700 people were injured. The derailment occurred near the Eseka station on the Douala-Yaoundé line.
After mobilizing the full extent of its human and material resources alongside the authorities, the compensation of victims of the accident was the priority immediately assigned to Camrail. It was overseen, as required by the prevailing rules, by the insurance companies. To facilitate the compensation process for victims and their families, Camrail provided special assistance in the proper filing of claims.
The process was implemented efficiently by a team of 20 full-time staff (doctors, insurers and experts), providing administrative assistance on request to the families of victims to help them complete their claim forms and medical records and file their claims with Camrail correctly.
Knowing that this process can take time, Camrail provided cash advances for personal injuries and material damage and for the families of the deceased. Camrail organized the immediate payment of funeral expenses totaling 1.5 million CFA francs for the families of all fatalities.
Camrail, with the help of doctors, also provided psychological assistance to the families of victims and conducted routine visits to hospitals to monitor the health status of the victims and to help, where appropriate, provide for the other needs of the wounded. The amounts of compensation granted to beneficiaries were considerably greater than the standard established by the Inter-African Conference of Insurance Markets (CIMA). The compensation awarded by Camrail for social damages to nearly 580 people includes home care, childcare, transportation and medical expenses. Compensation for physical injury was established on the basis of a diagnosis by the victim's doctor, with the assistance of the doctor employed by Camrail's insurer.
Camrail also continued its policy of increasing operational safety by taking actions resulting from the safety improvement audit that was conducted by a group of international experts as soon as the accident happened. The continued improvement plan is monitored closely by Executive management and supplements the measures already taken such as through the creation of a Major Operating Risks oversight committee, lowered traveling speeds for passenger trains on certain portions of the networks and the suspension of passenger trains on the western line. In addition, Camrail continued its efforts to heighten safety on its rolling stock by acquiring five General Electric locomotives, as well as by bolstering its Duty of care policy and its towing equipment maintenance policy. Lastly, once a year a template for auditing improvements in practical safety analyzes the improvements and difficulties encountered.
In December 2018, 92% of the cases seeking compensation for fatalities were approved and fully paid. The approval, payment and sign-off processes for the remaining applications are in progress. As regards the 745 wounded, 98% of the compensation for bodily injury has been fully paid, while 100% of the medical and pharmaceutical expenses incurred by the victims has been reimbursed. Camrail and its insurers have agreed to 98% of the requests for support made by the victims and their families to settle miscellaneous social problems created by the disaster. This measure was also extended to several of the heirs of victims who died. It is worth highlighting that 100% of the material losses claimed by the victims have been repaid.

2.2.3. TAX EVASION

Tax risks are described in Chapter 3 section 1.3 Legal Risks. Where these constitute major risks, they will be dealt with in greater depth in the next fiscal year.

2.2.4. PROTECTING PERSONAL DATA

DESCRIPTION OF THE RISK

Protecting personal data R(1)

Numerous cyberattacks have targeted businesses. They try to obtain personal data such as banking or log-on information to exploit them or resell them. Phishing and ransomware are well known examples of malevolent acts that harm private individuals and companies. As an illustration, according to a study done in 2018 by CESIN (club of experts in information and digital security), 80% of companies responding to the study have experienced at least one cyberattack. This risk, although impacting all of the Group's companies, is especially crucial for the electricity storage and solutions division, particularly as regards its car-sharing operations. Special measures have been taken by the Group to limit this risk as far as possible.

GROUP POLICY

The strengthening of the legal provisions (European regulation dated April 27, 2016 on the protection of personal data, the "GDPR" taking effect on May 25, 2018), the growing digitization of activities and the shared mobility services offered by the Group require systems that provide consumers with secure and effective processing of their personal data, to guarantee them as much confidentiality as possible.
To do so, the Bolloré Group has established a steering Committee devoted to the GDPR and focusing on:
- the strengthening of rights concerning personal data;
- Security measures concerning data processing;
- the distribution of roles and responsibilities between the various companies that process this data;
- this Steering Committee consists of Data Protection Officers (DPOs) appointed within the Group as well as the GDPR officers (lawyers, representatives of information systems, human resources, purchasing, etc.) and meets regularly to survey the actions being taken.

Its tasks include:
- setting up internal procedures and management tools that ensure that data protection is taken into account;
- continuing to map the processing of personal data;
- training employees in these new duties.

Thus, for example, at year-end 2018 the Group's employees were told how their own personal data were processed by the Human Resources Departments. In addition, a network of HR GDPR liaison officers was set up. Lastly, the information security management system (ISMS) used in the Group is based on ISO 27001.2013, which calls for yearly internal audits to strengthen the data security measures.

2.2.5. PROMOTING HUMAN RIGHTS IN OUR ACTIVITIES

DESCRIPTION OF THE RISK

Human Rights Risks R(1)

The Bolloré Group operates in more than 127 countries, including 46 countries in Africa. Its heavy international presence results in the Group hiring a great many people, directly or indirectly, in institutional contexts that vary from one country to another, where Human Rights are at times threatened. For this reason the issue of respecting and fostering Human Rights has been defined as a priority matter for the Group, encompassing such issues as non-discrimination, decent working conditions, promotion of social dialog and the freedom of association for trade unions, and forced labor or child labor.
Note that forced labor and child labor represent significant risks in that they need to take absolute priority in terms of prevention and action. The measures and internal controls on the hiring of employees, however, keep the problem under control.
Moreover, the Group pays special attention to its supply chain and subcontracting. The Group's reasonable duty of care can be put to the test by the local context in certain regions. An example is the African continent, where products and services are sometimes limited due to a dearth of local, regional or even national competitors, such as railway construction services and oil supplies.

GROUP POLICY

The Group strives to maintain a governance structure that demonstrates its values in the countries where it operates and has committed to respect Human Rights by adhering to the Global Compact for over the last ten years. This commitment is reflected in ethical and responsible measures based on firm commitments given in its Ethics and Values Charter. These commitments are aligned with the UN's sustainable development goals (SDGs) and cluster around three main themes:
- respect of the rights of workers throughout our value chain;
- respect of the fundamental rights of communities close to our operations;
- constant efforts to make a positive contribution to society.

The Charter refers to the provisions of the International Labour Organization (ILO) in its point II "Ensuring a trusting relationship with employees", in which the Group undertakes to never engage directly or indirectly in child labor or forced labor practices.
In keeping with its ethics policy, the Bolloré Group favors external partners that respect these principles. The Charter and other, additional internal ethics documents are provided to them so that they can also comply with those provisions. Although the supplier selection and evaluation process is not homogeneous throughout the Group, the divisions and subsidiaries of Bolloré factor ethical and compliance criteria into the purchasing process, above and beyond the standard financial, administrative and technical criteria. Contracts may also contain special clauses containing ethical and compliance requirements.
The governance of these matters is provided by the Ethics and CSR Committee, which meets periodically to set guidelines (see 1.3. CSR Governance.) The CSR, HR and Compliance Departments apply and implement in the operating departments the broad guidelines defined in the committee. In addition, the Group has a whistleblowing system with an email address for bringing to its attention any risk of a violation or apparent violation of Human Rights, inter alia (see 2.2.2 Duty of care on page 74.)

ACTION PLAN AND AREAS FOR IMPROVEMENT

Respect for Human Rights was identified as a major issue in the Group's mapping of CSR risks, and it is also central to the Group's Duty of care plan pursuant to French regulations on the Duty of care of parent companies and order-giving companies. The Duty of care plan (see 2.2.2 Duty of care on page 74) and the summary of its implementation detail the procedures and actions engaged to manage Human Rights risks by using the "vigilance cycle" approach taken by the Group since 2017.
Following this intensive work to identify the risks, cross-divisional working groups were set up to formalize these issues. The first development will initially consist of the implementation of a Group Human Rights Charter in the first half of 2019, followed by work to embed Human Rights more deeply in the Ethics measures, including the entities' various directives, charters, procedures and management tools and making them congruent within a global framework.

Respect for human rights in our business activities

In accordance with its ethics policy, for which the commitments are reflected in the Ethics and Values Charter and the General Code of Conduct the Group and its subsidiaries have reasonable care systems in place based on international standards. These systems need to enable the identification, prevention and mitigation of the risks of serious Human Rights violations. To meet these challenges, the Group's approach is to divide the roles among the parent company and its subsidiaries and divisions, which are charged with implementing these principles operationally, and to include in them the elements that are specific to the business lines and to the adaptions necessary to take the local region into account.

(1) R: Priority risk

The major commitments laid out in the Group's Ethics and Values Charter have been spelled out as internal principles and recommendations in the General Code of Conduct. Updated in 2017, this Code has as its purpose to make all employees of the Group's companies aware of the principles that the companies consider fundamental, by referring to the Group's commitment to the Global Compact.
For new regulations, the Group decided to revise its Ethics and Values Charter in 2019 to place more weight on Human Rights.
The entities of Bolloré Transport & Logistics and Blue Solutions accordingly adopt and apply the Group's commitments to promoting and defending Human Rights, with particular attention to forced labor and labor by minors, both in direct operations and along the supply chain.

Bolloré Transport & Logistics

The Bolloré Transport & Logistics entities have taken various actions reflecting the Group's commitment to act responsibly and to promote Human Rights in its business activities.
- Effective social protection includes the implementation of prevention and care access programs, depending on the location of its activities. In some locations, such as in Africa, the complementary health cover offered to employees far exceeds the legal obligations (see 2.1.1 "Protecting the health and ensuring the safety of the women and men exposed as part of our activities" on page 60).
- Taking societal actions to help improve the living conditions of the local communities and development of the regions (see 2.4.1 Contribution to local development on page 96.).
- A strong commitment to combating discrimination with the creation of a Diversity and Inclusion Charter in 2018.
- A quality social dialog, to ensure workers' rights, freedom of association and representation, and good working conditions for employees.

Given the differences in regulations and particular issues facing each line of business, action is taken locally in terms of respecting and promoting Human Rights, based on the broad guidelines promulgated by the Group through its foundational documents.
As an example, in Benin, Bolloré Transport & Logistics raises Human Rights awareness visually, using pictograms at its various sites. In addition this form of awareness-raising campaign, the security guards and watchmen receive increased awareness exposure and follow-up so that the instructions strictly prohibiting child labor on their sites are followed scrupulously. "Toolbox meetings" are held in the cotton and other warehouses to ensure that minors are not hired as temporary personnel.

• Bolloré Ports and Bolloré Railways

Bolloré Ports and Bolloré Railways follow the guidelines laid down by the Group. In their activities, these business units apply the Ethics and Compliance processes, taking Human Rights issues into account. They are particularly attentive to the question of underage workers. A Compliance Committee consisting of members of the Executive Committee, meets weekly to analyze the potential and major risks that have been mapped, including those related to Human Rights such as subcontracting and child labor.
Moreover, in addition to the awareness-raising campaign conducted by the QHSE managers, the General Code of Conduct and the Group Compliance Guide were distributed to every Benirail employee with their pay slips in December 2018. In addition, by way of example, Kribi Terminal and Freetown Terminal organized awareness campaigns for personnel on these topics during the year, and in particular on the commitments in the United Nations Global Compact.
The Human Resources and the Personnel Department of Togo Terminal and Lomé Multipurpose Terminal received awareness training to ensure that no forced labor or compulsory labor occurs on their sites.

• Sitarail – Human Rights program

To further cement its commitment and to promote and respect the protection of international law in this area, the members of the Bolloré Ethics-CSR and Sponsorship Committee trialed a "Human Rights" program on a pilot site in Africa in 2016. The Group selected a site representative of its business activities and its strong roots in the region, Sitarail in the Republic of Côte d'Ivoire, which fits perfectly into its Duty of care approach begun in 2018, identifying Sub-Saharan Africa as a priority area. The Bolloré Railways rail concession manages 1,260 km of track between Republic of Côte d'Ivoire and Burkina Faso. It has 1,514 employees and moves over 160,000 passengers and 800,000 metric tons of freight annually.
Sitarail, by virtue of the fact that it transports goods and above all people, and its public service concession arrangements, is particularly sensitive to corporate social responsibility issues in general, and Human Rights in particular, and believes that taking a proactive approach in these matters is an opportunity for the company. The seminar provided the opportunity to specifically explore Human Rights in the context of the company's activities, both in terms of the rights of workers and the rights of users of its services and local residents. Following the seminar, Sitarail undertook a mapping of its stakeholders.
Since then, Sitarail has established a working group to roll out practical initiatives taking account of Human Rights in its work to upgrade the road around Port-Bouët in the Republic of Côte d'Ivoire. These actions call for:
- sanitation work on the station and its surroundings (waste disposal, flood treatment);
- security of the facilities of the Port-Bouët station (construction of a fence) and construction of a cafeteria available to employees present on the terminal site.

Ongoing dialog with communities impacted by the sanitation work and rehabilitation of the station, namely livestock sellers, began in the Port-Bouët area in 2017.

Respect for human rights in procurement

Implementing measures of reasonable Duty of care may be challenging given the circumstances in certain regions. Particularly with regard to the Group's activities in parts of Africa, it is not unusual that some suppliers or service providers have no competitors in the local, regional or even national market, as for example in the case of railway construction or the procurement of oils. Although the Group's entities sometimes have very restricted influence or latitude in applying CSR criteria to the selection of a supplier, nonetheless, in accordance with its ethics policy the Group favors external partners that respect these principles. The Charter and all other internal ethics documents are provided to them so that they can also comply with their provisions.
In 2018 the Bolloré Group CSR Department conducted an internal assessment of the Group's purchasing as part of the mapping of CSR risks with regard to the issues of the Duty of care. This effort led to the inclusion of specific CSR and Human Rights criteria in the reasonable care procedure for selecting the Group's suppliers and contractors (see the Duty of care summary in part 2.2.2.).

Bolloré Transport & Logistics

Bolloré Transport & Logistics entities have a process for assessing and selecting subcontractors and suppliers that takes into account not only administrative, financial and technical criteria but also ethics and compliance.
Additionally, specific clauses dealing with the issues related to Human Rights can be inserted into certain contracts in accordance with the compliance process adopted by the Group (e.g., child labor, forced labor or lodging of workers). The quality process in involves assessing any new subcontractors or service providers as well as certain critical subcontractors.

• Bolloré Ports and Bolloré Railways

For the major service providers and suppliers, the Procurement and Markets Department applies a process for assessing and selecting suppliers that is incorporated into the QHSE management system when the contract is signed and annually thereafter. The Business Units of Bolloré Ports and Bolloré Railways have specific provisions concerning Human Rights (child labor and others). As examples:
- Sitarail applies a rigorous supplier selection process, conducting periodic assessments through the Purchasing and Contracting Department. To be selected, suppliers must provide several documents. Sitarail's suppliers and service providers are assessed annually, depending on their various areas of activity and taking into account various criteria (administrative, technical, HSE, quality and ethics). Inspections of suppliers' facilities and premises are also carried out.

To refine the supplier assessment and put new requirements into it, in 2018 Sitarail started to define new assessment criteria for its suppliers and subcontractors.
- Camrail conducts regular discussions with the suppliers and subcontractors as part of briefings. Clauses about respecting these provisions are written into the contracts.
- Dakar Terminal works with suppliers and service providers who comply with Senegalese law, which prohibits child labor, forced labor and compulsory labor.

  QHSE requirements, sustainable development and ethics are expected from these suppliers and service providers.

- **Bolloré Logistics**

Consistent with the ethical and compliance policy in place since 2000, Bolloré Logistics continues its actions to ensure the integrity of the supply chain. Top priority remains the awareness and training of all employees. The network of compliance officers takes part in the current ethical compliance system, including risk mapping, subcontractor selection, due diligence and whistleblowing.
Bolloré Logistics has set the objective of applying Human Rights due diligence to 100% of its major suppliers in 2019.
In addition, Bolloré Logistics has created a CSR Charter for its suppliers, updated in 2018, that deals with issues relating to Human Rights and workplace rights. The provision of training in responsible purchasing practices is planned for 2019, targeted both at in-house purchasers and our sales force.

- **Bolloré Energy**

The Bolloré Energy Procurement Department purchases three main types of product:
- Oil products, from global firms and with supplier clauses incorporating Human Rights criteria;
- "Sustainable" biofuels, as defined in the EU, which must comply with specific social and environmental standards, such as no child labor, no deforestation or use of food-producing land. Every year an independent third party performs an audit of all biofuel purchases to see that they are in compliance;
- Energy savings certificates, obtainable only on condition that French regulations are strictly observed. All Bolloré Energy contracts contain CSR clauses and all partners are "RGE" certified (Recognized protector of the environment.)

In 2018, Bolloré Energy implemented a strict procedure for monitoring the compliance of its purchases:
- an internal team devoted only to systematic audits of all records;
- assignment given to a specialized firm to verify the administrative compliance of the records;
- contact with first-rate inspection firm to verify on site the quality of work done and operations by means of sampling.

Blue Solutions

Regarding the sites in Brittany, the prerequisites in terms of CSR criteria for suppliers are set out and formalized in the document "Sustainable development requirements – Suppliers," developed in 2017. Human Rights, including forced labor and child labor among others, are explicitly mentioned. Furthermore, since January 2018, CSR criteria are integrated upstream of the selection of new materials and suppliers.
The subsidiary IER specifically verifies its suppliers' compliance on CSR issues during audits performed by the Purchasing or Quality Departments (for the selection of new suppliers or as part of follow-up assessments). IER uses a questionnaire covering a range of CSR issues including: the Ethics charter, the prevention of pollution and measures for the recycling of waste. Lastly, outsourced production is negligible for IER, which assembles its products (printers, terminals, etc.), as is the case for its subsidiary Automatic Systems (barriers, passages, gantries, etc.).

2.3. Innovating in response to major economic and environmental changes

2.3.1. MANAGING THE ENVIRONMENTAL IMPACTS OF OUR ACTIVITIES

DESCRIPTION OF THE RISK

Local pollution and management of hazardous materials R(1)

Due to its industrial activity, the Bolloré Group has identified local pollution risks as a priority. Even though the transportation and storage of hazardous products and the occurrence of industrial accidents represent a major environmental risk and is a top priority for prevention, the measures and controls deployed internally ensure tight control of those risks.

GROUP POLICY

Controlling the environmental footprint of the Group's sites requires the deployment of Environmental Management Systems (EMSs) or specific measures and controls in accordance with recognized standards such as ISO 14001 for environmental management or standards that comply with strict regulations such as SEVESO or ICPE for industrial sites. Industrial and environmental risk analyses are conducted on the sites to identify and make decisions about the preventive or corrective actions to be implemented. This ongoing improvement initiative is at the core of the environmental vigilance cycle implemented within the Group's entities.
Accordingly, the policies carried out to prevent local pollution and industrial accidents, manage waste, water and our real estate portfolio, protect biodiversity or measure and control our Greenhouse Gas Emissions (see Section "Mastery of GHG footprint and energy performance" on page 93) are all actions deployed by the Group and its divisions on a daily basis to ensure control of those priority risks.
Even though the policies implemented and performance indicators tend to become standardized at the Group level, they inevitably retain the features specific to the challenges of each business line and activity.

ACTION PLAN AND AREAS FOR IMPROVEMENT

By 2022, the Group will endeavor to:
- continually strengthen environmental reporting in all of its divisions to improve data reliability and the consolidated vision of policies and actions deployed, move toward a centralization of policies or at least better uniformity of performance monitoring indicators, and share and pool best practices;
- continue the divisions' awareness-raising efforts through risk management workshops in 2018 to define policies and action plans implemented in a concrete and measurable way at Group level, or at a division level when the specific nature of the activities so requires.

The policies, action plans and indicators identified to measure the control of local pollution risk from the transportation or storage of hazardous products within the Bolloré Group's activities are grouped below by division and theme.

ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

The Bolloré Group will endeavor to:
- strengthen the deployment of environmental management systems to ensure the existence of the vigilance cycles needed to prevent pollution, minimize the occurrence of environmental incidents and ensure their consistent and immediate management at sensitive sites;
- deepen the diagnostic work of existing systems initiated in 2017 with the QHSE departments and reinforce the Group's monitoring and performance indicators.

(1) R: Priority risk

— Environmental management systems (EMS) Bolloré Group (excluding Vivendi)

(in percentage)	2018	2017	2016	2015	Change 2017/2018
Proportion of entities putting in place an EMS	54	46	44	40	35%
Proportion of entities ISO 14001 certified	28	19	18	18	56%
Proportion of industrial facilities ISO 14001 certified	21	11	11	10	110%

Bolloré Transport & Logistics

Environmental issues have become crucial for transportation and logistics stakeholders, requiring ever greater efforts to reduce their environmental footprint. The activities of the Bolloré Transport & Logistics division are especially exposed to risks from local pollution and hazardous goods transportation and storage. These risks are nevertheless well under control, thanks in particular to the deployment of Environmental Management Systems (EMSs), which form an integral part of the QHSSE Integrated Management System. The various entities of Bolloré Transport & Logistics are required to conduct a risk analysis in accordance with those systems. Thus, defined processes make it possible to report, analyze, record and correct incidents, accidents and compliance failures that can lead to pollution. Each entity must evaluate the impact of its activities on the environment and develop a plan that includes an inventory of sources of waste and air, water and soil emissions and the actions in place to reduce impacts and control pollution.
In addition, entities are subject to regular internal and external audits carried out pursuant to regulations and as part of certifications. These processes are based on a process of continuous improvement and constitute a virtuous circle of vigilance.
Environmental performance is measured annually through the reporting of non-financial quantitative information.

- **Bolloré Ports and Bolloré Railways**

The port and rail entities' sites are managed in compliance with the main environmental management criteria specific to ISO 14001.
In addition, the environmental management systems deployed on the sites list the environmental requirements associated with the various port concessions (local and contractual regulations, impact study recommendations) and the framework of the environmental management plans (inventory of sources of pollution, mitigation, reduction, offsetting actions put in place, etc.). Finally, in 2018, Bolloré Ports launched its internal «Green Terminal» label. This ISO 14001-based label certifies the voluntary surpassing by the Group of that international standard so that it can improve its environmental performance and highlight all of its best practices. On average, 5% of a total investment for construction or site rehabilitation is earmarked for the environment, excluding port handling equipment.

	2018	2017
Number of Green Terminal-labeled Ports	1	0

Surveillance audits have been conducted regularly since 2005 by recognized independent bodies including Bureau Veritas and SGS at port terminals, some of which are ISO 14001-certified. In France, the historic ports are also subject to quarterly regulatory controls by French supervisory authorities such as the Regional and Interdepartmental Directorate for Equipment and Planning.

Railway activities also have an impact on the environment related to the type of waste generated (used oil, soiled rags, plastic waste, oil and gas filters, smoke emissions, etc.) and to the nature of railway activity itself. In order to meet these challenges, Sitarail has, to cite one example, structured its environmental policy around the following concepts:
- responsible management of waste from the entity's operations (used oil, metals, etc.);
- preventive and curative maintenance of rolling stock (emptying, periodic maintenance, etc.);
- management of natural resources (saving hydrocarbons, water, electricity, etc.).

- **Bolloré Logistics**

The Bolloré Logistics QHSE policy approved by its Chief Executive Officer governs management of the environment. It stipulates the need to «Plan, implement, review and continuously improve» the Health, Safety and Environment Management System, in accordance with ISO 14001, the state of the art and the laws and regulations in force in countries where the Business Unit operates. The company deploys an environmental management system in countries that are not yet certified. (80% of regions are ISO 14001-certified).

80% of Bolloré Logistics regions ISO 14001-certified

In addition, the Bolloré Logistics QHSE policy identifies areas for improvement of health, safety and the environment, supplementing the company's usual ongoing health and safety management. All site employees and stakeholders are subject to best practices and reliable procedures. The Management of Bolloré Logistics sets QHSE objectives and targets that are measurable and consistent with the QHSE policy for the relevant functions and levels within the organization. The achievement of targets is monitored at Executive Committee meetings and the annual QHSE Department Review. Specific QHSE goals and targets can be defined for a given geographic region, country, or establishment annually during the Department review.

- **Bolloré Energy**

Subject to very strict mandatory regulations relating to its activity (SEVESO and ICPE sites, etc.), Bolloré Energy deploys an environmental management system to control environmental risks on a daily basis.

— Monitoring of ICPE sites

	2018	2017
Sites subject to declaration (ICPE)	96	106
Sites subject to authorization (ICPE)	19	19
Number of ICPE audits carried out	37	38
Breaches identified during ICPE audits or by local authorities	3	0

Regarding the risks associated with the management of hazardous materials and local pollution challenges, Bolloré Energy relies on ISO 14001 certification, whose scope was extended to all SEVESO oil depots staring in 2017, and has deployed measures beyond the minimum regulatory requirement level. A general Health, Safety and Environment policy was developed and will be implemented in 2019.

(in percentage)	2018	2017
SEVESO oil depots ISO 14001 certified(1)	100	–

(1) Excluding the new Chasseneuil-du-Poitou depot, integrated in September 2018, where ISO 14001 certification is planned for 2019

Blue Solutions

All sites in Brittany are covered by a common environmental management system based on ISO 14001:2015. The Dielectric Films and Blue Solutions (Supercapacitors) activities have been ISO 14001-certified since 2011. In addition, as part of the proposed ISO 14001 certification for the Batteries site planned for 2019, risk analyses were conducted with department heads to draw up action plans and, at the same time raise awareness of the site's main environmental issues.
Concerning Blue Solutions' mobile applications, the «Sustainable Development Requirements – Suppliers» document, which specifies the CSR criteria prerequisites for suppliers, includes a detailed environmental section. Furthermore, since January 2018, CSR criteria are integrated upstream of the selection of new materials and suppliers, attesting to extensive vigilance in the supply chain.
Since 2008, IER has had an Executive Management-approved environmental charter that was updated in 2016. This document is available to all IER employees on the intranet.
The CSR strategy is based on documents issued by the Group (CSR report, environmental risk mapping, Ethics and Values Charter, etc.), that have subsidiary-specific versions such as the IER Code of Ethics, the IER environmental charter and the Quality manual.

100% of sites are ISO 9001:2015-certified.

Internal information campaigns are carried out to make employees aware of the environmental approach, including eco-gestures, "don't discard, sort," distribution of the IER environmental charter, the 5S project, citizens' days and the WEEE (waste electrical and electronic equipment) campaign.

ACTIONS TO PREVENT LOCAL POLLUTION AND INDUSTRIAL ACCIDENTS

All Bolloré Group divisions implement action and continuous improvement plans as part of their vigilance cycles to prevent local pollution and industrial accident risks.
The Bolloré Group will endeavor to:
- in the Group's non-financial reporting, optimize monitoring of the occurrence of any environmental incidents that occur during the year and how they are handled by deploying a dedicated vigilance cycle to standardize performance monitoring;
- Work to define objectives to reduce the occurrence of environmental incidents and 100% of environmental incidents corrected and handled by a vigilance cycle dedicated to both preventing their occurrence and minimizing impacts on the environment.

Bolloré Transport & Logistics

Each Business Unit develops and implements emergency response plans based on the outcome of risk assessments to minimize the potential effects of an accident or emergency on health, safety and the environment. Emergency response plans are prepared in accordance with Executive management directives.
Each Business Unit ensures that employees, including sub-contractors working on-site, are properly informed of the emergency response procedure.

- **Bolloré Ports and Bolloré Railways**

As regards port and railway activities, the most sensitive local pollution risks, whether gradual or accidental, are, for example, related to tank car leaks, the transportation of hazardous products, and waste. Transportation of hydrocarbons by tank car is highlighted in the risk mapping as a major risk.
Bolloré Ports and Bolloré Railways draw up contingency plans to take into account accidental or gradual pollution scenarios such as losses of containment, leaks or emissions of polluting substances or hazardous products present on-site. The environmental issues associated with the industrial accidents identified are responded to with specific risk prevention and control policies, which depend to a large degree on the application of the mandatory rules and procedures. Finally, each entity implements performance monitoring processes and corrective monitoring processes and objectives similar to the division's.
Gantry accidents are the main risk for port activities.
For example, non-compliance with the navigation and berthing rules for vessels arriving at the terminals are responsible for major equipment accident rates. Global statistics for the last 10 years show 325 ship/gantry crashes, six of which were at the Bolloré Group's port facilities. In the event of a major accident, an emergency plan is deployed by the entity in question and may give rise to a crisis management plan monitored at Bolloré Ports headquarters. Depending on the severity of the event, the Business Continuity Plan and the remediation process are triggered.
Railway-related industrial accidents refer to derailments of passenger trains or trains carrying hydrocarbons. In 2018, the division acquired new equipment to respond to accidental hydrocarbon spills on railways:
- fifteen antipollution kits;
- four motor pumps;
- renewal of fire extinguishers and container liners.

In addition, 113 people were trained in emergency response intervention techniques for hydrocarbon train incidents such as fires, hydrocarbon spills, and in the use of anti-pollution kits.
To reduce the impact on the environment where spill-risk activities (oils, hydrocarbons, other industrial products) are performed, the Bolloré Railways rail concessions have containment tanks. This is also the rule for container terminals. In accordance with local laws and regulations and the QHSE rules established by the Business Units, the installations are equipped with rainwater, wastewater and polluted water networks that empty into decantation devices before discharge into city networks or the sea after inspection.
For example, in Congo and Cameroon, wastewater is analyzed after treatment by an organization approved by the supervisory authorities and waste oil is recovered by a company specializing in the treatment of this type of waste.
In 2018, Camrail signed a partnership protocol with the Hydrocarbons Analyses Controls (HYDRAC) research center for the physical and chemical analysis of wastewater and hydrocarbon-polluted soils. Sitarail has also commissioned eight 'mirador' maintenance wagons dedicated to the monitoring of oil trains in circulation and currently deploys this procedure.

	2018	2017	**Change 2017/2018**
Number of environmental incidents	73	21	248%(1)

(1) This significant increase is due to the expanded reporting scope, and in particular the integration of French ports. At constant scope, 31 environmental incidents were reported in 2018.

Example: creosote

Historically, the Bolloré Railways brand has operated networks that may still contain creosote railroad ties. Creosote is a mixture of oils extracted from coal or wood tar and used as a preventive treatment for wood. Given the risk posed by the exposure and handling of these ties the Bolloré Group has put specific procedures in place to avoid contamination of employees and third parties by this product.
More specifically, Bolloré Railways has put a specific action plan in place and carried out numerous actions in 2018 to take all necessary precautions. Fifty-four Camrail agents and subcontractors were instructed in the handling of creosote-covered wooden railroad ties and the environmental and health risks associated with their use. Two spaces were constructed or converted for the storage of used creosote-covered wooden ties in the best conditions. A medical program was put in place to monitor current and former agents.
In track rehabilitation projects, the railroad ties are replaced by concrete ones.

- **Bolloré Logistics**

Due to the challenges associated with local pollution risks, Bolloré Logistics pays special attention to the prevention of industrial accidents and scrupulously supervises its Storage and Transportation activities for hydrocarbons, cyanide and other hazardous materials throughout its entire supply chain. In addition, the probability of occurrence of local pollution risk is low in this area, as it is very heavily regulated and supervised, by air and by sea. There are comprehensive procedures for each continent and regional ones for each territory where we operate.

The management of hazardous goods is strictly governed by the division's QHSE policies and manual, which integrates risk assessment, risk prevention and control strategies, regulatory authorizations, reception procedures, segregation, control and handling of goods, as well as instruction and training of employees.

Bolloré Logistics has spill prevention and control measures in place during all chemical handling operations (loading/unloading, storage, transfer, etc.) to minimize the effects of chemical spills on health and the environment, both on and off-site.

Depending on the activity, area of operation or specific features of the site, a number of specific measures may be introduced. For example, chemical storage areas have spill containment equipment to control the spread of spills. Accidental spill kits that include absorbent products such as absorbent granules, sheets and rolls are available. Contaminated materials are safely and adequately treated through a qualified and specialized hazardous waste disposal service provider. Retention trays are available to hold containers with leaks.

Warehouses and yards operated by Bolloré Logistics have internal prevention, protection and intervention resources that include:

- fire protection resources (fire extinguishers, fire-hydrants, smoke evacuation, fire detection, sprinkler systems, where appropriate) based on the level of risk presented by the activities;
- procedures to ensure good overall maintenance and levels of facility maintenance that include periodic verification of equipment and facilities;
- internal control through inspections that are regularly performed to verify the good condition and accessibility of fire-fighting tools and emergency equipment, compliance with safety rules; etc.
- specific procedures such as issuance of work permits before performing certain risky operations such as hot-spot work;
- procedures to secure facilities against the risk of malicious acts.

Specific certifications are deployed for the transport of chemicals that present particular risks, such as:

- ICMI (International Cyanide Management Institute Code) certification, held by entities that transport sodium cyanide;
- SQAS (Safety and Quality Assessment Systems) certification, held by certain entities tasked with transporting or handling operations on behalf of chemical or petrochemical companies.

In addition, control of local pollution risks also takes the form of dedicated training sessions for topics such as the handling and transportation of hazardous goods, which are provided to employees based on their responsibilities.

For example, an e-learning module on the transportation of hazardous goods has been deployed since June 2016. This training is intended for employees who manage hazardous goods situations. It consists of several training modules (identification of hazardous goods, packaging, documentation, loading/unloading, etc.).

Intervention exercises are conducted by the entities to test the effectiveness of the procedures and the emergency equipment available and proper knowledge of the rules to be followed by employees.

Bolloré Logistics has formalized its basic QHSE requirements for warehouse design: a manual lists the minimum QHSE and Safety requirements (standards) that should be followed when new warehouses are built or facilities extended or modified or when warehouses are rented. It is also applicable to yards.

	2018	Change
Number of accidental spills reported	49	–14%
Sites not affected by accidental spills (in %)	98	0%

- **Bolloré Energy**

The prevention of local pollution situations, such as the risk of oil spills, is governed in particular by compliance with strict regulations (SEVESO, ICPE, DREAL inspections, ISO 14001) on sites, which have made it possible to manage such risks to date and reduce the risk of accidents. For three years, Bolloré Energy has been involved in a voluntary certification process in accordance with ISO 14001:2015 for its SEVESO oil depots at, Caen, Gerzat, Mulhouse and Strasbourg. The SFDM depots have also been ISO 14001 and 50001 certified. These strategic procedures have enabled Bolloré Energy to reduce its environmental impact and not only provide accountability for environmental issues but also guarantee confidence for its stakeholders.

In addition, Bolloré Energy has put preventive technical controls in place at all of its facilities to allow more in-depth monitoring of depots and correct any anomalies.

	2018	2017
Number of environmental[1] accidents that caused pollution	0	–
Number of accidents reported to the hazardous goods transportation safety advisor	1	–

(1) Accidents requiring notification to the oversight administration.

Blue Solutions

Local pollution risks at Blue Solutions Brittany sites are limited by various dedicated measures.

- fire risk prevention is regulated by fire extinguishing (automatic or manual) and detection systems, annual training of first-response teams, quarterly training of second-response teams, and fire drills with accidental spill scenarios;
- prevention of water pollution risk consists of storm basins that recover hydrocarbons from water runoffs and contain polluted water in the event of a fire or accidental spill. Any liquids stored are placed in retention tanks;
- prevention of air pollution risks involves the treatment of emissions of Volatile Organic Compounds (VOCs) by thermal oxidation on the Batteries site. Facility abatement efficiency was measured at 97% in 2018;
- periodic inspections of facilities are carried out in accordance with the regulations in force;
- Prevention plans are established with service providers and Security protocols are established with carriers.

In addition, a security advisor manages the transportation of hazardous goods for all of the activities in Brittany. His or her role includes advising Management and ensuring compliance with the requirements for the transportation of hazardous goods, including the shipment of products and waste covered by those regulations.

	2018	2017
Number of environmental accidents that caused pollution	0	–
Number of people trained in hazardous material transportation by safety advisors	15	–

In December 2018, an environmental assessment of carriers was conducted for all transportation of products from the Brittany sites, thus demonstrating the prevention procedures for environmental risks that fall under the Duty of care. In addition, pursuant to the ISO 14001 procedures and due to requests from some customers, CSR criteria for selection and evaluation of suppliers have been put in place.
For mobile applications, car-sharing maintenance sites have set up collection tanks for used liquids, which are then deposited at a recycling center.
Audits certify the absence of prohibited heavy metals in manufacturing components. Suppliers also provide declarations certifying that their products do not contain heavy metals that have been banned in Europe for their products, again demonstrating appropriate due diligence. These checks are carried out during the approval phase of each project, which allows a more thorough analysis of the raw materials of each component.

	2018	2017
Number of environmental accidents that caused pollution	0	–

In an effort to better understand and reduce risks, IER has carried out audits for facilities classified for the protection of the environment (ICPEs) at all design and production sites to ensure compliance. IER has also used audit agencies and its insurers to conduct audits and safety checks. The reports from the audits and checks provide a clear view of the status of risks and make suggestions for improvement. To anticipate and quickly comply with legal obligations relating to safety and the environment, IER has had a regulatory oversight tool since 2017. Whenever a new law is enacted, this tool communicates the list of requirements to be fulfilled (such as changes to the ICPE standard).
Currently, all French IER sites are equipped with chemical storage and treatment solutions (cleaners, detergents, aerosol, de-icing agents, etc.). In addition to the health and safety measures deployed for employees, IER has taken measures to reduce risks by issuing specific instructions for the management of chemicals and rules tailored to business lines for the management of occupational risks.

WASTE MANAGEMENT AND CIRCULAR ECONOMY

The Group closely monitors waste at its various facilities in France and internationally. The monitoring centers on “hazardous” waste (waste that, by virtue of its radioactivity, flammability, toxicity or other hazardous properties cannot be disposed of in the same way as other waste without endangering people or the environment) and “non-hazardous” waste (which in no way endangers people and the environment). It forms an integral part of non-financial reporting employing a precise classification of facilities. The results of the reporting make it possible to monitor the production of hazardous and non-hazardous waste at each facility, and to identify the recovered or recycled portion.
Hazardous waste is generated by the Transport & Logistics division (particularly in Africa, where a specific treatment is applied to used oils), Blue Solutions (battery production plants, Bluecar, IER and car-sharing activities) and Bolloré Energy (oil depots where residual hydrocarbons are either treated through thermal regeneration or buried).
The Bolloré Group optimized its waste reporting process by fine-tuning its analysis matrix by sub-categories of waste (paper, wood, metals, used oils, etc.), thereby ensuring more finely grained traceability of reported waste.

— Table of Group waste(1)

	2018	2017
Total amount of hazardous waste (in metric tons)	9,343	9,948
Of which share of hazardous waste recycled or recovered (in %)	20	23
Total amount of hazardous (or non-hazardous) waste (in metric tons)	29,191	65,688
Of which share of non-hazardous waste recycled or recovered (in %)	44	14

(1) The quantities of waste reported by the Bolloré Group (excluding Havas and Vivendi) in the table above only cover companies engaged in industrial activities.

By 2022, the Group will endeavor to:
- further strengthen the relevance and reliability of the Group’s waste reporting;
- strengthen the recovery and recycling of its major waste;
- initiate discussions to set a target for the handling, recovery and recycling of its hazardous waste that takes into account the disparities of maturity of local infrastructures in place in terms of waste management.

• Bolloré Transportation & Logistics

The entities of the Bolloré Transport & Logistics division make every effort to have all of their waste retreated by contractors approved by the Ministries of the Environment of the countries in which they operate to obtain the best level of treatment available in the territory in question.

• Bolloré Ports and Bolloré Railways

Regarding Bolloré Ports and Bolloré Railways activities, environmental audits conducted by the supervisory authorities are carried out annually and a certificate is issued, in accordance with the existing laws in each country. Internal reporting has been further strengthened since 2017, with precise monitoring by category of waste to improve its traceability. For example, used oils, which are the main waste from Ports in Africa, are recycled through a specific treatment in partnership with oil companies such as Total and cement manufacturers in Cameroon, Côte d’Ivoire and Senegal.
Railway activities and shipyards are more specifically concerned with the management of metal waste. This waste is resold and recovered by external service providers.
Likewise, in addition to its QHSE management system, Camrail applies specific waste management procedures, including for special waste and hazardous waste (sludge, sawdust, oil-contaminated soil). Waste management of rail infrastructure waste and used equipment is also covered by a specific policy.
The most frequent types of waste are:

— Main waste streams Bolloré Ports and Bolloré Railways

(in metric tons)	**2018**	**Of which % recovered or recycled**
Ferrous metals	733	98%
Waste oils	303	75%
Brake shoes	23	91%
Non-ferrous metals	10	100%
Empty contaminated packaging	5	98%

- **Bolloré Logistics**

The waste produced by Bolloré Logistics is treated in accordance with local regulations and waste management procedures defined by the entity. The procedure is based on the guidelines set by the Corporate QHSE Department. Each entity implements and maintains a waste management plan. The waste is entrusted to specialized companies in charge of transporting and treating it (recovery, disposal, etc.). Before collection, waste is placed in suitable packaging and kept in storage areas provided for that purpose.

— Major waste streams Bolloré Logistics

(in metric tons)	2018	Of which % recovered or recycled
Untreated wood/pallets	1,273	96%
Plastics (bottles, packaging, bags, film, etc.)	398	97%
Ferrous metals	301	100%
Contaminated water	94	79%
Non-ferrous metals	1	99%

- **Bolloré Energy**

In managing its waste, Bolloré Energy has sought to make its waste register more efficient in order to identify more precisely what will happen to it in the various regions. The waste tracking slips for the site's hydrocarbon water treatment facilities are centralized at the company level. The voluntary certification process in accordance with ISO 14001 implemented by Bolloré Energy at its SEVESO oil depots has shown concrete benefits since the implementation of this system, such as the increased traceability of waste management.

— Major waste streams Bolloré Energy

(in metric tons)	2018	Of which % recovered or recycled
Hydrocarbon	336	80%
Waste oils	189	100%
Ferrous metals	46	100%
Other contaminated waste (rags, sawdust, filters)	30	98%
Paints and solvents	3	65%

Blue Solutions

Blue Solutions is today the only company to use «entirely solid» technology for the manufacture of batteries. LMP® batteries are cobalt and nickel free, using a technology that ensures independence. They are composed of copper, aluminum, lithium, polymer, lithium salts, iron phosphate and carbon – raw materials with a stable supply due to the availability of those natural resources. In addition, the absence of solvents in the creation of LMP® batteries is an advantage for environmental protection and allows for better recycling. Blue Solutions has identified suppliers and defined processes for battery recycling.
Since March 2018, miscellaneous mixed waste (ordinary waste that could not be sorted) from all sites in Brittany is sent to a waste-to-energy channel. No more waste goes into landfills.
The year 2018 was marked by an international crisis in the recycling sector. In July 2017, China announced its intention to ban the importing of several types of waste, including some plastics such as PE (Polyethylene), which is used in the manufacture of Bolloré packaging films. It was therefore difficult to maintain recycling channels for film manufacturing waste in 2018. Brittany is still actively working with its service providers to find the best possible solutions, as the recycling market promises to be just as tense in 2019.
As regards packaging activity, it should be noted that a large portion of film manufacturing scrap is crushed and extruded and converted into granules, so that it can be used again as a raw material. These granules are either resold as a by-product for less severe applications than the manufacture of thin films or reinjected into our manufacturing processes. The process adaptations made in 2018 helped us to achieve a recycled granule re-injection rate of 20% for a range of films (10% in 2017).

— Major waste streams Plastic Films

(in metric tons)	2018	Of which % recovered or recycled
Plastics (bottles, packaging, bags, film, etc.)	1,760	100%
Untreated wood/pallets	141	100%
Ferrous metals	72	100%
Paints and solvents	0.36	100%
Aérosols	0.19	100%

In Blue Solutions mobile applications, cars follow European standards for materials recycling. All waste from maintenance sites and tertiary sites is sorted to separate hazardous and non-hazardous waste. The handling and treatment of hazardous waste is confined to authorized personnel, who guarantee its traceability. The vehicles in the Bluecar® range are regularly maintained and repaired in maintenance workshops.
In car-sharing networks, some also collect and deposit waste vehicle fluids (engine oil, coolant) for the Bluely and Blueclub models. Finally, they recover parts in good condition from scrap vehicles for reuse.
Following the shutdown of Autolib' which marked 2018, the fleet of 3,900 vehicles was divided into two parts:

- First batch: vehicles are stored in a secure area before destruction. The battery packs are returned to Blue Solutions at the Quimper site for processing and recycling. The vehicles are then destroyed after depollution in an end-of life vehicle center close to the storage area.
- Second batch: Some of the most recent vehicles are reintegrated into the Bluely and Bluecub car-sharing fleets after refurbishment.

  The remaining vehicles are stored in Rouen (logistics base) or Bairo (production plant, Italy) until they are sold to automotive professionals in their current state.

  Vehicles that were in accidents or economically unrepairable are sent for destruction to an end-of life vehicle center in the Paris region, after removal of the battery pack.

For IER, the waste management procedure defines the rules to reduce its impact on the environment, minimize the costs related to its recovery or treatment and comply with the laws in force, be it for the monitoring of waste or the destruction of IT data. Waste registers are tracked monthly and, as far as possible, recovery rates. More than 80% of the products manufactured by IER, often with lifespans of more than ten years, and primarily comprising metals, are recyclable in the waste market. IER does not directly consume raw materials, as its primary activity is assembly. Nevertheless, since 2014, 90% of products are delivered in eco-friendly packaging (wood and cardboard).
Moreover, in response to regulations (European directive 2002/96/EC), IER is implementing a comprehensive solution for the recovery and reprocessing of its end-of-life products. In 2009, it signed a contract bearing on a treatment solution with a certified and approved company; in France, it also signed up to a government-approved eco-organization on July 1, 2013.

IER also offers its customers the opportunity to benefit from the recycling solutions it has set up with its certified service providers for earlier products not covered by the regulations and for facilities outside Europe. This includes North America, where the recycling of end-of-life electronic products is not yet regulated: at the request of the customer, IER offers a dismantling, packaging and return to the plant service for equipment. The recovered metal is then recycled, and electronic waste passed on to specialist organizations.
In 2017, as part of an effort to combat planned obsolescence, IER retrofitted several thousand self-service terminals aged over ten years in the transportation segment in order to give them new features, a new life and many years of continued existence. This process is to be studied and renewed for each refurbishment or retrofit of equipment installed at Clients' premises.

— Major waste streams IER

(in metric tons)	2018	Of which % recovered or recycled
Non-Hazardous Industrial Waste (NHIW)	154	52%
Ferrous metals	45	100%
WEEE	17	100%
Non-ferrous metals	8	100%
Batteries	1	100%

BUILDINGS, CONSTRUCTION, RENOVATION

Although the Group's risk mapping specifically targets local pollution risks related to the transportation and storage of hazardous materials, the sustainable management of the building portfolio and infrastructure are also issues of concern to the Group, which works proactively to contribute responses to broader issues such as climate change.

Bolloré Transport & Logistics

The Bolloré Transport & Logistics Business Units tend to improve the quality of their buildings and optimize their existing infrastructures to limit their impact on the environment. They use recognized labels and certifications such as LEED®, BREEAM® and HQE® at Bolloré Logistics or the promotion of certification such as EDGE or the Green Terminal internal label for Ports.
As part of the Environmental and Social Impact Assessment (ESIA) required for Infrastructure Rehabilitation Programs. These studies are used to assess the environmental impact of entity activities and the consequences of climate change. It should be noted that these studies are conducted regularly, whether or not they are required by local regulations.

- **Bolloré Ports and Bolloré Railways**

As part of the projects, technical studies are conducted for any new construction, which results in the assigning of a rating for the quality of construction and a consideration of the issues associated with water, air, land, and energy consumption.
In addition to promoting its Green Terminal label, Bolloré Ports has promoted EDGE certification (Excellence in Design for Greater Efficiency), the standard in certified sustainable construction, at its MPS II port. Projects that adhere to the EDGE standard reduce their energy and water consumption by 20%. This approach is to be deployed for all future port projects.
In addition, prior to each new location and each development project, the port and rail entities conduct environmental and social impact studies, such as at MPS II in Ghana, Freetown Terminal, Abidjan Terminal 2 and Sitarail in 2017. In 2018, impact studies were carried out in African regions, as part of the development or modification of port facilities (Haiti, and Dili in East Timor), in consultation with stakeholders. These studies, which are submitted to the competent local authorities, allow the local populations and environment to be taken into account at the earliest stage of the development process to ensure the preservation of the surrounding natural environment (such as biodiversity, soil pollution, etc.) and the well-being of the local communities (safety, maintenance or even improvement of living conditions). At the end of this process, an environmental approval order is obtained. An oversight or monitoring program and environmental monitoring is then put in place to verify the relevance and effectiveness of the environmental protection measures proposed in the Environmental and Social Management Plan (ESMP), which summarizes all of the measures recommended by the ESIA.

- **Bolloré Logistics**

Climate issues are also broadly taken into account in sustainable buildings policy. In early 2018, Bolloré Logistics strengthened its sustainable buildings policy and promised, as part of its «Powering Sustainable Logistics» CSR program, to ensure that all new construction is based on environmental certification, regardless of its size, everywhere in the world.
A charter will be signed in the first quarter of 2019 to ensure that any new construction is certified with an environmental standard. With a real estate portfolio approaching a million square meters, Bolloré Logistics is developing its building infrastructure (offices and warehouses) in compliance with the most demanding environmental construction standards, such as LEED®, BREEAM® and HQE®. This real estate policy allows action from the first design of the buildings on essential aspects such as the environmental impact of the choice of location, recycling of construction waste, energy management, preservation of water resources, encouragement to use soft transport, quality of life at work and landscaping. The «sustainable» Bolloré Logistics real estate portfolio now has seven buildings (Singapore, Nantes, Roissy, Le Havre, Melbourne, Heathrow and, since 2018, Miami). The opening of a new hub is expected in Singapore in 2019.

Miami, new LEED® Gold-certified green hub

In November 2018, the 18,500 m² Miami logistics platform achieved LEED® (Leadership in Energy and Environmental Design) Gold certification, thus attesting to its high environmental performance. The LEED® Gold level demonstrates Bolloré Logistics' commitment to construct sustainable buildings that are more environmentally friendly and more pleasant for employees.
This level of excellence is an award for the ecological development of the site, use of non-toxic building materials, reduction of water consumption, installation of LED lighting in interior spaces and the provision of reserved spaces for vehicles with low CO_2 emissions and fuel efficiency».

Blue Solutions

The new buildings in Brittany, such as the new battery production plant built in 2013, incorporate energy performance requirements into the design of the project, which include high-performance lighting, low-consumption motors, process heat recovery, proper insulation of buildings and solar thermal energy for domestic hot water.
For older plants, improvement efforts have been gradually introduced in recent years (replacement of lighting with energy-efficient equipment, optimized operation of air treatment units to limit the consumption of hot and cold air, removal of older oil-fired boilers).
BlueLA's offices in Los Angeles are in a LEED-certified building. On the same model, BlueSG in Singapore is located in Green Mark-labeled offices.

WATER CONSUMPTION

In view of the Group's activities, the management of water consumption did not appear to be material. However, given the importance of this topic on a global scale, the Group is aware of its responsibilities to monitor and minimize its consumption. In addition, water management is part of environmental management systems and makes it possible to optimize water consumption and prevent any risk of water pollution through the treatment of wastewater (see Section 2.3.1 Managing environmental impacts – Action to prevent local pollution and industrial accidents, on page 85)
As part of its environmental reporting, the Group monitors its water consumption closely in a constant effort to optimize resources.

— Distribution of the Group's water consumption Bolloré Group (excluding Vivendi)

(in m³)	2018	2017	Change 2017/2018
Bolloré Ports and Bolloré Railways	944,759	908,233	4%
Bolloré Logistics	746,286	743,838	0%
Bolloré Energy	53,031	39,009	36%
Blue Solutions	31,543	30,657	3%
Holding	7,900	9,546	–17%
TOTAL	**1,783,519**	1,731,283	**3%**

Bolloré Transport & Logistics

Bolloré Transport & Logistics monitors its water consumption closely in a constant effort to optimize resources.

- **Bolloré Ports and Bolloré Railways**

As a matter of principle, all facilities are equipped to handle wastewater in accordance with local regulations.

- In new projects, to meet the most stringent environmental requirements, new port facilities such as the MPS II Project in Ghana and TC2 in the Republic of Côte d'Ivoire will be equipped with their own treatment and purification plants for wastewater, sewage, rainwater and stormwater. In addition, various initiatives have been introduced by Bolloré Ports and Bolloré Railways to optimize water consumption, especially in regions where water stress occurs.

  In 2018, Bolloré Ports launched a new system to prevent freshwater leaks and loss while improving the potability of water on certain networks. Some ports were equipped with mini UV water filtration stations at each point of arrival of drinking water, which has also reduced plastic waste (decrease in the consumption of bottled water). This system was implemented at the Abidjan and MPS Ghana ports and is to be expanded to all port sites.
- Local constraints and water stress are taken into account in water consumption management and rail activity action plans. Accordingly, Sitarail has rehabilitated buildings equipped with water collection wells. Drilling has taken place and is being exploited by employees and local residents in areas that are not connected to the drinking water system. This is the case for Kihoan in the Republic of Côte d'Ivoire and Siby and Béréga in Burkina Faso. The functioning of the drilling sites is monitored monthly and physical and chemical analyses are carried out to ensure drinking water quality.

  At one of the Camrail sites, the vehicle washing area is isolated to avoid a risk of polluting the river that adjoins the terminal.

  Finally, at Camrail, any soil that is contaminated is recovered and stored in a treatment area, where physical and chemical treatment is carried out. Once treated, the water is taken to a separator and skimmed to separate the pollutant from the clean water, which is then released into the natural environment.

- **Bolloré Logistics**

Since 2015, water consumption has been monitored in all entities using meters or invoices to establish a picture of the current situation. A water consumption reduction policy is in place, notably through the installation of rainwater collection tanks.

- **Bolloré Energy**

To improve its environmental performance and as part of its ISO 14001 certification, Bolloré Energy has updated its policy for monitoring water and electricity consumption at its SEVESO oil depots. New indicators have been implemented to ensure more regular and precise monitoring of consumption. Accordingly, the certification process deployed by the Business Unit has led to a reduction in water consumption of about 20%. In addition, Bolloré Energy monitors the quality of its treated water before it is discharged, which helps to prevent environmental risks related to water pollution.

Blue Solutions

The 2018 air and water discharge measurement campaigns in Brittany show that plants comply comfortably with regulatory thresholds.
For car-sharing services, the use of eco-friendly multipurpose cleaning products and very little water is applied for vehicles and terminals. For example, this year, BlueLA used nearly 75 liters of eco-friendly cleaning products.

BIODIVERSITY

Given the Group's activities, the protection of biodiversity is not a priority issue. However, given its importance, the Group takes proactive measures in favor of its preservation insofar as possible.

Bolloré Transport & Logistics

Bolloré Transport & Logistics is aware of the importance of taking biodiversity issues into account in the performance of its activities. This is expressed through various actions such as the Biodiversity policy deployed by Bolloré Logistics or impact studies carried out upstream of new construction. Partnership actions with external actors are worthy of mention, such as the Bolloré Transport & Logistics Congo-Brazzaville collaboration with biodiversity protection NGOs to assist in the conservation of sea turtles and chimpanzees, two species in critical danger of extinction.

- **Bolloré Ports and Bolloré Railways**

Prior to making any changes to port or rail infrastructure, technical and environmental studies also take into account the protection of biodiversity. They are submitted to the national authority in charge of the environment.
Under the Sitarail Infrastructure Rehabilitation Program, Environmental and Social Impact Assessments (which cover the protection of biodiversity, nature and the human environment) were underway in 2018. Recently, as part of major development projects in Haiti and Timor, environmental impact studies led Bolloré Ports to analyze marine fauna and flora and put in place actions for their protection (e.g. the relocation of species).
These studies reflect the desire of Bolloré Ports and Bolloré Railways to reconcile the conduct of its operations and the preservation of the biological diversity of the environments in which the companies are located.
By way of illustration, for Rail, Bolloré Railways fights against the illegal transportation of animal- or plant-derived products. For example, since June 2005, an agreement signed between Camrail and the Cameroon Ministry of Forests and Wildlife has enabled the establishment of a project to support the wildlife protection program and the eradication of the transport of wildlife products by rail. An NGO was selected to support the process in the project area (Ngaoundéré-Yaoundé section). Camrail's principal undertakings are to:

- allow and facilitate wildlife product control missions on trains, at stations and right-of-ways;
- authorize inspection missions for timber products in the departure or arrival stations of those products and make these mandatory before the goods are allowed on board;
- insofar as possible, make essential logistical resources available to the Ministry of Forests and Wildlife to facilitate oversight missions.

Each year, information sessions and controls of parcels and luggage on board trains take place, with close involvement of communities bordering the railroad.

- **Bolloré Logistics**

As a pioneer in the field of biodiversity policy logistics, Bolloré Logistics has set up a biodiversity management system that currently covers four Ecocert® "Engagement Biodiversité" certified sites, three of which are BiodiverCity® label sites, and there are plans for one international deployment. Bolloré Logistics has been certified "Engagement Biodiversité" by Ecocert since 2015. To reduce the environmental footprint of its activities, since 2013, Bolloré Logistics has had an active policy to manage its impact on biodiversity, in partnership with the ecology firm Elan. This profess is expressed in a biodiversity charter that is deployed in France and internationally.

In line with its commitments, in July 2018, Bolloré Logistics joined the Act4nature initiative launched by Entreprises pour l'Environnement (EPE), alongside 65 other international companies. The association works alongside scientific experts and NGOs with the ambition to create a collective dynamic around biodiversity and thus contribute to the objectives set by the international community for its preservation. By joining this initiative, Bolloré Logistics is one of the companies that integrates biodiversity into its strategy, activities and value chain.

2.3.2. BEING A COMMITTED PLAYER IN THE ENERGY TRANSITION IN THE EXERCISE OF OUR ACTIVITIES

DESCRIPTION OF RISK/OPPORTUNITY

Carbon impact and opportunity of products and services R(1)

The Group is involved in long-term investment processes. The diversification of its activities strengthens its resilience to the vagaries of the market and allows it to create employment through the evolution of its business lines and making low carbon an opportunity for the development of its products and services in line with major energy transition and climate change challenges.

GROUP POLICY

Thanks to the development of its LMP® battery and its applications, its expertise in cutting-edge logistics solutions in the energy sector and its commitment to improving its energy performance on a daily basis, the Group is a committed player in energy transition. It responds to several major challenges:

- the development of a port service with less impact on the environment;
- the greening of logistics chains through the provision of low-carbon transportation and logistics solutions (last-mile logistics, electrification of transportation, sustainable technological solutions offered that allow customers to choose the means of transportation that is the least carbon intensive);
- increasing the share of renewable energies in electricity generation by providing innovative and efficient logistics solutions with its transportation partners in the service of developing renewable energies;
- developing low-carbon transportation solutions (car-sharing solutions, urban transit, electric vehicles, urban logistics based on LMP® technology);
- promoting intelligent energy management to improve access to energy and optimize the use of renewable energy (stationary electricity storage solutions based on LMP® technology).

ACTION PLAN AND AREAS FOR IMPROVEMENT

All Bolloré Group divisions invest and act on a daily basis for the development of innovative products and services that help the Group reduce the impact of its activities on the climate. The Group's commitment is illustrated in particular by the concrete initiatives taken by its divisions and by investments to develop low-carbon products and services

106 million euros invested in research and development in 2018.

To better measure its commitment, the Group plans to increase the visibility of the resources invested.

DEVELOPMENT OF LOW-CARBON PRODUCTS AND SERVICES

- **Bolloré Ports and Bolloré Railways**

The «Green Terminal» label launched in line with the Group's CSR policy marks the Bolloré Ports commitment to offer port services with a lower impact on the environment through the implementation of concrete actions and innovative solutions that enable it to reduce its carbon footprint.

More broadly, the Bolloré Railways Rail offer for the transportation of goods in and of itself enables an improvement in the carbon performance of transportation, since rail transportation has lower consumption and emissions than road. Moreover, rail transportation also makes it possible to preserve road infrastructures that would not be able to withstand the shipment of the same quantities of goods by truck, as they would deteriorate very quickly.

- **Bolloré Logistics**

As a global player in the supply chain, the role of Bolloré Logistics is to support its customers and offer them more efficient and environmentally friendly transportation and logistics solutions.
The Business Unit has set itself three major objectives:

- reduction in the environmental footprint, preservation of biodiversity;
- incorporation into customer offers of eco-responsible criteria starting with the design of the solution;
- high quality service.

The launch of the «Powering Sustainable Logistics» program reflects Bolloré Logistics' deep desire and commitment to play a part in increasing environmental and societal value through supply chain activities around the world. Bolloré Logistics, has introduced specific indicators into the selection criteria for its suppliers (sea, air, land, warehouses) related to the reduction of CO_2 emissions and atmospheric pollutants and a high value is placed on social and societal initiatives. These actions are regularly reviewed with those same suppliers as part of performance evaluations and associated progress plans.
In 2018, Bolloré Logistics joined two initiatives to strengthen its commitment and continue to work on the most carbon-free logistics offer possible: Clean Cargo Working Group, which endeavors to improve environmental performance in the transportation of shipping containers using standardized measurement, assessment and reporting tools, and Eco Transit, which is developing a tool to calculate energy consumption and emissions for any type of transport chain. This strategy is fully in line with Bolloré Logistics' desire to offer sustainable sourcing solutions. Bolloré Logistics is working with its partners and suppliers to contribute to the necessary industry changes by incorporating the tools and technologies available to advance together toward a more responsible supply chain. Bolloré Logistics is committing itself, alongside some of these, to long-term initiatives to take concrete and effective action to reduce greenhouse gas emissions and improve air quality. The design of commercial and technical offers is thus reflected in the consideration of the most efficient transportation vectors to offer customers more eco-friendly and therefore more sustainable alternatives while incorporating the variables of costs and deadlines. Bolloré Logistics strongly encourages its customers to build ambitious programs with it in this respect and sets improvement targets with them.

Incorporation into customer offers of eco-responsible criteria starting with the design of the solution

Since 2011, Bolloré Logistics has offered a complete eco-friendly consulting solution that includes a carbon offsetting offer. Based on reporting tools for CO_2 equivalents and other pollutants, the company helps its customers to reduce the environmental impact of the transportation of goods. To this end, it designs low-carbon transportation plans and strives to develop new services such as a China/Europe rail offer, or a weekly waterway service linking Le Havre to the Paris Basin, an end-to-end solution operated upstream and downstream by natural gas trucks. It also encourages innovation and selects the best performing suppliers.
Thanks to decision-making tools such as the Decision Management Platform (DMP), Bolloré Logistics will be able to demonstrate the environmental impact of proposed solutions from the moment they are designed. This approach is part of a program of continuous improvement and makes it possible to define, during customer reviews, common reduction targets along with the associated priority action plans.
As a partner involved in the energy transition of large-scale projects, the Kenyan subsidiary of Bolloré Transport & Logistics contributes to such projects as the supply of a sufficient quantity of electricity by making its expertise available to the largest wind farm in Africa, thus supplying nearly one million additional households with electricity.

(1) R: Priority risk

- **Bolloré Energy**

The strategy developed by Bolloré Energy around the issue of the energy transition is related in particular to the challenges faced by the profession. As part of its efforts among the representative bodies of the profession, Bolloré Energy is participating in an initiative to reduce the share of fossil fuels in the products it distributes. Tests will be conducted in 2019 to study the compatibility of these more virtuous products with the facilities for which they are intended.

- **Blue Solutions**

Development of the LMP® battery: a unique technology

LMP® technology is the culmination of an ambitious research and development program dating back more than 20 years. The Bolloré Group has invested over 3 billion euros and hired more than 2,000 people to develop its LMP® battery and its various applications in order to offer innovative mobility and electricity storage solutions. Composed of thin films made using extrusion techniques in which the Bolloré Group has significant experience, LMP® batteries are characterized by their high energy density and safety in use. The batteries can satisfy many markets, addressing the two main challenges of the energy transition: the development of clean transportation and smart energy management.

Develop clean transportation solutions

The Bolloré Group works daily on the development of carbon-free or low-carbon transportation solutions (car-sharing solutions, urban transit, electric vehicles, urban logistics based on LMP® technology). (see chapter 1 – Blue Applications – Mobile applications on page 40)

Car-sharing solutions

Since 2011, the Bolloré Group has been developing, deploying and operating integrated one-way car-sharing solutions (return to the point of departure not required) based on 100% electric vehicles. This solution provides an answer to the problems of cities by making them:

- cleaner through large-scale deployment of a non-polluting transportation system;
- less congested by reducing the number of vehicles in circulation;
- more egalitarian by making access to a private vehicle less expensive;
- more pleasant to live in by reducing noise and odor pollution.

This car-sharing model currently operates in Lyon, Bordeaux, Turin (Italy), London (United Kingdom), Singapore, Indianapolis and Los Angeles (USA) and offers a flexible and affordable transportation solution adaptable to the needs of regular and occasional users.

In 2018, users of Autolib', Bluely, Bluecub, BlueIndy, Bluetorino, BlueSG, BlueLA and Bluecity made nearly 3 million rentals and drove over 29.8 million kilometers. These services have reduced the presence of many combustion engine vehicles on the roads and consequently reduced pollutant emissions.

— Autolib', Bluely, Bluecub, BlueIndy, Bluetorino, BlueSG, BlueLA and Bluecity

	2018
Number of km driven by car-sharing vehicles	29.8 millions
Number of metric tons of CO_2 avoided(1)	10,281

(1) Methodology: Total number of kilometers driven by car-sharing vehicles multiplied by the emissions factor for a mixed gasoline/diesel engine passenger car (source: Ademe Base Carbone)

Every year, the electric cars in the Group's car-sharing services travel millions of kilometers, thus avoiding the release of several metric tons of CO_2 emissions into the air. For example, in eight months, BlueLA has saved more than 22 metric tons of CO_2 thanks to its vehicles (data from the calculation method used by the Shared Use Mobility Center in the United States).

Despite Autolib's withdrawal from Paris, the Bolloré Group will continue to operate and deploy its seven other car-sharing services in Europe, the Americas and Asia in 2019. For example, BlueSG, which is on its way to becoming the world's largest self-service electric car-sharing service, had over 300 Bluecar electric cars and 531 charging stations at the end of 2018. In the coming months, the service will continue to grow and, by 2020, it will have 1,000 cars, 500 stations and 2,000 charging stations accessible within five minutes of homes and businesses.

New innovative solutions for smart cities

In addition, the Bolloré Group deploys and operates charging point networks for all types of electric vehicles in France and the United Kingdom. At the end of 2018, Source London, the London network, had 930 charging stations throughout the British capital. The deployment of these infrastructures plays an important role in the development of the electric vehicle market. On December 20, 2018, the Bolloré Group also inaugurated its first two Bluelib charging stations in the Lille European Metropolitan Area. By 2020, the Bluelib network will have 334 charging points that will be deployed in Lille and 40 neighboring municipalities with more than 5,000 inhabitants.

Clean urban transit solutions

The Bolloré Group is continuing its efforts to expand in electric mobility by offering new urban transit products: 12 and 6-meter Bluebuses, which use LMP® batteries. French-designed, the Bluebus is manufactured at the Bluebus plant in Quimper. Since January 2017, Bluebuses have had the Origine France Garantie label (bus & batteries). Its suppliers are close to the production sites, which helps reduce greenhouse gases in the manufacturing process. On 6-meter Bluebuses, Bluebus batteries are cleverly positioned on the roof, which means that the floor can be completely flat. This makes Bluebus the only 6-meter vehicle to guarantee the same accessibility to all types of users. The 12-meter Bluebus also has the Origin France Garantie label and underwent a Life Cycle Analysis to document its eco-friendly design.

	2018	
	6-meter buses	**12-meter buses**
Number of buses ordered	30	41
Number of buses delivered	26	25
Number of buses in service	204	74

At the end of 2018, over 270 6-meter and 12-meter Bluebuses were already in circulation in many cities in Franc, including Paris, Rennes, Aurillac, Tarbes, Chamonix, Rambouillet, Laval, Amiens, Dijon and Vichy. In addition, the 12-meter Bluebuses debuted on the international stage through the delivery of five buses to the Société des Transports Intercommunaux of Brussels (STIB). For the first time, the 12-meter Bluebuses will be leaving French territory. The 6-meter Bluebus had their international debut a few years ago.

Through Bluestation, the Bolloré Group provides a shuttle service for its employees in Île-de-France and also offers a rental service for small electric buses with drivers to external companies such as the Louis Vuitton Foundation, or for specific events such as the Paris Motor Show with Engie. Last year, 540,000 passengers were transported thanks to 20 Bluebus 6-meter shuttles, which traveled 283,200 km in 2018.

— Blue Station

	2018	2017
Number of shuttles	20	20
Number of passengers	540,000	588,235
Number of kilometers	283,200	281,976

Blue Solutions also offers Bluecar® vehicles on long-term all-inclusive leases to businesses and local authorities, with services including maintenance and remote and connected vehicle fleet management. These custom and private fleet management solutions have already been adopted by companies such as HOP, Air France, Atos, Clarins and SAMSIC.

The development of innovative energy storage solutions using LMP® technology

Since 2014, the Bolloré Group has been deploying its stationary energy storage solutions and providing concrete responses to the challenges arising from the energy transition. For energy producers and grid operators, the Group's storage solutions enable the large-scale integration of renewable energies, and provide flexibility functions that contribute to frequency and voltage adjustments of power lines. For isolated areas not connected to the grid, energy storage represents a solution guaranteeing access to energy for all. The Bolloré Group is using its stationary storage solutions to position itself as a key player to meet the new needs related to the energy transition. It aims to become a leading global player in energy management and storage solutions.

Promoting access to renewable energy to facilitate local populations' development

In Africa, where access to energy is a major challenge in terms of economic and social development, the Bolloré Group continues to develop innovative projects around its energy storage solutions. Currently, more than twenty facilities that combine solar generation and storage are operational in West Africa. In addition, the Bolloré Group is working on a decentralized rural electrification program to bring electricity to off-grid villages. In four West African countries, the Bolloré Group developed autonomous energy area for local populations called Bluezones, which were renamed Vivendi Village Africa in 2018. They function as autonomous mini-grids powered by a solar energy source (70-140 kWp), with associated storage capacity (90-360 kWh).

Since 2017, Blue Solutions and Vivendi have been collaborating in Africa to develop Canal Olympia, a network of twenty off-grid, fully energy-autonomous movie theaters and performance spaces. Ten or so of them will open in 2019. Today, 11 spaces are operational. Each of these spaces can accommodate 300 people in indoor configurations and several thousand people in outdoor configurations.

The rooms are powered 24/7 by a hybrid system developed by Blue Solutions comprised of 140 kWp of solar panels and 400 kWh of storage. This system has:

- supplied high-quality, reliable electricity without depending on fragile networks or generators at a competitive price;
- produced clean energy that reduces CO_2 emissions by up to 150 metric tons of CO_2 per space per year.

Delivering intelligent energy management solutions to relieve high-voltage networks

Blue Solutions is also developing storage and intelligent energy management solutions for companies and power system operators. To test the real-life potential of these solutions, a demonstrator was commissioned in Brittany in 2015. The facility consists of six shelters, each equipped with twelve LMP® batteries. It enables Blue Solutions plants to feed back into the power grid up to 1 megawatt (MW) of power every two hours, or 2 megawatt-hours (MWh) of power. The purpose of the demonstrator is to test the capacity of the LMP® technology to respond to requests for load shedding on the power grid to relieve the high-voltage network during peak periods, at the request of the network operator.

IER, a player in the electromobility market

As part of its design of optimization and safety solutions for flows of goods and people, IER continues to develop terminals, self-service kiosks and identification and geolocation systems. More recently, thanks to its charging stations, IER has become a key player in the electromobility market. In the field of charging terminals and automatic identification solutions, IER's expertise has enabled it to become a key player in new mobility solutions for transportation and especially for electric car-sharing. (see chapter 1 – Blue Applications – Stationary applications on page 42).

In addition, the company uses proven technological expertise to develop new business line processes and deploy innovative concepts in environments throughout its supply chain including warehouses, vehicles, transportation, points of sale, public places and roads.

It has taken concrete progress measures for its customers, which facilitate the operator's work while respecting the environment. Examples include:

- the equipping of terminals with native energy saving solutions, i.e. programmed automatic switching on and shutdown or the systematic implementation of energy efficient power supplies;
- the development of an information system offering optimization solutions for delivery rounds to maximize the usage of the fleet and to cover the shortest distance possible, while ensuring that time commitments are met;
- the provision of mobile applications for drivers to optimize the transportation plan, track packages and maximize the dematerialization of documents.

In addition, the company is aware of the environmental impact that a technical decision may have in the design phase. For this reason, IER makes engineers and buyers aware of eco-design rules. In 2017, IER conducted an initial LCA of one of its terminals (airport self-service terminal). This initiative was extended in 2018 to a vehicle charging station to measure the ecological footprint of products and promote good eco-design practices. As such, in accordance with the ADEME calculator, a 919 self-service airport terminal represents 2,489.3 kg CO_2 equivalent over five years. The vehicle charging terminal represents 776,435 kg CO_2 eq. over seven years.

MASTERY OF GHG FOOTPRINT AND ENERGY PERFORMANCE

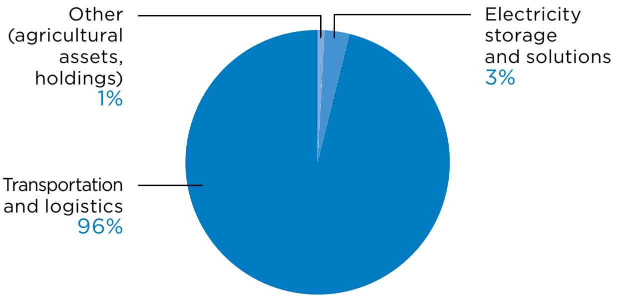
ACTION PLAN AND AREAS FOR IMPROVEMENT

In addition to seizing opportunities for the development of low-carbon products and services, the Bolloré Group seeks a global perspective to reduce its greenhouse gas (GHG) emissions on a daily basis via the optimization of its energy consumption. Significant efforts are made every day by all divisions to reduce consumption, optimize site operating costs and reduce the impact of its activities on climate change. While industrial sites are the biggest consumers and as such are the subject of special attention, the Bolloré Group is also careful to optimize the consumption of its tertiary sites. Furthermore, in accordance with the law on the national environmental commitment of 12 July 2018, in 2019 the Group will once again carry out a GHG emissions survey for the 2018 benchmark year.

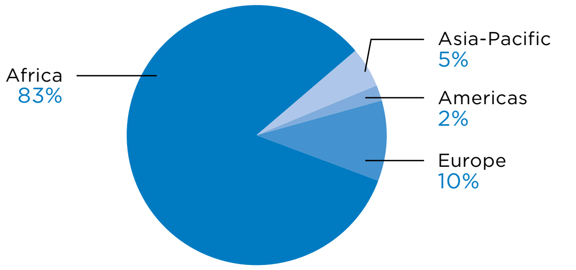
The Group does an annual assessment of the GHG emissions from its energy consumption.

Breakdown of greenhouse gas emissions

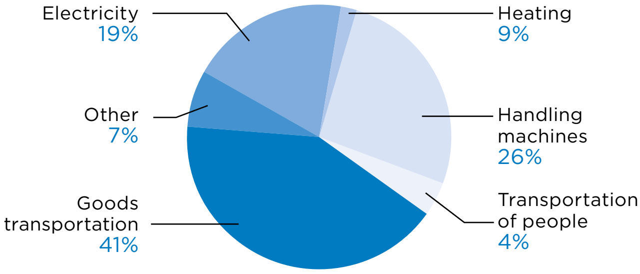
— By division/activity



— By geographical area



— By emission item



— Summary of GHG emissions included in scopes 1, 2 and 3 for the Bolloré Group (excluding Vivendi)

(in metric tons CO_2 eq.)	**2018**	2017	2016	**Change 2017/2018**
GHG emissions resulting from energy consumption scope 1(1)	268,013	273,895	294,849	–2%
GHG emissions resulting from energy consumption scope 2(2)	61,614	77,625	76,787	–21%
GHG associated with energy consumption – scope 1 and scope 2	329,628	351,520	371,636	–6%
GHG emissions – scope 3(3)	4,671,770	4,553,489	–	3%
Total scope 1, 2 and 3 GHG emissions	5,331,025	5,256,529	743,272	1%

(1) Scope 1 corresponds to direct emissions, such as energy consumption excluding electricity, fuel combustion, emissions from industrial processes and fugitive emissions linked to refrigerants.
(2) Scope 2 corresponds to indirect emissions associated with energy, such as electricity consumption or steam, cold or heat consumption through distribution networks.
(3 Scope 3 corresponds to the combustion of petroleum products sold by Bolloré Energy and employee business travel.
The calculation methodology used is the Ademe carbon base method issued December 17, 2015.
Internationally, where the emission factors for certain items of energy consumption were unavailable, the French factor was applied. For GHG emissions linked to electricity, when no emissions factor was available for a particular country, the highest factor from any of its neighboring countries was applied."

The Group aims to strengthen its ability to measure the impact of its products and services on the climate by 2022 through development of a calculation method to estimate:
- GHG emissions from its Scope 3 products and services;
- the metric tons of CO_2 avoided thanks to the consistent implementation of its activities over a reinforced scope.

The launch of this project was approved in 2018 and will be initiated in 2019 for the Bolloré Logistics scopes and in 2020 for Blue Solutions.

Bolloré Transport & Logistics

Bolloré Transport & Logistics represents over 80% of the Group's emissions. The largest emissions items identified are transportation of goods, handling and electricity.
From monitoring of their consumption to implementing a solution to optimize the energy performance of their activities, each of the divisions is involved every day in reducing the Bolloré Group's GHG footprint.

• Bolloré Ports and Bolloré Railways

For Bolloré Transport & Logistics, port and rail entities accounted for over half of GHG emissions in 2018. In addition, energy accounts for more than half of these extremely costly emissions. This is why Bolloré Ports and Bolloré Railways are seeking to improve the energy performance of their facilities and equipment on a daily basis.

Green Terminal

In line with the Group's CSR policy and in keeping with its commitments, in early 2018, Bolloré Ports launched an environmental program for its terminals in Abidjan and Congo called the "Green Terminal" label. Bolloré Ports is increasing its technical initiatives and working to reduce greenhouse gas emissions. This means that the following innovative solutions are being tested:
- recovery to energy provided to gantries and reinjection into the circuits at Abidjan Terminal;
- use of the fleet's electric tractor;
- shuttle Bluebuses and electric cars serve as means of locomotion for employees to travel in the Congo Terminal facilities (nearly 70 electric vehicles in Africa) or on the La Rochelle port platform;
- the electrification of handling equipment with tractor-type LMP® batteries or RTG gantries;
- installation of solar panels and solar lighting;
- use of less polluting self-propelled locomotives;
- monitoring of quality of discharged water.
- etc.

The certifying body SGS conducted the first technical evaluation in October 2018 at the Congo Terminal. The Group's goal is to deploy this label at four additional Ports in 2019. This will be followed by evaluations of Benin Terminal and Kribi Terminal in 2019. The future terminals MPS2, Abidjan 2 and Dili will also be part of this dynamic. This process goes beyond ISO 14001 requirements and makes it possible to respond to the company's environmental challenges by highlighting all of the best environmental practices that supplement that standard.

Connection of Ports to the national electric network

Depending on its location, where infrastructure permits and in consultation with local authorities in some countries, Bolloré Ports has set for itself the goal of connecting all of its container terminals, which until now have been connected to power stations to the national electricity grids.
In 2018, 22 terminals and concessions out of 24 (including one partial connection) were connected to the network. These connections allow a significant reduction of emissions of particle pollutants and of consumption of diesel, lubricants and spare parts due to the intense use of generators.
Between 2016 and 2018, the connection of certain ports to the electricity network and the introduction of new more powerful and energy-efficient machinery enabled a 63% reduction in their GHG emissions, corresponding to 14,861 metric tons equivalent. CO^2 avoided at constant scope.

Railway energy performance

As for railway activities, Bolloré Railways, whose locomotives run on diesel fuel, is investing in new locomotives that are more efficient and consume less fossil fuels, thus reducing their impact on the environment.
In addition, solar panels have been installed at most Bolloré Railways sites. Even though stations are mostly supplied by the national electricity grid, the production of electricity by solar energy is constantly being studied and promoted when the environment is friendly to it, all along the railway line (small bush stations, level crossings, etc.).
Environmental actions, such as stopping locomotive engines in the event of prolonged parking, contribute to the reduction of GHG emissions.

• Bolloré Logistics

As part of its climate strategy, Bolloré Logistics has established a program to optimize existing facilities and systems. This program exploits the development of technological innovations for better management and better energy efficiency. The projects undertaken include the installation of solar panels, an intelligent solution for managing consumption, the renewal of the vehicle fleet and a more environmentally friendly travel policy.
The first time it participated in August 2018, Bolloré Logistics was awarded a B by the CDP, a non-profit organization based in the United Kingdom that studies the climate impact of the world's leading publicly traded companies. In the fourth quarter of 2018, with the aid of a consulting firm, the Business Unit defined its carbon reduction target to be in line with the 2°C trajectory based on the Science-Based Targets (SBT) initiative. It therefore agreed to reduce the intensity of its direct and indirect CO_2 equivalent emissions (Scopes 1 and 2) by 30% by 2027.
The environmental management systems deployed at Bolloré Logistics make it possible to optimize the management of energy consumption in order to adapt to the scarcity of local resources and contribute to the prevention of risks related to climate change. Since 2015, water consumption has been monitored in all entities using meters or invoices to establish a picture of the current situation. A policy of reducing energy consumption is being established, notably through the installation of LED lighting, presence detectors, centralized printer fleets, optimized management systems for air conditioning, and the installation of solar panels and lighting on African logistics sites. The company has also continued to deploy its environmental management system. All countries are now covered and Europe and Asia are ISO 14001-certified.

The Bolloré Logistics Roissy and Le Havre sites have also subscribed to a balanced offer certifying that EDF injects a quantity of renewable electricity equivalent to 100% of their electricity consumption into the grid. The power in question is derived from facilities certified by Powernext, located in continental France and producing wind, solar, geothermal, aerothermal, hydrothermal, marine and hydraulic electricity, but also from biomass, gas from wastewater treatment plants and biogas. In 2018, Bolloré Logistics consumed more than 3,195 MWh on these sites; EDF accordingly injected the same amount of renewable energy into the grid. Other Bolloré Logistics entities in Italy, Canada, Kenya and the Democratic Republic of the Congo used more than 2,527 MWh of renewable electricity in total for operational purposes in 2018.

In 2017-2018, Bolloré Logistics conducted a thorough analysis of its Scope 1, 2 and 3 Greenhouse Gas emissions, upstream and downstream. Scope 3 (transportation of goods by third parties) is by far the largest source of emissions in the division. According to the IMO (the International Maritime Organization), maritime traffic contributes about 2.2% of global CO_2 emissions. Bolloré Logistics maritime activity therefore works together with shipowners and other maritime freight operators to reduce the environmental impact of maritime shipping services. For example, CMA CGM, a leading maritime shipping partner, has reduced its CO_2 emissions per container by 50% between 2005 and 2015, and aims to reduce it to 30% of 2005 emissions by 2025.

In addition, a new regulation (IMO Sulfur 2020) now limits the sulfur emission (SOx) rate for ship fuels to 0.5% (compared to 3.5% currently) by 2020, thus obliging all shipping companies to reduce their sulfur emissions by 85%. This will improve the quality of the air released by ships and limit the impacts of ocean freight on the environment and health. These new standards would cost the industry between $50 billion and $100 billion a year because of the incremental cost of low sulfur fuels, i.e., $160 per 20-foot container according to CMA CGM estimates. Bolloré Logistics and the sea freight companies are now working on the development of commercial offers that limit the impact of extra costs on customers.

- **Bolloré Energy**

The company also works daily on the environmental performance of its sites, from a standpoint of both pollution control (14001 certification, end-of-life rehabilitation of oil depots, etc.) and site energy performance (e.g., energy optimization of its vehicle fleet, 5% to 8% of which is renewed each year).

To improve its environmental performance and as part of its ISO 14001 certification, Bolloré Energy has updated its policy for monitoring electricity consumption for its primary warehouses. New indicators have been implemented to ensure more regular and precise monitoring of consumption.

The Bolloré Energy GHG assessment was updated in 2018. Greenhouse Gas emission information campaigns were based on the «rational driving» training, which trained 65 drivers in 2018.

Following the 2015 energy audit, Bolloré Energy also continued to renew the oil vehicle fleet in 2018, acquiring 22 new oil vehicles (Euro 6 standard). In total, nearly 65% of the fleet meets the Euro 5 or Euro 6 standard (60% in 2017, 26% in 2018). Bolloré Energy aims to renew its entire fleet to the Euro 5 or Euro 6 standard by 2025.

Blue Solutions

Since January 1, 2017, plants in Brittany have been supplied with electricity of which 50% is guaranteed to be of renewable origin. Additional Bluecars have also been deployed to promote electric mobility during inter-site trips, and a total of more than 16,000 km was driven by electric vehicles around factories in 2018, compared to 4,600 km in 2017.

In its packaging film manufacturing process, the Plastic Films subsidiary uses fluorinated gas (SF6), a Greenhouse Gas known to be the standard electrical insulation for the safety of high-voltage equipment (1 kilo of SF6 represents 23 metric tons of CO_2 equivalent). Accordingly, under the commitments made in the context of the Greenhouse Gas Inventory mandated by regulations, the subsidiary commissioned a new SF6 recovery facility in early 2016. The emission of 1,700 metric tons of CO_2 equivalent was avoided in 2018 compared to the 2015 inventory.

In addition, since 2012, Life Cycle Analyses have been performed on energy storage solutions (batteries, Supercapacitors) and their applications (mobile, stationary). These studies are governed by the ISO 14040 environmental management – life cycle analysis standard, which verifies the environmental added value of products and identifies ways of improving their design. They are also essential for meeting the growing demands of our customers as regards eco-design.

Two Life Cycle Assessments (LCAs) were conducted in 2018:

- 12-meter Bluebus LCA;
- stationary storage system LCA.

As for Blue Solutions mobile applications, tests were performed during 2018 on vehicles by the Île-de-France Regional and Interdepartmental Environment and Energy Department. When the tests were complete, their CO_2 mass emission rate was determined to be 0g/km.

Bluely and Bluecub limit the impact of terminal energy consumption through the Direct Energie renewable energy offer, to which they subscribed on July 1, 2018. Direct Energie promises to purchase guarantees of origin in France that correspond to the amount of electricity consumed by electric cars. This certification mechanism thus guarantees the injection into the network of renewable power production equivalent to annual consumption. This new contract also allows them to know their electricity consumption every month and consequently the number of kilograms of CO_2 saved thanks to the services. For its part, Bluetorino has also signed a contract with the electricity supplier IREN, which is committed to providing 100% renewable energy. Finally, BluePoint London (Source London and Bluecity) has entered into a partnership with SSE Green so that its charging terminals are powered by clean and renewable forms of energy. As London's first renewable energy recharging network, Source London helps to improve air quality while maintaining its goal of deployment across the capital.

In addition, car-sharing "ambassadors" keep the fleet balanced mainly with the help of the network's electric vehicles and urban transit. Some services, such as Bluely in Lyon, Bluecub in Bordeaux and Bluetorino in Turin also use soft mobility solutions such as cycling and scooters.

For IER, assembly activities mean that only a small quantity of Greenhouse Gases will be produced. In addition, the sustainable nature of IER products, from design to end-of-life, reduces the carbon impact of those products.

More generally, employees are made aware of the themes of sustainable development, via reminders, online greetings and displays about good actions to adopt daily, such as turning off lights and other devices when leaving the office, optimizing natural lighting, trying not to obstruct windows, not opening the windows in air-conditioned spaces, avoiding excessive printing, and adapting clothing to the seasons. More than 50% of IER's product parts are produced locally, which significantly reduces the carbon impact of transportation.

In addition, IER's energy action plan, which was initiated in 2016, is now more than 80% complete. With regard to energy consumption, the Group makes a distinction between energy consumed for transportation and energy consumed in buildings. Consumption is monitored monthly to detect any deviations.

In 2015, IER conducted energy audits and updated its Greenhouse Gas emissions assessment for all of its sites (buildings and vehicle fleet) to establish an action plan.

The plan supplements the many measures already taken to reduce energy consumption at IER's facilities, including:

- the management of temperature set points during unoccupied periods (night, weekend) to reduce heating of premises during these periods;
- the implementation of solutions to better regulate temperatures on the premises;
- the renovation of the insulation of certain rooms, doors, facades and windows;
- the systematic replacement of IT equipment with materials certified for their energy consumption, durability or the use of hazardous substances, namely TCO, Energy Star or EPEAT;
- the replacement of fluorescent and incandescent light bulbs with LED lighting or low-energy light bulbs;
- the implementation of consumption monitoring by site;
- the awareness raising of staff and service providers about responsible energy management to improve their behavior;
- the provision of electric cars for car-sharing for business trips at the Suresnes and Wavre sites.

IER implemented a travel management policy, which was partially updated in 2018, through the publication of the mobility plan for the Suresnes site. Various actions help to reduce the carbon impact of travel, such as:

- the equipment of all IER sites with videoconferencing solutions and making individual web conferencing solutions such as Skype and Zoom available to individual employees;
- the existence of a travel management procedure and tool;
- the reservation of parking spaces for electric vehicles in parking lots (two electric car-sharing cars available at the Suresnes site);
- optimized planning of maintenance technician interventions.

2.4. Committing over the long term to regional development

2.4.1. CONTRIBUTION TO LOCAL DEVELOPMENT

DESCRIPTION OF RISK/OPPORTUNITY

Risks and opportunities related to relations with local communities R(1)

With locations in 127 countries, including 46 in Africa, the Bolloré Group, through its activities and relationships with local communities, is a key player in regional social and economic development. It must therefore prevent, mitigate and compensate for the negative externalities generated by its activity while maximizing beneficial impacts for local populations and the territories where it operates.

GROUP POLICY

In all its activities, one of the primary issues for the Group is the contribution to the development of the regions, which primarily involves the recruitment and training of local employees.

Through its activities and investments and dialogue with local communities, the Group contributes to local economic growth, employment and skills-building, making some countries more accessible and developing public services. Relationships with local communities and actors enable it to better participate in regional dynamics and be more closely involved in their issues. As a result, the Group's local impact policy is broken down into several key points:

- contributing to and promoting local employment;
- investing in the local economy;
- building and maintaining dialog with stakeholders;
- undertaking societal actions for the benefit of local populations.

With 22,416 employees on the African continent (56.9% of all Bolloré Group employees (excluding Vivendi)), in keeping with its core principles and values, Bolloré Transport & Logistics takes a long-term approach to its activities and is committed to reconciling its economic performance with its social mission and the preservation of the environment. To evaluate its social and economic footprint, the Transport and Logistics Division has launched several studies on this subject to quantify its many positive impacts in Africa, particularly in terms of:

- Job creation (direct, indirect and generated);
- contribution of activities to the country's economy through analysis of the economic flows generated by local purchases of goods and services;
- contribution of activities to local GDP;
- national tax revenue;
- development of local communities.

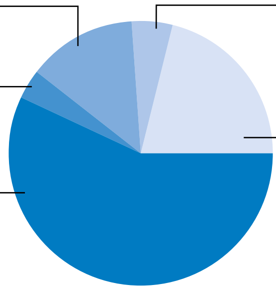
These studies were first initiated in Cameroon, Gabon, Congo and the Republic of Côte d'Ivoire and will gradually be extended to other African countries (Sierra Leone, Kenya, Tanzania, Uganda) in 2019. The results attest to the territorial anchoring of the company through its positive impact on jobs, the increased skills of local populations and the improvement of living conditions in local communities thanks to the social and societal initiatives carried out by the subsidiaries. First, an internal audit is carried out on quantitative and qualitative data with the corporate project managers and the managers of Purchasing, Finance, HR, CSR, etc. in the countries concerned. Second, in the interests of transparency, the application of the calculation method, the input data and the results of each study are verified by an external consulting firm, which validates their fairness and the conclusions. For each study, firm validates the analysis of the socioeconomic footprint of Bolloré Transport & Logistics using a specific calculation tool produced for this scope. The design is based on the use of symmetrical input-output tables to model interdependencies between all business sectors in a given economy (work by the economist Leontief).

CONTRIBUTING TO AND PROMOTING LOCAL EMPLOYMENT

The Bolloré Group undertakes in all the countries in which it operates to be a leading local employer. As a result, in 2018, the Group measured its impact on local employment. Of the 39,403 Bolloré employees in the workforce as of December 31, 2018, 98.8% were local employees. Since 2014, the Bolloré Group has been mapping compensation and benefit practices worldwide. To this end, audits were carried out on compensation in 6 African countries and on benefits in 18 African countries. These involved both documenting compensation, welfare, health and pension practices and comparing these to the local market. The results achieved enable the Bolloré Group to have an overview of the mechanisms put in place locally in order to build the appropriate governance framework.

The Bolloré Transport & Logistics Division is particularly present on the African continent, which has nearly 61.4% of its 36,531 employees. The Bolloré Group is the number one port operator with 21 concessions in operation and is also a significant player in rail, through its three rail concessions.

Breakdown of headcount by geographical area for the Bolloré Group (excluding Vivendi)



INVESTING IN THE LOCAL ECONOMY

Through its presence in developing countries, and particularly in Africa, the Group plays a role in the economic development of the areas in which it operates.

Through its investments in port and rail infrastructure, its advanced logistics solutions and the development of its electricity storage solutions, it contributes to economic growth. The Group is active not only in direct employment, but also indirectly through purchases from local suppliers and service providers.

Bolloré Transports & Logistics

The integrated vision of Bolloré Transport & Logistics allows it to develop a global approach to promote the logistical fluidity necessary for the development of a country's industrial activities.

All logistic, industrial and commercial facilities operated with reference partners and States are drivers of job creation and wealth for the countries where they operate, such as Cameroon, Gabon or Congo-Brazzaville. Bolloré Transport & Logistics also promotes youth entrepreneurship through its support of the European Institute for Cooperation and Development (EICD) and the Pointe-Noire Industrial Association (APNI) and by participating each year in the entrepreneurship forum organized by the Pointe-Noire Chamber of Commerce. Since 2015, a partnership agreement between the division and

(1) R: Priority risk

the EICD has enabled nearly 300 local entrepreneurs to be trained, who have received World Bank funding.
In Cameroon, the activities of Bolloré Transport & Logistics are spread throughout the country, in transportation and logistics agencies and along railroads. Every year, paid work is allocated to village communities, which helps to increase their purchasing power and open up rural areas.
The activities of Bolloré Transport & Logistics and its investments are central to the development of sub-regional imports and exports, which also increases the opening up of neighboring countries.
The activity of Bolloré Transport & Logistics subsidiaries in less active areas generates an economic dynamism that benefits local populations. For example, the 2017 opening of the Port of Kribi, a city of 72,000 inhabitants who live mainly off fishing, has enabled its current economic expansion thanks to the establishment of Cameroonian companies and given it access to services such as banks, insurance, food and goods stores, etc.
While the activities of Bolloré Transport & Logistics are mainly located in the major cities of Cameroon and Congo-Brazzaville, they are also spread throughout those countries, contributing to the creation of direct and indirect jobs in secondary cities and rural areas.

— Jobs supported by Bolloré Transport & Logistics

Bolloré Transport & Logistics	Direct jobs(1)	Indirect jobs(2)	Jobs generated(3)
Cameroon	4,805	13,408	9,934
Gabon	1,103	1,989	745
Congo-Brazzaville	2,077	12,729	4,231

(1) Direct jobs generated by the Bolloré Ports, Bolloré Railways and Logistics Business Units.
(2) Indirect jobs generated by service providers (dockers, etc.) and local suppliers.
(3) Jobs generated by household consumption by direct and indirect employees.

- **Bolloré Port and Bolloré Railways**

The purchasing profile of the rail concession activity is dominated by equipment (spare parts). For Ports, large purchases such as quayside gantry cranes, terminal gantry cranes, terminal tractors and Terminal Operating Systems generate customs duties and taxes for tax revenue. In addition, the main local purchasing categories are hydrocarbon purchases, spare parts, energy (water, electricity, gas), insurance benefits, banking and legal (financial intermediation), technical subcontracting activities, restaurants, etc.
More than 4,300 employees are subcontracted for the two Bolloré Railways networks. Sitarail and Camrail generate a pool of 3,000 indirect jobs classified as subcontracted, full-time or part-time.
As part of its maintenance operations for the railway and its facilities, the railways use a very large number of local companies along the railway route. Sitarail, for example, works with more than 200 local companies. It requires external companies responsible for implementing certain work to recruit local labor, and young people in particular. For routine maintenance work (implementation of the programmed schedule of work) the operations require the recruitment of local labor. The number of direct and indirect jobs generated is estimated at more than 100 during the different implementation stages. Accordingly, depending on the progress of work, working young people from and near the various localities served benefit from these temporary job opportunities, which provide them with income. Upkeep is required for an area of 15 meters on either side of the railways, making about 65 million m^2 for the 2,000 km of both networks. This is maintained mainly by local residents (weeding, brushwood-clearing) and subcontractors.
In addition, Sitarail trained 52 young people as drivers' assistants in its professional training centers in Abidjan and Bobo Dioulasso, and recruited them following their training.

- **Bolloré Logistics**

For freight forwarding, purchases mainly include subcontracting costs (security, guards, rent, etc.), equipment rental and the purchase of fuel.
Through its 616 branches all over the world, Bolloré Logistics promotes the logistical fluidity necessary for the expansion of industrial and commercial activities in the network's territories. It also helps to open up developing countries through its import and export operations. By taking a long-term approach to its activities, the Business Unit also enables its subsidiaries to establish close links with local economic players. Its new infrastructures contribute to the development of public services and construction (urban transit, road access, etc.), and their modernity helps the local economy to flourish.

Blue Solutions

The development of zones that are autonomous in energy

In four West African countries, the Bolloré Group has developed autonomous energy zones dedicated to the well-being of local populations. They are known as Bluezones. They function as autonomous mini-grids powered by a solar energy source (70-140 kWp), with associated storage capacity (90-360 kWh). They enable the development of economic, cultural and sporting activities and offer a set of services intended to improve the well-being of populations. Each year, the Bluezones organize awareness-raising campaigns, training days and music festivals and host sporting events, such as football or basketball tournaments. In 2018, the nine Bluezones in four West African countries received nearly a million people.

Energy access

Access to energy is one of the major challenges for developing countries because it contributes to the reduction of poverty through economic development, education, health improvement and food security. Through its energy storage solutions, the Bolloré Group contributes to improving access to energy in isolated off-grid zones. In addition to Bluezones, the Group wishes to develop new projects, particularly in Africa, to promote access to energy.

Clean public transport

Since 2014, the Bolloré Group has been running electric bus services on the campuses of the universities of Cocody (Republic of Côte d'Ivoire) and Yaoundé (Cameroon).
Composed of three Bluebuses each, over more than three years, these free services have transported nearly 5 million students and traveled a total of more than 225,000 km. A solar power station of 140 kWp associated with a storage system of 360 kWh charges these vehicles using clean energy, both during the day and at night.

Indirect employment and/or local purchases

The impact of the Group's activities in Brittany in terms of regional employment has been measured: of the 758 employees of the Division present as of December 31, 2018, 565, or 75% of the workforce, are from the Brittany region. The division also works with employment agencies and local recruitment firms.

— Local purchases (neighboring French departments)

(as a percentage of revenue)	
Plastic films	12
Blue Solutions	20
Bluebus (including purchases of LMP® batteries from Blue Solutions)	47

Supporting local suppliers

Out of concern for its impact on the environment and the development of the local economic fabric, the Brittany Division relies on local suppliers as much as possible. It works with local sheltered workshops such as CATs (Labor Assistance Centers) and ESATs (Labor Assistance Establishments and Services) to purchase office supplies and wooden pallets, maintain green spaces, etc.

Produced in Brittany label

Blue Solutions has obtained the "Produced in Brittany" label. This association, created in the 90s, brings together numerous Breton economic players who aim to promote the purchasing and production of products made in Brittany.

French origin guaranteed label

The 6 and 12-meter Bluebuses have obtained the French origin guaranteed label. This distinction guarantees to consumers the traceability of a product and gives a clear and objective indication of its origin. It thus certifies that the Bluebuses built in the factory at Quimper are mainly made in France.

In 2018, the new Other mixed waste management contract was entrusted to a local player, which developed an energy recovery sector in the department.

BUILDING AND MAINTAINING DIALOGUE WITH STAKEHOLDERS

A new identification and mapping method is being developed at the Bolloré Group level to be rolled out in the subsidiaries, for the purpose of constructing a Vigilance plan (see Section 2.2.2, on page 74). Although the dialogue with stakeholders is not consistently organized at Group level, the divisions and subsidiaries of Bolloré maintain constant dialogue with their stakeholders.

Bolloré Transport & Logistics

To enhance the performance of its activities, the Bolloré Transport & Logistics division maintains a daily dialogue with stakeholders in the territories in which it operates.

Abidjan Sustainable City Club

Bolloré Transport& Logistics Côte d'Ivoire is one of the founding members of the Abidjan Sustainable City Club, an initiative of the French Secretary of State for Foreign Trade and the French Embassy in the Republic of Côte d'Ivoire.

The problems of urbanization are strongly affecting the African continent and the Republic of Côte d'Ivoire in particular. In addition, the population of Abidjan has doubled in 15 years. Faced with these challenges, French companies came together to meet Ivorian experts, decision-makers and entrepreneurs to work with them design their city of the future: a city that respects the environment, the environment, the Ivorian lifestyle, the quality of life of its inhabitants and the efficiency of these services. The club therefore makes the expertise of its members, their experience and their know-how available to the Republic of Côte d'Ivoire to reflect on the future of cities in the country. Bolloré Transport & Logistics Côte d'Ivoire expresses its commitment to be part of a sustainable approach, in consultation with all stakeholders in the region.

- **Bolloré Ports and Bolloré Railways**

The Monitoring Committees set up with the local communities are an example of the dialogue with stakeholders that takes place as part of the activities of Bolloré Ports and Bolloré Railways.

In accordance with Bolloré Ports and Bolloré Railways policies, local communities are consulted prior to each proposed site extension or modification, especially during the impact studies. The meetings organized with the monitoring committees are established beforehand. The frequency may vary depending on the subjects, activities, and problems of the moment. The Monitoring Committees are managed by the Executive Management, which guarantees the quality of dialogue and can be mobilized to prepare an overview or identify the needs encountered by the stakeholders neighboring the sites.

- The objectives of the proximity policy implemented by Camrail in 1999 and which affects nearly 250,000 people in the 163 villages crossed by the tracks, are to help to increase the purchasing power of the villages bordering the railroad and improve the monitoring of rail facilities through the involvement of the people who live near them. To achieve them, the rail concession supports vigilance committees within communities throughout the network.

  Each year, paid work is allocated to village communities such as weeding the railway, occasional cutting down of trees along the track, weeding the engineering and hydraulic structures, maintaining the tracks and cable enclosures and maintaining intermediary stations. In return, residents contribute to the security of national railway assets (detection of anomalies on the track, seizure of illegal forest products and wildlife in collaboration with Camrail agents, monitoring of the tracks to avoid malicious acts and theft, raising public awareness). To allow local residents to perform the missions entrusted to them in the best and safest manner possible, all of the necessary equipment is provided (safety vests, boots, telephony, etc.).
- Furthermore, in conducting the study on the environmental and social impact of the program to renovate infrastructure (PRI), Sitarail set up a process of information provision and consultation of stakeholders and the public, applied as follows:

– presentation of the project (objectives, activities planned, areas of intervention, etc.) and its impacts;
– collect points of view, concerns and suggestions arising during the various meetings.

As part of this study, public consultation sessions targeted stakeholders:

– regional authorities (regional and departmental prefects, sub-prefects) and local elected officials (Presidents of the Regional Council, mayors, etc.);
– local organizations (heads of villages and communities, chairmen of agricultural cooperatives, young people and women's organizations, etc.);
– NGOs;
– people likely to be affected by the project, and actors impacted by the implementation of the activities.

The involvement of local residents is therefore a core concern of the activities of Bolloré Railways. In 2018, six formal meetings with village leaders were held that brought together over 100 participants.

- **Bolloré Energy**

Every year, Bolloré Energy supports local associations through donations. Site monitoring committees are in place for the most at-risk sites.

A site monitoring committee meeting was held in 2018 for the Strasbourg site. This was an opportunity to meet all of the stakeholders (neighborhood associations, government bodies).

Blue Solutions

At Blue Solutions, dialogue with stakeholders takes place at two levels:

- local authorities: the car-sharing services deployed throughout the world maintain a constant dialogue with the municipalities and departments where they are located: Lyon Métropole, Bordeaux Métropole, the City of Indianapolis, the Municipality of Turin, the Land Transport Authority of Singapore, Transport for London and the various partner boroughs of London, the City of Los Angeles, the Los Angeles Department of Transportation;
- end customers: car-sharing services regularly organize exchanges with end customers to obtain their impressions of the development of the service. For the same purpose, Bluebus regularly organizes exchanges with public transit operators, central purchasing offices and large urban areas.

UNDERTAKING SOCIETAL ACTIONS FOR THE BENEFIT OF LOCAL POPULATIONS

Solidarity reflects the values of the Group and contributes to the economic and social development of the regions where it is established. The commitments of the Bolloré Group are built around the Fondation de la 2e Chance, the Foyer Jean-Bosco and the implementation of societal actions for the benefit of local populations also rolled out through its Sponsorship policy (see Sponsorship policy, on page 100). In 2018, the Bolloré Group supported a total of 656 projects in 45 countries around the world.

- **Fondation de la 2e chance: combating exclusion and promoting solidarity**

Set up in June 1998 at the initiative of Vincent Bolloré, the Fondation de la 2e chance has been recognized for its public utility since 2006. Chaired by Marie Bolloré, the Fondation de la 2e chance helps people aged 18 to 62 who have faced extreme hardship in life and who presently live in a vulnerable situation, but who have a real desire to get their lives back on track. It offers them human and financial support (up to 8,000 euros for company start-up/takeover projects and 5,000 euros for training projects) to successfully complete a realistic and sustainable professional project: training leading to a qualification, start-up or takeover of a company. This financial "leg-up" is accompanied by professional and emotional sponsoring provided to the project owner, until the project reaches a successful conclusion. The Foundation's continued activities are supported by a team of employees and volunteers. There are six employees at the Foundation's headquarters, which is housed by the Bolloré Group, who coordinate all Foundation stakeholders. A network of 1,000 working volunteers acts as on-site delegates, instructors and sponsors throughout France.

In 2015, the Fondation de la 2ᵉ chance was re-awarded the IDEAS label. This label is recognized and trusted by donors, and establishes respect among non-profit organizations for the implementation of best practice in relation to corporate governance, financial management and monitoring efficiency.

The Fondation de la 2e Chance celebrated its twentieth anniversary and over those two decades has helped more than 7,500 people to get a fresh start. In 2018, 358 new candidates were given support, with average aid per case of 2,700 euros. 78% of candidates received aid for training and 22% for creating a company. Successful beneficiaries aged between 26 and 40 years old represented 40% of the projects supported. As each year, the 60 delegates of the intermediary sites were brought together and numerous regional meetings were held at the initiative of the three Regional coordinators.

The Brittany Division is involved in the Fondation de la 2ᵉ Chance and is committed to supporting the social reintegration of people in great need. In 2018, seven people with projects were accompanied through professional training and/or retraining.

- **Foyer Jean-Bosco**

The Group acquired the old Little Sisters of the Poor house, built in 1896 and located in rue de Varize in Paris in the 16th arrondissement, which was fully restored between 2012 and November 2015. Today, it has more than 160 rooms, mainly used by young students from French provinces and from abroad, but also provides rooms for young people suffering from illness and the elderly. This year, the 140 students represented numerous different nationalities from Europe, the Middle East, Asia and the Antilles. The students created a choir and an orchestra and participate each week in charity work in Paris. The Foyer Jean-Bosco is a place of fraternal and inter-generational solidarity. It is an innovative scheme that will allow all participants to develop their talents while learning to live in unison.

Bolloré Transport & Logistics

In line with its corporate culture and its approach as a committed and responsible partner, Bolloré Transport & Logistics implements various societal actions and contributes effectively to improving the living conditions of local communities.

The division's flagship event, the Marathon Day 2018, mobilized more than 14,000 employees in 95 countries around the world for the SOS Villages d'Enfants association. While this solidarity race was going on, employees volunteered their time by investing alongside local communities. To support young people, over 40 solidarity actions took place in all regions of the world where the division is present. In Vietnam, teams have been supporting the Passerelles Numériques association for two years. On this occasion, they donated 10 computers and provided free transportation of 50 other computers to the association's network. In Benin, teams mobilized to distribute nearly 650 school supply kits to children in four localities.

In another example, Bolloré Transport & Logistics Gabon committed itself alongside the government and port authorities to fight against the high cost of living and contribute to the economic and social growth of the country. The division conducts multifaceted actions such as:

- contribution to health (vaccination campaigns, epidemic screening and prevention, construction or renovation of health infrastructures, support to the ambulatory treatment center for children living with HIV, the fight against pediatric cancers, donations of teaching and health materials, basic necessities, etc.);
- construction or renovation of educational infrastructures, vocational center support, assistance to vulnerable people (elderly people, orphans), support for sports and social and cultural activities, conferences etc.

These actions particularly affect women and girls, pupils in school and out of school, and children in difficulty, as well as orphans.

Bolloré Transport & Logistics also invests in the training of young people through internships (nearly 500 trainees each year), as well as partnerships signed with major local colleges, such as the agreement signed with the UCAC-ICAM Institute.

- Bolloré Transport & Logistics in Gabon contributes to improved living conditions for local communities. Actions have been undertaken for young school dropouts in Gabon, orphans, the sick and the underprivileged. For example, as part of a partnership with UNESCO, free storage of parcels containing teaching materials was offered to promote the training of young people in Gabon. In the same way, parking discounts were granted by OCT to NGOs for medical equipment, construction of social housing, etc.

  Finally, in order to help the greatest number of sick and underprivileged, as part of donations of medicines from the Order of Malta to Gabon, in 2018, Bolloré Transport & Logistics paid for the customs clearance, storage and delivery of 49 packages with a total weight of 800 kg. This meant that the donation could be distributed in various dispensaries in the country in Port-Gentil, Makokou and Libreville.
- In Congo, although they live in a country where many people attend school, many dockers are unfortunately illiterate and have no real development plans. For several years now, Bolloré Transport & Logistics has fully funded voluntary literacy training for these employees, which 80 employees took in 2017.

- **Bolloré Ports and Bolloré Railways**

As an illustration of this commitment, Sitarail, as a company, has a strong impact on regional planning along its railway line, and it is committed to participating in the development of these territories in four major areas: education, health and safety, sports, culture and recreation, as well as relationships with local authorities. In addition to these actions, which are mainly aimed at the local population, Sitarail also wants to be an example to its employees and subcontractors.

- **Bolloré Logistics**

The Bolloré Logistics Business Unit has developed relationships with schools in 80% of the countries with the largest workforce, in order to ensure sufficient workers in their occupations. Bolloré Logistics also pays particular attention to the career paths of its female managers. With a year-on-year rise of more than 4% in their numbers, the company is continuing to employ increasing numbers of women. It has also helped more than 1,500 women in 29 countries to become self-sufficient, when previously they would have been excluded from the job market (UN Gender Inequality Index). Almost 16% of these women are managers.

Blue Solutions

To encourage integration and solidarity actions, the Brittany Division also contributed 7,735 euros to a number of actions, including 29 local actions in 2018 (mainly sports, cultural and humanitarian activities and aid to medical research).

The Bolloré Group's car-sharing services engage locally through partnerships, solidarity actions, various events, etc. Each year, they carry out dozens of sustainable and shared mobility information campaigns with the general public, companies and universities. For example:

- for several years, Bluely and Bluecub have participated in the Mobility Challenges of Lyon and Bordeaux to promote eco-citizen mobility among local residents and businesses. The Bluely and Bluecub car-sharing services have also joined the service loyalty programs in their cities. These associations improve connections between the local communities while offering services that respect the environment. In 2019, Bluely will continue in this direction and will be included on the transit map of the Lyon Metropolitan Area;
- Bluetorino actively participates in local eco-friendly events, through information campaigns in collaboration with the City of Turin for sustainable and responsible mobility.

2.4.2. SPONSORSHIP POLICY

Since 1822, the Bolloré Group has embodied a simple principle: to give back a little of what we have been lucky enough to receive. Since January 1, 2018, the Bolloré Group has wished to harmonize its sponsorship policy based on the desire to coordinate projects of general interest run by associations and social enterprises in Europe and internationally. It encourages its subsidiaries and its employees to get involved in solidarity projects to improve the economic and social situations of young people and provide effective humanitarian health actions. Each year, the Bolloré Group pays more than two million euros to associations that work mainly in the fields of education and health.
The Bolloré Group's solidarity commitment is based on four guidelines:
- **support young people as a priority.** However, the Group still remains sensitive to the issue of humanitarian health and wishes to continue to act in solidarity with local populations;
- **support projects having significant reach,** both for the beneficiaries and the organizations supported. Each new or renewed project is now subject to eligibility criteria;
- **involve employees** by giving them the opportunity to make best use of their skills and provide their know-how to the supported projects;
- **provide efficient financial, technical and human support** by committing to high-quality long-term partnerships that target social innovation.

KEY FIGURES

- 39 countries;
- 215 projects;
- 44% dedicated to young people;

SIGNIFICANT EVENTS IN 2018

Support for young people and employee involvement – Bolloré Logistics Toulouse and the association Bonheur de demain – school supplies for the Professeur Ngary primary school in Saly, Senegal

The association Bonheur de demain, created by Fabienne Tanière, a Bolloré Group employee based in Toulouse, set up a school supplies operation for the Professeur Ngary primary school in Saly, Senegal.
The Bolloré teams collected school supplies offered by the City of Le Havre and at the end of November 2018 filled a container for transport by ship provided at no charge by the Bolloré Group. The provision of school supplies will allow the school to open new classes and thus support children in their schooling.

Support for young people – The Bolloré Group helps young people by fighting school drop-out with United Way l'Alliance

United Way l'Alliance launched its Défi Jeunesse program on November 9, 2018 in several priority education institutions. The Bolloré Group, along with 21 other major French companies, has joined the association, which calls for mobilization to reach the target of keeping 15,000 young people from dropping out of school by 2020. The program aims to enable young people from the 6th year to the final year of school from disadvantaged backgrounds to look confidently into the future and to express their talents with the acquisition of expertise and well-being.

Support for young people – the Ecolia Labs association was awarded a grant of FCFA 10 million by Bolloré Transport & Logistics – Cameroon

The Ecolia Labs association plans to train 1,000 young people in the digital professions and assist them in the creation of start-ups. The ultimate aim of the project is to allow young people to be sufficiently autonomous and equip them with the right tools to get started in professional life and entrepreneurship. Since the project is innovative and long-lasting – it can be moved from one region to another, or even from one country to another, and can reach a very large number of beneficiaries – the association received a grant of 10 million FCFA from Bolloré Transport & Logistics.

3. Statement of non-financial performance summary tables

3.1. Summary tables of social indicators

3.1.1. METHODOLOGICAL NOTE ON SOCIAL REPORTING

STANDARD

The reporting of non-financial indicators is based on the internal standard drawn up by the Bolloré Group, the social data reporting protocol. This was completely redesigned in 2018 to enable the necessary indicators to be compiled. It allows uniform definitions and rules to be applied throughout the Group for the compilation, validation and consolidation of indicators. It was distributed to all those involved in social reporting.

ORGANIZATION

The following indicators have been compiled and consolidated using ENABLON software for all Group activities.
The reporting process relies on three levels of involvement:
- at central level: the Group's Human Resources Information Systems and Compensation Department organizes and supervises the reporting of information throughout its collection. It consolidates the social indicators of all Group entities;
- at division/regional level: the representative for the division or geographic area within the division ensures that the process runs smoothly. The representative validates all of the indicators compiled within his/her scope and acts as the interface between the local level and central level for his/her area of responsibility in the event of difficulties in reporting the data;
- at the local level: local representatives are responsible for entering the indicators compiled in accordance with the reporting protocol, providing explanations where the indicators differ significantly from those previously compiled

A data validation flow has been set up in ENABLON at each level of the organization to ensure that the indicators entered are reliable and the associated explanations are relevant.

COLLECTION PERIOD OF SCOPE

The data relating to the reporting year are collected in January of the following year for the period from January 1 to December 31.
The collection scope applies to all fully-consolidated companies, from the moment that the company takes on staff.
In the last quarter of 2018, a review of the definitions of the Bolloré and Vivendi protocols was carried out, to identify common indicators and make changes to definitions, if required, to enable the aggregation of shared data. The data are published in consolidated format for 2018 and include data from the Vivendi group. Certain indicators are detailed by activity.

NOTE ON METHODOLOGY

Social reporting counts each employee as one unit, regardless of how long that employee worked during the year.
The subjects covered in the information collection are workforce, staff mobility, training, absenteeism, labor relations, organization of working time, professional insertion and people with disabilities as well as compensation.
For certain indicators, it was not always possible to take the whole of the scope into account. In this case, a specific note is made.

MONITORING AND VALIDATION

To ensure that the indicators are reliable, the Group's Human Resources Information Systems and Compensation Department has established:
- preparatory meetings before compilation commences;
- a user guide and interactive assistance;
- a hotline providing support to representatives.

The monitoring and validation objectives are as follows:
- to detect discrepancies recorded in the reporting tool;
- to ensure the reliability of data by two-level validation (division and local).

To ensure that the data entered in the reporting tool are consistent, a test is carried out on the relevance of the values entered for the indicators compiled, particularly by comparison with the previous year's compilation.
Depending on the changes observed, the data entered might not be validated, or an explanatory note may be required before the data can be validated.

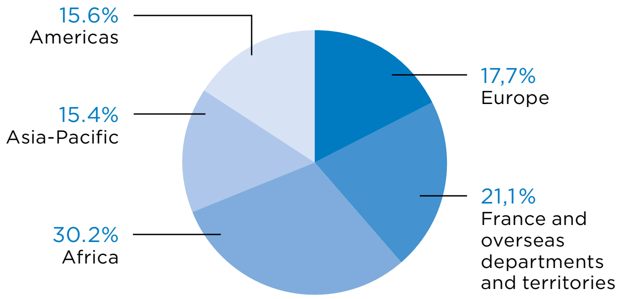
3.1.2. SOCIAL DATA

WORKFORCE AS AT DECEMBER 31, 2018

Information about the Bolloré Group workforce (excluding Vivendi)

	France and overseas departments and territories	Europe	Africa	Asia-Pacific	Americas	Total
Transportation and logistics	5,080	1,577	22,416	5,310	1,120	35,503
Oil logistics	946	82	–	–	–	1,028
Communications (media, telecoms, Vivendi)	9,102	12,413	2,032	7,074	11,212	41,833
Electricity Storage & Solutions	1,662	304	–	72	303	2,341
Other (agricultural assets, holdings)	296	2	–	–	–	298
TOTAL	**17,086**	**14,378**	**24,448**	**12,456**	**12,635**	**81,003**
AS A PERCENTAGE	**21.1**	**17.7**	**30.2**	**15.4**	**15.6**	**100.0**

Distribution of workforce by geographic area



Workforce by gender

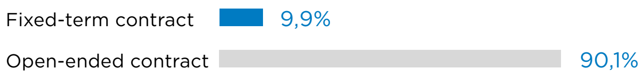
	Men	Women	Total
Transportation and logistics	25,299	10,204	35,503
Oil logistics	714	314	1,028
Communications (media, telecoms, Vivendi)	21,393	20,440	41,833
Electricity storage and solutions	1,899	442	2,341
Other (agricultural assets, holdings)	162	136	298
TOTAL	**49,467**	**31,536**	**81,003**
AS A PERCENTAGE	**61.1**	**38.9**	**100.0**

Workforce by type of contract

	Open-ended contracts	Fixed-term contracts	Total
Transportation and logistics	32,090	3,413	35,503
Oil logistics	986	42	1,028
Communications (media, telecoms, Vivendi)	37,289	4,544	41,833
Electricity storage and solutions	2,306	35	2,341
Other (agricultural assets, holdings)	280	18	298
TOTAL	**72,951**	**8,052**	**81,003**
AS A PERCENTAGE	**90.1**	**9.9**	**100.0**

Distribution of workforce by gender

Distribution of workforce by contract type



Workforce by category

	Managers	Of which women	Non-Managers	Total
Transportation and logistics	5,651	1,587	29,852	35,503
Oil logistics	126	34	902	1,028
Communications (media, telecoms, Vivendi)	13,753	6,276	28,080	41,833
Electricity storage and solutions	386	72	1,955	2,341
Other (agricultural assets, holdings)	65	23	233	298
TOTAL	**19,981**	**7,992**	**61,022**	**81,003**
AS A PERCENTAGE	**24.7**	**40.0[1]**	**75.3**	**100.0**

(1) Number of women managers/Total number of managers

Workforce numbers by age

	Under 25 years	old 25 to 34 years	35 to 44 years old	45 to 54 years old	old 55 years old and over	Total
Transportation and logistics	1,400	8,423	12,415	8,915	4,350	35,503
Oil logistics	30	135	261	337	265	1,028
Communications (media, telecoms, Vivendi)	4,169	18,253	10,934	6,225	2,252	41,833
Electricity storage and solutions	80	605	690	650	316	2,341
Other (agricultural assets, holdings)	16	73	100	54	55	298
TOTAL	**5,695**	**27,489**	**24,400**	**16,181**	**7,238**	**81,003**
AS A PERCENTAGE	**7.0**	**33.9**	**30.1**	**20.0**	**8.9**	**100.0**

Recruitment and departures

In 2018, the Bolloré Group took on 17,493 new employees, 67.4% of whom are on open-ended contracts.
Scope effects, as well as internal hires (considered as transfers), are not taken into account.

Recruitment	Workforce	%
Open-ended contracts (CDI)	11,783	67.4
Fixed-term contracts (CDD)	5,710	32.6
TOTAL	**17,493**	**100.0**

In 2018, a total of 18,216 people left the Company. Transfers are not counted as departures.

Departures	Workforce	%
Resignations	10,358	56.9
End of fixed-term contracts (CDD)	2,957	16.2
Redundancies for economic reasons	1,751	9.6
Dismissal for non-economic reasons	1,657	9.1
Retirements	648	3.6
Others	**845**	**4.6**
TOTAL	**18,216**	**100.0**

TRAINING

Employees trained

In the Bolloré Group, 53,554 employees underwent at least one form of training in 2018.

	Total	%
Transportation and logistics	22,893	42.7
Oil logistics	588	1.1
Communications (media, telecoms, Vivendi)	28,352	52.9
Electricity storage and solutions	1,492	2.8
Other (agricultural assets, holdings)	229	0.4
TOTAL	**53,554**	**100.0**

Hours of training

In total, 862,005 hours of training were provided.

	Total	%
Transportation and logistics	445,256	51.7
Oil logistics	15,370	1.8
Communications (media, telecoms, Vivendi)	363,727	42.2
Electricity storage and solutions	33,140	3.8
Other (agricultural assets, holdings)	4,512	0.5
TOTAL	**862,005**	**100.0**

Social indicators

	2018	**% of Group workforce**	2017	% of Group workforce	% Change 2017-2018
Workforce by type of contract					
Workforce on permanent contract (CDI)	72,951	90.1	73,254	90.0%	–0.4
Workforce on fixed-term contract (CDD)	8,052	9.9	8,166	10.0%	–1.4
Workforce by gender					
Male workforce	49,467	61.1	50,392	61.9%	–1.8
Female workforce	31,536	38.9	31,028	38.1%	1.6
Workforce numbers by age					
Employees under 25 years old	5,695	7.0	–	–	–
25 to 34 years old	27,489	33.9	–	–	–
35 to 44 years old	24,400	30.1	–	–	–
45 to 54 years old	16,181	20.0	–	–	–
55 years old and over	7,238	8.9	–	–	–
Hiring					
New employees hired	17,493	–	16,853	–	3.8
Including hires in open-ended contracts (CDI)	11,783	–	10,468	–	12.6
	67.4%	–	62.1%	–	–
Departures					
Number of departures	18,216	–	18,491	–	–1.5
Including number of redundancies for economic reasons	1,751	–	3,592	–	–5.1
Including number of individual dismissals	1,657	–			
	18.7%	–	19.4%	–	–

	2018	% of Group workforce	2017	% of Group workforce	% Change 2017-2018
Professional training					
Number of employees who have benefited from training actions	53,554	66.1	43,356	53.2%	23.5
Number of training hours given	862,005	–	807,150	–	6.8
Average number of training hours given per participant	16.10	–	18.62	–	–13.5
Absenteeism					
Number of employees that were absent for at least one day	41,875	51.7	42,589	52.3%	–1.7
Total number of days' absence	591,164	–	597,893	–	–1.1
Sick leave	324,758	–	335,985	–	–3.3
	54.9%	–	56.2%	–	–
Maternity/paternity leave	169,030	–	144,088	–	17.3
	28.6%	–	24.1%	–	–
Labor relations and collective agreements 2018					
Number of collective agreements signed (France only)	122	–	–	–	–
Number of collective agreements signed (countries other than France)(1)	96	–	–	–	–
Organization of working time					
Full-time workforce	78,711	97.2	–	–	–
Part-time workforce	2,292	2.8	–	–	–
Professional insertion and people with disabilities					
Number of people with a disability	604	0.7	–	–	–

(1) Bolloré excluding Vivendi.

3.2. Summary table of environmental and societal indicators

3.2.1. ENVIRONMENTAL AND SOCIETAL REPORTING

In accordance with the provisions of decree no. 2017-1265 of August 9, 2017 implementing order no. 2017-1180 of July 19, 2017 relating to the publication of non-financial information by certain large companies and groups of companies, and the AMF recommendations on information to be published by companies concerning corporate social responsibility, the Group revised its Reporting protocol and drew up a table of significant indicators regarding the risks identified for its diversified activities.

The principles on which this protocol is based are consistent with, in particular, IFRS guidelines, ISO 26000 and the Global Reporting Initiative (GRI). This protocol is distributed and applied to all entities that gather and communicate their non-financial information to the Group.

It is reviewed every year and defines the conditions for the collection and verification of data.

The registration document presents the Group's strategic drivers and major social, environmental and societal commitments.

It is supplemented by the CSR report, which includes information about the CSR actions of the various divisions.

Following the initial audit conducted in 2014 by the Statutory Auditors on nonfinancial information, the Group's set of indicators and some definitions were made more specific. Indicators were deployed internationally.

The Statutory Auditors verified that areas for improvement defined in 2014 had been taken into consideration for the collection of data in 2015, 2016 and 2018.

They confirmed the presence in the Group's reporting of the 42 indicators required by the Grenelle II Law, updated this year by Order No. 2017-1180, which brings French legislation into line with Directive 2014/95/EU on the disclosure of non-financial and diversity information by companies, and issued a reasoned opinion on the transparency of the information that they specifically audited.

SCOPE OF REPORTING

The scope of companies examined corresponds to the consolidated integrated financial scope (excluding finance and operating companies accounted for using the equity method) established at December 31, 2017. For 2018, the scope of reporting includes companies that have:

- a workforce of 20 or more;
- a revenue greater than or equal to 10,000 thousand euros; and
- have been in existence for at least one year (i.e. with one full accounting year completed at December 31(1).

The Bolloré Group installed a specialist sustainable development reporting software enabling decentralized collection and centralized consolidation of non-financial indicators. Companies in the Transportation and logistics and Electricity storage and solutions divisions plus Bolloré SA rolled out the same system in all entities. Havas and Vivendi used their own specialized software.

(1) The consolidation scope may be adjusted by the divisions (exclusion of companies that were closed during the year, or for which data was not available, or inclusion of companies below thresholds, etc.)

REPORTING METHODOLOGY

The following points describe the methodology employed for reporting:

- **Reporting protocol:**
This document details the CSR reporting challenges, describes the respective roles and responsibilities of directors, level one and level two approvers, and contributors as well as the organization of the campaign. It is sent out to all relevant people before the commencement of the campaign. It is also archived and made available to everyone in the reporting system;

- **Indicators and standards:**
An array of indicators was defined covering all CSR domains and split into four themes: health and safety, environment, ethics and societal information. The indicators were provided to everyone upon sending out of the reporting protocol;

- **Reporting questionnaire and consistency checks:**
The reporting questionnaire is split into five related sections:
• structure of the entity;
• sharing the same business ethics;
• ensuring the safety and employability of employees;
• controlling and reducing risks;
• optimizing products and services;
• participating and contributing in a spirit of solidarity to local development.
Consistency checks were introduced in response to requests from the Statutory Auditors with a view to making the reporting more reliable;

- **Collection period:**
Data is collected for the year (i.e. from January 1 through December 31). The data collection period runs from December 1 to January 31 N+1. For missing data, estimates can be made.

CALCULATION OF GHG EMISSIONS

For scopes 1 and 2, the greenhouse gas emissions presented in the document are linked to the Group's energy consumption and include those of Havas and Vivendi. The calculation method used is the Ademe carbon base method issued on December 17, 2015. Internationally, where the emission factors for certain items of energy consumption were unavailable the French factor was applied. For GHG emissions linked to electricity, when no emission factor was available for a particular country, the highest factor from any of its neighboring countries was applied.
For scope 3, the Group identified the largest sources of emissions. In order to satisfy its obligation to post information for customers about its CO_2 emissions from transportation services, the Bolloré Group developed an emissions calculation tool. An exact number is not available for 2018. The data relating to employee travel encompasses data relating to train and plane journeys. For plane journeys, the Group split out medium-haul flights (under 2,000 km) and long-haul flights. For medium-haul flights, the Group uses the flight emission factor of 100 to 180 passengers between 1,000 and 2,000 km. For long-haul flights, the Group uses the emission factor of over 250 passengers for flights of between 8,000 and 9,000 km (estimation of the average flight across the Group). For emissions relating to train journeys, the Group decided to use the emission factor for the Diesel TER regional express trains in the Ademe database.

3.2.2. ENVIRONMENTAL AND SOCIETAL DATA

GREENHOUSE GAS CONSUMPTION

Summary of GHG emissions included in scopes 1 and 2[(1)]

(in metric tons CO_2 eq)	**2018**	2017	2016
GHG emissions resulting from energy consumption scope 1[(1)]	285,494	281,908	294,849
GHG emissions resulting from energy consumption scope 1[(2)]	97,169	107,081	76,787
GHG associated with energy consumption – scope 1 and scope 2	382,664	388,989	371,636

(1) Scope 1 corresponds to direct emissions, such as energy consumption excluding electricity, fuel combustion, emissions from industrial processes and fugitive emissions linked to refrigerants.
(2) Scope 2 corresponds to indirect emissions associated with energy, such as electricity consumption or steam, cold or heat consumption through distribution networks.

The greenhouse gas emissions presented in the table above are related to the energy consumption of the Bolloré Group including Vivendi.
The calculation methodology used is the Ademe carbon base method issued December 17, 2015.
Internationally, where the emission factors for certain items of energy consumption were unavailable, the French factor was applied. For GHG emissions linked to electricity, when no emissions factor was available for a particular country, the highest factor from any of its neighboring countries was applied.

Total GHG emissions – scope 3

((in metric tons CO2 eq)	**2018**	2017	2016
Combustion of oil products sold by Bolloré Energy	4,626,660	4,522,284	–
Emissions from the transportation of goods in the course of freight forwarding	NA	NA	–
Employee business travel	45,109	31,205	–
Scope 3 Vivendi[(1)]	157,197	110,518	–

(1) Scope 3 corresponds to other emissions indirectly produced by the Group's activities, which are not accounted for in scopes 1 and 2 but which are linked to the entire value chain, such as purchases of raw materials (paper, cardboard, plastics, etc.), management of waste generated by the subsidiaries of Vivendi, employee business travel, etc. Greenhouse gas emissions related to purchases of services and content as well as emissions generated by the use of products and services sold are not included in the figures mentioned above, due to a high degree of uncertainty regarding the calculation of these emissions (see also section 4.4.5.4 of the Vivendi 2018 registration document on combating climate change). The calculation methodology used is detailed in the paragraph "Methodological details and limitations relating to indicators" in the note on methodology (see section 4.7.1. of the Vivendi 2018 registration document). This is supplemented by the note on methodology for the calculation of the Vivendi Group's greenhouse gas emissions, available on the Vivendi website.

WATER AND ENERGY CONSUMPTION

	Units of measure	**2018 data**	2017 data	2016 Data	2015 Data	% total Group workforce covered by the indicator
Water consumption						
Water (from distributed supply and natural environment)(1)	m^3	1,783,519	1,731,283	2,003,499	2,488,925	100%
Energy consumption						
Electricity consumption in buildings (offices, warehouses, factories, etc.)(2)	MWh	387,918	383,441	276,768	270,961	100%
Total district heating or heating network consumption(2)	MWh	8,577	8,010	987	1,643	100%
Total heating oil consumed(2)	m^3	1,077	1,096	690	985	100%
Total natural gas consumed(2)	m^3	2,147,211	2,941,555	2,287,885	2,236,223	100%
Total diesel (generators, etc.) consumed(1)	m^3	10,095	9,745	15,328	58,088	100%
Total petrol (generators, etc.) consumed(1)	m^3	131	17	8	15	100%
Total heavy fuel oil and distillate diesel oil (DDO) consumed by the goods and/or passenger transportation fleet(1)	m^3	11,900	10,570	27,792	11,274	100%
Total diesel consumed by the goods transportation fleet(1)	m^3	38,755	41,927	35,201	70,661	100%
Total petrol consumed by the goods transportation fleet(1)	m^3	83	–	–	–	100%
Total diesel consumed by the passenger transportation fleet(2)	m^3	4,962	5,085	8,160	20,352	100%
Total gasoline consumed by the passenger transportation fleet(2)	m^3	2,140	1,909	1,373	4,393	100%
Total Liquefied Petroleum Gas (LPG) consumed by the passenger transportation fleet(2)	m^3	23	56	–	93	100%
Total diesel or non-road diesel consumed by handling equipment(1)	m^3	31,928	28,123	23,795	29,616	100%
Total Liquefied Petroleum Gas (LPG) consumed by handling equipment(1)	m^3	1,152	2,364	320	1,079	100%
Total natural gas consumed by handling equipment(1)	m^3	1	1,950	1	0	100%

(1) Only Bolloré Group entities are affected by this indicator.
(2) Bolloré and Vivendi Group entities are affected by this indicator.

WASTE MONITORING

(in metric tons)(1)	**2018**	2017	Coverage rate
Total amount of hazardous waste removed	9,343	9,948	100%
Amount of hazardous waste recycled or recovered	1,881	2,267	100%
Amount of hazardous waste eliminated	7,462	7,681	100%
Total amount of non-hazardous waste removed	29,191	65,688	100%
Amount of non-hazardous waste recycled or recovered	12,883	8,870	100%
Amount of non-hazardous waste eliminated	16,308	56,818	100%

(1) The quantities of waste reported by the Bolloré Group (excluding Havas and Vivendi) in the table above only cover companies engaged in industrial activities

TYPE OF WASTE[1]

(in metric tons)	2018 Total weight	2018 % recycled or recovered	2017 Total weight	2017 % recycled or recovered
Hazardous waste				
Treated or contaminated wood	379	0%	9	100%
Contaminated rubber			0,3	100%
Empty contaminated packaging	32	87%	36	100%
Other contaminated waste (rags, sawdust, filters)	244	22%	125	100%
Contaminated water	6,699	8%	6,895	100%
Waste oils	657	75%	1,110	100%
Hydrocarbons	687	85%	344	100%
Paints and solvents	26	11%	26	100%
Chemical residues	41	13%	81	100%
Batteries	120	26%	87	100%
Electrical and electronic equipment waste (EEEW)	34	98%	58	100%
Aerosols	2	18%	50	100%
Clinical waste (syringes, dressings)	13	0%	3	100%
Office supplies (printer/toner cartridges)	8	53%	6	100%
Other hazardous waste	400	27%	822	100%
Non-hazardous waste				
Untreated wood/pallets	1,508	95%	913	100%
Cardboard	1,283	97%	730	100%
Paper	713	45%	382	100%
Plastics (bottles, packaging, bags, film, etc.)	2,213	97%	1,782	100%
Food leftovers	88	3%	81	100%
Green waste	1	0%	34	100%
Ferrous metals	1,196	99%	2 337	100%
Non-ferrous metals	74	100%	51	100%
Rubble and ballast	365	0%	1,025	100%
Brake shoes	26	81%	67	100%
Rubber	1,050	65%	231	100%
Textiles	5	0%	101	100%
Glasses	29	93%	5	100%
NHIW (unsorted waste)	15,478	11%	45,887	100%
Other non-hazardous waste	5,162	78%	8,586	100%
Total				
Total hazardous waste	9,343	20%	9,651	100%
Total non-hazardous waste	29,191	44%	62,211	100%

(1) The quantities of waste reported by the Bolloré Group (excluding Havas and Vivendi) in the table above only cover companies engaged in industrial activities

ENVIRONMENTAL INVESTMENT AND SPENDING[1]

(in €K)	2018		2017	
	Environmental investments	**Environmental spending**	Environmental investments	Environmental spending
Transportation and logistics	1,678	3,874	1,842	3,213
Oil logistics	1,517	3,211	1,709	4,282
Electricity storage and solutions	292	923	1,014	875
Other[1]	-	-	-	82
TOTAL	**3,487**	**8,008**	4,565	8,452

(1) Bolloré Group (excluding Vivendi).

FACILITIES CLASSIFIED FOR THE PROTECTION OF THE ENVIRONMENT (ICPE)

	Transportation and logistics	Oil logistics	Communications[1]	Electricity storage and solutions	Other[2]	**TOTAL**
In 2018						
Sites subject to declaration (ICPE)	20	96	0	0	1	117
Sites subject to authorization (ICPE)	8	19	0	3	0	30
Number of ICPE audits carried out	6	37	0	0	0	43
Breaches identified during ICPE audits or by local authorities	3	3	0	0	0	6
In 2017						
Sites subject to declaration (ICPE)	19	106	0	0	2	127
Sites subject to authorization (ICPE)	8	19	0	3	0	30
Number of ICPE audits carried out	1	38	0	1	1	41
Breaches identified during ICPE audits or by local authorities	0	0	0	0	0	0
In 2016						
Sites subject to declaration (ICPE)	5	111	0	1	2	119
Sites subject to authorization (ICPE)	7	19	0	3	0	29
Number of ICPE audits carried out	2	2	0	0	0	4
Breaches identified during ICPE audits or by local authorities	3	0	0	0	0	3

(1) Covers only Havas data.
(2) Agricultural assets, holding companies.

3.3. Cross-reference table

Risks covered by the statement of non-financial performance	Information required by decree no. 2017-1265 for the application of the statement of non-financial performance	ISO 26000	GRI	Global Compact	Information published in the 2018 registration document	Sustainable Development Goal (SDG)	Scope covered
Workplace health and safety **Health and safety of users and third parties**	Workplace health and safety conditions	6.4.6 6.4.7	GRI 401 and GRI 403	# 4-5	3.1.2. Social data, page 101 2.1.1. Protecting the health and ensuring the safety of the women and men exposed as part of our activities, page 60	SDG 3 Good health and well-being SDG 3.3 SDG 3.4 SDG 3.5 SDG 3.6 SDG 3.9 SDG 3.c SDG 3.d	Group
	Workplace accidents, particularly their frequency and severity, as well as occupational illnesses	6.4.6 6.4.8	GRI 401 and GRI 403	# 4-5			Group
	Measures taken to protect the health and safety of consumers	6.7.4	GRI 416 GRI 417		2.1.1. Protecting the health and ensuring the safety of the women and men exposed as part of our activities, page 60 2.2.4. Protecting personal data, page 81		Group
Social dialog	Organization of social dialog (in particular the procedures for informing and consulting staff as well as negotiation procedures)	6.4.5	GRI 417	# 3	3.1.2. Social data, page 101 2.1.2.2. Promoting social dialog and quality working conditions, page 71		Group
	Report of agreements signed with trade unions or staff representatives, mainly regarding occupational health and safety	6.4.5 6.4.6	GRI 407	# 4-5			France
	Organization of working time	6.4.1 6.4.2	–	# 3			Group
	Compliance with the provisions of the ILO Core Conventions on respect for freedom of association and the right to collective bargaining	6.3.3 6.3.8 6.3.9 6.3.10 6.4.5 6.6.6	GRI 407	# 3	2.1.2.2. Promoting social dialog and quality working conditions, page 71		Group
Attracting and retaining skills	Hiring and departures	6.4.3	GRI 401		3.1.2. Social data, page 101 2.1.2.1. Attracting and retaining talented employees, page 68	SDG 4 Quality education SDG 4.3 SDG 4.4 SDG 4.5 SDG 5 Gender equality SDG 5.1 SDG 5.5 SDG 5.c	Group
	Compensation and changes in compensation	6.8.1 6.8.2	GRI 201 GRI 202				Group
	Measures taken to improve gender equality	6.3.5 6.4.3 6.6.6 7.3.1	GRI 405				Group
	Total number of training hours	6.4.7	GRI 404				Group
	Total workforce and distribution of workforce by gender, age and geographical area	6.4.3	GRI 401				Group
	Absenteeism	6.4.6	GRI 401				Group
	Policy to combat discrimination	6.3.6 6.3.7 6.3.10 6.4.3	GRI 406				Group
	Compliance with the provisions of the ILO Core Conventions on the elimination of discrimination in the field of employment and occupation	6.3.10	GRI 406	# 6	3.1.2. Social data, page 101 2.1.2. Being an attractive employer, page 68		Group
	Measures taken to encourage the employment and integration of disabled people	6.3.7 6.3.10 6.4.3	GRI 405		3.1.2. Social data, page 101 2.1.2. Being an attractive employer, page 68		Group

Risks covered by the statement of non-financial performance	Information required by decree no. 2017-1265 for the application of the statement of non-financial performance	ISO 26000	GRI	Global Compact	Information published in the 2018 registration document	Sustainable Development Goal (SDG)	Scope covered
Human Rights	Inclusion of social and environmental issues in the purchasing policy	6.4.3 6.6.6 6.8.1 6.8.2 6.8.7	GRI 204	# 1-2	2.2.2. Duty of Care, page 74 2.2.5. Promoting human rights in our activities, page 81	SDG 3 Good health and well-being SDG 3.7 SDG 3.8 SDG 10 Reduced inequalities SDG 10.2 SDG 10.3 SDG 16 Peace, justice and strong institutions SDG 16.2 SDG 16.4 SDG 16.5 SDG 16.7 SDG 16.a SDG 16.b	Group
	Consideration of corporate social responsibility in relations with suppliers and subcontractors	6.3.5 6.6.1 6.6.2 6.6.6 6.8.14 6.8.2 7.3.1	GRI 404	# 1-2			Group
	Compliance with the provisions of the ILO Core Conventions on the elimination of forced or compulsory labor	6.3.3 6.3.4 6.3.5 6.3.10 6.6.6	GRI 409	# 4-5			Group
	Compliance with the provisions of the ILO Core Conventions on the elimination of child labor	6.3.3 6.3.4 6.3.5 6.3.7 6.3.10 6.6.6 6.8.4	GRI 408	# 4-5			Group
	Other Human Rights initiatives	6.3.3 6.3.6	GRI 103 GRI 406 GRI 411	# 1-2			Group
	Information on combating corruption: initiatives to prevent corruption	6.6.3	GRI 205	# 10	2.2.1. Guaranteeing business ethics, page 72		Group

Risks covered by the statement of non-financial performance	Information required by decree no. 2017-1265 for the application of the statement of non-financial performance	ISO 26000	GRI	Global Compact	Information published in the 2018 registration document	Sustainable Development Goal (SDG)	Scope covered
Local pollution and management of hazardous materials	Training policies, particularly for environmental protection	6.4.7 6.8.5 6.5.1 6.5.2	GRI 404	# 7-8-9	3.1.2. Social data, page 101 2.1.1. Protecting the health and ensuring the safety of the women and men exposed as part of our activities, page 60 2.3.1. Managing the environmental impacts of our activities, page 83		Group
	Organization of the company to respond to environmental issues and, where necessary applicable, environmental evaluation and certification processes	6.5.1 6.5.2	GRI 103		3.2.2. Environmental and societal data, page 105 2.3.1. Managing the environmental impacts of our activities, page 83		Group
	Resources allocated to preventing environmental hazards and pollution	6.5.3	GRI 301 GRI 305 GRI 306 GRI 413	# 7-8-9		SDG 7 Affordable and clean energy SDG 7.1 SDG 7.2 SDG 7.b SDG 8 Decent work and economic growth SDG 8.2 SDG 8.3 SDG 8.4 SDG 8.6 SDG 8.8 SDG 8.b SDG 9 Industry, innovation and infrastructure SDG 9.4 SDG 9.5 SDG 9.b SDG 9.c SDG 12 Responsible consumption and production SDG 12.2 SDG 12.5 SDG 12.6 SDG 13 Climate action SDG 13.1 SDG 13.3 SDG 14 Life below water SDG 14.1 SDG 14.2 SDG 14.5 SDG 15 Life on land SDG 15.1 SDG 15.5 SDG 15.8 SDG 15.c	Group
	Consideration of any form of pollution specific to a business, in particular noise and light pollution	6.5.3	GRI 301 GRI 305 GRI 306	# 7-8-9			Group
	Measures to prevent, recycle, reuse, recover and dispose of waste	6.5.3	GRI 301 GRI 305 GRI 306	# 7-8-9			Group
	Measures to prevent, reduce or remedy emissions into air, water and soil that seriously damage the environment	6.5.3	GRI 301 GRI 305 GRI 306	# 7-8-9			Group
	Water consumption and water supply having regard to local constraints	6.5.3	GRI 303	# 7-8-9			Group
	Consumption of raw materials and measures taken to use them more efficiently	6.5.4	GRI 301				Group
	Land use	6.5.4	–	–			Group
	Energy consumption, measures taken to improve energy efficiency, and use of renewable energies	6.5.4 6.5.5	GRI 302	# 7-8-9			Group
	Protecting biodiversity: measures taken to conserve or restore biodiversity	6.5.6	GRI 304	# 7-8-9			Group
Impact and carbon opportunity of products and services	Significant sources of greenhouse gas emissions generated by the company's activity, in particular through the use of the goods and services it produces	6.5.3 6.5.5	GRI 305		3.2.2. Environmental and societal data, page 105 2.3.2. Being a committed player in the energy transition in the exercise of our activities, page 91		Group
	Measures taken to adapt to the consequences of climate change	6.5.5	GRI 201 GRI 302 GRI 305	# 7-8-9			Group
	Voluntary medium- and long-term targets to reduce greenhouse gas emissions and the means used to achieve them	6.5.5	GRI 305				Group
	The amount of provisions and guarantees for environmental risks	6.5.5	GRI 201		See note 10, table on "Provisions and litigation", page 221		Group

Risks covered by the statement of non-financial performance	Information required by decree no. 2017-1265 for the application of the statement of non-financial performance	ISO 26000	GRI	Global Compact	Information published in the 2018 registration document	Sustainable Development Goal (SDG)	Scope covered
Risks and opportunities related to relations with local communities	Impact of the company's activity on employment and local development	6.8.5	GRI 203		3.2.2. Environmental and societal data, page 105 2.4.1. Contribution to local development, page 96	SDG 1 No poverty SDG 1.2 SDG 1.4 SDG 1.a SDG 2 Zero hunger SDG 2.1 SDG 6 Clean water and sanitation SDG 6.1 SDG 6.2 SDG 6.b SDG 10 Reduced inequalities SDG 10.4 SDG 10.7 SDG 10.a SDG 11 Sustainable cities and communities SDG 11.1 SDG 11.2 SDG 11.3 SDG 11.4	Group
	Impact of the company's activity on local or neighboring populations	6.3.4 6.3.6 6.3.7 6.3.8 6.6.7 6.8.3	GRI 413		3.2.2. Environmental and societal data, page 105 2.4.1. Contribution to local development, page 96 2.2.2. Duty of Care, page 74 2.1.1. Protecting the health and ensuring the safety of the women and men exposed as part of our activities, page 60		Group
	Relationships and dialog with the company's stakeholders	6.3.9 6.5.1 6.5.2 6.5.3 6.8.3	GRI 413		2.2.2. Duty of Care, page 74 2.4.1. Contribution to local development, page 96		Group
	Partnership or sponsorship initiatives	6.8.9	GRI 201		2.4.1. Contribution to local development, page 96 2.4.2. Sponsorship policy, page 100		Group

Due to the late publication of the law, we were unable to incorporate into our CSR risk analysis and/or address the following themes: combating food insecurity, respecting animal welfare, and responsible, fair and sustainable food; these themes, if they are major risks, will be addressed in the next fiscal year. In addition, in light of its business, the Group can take steps to combat food waste through awareness campaigns it may be tasked with carrying out. On the other hand, its impact on this issue in terms of its internal operation is minimal.

4. Report by the independent third party, on the consolidated non financial statement published in the group management report

For the year ended December 31, 2018

This is a free English translation of the independent third party report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as independent third party, we hereby report to you on the consolidated non-financial statement for the year ended December 31, 2018 (hereinafter the "Statement"), presented in the Group management report pursuant to the legal and regulatory provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French commercial code *(Code de commerce)*.

COMPANY'S RESPONSIBILITY

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement was prepared by applying the company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on the company's website or on request from its headquarters.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by article L. 822-11-3 of the French commercial code *(Code de commerce)* and the French code of ethics *(Code de déontologie)* of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

Based on our work, our responsibility is to express a limited assurance conclusion on:
- the compliance of the Statement with article R. 225-105 of the French commercial code *(Code de commerce)*;
- the fairness of the information provided pursuant to part 3 of sections I and II of article R. 225-105 of the French commercial code *(Code de commerce)*, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

However, it is not our responsibility to provide any conclusion on:
- the company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation;
- the compliance of products and services with the applicable regulations.

NATURE AND SCOPE OF PROCEDURES

We performed our work in accordance with articles A. 225-1 *et seq.* of the French commercial code *(Code de commerce)* defining the conditions under which the independent third party performs its engagement and with ISAE 3000 (Assurance engagements other than audits or reviews of historical financial information).
We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:
- we familiarized ourselves with the Group's business activity, the report on the main social and environmental risks relating to this activity and the impacts thereof with regard to the respect for human rights and the fight against corruption and tax evasion, together with the subsequent policies and their results;
- we assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- we verified that the Statement covers each category of information stipulated in section III of article L. 225-102-1 governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion;
- we verified that the Statement includes an explanation justifying the absence of information required by paragraph 2 of section III of article L. 225-102-1;
- we verified that the Statement presents the business model and the main risks relating to the Group's business activity, including, where relevant and proportionate, the risks generated by its business relations, products or services as well as policies, measures and outcomes, including key performance indicators;
- we verified that, when relevant to the main risks or policies presented, the Statement presents the information stipulated in section II of article R. 225-105;
- we assessed the process of selecting and validating the main risks;
- we inquired as to the existence of internal control and risk management procedures set up by the company;
- we assessed the consistency of the results and key performance indicators used with regard to the main risks and policies presented;
- we verified that the Statement includes a clear and reasoned explanation justifying the absence of policy regarding one or more of these risks;
- we verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with article L. 233-16, with the limits specified in the Statement;
- we assessed the collection process set up by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes[1] that in our judgment were of most significance, we carried out:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto,
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities[2] and covered between 13% and 98% of the consolidated data for the key performance indicators and outcomes selected for these tests;

(1) Headcount on December 31, 2018, workforce by category and type of contract, number of recruitments, number of departures, number of redundancies, number of work accidents, frequency rate, severity rate, number of employees who attended at least one training during the year, number of training hours, total hazardous and non-hazardous waste removed, water consumption (including water coming from the network and taken from the natural environment), electricity consumed in buildings (offices, warehouses, factories), district heating consumed, domestic fuel oil consumed, heavy fuel oil consumed by the fleet, diesel consumed by power generators, freight transport, passenger transport, handling machines, total quantity of natural gas consumed, GHG emissions coming from energy consumption.

(2) Bolloré Bretagne; Société Française Donges-Metz; Bolloré Energy; Bolloré Logistics France; Bolloré Logistics Singapore; Abidjan Terminal; Sitarail; Carena; Bolloré Transport et Logistics Côte d'Ivoire; Freetown Terminal; Bolloré Transport et Logistics Sierra Leone.

- we consulted documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that in our judgment were of most significance(1);
- we assessed the overall consistency of the Statement in relation to our knowledge of the company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

MEANS AND RESOURCES

Our work engaged the skills of seven people between December 2018 and April 2019.
To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around forty interviews with people responsible for preparing the Statement.

CONCLUSION

Based on our work, nothing has come to our attention that cause us to believe that the non-financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

COMMENTS

Without qualifying the conclusion expressed above and in accordance with article A. 225-3 of the French commercial code *(Code de commerce)*, we make the following comment: as mentioned in the chapter "Identification of non-financial risks", the communication activities' inherent risks and politics are detailed in the Vivendi group annual report.

Paris-la Défense, April 19, 2019

The independent third party

Deloitte & Associés
Jean Paul Seguret
Partner

(1) Contribution to the development of the territories, The respect of human rights in the supply chain, the protection of personal data, Ensure health and safety of women and men exposed to the group's activity, Preventing local pollution risks and managing hazardous materials, Business ethics.

3 Risk factors and internal control

1. Risk factors

The Group periodically evaluates and reviews the risk factors that might have a negative impact on its operations or its financial performance. This review is presented to the Risk Committee. In addition, several factors unique to the Bolloré Group and its strategy, such as the diversification of its activities and its geographical sites, limit the magnitude of risks to which the Group is exposed. The Group has not identified any significant risk besides those discussed below.
This section reflects the provisions of (EU) regulation no. 2017/1129 of June 14, 2017 ("Prospectus 3"), which will take effect July 21, 2019. The risk factors are presented hereafter in decreasing order of importance within each category.

1.1. Financial risks

MAIN FINANCIAL RISKS

The Group has conducted a review of the risks that could have a material adverse effect on its activity, financial situation, or results. Only certain financial risks are liable to impact the Group's overall results:

RISK ASSOCIATED WITH LISTED SHARES

The Bolloré Group holds a large portfolio of listed securities, which exposes it to changes in market prices.
Unconsolidated securities are valued in the financial statements at 6,062.1 million euros as of December 31, 2018. This includes listed securities worth 3,663.0 million euros.
In accordance with IFRS 9 "Financial Instruments", these equity investments are valued at fair value at closing, i.e. for listed securities, at the closing market value, and are classified as financial assets (see note 7.3 - Other financial assets to the consolidated financial statements [chapter 5, section 5.1.]).
As at December 31, 2018, a variation of 1% in the share price would have an impact of 57.1 million euros on the value in the financial statements of the equity investments, with a 5.8 million euros impact on profit and loss and a 51.3 million euros impact on other items of comprehensive income before taxes, including 22.6 million euros for revaluations of the Group's equity investments in Omnium Bolloré, Financière V and Sofibol.
The valuation of these unlisted securities, which are held directly and indirectly in Omnium Bolloré, Financière V and Sofibol, depends on the market price of the Financière de l'Odet shares (see note 7.3 Other financial assets to the consolidated financial statements [chapter 5, section 5.1.]). At June 31, 2018, the remeasured value of these equities was 2,269.8 million euros. The shares of these unlisted companies are not very liquid. The value of unconsolidated companies is regularly monitored under the aegis of the Group's Finance Department. In addition, the value of these securities is assessed on the basis of the most recent market prices at the year end.
The Bolloré Group also owns listed shares in consolidated subsidiaries, such as Vivendi, and in companies accounted for using the equity method, notably Mediobanca and the Socfin group.
The valuation of these companies in the consolidated financial statements is based directly on the market price. The drop in the price, accompanied by other indicators, especially deterioration in the prospects for significant and lasting results, is, however, an indicator of impairment, which leads to a review of the value that may lead to the recognition of an impairment in the consolidated financial statements. See notes 6.1 - Goodwill and 7.2 - Investments in equity affiliates) to the consolidated financial statements [chapter 5, section 5.1.].
At December 31, 2018, the market value of the Group's listed companies accounted for using the equity method amounted to 1,759 million euros for Telecom Italia, 514 million euros for Mediobanca and 229 million euros for the Socfin group. The valuation of investments in companies accounted for under the equity method is detailed in Note 7.2 - Investments in equity affiliates) to the consolidated financial statements [chapter 5, section 5.1].

GOODWILL RISK

The Group's financial statements included goodwill of 14,438.6 million euros at December 31, 2018 (26% of the Group's total consolidated assets) and 13,988 million euros at December 31, 2017 (25.2% of the Group's total consolidated assets). Most of the goodwill relates to Vivendi (13,379.4 million euros) following the full consolidation of Vivendi at April 26, 2017, itself mainly relating to Universal Music Group for 7,500.1 million euros, Canal+ group for 2,975.1 million euros and Havas for 1,978.5 million euros.
Under current regulations, goodwill is not amortized but subjected to an impairment test at least once a year and whenever there is an indication of impairment. This test consists of comparing the book value to the recoverable amount of each cash-generating unit (CGU) or group of CGUs. This recoverable amount is generally arrived at by present-discounting the future cash flows of the CGU or the CGU group by the using cash flows projected from the operating budgets, which are extrapolated over a set time horizon (usually five years) by applying a growth rate appropriate to the potential expansion of the markets in question and using assumptions made by management based on past experience. After the stated time horizon, the terminal value is based on the perpetuity value of the cash flows. The discount rate is determined by basing it on the weighted average cost of capital (WACC) of each CGU; it includes potential risks specific to each activity (business lines, markets and geographical areas); the rate selected was determined on the basis of information communicated by an outside consulting firm. When impairment is found, the difference between the asset's book value and its recoverable value is recognized among operating expenses for the fiscal year.
At December 31, 2018, no impairment provisions were found to be necessary.
A sensitivity analysis was carried out, none of the Group's main goodwill items was found to be affected by any reasonable change in key assumptions (see note 6.1 – Goodwill in the notes to the financial statements [chapter 5, section 5.1.]).

LIQUIDITY RISK

The Group's liquidity risk stems from obligations to repay its debt and from the need for future financing in connection with the development of its various lines of business. To deal with liquidity risk, the Group's strategy has been to maintain a level of unused credit lines that will allow it to deal at any point with cash requirements. As of December 31, 2018, the amount of confirmed and unused credit lines was 3,840.4 million euros (of which 2,000 million euros for Vivendi SA). Additionally, the Group strives to diversify its sources of financing by using the bond market, the banking market and such organizations as the European Investment Bank.
For the Bolloré Group's main syndicated bank financing facilities as of December 31, 2018:
- at December 31, 2018 Bolloré SA had a 1,300 million euros revolving credit line maturing in 2023, of which 500 million has been drawn down, and 400 million euros of drawn credit maturing in 2023. They are subject to a gearing covenant that caps the net debt to equity ratio at 1.75;
- Vivendi SA has a credit line of 2,000 million euros, maturing on October 29, 2021, undrawn at December 31, 2018. This line of bank credit is subject to a financial ratio calculated every six months: the ratio of net debt to EBITDA over a 12-month rolling period must not exceed 3 during the term of the loan. As of December 31, 2018, Vivendi was in compliance with this ratio.

The bonds issued by Bolloré in 2012 (170 million euros due in 2019), in 2015 (450 million euros due in 2021) and in 2017 (500 million euros due in 2022) are subject to the usual clauses in the event of default, restrictions in terms of collateral and changes in control but not to any early redemption clause in the event of a failure to satisfy a financial ratio.
Bonds issued by Vivendi are subject the usual default, negative pledge and pari passu clauses. Moreover, the bond loans issued by Vivendi contain an early redemption clause in the event of a change in control (this clause excludes the change in control in favor of the Bolloré Group for the bonds issued in May and November 2016), which would apply if, following any such event, Vivendi SA's long-term rating were to drop below investment grade (Baa3/BBB–).

On February 11, 2019, when the Vivendi Management Board met to approve the financial statements for the year ended December 31, 2018, Vivendi's ratings were as follows:

Rating agency	Type of debt	Ratings	Outlook
Standard & Poor's	Long-term corporate debt	BBB	Stable
	Senior unsecured debt	BBB	Stable
Moody's	Senior unsecured long-term debt	Baa2	Stable

Some other lines may have early repayment covenants connected with respect of financial ratios, generally involving ratios of net debt to shareholders' equity and/or debt service coverage. All of these bank covenants and financial ratios were met as of December 31, 2018, and as of December 31, 2017.

The portion due in less than one year of loans used as of December 31, 2018 includes 291.7 million euros of short-term negotiable securities at Bolloré SA out of a program of up to 3,300 million euros (of which 400 million euros for Havas and 2,000 million euros for Vivendi) and 176 million of receivables.

All bank lines of credit, both drawn and undrawn, are repayable as follows:

2019	9%
2020	10%
2021	35%
2022	6%
Year 2023	24%
Year 2024	11%
Beyond 2024	5%
TOTAL	**100%**

INTEREST RATE RISK

Because of its financial debt, the Group is exposed to changes over time in interest rates in the eurozone, primarily on the portion of debt which is at variable rates, as well as to changes in the lending margins of credit institutions.

To deal with this risk, Executive management may decide to set up interest rate hedges. Firm hedging (rate swap, FRA) may be used to manage the interest rate risk on the Group's debt. Note 7.5 – Financial debt in the consolidated financial statements in Chapter 5, section 5.1. describes the various derivatives used to hedge the Group's interest rate risk.

At December 31, 2018, after hedging, fixed-rate gross financial debt made up 48% of total debt.

If rates rise by +1% across the board, the annual impact on cost of gross debt would be an increase of 54 million euros after interest rate hedging.

In net debt terms, the Group is a net lender at variable rates and would therefore benefit from a rise in rates.

INVESTMENT AND COUNTERPARTY RISK

Surplus cash is invested in a prudent manner in low-risk liquid products with counterparties with a high credit rating.

As such, Vivendi also invests some of its cash in investment funds with high ratings (1 or 2) on the seven-tier synthetic risk/return indicator (SRRI) defined by the European Securities and Markets Authority (ESMA) and at commercial banks with high long- and short-term credit ratings (at least A- Standard & Poor's/A3 Moody's and A-2 Standard & Poor's/P-2 Moody's respectively). Moreover, the Vivendi group spreads its investments across a number of selected banks and limits individual investment amounts.

RISKS ASSOCIATED WITH RAW MATERIAL PRICES

The Group's businesses listed below are sensitive to changes in raw material prices:

- energy (oil);
- other agricultural assets;
- batteries (lithium).

However, given the diverse nature of its activities, the effects of changes in the prices of these raw materials on the Group's overall results remain limited.

Oil logistics is the only sector of the Group directly and significantly affected by changes in the price of a barrel of oil; revenue is closely linked to the price of crude oil and correlates fully with the price of refined products. In order to minimize the effects of oil risk on results, the Oil logistics division passes on changes in the price of the product to customers and arranges forward purchases and sales of products in respect of physical operations.

At December 31, 2018, forward sales of products came to 49.1 million euros and forward purchases came to 55.1 million euros. Open buyer positions on ICE markets amounted to 13,500 metric tons for 6.0 million euros.

Domestic fuel stocks were fully hedged, with the exception of a quantity of about 54,500 m^3 at December 31, 2018.

The Group has a minority interest in the Socfin group, which farms palm oil and rubber tree plantations. This group's results are affected by fluctuations in the prices of palm oil and rubber.

However, even when these prices drop, the fact that some production occurs in countries practicing government-set prices (such as Cameroon and Nigeria), combined with its efforts to improve operating performance, allow the Group to significantly mitigate the impacts thereof.

The Batteries business, which is developing Lithium Metal Polymer (LMP®) technology, is dependent on a number of raw materials, including lithium, however does not believe that it is subject to supply-side risk. It has several agreements with suppliers, and the quantity of lithium used by the Group is very small in terms of the global market.Given the percentage represented by each of the raw materials and components in its operating expenses, the Group has not implemented any measures for this risk or any measures to hedge this risk.

CURRENCY RISK

For the Bolloré Group, the breakdown of revenue by currency area (46% in euros, 18% in US dollars, 7% in CFA francs, 4% in pounds sterling and less than 3% for all other currencies) and the fact a large proportion of operating expenses is in local currencies limit its exposure to operating currency risk.

The Group is reducing its exposure to currency risk further by hedging its main operations in currencies other than the euro and the CFA franc with large international banks. The management of exchange risk is largely centralized in Bolloré SA and Vivendi SA for the subsidiaries which are attached to them directly.

At the Bolloré SA level, at the end of each month, each subsidiary declares its currency positions to be hedged to the Cash Department, which may arrange a firm hedge (forward buy or sell). In addition to these operations carried out on a three month rolling basis, other hedges may be arranged on an ad hoc basis (for example for a charter, a contract, or the purchase of port gantry cranes).

Bolloré Energy hedges its positions directly in the market each day.

As regards Vivendi, the management of currency risk is intended primarily to hedge the budgetary exposures (80%) and firm external commitments (100%) in order to limit the monetary risks resulting from operations conducted in currencies other than the euro; and all of the editorial content (sports rights, TV/radio, films, etc.) and certain capital expenditures in currencies other than the euro. The majority of hedging instruments are currency swaps or forward purchase and sale contracts maturing in less than one year. Given the currency hedges in place, an unfavorable and uniform change of 1% in the euro against any of the currencies accounted for at December 31, 2018 would have an insignificant aggregate effect on net income.

RISKS RELATED TO BREXIT

After the referendum held June 23, 2016 approving the United Kingdom's exit from the European Union ("Brexit"), the weakness of the pound sterling (GBP) against the euro had the greatest impact on the revenue of Universal Music Group in 2017. Beyond that, Vivendi did a detailed analysis of the impact of the changes in interest rates and exchange rates resulting from this decision on the Group's financial assets and liabilities, as well as on the situation of pension funds, and submitted a report to the Audit Committee. To date, no material impact on Vivendi's consolidated financial situation has appeared. Similar effects have been observed in the other business segments, but they also remain without significant impact on the Group. Brexit's other potential impacts on the Group will be assessed when it is known just how the United Kingdom will be leaving the European Union.

1.2. Risks related to business activities

Each Group division is responsible for managing the industrial, environmental, market, and compliance risks with which it is confronted. The type of risks and the associated management methods are regularly analyzed by each divisional management.
They are also supervised by the Group's Risk Committee and Insurance Department.
The occurrence of one of the following risks may also entail a reputational risk from the media storm it might create.

PRINCIPAL RISKS RELATED TO BUSINESS ACTIVITIES

MARKET RISK (TRANSPORTATION AND LOGISTICS, OIL LOGISTICS)

The Transportation and logistics and Oil logistics businesses represent almost 38% of the Group's revenue.
In freight forwarding and oil logistics, the Group acts mainly as an intermediary which allows it to pass on much of any price fluctuations to its customers. As a result, revenue in both businesses may be substantially affected by fluctuations in freight rates and oil product prices without a comparable impact on profits.
In Oil logistics, exposure to the price of oil products is therefore essentially capped at its inventory, which is also largely hedged by forward purchases and sales of products backing physical transactions.
Results of the port and railway concession businesses may be affected by the economies of the countries in which the Group operates. The economies of some countries, particularly in Africa, can be heavily exposed to the price of oil or other raw materials. However, this risk is limited by the substantial diversity of the Group's geographical presence in Africa, where it has operations in 46 countries.

WEATHER RISK (OIL LOGISTICS)

The level of activity of the Energy division can be impacted by climate variations. Harsh climatic conditions can have beneficial effects on the division's revenue. Conversely, more clement conditions can lead to lost earnings. The effect of climate variations on the division's level of activity, however, cannot be quantified precisely.

POLITICAL RISKS (TRANSPORTATION AND LOGISTICS)

The Group is present in a large number of African countries, where it is active in all areas of logistics: freight forwarding by air, sea and land, warehousing and distribution, industrial logistics, port operations, safety and quality control. It manages all administrative and customs procedures for its customers both before and after transportation and ensures that goods reach their final destination. This unrivaled network, made up of companies in the Group that each comprise local players, makes it possible to minimize the risks associated with any country experiencing a major crisis.
Furthermore, the Group's decades-long presence on this continent and its experience make it possible to limit exposure to this risk. Thus the crises that occurred in Republic of Côte d'Ivoire between 2002 and 2007 and in 2011 had a material impact on the results of this country's subsidiaries, but the impact on the Group's financial statements was extremely modest, reflecting the effects of shifts in business away from this crisis-ridden country toward neighboring countries. Lastly, all the Group's African companies are insured by Foyer in respect of any "financial losses" covering political and commercial risks up to 75 million euros a year with, for certain risks, sublimits of 10 or 30 million euros per claim. The financial losses are also reinsured with Sorebol, the Group's internal reinsurance company.
This valuation is consistent with the Group's needs and with the risks it took into consideration with its insurers. Such risks may arise from:
- confiscation, expropriation, nationalization;
- withdrawal of authorization;
- non-renewal by granting authorities of their concession or licensing agreements;
- inconvertibility and non-transfer of all financial flows, particularly dividends;
- public disorder, malicious action, war, civil war, strike, riot, terrorism.

The imposition of tariff barriers on the principal sea and air transport routes due to trade disputes between the United States and China could have an impact on the growth of world trade and consequently on the Group's logistics and freight forwarding businesses.

RISKS RELATED TO TERRORISM (TRANSPORTATION AND LOGISTICS, OIL LOGISTICS AND COMMUNICATION)

Because the Group operates in 107 countries, it has established a Safety & Security Department to oversee the protection of the Bolloré Group's and Vivendi's human and physical assets in France and abroad and to guard against possible terrorist acts. Its work is divided among the following areas: (i) intelligence and analysis to keep abreast of global safety and security happenings and to be able to take a proactive approach to crises, (ii) crisis management linking the departments affected (Executive management, legal, QHSE, HR, etc.), (iii) safety and security audits in France and abroad and inspection of emergency procedures in the event of a crisis (RESEVAC operations for the evacuation of nationals) and (iv) travel safety based on a rigorous travel policy. This Department handles and tracks work-related travel abroad through a dedicated location platform and an assessment of the feasibility of work-related travel. All travel outside of capital cities (in Africa, Asia, South America and the Near and Middle East) must first be subject to a feasibility study by the Safety & Security Department and approved by Executive management, (v) maintenance of a safety & security network through the consolidation of the Group's security networks in France and abroad, and the hiring of local safety & security liaisons.

HEALTH RISKS (TRANSPORTATION AND LOGISTICS)

By operating in Africa, the Group is exposed to risks associated with Ebola. Since the epidemic has mostly affected three countries (Sierra Leone, Guinea and Liberia), which represent less than 5% of the revenue in Africa, it has not had a real impact on the Group. The Group nevertheless took numerous health precautions starting in 2014, and these remain in force at present.

RISKS OF NON-RENEWAL OF CONCESSIONS (TRANSPORTATION AND LOGISTICS)

The Group is bound by concession agreements (port terminals, railways, oil pipelines). Given their number, diversity, duration (most lasting over twenty years) and maturity, the risks associated with these concessions cannot significantly affect the Group's profitability and the continuity of its business. For more details on concessions, see also note 6.4 to the consolidated financial statements (5.5.1).

CUSTOMER RISK

The Bolloré Group has a presence in every continent given its various activities in very diverse sectors. Its numerous customers are therefore companies of different origins operating in very different fields, which greatly reduce the overall level of risk. In Transportation and logistics, including Oil logistics (38% of revenue), the customer portfolio is very fragmented. The stability of this customer base is guaranteed by the fact that the biggest customers – consisting of shipping companies – are also freight forwarding suppliers of the Group for comparable amounts. The business is therefore not dependent on any particular customers or sectors. As regards risk management, monthly monitoring is carried out by the Group's Cash Department, which pools working capital requirement. Controls are also carried out by the main divisions themselves, which have a credit manager. Finally, the Group has frequent recourse to credit insurance. The Group performs a forward-looking evaluation of the credit losses expected from its trade receivables. To measure the provision expense for credit losses expected from its trade receivables from the start, the Group assesses the likelihood of default when the receivable is first recognized. Subsequently, the provisions for credit losses expected from trade receivables are re-measured in light of the change in the credit risk of the asset during each financial year.
The aged balance of past due receivables without provisions at the end of the accounting period, the analysis of changes in provisions for trade receivables and the expenditure and income in respect of these receivables are shown in note 5.6 – Trade and other receivables in the notes to the consolidated financial statements (5.5.1).
Moreover, the working capital requirement is monitored monthly by the Group's Cash Department. Moreover, in the Group's main divisions, credit risk management is the responsibility of a credit manager. Recourse to credit insurance is preferred and, when credit is not covered by insurance, the granting of credit is decided at the most appropriate level of authority. Finally, trade receivables are regularly monitored at both Group and division level and are written off case by case when this is deemed necessary.
Vivendi believes that there is no significant collection risk for operating receivables for its activities: the large number of individual customers, the diversity of customers and markets, as well as the geographical distribution of the Vivendi's activities (mainly Universal Music Group, Canal+ group, Havas and Gameloft), allow the concentration of credit risk related to receivables to be minimized.

TECHNOLOGICAL RISK (ELECTRICITY STORAGE AND SOLUTIONS)

The Group is making sizable capital expenditure in new activities such as electricity storage, the main technological challenge being to make Lithium-Metal-Polymer (LMP®) technology a benchmark technology in both the vehicle market and in stationary batteries for electricity storage. Even though it is extremely confident about the prospects offered by these new activities, the Group remains prudent given the technological risk that such capital expenditure may present. Accordingly, the efforts devoted to these developments are at all times measured on the basis of the performance of the traditional activities and in such a way that they do not call into question the Group's overall equilibrium. This risk is also addressed directly by Executive management at its monthly meetings.

RISKS RELATED TO ACTIVITIES IN THE COMMUNICATIONS INDUSTRY

This segment mainly includes the risk factors to do with Vivendi and its subsidiaries. They are detailed more fully in Chapter 2 of Vivendi's 2018 registration document. They primarily comprise:
- risks related to inflation in the costs of exclusive content and premium rights for the group's businesses;
- risks related to piracy and forgery;
- disintermediation risks;
- risks linked to talents;
- risks related to cybercrime;
- risks related to data protection;
- corruption risks;
- risks linked to the lack of commercial success of musical recordings, films, video games, services and content which has been produced, published, distributed or marketed by the Group;
- risks related to conducting business in different countries;
- risks related to unfavorable economic and financial circumstances.

1.3. Legal risks

PRIMARY LEGAL RISKS

RISKS ASSOCIATED WITH LEGAL PROCEEDINGS

The activities of the Group's companies are not subject to any specific dependency.
In the normal course of their activities, Bolloré and its subsidiaries are party to a number of legal, administrative, or arbitrational proceedings. The potential costs of these proceedings are the subject of provisions insofar as they are probable and quantifiable. The provisioned amounts are subject to a risk assessment on a case-by-case basis (see notes 10 – Provisions and litigation and 10.2 – Litigation in progress to the financial statements (5.5.1.).

Togo Guinea inquiry

On December 12, 2018 criminal charges were brought in a purely mechanical manner against Bolloré SA for corruption of a foreign public agent, complicity in falsification and use and complicity in breach of trust, following the criminal charges brought on April 25, 2018 against two of its senior executives.
The allegations at the heart of the judicial inquiry go back to 2009-2010 and concern two operations in Togo and Guinea.
The inquiry seeks to determine whether the concessions obtained by local subsidiaries of the Group in Togo and Guinea were obtained because of communications services provided by Havas in those countries for, respectively, 300,000 euros and 170,000 euros.
Bolloré SA is vigorously contesting the facts alleged, which have been the subject of numerous appeals before courts and tribunals.
In Guinea, the Group was named operator of the concession in 2010 because it had come in second during the international tender offer of 2008, after the default of the operator that had come in first.
In Togo, the concession agreement was signed on August 29, 2001, whereas the facts alleged would have occurred in 2009 and 2010, which is to say ten years later.
In these two countries the Group's investments in port infrastructure today total over 500 million euros.

ICSID Arbitration – Republic of Togo

The dispute brought before the arbitration tribunal arose from the failure of the Republic of Togo to honor the right of first refusal accorded to Togo Terminal as part of the signing of rider no. 2 to the concession agreement of May 24, 2010.
Following the signing of this rider, Togo Terminal and its ultimate shareholder, the Bolloré Group, invested several hundred million euros in the development and modernization of the infrastructures of the Independent Port of Lomé, including the construction of a third quay in the Port.
Early in 2014 Togo Terminal learned that construction work on a dock that had been started near the area it had been conceded under the concession agreement was for the purpose of creating a new special-purpose terminal for container operations.
From that date, Togo Terminal requested the Republic of Togo to apply the contractual provisions, but despite its repeated requests was unable to get the Republic of Togo honor the right of first refusal that it had been granted.
Accordingly, on April 20, 2018 Togo Terminal filed a request for arbitration with the International Center for the Settlement of Investment Disputes (ICSID), primarily so that the Republic of Togo would be ordered to carry out Togo Terminal's preferential right and to restore in full the damages suffered by Togo Terminal.

Litigation between Autolib' and the Syndicat mixte Autolib' et Vélib' Métropole

On February 25, 2011 Syndicat mixte Autolib' et Vélib' Métropole ("the SMAVM") and Autolib' SA entered into a public service delegation for the purpose of installing, managing and maintaining a self-service electric automobile service and an electric vehicle recharging infrastructure ("the agreement" or "the concession.")
In light of the updated 2016 Business Plan and the updated 2017 Business Plan that Autolib' forwarded to the SMAVM, it was clear that the agreement was not economically attractive as defined in its article 63.2.1, and Autolib' notified SMAVM of this fact on May 25, 2018, in accordance with the agreement.

Since the SMAVM did not wish to pay Autolib' the compensation called for in article 63.2.2 of the agreement in the event the concession should prove economically unattractive, it terminated the agreement per its article 63.3 in deliberation no. 2018-18 of June 21, 2018.
Article 63.3 of the agreement provides that should the agreement be terminated pursuant to that article, the indemnification schedule in article 61 of the agreement shall apply.
Therefore, Autolib' sent the SMAVM a letter dated September 25, 2018 with its request for indemnification in a total amount of 235 euros, calculated in accordance with articles 63.3 and 61 of the agreement.
The SMAVM, however, in a letter dated November 27, 2018 expressed its refusal to pay the indemnification referred to in item (vi) of article 61 of the agreement (indemnification and compensation due to Autolib' from the SMAVM since the threshold defined in article 63 of the agreement had been exceeded) by challenging Autolib's right to be compensated due to the threshold having been exceeded and to the agreement thus being economically unattractive.
Given this refusal by the SMAVM to pay the compensation called for in item (vi) of article 61 of the agreement, thereby demonstrating a profound disagreement between the SMAVM and Autolib' about the amount of compensation to be paid under article 61 of the agreement, Autolib' notified the SMAVM, in accordance with article 61 of the agreement and in a letter dated November 29, 2018, that it was bringing the matter before the arbitration panel mentioned in article 70 of the agreement.
Article 61 of the agreement provides that, "The arbitration panel may be appealed to by either party in the event of disagreement about the amount of this compensation."
Article 70.1 of the agreement concerning the establishment of an arbitration Panel provides inter alia that, "the arbitration panel shall consist of three (3) members whose personal and moral qualities and experience in public-private arrangements for comparable complex projects is well known.
Within fifteen (15) calendar days after the appeal to the Arbitration Committee, each party will designate one (1) member and the third member, who will be Chairman of the arbitration panel, will be chosen by common agreement between the two (2) members so designated. Failing an agreement within fifteen (15) calendar days, the Chairman of the arbitration panel will be designated by the Chief Judge of the Administrative Court of Paris, at the request of the first party to act".
Therefore and in conformance with said article 70.1 of the agreement, Autolib' and the SMAVM each proceeded on their own, on December 11 and 12, 2018 respectively, to designate the two out of three members of the arbitration panel.
Despite numerous conversations held and proposals made by the members of the arbitration panel designated by the SMAVM and Autolib', the two of them could not reach an agreement as to the choice of a Chairman of the arbitration panel, even more than two months after the appeal to the arbitration panel on November 29, 2018.
Therefore and pursuant to article 70.1 of the agreement, Autolib' appealed to the Chief Judge of the Administrative Court of Paris in a request dated February 12, 2019 so that she might appoint the Chairman of the arbitration panel.
When the Chief Judge of the administrative court recused herself from making that appointment, Autolib' and the SMAVM granted the arbitrators a one month extension to reach an agreement on the choice of a Chairman of the arbitration panel.
Since no agreement was reached between the two parties, Autolib' decided to set up a new Mediation Committee under the conditions set by the public service delegation.
There are no other governmental, legal or arbitration proceedings, of which the company is aware, which are pending or being threatened and are likely to have, or have had over the course of the last twelve months, a significant effect on the financial situation or profitability of the company and/or the Bolloré Group.
The main disputes and inquiries in which Vivendi is involved are covered by a description in note 23 to the audited consolidated financial statements for the fiscal year ended December 31, 2018.

TAX RISKS

The Group's businesses are subject to changing and restrictive legislation and regulation. However, these factors are not such that they create particular risks for the Group.

In the normal course of business, some companies in the group undergo tax audits. These audits do not raise significant risks or risk factors.
Accounting provisions are regularly set up for the consequences of these audits if they appear probable and indicate a future financial cost to the Group (see notes 10 – Provisions and litigation and 10.2 – Litigation in progress to the financial statements in Chapter 5, section 5.1).

INTELLECTUAL PROPERTY RISK

In the context of its industrial activities, the Group uses patents (in batteries, electric vehicles and dedicated terminals). For all activities concerned, a dedicated unit at Group level ensures that the Group is the proprietor of all the patents that it exploits and that the new technologies that it has developed are protected.

RISKS RELATED TO A RESTRICTIVE AND CHANGING REGULATORY FRAMEWORK

In carrying out its activities, the Group is not subject to any legislation or regulations that might give rise to any specific risks.

1.4. Risks related to corporate social responsibility

Management of CSR risks is detailed in the statement of non-financial performance of this 2018 registration document.

SOCIAL RISKS

WORKPLACE HEALTH AND SAFETY FOR USERS AND THIRD PARTIES(1)

Bolloré Transport & Logistics and Blue Solutions operate in environments with a high accident risk. The issue is particularly material with regard to industrial activities, such as handling, production and assembly, construction, freight and passenger transport, and even the handling and transportation of hazardous goods. The vast international reach of Bolloré Transport & Logistics (107 countries, including 46 in Africa) also requires particular vigilance depending on the local context;
in the same way as for its employees, one of the Bolloré Group's priority risks is ensuring the health and safety of partners and subcontractors working on its sites, as well as users and local communities which could be impacted by its activities. The risks relating to the safety of users and third parties in the context of freight and passenger transport operations are particularly material;

ATTRACTION AND RETENTION OF SKILLS

Bolloré Transport & Logistics and Blue Solutions employees perform a diverse range of activities in a large number of locations. This implies the need for a high degree of consistency in the quality of service provided to customers in order to meet the standard of operations they demand. That is why the issue of retaining the men and women of the company while developing their skills is a key driver of operating efficiency and innovation aimed at ensuring the sustainability and development of activities;

WORKING CONDITIONS AND SOCIAL DIALOG

The Transport & Logistics and Electricity storage and solutions businesses operate in many countries where local standards in terms of working conditions and social dialog can vary greatly, representing a risk not only to employee health and development, but also for business continuity, potentially presenting us from delivering our services within the timeframe and to the standard expected by our customers.

(1) Initially identified in the Group's CSR risk mapping as belonging to the human rights risk category, management of health and safety risks of users and third parties is covered by the procedures put in place by the Group to manage workplace health and safety risks (HR risk category). The health and safety risk faced by users and third parties is therefore managed in parallel with the workplace health and safety risk.

ETHICAL RISKS

CORRUPTION AND CONFLICT OF INTEREST (CF. COMPLIANCE RISK)

The French law of 9 December 2016, known as Sapin II, came into force on June 1, 2017. It requires both French and foreign companies to take specific measures to fight corruption. Corruption risk mapping is intended to respond to a dual challenge: (i) understand the factors liable to affect the various activities and their performance, with the aim of guarding against the legal, human, economic and financial consequences resulting from insufficient care, and (ii) foster greater knowledge and in turn better control of these risks. A risk management tool, corruption risk mapping is the cornerstone of the Bolloré Group's corruption risk management strategy: identification of corruption risks, comparison and assessment of the existing treatment of corruption risks, identification of residual corruption risks after the implementation of mitigation strategies, and mobilization of the organization through a shared methodology and a tool determined by a specific project. For the development of a risk-based approach, the Bolloré Transport & Logistics scope was chosen to pilot the development of Group-wide corruption risk mapping, with particular attention paid to the various geographies and their exposure to corruption risks within the scope of their activities.

HUMAN RIGHTS RISKS

RISKS RELATED TO HUMAN RIGHTS

The Bolloré Group operates in about 130 countries, including 46 countries in Africa. Its heavy international presence results in the Group hiring a great many people, directly or indirectly, in institutional contexts that vary from one country to another, where Human Rights are at times threatened. For this reason the issue of respecting and fostering human rights has been defined as a priority matter for the Group, encompassing such issues as non-discrimination, decent working conditions, promotion of social dialog and the freedom of association for trade unions, and forced labor or child labor, note that forced labor and child labor represent significant risks in that they need to take absolute priority in terms of prevention and action. The measures and internal controls on the hiring of employees, however, keep the problem under control, moreover, the Group pays special attention to its supply chain and subcontracting. The Group's reasonable duty of care can be put to the test by the local context in certain regions. An example is the African continent, where products and services are sometimes limited due to a dearth of local, regional or even national competitors, such as railway construction services and oil supplies.

PROTECTION OF PERSONAL DATA (CF. COMPLIANCE RISK)

Numerous cyberattacks have targeted businesses. They try to obtain personal data such as banking or log-on information to exploit them or resell them. Phishing and ransomware are well known examples of malevolent acts that harm private individuals and companies. As an illustration, according to a study done in 2018 by CESIN (club of experts in information and digital security), 80% of companies responding to the study have experienced at least one cyberattack. This risk, although impacting all of the Group's companies, is especially crucial for the Electricity storage and solutions division, particularly as regards its car-sharing operations. Special measures have been taken by the Group to limit this risk as far as possible.

ENVIRONMENTAL RISKS

LOCAL POLLUTION AND MANAGEMENT OF HAZARDOUS MATERIALS

Due to its industrial activity, the Bolloré Group has identified local pollution risks as a priority. Even though the transportation and storage of hazardous products and the occurrence of industrial accidents represent a major environmental risk and is a top priority for prevention, the measures and controls deployed internally ensure tight control of those risks.

IMPACT AND CARBON OPPORTUNITY OF PRODUCTS AND SERVICES

The Group is involved in long-term investment processes. The diversification of its activities strengthens its resilience to the vagaries of the market and allows it to create employment through the evolution of its business lines and making low-carbon an opportunity for the development of its products and services in line with major energy transition and climate change challenges.

LOCAL IMPACT

RISKS AND OPPORTUNITIES RELATED TO RELATIONS WITH LOCAL COMMUNITIES

With locations in 127 countries, including 46 in Africa, the Bolloré Group, through its activities and relationships with local communities, is a key player in regional social and economic development. It must therefore prevent, mitigate and compensate for the negative externalities generated by its activity while maximizing beneficial impacts for local populations and the territories where it operates.

CSR RISKS RELATED TO ACTIVITIES IN THE COMMUNICATIONS INDUSTRY

(See chapter 1, section 4.3. Principal non-financial risks in the Vivendi 2018 registration document, page 52)

1.5. Risk management and internal control tool

RISK MAPPING

Evaluation and control of the risks inherent in the functioning of each entity are the Group's central preoccupations. Since 2005 the Group has adopted a risk mapping exercise, its primary objectives being:

- to identify the major risks that could affect its divisions' operations;
- to initiate/improve the Group's processes so as to reduce and/or eliminate the impact of these risks;
- to analyze the adequacy of the Group's insurance policy and its purchasing of capacity and guarantees;
- to consider the Group's options regarding the transferring of risks to the insurance and reinsurance market, and/or the use of self-insurance;
- to strengthen crisis management and emergency communication procedures.

Once the risk mapping completed, the Group decided to take a long-term approach by installing a software package enabling it to monitor action plans and regularly update risks of all business lines. In parallel, the Group is continuing its program of preventative inspections of its sites, particularly in Africa. Identified risks are the subject of a series of measures detailed in the action plans drawn up by the various "owners" of risks who are nominated within each division, the objective being to control the exposure to these risks and therefore to reduce them.

The updating of consolidated risk mapping is validated every by the Risk Committee.

For its part, Vivendi also regularly reviews risk factors, which are presented to its Audit Committee. The Risk and Vigilance Committee also assesses whether internal procedures are adequate for dealing with potential risks.

INSURANCE – COVERAGE OF THE RISKS THE GROUP MAY ENCOUNTER

The Group's insurance policy is primarily aimed at enabling the activities of its various companies to continue in the event of any incident, the policy being based on:

- internal prevention and protection procedures;
- the transfer of risks to the insurance and reinsurance market through international insurance programs, regardless of the branch of activity and/or the geographic area.

The Group is covered in all its areas of activity against the consequences of such events as are liable to affect its industrial, storage, rail or port terminal installations. The Group also has civil liability coverage for all its land, sea, rail and air activities, as well as coverage for its operational risks. Regarding customer risk (see Chapter 3, section 1.2 - Risks related to business activities, at the heading customer risk) the Group makes very ample use of credit insurance whenever this is indicated.

HEDGING OF INDUSTRIAL RISKS

The operating sites for the Group's industrial activities as well as the storage/warehousing sites are guaranteed by property insurance programs up to the amount of the estimated value of the insured goods. The Group's industrial companies are covered for "operating loss" for 100% of their annual gross margin.

CIVIL LIABILITY COVERAGE

The Group is required to subscribe to a set of civil liability policies given its various activities and its exposure to various risks.

The civil liability that may be incurred by any company in the Group due to its activities, in particular general civil liability, civil liability due to products and the forwarding agent/freight agent/packer/carrier's civil liability, is insured in all areas where these activities are carried out:

- by type of activity, since each division in the Group benefits from, and subscribes to, its own cover;
- by an excess insurance capacity that covers all the companies in the Group and in case of any insufficiency in the above policies.

The Group also has an "Environmental Damage" civil liability policy.

HEDGING OF CYBER RISKS

Since late 2014, the Group has also had coverage against the consequences of risks related to the Group's information systems.

Insurance programs are taken out with leading international insurers and reinsurers, and the maximum coverage in effect corresponds to that of the market and to the Group's risks exposure.

RISK RELATED TO INFORMATION SYSTEMS

The Group operates and installs a large number of complex systems in order to provide its customers with high-quality and adaptable service.

These systems (networks, servers, applications, databases, etc.) may be hosted on site, with a contract hosting company or on the cloud. In addition, the operation and installation of these systems is handled by in-house personnel and/or service contractors.

The Group believes that there are three types of risks associated with the operation of such systems:

1. Data theft and cyber attacks
   The Information Systems Security division has an established security policy, updated annually and used by all IS departments, audits are performed every year and a remediation plan is implemented so that our systems are kept in line with this policy on a regular basis.
   A number of applications also ensure that these security rules are observed and that the Group will be responsive to security problems as they arise.
   Lastly, awareness campaigns are conducted every year to heighten the general alertness to critical data.
2. Hardware or software failures
   Based on a business-by-business analysis, a mapping has been done of the systems most critical to the Group's business continuity. These systems are run on high-security hardware, including writing to remote mirror disks, data duplication, automatic recovery mechanisms and more.
   Additionally, the critical systems are backed up regularly and the after-error restoration procedures are defined and tested regularly.
   The maintenance of all hardware and software is also kept up to date and provide ample support to the Group's strategic suppliers.
3. Human error and data loss
   Besides the recovery systems described above, the Group takes regular looks at the service quality of its suppliers and uses the cloud to meet the localization requirements of critical data. The Group adheres closely to the general data protection regulation (GDPR).
   To the extent possible, the Group relies on procedures and knowledge-sharing to limit its dependence on service providers or potentially risky individuals.

INTERNAL CONTROL

ORGANIZATION AND FEATURES OF INTERNAL CONTROL

In accordance with the AMF's reference framework definition, internal control is a system within the company, defined and implemented under its own responsibility, with the aim of ensuring:

- compliance with legislation and regulations;
- application of instructions given and strategies set by Executive management;
- the proper functioning of the company's internal processes, particularly those helping to safeguard its assets;
- reliable financial reporting;
- and, more widely, helping it to manage and carry out its business effectively and use its resources efficiently.

Under this framework, internal control covers the following elements:

- an organization including a clear definition of responsibilities, having adequate resources and skills and using appropriate information systems, operating procedures or methods, tools or practices;
- the internal distribution of relevant and reliable information, knowledge of which enables each person to carry out his or her duties;
- a risk management system intended to list, analyze and tackle the main identifiable risks with regard to the company's objectives and to ensure that procedures are in place to manage these risks;
- audit activities proportionate to the issues involved in each process and designed to ensure that all necessary measures are taken to manage risks that may affect the achievement of objectives;
- operation and permanent monitoring of the internal control system and regular examination to ensure that it is functioning correctly.

As indicated in the frame of reference, however, no matter how well designed and applied it is, the internal control system cannot absolutely guarantee that the company will achieve its objectives.

In the description that follows, "the Bolloré Group" covers the parent company and the consolidated subsidiaries. This description of the internal control system was made from the frame of reference devised by the working group led under the aegis of the AMF, supplemented by its application guide.

The principles and key points contained in this guide are followed where they are applicable.

A CONTROL SYSTEM ADAPTED TO THE SPECIFIC NATURE OF THE GROUP'S ORGANIZATION

The Group's internal control system is based on the following principles:

Separation of functions

In order to guarantee the independence of the control function, the operational and finance departments have been systematically separated at every level within the Group.

Each entity's finance department is responsible for ensuring that financial information is complete and reliable. All this information is regularly forwarded to Executive management and the central departments (human resources, legal, finance, etc.).

Independence and responsibility of subsidiaries

The Group is organized into operational divisions which, owing to the diversity of their activities, have considerable scope to manage their own affairs. The divisions are responsible for:

- specifying and implementing an internal control system suited to their specific situation and features;

- optimizing their operational and financial performance levels;
- safeguarding their own assets; and
- managing their own risks.

This system of delegated responsibility ensures that the various entities' practices comply with the legal and regulatory framework in force in the countries where they are established.

Joint support and audits of all Group companies

The Group establishes mandatory accounting, financial and control procedures for the central processes, usually circulated by email to the operating divisions. The latter are responsible for circulating them within their organization.

In addition to these procedures that the Group has established for central processes, the operating divisions have their own accounting, financial, administrative and control procedures, collected on an intranet site or regularly sent out to the entities by email in order to disseminate and manage the standard framework created by the Group and the divisions.

The internal audit department regularly assesses the entities' control systems, especially with regard to their observance of Group procedures and the procedures specific to each operating division. It suggests to them the best ways to make improvements.

Human resources policy favoring a good internal control environment

The human resources policy contributes to the enhancement of an effective internal control environment as a result of job descriptions and an appraisal system based particularly on annual reviews and regular training programs.

INTERNAL DISTRIBUTION OF RELEVANT INFORMATION

Compliance with legislation and regulations

The Group's functional departments enable it:

- to keep abreast of the various rules and laws that apply to it;
- to be advised, in good time, of any changes to them;
- to incorporate these rules into its internal procedures;
- to keep its staff informed and properly trained to comply with the rules and legislation concerning them.

Application of the instructions and directions set by the Group's Executive management

Executive management sets the Group's targets and overall directions, ensuring that all staff are informed of them.

In this respect, the Group's budget formation process involves strict undertakings by the entities with respect to Executive management:

- during the fourth quarter of the year, each operational division prepares a budget on the basis of the overall strategic direction set by Executive management; the budget gives a breakdown of forecast profits and cash flow, as well as the main indicators for measuring operational performance levels;
- once approved by Executive management, this budget, broken down into months, serves as the reference for budgetary control. The discrepancies between this budget forecast and the monthly results are analyzed each month at results Committee meetings attended by the Group's Executive management, the divisional management and the Group's functional departments (human resources, legal, finance).

Proper functioning of the company's internal processes, particularly those helping to safeguard its assets

The Information Systems Department has introduced safety and security procedures for ensuring the quality and security of the Group's operations, even in the event of major difficulties.

The process of monitoring all capital expenditure, conducted jointly by the purchasing, management control and insurance divisions, contributes to keeping a close watch over the Group's tangible assets and safeguarding their value in use through appropriate insurance cover.

Although devolved to the various operating divisions, client accounts are nonetheless subject to monthly reporting to the Group's Finance Department, which is responsible for listing the main client default risks and taking remedial action along with the divisions.

The Group's cash flow is monitored by:

- daily notification of the divisions' cash flow figures;
- monthly updates to the Group's cash flow forecasts;
- optimization of exchange rate and interest rate risks (studied by the Risk Committee, which meets semi-annually under the authority of Executive management);
- the availability of short-, medium- or long-term credit from financial partners.

RELIABLE FINANCIAL REPORTING

Procedure for preparing the consolidated financial statements

The consolidated financial statements are prepared every half-year; they are verified by the Statutory Auditors in a limited review at June 30 and a full audit at December 31, covering the separate financial statements of all entities within the consolidation scope and the consolidated financial statements.

They are published once they have been approved by the Board of Directors.

The Group relies on the following elements for consolidating its financial statements:

- the Group's consolidation department, which ensures the standardization and monitoring of bookkeeping in all companies within the parent company's consolidation scope;
- strict adherence to accounting standards linked to the consolidation operations;
- the use of a recognized IT tool, developed in 2005 to keep the Group abreast of new information transmission technology and to guarantee secure procedures for reporting information and standardized presentation of the accounting aggregates;
- decentralization of a portion of the consolidation restatements at operational division or company level, allowing the accounting treatment to be positioned as closely as possible to the operational flows.

Financial reporting process

The Group's Cash and Management Control Departments organize and monitor the reporting of monthly financial information and indicators from the divisions and, in particular, their income statements and net debt reports.

Within each division, the financial reporting details are validated by its Executive management and forwarded by its Finance Department.

The figures are submitted in a standardized format that complies with the rules and standards for consolidation, making it easier to crosscheck against the items in the half-yearly and annual consolidated financial statements. Specific reports for each of these are forwarded to the Group's Executive management.

The monthly financial reports are supplemented by budget reviews throughout the year, which updates the year's targets in accordance with the latest figures.

LIMITATION OF RISK RELATED TO PUBLICLY TRADED SECURITIES

Insider list

In accordance with European regulation no. 596/2014 of April 16, 2014 on market abuse (MAR regulation) and those of the AMF guide dated October 26, 2016 on permanent information and the management of regulated information, the Bolloré Group regularly updates the list of people with access to insider information that, if it were made public, could have a significant influence on the price of financial instruments.

These individuals (employees, directors or third parties in a close professional relationship with the company) have all been notified of the ban on using or disclosing such price-sensitive information with a view to any purchase or sale of these instruments.

The appendix of the Group's Charter of Ethics which defines the periods during which employees will have to refrain from undertaking transactions involving listed shares of Group companies has been amended to take account of AMF recommendation no. 2010-07 of November 3, 2010, relating to the prevention of breaches by insiders for which Executive managers of listed companies may be held liable.

In order to limit exposure to the risks associated with regulations and their changes and litigation, the Group's Legal Department sees to the security and legal compliance of the Group's activities, in liaison with the divisions' legal departments. When a lawsuit arises, the Group's Legal Department ensures that it is settled in the Group's best interests.

RISK MANAGEMENT SYSTEM

In accordance with the AMF's reference framework definition, risk management is a dynamic system, defined and implemented under the company's responsibility, which assists the company to:
- create and preserve the company's value, assets and reputation;
- secure decision-making and corporate processes to facilitate the achievement of company objectives;
- promote consistency between the company's actions and its values;
- unite company employees behind a shared vision of the main risks.

Under this framework, risk management covers the following elements:
- an organizational framework that defines roles and responsibilities, a risk management policy and an information system that allows risk information to be disseminated internally;
- a three-stage risk management process: risk identification, risk analysis and risk management;
- continuous supervision of the risk management system with regular monitoring and review.

CONTROL ACTIVITIES RELATED TO THESE RISKS

RISK MANAGEMENT AND MONITORING RULES

Litigation and risks are monitored by each division. The Legal Department and the Insurance Department, for managing claims, also provide assistance in all major disputes, as well as on every draft contract of major financial significance. Finally, risk management methods are subject to regular in-depth reviews by the Risk Committee.

SCOPE OF DEPLOYMENT OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Bolloré Group internal control procedures cover all of the Bolloré Group and its consolidated subsidiaries. Regarding acquisitions, in addition to the internal procedures already in place within the companies concerned, procedures are gradually harmonized and internal control and risk management mechanisms are gradually deployed.

OPERATION AND MONITORING OF THE INTERNAL CONTROL SYSTEM

THE MAIN PARTICIPANTS IN INTERNAL CONTROL AND THEIR TASKS

The arrangements for exercising internal control are implemented by:

The Board of Directors of the Group's parent company

The Board of Directors monitors the effectiveness of the internal control and risk management systems as determined and implemented by Executive management. If need be, the Board can use its own general powers to undertake such actions and verification work as it sees fit.

The Group's Executive management

Executive management is responsible for specifying, implementing and monitoring suitable and effective internal control and risk management systems. In the event of any deficiency in the systems, it ensures that the necessary remedial measures are taken.

The monthly results committee

Each division submits a monthly report to the Group's Executive management and central departments detailing, for all companies within its scope, the operational and financial indicators for its business as well as an analysis of the evolving trends with reference to the targets approved by Executive management.

The Audit Committee

The role, remit and mission of this Committee are set forth in the report of the Board of Directors on corporate governance prepared in accordance with article L. 225-37 of the French commercial code *(Code du commerce)*.

The Risk Committee

The Risk Committee is in charge of carrying out a regular and in-depth review of risk management methods.

Subsidiaries' governing bodies

The governing body of each Group subsidiary considers the company's strategy and policies as put forward by Executive management, monitors their implementation, sets operational targets, allocates resources, and carries out verification and control work as it sees fit. All officers receive all the information needed to carry out their assignments and may request any documents they consider useful.

The subsidiaries' management

They apply the directions given by the governing bodies within their own subsidiaries. With the assistance of their management control departments, they ensure that the Group's internal control system operates effectively. They report to their own governing bodies and also to the management Committees.

Group internal audit

The Group has a central internal audit department that intervenes in all units within its scope.
It works to an annual plan put together with the help of the divisions and Executive management, based on evaluation of the risks affecting each subsidiary and a cyclical audit for the whole Group. This program includes systematic reviews of the financial and operational risks, follow-up assignments and application of the recommendations made, as well as more targeted interventions depending on the needs expressed by the divisions or Executive management.
As a first priority, it aims to cover the most sensitive risks and to review the other major risks in the medium term for all Group units. The auditors receive internal training in the divisional business specialties so that they can better understand the operational particularities of each one.
It is the audit department's responsibility to assess the functioning of the internal control system and to make any recommendations for its improvement within the scope of its responsibility. Audit reports are sent to the companies audited, the divisions to which they are attached, and to the Group's Finance Department and Executive management.

THE STATUTORY AUDITOR'S

In accordance with their appointment to review and certify the financial statements, and in accordance with their professional standards, the Statutory Auditors acquaint themselves with the accounting and internal control systems. They accordingly carry out interim investigations assessing the operational methods used in the various audit cycles that have been decided on; they guarantee the proper application of generally accepted accounting principles, with the aim of producing accurate and precise information. They submit a half-year summary of the conclusions of their work to the Finance Department, the Group's Executive management, and the Audit Committee.
The Group financial statements are certified jointly by the accountants Constantin Associés (reappointed by the Ordinary General Meeting of June 5, 2014), represented by Jean Paul Séguret, and AEG Finances (re-appointed by the Ordinary General Meeting of June 5, 2013), represented by Jean-François Baloteaud.

1.6. Compliance

COMPLIANCE PROGRAM

ANTI-CORRUPTION

This point is covered in detail in the SEFP, in Chapter 2, section 2.2.1.

VIGILANCE PLAN

This point is covered in detail in the SEFP, in Chapter 2, section 2.2.2.

PROTECTION OF PERSONAL DATA

This point is covered in detail in the SEFP, in Chapter 2, section 2.2.4.

4 Corporate governance

1. Administrative and management bodies

1.1. Management method and statutory information

The Extraordinary General Meeting of June 6, 2002, brought the articles of association into line with law no. 2001-420 of May 15, 2001, enabling, in particular, the Board of Directors to decide on one of the two methods of managing the corporation, namely separating or combining the functions of Chief Executive Officer and Chairman of the Board of Directors, this decision being made in the event of any appointment or renewal of the term of office of the Chairman or Chief Executive Officer. The management method adopted remains in force until the end of the term of office of the first of these.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

On March 14, 2019 the Board of Directors voted to combine the functions of Chief Executive Officer and Chairman of the Board of Directors and after having noted the resignation of Vincent Bolloré as Chairman and Chief Executive Officer, appointed Cyrille Bolloré to said office. Subject to the powers expressly accorded by law to shareholders' meetings and to the Board of Directors and within the scope of the company purpose, the Chairman and Chief Executive Officer is granted all powers to act in the name of the company in any circumstances.

VICE-CHAIRMAN

The Board of Directors may appoint from among its members one or more Vice-Chairmen responsible for chairing Board meetings if the Chairman is absent or unable to attend, if this absence is not being covered by the Vice-Chairman and Managing Director.
Yannick Bolloré and Cédric de Bailliencourt were confirmed as Vice-Chairmen at the March 14, 2019 meeting of the Board of Directors.

1.2. Operating methods of executive management (article L. 225-37-4, 4 of the French commercial code *[Code de commerce]*)

Following Vincent Bolloré's decision not to seek of his term of office as director at the Ordinary General Meeting and place his office as Chairman at the disposal of the Board for the sake of best governance practice, the Board of Directors of March 14, 2019 appointed Cyrille Bolloré as Chairman and Chief Executive Officer.
This is because this method of governance is particularly suited to the company's specifics and enables an efficient response in decision-making processes and speed when managing and developing the company's activities.

1.3. Powers and possible limitations by the Board of Directors of the powers of the Chief Executive Officer (article L. 225-37-4, 7 of the French commercial code *[Code de commerce]*)

In his role as Chief Executive Officer, the Chairman and Chief Executive Officer has the broadest powers to act under all circumstances on behalf of the company. He exercises his powers within the scope of the corporate's purpose and subject to the powers expressly attributed to Shareholders' Meetings and to the Board of Directors. He represents the company in its dealings with third parties.
Nevertheless, the Chairman and Chief Executive Officer shall submit all operations of genuine strategic importance to the Board's approval. In accordance with the by-laws of the Board of Directors, the Board must approve any material transaction which is not in line with the strategy announced or which is likely to change the scope of the company's business.
In his role as Chairman of the Board of Directors and pursuant to article L. 225-51 of the French commercial code *(Code de commerce)*, the Chairman and Chief Executive Officer organizes and directs the work of the Board, about which he reports to the General Shareholders' Meeting. He ensures the proper functioning of the corporate bodies and ensures in particular that the directors are able to fulfill their missions.
On March 14, 2019, the Chairman and Chief Executive Officer was granted the authority by the Board to issue bonds, endorsements and guarantees to third parties on behalf of the company for a period of one year for the Group's day-to-day operations, up to an overall limit of 300 million euros (300,000,000 euros), it being specified that an unlimited amount of bonds, endorsements and guarantees may be granted to the tax and customs authorities.
Furthermore, on March 14, 2019, the Board of Directors renewed the authorization granted to the Chairman and Chief Executive Officer to carry out, i) any bond issue, and establish the terms and conditions thereof, and ii) any issue of complex securities that are debt securities granting rights to the allocation of other debt securities or giving access to existing equity securities, up to an overall limit of 700 million euros (700,000,000 euros).

1.4. Composition of the Board of Directors (article L. 225-37-4, 5 of the French commercial code *[Code de commerce]*)

1.4.1. GENERAL RULES

In accordance with the law, the directors are appointed by the Ordinary General Meeting on the proposal of the Board of Directors after consultation of the Compensation and Appointments Committee, and the Board may, under the conditions provided by law, make provisional appointments. They may be dismissed at any time by decision of the General Shareholders' Meeting.
The Board must comprise at least three and at most eighten members, subject to the waiver provided for by law in the event of a merger. Their term of office is three years and they may be re-elected.
The Extraordinary General Meeting of June 5, 2014, deliberating in connection with the implementation of the Job Security Act of June 14, 2013, regarding in particular the appointment of director employees with voting rights to the Board of Directors, amended the articles of association to include provisions detailing the conditions of appointment of directors representing the employees.
Thus, the articles of association provide that employee directors are appointed by the Group Works Committee for a three-year term, their functions ending three years after the date of their appointment by the Committee.

At its meeting of November 22, 2017, the Group Works Committee was asked to appoint directors representing the employees to the Board of Directors, and Elsa Berst and Nicolas Alteirac were appointed to those positions.
The Board is composed of eighten members appointed by the Ordinary General Meeting and two employee directors appointed by the Group Works Committee.

MEMBERS OF THE BOARD APPOINTED BY THE ORDINARY GENERAL MEETING OR BY THE BOARD OF DIRECTORS UNDER THE CONDITIONS PROVIDED BY LAW

Cyrille Bolloré (Chairman and Chief Executive Officer), Vincent Bolloré, Yannick Bolloré (Vice-Chairman), Cédric de Bailliencourt (Vice-Chairman), Bolloré Participations (represented by Gilles Alix), Chantal Bolloré, Marie Bolloré, Sébastien Bolloré, Valérie Coscas, Financière V (represented by Marie-Annick Darmaillac), Hubert Fabri, Omnium Bolloré (represented by Janine Goalabré), Dominique Hériard-Dubreuil, Céline Merle-Béral, Alexandre Picciotto, Olivier Roussel, Martine Studer and François Thomazeau.
Of the 18 members of the Board and in accordance with the independence criteria confirmed by the Board of Directors at its meeting of March 14, 2019, Valérie Coscas, Hubert Fabri, Dominique Hériard-Dubreuil, Alexandre Picciotto, Olivier Roussel, Martine Studer and François Thomazeau are considered independent.

MEMBERS OF THE BOARD APPOINTED BY THE GROUP WORKS COMMITTEE

Elsa Berst, Nicolas Alteirac.

The Ordinary General Meeting may, on the proposal of the Board of Directors, appoint a panel of observers to be invited to attend Board meetings with advisory status only.
Directors must refrain from trading in company securities (i) during a period of thirty calendar days before publication of the annual and half-year financial statements and (ii) during a period of fifteen calendar days before publication of quarterly information, (iii) at all times when aware of any information which, if made public, would be liable to affect the share price for as long as the information in question has not been made public.
At its meeting on March 20, 2014, the Board of Directors included a provision in its bylaws requiring each director to allocate 10% of the directors' fees that he/she receives for performing his/her duties as a director to purchasing Bolloré securities until the consideration for his/her number of shares reaches the equivalent of one year of directors' fees received.

1.4.2. MEMBERS OF THE BOARD OF DIRECTORS AS OF MARCH 14, 2019 (DATE OF APPROVAL BY THE BOARD OF THE 2018 FINANCIAL STATEMENTS)

Directors	Nationality	Date of birth	Gender	First appointed	Date of last reappoint-ment	End of office	Indepen-dent director	Attendance rate at Board meetings	Member of the Board Committees	Attendance rate at Committee meetings
Cyrille Bolloré Chairman and Chief Executive Officer	French	07/19/1985	M	03/14/2019	06/03/2016	2019 (AGM approving the 2018 financial statements)	–	100%	–	–
Vincent Bolloré	French	04/01/1952	M	06/28/1990	06/03/2016	2019 (AGM approving the 2018 financial statements)	–	100%	–	–
Yannick Bolloré Vice-Chairman	French	02/01/1980	M	06/10/2009	06/03/2016	2019 (AGM approving the 2018 financial statements)	–	100%	–	–
Cédric de Bailliencourt Vice-Chairman	French	07/10/1969	M	12/12/2002	06/03/2016	2019 (AGM approving the 2018 financial statements)	–	100%	–	–
Gilles Alix representative of Bolloré Participations	French	10/01/1958	M	06/29/1992	06/03/2016	2019 (AGM approving the 2018 financial statements)	–	100%	CAC(2)	100%
Nicolas Alteirac(1) Director representing the employees	French	03/10/1980	M	11/22/2017	–	11/22/2020	NA	100%	–	–
Elsa Berst(1) Director representing the employees	French	02/20/1985	F	11/22/2017	–	11/22/2020	NA	100%	CAC(2)	– (3)
Chantal Bolloré	French	09/06/1943	F	06/03/2016	–	2019 (AGM approving the 2018 financial statements)	–	100%	–	–
Marie Bolloré	French	05/08/1988	F	06/09/2011	06/01/2017	2020 (AGM approving the 2019 financial statements)	–	100%	–	–
Sébastien Bolloré	French	01/24/1978	M	06/10/2010	06/03/2016	2019 (AGM approving the 2018 financial statements)	–	66.66%	–	–
Valérie Coscas	French	07/17/1974	F	06/03/2016	–	2019 (AGM approving the 2018 financial statements)	Yes	100%	–	–
Marie-Annick Darmaillac representative of Financière V	French	11/24/1954	F	06/03/2016	–	2019 (AGM approving the 2018 financial statements)	–	100%	–	–
Hubert Fabri	Belgian	01/28/1952	M	06/07/2006	06/01/2018	2021 (AGM approving the 2020 financial statements)	Yes	100%	–	
Janine Goalabré representative of Omnium Bolloré	French	02/29/1948	F	06/03/2016	–	2019 (AGM approving the 2018 financial statements)	–	100%	–	–

Directors	Nationality	Date of birth	Gender	First appointed	Date of last reappoint-ment	End of office	Indepen-dent director	Attendance rate at Board meetings	Member of the Board Committees	Attendance rate at Committee meetings
Dominique Hériard-Dubreuil	French	07/06/1946	F	06/04/2015	06/01/2018	2021 (AGM approving the 2020 financial statements)	Yes	100%		–
Céline Merle-Béral	French	01/16/1969	F	06/05/2014	06/01/2017	2020 (AGM approving the 2019 financial statements)	–	66.66%	–	–
Alexandre Picciotto	French	05/17/1968	M	06/04/2015	06/01/2018	2021 (AGM approving the 2020 financial statements)	Yes	100%	–	–
Olivier Roussel	French	06/12/1947	M	06/17/1998	06/03/2016	2019 (AGM approving the 2018 financial statements)	Yes	66.66%	Audit Committee CAC(2)	100% 100%
Martine Studer	Franco-Ivorian	01/30/1961	F	06/09/2011	06/01/2017	2020 (AGM approving the 2019 financial statements)	Yes	66.66%	Audit Committee CAC(2)	50% 50%
François Thomazeau	French	06/07/1949	M	03/22/2007	06/03/2016	2019 (AGM approving the 2018 financial statements)	Yes	100%	Audit Committee	100%

Changes in the composition of the Board of Directors

Vincent Bolloré	Vincent Bolloré resigned from his office as Chairman and Chief Executive Officer on March 14, 2019.
Cyrille Bolloré	Cyrille Bolloré was appointed Chairman and Chief Executive Officer by the Board of Directors on March 14, 2019, thereby terminating his offices as Deputy Chief Executive Officer and Vice-Chairman and Managing Director.

(1) Appointment by the Group Works Committee.
(2) Compensation and Appointments Committee (CAC).
(3) Appointment at the Board of Directors meeting of August 31, 2018.

1.5. Diversity policy applied to the Board, information about Executive Committee diversity and gender diversity results in the 10% of positions with the most responsibility (article L. 225-37-4, 6 of the French commercial code *[Code de commerce]*)

The Board of Directors carefully applies the principles of the Afep-Medef Code and has in recent years sought to ensure a decent balance in its composition by seeking out diverse profiles, in terms of age, gender and richness and diversity of skills and experiences (presented for each corporate officer in Chapter 4, Section 1.6).

This search for diversification was conducted to maintain the proportion of independent directors above the one-third threshold recommended by the Afep-Medef Code.

The composition of the Board is in accordance with the provisions of law relating to the representation of women, which sets a proportion of at least 40% of directors of each gender.

Employee representation on the Board is also provided by two directors who were appointed in accordance with the articles of association.

The management of Bolloré has not established a committee to assist it in the exercise of its general missions and looks to the Board of Directors and Board Committees for this purpose. Accordingly, no information on how the company seeks a balanced representation of men and women on the Executive Committee needs to be given in the report on corporate governance.

As regards information on the gender diversity results for the 10% of positions with the highest responsibility, the Board of Directors wishes to emphasize that professional equality between women and men is identified as a lever of transformation with unifying potential for all Bolloré Group divisions.

As of December 31, 2018, 559 Bolloré employees were used to calculate the gender equality index. Among the 56 positions representing the 10% of positions with the highest responsibility, the company has 16 women and 40 men, for a 29% presence of women.

Aware that the need to promote diversity in these positions is an imperative, the management has three objectives:

- greater presence of women in jobs with equal skills where they have low representation, through information campaigns with the appropriate demographics and institutions;
- promote women's access to positions of responsibility, through the selection of more women for management training programs;
- monitor and support women in their professional development through the use of mentoring.

To fulfill these objectives and promote diversity in positions with greater responsibility the Human Resources Department, in partnership with the management of the various Group entities, has implemented various actions:

- "Career Committees" are organized to identify employees, both men and women, who are able to advance within the Group and take positions with greater responsibilities;
- for the same purpose, the Human Resources Department is developing management training courses to enable employees, regardless of their gender, to develop managerial skills that are often required for high-responsibility positions;
- in its recruitment policy, the company is scrupulous to maintain gender parity throughout the selection process, especially for high-responsibility positions.

1.6. Expertise and list of corporate offices of the corporate officers (article L. 225-37-4, 1 of the French commercial code *[Code de commerce]*)

We set out here below a list of all corporate offices held by each company officer, in any company, during the past five years.

CYRILLE BOLLORÉ, Chairman and Chief Executive Officer

Business address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
Graduate of the University of Paris-IX-Dauphine (Master [MSc] in Economics and Management – Major in Finance).
Deputy Manager of Supplies and Logistics of Bolloré Énergie from November 2007 to November 2008.
Manager of Supplies and Logistics of Bolloré Énergie from December 2008 to August 2010.
Chief Executive Officer of Bolloré Énergie from September 1, 2010 to September 2011.
Chairman of Bolloré Energy since October 3, 2011.
Vice-Chairman and Managing Director of Bolloré from August 31, 2012, to March 14, 2019.
Chairman of Bolloré Logistics until December 2014.
Chairman of Bolloré Africa Logistics from November 2014 to May 2016.
Chairman of Bolloré Transport & Logistics Corporate (formerly Bolloré Transport & Logistics) since April 2016.
Deputy Chief Executive Officer of Bolloré from June 5, 2013 to March 14, 2019.
Chief Executive Officer of Financière de l'Odet from September 1, 2017 to March 14, 2019.
Chairman and Chief Executive Officer of Bolloré, since March 14, 2019.
Member of the Supervisory Board of Vivendi, since April 15, 2019.
Number of company shares held: 201,100.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*
- Chairman and Chief Executive Officer of Bolloré;
- Chairman of the Board of Directors of Bolloré Energy;
- Chairman of Bolloré Transport & Logistics Corporate (formerly Bolloré Transport & Logistics);
- Chairman of the Management Board of Compagnie du Cambodge[1];
- Chief Executive Officer and Vice-Chairman of Financière de l'Odet[1];
- Director of Bolloré[1], Bolloré Energy, Bolloré Participations, Financière de l'Odet[1], Financière V, Omnium Bolloré, Société Industrielle et Financière de l'Artois[1], Blue Solutions[1] and Bolloré Logistics;
- Permanent representative of Compagnie du Cambodge on the Board of Financière Moncey[1];
- Permanent representative of Financière de Cézembre on the Board of Société Française Donges Metz;
- Permanent representative of Bolloré Transport & Logistics Corporate on the Board of Bolloré Africa Logistics;
- Permanent representative of Globolding on the Board of Sogetra;
- Chairman of the Supervisory Board of Sofibol;
- Chairman of BlueElec.

— *Other corporate offices*
- Member of the Supervisory Board of Vivendi[1];

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*
- Director of Financière du Champ de Mars, SFA SA, Nord-Sumatra Investissements, Plantations des Terres Rouges and African Investment Company;
- Permanent representative of Société de Participations Africaines on the Board of Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Congo);

(1) Listed company.

— *Other corporate offices*
- Permanent representative of Bolloré Participations on the Board of Socfinaf[1].

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*
- Deputy Chief Executive Officer of Bolloré;
- Vice-Chairman and Managing Director of Bolloré;
- Chief Executive Officer of Financière de l'Odet;
- Director of Bolloré Africa Railways;
- Chairman and member of the Supervisory Board of Compagnie du Cambodge;
- Chief Executive Officer of Société Industrielle et Financière de l'Artois;
- Permanent representative of Bolloré Transport Logistics on the Board of Bolloré Africa Logistics;
- Permanent representative of Bolloré Transport Logistics Corporate among the directors of Bolloré Logistics;
- Permanent representative of Bolloré Transport Logistics on the Board of SDV Logistique Internationale;
- Permanent representative of Bolloré Transport Logistics on the Board of Kerné Finance;
- Permanent representative of Bolloré Energy on the Board of La Charbonnière.

— *Other corporate offices*
- Vice-Chairman of the Comité Professionnel des Stocks Stratégiques Pétroliers;
- Member of the Management Board of Société des Pipelines de Strasbourg SARL.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*
- Director of CICA SA (CH);
- Director of Satram Huiles SA (CH);
- Permanent representative of Société Financière Panafricaine on the Board of Camrail;
- Permanent representative of Socapao on the Board of Congo Terminal;
- Permanent representative of Société de Participations Africaines on the Board of Douala International Terminal.

— *Other corporate offices*
- Director of CIPCH BV (NL).

VINCENT BOLLORÉ

Business address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
Industrialist, Chairman of the Bolloré Group since 1981.
Number of company shares held: 5,372,900.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*
- Chairman and Chief Executive Officer of Financière de l'Odet and Bolloré Participations (SA);
- Chairman of the Board of Directors (separate Chairman and Chief Executive Officer) of Blue Solutions[1];
- Chairman of Somabol (SCA);
- Chief Executive Officer of Omnium Bolloré Omnium Bolloré (SAS) and Financière V (SAS);
- Director of Blue Solutions[1], Bolloré[1], Bolloré Participations, Financière Moncey[1], Financière de l'Odet[1], Financière V and Omnium Bolloré;
- Permanent representative of Bolloré Participations on the Board of Directors of Société Industrielle et Financière de l'Artois[1];
- Permanent representative of Bolloré Participations on the Supervisory Board of Compagnie du Cambodge[1].

— *Other corporate offices*
- Permanent representative of Bolloré on the Board of Fred & Farid Group (SAS);
- Member of the Supervisory Board of Canal+ group (SA).

(1) Listed company.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Chairman of the Board of Directors of Nord-Sumatra Investissements, Financière du Champ de Mars and BB Groupe SA;
- Director of BB Group SA and Plantations des Terres Rouges;
- Acting Director of Nord-Sumatra Investissements and Financière du Champ de Mars.

— *Other corporate offices*

- Vice-Chairman of Société des Caoutchoucs de Grand Bereby (SOGB)(1) and Bereby Finances;
- Director of Socfinaf (formerly Intercultures)(1), Liberian Agricultural Company (LAC), Plantations Nord-Sumatra Ltd, Socfin (formerly Socfinal)(1), Socfinasia(1), Socfindo, Socfin KCD, Socfin Agricultural Company Ltd (SAC), Plantations Socfinaf Ghana Ltd (PSG), Coviphama Ltd et Socfinco FR;
- Permanent representative of Bolloré Participations on the Boards of Directors of Bereby Finances, Société Camerounaise de Palmeraies (Socapalm)(1), Société des Caoutchoucs de Grand Bereby (SOGB)(1), Brabanta and SAFA Cameroun(1).

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Chairman and Chief Executive Officer of Bolloré
- Chairman of the Board of Directors of Financière de l'Odet

— *Other corporate offices*

- Chairman of the Supervisory Board of Canal+ group (SA);
- Chairman and Vice-Chairman of the Supervisory Board of Vivendi.
- Member of the Supervisory Board of Vivendi(1).

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Permanent representative of Bolloré Participations on the Board of Directors of Bolloré Transport & Logistics Congo;
- Permanent representative of Bolloré Participations on the Board of Directors of SAFA.

— *Other corporate offices*

- Joint manager of Brabanta;
- Permanent representative of Bolloré Participations on the Board of Directors of Palmeraies du Cameroun;
- Director of Centrages;
- Director of Socfin Consultant Services "Socfinco SA".

YANNICK BOLLORÉ, Vice-Chairman

Business address
Havas
29-30, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
Graduate of Université Paris-IX-Dauphine.
2001: Co-Founder and Chief Executive Officer of WY Productions.
Director of programs for the DTT Direct 8 TV station from 2006 to 2012.
Chief Executive Officer of Bolloré Média from 2009 to December 2012.
Deputy Chief Executive Officer of Havas since August 2012.
Vice-Chairman of Bolloré since June 5, 2013.
Chairman and Chief Executive Officer of Havas since August 30, 2013.
Since April 2018, Chairman of the Supervisory Board of Vivendi.
Number of company shares held: 361,649.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Vice-Chairman of Bolloré(1);
- Director of Bolloré(1), Bolloré Participations, Financière de l'Odet(1) Financière V and Omnium Bolloré;
- Member of the Executive Board of JC Decaux Bolloré Holding;
- Member of the Supervisory Board of Sofibol.

— *Other corporate offices:*

- Chairman and member of the Supervisory Board of Vivendi(1);
- Chairman and Chief Executive Officer of Havas;
- Director of Havas;
- Director of Havas Media France;
- Permanent representative of Havas on the Board of Directors of W&Cie;
- Director of the Rodin museum.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Chairman of Havas North America Inc. (United States);
- President, Executive Vice-President of Havas Worldwide, LLC (United States);
- Director of Havas Worldwide Middle East FZ, LLC (United Arab Emirates).

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Member of the Executive Board of Havas Media Africa;
- Director of Havas Paris;
- Permanent representative of Havas on the Board of Directors of Havas Life;
- Member of the Supervisory Board of MFG R&D;

— *Other corporate offices*

- Chairman and Chief Executive Officer and member of HA Pôle Ressources Humaines;
- Permanent representative of Havas on the Board of Directors of Médiamétrie;
- Permanent representative of Havas on the Board of Directors of Havas Life Paris.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Director of Arena Communication Network, SL.
- Director of Havas Media Planning Group SA;
- Chairman of Havas 360.

CÉDRIC DE BAILLIENCOURT, Vice-Chairman

Business address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
Chief Financial Officer of Bolloré Group since 2008.
Vice-Chairman of Bolloré since August 31, 2012 and Chief Executive Officer of Financière de l'Odet from 2002 to 2017.
Deputy Chief Executive Officer of Financière de l'Odet from September 1, 2017 to March 14, 2019.
Vice-Chairman of Bolloré.
He joined the Bolloré Group in 1996.
Number of company shares held: 3,940,037, including 2,700,000 in bare ownership.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Vice-Chairman of Financière de l'Odet(1), Bolloré(1) and Compagnie du Cambodge(1);
- Chairman of the Boards of Directors of Compagnie des Tramways de Rouen, Financière Moncey(1), Société des Chemins de Fer et Tramways du Var et du Gard and Société Industrielle et Financière de l'Artois(1);
- Chairman of Compagnie des Glénans, Compagnie de Tréguennec, Compagnie de Guénolé, Compagnie de Guilvinec, Compagnie de Pleuven, Financière V, Financière de Beg Meil, Financière d'Ouessant, Financière du Perguet, Financière de Pont-Aven, Imperial Mediterranean, Compagnie de Pont-l'Abbé, Financière de Quimperlé, Compagnie de Concarneau, Compagnie de l'Argol, Financière de Kerdevot and Financière d'Iroise;
- Manager of Socarfi and Compagnie de Malestroit;
- Director of Bolloré(1), Bolloré Participations, Compagnie des Tramways de Rouen, Financière V, Financière Moncey(1), Omnium Bolloré, Société Industrielle et Financière de l'Artois(1), Financière de l'Odet(1) and Société des Chemins de Fer et Tramways du Var et du Gard;
- Permanent representative of Bolloré on the Board of Directors of Socotab;
- Member of the Supervisory Boards of Sofibol and Compagnie du Cambodge(1).

— *Other corporate offices*

- Member of the Supervisory Board of Vallourec(1);
- Member of the Management Board of Vivendi(1);

(1) Listed company.

- Permanent representative of Compagnie du Cambodge on the Supervisory Board of Banque Hottinguer (formerly Banque Jean-Philippe Hottinguer & Cie).

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Chairman of Redlands Farm Holding;
- Chairman of the Boards of Directors of Plantations des Terres Rouges, PTR Finances and SFA;
- Director of African Investment Company, Financière du Champ de Mars, La Forestière Équatoriale(1), BB Group, PTR Finances, Plantations des Terres Rouges, SFA, Sorebol, Technifin and Pargefi Helios Iberica Luxembourg;
- Permanent representative of Pargefi Helios Iberica Luxembourg SA on the Board of Participaciones y gestión financiera SA;
- Permanent representative of Bolloré Participations on the Board of Nord-Sumatra Investissements.

— *Other corporate offices*

- Permanent representative of Bolloré Participations on the Boards of Socfinasia(1), Socfinde, Terrasia, Socfin (formerly Socfinal)(1) and Induservices SA.

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Deputy Chief Executive Officer of Financière de l'Odet;
- Chairman of Blueboat;
- Chairman of Financière de Sainte-Marine;
- Chief Executive Officer of Financière de l'Odet(1);
- Chairman of Compagnie de Cornouaille;
- Chairman of Hello fioul (formerly Financière de l'Argoat);
- Chairman of the Management Board of Compagnie du Cambodge(1);
- Permanent representative of Bolloré on the Board of Havas;
- Chairman of Bluedistrib (formerly Financière de Pluguffan);
- Chairman of Financière de Briec;
- Permanent representative of Bolloré Participations on the Board of Société Bordelaise Africaine;
- Chairman of Bluestorage;
- Chairman of Bolloré Transport Logistics;
- Chairman of Compagnie des Glénans;
- Permanent representative of Compagnie du Cambodge, Joint manager of SCI Lombertie.

— *Other corporate offices*

- Director of the Musée National de la Marine.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Permanent representative of Bolloré Participations on the Board of Socfinaf (formerly Intercultures);
- Permanent representative of Bolloré Participations on the Board of Centrages;
- Permanent representative of Bolloré Participations on the Board of Immobilière de la Pépinière;
- Permanent representative of Bolloré Participations on the Board of Agro Products Investment Company;
- Permanent representative of Bolloré Participations on the Board of Socfinco.

BOLLORÉ PARTICIPATIONS

Address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France
Number of company shares held: 53,500.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Member of the Supervisory Board of Compagnie du Cambodge(1);
- Director of Bolloré(1), Compagnie des Tramways de Rouen, Financière de l'Odet(1), Société des Chemins de Fer et Tramways du Var et du Gard and Société Industrielle et de Financière de l'Artois(1).

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Director of Nord-Sumatra Investissements and SFA.

— *Other corporate offices*

- Director of Bereby Finances, Société Camerounaise de Palmeraies (Socapalm)(1), Société des Caoutchoucs de Grand Bereby (SOGB)(1), Socfinaf (formerly Compagnie Internationale de Cultures)(1), Induservices, Socfin (formerly Socfinal)(1), Socfinasia(1), Socfinde, Terrasia, Brabanta and SAFA Cameroun(1).

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Director of Société Bordelaise Africaine.

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré Transport & Logistics Congo.

— *Other corporate offices*

- Director of APIC;
- Director of Centrages;
- Director of Immobilière de la Pépinière.

NICOLAS ALTEIRAC

Business address
Bolloré Logistics Marignane
Zone industrielle Le Roucas
13127 Vitrolles

Expertise and management experience
Head of customs since 2017 (Bolloré Logistics Marignane).
Customs broker from 2007 to 2017.
Joined the Bolloré Group in 2002 as a maritime transit agent (SDV LI, Port-Saint-Louis-du-Rhône).
Graduate of the Institut universitaire de technologie gestion logistique et transport of Aix-en-Provence in 2002.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Director representing the employees of Bolloré(1).

— *Other corporate offices*

None.

Corporate offices held in non-French companies

None.

Corporate offices whose terms expired in the previous five years

None.

ELSA BERST

Business address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
Since October 1, 2018: Deputy Director of Communications of Bolloré Transport & Logistics.
October 2015 to September 2018: Editorial Communication Officer of Bolloré Transport & Logistics.
2012-2015: Assistant to the Vice-Chairman of the Bolloré Group.
2007-2012: Permanent reporter for the daily newspapers *Direct Matin* and *Direct Soir* (Bolloré Média Group).
2007: Master in communications, specialty multimedia and audiovisual professions.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Director representing the employees of Bolloré(1).

— *Other corporate offices*

None.

(1) Listed company.

Corporate offices held in non-French companies
None.

Corporate offices whose terms expired in the previous five years
None.

CHANTAL BOLLORÉ

Business address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
A graduate of the École des langues orientales, Chantal Bolloré had a career as press attaché at *Jour de France* and journalist, notably on the *Figaro*. She also worked in publishing and is now retired.
Number of company shares held: 3,540,716, including 2,700,000 in usufruct.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Director of Bolloré(1), Financière de l'Odet(1), Société Industrielle et de Financière de l'Artois(1) and Financière Moncey(1);
- Member of the Supervisory Board of Compagnie du Cambodge(1).

— *Other corporate offices*
None.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

Corporate offices whose terms expired in the previous five years
None.

MARIE BOLLORÉ

Business address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
Since 2018: Director of the Systems and Telecoms Division, Bolloré Group.
From 2016 to 2018: Chief Executive Officer, Department of electric mobility applications of Bolloré Group.
2014: Marketing Manager – Blue Solutions.
2012-2013: Master 2 in Management, Business Process Manager course at the University of Paris-IX-Dauphine.
2010-2011: Master 1 in marketing at Paris-IX-Dauphine university.
2006-2010: Degree in management at Paris-IX-Dauphine university.
Number of company shares held: 3,224.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Chairperson of the Supervisory Board of Compagnie du Cambodge(1);
- Director of Bolloré(1), Financière de l'Odet(1), Société Industrielle et Financière de l'Artois(1), Blue Solutions(1), Bolloré Participations, Financière V and Omnium Bolloré;
- Member of the Supervisory Boards of Sofibol and Compagnie du Cambodge(1);
- President of Fondation de la 2e chance.

— *Other corporate offices*
None.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
- Director of Mediobanca(1).

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Chief Executive Officer of Blue Solutions(1) .

— *Other corporate offices*
None.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

SÉBASTIEN BOLLORÉ

Business address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
After attending school at Gerson and Saint-Jean-de-Passy, Sébastien Bolloré obtained his baccalaureate and studied management at the ISEG and then at UCLA (California).
Having spent more than half of his time in Australia, Sébastien Bolloré advises the Group on new media and technological developments.
Number of company shares held: 50,200.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Development Management;
- Chairman of Omnium Bolloré;
- Director of Blue Solutions(1), Bolloré(1), Bolloré Participations, Financière V, Omnium Bolloré and Société Industrielle et Financière de l'Artois(1);
- Permanent representative of Plantations des Terres Rouges on the Board of Compagnie du Cambodge(1);
- Member of the Supervisory Board of Sofibol;
- Permanent representative of Socfrance on the Board of Financière de l'Odet(1).

— *Other corporate offices*
- Director of Bigben Interactive(1) and Gameloft SE.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
- Chairman and Director of Blue LA Inc.;
- Director of Bolloré Services Australia Pty Ltd.

— *Other corporate offices*
None.

Corporate offices whose terms expired in the previous five years
None.

VALÉRIE COSCAS

Business address
Amazon Web Services
Tour Carpe Diem
31, place des Corolles
92400 Courbevoie

Expertise and management experience
MBA INSEAD (2008).
Graduate of ESCP Europe Business School (Grande École – 1997).
Member of the strategic Board and mentor of many start-ups since 2012.
Since 2016: Head of Strategy, France, for Amazon Web Services.
2009-2016: Head of Strategy in the Innovation department, then of the Strategy and Finance Department of Orange.
2004-2007: Manager of the information systems department.
1997-2003: Consultant at Accenture.
Number of company shares held: 3,718.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Director of Bolloré(1) and Financière de l'Odet(1).

(1) Listed company.

— *Other corporate offices*
- Member of the Board of WeLoveWords;
- Member of the Board of Sirdata;
- Member of the Steering Committee of ForePaas;
- Secretary General of the INSEAD Business Angels Alumni Club France.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

Corporate offices whose terms expired in the previous five years
None.

FINANCIÈRE V

Address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France
Number of company shares held: 21,400.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Director of Bolloré(1) and Financière de l'Odet(1).

— *Other corporate offices*
None.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

Corporate offices whose terms expired in the previous five years
None.

HUBERT FABRI

Business address
Socfin
4, avenue Guillaume
1650 Luxembourg

Expertise and management experience
Company director.
Number of company shares held: 1,000.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Vice-Chairman of the Supervisory Board of Compagnie du Cambodge(1);
- Member of the Supervisory Board of Compagnie du Cambodge(1);
- Director of Bolloré(1), Financière Moncey(1), Financière de l'Odet(1) and Société Industrielle et Financière de l'Artois(1).

— *Other corporate offices*
- Chairman of Société Anonyme Forestière et Agricole (SAFA).

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
- Vice-Chairman of Plantations des Terres Rouges;
- Director of Financière du Champ de Mars, La Forestière Équatoriale(1), Nord-Sumatra Investissements and Plantations des Terres Rouges.

— *Other corporate offices*
- Chairman of the Boards of Directors of Administration and Finance Corporation (AFICO), Bereby Finances, Energie Investissements Holding, Financière Privée Holding, Induservices SA, Liberian Agricultural Company (LAC), Management Associates, Palmeraies de Mopoli(1), Plantations Nord-Sumatra Ltd (PNS), Plantations Socfinaf Ghana Ltd (PSG), Socfin(1) (formerly Socfinal), Socfinaf(1) (formerly Intercultures), Socfinasia(1), Socfinde and Terrasia;
- Vice-Chairman of Société des Caoutchoucs de Grand Bereby(1) (SOGB);
- Director of Administration and Finance Corporation (AFICO), Bereby Finances, Brabanta, Coviphama Ltd, Energie Investissements Holding, Financière Privée Holding, Induservices SA, Liberian Agricultural Company (LAC), Management Associates, Palmeraies de Mopoli(1), Okomu Oil Palm Company(1), Plantations Socfinaf Ghana Ltd (PSG) and SAFA Cameroun(1); Socfin(1) (formerly Socfinal), Socfinaf(1) (formerly Intercultures), Socfinasia(1), Socfin Agricultural Company (SAC), Socfin KCD, Socfindo, Sud Comoe Caoutchouc (SCC) and Terrasia;
- Permanent representative of AFICO on the Board of Société Camerounaise de Palmeraies (Socapalm)(1).

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
None.
Other corporate offices
- Chairman and Chief Executive Officer of Société Anonyme Forestière et Agricole (SAFA);
- Director of Société Anonyme Forestière et Agricole (SAFA).

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
- Chairman of the Board of Directors of Centrages;
- Chairman of the Board of Directors of Immobilière de la Pépinière;
- Permanent representative of PF Représentation on the Board of Société Camerounaise de Palmeraies (Socapalm)(1).

OMNIUM BOLLORÉ

Address
Tour Bolloré
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France
Number of company shares held: 2,508.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Director of Bolloré(1) and Financière de l'Odet(1).

— *Other corporate offices*
None.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

Corporate offices whose terms expired in the previous five years
None.

DOMINIQUE HÉRIARD-DUBREUIL

Business address
Rémy Cointreau
21, boulevard Haussmann
75009 Paris, France

Expertise and management experience
Chair of Rémy Martin and Cointreau.
Director of Rémy Cointreau.
Number of company shares held: 5,236.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Director of Bolloré(1).

— *Other corporate offices*
- Member of the Supervisory Board of Andromède;
- Chairman of E. Rémy Martin & Co.;
- Chairman of Cointreau;
- Director of Rémy Cointreau SA(1);
- Vice-Chairman of the Supervisory Board of Wendel(1);
- Chairman of the Governance Committee of Wendel(1);
- Director of Fondation de la 2e chance;

(1) Listed company.

- Director of the Fondation de France;
- Chairman of the Fondation Rémy Cointreau.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
- Chief Executive Officer and member of the Management Board of Andromède;
- Director of the Comité Colbert.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

CÉLINE MERLE-BÉRAL

Business address
Havas
29-30, quai de Dion-Bouton
92811 Puteaux Cedex, France

Expertise and management experience
Master's degree in Business law and social sciences, Paris-Dauphine, 1994. Called to the Paris bar (CFPA), 1995. UC Berkeley (San Francisco), 1996.
From March 1997 to April 2012, Bolloré Group:
- Legal Department: 1997-1999;
- Development Manager: 1999-2002;
- Media Department: 2002-2008: Chair of Radio Nouveau Talent, Controller, Internet and interactivity, Direct 8;
- Director of the magazine *L'Événementiel*: 2009-2010;
- Bluecar and Autolib': Partnerships Manager: 2010-2012;
- since 2012: Head of HR at Havas Finance Services, HR Legal Officer at Havas SA;
- since 2014: Head of HR, Havas Media France;
- since June 2015: Head of HR at Havas Media Group.

Number of company shares held: 920.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Chairman and Chief Executive Officer of Rivaud Innovation;
- Director of Bolloré[1], Financière de l'Odet[1], Financière Moncey[1] and Société Industrielle et de Financière de l'Artois[1];
- Member of the Supervisory Board of Compagnie du Cambodge[1];
- Permanent representative of Bolloré Participations on the Boards of Compagnie des Tramways de Rouen and Société des Chemins de Fer et Tramways du Var et du Gard.

— *Other corporate offices*
- Member of the Supervisory Board of Canal+ group

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

ALEXANDRE PICCIOTTO

Business address
Orfim
30, avenue Marceau
75008 Paris, France

Expertise and management experience
Graduate of the École supérieure de gestion (1990).
From 1990 to 2008, business development manager at Orfim, a development capital company belonging to his father, Sébastien Picciotto, a major shareholder of the Bolloré Group since 1983.
Over this period, he developed projects primarily in real estate and broadcasting. He is also responsible for Aygaz, a historic shareholding of the Picciotto family, and a leader in the distribution of LPG cylinders and fuel in Turkey.
Chief Executive Officer of Orfim since 2008.
Number of company shares held: 157,758.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Director of Bolloré[1].

— *Other corporate offices*
- Chief Executive Officer of Orfim;
- Member of the Supervisory Board of Rubis[1].

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
- Director of Aygaz (Turkey)[1];
- Director of Hilal (Turkey).

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
- Member of the Supervisory Board of Paref[1].

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

OLIVIER ROUSSEL

Business address
9, avenue Marie-Jeanne
1640 Rhode-Saint-Genèse – Belgium

Expertise and management experience
Executive of several industrial companies or departments since 1974: Nobel-Bozel, Héli-Union, Éminence and Istac.
Chairman of the investment company Acor (from 1975 to 2006).
Director or member of the Supervisory Board of several listed companies: Roussel-Uclaf (1975-1982), Nobel-Bozel (1974-1978), Carrere Group (2000-2006).
Director of Bolloré since 1982.
Number of company shares held: 202,551.

Corporate offices currently held

Corporate offices held in French companies
— *Corporate offices held within the Bolloré Group*
- Director of Bolloré[1], Financière de l'Odet[1], Financière Moncey[1] and Société Industrielle et de Financière de l'Artois[1].

— *Other corporate offices*
- Director of Lozé et Associés.

Corporate offices held in non-French companies
— *Corporate offices held within the Bolloré Group*
None.
— *Other corporate offices*
None.

(1) Listed company.

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Director of Kaltchuga Opportunities SICAV-FIS.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Director of Alternative SA, now ITERAM Investments SA.

MARTINE STUDER

Business address
66, avenue Jean-Mermoz
01 BP 7759
Abidjan 01, Republic of Côte d'Ivoire

Expertise and management experience
Economist, advertising executive.
Company director, Chairperson.
Former Deputy Minister for the Prime Minister in charge of communications.
Founder-creator and partner, in 1988, of the advertising network Océan Ogilvy, with a presence in 22 countries in sub-Saharan Africa.
Number of company shares held: 220,369.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Director of Blue Solutions(1), Bolloré(1) and Financière de l'Odet(1).

— *Other corporate offices*

None.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

- Chairman of the Board of Directors and director of Bolloré Transport & Logistics Côte d'Ivoire (formerly Bolloré Africa Logistics Côte d'Ivoire);
- Permanent representative of SPA on the Board of Directors of Abidjan Terminal.

— *Other corporate offices*

- Director of Océan Conseil (Republic of Côte d'Ivoire);
- Chairman of the Board of Directors of Océan Central Africa (Cameroon);
- Chairman and Chief Executive Officer of Océan Ogilvy Gabon (Gabon);
- Director of CIPREL (Republic of Côte d'Ivoire);
- Director of SAPE (Republic of Côte d'Ivoire);
- Director of SMPCI (Republic of Côte d'Ivoire);
- Director of Fondation des Parcs et Réserves de Côte d'Ivoire (Republic of Côte d'Ivoire);
- Managing Director of Compagnie des Gaz de Côte d'Ivoire;
- Manager of Pub Régie (Republic of Côte d'Ivoire).

Corporate offices whose terms expired in the previous five years

None.

FRANÇOIS THOMAZEAU

Business address
5, rue Molitor
75016 Paris, France

Expertise and management experience
Deputy Chief Executive Officer of Allianz France (formely AGF SA) from January 1, 2006 to July 31, 2010.
Number of company shares held: 10,755.

Corporate offices currently held

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

- Director of Bolloré(1), Chairman of the Audit Committee;
- Director of Financière de l'Odet(1).

— *Other corporate offices*

- Observer of Locindus(1).

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Director of Allianz Benelux.

Corporate offices whose terms expired in the previous five years

Corporate offices held in French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Chairman of the Management Board of Foncière de Paris SIIC(1);
- Permanent representative of Foncière de Paris on the Board of Directors of Eurosic (until February 2016);
- Member of the Supervisory Board of IDI SCA(1) (until May 2016) and of Consolidation et Développement Gestion SAS;
- Observer of Idinvest Partners;
- Observer of Neuflize Europe Expansion (mutual fund company);
- Chairman of the Board of Directors of Paris Hôtel Roissy Vaugirard (PHRV);
- Chairman of the Board of Directors of Foncière des 6e et 7e arrondissements de Paris.

Corporate offices held in non-French companies

— *Corporate offices held within the Bolloré Group*

None.

— *Other corporate offices*

- Chairman of the Board of Directors of Allianz Belgium.

PROPOSAL TO RENEW TERMS OF OFFICE OF DIRECTORS

It shall be proposed that the Ordinary General Meeting of May 29, 2019 renew the terms of office of Cyrille Bolloré, Yannick Bolloré, Cédric de Bailliencourt, Bolloré Participations, Chantal Bolloré, Sébastien Bolloré, Financière V, Omnium Bolloré, Olivier Roussel and François Thomazeau as directors for a period of three years, i.e. until the end of the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2021.

ACKNOWLEDGMENT OF THE EXPIRATION OF THE TERM OF OFFICE OF TWO DIRECTORS

The Ordinary General Meeting of May 29, 2019 will be asked to acknowledge that Vincent Bolloré and Valérie Coscas are not seeking the renewal of their terms of office as a directors.

PROPOSED APPOINTMENT OF A DIRECTOR

The Ordinary General Meeting of May 29, 2019 will be asked to appoint Virginie Courtin as a director for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2021.

1.7. Other information

FAMILY TIES AMONG DIRECTORS

Sébastien Bolloré, Yannick Bolloré, Cyrille Bolloré and Marie Bolloré are the children of Vincent Bolloré.
Cédric de Bailliencourt is the nephew of Vincent Bolloré.
Chantal Bolloré is the sister of Vincent Bolloré.

CONVICTIONS FOR FRAUD, BANKRUPTCY, PUBLIC SANCTIONS PRONOUNCED OVER THE COURSE OF THE LAST FIVE YEARS

To the best of the company's knowledge, over the course of the last five years, no member of the Board of Directors:

- has been convicted of fraud;
- has been associated with any company in bankruptcy, receivership or liquidation;
- has been officially charged or sanctioned by the statutory or regulatory authorities;

(1) Listed company.

- has been disqualified by a court from serving on a Board of Directors, a Management Board or a Supervisory Board of a company issuing stock or from acting in the management or the conduct of such a company's affairs. On January 22, 2014, Financière du Perguet and Financière de l'Odet were sentenced together with Vincent Bolloré in connection with their acquisition (excluding any personal acquisition) of a 3% interest in Premafin, an Italian company, to an administrative fine in the amount of 1,000,000 euros each, plus a requirement not to hold corporate offices in Italy for an eighteen-month period, which was without effect as none of them held such office at that date, pursuant to articles 187 *ter* and 187 *quinquies* of the legislative decree no. 58/1998 (*Testo Unico della Finanza*).

1.8. Corporate Governance Code

The Group refers to the French Corporate Governance Code for listed companies established by the Afep and the Medef.
At its meeting on March 14, 2019, the Board was invited to examine the new provisions of the Corporate Governance Code as revised in June 2018 and the provisions of the application guide of the High Commission on Corporate Governance (HCGE) published in January 2019.
After reviewing some of those recommendations, the Board of Directors reaffirmed that the company would continue to refer to the Afep-Medef Corporate Governance Code.
The Afep-Medef Code makes a distinction between corporate officers (Chairman and Chief Executive Officer, Chief Executive Officer, Deputy Chief Executive Officer, Chairman and members of the Management Board, managers of limited partnerships) and non-executive corporate officers (separate Chairman of the Board of Directors and Chairman of the Supervisory Board of public limited companies with a Management Board or of limited partnerships).
The Code's recommendations must therefore be considered having regard to the precise nature of the position held, it being noted that the term "executive company officer" encompasses all the executives listed above, and that the term "company officer" encompasses these same executives, plus directors and members of the Supervisory Board.

RECOMMENDATIONS SUBJECTED TO A SPECIFIC REVIEW

HOLDING PERIOD OF SHARES

At its meeting of March 14, 2019, the Board of Directors noted that the minimum number of company shares that corporate officers are required to hold, as decided by the Board at its meeting of March 20, 2014 (i.e. 10,000 shares), had been met.

CONCURRENT OFFICES

At its meeting of March 14, 2019, the Board of Directors, having been reminded of the provisions relating to concurrent offices, examined the situations of Cyrille Bolloré, Chief Executive Officer, in this respect.
For executive corporate officers, article 18 of the Afep-Medef Code states that the number of directorships that may be exercised by the executive corporate officer in listed companies outside his or her Group, including non-French companies, should be limited to two, it being specified that the limit of two offices does not apply "to directorships held by an executive corporate officer in subsidiaries and shareholdings, held alone or together with others, of companies whose main activity is to acquire and manage such shareholdings".
The application guide for the Afep-Medef Code confirmed the following details previously provided for applying this exemption:
- it is attached to a person, in view of the time that he or she is in a position to devote to exercising a directorship;
- it concerns persons who hold a position of corporate officer in a listed company whose main activity is to acquire or manage shareholdings;
- it applies to each of the listed companies in which the executive company officer holds a directorship, whenever they are subsidiaries and shareholdings, directly or indirectly held solely or in concert by the company whose main activity is to acquire or manage shareholdings in which he or she exercises a term of office of executive company officer;
- it does not apply to an executive company officer of a listed company whose main activity is not to acquire or manage holdings (i.e. an operating company) with regard to their offices held in listed companies in which a subsidiary of the company in which they are an executive holds a stake and is itself a holding company.

The Board noted that the listed companies in which Cyrille Bolloré holds executive offices are entities of Bolloré Group (with the exception of his position as permanent representative of Bolloré Participations to Socfinaf) and that his situation is therefore compliant with the provisions of the Afep-Medef Code.
Moreover, on March 14, 2019, the Board of Directors noted the compliance of the situation of its corporate officer with regard to the legal provisions governing the non-cumulative nature of offices held applicable to individuals who hold a corporate office in France.
Finally, the Board notes that, in accordance with recommendation 18.2 of the Afep-Medef Code, the executive company officers must obtain the opinion of the members of the Board prior to accepting a new term of office in a listed company outside their Group.

BYLAWS OF THE BOARD OF DIRECTORS

Shares owned and held by directors (article 19 of the Afep-Medef Code)

At its meeting on March 20, 2014, the Board of Directors adopted, in its bylaws, provisions relative to the requirement that directors hold and retain shares.
To comply with these new by-laws, each director is required to allocate at least 10% of the directors' fees received for performing their duties as a director to purchasing Bolloré securities until the consideration for their number of shares reaches the equivalent of one year's installment of director's fees received.

DEFINITION OF INDEPENDENT DIRECTOR

When called to make a decision regarding the criteria of independence for directors, on March 14 2019, the Board confirmed the analyses previously conducted and decided to use significant advisory activity as the exclusive criterion for independent director status since, in the June 2018 revision of the Afep-Medef Code, it was added to the activities considered to be exclusive to the status of independent director.
Thus, for the determination of the status of independent director, it was decided:
- to set aside the length of service criterion of twelve years since the sole criterion of the term of a director's duties does not as such call his independence into question;
- to consider that acting as a director in another company within the Group does not call a director's independence into question.

This assessment of the independence criteria was confirmed by the Compensation and Appointments Committee at its meeting on March 11, 2019.
To be classified as independent, a director must not:
- be an employee or executive company officer of the company/employee, executive company officer of a company that the company fully consolidates/employee, executive company officer of the company's parent company or a company that is fully consolidated by that parent company/ or have been in the previous five years;
- be a client, supplier, investment banker, corporate banker or advisor:
  - significant to the company or its Group,
  - or for which the company or its Group represent a significant proportion of the business;
- have a close family tie with a company officer;
- has been an auditor of the company within the previous five years.

The provisions of the Corporate Governance Code for listed companies not applied by our company are included in a summary table reproduced below drawn up in accordance with article L. 225-37-4, 8° of the French commercial code *(Code de commerce)*.

REVIEW OF THE INDEPENDENCE OF DIRECTORS

Of the 18 members of the Board of Directors and in accordance with the independence criteria confirmed by the Board of Directors at its meeting of March 14, 2019, Dominique Hériard-Dubreuil, Martine Studer, Hubert Fabri, Alexandre Picciotto, Olivier Roussel, François Thomazeau and Valérie Coscas are considered independent.
The summary hereinafter shows the situation (compliant or not) of the directors in relation to the criteria defined by the Afep-Medef Code in relation to directors' independence.

Independent officers

Hubert Fabri(1)(2)
Alexandre Picciotto
Olivier Roussel(1)(2)
Martine Studer(1)
François Thomazeau(1)(2)
Dominique Hériard-Dubreuil
Valérie Coscas(1)

(1) Notwithstanding holding a directorship in another company of the Group (currently or during the five most recent fiscal years).
(2) Notwithstanding the length of time during which the director has held office.

ASSESSMENT OF THE MATERIALITY OF A BUSINESS RELATIONSHIP WITH A DIRECTOR

The Board of Directors, at its meeting of March 14, 2019, upon the proposal of the Compensation and Appointments Committee, reaffirmed that the assessment of the materiality of business relationships must not exclusively be based on the amount of the commercial transactions that may be entered into between Bolloré Group and the company (or the Group) in which the director in question holds another position, keeping in mind that the materiality threshold for business relationships decided upon by the Board is deemed to have been attained whenever the amount of commercial transactions exceeds 1% of Group revenue for the financial year in question.
The Board of Directors, at its meeting of March 23, 2017, had decided, pursuant to the provisions of AMF recommendation no. 2010-02, amended on December 22, 2015, that priority would be given to multiple criteria in the process of assessing the materiality of a business relationship with a director, particularly the duration of the relationship, any potential economic dependence, the financial conditions in relation to market prices, the officer's position in the cocontracting company and his/her involvement in the implementation or performance of the business relationship.
The Board of Directors, at its meeting of March 14, 2019, confirmed its position and noted that none of the directors described as independent had significant direct or indirect business relationships with the Group.

MANAGING CONFLICTS OF INTEREST

Section 19 of the June 2018 revision of the Afep-Medef Code, "Ethics rules for directors", provides that a director must inform the Board of any conflict of interest, even potential, and must abstain from voting on that issue.
To this effect, the Board of Directors, at its meeting of March 14, 2019, was reminded that the directors are obliged to disclose any situation presenting a conflict of interests, even if it is only potential. It was noted that directors must declare the absence of conflicts of interest at least once a year during the preparation of the registration document.
Furthermore, on March 14, 2019, the Board of Directors amended the provisions of its by-laws to state that a director who is already subject to an obligation to abstain in the event of a conflict of interest cannot participate in the corresponding deliberations
The Board of Directors' bylaws are available on the company's website, www.bollore.com.

1.9. Information on corporate governance (article L. 225-37-4, 8° of the the French commercial code *[Code de commerce]*)

On March 14, 2019, the Board of Directors of Bolloré was asked to confirm that the company continued to refer to the Afep-Medef Corporate Governance Code.
Some of the recommendations in that Code are reviewed each year by the Board of Directors, and those not selected for application are included in the table below.
This Code of Corporate Governance may be viewed online at www.medef.com/fr.

Afep-Medef Code recommendations set aside	Bolloré's practices – Explanations
Criteria of independence of the Directors	
Afep-Medef takes the view that a director is not independent if he or she has held office for more than twelve years.	The length of service criterion of twelve years is set aside since the term of a director's duties does not as such call his or her independence into question. Irrespective of the term of the director's duties, the Board values the personal qualities, experience, and industrial and financial expertise enabling the director to give useful opinions and advice through exchanges in which each director can express his or her position. Moreover, it should not be forgotten that the length of service improves understanding of the Group, its history and its different jobs within a Group comprising many very technical jobs on an international scale. The perfect understanding of the Group by a director through his length of service is a major asset, particularly when examining the strategic directions of the Group, or the implementation of complex projects over the long-term and/or cross-cutting projects within the Group. A length of service of twelve years cannot be associated with a loss of independence. Olivier Roussel, a director for over twelve years, has a perfect knowledge of the Group that enables him to express informed opinions, while retaining a steadfast independence of spirit during Board discussions. François Thomazeau is a confirmed expert in financial and other matters. He therefore contributes to the analysis of files while maintaining an independence of mind. His skills and good knowledge of the Group have helped him to chair the Audit Committee since 2013.
This is also the case if a director holds a corporate office in a subsidiary.	Acting as a director in another company within the Group does not call a director's independence into question. The Board feels that the Bolloré Group, controlled by the founding family, is unusual in that it is diversified across a number of businesses, with operations in France and abroad. One of the Group's strategic directions is to optimize and develop synergies between its various businesses. In order to implement this strategy, it is necessary to have high-level managerial expertise combined with in-depth knowledge of all the Group's businesses and understanding of any geopolitical issues critical to the international operations. The appointment of certain directors to a number of Group companies reflects the Group's desire to take advantage of the expertise of men and women who not only fully understand the businesses but also contribute to the Group's results. In addition, directors holding office in a parent company as well as in one of its subsidiaries are invited to abstain from taking part in decisions made by the Board of Directors of the parent company in the event of a conflict of interest between the parent company and the subsidiary.

1.10. Conditions for the preparation and organization of the work of the Board of Directors (article L. 225-37-4, 5 of the French commercial code *[Code de commerce]*)

MEETINGS OF THE BOARD OF DIRECTORS

In accordance with article 13 of the articles of association, the directors may be called to Board meetings by any means, at either the registered office or any other place. Meetings are convened by the Chairman or the Vice-Chairman and Managing Director.
The Board will validly deliberate only if at least half of its members are present. Decisions are taken on a majority of members present or represented, the Chairman of the meeting having the casting vote in the event of a tie.
In order to enable as many directors as possible to attend the Board meetings:
- the provisional meeting dates will be set several months in advance and any changes to the date will be made following consultation to enable as many directors as possible to attend;
- the bylaws of the Board of Directors authorize, with the exception of the operations laid down in articles L. 232-1 (preparation of the financial statements and management report) and L. 233-16 (preparation of Group consolidated financial statements and management report) of the French commercial code *(Code de commerce)*, participation in Board deliberations by videoconference.

DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors decides on the overall direction of the company's activities, supervises the carrying out of its activities, decides on whether the offices of Chief Executive Officer and Chairman of the Board can be held concurrently. Subject to the powers expressly attributed to Shareholders' Meetings, and within the scope of the company's purpose, it deals with all matters affecting the proper and successful running of the company and its resolutions govern all matters within its purview.
It also makes such controls and checks as it deems fit when reviewing and approving the financial statements.

ORGANIZATION OF THE BOARD'S WORK

Two weeks before the Board meets, a convening notice is sent to each director together with a draft of the minutes of the previous meeting, so that they can make any comments on the draft before the actual Board meeting.
This allows the Board meeting to be devoted to discussing the agenda.
For each Board meeting, a complete report setting forth each of the items on the agenda is submitted to all the directors, who may request any other information that they consider useful.
Discussions are conducted with the constant aim of encouraging an exchange between all the directors on the basis of complete information, and with careful attention to keeping the discussion focused on the important issues, especially those of a strategic nature.
During the 2018 fiscal year, the Board met three times and was called upon to give its opinion on points that included the following:

- **Meeting of March 22, 2018 (attendance rate: 100%)**
- activities and results;
- review and approval of the annual and consolidated financial statements for the 2017 fiscal year;
- planning documents;
- agreements submitted in accordance with the provisions of articles L. 225-38 *et seq.* of the French commercial code *(Code de commerce)*;
- convening of an Ordinary General Meeting;
- convening of an Extraordinary General Meeting;
- corporate governance (Corporate Governance Code revised in November 2016);
- compensation of the Deputy Chief Executive Officer;
- granting of free shares;
- drafting of a questionnaire as part of the implementation of a formal evaluation of the Board of Directors;
- training program for employee directors, who have voting rights on the Board;
- annual review of regulated agreements still in force;
- delegation of authority granted by the Board of Directors to the Chairman and Chief Executive Officer or to one of its members to carry out a bond loan or complex securities issue.

- **Meeting of April 4, 2018 (attendance rate: 85%)**
- securities-backed financing transaction.

- **Meeting of August 31, 2018 (attendance rate: 95%)**
- activities and results – consolidated financial statements at June 30, 2018;
- planning documents – position of the current assets and current liabilities of the first half of 2018 – revision of the projected income statement;
- distribution of an interim dividend;
- delegation of authority to the Chairman and Chief Executive Officer or the Deputy Chief Executive Officer to establish a buyback program for the company;
- evaluation of the Board's operation and working methods;
- definition of strategic directions;
- breakdown of directors' fees;
- composition of the Compensation and Appointments Committee

BOARD COMMITTEES

In their respective areas of competence, the Board of Directors relies on the work of the Compensation and Appointments Committee and the Audit Committee, which are composed of directors appointed by the Board for the duration of their term as directors.
The members of the Committees are appointed by the Board of Directors, which also appoints the Chairman of each Committee.
The work of the Committees is presented at meetings of the Board of Directors.

THE AUDIT COMMITTEE

Composition

At its meeting of March 21, 2013, the Board of Directors decided to set up an Audit Committee within Bolloré. This Committee's duties, as defined by law, had previously been performed, in accordance with article L. 823-20-1 of the French commercial code *(Code de commerce)*, by the Audit Committee of Financière de l'Odet, the controlling company.
The bylaws of the Audit Committee were revised during the Board of Directors' meeting of September 1, 2016 in order to include the new powers of the Committee defined by the provisions of order no. 2016-315 of March 17, 2016 regarding the Statutory Auditors.
The Audit Committee has three independent directors with financial and accounting skills:
- François Thomazeau, Chairman;
- Olivier Roussel, Committee Member;
- Martine Studer, Committee Member.

Tasks

The Audit Committee is tasked with:
- monitoring the process for drawing up financial information and, where applicable, formulating recommendations to guarantee its integrity;
- monitoring the effectiveness of internal control and risk management systems, as well as, where applicable, internal audit, with regard to the procedures for the preparation and processing of accounting and financial information, without this aspect affecting its independence;
- issuing a recommendation to the Board of Directors on the Statutory Auditors whose appointment and renewal will be proposed to the General Shareholders' Meeting;
- monitoring the performance of the Statutory Auditors' tasks and taking into account the findings and conclusions of the French high council for Statutory Auditors following the verifications made in accordance with legal provisions;
- ensuring that the Statutory Auditors comply with the independence conditions and, where applicable, taking the necessary measures;
- approving the provision of services other than the certification of the financial statements and, more generally, of any new tasks or prerogatives defined by the applicable legal provisions;
- reporting regularly to the Board of Directors on the exercise of its duties, the results of the financial statement certification work performed, the manner in which the work has contributed to the integrity of the financial information, as well as the role it has played in this process and immediately informing the Board of any difficulties encountered;
- and, more generally, performing any new tasks and/or exercising any prerogatives defined by the applicable legal provisions.

The Committee may have recourse to external advisers, lawyers or consultants.

Work of the Committee

The Bolloré Audit Committee met twice in 2018.
At its meeting of March 20, 2018 (attendance rate: 67%), the Committee examined the following points:
- review of the minutes of the August 30, 2017 meeting;
- presentation of earnings for the 2017 fiscal year;
- summary of the work carried out by the Statutory Auditors on the consolidated financial statements as at December 31, 2017;
- presentation of the level of internal control of the audited entities at the end of 2017 and the 2018 audit plan;
- various questions.

At its meeting of August 29, 2018 (attendance rate: 100%), the Committee examined the following points:
- review of the minutes of the March 20, 2018 meeting;
- presentation of earnings for the first half of 2018;
- summary of the work carried out by the Statutory Auditors on the consolidated financial statements as at June 30, 2018;
- Sapin II compliance – Adaptation of the compliance system to the recommendations of the French anti-corruption agency;
- progress of the 2018 audit plan and presentation of the level of internal control of the audited entities at the end of August;
- various questions.

In accordance with the provisions of the French Corporate Governance Code for listed companies, the Statutory Auditors are invited to Committee meetings dealing with the process of preparing financial information and reviewing the financial statements.

THE COMPENSATION AND APPOINTMENTS COMMITTEE

Composition

At its meeting of March 20, 2014, the Board of Directors set up a Compensation and Appointments Committee consisting of four members appointed for the duration of their term of office:
- Martine Studer, Chairman;
- Gilles Alix, Committee Member;
- Olivier Roussel, Committee Member;
- Elsa Berst, employee director and Committee Member.

The bylaws of the Compensation and Appointments Committee setting out the Committee's remit and methods of operation were approved by the Board of Directors at its meeting of August 29, 2014.

Tasks

Within the framework of its duties, the Compensation and Appointments Committee performs the following tasks:

- **With regard to choosing and appointing**
- Presenting the Board of Directors with proposals or recommendations with regard to choosing new directors in accordance with the desired balance on the Board of Directors in terms of changes in the shareholders and gender balance on the Board of Directors.
- Presenting the Board of Directors with its recommendations concerning the renewal of the terms of office of members.
- Organizing a procedure designed to choose the future independent directors and assessing the profiles of the candidates presented.
- Preparing a succession plan for corporate officers in order to be able to put forward to the Board succession solutions in the event that an unforeseen vacancy should arise.
- Reconsidering, each year, the status of independent directors.
- Assisting the Board of Directors with the task of conducting its own assessment.

- **With regard to compensation**
- Making proposals and issuing opinions concerning the overall amount and the distribution of directors' fees paid by the company to the members of the Board of Directors.
- Making all proposals to the Board of Directors concerning fixed and variable compensation, and all contributions in kind for executive corporate officers, taking into account the principles of thoroughness, balance, benchmarking, consistency, comprehension and measure stated by the Afep-Medef Code.
- Discussing a general policy for the granting of share and performance options and formulating proposals on their award to executive corporate officers.
- Undertaking an in-depth analysis with regard to implementing the procedure for regulated agreements when entering into a non-competition agreement.
- Making a decision concerning any supplementary retirement schemes that might be put in place by the company.
- Collaborating on the drafting of the section of the annual report dedicated to informing the shareholders with regard to the compensation received by the corporate officers.

Work of the Committee

In 2018, the Compensation and Appointments Committee met twice.
At its meeting of March 20, 2018 (attendance rate: 67%), the Committee examined the following points:
- composition of the Board of Directors;
- review of proposed candidates for the position of director or opportunities for term of office renewals;
- presentation of the specific sections dedicated to informing shareholders with regard to the compensation received by the corporate officers;
- granting of free shares;
- proposal to draft a questionnaire as part of the implementation of a formal evaluation of the Board of Directors.

At its meeting of August 29, 2018 (attendance rate: 100%), the Committee examined the following points:
- assessment of the Board of Directors;
- review of rules governing the breakdown of directors' fees;
- composition of the Compensation and Appointments Committee.

EVALUATION OF THE BOARD'S OPERATION AND WORKING METHODS

With the aim of complying with corporate governance good practice, as recommended by the provisions of the Afep-Medef Corporate Governance Code for listed companies, the Board must "assess its capacity to fulfill the expectations of the shareholders who gave it the mandate to run the company, by conducting a periodic review of its composition, organization and functioning".
This assessment must focus on three objectives:
- reviewing the Board's methods of operation;
- verifying that important issues are properly documented and discussed;
- assessing the actual contributions made by each member to the Board's work, in line with their areas of competence and involvement in the deliberations.

This assessment must be discussed by the Board on an annual basis, with the requirement to perform a more formal assessment at least once every three years.
Each year, the Board of Directors is asked to discuss its operation and assess it.
During 2018, the Board of Directors, with the assistance of the Compensation and Appointments Committee, conducted its second formalized assessment.
A questionnaire was sent to the directors inviting them to assess the composition, characteristics and operation of the Board and the Committees and to make an individual assessment of the contribution of the other directors to the work of the Board.
The work of compiling and summarizing the responses by the Compensation and Appointments Committee was presented at a meeting of the Board of Directors on August 31, 2018.

- **Regarding the composition of the Board of Directors**

The directors stated that the Board headcount, increased to 18 members, was appropriate and that its composition met the requirements of good governance, particularly with regard to directors' age criteria, gender balance, number of independent directors, diversity of skills and experience and the know-how required for the performance of their duties.
It was noted that the average age of the Board must continue to drop and that gender parity must remain a requirement for the renewal or reappointment of directors.
The term of office of directors, set at three years, is said to be satisfactory.
The Board brings together recognized skills which contribute to the high standard of debate and which demonstrate the Board's aptitude for contributing to decision-making and to guidelines to be adopted for Group activities.
The directors are trained in the specifics of the Group's activities, in particular through dedicated presentations and site visits and that they have the option to meet, at their request, the Group's main senior executives.
The diversity of skills of the directors (financial, technical, technological, CSR, digital, etc.) makes it possible for Board meetings to conduct in-depth reviews of the company's strategic directions.

- **The Board's methods of operation, powers and distribution of information**

Directors continue to give positive assessments that sufficient notice is given for meetings and that the frequency and duration of meetings, amount of time spent during each meeting reviewing the agenda items and the time devoted to discussions are sufficient.
The working plan adopted during the meeting is in line with the agenda and the information and documentation provided meets the expectations of the directors, who thus have access to all information useful in understanding the Group's missions and strategic objectives as well as the additional documents needed to analyze the issues under consideration.
The Board stated its opinion in terms of receiving documentation prior to the Board meetings, while still complying with confidentiality requirements and the time constraints associated with the preparation of the comprehensive documentation needed for informed discussions.

- **Special Committees of the Board of Directors**

The directors were of the opinion that the Special Committees of the Board of Directors completely fulfill the tasks entrusted to them, that their work is presented in full at Board meetings and that the division of work between the Committees and the Board is correct and contributes to the quality of discussion.

- **Individual assessment of the contribution of other directors to the work of the Board**

The contributions of each director were assessed in light of their attendance, the level of their knowledge and expertise and their involvement in the work of the Board.
The answers provided show that attendance is high, involvement is strong, and individual skills, combined with a good knowledge of the Group by each director, contribute to the quality of discussion.

1.11. Declarations by corporate officers

CONFLICTS OF INTEREST

To the best of the company's knowledge, on the date of this registration document, no potential conflict of interest exists between the company and its directors in respect of the duties they owe to the company and/or their private interests.

INFORMATION ON SERVICE CONTRACTS BETWEEN MEMBERS OF ADMINISTRATIVE AND MANAGEMENT BODIES AND THE ISSUER OR ONE OF ITS SUBSIDIARIES AND PROVIDING FOR THE GRANTING OF BENEFITS AT THE END OF SUCH AN AGREEMENT

There is no service agreement between the people referred to above.

AGREEMENTS ENTERED INTO, DIRECTLY OR THROUGH AN INTERMEDIARY, BETWEEN, ON THE ONE HAND, ONE OF THE CORPORATE OFFICERS OR ONE OF THE SHAREHOLDERS HOLDING A FRACTION OF VOTING RIGHTS GREATER THAN 10% OF A COMPANY AND, ON THE OTHER HAND, ANOTHER COMPANY IN WHICH THE FORMER OWNS DIRECTLY OR INDIRECTLY MORE THAN HALF OF THE CAPITAL, WITH THE EXCEPTION OF AGREEMENTS RELATING TO CURRENT TRANSACTIONS AND ENTERED INTO UNDER NORMAL CONDITIONS (ARTICLE L. 225-37-4, 2° OF THE FRENCH COMMERCIAL CODE *[CODE DE COMMERCE]*)

No agreements relating to this specific information were entered into during the past year by a subsidiary of our company in with the company officer or one of the shareholders holding a fraction of voting rights greater than 10%.

2. Compensation and benefits

2.1. Presentation of the compensation policy for corporate officers established pursuant to article L. 225-37-2 of the French commercial code *[Code de commerce]* (ex ante vote)

In accordance with article L. 225-37-2 of the French commercial code *(Code de commerce)*, the compensation policy defines the principles and criteria used for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind payable to the Chairman and Chief Executive Officer and Deputy Chief Executive Officer due to their positions.

The compensation policy for executive company officers is determined by the Board of Directors on proposal of the Compensation and Appointments Committee.

In the course of their discussions, the Board of Directors and Compensation and Appointments Committee take note of and rigorously apply the principles of completeness, balance between compensation components, comparability, consistency and proportion.

These principles apply to all components of compensation, including long-term compensation.

In accordance with article L. 225-37-2 of the French commercial code *(Code de commerce)*, the Board of Directors is required to submit resolutions setting out the compensation policy for executives to shareholders at least once a year.

The details of the fixed, variable and exceptional components of compensation are presented, it being specified that the payment of variable and exceptional components of compensation is subject to the approval by an Ordinary General Meeting of the components of compensation of the relevant person under the conditions set forth in article L. 225-100 of the French commercial code *(Code de commerce)* (ex post voting procedure).

If the resolutions in respect of the compensation policy for executives are voted down, the legal provisions require that the previously approved principles and criteria used to determine the compensation will remain in force and that in the absence of such approved principles and criteria, or if no compensation was awarded in the previous year, compensation will be determined "according to prevailing practice in the company".

Shareholders will be asked to approve the compensation policy for executive corporate officers for fiscal year 2019 (ex ante voting procedure).

As a result of the appointment of Cyrille Bolloré as Chairman and Chief Executive Officer by the Board of Directors, three different resolutions will be submitted to the shareholders in the context of the ex ante vote on the compensation policy for senior executives.

COMPENSATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER (PERIOD FROM JANUARY 1 TO MARCH 14, 2019)

Draft resolution to be submitted to the shareholders' vote at the Ordinary General Meeting of May 29, 2019.

"TWENTY-FIFTH RESOLUTION

(Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Vincent Bolloré in respect of the period from January 1 to March 14 of the 2019 fiscal year in his role as Chairman and Chief Executive Officer)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the Board of Directors' corporate governance report that may be paid to Vincent Bolloré in his role as Chairman and Chief Executive Officer."

The compensation of the Chairman and Chief Executive Officer has the following components:

- **Fixed compensation**

The Board of Directors reminds shareholders that the company has an agreement with Bolloré Participations under which the latter invoices 75% of the compensation it pays to Vincent Bolloré, which represents fair compensation for Vincent Bolloré's work for the company Bolloré.
Gross fixed annual compensation paid by Bolloré Participations to Vincent Bolloré was 1,499,000 euros and has been unchanged since January 1, 2013. The Statutory Auditors' special report on regulated agreements and commitments explains, each year, by reference to the agreements previously approved at the General Meeting, the amount invoiced by Bolloré Participations representing 75% of the cost including expenses of the salary received by Vincent Bolloré.

- **Directors' fees**

Under article L. 225-45 of the French commercial code *(Code de commerce)*, the amount allocated as directors' fees by the General Meeting to directors must be set annually at the General Meeting "without being bound by bylaws or previous decisions". The distribution of directors' fees among directors is the responsibility of the Board of Directors.
Article R. 225-33 of the French commercial code *(Code de commerce)*, which states that this distribution can be freely decided, specifies, since Decree no. 2017-340 of March 16, 2017, that it must be done "in accordance with the terms of article L. 225-37 of the French commercial code".
The Board of Directors proposes that the current distribution policy for directors' fees be maintained, that is to say, an equal division between the directors and, if the appointment or co-optation of a member takes place part-way through the term of office in respect of which the fees have been granted, pro rata for the duration of the relevant member's functions.
The Board notes that the breakdown of directors' fees is made without payment of any special supplemental amount to the Chairman and Chief Executive Officer.

- **Compensation in the form of a grant of performance shares**

The Board of Directors believes that because corporate officers are a major factor in the company's development potential, they must also be eligible to receive incentive compensation via the granting of free shares subject to certain performance conditions.

COMPENSATION POLICY FOR THE DEPUTY CHIEF EXECUTIVE OFFICER (PERIOD FROM JANUARY 1 TO MARCH 14, 2019)

Draft resolution to be submitted to the shareholders' vote at the Ordinary General Meeting of May 29, 2019.

"TWENTY-SIXTH RESOLUTION

(Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Cyrille Bolloré in respect of the period from January 1 to March 14 of the 2019 fiscal year in his role as Deputy Chief Executive Officer)

The General Shareholders' Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the Board of Directors' corporate governance report and that may be paid to Cyrille Bolloré in his role as Deputy Chief Executive Officer.
The compensation due to Cyrille Bolloré, Deputy Chief Executive Officer, shall be decided by the Board of Directors which appoints him on proposal of the Chief Executive Officer based on the proposals of the Compensation and Appointments Committee."

The compensation of the Deputy Chief Executive Officer has the following components:

- **Fixed component**

The Deputy Chief Executive Officer receives fixed compensation, which, given his experience and increased responsibilities in the Group's strategy, was reviewed from fiscal year 2018. The gross annual fixed compensation decided by the Board of Directors is 300,000 euros.

- **Directors' fees**

Compensation policy is the same as for the Chairman and Chief Executive Officer.

COMPENSATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER (PERIOD AFTER MARCH 14, 2019)

Draft resolution to be submitted to the shareholders' vote at the Ordinary General Meeting of May 29, 2019.

TWENTY-SEVENTH RESOLUTION

(Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Cyrille Bolloré in respect of the 2019 fiscal year in his role as Chairman and Chief Executive Officer)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the principles and criteria for determining, allocating and granting of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the Board of Directors' corporate governance report that may be paid to Cyrille Bolloré in his role as Chairman and Chief Executive Officer.
The compensation of the Chairman and Chief Executive Officer has the following components:

- **Fixed compensation**

The Board of Directors, having noted the recommendations of the Compensation and Appointments Committee, decided that the annual amount of compensation allocated to the Chairman and Chief Executive Officer will be a gross amount of 1,100,000 euros.

- **Directors' fees**

Under article 225-45 of the French commercial code *(Code de commerce)*, the amount allocated as directors' fees by the General Meeting to directors must be set annually at the General Meeting "without being bound by bylaws or previous decisions". The distribution of directors' fees among directors is the responsibility of the Board of Directors.
Article R. 225-33 of the French commercial code *(Code de commerce)*, which states that this distribution can be freely decided, specifies, since Decree 2017-340 of March 16, 2017, that it must be done "in accordance with the terms of article L. 225-37 of the French commercial code".
The Board of Directors proposes that the current distribution policy for directors' fees be maintained, that is to say, an equal division between the directors and, if the appointment or co-optation of a member takes place part-way through the term of office in respect of which the fees have been granted, pro rata for the duration of the relevant member's functions.
The breakdown of directors' fees is made without payment of any special supplemental amount to the Chairman and Chief Executive Officer.

- **Compensation in the form of a grant of performance shares**

The Board recalls that it intends its executive compensation policy to emphasize the long-term component of compensation by granting performance shares. The Board seeks to encourage its executives to pursue long-term aims in the interest of all stakeholders, including the shareholders, of the company. This compensation mechanism is tailored especially for senior executive functions, given the involvement and the level of responsibility attached to it.
Under the authorization granted to it by the General Shareholders' Meeting of June 3, 2016, the Board of Directors currently has the power to establish free share plans for up to 5% of share capital, and grants to corporate officers are limited to 2%.

Grants to corporate officers are subject in their entirety to performance conditions that are assessed over a period of three fiscal years.

Accordingly, the Chairman and Chief Executive Officer may, in accordance with authorizations granted by shareholders to the Board of Directors, be awarded free shares subject to performance conditions and in part subject to a holding period as registered shares.

The Board of Directors at its meeting of March 14, 2019, decided to grant the Chairman and Chief Executive Officer 138,000 shares, subject to fulfillment of the performance conditions. This will be assessed in light of the Bolloré Group's success in meeting an estimated target for aggregate operating income in the period 2019-2021 inclusive, of 2 billion euros at constant scope (the Target Operating Income).

Accordingly, the shares may vest in full or in part depending on the following performance thresholds:

- if, at the end of the period, the Group achieves an aggregate operating income of 2 billion euros at constant scope, all shares granted to company officers shall vest in their entirety;
- if aggregate operating income is less than 2 billion euros at constant scope over the period in question, the number of shares vesting will be reduced by one-fifth for every 100 million under the 2 billion euro operating income threshold, with no share vesting if the operating income over the reference period is under the 1.6 billion euro threshold at constant scope.

If any fully-consolidated Bolloré Group company is deconsolidated as a result of the disposal of an entity or group of entities with revenue (consolidated, in the case of a group) of over 100 million euros, the Target Operating Income will be adjusted as follows:

- the Target Operating Income will be reduced by an amount equal to the prior year's operating income of the deconsolidated entity multiplied by the number of years remaining until 2021, inclusive.

Full or partial vesting of the shares granted shall only be definitive after the Board of Directors and Compensation and Appointments Committee have confirmed the performance levels achieved.

2.2. Presentation of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or awarded for fiscal year 2018 to each executive officer of the company due to their position (ex post vote)

The provisions of article L. 225-100 of the French commercial code *(Code de commerce)* state that the items that must be submitted to the vote of the Ordinary General Meeting are "the fixed, variable and exceptional elements that make up the total compensation and benefits of any kind paid or allocated for the previous fiscal year..."

Separate resolutions relating to the compensation paid or allocated to the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer are submitted to the shareholders for a vote.

COMPONENTS OF COMPENSATION PAID OR GRANTED TO VINCENT BOLLORÉ, CHAIRMAN AND CHIEF EXECUTIVE OFFICER, IN RESPECT OF HIS FUNCTIONS

Draft resolution to be submitted to the shareholders' vote at the Ordinary General Meeting of May 29, 2019.

"TWENTY-THIRD RESOLUTION

(Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable to Vincent Bolloré in his role as Chairman and Chief Executive Officer in respect of the 2018 fiscal year)

In accordance with articles L. 225-37-2 and L. 225-100 of French commercial code *(Code de commerce)*, the General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable in respect of the previous fiscal year to Vincent Bolloré in his role as Chairman and Chief Executive Officer, as presented in the corporate governance report mentioned in article L. 225-37 of this same Code."

Compensation components paid or allocated for the prior year	Amount or book value submitted to the vote	Presentation
Fixed compensation	€1,124,250	(1)
Annual variable compensation		Not applicable
Exceptional compensation		Not applicable
Directors' fees	€28,200	
Performance shares	€1,668,000	(2)
Indemnity on taking office		Not applicable
Indemnity on leaving office		Not applicable
Supplementary retirement scheme		Not applicable

(1) Compensation paid by Bolloré Participations, which, under an agreement for Chairman services, invoiced Bolloré a sum corresponding to 75% of the total cost (including contributions), of the compensation received by Vincent Bolloré. Vincent Bolloré's compensation has not changed since 2013.

(2) Bolloré Plan March 22, 2018. Grant of 400,000 performance shares.
As the free shares are to vest in 2021, the performance conditions will be assessed by comparing aggregate Bolloré Group operating income for 2018 to 2020 inclusive against a target of 2 billion euros at constant scope (Target Operating Income).
The shares may vest in full or in part depending on the following performance thresholds:
- if, at the end of the period, the Group achieves an aggregate operating income of 2 billion euros at constant scope, all shares granted to company officers shall vest in their entirety;
- if aggregate operating income is less than 2 billion euros at constant scope over the period in question, the number of shares vesting will be reduced by one-fifth for every 100 million under the 2 billion euro operating income threshold, with no share vesting if the operating income over the reference period is under the 1.6 billion euro threshold at constant scope.

COMPONENTS OF COMPENSATION PAID OR GRANTED TO CYRILLE BOLLORÉ, DEPUTY CHIEF EXECUTIVE OFFICER, IN RESPECT OF HIS FUNCTIONS

Draft resolution to be submitted to the shareholders' vote at the Ordinary General Meeting of May 29, 2019.

"TWENTY-FOURTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable to Cyrille Bolloré in his role as Deputy Chief Executive Officer in respect of the 2018 fiscal year)

In accordance with articles L. 225-37-2 and L. 225-100 of French commercial code *(Code de commerce)*, the General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable in respect of the previous fiscal year to Cyrille Bolloré in his role as Deputy Chief Executive Officer, as presented in the corporate governance report mentioned in article L. 225-37 of this same Code".

Compensation components paid or allocated for the prior year	Amount or book value submitted to the vote	Presentation
Fixed compensation	€300,000	(1)
Annual variable compensation		Not applicable
Exceptional compensation		Not applicable
Directors' fees	€28,200	
Performance shares	€575,460	(2)
Indemnity on taking office		Not applicable
Indemnity on leaving office		Not applicable
Supplementary retirement scheme		Not applicable

(1) Cyrille Bolloré receives compensation of 300,000 euros for his duties as Deputy Chief Executive Officer.
(2) Bolloré Plan, March 22, 2018. Granting of 138,000 performance shares.
As the free shares are to vest in 2021, the performance conditions will be assessed by comparing aggregate Bolloré Group operating income for 2018 to 2020 inclusive against a target of 2 billion euros at constant scope (Target Operating Income).
The shares may vest in full or in part depending on the following performance thresholds:
- if, at the end of the period, the Group achieves an aggregate operating income of 2 billion euros at constant scope, all shares granted to company officers shall vest in their entirety;
- if aggregate operating income is less than 2 billion euros at constant scope over the period in question, the number of shares vesting will be reduced by one-fifth for every 100 million under the 2 billion euro operating income threshold, with no share vesting if the operating income over the reference period is under the 1.6 billion euro threshold at constant scope.

2.3. Compensation of corporate officers pursuant to article L. 225-37-3 of the French commercial code *[Code de commerce]*

According to article L. 225-37-3, the report must mention:
- "firstly, **the total compensation and benefits of any kind paid by the company during the fiscal year,** including the allocation of equity securities, debt securities or securities giving access to capital or the right to the granting of debt securities of the company or companies referred to in articles L. 228-13 and L. 228-93. The compensation and benefits in question include, where applicable, compensation and **benefits received from controlled companies,** within the meaning of article L. 233-16, by the company in which the function is exercised and from **the company that controls the company** in which the function is exercised. This report distinguishes between the fixed, variable and exceptional components of this compensation and benefits and the criteria by which they were calculated or the circumstances in which they were awarded, with reference, where appropriate, to resolutions voted under the conditions set forth in article L. 225-82-2";
- "secondly, commitments of any kind made by the company to its corporate officers that correspond to components of compensation, indemnities or benefits that are or may be owed as a result of the taking on, termination of or change in their duties or subsequent to the exercise thereof, including retirement commitments and other life benefits.

The information given mentions, under the conditions and in the manner determined by decree, the precise terms for determining these commitments and the estimated amount that may be paid in this respect.
Except in cases of good faith, payments and commitments made in breach of the provisions of this paragraph may be canceled."
Information on the compensation of corporate officers is presented in the manner set forth in Position-Recommendation No. 2009-16 of the Autorité des marchés financiers, which is the guide to preparing registration documents.
The tables reproduced include the compensation components for each officer for the fiscal year in question and the previous fiscal year.

2.3.1. SUMMARY TABLE OF COMPENSATION, OPTIONS, AND SHARES GRANTED TO EACH CORPORATE OFFICER

(in euros)	2017 fiscal year	**2018 fiscal year**
Vincent Bolloré, Chairman and Chief Executive Officer[1]		
Compensation due for the fiscal year	2,613,428	2,623,428
Value of multi-year variable compensation granted during the fiscal year	–	–
Value of options granted during the fiscal year	–	–
Value of performance shares granted during the year	932,400	1,668,000
TOTAL	3,545,828	**4,291,428**
Cyrille Bolloré, Deputy Chief Executive Officer[1]		
Compensation due for the fiscal year	2,326,772	2,654,790
Value of multi-year variable compensation granted during the fiscal year	–	–
Value of options granted during the fiscal year	–	–
Value of performance shares granted during the year	932,400	575,460
TOTAL	3,259,172	**3,230,250**

(1) Until March 14, 2019.

2.4. Compensation and other benefits

2.4.1. SUMMARY TABLE OF COMPENSATION OF EACH CORPORATE OFFICER

	2017 fiscal year		**2018 fiscal year**	
(in euros)	Due	Paid	**Due**	**Paid**
Vincent Bolloré, Chairman and Chief Executive Officer[1]				
Fixed compensation[2]	1,499,000	1,499,000	1,499,000	1,499,000
Other compensation[3]	1,050,000	1,050,000	1,060,000	1,060,000
Annual variable compensation	–	–	–	–
Exceptional compensation	–	–	–	–
Directors' fees	57,900	57,900	57,900	57,900
Contributions in kind	6,528	6,528	6,528	6,528
TOTAL	2,613,428	2,613,428	**2,623,428**	**2,623,428**
Cyrille Bolloré, Deputy Chief Executive Officer[1]				
Fixed compensation[4]	1,225,047	1,225,047	1,693,395	1,693,395
Other compensation[5]	890,000	890,000	500,000	500,000
Annual variable compensation[6]	150,000	150,000	400,000	400,000
Exceptional compensation	–	–	–	–
Directors' fees	57,729	57,729	57,400	57,400
Contributions in kind	3,996	3,996	3,996	3,996
TOTAL	2,326,772	2,326,772	**2,654,790**	**2,654,790**

(1) Until March 14, 2019.
(2) Compensation paid by Bolloré Participations, which, under an agreement for Chairman services, invoiced Bolloré a sum corresponding to 75% of the total cost (including contributions) of the compensation received by Vincent Bolloré. The fixed compensation of Vincent Bolloré has not changed since 2013.
(3) In 2018, Vincent Bolloré received compensation from Financière du Champ de Mars, Nord-Sumatra Investissements and Plantations des Terres Rouges, non-French companies controlled by Bolloré, in the form of bonuses. The bonuses represent a percentage of the profits allocated as compensation to the directors. This compensation method, compliant with the legislation of the country in question, is linked to the payment of dividends to the Group.
(4) In 2018, Cyrille Bolloré received fixed compensation of 1,693,395 euros as an employee of Bolloré Transport & Logistics Corporate and in his capacity as Deputy Chief Executive Officer of Bolloré. This 38.23% increase in fixed compensation is linked to the expansion of his responsibilities within the Group.
(5) In 2018, Cyrille Bolloré received compensation from Financière du Champ de Mars, Nord-Sumatra Investissements and Plantations des Terres Rouges, non-French companies controlled by Bolloré, in the form of bonuses. The bonuses represent a percentage of the profits allocated as compensation to the directors. This compensation method, compliant with the legislation of the country in question, is linked to the payment of dividends to the Group.
(6) In 2018, Cyrille Bolloré received variable compensation of 400,000 euros from Bolloré Transport & Logistics Corporate. 50% of this compensation was assessed with regard to the business performance achieved by the Transport and Logistics division and 50% with regard to the increase in volumes in the same activity (disposals, acquisitions, partnerships or any new development, etc.). The maximum amount of the variable portion for 2018 was set at 50% of his fixed compensation.

2.4.2. TABLE OF DIRECTORS' FEES AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

(in euros)	Amounts paid in 2017	**Amounts paid in 2018**
Cédric de Bailliencourt, Vice-Chairman		
Directors' fees	67,397	70,725
Bonuses	270,000	250,000
Contributions in kind	4,455	4,455
Other compensation(1)	651,299	651,360
Yannick Bolloré, Vice-Chairman		
Directors' fees	44,450	44,450
Contributions in kind	–	
Other compensation(2)	51,300	821,360
Sébastien Bolloré		
Directors' fees	48,950	48,950
Contributions in kind	2,196	2,384
Other compensation(3)	356,120	879,522
Marie Bolloré		
Directors' fees	54,450	54,450
Contributions in kind	2,268	2,268
Other compensation(4)	200,000	250,002
Bolloré Participations, represented by Gilles Alix		
Directors' fees	41,876	41,875
Bonuses	20,000	400,000
Gilles Alix(5)		
Directors' fees	3,544	7,096
Contributions in kind	5,475	4,215
Other compensation(6)	1,701,300	1 638,860
Omnium Bolloré, represented by Janine Goalabré		
Directors' fees	–	–
Janine Goalabré(7)		
Directors' fees	38,700	38,700
Financière V, represented by Marie-Annick Darmaillac		
Directors' fees	–	–
Marie-Annick Darmaillac(8)		
Directors' fees	43,700	43,700
Hubert Fabri		
Directors' fees	55,000	55,000
Bonuses	1,050,000	1,060,000
Olivier Roussel		
Directors' fees	63,700	63,700
Chantal Bolloré		
Directors' fees	48,700	48,700
François Thomazeau		
Directors' fees	42,480	43,700
Martine Studer		
Directors' fees	135,486	135,485

(in euros)	Amounts paid in 2017	**Amounts paid in 2018**
Alexandre Picciotto		
Directors' fees	28,200	28,200
Dominique Heriard Dubreuil		
Directors' fees	28,200	28,200
Valérie Coscas		
Directors' fees	33,700	33,700
Céline Merle-Béral		
Directors' fees	48,700	48,700
Contributions in kind	–	–
Other compensation(9)	47,800	25,360
TOTAL	5,189,446	**6,825,117**

(1) In 2018, Cédric de Bailliencourt received compensation as an employee of Bolloré and Bolloré Participations, of which 551,360 euros in respect of fixed compensation and 100,000 euros as variable compensation.
(2) In 2018, Gilles Alix received compensation as an employee of Bolloré, of which 301,360 euros was related to fixed compensation and 520,000 euros to variable.
(3) In 2018, Sébastien Bolloré received compensation as an employee of Bolloré, including 171,360 euros in respect of fixed compensation and 708,162 euros in respect of the activities exercised for the Group in Australia.
(4) In 2018, Marie Bolloré received compensation as an employee of Bluecar and Blue Solutions, of which 220,002 euros in respect of fixed compensation and 30,000 euros as variable compensation.
(5) In his capacity as permanent representative of Bolloré Participations.
(6) In 2018, Gilles Alix received compensation of 1,638 860 euros as an employee of Bolloré, of which 1,501 360 euros related to fixed compensation and 137,500 euros to variable.
(7) In her capacity as permanent representative of Omnium Bolloré.
(8) In her capacity as permanent representative of Financière V.
(9) In 2018, Céline Merle-Béral received compensation as an employee of Bolloré Participations, of which 11,360 euros in respect of fixed compensation and 14,000 euros as variable compensation.

2.4.3. PERFORMANCE SHARES GRANTED DURING THE PERIOD TO EACH CORPORATE OFFICER

Name of the corporate officer	No. and date of plan	Number of shares granted during the period	Valuation of the shares according to the method used for the consolidated financial statements	Vesting date	Availability date	Performance conditions
Vincent Bolloré	Bolloré plan March 22, 2018	400,000	1,668,000	March 22, 2021	March 22, 2021	The vesting threshold for all shares allocated is an aggregate operating income in 2018-2020 inclusive of 2 billion euros at constant scope. If aggregate operating income for the period is less than 100 billion euros at constant scope, the shares will be allocated in tranches one fifth smaller for each 100 million euros below the 100 billion euro threshold. If operating income for the period is less than 1.6 billion euros at constant scope no shares will vest.
Cyrille Bolloré	Bolloré plan March 22, 2018	138,000	575,460	March 22, 2021	March 22, 2021	The vesting threshold for all shares allocated is an aggregate operating income in 2018-2020 inclusive of 2 billion euros at constant scope. If aggregate operating income for the period is less than 2 billion euros at constant scope, the shares will be allocated in tranches one fifth smaller for each 100 million euros below the 2 billion euro threshold. If operating income for the period is less than 1.6 billion euros at constant scope no shares will vest.
Fair value of the share set at **€4.17**						
TOTAL		**538,000**	**2,243,460**			

2.4.4. FREE SHARES GRANTED DURING THE PERIOD TO NON-EXECUTIVE CORPORATE OFFICERS

Name of the corporate officer	No. and date of plan	Number of shares granted during the period	Valuation of the shares according to the method used for the consolidated financial statements	Vesting date	Availability date
Gilles Alix[1]	Bolloré plan March 22, 2018	230,000	959,100	March 22, 2021	March 22, 2021
Yannick Bolloré	Bolloré plan March 22, 2018	68,000	283,560	March 22, 2021	March 22, 2021
Sébastien Bolloré	Bolloré plan March 22, 2018	30,000	125,100	March 22, 2021	March 22, 2021
Marie Bolloré	Bolloré plan March 22, 2018	30,000	125,100	March 22, 2021	March 22, 2021
Cédric de Bailliencourt	Bolloré plan March 22, 2018	57,000	237,690	March 22, 2021	March 22, 2021
Fair value of the share set at **€4.17**					
TOTAL		**415,000**	**1,730,550**		

(1) As a permanent representative of Bolloré Participations.

2.4.5. FREE SHARES THAT VESTED DURING THE PERIOD FOR EACH EXECUTIVE CORPORATE OFFICER

Name of the corporate officer	No. and date of plan	Number of shares vested during the period[1]	Vesting conditions
Cyrille Bolloré	Blue Solutions plan, awarded January 8, 2014	15,000	Attendance conditions
TOTAL		**15,000**	

(1) Holding period to run until January 8, 2020 inclusive.

2.4.6. FREE SHARES THAT VESTED DURING THE PERIOD FOR CORPORATE OFFICERS THAT ARE NOT SENIOR EXECUTIVES

Name of the corporate officer	No. and date of plan	Number of shares vested during the period[1]	Vesting conditions
Cédric de Bailliencourt	Blue Solutions plan, awarded January 8, 2014	5,000	Attendance conditions
TOTAL		**5,000**	

(1) Holding period to run until January 8, 2020 inclusive.

2.4.7. HISTORY OF GRANTS OF FREE SHARES

2018 fiscal year	Bolloré 2016			Blue Solutions 2014	
Date of Meeting	June 3, 2016	June 3, 2016	June 3, 2016	August 30, 2013	August 30, 2013
Date of Board of Directors' meeting	September 1, 2016	March 23, 2017	March 22, 2018	January 7, 2014	January 7, 2014
Total number of shares that could be granted	4,131,200	1,610,000	1,238,000	380,000	
Total number of free shares granted to company officers	528,000	770,000	415,000	20,000	0
– Cyrille Bolloré	**0**	**0**	**0**	**15,000**	**0**
– Gilles Alix(1)	**320,000**	**280,000**	**230,000**	**0**	**0**
– Cédric de Bailliencourt	**80,000**	**70,000**	**57,000**	**5,000**	**0**
– Yannick Bolloré	**0**	**280,000**	**68,000**	**0**	**0**
– Sébastien Bolloré	**64,000**	**70,000**	**30,000**	**0**	**0**
– Marie Bolloré	**64,000**	**70,000**	**30,000**	**0**	**0**
Grant date of shares	September 1, 2016	March 23, 2017	March 22, 2018	January 8, 2014	April 7, 2014
Vesting date of shares	September 2, 2019	March 23, 2020	March 22, 2021	January 8, 2018	April 7, 2018
Date of end of holding period	September 2, 2019	March 23, 2020	March 22, 2021	January 8, 2020	April 7, 2020
Subscription price (in euros)	2.97	3.33	4.17	17.29	24.42
Exercising terms	immediate	immediate	immediate	2-year lock-up period	2-year lock-up period
Number of free shares granted	4,131,200	1,610,000	1,238,000	339,500	13,500
Number of free shares canceled	139,200	0	0	28,250	0
Number of free shares vested	0	0	0	311,250	13,500
Number of free shares remaining as of December 31, 2018	3,992,000	1,610,000	1,238,000	0	0

(1) In his capacity as permanent representative of Bolloré Participations.

2.4.8. HISTORY OF GRANTS OF PERFORMANCE SHARES

2018 fiscal year	Bolloré 2016			Blue Solutions 2014
Date of Meeting	June 3, 2016	June 3, 2016	June 3, 2016	August 30, 2013
Date of Board of Directors' meeting	September 1, 2016	March 23, 2017	March 22, 2018	January 7, 2014
Total number of shares that could be granted	4,131,200	1,610,000	1,238,000	380,000
Total number of performance shares granted to company officers	640,000	560,000	538,000	25,000
– Vincent Bolloré	**320,000**	**280,000**	**400,000**	**0**
– Cyrille Bolloré	**320,000**	**280,000**	**138,000**	**0**
– Gilles Alix(1)	**0**	**0**	**0**	**25,000**
Grant date	September 1, 2016	March 23, 2017	March 22, 2018	January 8, 2014
Vesting date	September 2, 2019	March 23, 2020	March 22, 2021	January 8, 2018
Date of end of holding period	September 2, 2019	March 23, 2020	March 22, 2021	January 8, 2020
Subscription price (in euros)	2.97	3.33	4.17	17.29
Exercising terms	immediate	immediate	immediate	2-year lock-up period
Number of performance shares granted	640,000	560,000	538,000	25,000
Number of performance shares cancelled	0	0	0	25,000
Number of performance shares vested	0	0	0	0
Number of performance shares remaining as of December 31, 2018	640,000	560,000	538,000	0

(1) In his capacity as permanent representative of Bolloré Participations.

2.4.9. FREE SHARES GRANTED TO THE TOP TEN NON-CORPORATE OFFICER EMPLOYEE BENEFICIARIES AND THAT BECAME AVAILABLE TO THEM

	Total number of free shares	Weighted average price	**Bolloré plan 2018**
Free shares granted during the period, by issuer and any company included in the scope of the award, to the issuer's ten employees whose number of shares thus granted is highest (overall information)	Granted: 285,000	NA	285,000
Free shares granted by the issuer and the above-listed companies which became available during the period for the issuers ten employees with the highest number of shares that became available (overall information)	Vested: 0	NA	0

2.4.10. PERFORMANCE SHARES GRANTED TO THE TOP TEN NON-CORPORATE OFFICER EMPLOYEE BENEFICIARIES AND THAT BECAME AVAILABLE TO THEM

	Total number of performance shares granted	Weighted average price	Bolloré plan
Shares granted during the period, by issuer and any company included in the scope of the award, to the issuer's ten employees whose number of shares thus granted is highest (overall information)	Granted: 0	NA	0
Shares granted by the issuer and above-listed companies which became available during the period, for the issuer's ten employees with the highest number of shares that became available (overall information)	Vested: 0	NA	0

2.4.11. EMPLOYMENT CONTRACT, SPECIFIC RETIREMENT SCHEMES, SEVERANCE PAY AND NON-COMPETITION CLAUSE

	Employment contract		Supplementary retirement scheme		Compensation or benefits due or which may become due in the event of terminating or changing company officer functions		Compensation relating to a non-compete clause	
2018 fiscal year	Yes	No	Yes	No	Yes	No	Yes	No
Vincent Bolloré Chairman and Chief Executive Officer Term start date: June 3, 2016 Term end date: March 14, 2019		•		•		•		•
Cyrille Bolloré Deputy Chief Executive Officer Term start date: June 3, 2016 Term end date: March 14, 2019		•		•		•		•

5 Analysis of operations and the financial statements

1. Analysis of consolidated results for the fiscal year

1.1. Activity and statement of earnings

1.1.1. MAIN BUSINESSES

TRANSPORTATION AND LOGISTICS

To be able to present a clear and attractive commercial offer, the Group has created four separate brands: Bolloré Ports, Bolloré Logistics, Bolloré Railways and Bolloré Energy. However, internal financial reporting continues to be based on the Group's geographical organization, as presented below and in the notes to the financial statements, with several legal entities continuing to make up several of these brands.

(in millions of euros)	2018	2017(2)
Revenue	6,007	5,666
EBITDA(1)	719	705
Operating income(1)	511	491
Investments	300	388

(1) Before Bolloré trademark fees.
(2) December 2017 restated data, see section "Comparability of financial statements".

2018 revenue was 6,007 million euros, up 9% at constant scope and exchange rates thanks to the 9% growth of Bolloré Logistics, which benefitted from the higher sea and air volumes handled. Bolloré Africa Logistics revenue rose 9% due to the strong growth in activity at almost all port terminals and a sharp increase in logistics activities. Finally, rail operations are growing thanks to increased goods traffic.

EBITDA rose 6% at constant scope and exchange rates to 719 million euros. Operating income totaled 511 million euros, up 9% at constant scope and exchange rates. This amount includes the good performance of port terminals in Africa, freight forwarding and warehouse logistics, and the gradual recovery in rail operations, thanks in particular to Sitarail, which is experiencing volume increases.

Bolloré Logistics

Bolloré Logistics offers full freight forwarding and logistics services worldwide, providing tailor-made solutions to each customer. Present in approximately 100 countries, it ranks among the top ten global freight forwarding and logistics groups[1].

In 2018, Bolloré Logistics revenue was 3,531 million euros, up 9% at constant scope and exchange rates thanks to the growth in revenue in freight forwarding and logistics, which benefitted from the general increase in sea and air volumes handled and higher freight rates. By geographic area, 2019 operating income changed as follows:

- in Europe, there was a fall in income mainly attributable to France. The difficulties observed in the United Kingdom were offset by the strong performance of Germany;
- in Asia, there was a marked improvement in results, thanks to higher margins and strong activity in Japan and China;
- results in the other areas were almost stable (the Americas) or an improvement (Middle East South Asia area, especially Qatar, India and Bangladesh).

The Group also continued to expand its network in 2018:

- in November 2018, Bolloré Logistics and Cosco Shipping signed a memorandum of understanding for strategic cooperation in air cargo. In this context, the two companies have planned to create a warehouse at Shanghai International Airport for the importing of pharmaceutical products by air;
- in early May 2018, Bolloré Logistics launched the construction of the fifth warehouse (6,000 m^2) at the Roissy CDG Hub, which has a total surface area of 30,000 m^2;
- in March 2018, the Miami Logistics Hub (over 18,500 m^2) was opened;
- in January 2018, acquisition of a majority stake in Global Solutions A/S, the Danish shipping and logistics operator.

(1) Source: in-house study based on financial communications from competitors.

Bolloré Africa Logistics

With operations in 46 countries, where it has close to 23,000 employees, Bolloré Africa Logistics has the largest integrated logistics network in Africa. In 2018, Bolloré Africa Logistics revenue amounted to 2,476 million euros, an increase of 9% at constant scope and exchange rates, which includes the strong growth in activity at almost all port terminals and a sharp increase in logistics activities. Finally, rail operations are growing thanks to increased goods traffic.

Results for 2018 were marked by:

- the excellent performance of port terminals, in particular TICT in Nigeria, Conakry Terminal in Guinea, Abidjan Terminal in Republic of Côte d'Ivoire, OCT in Gabon and Freetown Terminal in Sierra Leone, which benefited from the increase in volumes handled;
- a slight decline in conventional handling and logistics activities, especially in Republic of Côte d'Ivoire, due in particular to a decline in imported volumes, as well as in Kenya, where a major project ended. This was almost fully offset by strong results in Ghana, Niger, Burkina Faso, Tanzania, Gabon and Madagascar;
- the improvement in results from rail operations, which benefited in particular from the rise in Sitarail's goods traffic and cost reductions within Camrail.

In addition, the Bolloré Group has also continued to expand its network through the Freetown Terminal extension in Sierra Leone, a new Owendo container quay in Gabon (purchased in October 2017), the start of construction on the future port of Tibar in East Timor and the start of commercial operations at the Kribi Terminal in Cameroon.

BOLLORÉ ENERGY

(in millions of euros)	2018	2017(1)
Revenue	2,699	2,162
Operating income	34	36
Investments	30	64

(1) December 2017 restated data, see section "Comparability of financial statements".

Through Bolloré Energy, the Bolloré Group is a major player in oil logistics with 2.2 million m³ storage capacity for refined oil products in France, Switzerland and Germany at 27 wholly – or jointly – owned depots. In France, its storage capacity is 1.8 million m³, 10% of existing capacity, and 0.4 million m³ in Switzerland or 5% of existing capacity. Finally, Bolloré Energy, which operates the Donges-Metz pipeline through its SFDM subsidiary, transported 3 million m³ more in 2018.

Bolloré Energy is also one of the leading independent distributors of oil products such as domestic fuel-oil and transport and other diesel. The Group also has a distribution operation in Switzerland and Germany.

Revenue for 2018 (2,699 million euros) increased by 25% compared to 2017 due to the rise in prices for petroleum products and a slight increase in volumes. Operating income for 2018 was down 6%, given the negative inventory impacts from lower oil prices in the second half of 2018 and unfavorable weather conditions that were not favorable to retail sales and trading. The logistics business had a good year.

In 2018, Bolloré Energy continued the expansions of Logistics activity through continued investments in the rehabilitation of the DRPC site (Dépôt Rouen Petit Couronne). At the end of December 2018, the depot's capacity was approximately 480,000 m³, with a total capacity of 630,000 m³ expected by mid-2019. The gradual ramp-up of activity continues in 2019.

COMMUNICATIONS AND MEDIA

(in millions of euros)	2018	2017[1]
Revenue	13,985	10,174
Operating income	940	780
Investments	599	461

(1) December 2017 restated data, see section "Comparability of financial statements"

Revenue in the Communications sector was 13,985 million euros, up 4% at constant scope and exchange rates. The progression was mainly due to Vivendi. In the financial statements published by Vivendi, growth was 5%, thanks to the improvement at Universal Music Group (+10%), which recorded a 37% increase in subscription and streaming revenues. The increase in revenue from other communications activities is attributable to telecoms activities, including Wifirst, which benefited from the growth in the number of rooms and campsites that came on-line.

Operating income[1] stood at 940 million euros, compared to 780 million euros at December 31, 2017 (+29% at constant scope and exchange rates). The increase in operating income is attributable to Vivendi, which benefited from the significant improvement in the profitability of UMG and Canal+ group.

Operating profit after amortization of intangible assets identified as part of the Purchase Price Allocation (PPA) of Vivendi at Bolloré.

Vivendi shareholding

At December 31, 2018, the Bolloré Group owned 26.3%[2] of the capital of Vivendi, which has been fully consolidated since April 26, 2017.

Vivendi

Vivendi's clear and ambitious strategy, implemented since 2014, aims to build a global-sized European group in content, media and communications.

The organic growth of +5% recorded in 2018 was driven mainly by the growth of Universal Music Group (UMG) (+10%).

EBITA was 1,288 million euros, up 33% as reported and 25% at constant scope and exchange rates thanks to the significant improvement in the profitability of UMG and of Canal+ group, which continues its recovery in France.

Operating income for 2018 amounted to 1,182 million euros, up 16% compared to 2017. Telecom Italia's (TIM) share of net income was reclassified as a non-operating company accounted for using the equity method in 2018.

Net income, Group share amounted to 127 million euros, which includes the impairment of TIM shares (-1.1 billion euros) and the revaluation of Ubisoft, Spotify and Tencent Music shares for 365 million euros, but not the capital gain related to Ubisoft (1.2 billion euros). It includes a tax expense of 357 million euros, compared to a profit of 355 million euros in 2017. Net income, Group share in 2017 included 652 million euros of non-recurring favorable items, which include tax income of 409 million euros as a result of the 2011 settlement of the BMC dispute and 243 million euros related to the repayment of the amounts paid by Vivendi and its subsidiaries in respect of the 3% contribution on dividends.

- **Universal Music Group**

Universal Music Group (UMG) revenue was 6,023 million euros, up 10% at constant scope and exchange rates. Recorded music revenue grew by 9.8% at constant scope and exchange rates thanks to an increase in subscriber and streaming revenues (+37.3%), which was driven by the increase in subscribers and by improved market shares, which largely offset the continued decline in download sales (-23.5%) and physical sales (-16.1%).

UMG's EBITA was 902 million, up 22% at constant scope and exchange rates, for a margin of 15% (up 1.6 points), mainly due to the rise in revenue in streaming.

- **Canal+ group**

Canal+ group revenue was almost unchanged compared with 2017 at 5,166 million euros (down 0.3% at constant scope and exchange rates):

- Metropolitan France TV revenue fell by 3% compared to 2017. The decline in revenue is mainly due to the fall in the number of subscribers to Canalplay;
- International TV revenue rose 7% at constant scope and exchange rates, thanks to the very strong growth in the number of individual subscribers (+883,000 in one year) to which all territories contributed, without exception;
- Studiocanal revenue decreased by 1% at constant scope and exchange rates due to an unfavorable 2017 comparable basis (in particular with the worldwide success of *Paddington 2*) and despite significant growth in TV activities and higher revenue linked to the catalogue.

Canal+ group's EBITA increased by 33% to 400 million euros (428 million euros before restructuring, +79 million euros compared to 2017). This strong growth can be explained in particular by the cost control plan initiated in 2016, the clear improvement in the situation in metropolitan France (success of new offers, reduction in the subscription cancelation rate, maintenance of ARPU [Average Revenue per User]) and steady international expansion.

- **Havas**

Revenue and net income for 2018 amounted to 2,319 million euros and 2,195 million euros, respectively. The increase in net income was +0.1% at constant scope and exchange rates. After a decline in net income of 2.9% in the first half of the year, Havas maintained significant sequential improvement in its growth with net income growth of +2.7% at constant scope and exchange rates in the second half of the year.

(1) In 2017, operating income included eight months of Vivendi income as a fully consolidated entity. Vivendi's 2018 operating income includes 12 months of Havas (compared to six months in 2017) but no longer includes the contribution of Telecom Italia, which was reclassified as non-operating company accounted for using the equity method (108 million euros in 2017).
(2) Including the share-loan agreement for 0.9% of the share capital and the remaining call options which represent 1% of capital.

Havas's EBITA reached 215 million euros (versus 212 million euros in 2017), an improvement in the EBITA margin on net income of +0.4 point. EBITA before restructuring charges rose by 3.8% compared to 2017 (+1.9% at constant scope and exchange rates).

- **Gameloft**

With over 2.5 million downloads per day on all platforms in 2017, Gameloft is once again the world's number one publishing group for video games on mobile devices.
Revenue amounted to 293 million euros, down 5.1% at constant scope and exchange rates. EBITA amounted to 2 million euros and included -4 million euros in restructuring charges.

- **Vivendi Villages & New Initiatives**

Vivendi Village 2018 revenue was 123 million euros, up 13% at constant scope and exchange rates, thanks to the strong performance of Vivendi Ticketing (11% compared to 2017) and event activities (France and Africa). EBITA showed an operating loss of -9 million euros in 2018, compared to a loss of -8 million euros in 2017 despite the development costs for CanalOlympia in Africa (12 theaters currently).
New Initiatives 2018 revenue (Dailymotion, Vivendi Content and GVA [Group Vivendi Africa]) totaled 66 million euros, up 30.5% from 2017. EBITA represented a loss of -99 million euros, compared with a loss of -92 million euros in 2017.
For further information, see Vivendi's registration document at www.vivendi.com.

Free newspapers

CNews

CNews is distributed in the main French cities through regional editions, all under the single brand *CNews*, produced in exclusive joint ventures with certain players in the regional daily press sector. The editorial content and layout of *CNews* contrast with those of other free newspapers. CNews uses the most exacting editorial processes to inform readers, allowing them to understand and take an in-depth look into international, national and local news events. This particular factor has enabled it to develop a close relationship with readers over the years. An average of 886,000 copies[1] of the free newspaper (print and digital) were distributed down slightly from 2017 (-1.1%).

Telecoms

Bolloré Telecom

The Group has 22 regional licenses in the 3.5-GHz band, allowing it to broadcast broadband data with national coverage. Within the framework of the agreement with Arcep relating to the obligation to equip the network from 2015 to 2017, Bolloré Telecom continued the deployment initiated in late 2014. At the end of 2018, over 6,000 base stations had been installed.

Wifirst

The Bolloré Group also has a shareholding in the operator Wifirst, the leading supplier of wireless high-speed internet access to student residences, defense bases and hotel resorts. Wifirst continued to expand its fleet of 593,800 rooms/sites installed at the end of December 2018, an increase of 13% over 2017, with steady growth in both equipped rooms and campsites. 2018 revenue totaled 45 million euros, up by 37% compared with 2017.

(1) Source: ACPM/OJD 2018 cumulative print distribution.

ELECTRICITY STORAGE AND SOLUTIONS

(in millions of euros)	**2018**	2017[1]
Revenue	312	314
Growth at constant scope and exchange rate	1%	9%
Operating income	(152)	(164)
Investments	69	146

(1) December 2017 restated data, see section "Comparability of financial statements".

Revenue from industrial activities (Electricity storage, Plastic films. Dedicated terminals and systems) increased by 1% at constant scope and exchange rates to 312 million euros, thanks to the growth of the Dedicated terminals division (terminals and secure access systems for railway stations and airports), a slight increase in plastic films (packaging) and increased sales of Bluebus (41 buses sold, including 23 12-meter models). Revenue generated by Blue Solutions with Blue Applications entities was 38 million euros, versus 80 million euros in 2017, and was eliminated on consolidation at the Bolloré Group level.
Operating losses were reduced compared to 2017. Blue Solutions continued to concentrate on the most promising applications (buses and electricity storage) by participating in calls for tenders and continued its expenditures on R&D in order to introduce a new, more effective dry battery for the bus industry and stationary storage.
Finally, a new organizational structure was put in place in the Electricity storage sector. In order to ensure optimal functioning of this industrial division, activities were grouped into two new divisions:

- Bretagne, which includes films, batteries, buses, mobility and stationary activities;
- Systems, which includes IER, Polyconseil, electric vehicles and car-sharing and telecoms activities (Wifirst and Frequency 3.5 GHz).

Blue Solutions

Blue Solutions produces the electric Lithium Metal Polymer (LMP®) battery in its factories in Brittany and Canada. On October 30, 2013, Blue Solutions was listed on the NYSE-Europe main market at 14.50 euros. As at December 31, 2018, the share price was 16.30 euros, representing a market capitalization of 475 million euros.
In 2018, Blue Solutions consolidated revenue amounted to 38.2 million euros, down 53% compared to 2017 due to changes in its technology. As announced, Blue Solutions is now working to meet the needs of stationary and bus batteries while lowering manufacturing costs and improving the quality and performance of its dry batteries. A greatly improved version of its battery will be available sometime in 2019. The production tool will be transformed in Canada, then in France, by the fall of 2019. Operating income decreased by 11 million euros, due mainly to lower revenue.
The Bolloré Group notes that it has made a commitment to launch a tender offer for 17 euros on Blue Solutions shares in the first half of 2020. The terms of this commitment can be found in section 1.3.1 of the Bolloré SA securities note approved by the AMF on July 4, 2017 (approval no. 17-326).

Blue Applications

Car-sharing

In 2018, the Group continued to roll out car-sharing projects in Singapore, Turin, London and Los Angeles. BlueLA is the second-largest electric car-sharing service operated in the United States by the Bolloré Group. It is the largest such program focusing on poor neighborhoods. The joint venture, signed with the Los Angeles Transport Department, aims to deploy 100 electric vehicles and 200 charging terminals.
On July 31, 2018, following the decision of Syndicat Autolib' Vélib' Métropole to terminate the concession, the Autolib' service launched in Île-de-France in 2011 ended.

Bluebus

The Group also develops electric public transportation solutions with the manufacturing and selling of the 6-meter-long Bluebus and, since late 2015, 12-meter-long buses for which a new manufacturing plant was inaugurated in Brittany in 2016.
In 2018, the Group sold 18 6-meter buses and 23 12-meter buses. It took orders for 41 12-meter buses for the RATP, for which delivery is scheduled for 2019. It also responded to RATP's major tender offer for deliveries starting in 2020. Finally, in July 2018, the Group announced the signature of an agreement with Daimler that could equip the eCitaro buses produced by Daimler with Blue Solutions LMP® batteries.

Bluestorage

Other than mobility, the Group is also developing stationary renewable energy applications. Its subsidiary, Bluestorage, is developing a range of energy storage solutions, from a few kilowatt/hours (kW/h) to several megawatt/hours (MWh) of energy stored, aimed at various end customers: groups in the electrical power grid sector and consumers of electricity.
For electricity-grid operators, solutions developed by Bluestorage allow in particular the uneven supply of renewable energies to be offset and thus strengthen the reliability of the networks. The storage means deployed also improve the economic performance of solar and wind farms by making electricity-production periods match with peak-consumption periods.
These solutions are as relevant for the large EnR (renewable energies) power stations connected to the grid as for the electricity needs of off-grid regions. Several installations of this type are in place, including the Bluezones the Group has rolled out in Africa and, in collaboration with Vivendi, the CanalOlympia event venues in Africa whose electricity supply is provided by storage systems developed by Bluestorage.
In 2018, the Group took part in numerous calls for tenders for stationary storage programs.

Dedicated terminals and systems

In parallel with its traditional activities, IER, which produced all of the terminals for Autolib', Bluely, Bluecub, BlueIndy, BluePointLondon, Bluetorino, BlueLA, BlueSG (subscription, rental, electric charging) and the embedded IT in the Bluecar®, is now a major player in the sale of smart and communicating charging infrastructures and systems for geolocation and remote supervision of vehicles.
IER's consolidated revenue for 2018 totaled 163 million euros, up 1%. It is reflective of contrasting situations in activity. The high level of activity in specialized terminals (air) and access control and security equipment (Automatic Systems) in Europe and North America was partially offset by the decline in electronic PV activity and the ending of services provided to Autolib'.

Polyconseil

Polyconseil, which provides consulting and IT services and designs software, registered buoyant activity in 2018, notably driven by consulting projects in the area of digital technology and telecommunications.

Plastic films

Activity increased in 2018 in the packaging market with strong growth in sales of Bolphane and Bolfresh films (barrier films for food products).

OTHER ASSETS

Shareholdings

While developing each of its operational activities, the Group has consistently sought to maintain industrial capital in the form of assets that can be sold if needed or form the basis of new activities.
The Bolloré Group thus manages a portfolio of stakes in listed companies with a value of 5.3 billion euros at end-February 2019.
It is made up of the Bolloré portfolio of 0.9 billion euros (stakes in Mediobanca, Vallourec, Generali, Socfin group, etc.) and of the Vivendi portfolio, which was worth 4.3 billion euros (stakes in Telecom Italia, Mediaset, etc.). In addition, the Group has various agricultural assets.

Bolloré listed equity portfolio

The Bolloré portfolio, which was worth 936 billion euros at end-February 2019, mainly consists of:

- holdings in Italy, in Mediobanca[(1)] (7.9%), Generali (0.1%) and UnipolSai (0.04%)[(2)], whose market value amounted to 648 million euros as at February 28, 2019. The main shareholding is Mediobanca, in which the Group is the second-largest shareholder with two representatives on the Board of Directors;
- holdings in companies in the Socfin group with a market value of 234 million euros as of February 28, 2019 (see agricultural assets).

The Bolloré Group also holds 1.2% of Vallourec, 19.8% of Bigben Interactive, one of the European leaders in the design and supply of video game console accessories.

Vivendi listed equity portfolio

The Vivendi portfolio, worth 4.3 billion euros, is mainly made up of stakes in:

- Telecom Italia[(3)] in which Vivendi is the main shareholder with 23.9% of the capital, representing a market value of 1,950 million euros at the end of February 2019;
- Mediaset, of which it is the second-largest industrial shareholder with 28.8% of the capital, with a market value of 952 million euros at the end of February 2019;
- Ubisoft (5.87% of the capital), with a market value of 429 million at the end of February 2019. The remainder of the stake in Ubisoft was sold in March for 429 million euros.

In 2018, Vivendi sold 2.2 billion euros worth of investments (Ubisoft, Fnac Darty, Telefónica).

Plantations and other agricultural assets

Socfin[(4)]

The Group directly holds 39.4% of Socfin, and 22.3% and 8.6%, respectively, of its subsidiaries Socfinasia and Socfinaf. Socfin manages rubber tree and oil palm plantations in Indonesia and in several countries in Africa (Liberia, Cameroon, Congo, Republic of Côte d'Ivoire, Nigeria) representing close to 200,000 hectares. Results for 2018 are significantly lower due to the drop in prices of palm oil (-16%) and rubber (-17%).
Average palm oil prices in 2018 were down to 598 US dollars per metric ton, compared to 715 US dollars per metric ton in 2017, due to the sharp rise in production in 2017, which resulted in a high inventory level. The average price of rubber in 2018 also dropped to 1,365 US dollars per metric ton, compared to 1,651 US dollars per metric ton in 2017, due mainly to very high inventory levels in China.
As a result, in Indonesia, Socfindo, which operates 48,000 hectares of oil palms and rubber trees, posted net profit of 35 million euros, compared with 50 million euros in 2017, due to lower sale prices and storage of part of the production. Plantations in Republic of Côte d'Ivoire, Cameroon, Liberia, Nigeria and Congo posted net income of 32 million euros, compared to 51 million euros in 2017, and suffered from the low prices of rubber and palm oil.

(1) Consolidated by the equity method.
(2) Of which 0.02% held by Financière de l'Odet.
(3) Shareholdings in of non-operating companies accounted for using the equity method in Vivendi's financial statements.
(4) Company data before restatement under IFRS. Socfin group plantations are accounted for under the equity method in the Bolloré financial statements.

American farms

The three farms in Georgia and Florida cover 3,300 hectares, and Socfin group has the contract for their management. The Group is investing 35 million dollars (30 million euros) to convert 1,800 hectares into olive groves. The first olive crops are expected in 2020. As of December 31, 2018, nearly 1,300 hectares had already been planted and 23 million dollars has been invested.

Vineyards

The Group owns two wine-growing estates in the south of France, including Domaine de La Croix (cru classé) and Domaine de La Bastide Blanche. They cover 242 hectares, to which 116 hectares of wine-growing rights are attached. Revenue for 2018 (4.3 million euros) was down, as revenue for 2017 including a major export contract.

1.1.2. FINANCIAL SITUATION

- 2018 revenue amounted to 23,024 million euros an increase of 7% at constant scope and exchange rates (+26% as restated), thanks to:
  - 9% growth in transportation and logistics activities:
    - . Bolloré Logistics (+9%), driven by growth in sea and air freight volumes;
    - . Bolloré Africa Logistics (+9%), benefiting from higher port terminal volumes. Rail activity expanded thanks to growth in goods traffic, particularly at Sitarail;
  - 25% growth in the oil logistics activity business on the back of higher prices for petroleum products and a slight increase in volumes;
  - 4% growth in the communications business, attributable mainly to Vivendi (+4%), which benefited from growth at UMG (+10%).

As reported, revenue was up 26%, reflecting an additional 3,561 million euros from change in the scope of consolidation, stemming mainly from Vivendi's full consolidation over twelve months in 2018 (vs. eight months in 2017), and adverse foreign exchange impacts of - 477 million euros.

- EBITDA[1] totaled 2,728 million euros, an increase of 33% as reported vs. 2017.
- Operating income amounted to 1,301 million euros, up 25% at constant scope and exchange rates (+17% as reported):
  - growth in Transportation and logistics activities: 511 million euros, up 9% at constant scope and exchange rates (+4% as reported) thanks to the good performance of port terminals in Africa and increased freight forwarding volumes, particularly in Asia;
  - slight decline in Oil logistics income to 34 million euros (-5% at constant scope and exchange rates) due to negative inventory impacts;
  - growth in the Communications segment to 940 million euros (+29% at constant scope and exchange rates) thanks to strong performances by Vivendi's main activities: UMG (+22%)[2], Canal+ group (+33%)[4] and Havas (+2%)[4].

In 2018, Vivendi's operating income no longer includes the contribution of Telecom Italia, reclassified to equity-accounted non-operating companies (108 million euros in 2017).

- Losses in the Electricity storage and solutions business were reduced to 152 million euros, an improvement of 7%, thanks to tight control of expenses ahead of the release of a substantially improved version of its dry battery, with investment continuing on research and development in solid batteries operating at ambient temperature.
- Financial income amounted to 140 million euros, compared with 119 million euros in 2017. It mainly includes revaluation gains totaling 311 million euros on Spotify and Tencent Music securities. By contrast, the capital gain on Ubisoft (1.2 billion euros) is recognized in equity[3] in Vivendi's financial statements. In 2017, financial income included a 232 million euros fair value adjustment on Vivendi securities following the change in consolidation method.
- The share of net income of non-operating companies accounted for using the equity method totaled 172 million euros, compared with 115 million euros in 2017. It includes Vivendi's share of Telecom Italia's results (122 million euros), offsetting the provision for impairment of Mediobanca securities (40 million euros) and the decline in Socfin's contribution, penalized by the drop in palm oil and rubber prices.

  After a negative 506 million euros in taxes, consolidated net income amounted to 1,107 million euros, compared with 2,049 million euros in 2017, which included 1,012 million euros in favorable exceptional tax items relating to Vivendi. Excluding these items, net income increased by 7%. Net income Group share amounted to 235 million euros, compared with 695 million euros in 2017, bearing in mind that the 2017 results were boosted by favorable items.
- Net debt amounted to 4,882 million euros, compared with 4,841 million euros as of December 31, 2017, taking into account the increase in the stake in Vivendi in 2018, representing a financial investment of 2.5 billion euros, and disposals of investments in Ubisoft, Fnac Darty and Telefónica in a total amount of 2.2 billion euros. Equity amounted to 28,204 million euros (31,091 million euros as of December 31, 2017[4]), putting gearing at 17%, compared with 16% at the end of 2017.

  As of February 28, 2019, the Group's liquidity position[5], including undrawn available amount and liquid securities, represented approximately 2.1 billion euros for Bolloré. Including Vivendi, the amount stands at approximately 9 billion euros[6].

PROPOSED DIVIDEND: 0.06 EURO PER SHARE

The Board of Directors will propose to the General Meeting on May 29, 2019 the distribution of a dividend of 0.06 euros per share (including the 0.02 euros interim dividend paid in October 2018), payable in cash or shares. The ex-dividend date will be June 4, 2019, with payment or delivery of shares on June 26, 2019.

(1) EBITDA: operating income less depreciation, amortization and operating provisions (including the share of net income of companies accounted for under the equity method).
(2) Reported EBITA data by Vivendi at constant scope and exchange rates. EBITA before Canal+ group restructuring +22%.
(3) Only 53 million euros was recognized in the income statement in accordance with IFRS 9, applied since January 1, 2018.
(4) Restated data as of December 2017, see "Comparability of financial statements".
(5) Excluding Vivendi.
(6) Including Havas.

CONSOLIDATED KEY FIGURES FOR BOLLORÉ

(in millions of euros)	2018	2017(1)	Change
Revenue	23,024	18,337	+26%
EBITDA(2)	**2,728**	2,054	+33%
Amortization and provisions	(1,426)	(939)	+52%
Operating income	**1,301**	**1,115**	**+17%**
of which operating equity associates(3)	23	151	NA
Financial result	140	119	+18%
Share of net income of non-operating companies accounted for under the equity method	172	115	+49%
Taxes	(506)	700	–
NET INCOME	**1,107**	2,049	−46%
Net income, Group share	235	695	−66%
Minorities	872	1,354	−36%

(1) Restated data as of December 2017, see "Comparability of financial statements".
(2) EBITDA: operating income less depreciation, amortization and operating provisions (including the share of net income of companies accounted for under the equity method).
(3) At Vivendi, primarily Telecom Italia as of December 31, 2017 and four months of Vivendi accounted for under the equity method in Bolloré's financial statements between January 1 and April 26, 2017. The interest in Telecom Italia was reclassified to equity-accounted non-operating companies on January 1, 2018.

(in millions of euros)	December 31, 2018	December 31, 2017(1)	Change
Shareholders' equity	**28,204**	31,091	(2,887)
of which Group share	9,234	10,430	(1,196)
Net debt	**4,882**	4,841	41
Gearing(2)	17%	16%	–

(1) Restated data as of December 2017, see "Comparability of financial statements".
(2) Gearing: ratio of net debt to equity.

SEPARATE FINANCIAL STATEMENTS

Bolloré SA's net income amounted to -135 million euros, compared with 91 million euros in 2017. Most of the change was essentially due to change in provisions for impairment losses on equity investments between the two periods.

1.1.3. OPERATING INCOME

Operating income amounted to 1,301 million euros, up 25% at constant scope and exchange rates (+17% as restated):

- growth in transportation and logistics activities: 511 million euros, up 9% at constant scope and exchange rates (+4% as restated) thanks to the good performance of port terminals in Africa and increased freight forwarding volumes, particularly in Asia;
- slight decline in Oil logistics income to 34 million euros (-5% at constant scope and exchange rates) due to negative inventory impacts;
- growth in the communications segment to 940 million euros (+29% at constant scope and exchange rates) thanks to strong performances by Vivendi's main activities: UMG (+22%)(1), Canal+ group (+33%)(1) and Havas (+2%)(1).
- in 2018, Vivendi's operating income no longer includes the contribution of Telecom Italia, reclassified to equity-accounted non-operating companies (108 million euros in 2017).
- losses in the Electricity storage and solutions business were reduced to 152 million euros, an improvement of 7%, thanks to tight control of expenses ahead of the release of a substantially improved version of its dry battery, with investment continuing on research and development in solid batteries operating at ambient temperature.

(1) Reported EBITA data by Vivendi at constant scope and exchange rates. EBITA before Canal+ group restructuring +22%.

OPERATING INCOME BY ACTIVITY

(in millions of euros)	2018	2017(1)	As reported
Bolloré Transport & Logistics	**545**	527	+3%
Transportation and logistics(2)	511	491	+4%
Oil logistics	34	36	−6%
Communications (Vivendi, Media, Telecoms)(3)	940	780	+20%
Electricity storage and solutions	(152)	(164)	-
Other (agricultural assets, holding companies)(2)	(31)	(28)	-
TOTAL OPERATING INCOME BOLLORÉ GROUP	**1,301**	1,115	+17%

(1) Restated data as of December 2017, see "Comparability of financial statements".
(2) Before Bolloré trademark fees.
(3) Including, in 2018, full consolidation of Vivendi over twelve months, i.e. 959 million euros (vs. eight months of full consolidation and four months under the equity method and twelve months of Havas, i.e. 803.6 million euros, in 2017).

1.2. Financial structure

1.2.1. CASH AND CASH EQUIVALENTS

On December 31, 2018, available cash, mainly cash and cash equivalents amounted to 5,384 million euros (of which Vivendi accounted for 4,392 million euros), compared with 3,174 million euros at December 31, 2017. This item includes, in particular, available funds, risk-free money market deposits and current account agreements, in accordance with the Group's policy.

1.2.2. CASH FLOW

Net cash flows from operating activities amounted to 1,999 million euros at December 31, 2018 (negative 2,067 million euros for the period ended December 31, 2017).
The Group's net debt was up 41 million euros from December 31, 2017 to 4,882 million euros at December 31, 2018.

1.2.3. STRUCTURE OF GROSS DEBT

The Group's gross debt at December 31, 2018 was 10,266 million euros, up 2,251 million euros on December 31, 2017. It mainly consisted of the following:
- 5,215 million euros of bond loans (5,311 million euros at December 31, 2017), including a euro-denominated Havas bond loan of 400 million euros redeemable in 2020, and three euro-denominated Bolloré bond loans, the first for 170 million euros redeemable in 2019, the second for 450 million euros redeemable in 2021, the third for 500 million euros redeemable in 2022, and five euro-denominated Vivendi bond loans, the first for 700 million euros redeemable in 2019, the second for 1,000 million euros redeemable in 2021, the third for 600 million euros redeemable in 2023, the fourth for 850 million euros redeemable in 2024 and the fifth for 500 million euros redeemable in 2026;
- loans of 4,498 million euros from credit institutions (2,197 million euros at December 31, 2017), including 2,434 million euros collateralized by pledges of and margin calls on Vivendi stock, 500 million euros under a revolving credit agreement maturing in 2023, 400 million euros of drawn loans under an agreement maturing in 2023, 292 million euros in negotiable debt instruments (120 million euros at December 31, 2017) and 176 million euros in receivables factoring (186 million euros at December 31, 2017);
- 548 million euros from other borrowings and similar debts (507 million euros at December 31, 2017), consisting of current bank facilities and cash management agreements.

1.2.4. FINANCING CHARACTERISTICS

Bolloré Group's main bank financing lines at December 31, 2018 were:
- a 1,300 million euros revolving credit line maturing in 2023, of which 500 million has been drawn down, and 400 million euros of drawn credit maturing in 2023, for Bolloré. They are subject to a gearing covenant which caps net debt/equity at 1.75;
- the 2,000 million euros revolving credit line maturing October 29, 2021, unused at December 31, 2018, for Vivendi.

In addition, Bolloré and Havas SA have confirmed credit lines of 2,006 million euros with top tier banks, of which 966 million euros was used at December 31, 2018. Some of these credit lines are subject to compliance with debt service coverage-type financial ratios, and/or leverage for Havas and gearing for Bolloré.
Bonds issued by Bolloré, Vivendi and Havas are not subject to any early repayment provision connected to the respect of a financial ratio.
The Group arranged financing with pledges and margin calls on Vivendi shares for a total of 2,434 million euros at December 31, 2018.
At December 31, 2018, all of these ratios were met, as they were at December 31, 2017.
As a result, as at December 31, 2018, the Group was not at risk with respect to any financial covenants that may have existed on certain credit lines, whether used or not.

1.2.5. FINANCING CAPACITY

Moreover, to meet liquidity risk, in addition to its short-term investments, the Group had, at December 31, 2018, 3,840 million euros in undrawn confirmed credit lines, of which 800 million euros were under a Bolloré revolving credit agreement and 2,000 million euros under a Vivendi agreement. The average maturity of confirmed credit lines, both drawn and undrawn, was 3.5 years at December 31, 2018.
As a result, the Group has sufficient financing capacity to meet its future known commitments at December 31, 2018.
More details are given in the financial statements and, more specifically, in notes 7.4, 7.5 and 8.1

1.3. Investments

1.3.1. CAPITAL EXPENDITURE MADE DURING THE REPORTING PERIODS

(in millions of euros)	2018	2017	2016
Financial capital investments	400	1,847	60
Industrial capital expenditure	999	1,072	658
TOTAL INVESTMENTS (NET OF DISPOSALS)	**1,399**	2,919	718

FINANCIAL CAPITAL INVESTMENTS

(in millions of euros)	2018	2017	2016
FINANCIAL CAPITAL INVESTMENTS (NETS OF DISPOSALS)	**400**	1,847	60

2018 saw the Group increase its shareholding in Vivendi Group by 2.5 billion euros. The Group acquired 5.9% of Vivendi's share capital and exercised options on 1.6% of the share capital, to bring its ownership from 20.5% to 26.3% (including the borrowing of shares representing 0.9% of the share capital and the outstanding balance of purchase options representing 1%).
In 2018, Vivendi announced the acquisition of 100% of the shares of Editis for 900 million euros and sold off its shares in Ubisoft (1.5 billion euros in March 2018), Fnac-Darty (267 million euros in July 2018) and Telefonica (373 million euros in all).
The 2017 fiscal year was marked by the acquisition by Vivendi of 59.2% of the Havas share capital held by the Bolloré Group for 2,317 million euros (neutral for the Bolloré Group), then the purchase of the Havas minority shares for 1,601 million euros. In 2017, Vivendi also acquired shares in Ubisoft and the residual stake in Dailymotion (10%). The Bolloré Group sold its stake in Gaumont within the framework of the share repurchase launched by the company and finalized the Bolloré simplified takeover bid for Blue Solutions, which led to the acquisition of 7.6% of Blue Solutions for 37 million euros.
With regard to the Transportation and logistics activity, the Group took over part of the Necotrans assets (certain logistics activities in Africa, minority stakes in the terminals operated by the Group, the Brazzaville and Lomé terminals) and made targeted acquisitions with a view to developing its activity, for example in Saudi Arabia and Denmark.

In 2016, the Group increased its shareholding in Vivendi. Following the early redemption for cash of the hedging and financing transaction on 34 million shares (2.6% of the share capital). The Group borrowed 34.7 million shares (2.7% of share capital) and bought call options exercisable at any time on 34.7 million shares (2.7% of the capital) expiring on June 25, 2019. As a result of these transactions, the Bolloré Group crossed the 20% threshold in Vivendi's share capital and voting rights. The Group also acquired Mediobanca shares for 5.2 million euros in 2016 taking its holding to 8%.

In Transportation and logistics, the Group strengthened its holdings in various subsidiaries by buying out minority interests in Gabon, Ghana and Lebanon. Blue Solutions, via its Canadian subsidiary, acquired Capacitor Sciences Inc., a US startup specialized in studying and researching new molecules for storing electricity with a view to substantially improving the performance of LMP® batteries (density, cyclability and charge speed).

In 2016, Havas group made several acquisitions totaling about 39 million euros and notably acquired 100% of Target Media and Communications Group in the United Kingdom, a group of eight entities offering multi-disciplinary services including in particular media planning and space buying, research, social media, programming, marketing, media relations, advertising and the production of creative content; 100% of Lemz, a full-service Dutch agency that combines advertising, media relations, digital and technology to develop meaningful campaigns and to use creativity to build a better world; 100% of TP1, a digital communications agency based in Montreal, renowned for its strategic expertise in marketing and communications and its commitment to user experience, open technologies and web accessibility; and 100% of Beebop media AG, an agency based in Hamburg specialized in social media and in "ambient advertising".

INDUSTRIAL CAPITAL EXPENDITURE

(in millions of euros)	**2018**	2017	2016
Transportation and logistics	300	388	339
Oil logistics	30	64	18
Electricity storage and solutions	69	146	192
Communications	586	462	95
Others	14	12	14
INDUSTRIAL CAPITAL EXPENDITURE	**999**	1,072	658

Industrial investments in 2018 were lower in transportation and logistics due to the purchase from GSEZ in 2017 of the Owendo port infrastructure. The 2018 fiscal year saw continued investment in port infrastructure and handling equipment, several investments in warehousing logistics and in IT to support computerization projects. The level of investment in oil logistics was sharply down due to the completion of the work on the site of the former Petroplus refinery site in Petit-Couronne, near Rouen. In electricity storage, investments were focused on development of the new battery. In communications, the main investments were made by UMG and Canal+ (in Content through Studiocanal and in set-top boxes and descramblers).

Industrial capital expenditure in 2017 rose 63% compared with 2016 with the integration of Vivendi. In the Transportation and logistics sector, the year was marked by continued investment in port infrastructure (in particular in Gabon with the purchase of infrastructure and equipment from GSEZ, and the extension of the port in Sierra Leone) and handling equipment (Abidjan Terminal, DIT, TICT and Togo) in Africa, several investments in warehousing logistics and in IT to support digitization projects. In oil logistics, the high level of investment continued with the upgrade of the former Pétroplus site at Petit-Couronne near Rouen which will consolidate the distribution of Bolloré Energy in the region and warehouse strategic inventories. In electricity storage, R&D investments in batteries registered strong progress in 2017, notably with the integration of Capacitor Sciences Inc. at the end of 2016. Investment in the development of new car-sharing services continued, but was less intense than in previous years. Finally, the Plastic films activity increased its investments in production capacities with the acquisition of a new production line. In the communication sector, the main investments were made by Vivendi (content at UMG and Canal+) and Havas. Investments in other activities include equipment purchases and irrigation projects in farms in the United States, which are being transformed into olive groves, and various real estate refurbishment projects.

Industrial investments in 2016 remained high but were lower than in 2015, after the Bénirail rail project was stopped. In the transportation and logistics sector, there were continuing investments in African port concessions, including the Congo, Togo and Benin, numerous investments in warehouse logistics (Le Havre, Roissy, Montreal, etc.) and in IT to support digitization projects. In oil logistics, the high level of investment continued with the upgrade of the former Pétroplus site at Petit-Couronne near Rouen which will consolidate the distribution of Bolloré Energy in the region and warehouse strategic inventories. In electricity storage, investment continued with developments in our electric bus activities, car-sharing projects and stationary applications. In communications, the main capital expenditure was made by Havas group and Wifirst, a company specializing in wireless Internet for student housing, hotels, campsites and municipalities. Investments in other activities include equipment purchases and irrigation projects in farms in the United States, which are being transformed into olive groves, and various real estate refurbishment projects in the Paris region and London.

Industrial capital expenditure rose by 25% in 2015 compared with 2014. In the transportation and logistics segment, this fiscal year was marked by continued capital expenditure on railways in West Africa, particularly in Niger and Benin, as well as developments to improve the performance of African port concessions – in Congo, Guinea, Togo and Benin – and investment in logistics infrastructure, notably at Roissy. Additional capital expenditure in oil logistics mainly concerned the acquisition of the former Pétroplus refinery site in Petit-Couronne, near Rouen, which will consolidate Bolloré Energy's distribution in the area and allow warehousing of strategic inventory. In electricity storage, investment continues with developments in our electric bus activities, car-sharing projects and stationary applications, and also with the continued development of production capacities at the Blue Solutions battery factory in Brittany. In communications, the main capital expenditure was made by Havas group and Wifirst, a company specializing in wireless

Internet for student housing, hotels, campsites and municipalities. Capital expenditure in other segments included equipment purchases for the farms in the United States and various property renovation projects in the Paris region and London.

1.3.2. CURRENT CAPITAL EXPENDITURE

The main capital expenditure planned by the Group over the next year concerns the transportation and logistics, communications and electricity storage business lines.
In communications, Vivendi plans to maintain its investments in content at both UMG and Canal+ group.
In transportation and logistics, investments in 2019 stayed high (400 million euros) due to continued infrastructure work and acquisitions of lifting equipment for port concessions and investments planned for the railway sector. In freight forwarding, the Group took forward its investment policy with the opening of new logistics platforms, in particular in Singapore with the delivery of the BlueHub. Finally, there will be continued major investments to upgrade IT capacity and integrate digitization of services to effectively keep pace with changes demanded by the market.
In the area of oil logistics, the Group continued to invest in the upgrading of the Dépôt de Rouen Petit-Couronne site, which started in early 2018. Bolloré Energy will also continue to invest in the development and compliance of its productive plant in the Oil logistics and Distribution businesses and in buying retail distribution assets.
In the area of Electricity storage and solutions, the R&D effort in batteries will be continued, in particular for the bus and stationary markets.

1.3.3. PLANNED CAPITAL EXPENDITURE

The Group has made future commitments due in more than one year as part of the operation of the concession agreements detailed in note 6.4. – Concessions of the notes to the financial statements. These commitments mainly include contractual liabilities connected with the completion of work to develop the infrastructure of certain port terminals and rail terminals as well as the capital expenditure planned by the Group to maintain the performance targets of these concessions. They are staggered over a period of more than twenty-five years and amount to in excess of 1,949 million euros over the total duration of the contracts, including 800 million euros to build rail infrastructure for the Bénirail concession. This investment is currently suspended due to the legal dispute between the Benin Government and one of its citizens. Other investment commitments for operating activities, excluding concessions and at maturity per year, are given for 58 million euros.
Including Vivendi's investment commitments due in over one year (63 million euros), the Group total is 2,070 million euros.
The strategy for financing this capital expenditure is the same as that set out in section 1.3.2 for current capital expenditure.

2. Research and development, patents and licenses

2.1. Research and development

For many years, the Bolloré Group has been committed to finding new activities.
Research and development (R&D) are an essential element of the Bolloré Group's industrial branch. This was demonstrated by the creation of the Blue Solutions division in October 2013.
For the Bolloré Group (excluding Vivendi but including the Blue Solutions subsidiary), the R&D budget fell a further 12.6% between 2017 and 2018, given the cost reductions for existing solutions and applications.
For Bolloré Plastic films, in 2018 R&D amounted to 0.6 million euros for new multilayer barrier films for packaging in the food-processing industry and for further development of new capacitor separators for dielectric film.
For Blue Solutions, the total amount of R&D spent on batteries and supercapacitors amounted to 20.1 million euros, with 12.1 million euros for Blue Solutions (formerly Batscap in Quimper) and 8 million euros for Blue Solutions Canada (formerly Bathium in Canada).
The research concerning batteries continues to focus on improving electrochemical components to increase battery life and operating safety, as well as to reduce the operating temperature, while development work is aimed at improving pack reliability, reducing costs and increasing energy density. At Blue Solutions Canada, efforts focused mostly on the development of a brand new LMP® module concept. This "IT3 Module" was completely revised to get it to a competitive price level for Li-ion technology, with an expected cost reduction of 45% for the module. As a result, at Blue Solutions Canada, the new IT3 modules will be manufactured for integration into the prototype packs intended for our European clients (primarily bus manufacturer). They will also serve to equip our new ESS (Energy Storage System) range, the cost of which has been cut by 52% as a result of this new module and other improvements made.
In 2018, Capacitor Sciences Inc., whose technology is based on a capacitor that can store a very large amount of energy thanks to a dielectric film obtained by adding an insulating function to a polarizable molecule, continued to focus its research on the development of four polymer families. More specifically, R&D expenditure, which was down over 42% this year, was focused on molecule synthesis (characterization, purification) built around past results and new assumptions, in particular the refining of formulas that made it possible to facilitate their application while endeavoring to confirm high dielectric permissiveness (ability to store charge) and withstand voltage (ability to maintain the charge despite the potential difference at the terminals).
With respect to supercapacitors, in 2018 research moved towards the identification of new hybrid electro-chemicals based on using alkali metal ions such as Lithium or Potassium, by producing and testing a whole series of electrodes, laboratory components such as Coffee Bags and the first larger components like cylinders. The hope of these new lines of research is to ultimately increase the energy density delivered by a factor of 2 to 4 as against long-standing symmetrical solutions. With ongoing efforts to increase the energy density of these symmetrical solutions, research was concentrated on evaluating new processes, in particular the production of electrodes to increase the cubic capacity and internal electrochemical dissymmetric combinations with new electrolytes to increase the rated voltage of components to 3 V from 2.7 V at present. The development work on the other hand made it possible to i) complete the technical optimization of a special module intended for demanding markets like rail transport and ii) make significant process on the technical approval process for a module intended for stationary applications.
Within Blue Applications, R&D stood at:

- 27.2 million euros at Bluecar, primarily on the development and improvement in quality of the Phase IV Bluecar;
- 10.6 million euros at Bluestorage on the development of the new ESS (Energy Storage System) incorporating the next generation high energy density LMP® batteries and research and development for the EMS (Energy Management System) designed to optimize energy storage management using optimal decision-making software. New real-time monitoring solutions were also implemented into existing and future systems;
- 13.5 million euros at Bluebus, with the development of new Bluebus 3-door and 2-door ranges in particular incorporating the next generation high energy density LMP® batteries, a new high performance powertrain and a whole series of passenger comfort options;
- 0.3 million euros at Bluetram, for the ongoing collaboration with the Nanyang Technological University (NTU) in Singapore.

In 2018, IER continued to invest in the development of new products. 1.5 million euros were invested in traceability solutions, in particular for a pallet geolocation solution for industry, 1.7 million euros on the development of car-sharing solutions and the development of a new charging terminal and 0.8 million euros on the development of a solution to move electronic ticketing tools to the Cloud.

For its part, Automatic Systems invested 2.6 million euros developing new products and making improvements and providing support for existing products.

R&D at the Telecoms division totaled 19.2 million euros, including 5.9 million euros for Bolloré Telecom, 3.2 million euros for Wifirst and 10.1 million euros for Polyconseil, which continues major IT development as part of car-sharing and energy-storage projects and new shared mobility systems.

For Vivendi, research and development efforts are detailed on pages 27, 28, 35, 39, 41, 58, 244 and 257.

RESEARCH AND DEVELOPMENT PROGRAMS

(in millions of euros)	**Change 2018/2017**	**2018**	2017	2016	2015	2014	2013	2012
Bolloré Films	0.00%	0.6	0.6	0.6	0.5	0.6	0.5	1.5
Blue Solutions[1] (France and Canada)	2.03%	20.1	19.7	33.5	33.3	24.8	37.0	69.2
Capacitor Sciences Inc.	–42.67%	4.3	7.5	1.3				
Bluecar[1][3]	–4.90%	27.2	28.6	77.7	48.5	37.8	15.3	48.9
Bluestorage	–22.63%	10.6	13.7	15.5	29.2	17.2	5.1	
Bluetram/Blueboat	–50.00%	0.4	0.8	1.7	7.2	3.5	2.0	
Bluebus	–32.16%	13.5	19.9	25.6	24.8			
IER	–7.55%	9.8	10.6	12.3	14.3	12.8	8.0	7.5
Bolloré Telecom[2]	–2.04%	19.2	19.6	17.2	14.9	15.8	12.9	4.5
TOTAL	**–12.64%**	**105.7**	121.0	185.4	172.7	112.5	80.8	131.6

(1) Since 2012, R&D expenses and specific capital expenditure.
(2) Including Polyconseil (10.1 million euros in 2018) and Wifirst (3.2 million euros in 2018).
(3) Including cost of acquisition of vehicles (excluding batteries) since 2012.

2.2. Patents and licenses

The Group's patent portfolio increased significantly +7.9% between 2017 and 2018, taking into account Blue Solutions battery development (8.97% for Blue Solutions + Blue Solutions Canada) and significant growth in the Capacitor Sciences Inc. patent portfolio and the patent portfolio for the entire Blue Applications scope (territorial extensions of patents filed in previous years).
This increase resulted from the Group's desire to establish a geographically extensive portfolio of intangible assets that is significant both in terms of number and value added, specifically in battery, bus and stationary activities.

	Patents filed in 2018		**Total portfolio in effect**		
	Total	**Of which in France**	**2018 (all countries)**	2017 (all countries)	**Change 2018/2017**
Bolloré Films	0	0	29	50	–42.00%
Blue Solutions	191	8	1,115	960	16.15%
Blue Solutions Canada Inc.	70[2]	2[1]	598[3]	612[3]	–2.29%
IER	3	0	55	52	5.77%
Bluecarsharing	2	0	101	109	–7.34%
Bluecar	1	0	6	5	20.00%
Bluebus	45	1	108	88	22.73%
Bluetram	17	0	42	28	50.00%
BCA/Automatic Systems France	3	0	15	13	15.38%
Automatic Systems	0	0	7	7	0.00%
TOTAL	**332**	**11**	**2,076**	1,924	**7.90%**

(1) For Blue Solutions Canada, the United States saw the greatest number of filings, and not France. Including a first filing for Capacitor Sciences Inc.
(2) Including 50 filings for Capacitor Sciences Inc.
(3) Including Capacitor Sciences Inc. portfolio of 189.

3. Events after the reporting period

Significant changes in financial or market position

There have been no changes since the last fiscal year for which audited financial statements or interim financial statements have been published.

Recent events and outlook

TRANSPORTATION AND LOGISTICS

EXCLUSIVE NEGOTIATIONS BEGUN BETWEEN BOLLORÉ TRANSPORT & LOGISTICS AND THE MARITIME KUHN FOR THE SALE OF BOLLORÉ PORTS FRANCE

Bolloré Transport & Logistics and the Maritime Kuhn group for the sale entered into exclusive negotiations for the Maritime Kuhn group to take over the port operations of Bolloré Transport & Logistics in France.
This project, about which the employee representatives were informed and consulted beforehand, could take effect in the third quarter of 2019 after completion of all labor-related, legal and governmental procedures.
This combination of two very complementary geographic networks would create, with its 620 employees, a major entity in France's port sector.
Bolloré Ports France is a specialist in stevedoring and operates in 15 French ports. It expertise enables it to offer customized services: conventional stevedoring, ship consignment, transit/customs services, storage, bagging, chartering, etc. For Bolloré Transport & Logistics, this transaction supports a strategy of refocusing its stevedoring port logistics businesses on international markets where the Group is already located, particularly in West Africa.

COMMUNICATION

EQUITY OFFERING IN UNIVERSAL MUSIC GROUP

Vivendi is continuing the process to open the share capital of UMG, as it has announced. In close consultation with UMG teams, Vivendi has set itself the goal of selling up to 50% of the share capital to one or more partners that could accelerate development and increase the value of UMG.
The process of selecting potential partner banks and advisors is expected to be completed soon. The conducting of Vendor Due Diligence (VDD) has been entrusted to PwC, which is currently working on it. It should be completed in the coming weeks and will be distributed to the selected banks.
This process is being conducted with UMG management teams in a calm, deliberate and careful manner.

NEW FINANCING AT VIVENDI SA

On January 16, 2019, Vivendi SA's syndicated line of bank credit, which had been 2 billion euros, not drawn and maturing October 29, 2021, was increased to 2.2 billion and the maturity extended to January 16, 2024, with two one-year optional extensions. Additionally, Vivendi signed confirmed bilateral credit lines with leading banking institutions in January 2019 for a total availability of 1.2 billion euros maturing in January 2024.
None of these credit lines are subject to financial ratios any longer but they contain the usual default clauses and undertakings that impose certain restrictions on Vivendi, particularly concerning the posting of collateral and M&A deals.

COMPLETION OF THE EDITIS ACQUISITION BY VIVENDI

Following the acquisition agreement entered into on November 15, 2018 with the Spanish group Planeta based on an enterprise value of 900 million euros, on January 31, 2019 Vivendi completed the acquisition of 100% of the share capital of Editis, the second-largest publishing house in France, representing a cash outflow of 833 million euros, including for the repayment of Editis' financial debt. The French Competition Authority had approved the transaction without reservation on January 2, 2019. As of February 1, 2019, Vivendi has fully consolidated Editis.

ELECTRICITY STORAGE

In April 2019, the RATP selected Bluebus and Blue Solutions batteries as one of its suppliers for its network.

SHAREHOLDINGS

DISPOSAL OF THE STAKE IN UBISOFT

On March 5, 2019, Vivendi sold the remainder of its stake in Ubisoft (5.87% of the capital) for 429 million euros, representing an economic gain of 220 million euros. Vivendi is no longer a shareholder in Ubisoft and is still bound by an undertaking not to acquire Ubisoft shares for five years. In total, the sale of Vivendi's stake in Ubisoft represented an amount of 2 billion euros, representing a capital gain of 1.2 billion euros.

4. Trends and objectives

Main trends for fiscal year 2018

TRANSPORTATION AND LOGISTICS

In 2018, Bolloré Logistics benefited from higher volumes of goods transported both by air and by sea. Logistic warehousing expanded at a good pace both in Asia and in Europe.
2018 continued the trend of the second half of 2017 on the African continent with an increase in volumes in the majority of ports. Logistics and conventional stevedoring grew in a great many countries, particularly in the Democratic Republic of the Congo, South Africa, Zambia and Nigeria, though they declined in Republic of Côte d'Ivoire and Kenya. Railways continued their recovery.

OIL LOGISTICS

Earnings were down because of weather conditions which were unfavorable to retail sales and trade. The decline in the prices of petroleum products in the second had a negative impact on earnings. The logistics business was strong at SDFM and the DRPC depot, which started up in early 2018.

COMMUNICATIONS

2018 was driven by the strong performance of Vivendi's main businesses. Revenue rose 4.3% in organic terms (4.9% as reported by Vivendi), basically due to strong growth at Universal Music Group (UMG), good performance by Havas and stabilization of Canal+ group. Net income showed strong growth due to the significant improvement of the profitability of UMG and Canal+ group, which continued in turnaround in France.
In the free newspapers segment, in 2018 the Group reported a slight drop in business at its newspaper *CNews Matin*, with an average print circulation in all distribution channels of 882,943 copies in 2018 (off 0.9% from 2017).
The Group's Telecom business expanded substantially with the growth of its subsidiary Wifirst, which specializes in providing high-speed wireless Internet access in collective accommodation and whose number of access points continued to grow with 593,000 locations at the end of 2018 (+13%).

ELECTRICITY STORAGE AND SOLUTIONS

Operating losses were reduced in 2018 vs. 2017. Blue Solutions continued to concentrate on the most promising applications (buses and electricity storage) by participating in calls for tenders and continued its expenditures on R&D in order to introduce a new, more effective dry battery for the bus industry and stationary storage.

Trends seen in the current period

TRANSPORTATION AND LOGISTICS

In 2019, Bolloré Logistics expects to continue to grow and benefit from changes in global economic activity as sea and air freight volumes continue to expand. Warehouse logistics is expected to expand, in particular due to the startup of a new hub in Singapore, among other factors.
Bolloré Africa Logistics anticipates that the level of port volumes will be maintained, new logistics contracts obtained and available warehouse space optimized.
The Ghana terminal should start operating in 2019. Work is also under way on projects in Republic of Côte d'Ivoire, Timor and Haiti, while terminals that are already operating should see their capacities and productivity increase as a result of constantly ongoing capital improvements.
The railways business expects to increase productivity by improving economic efficiency.

OIL LOGISTICS

Bolloré Energy is concentrating its sales efforts in the retail and trading of French distribution. The year 2018 is to be marked by the completion of work on and the commissioning of the Rouen Petit-Couronne depot.

COMMUNICATIONS

Vivendi has not provided quantified targets for 2019. However, UMG should be able to benefit from the growth of the music market, particularly in connection with the development of subscription and music streaming activities. In addition, regarding Canal+ group, after significantly improving profitability in 2018, it is continuing its efforts and profitability in 2019 should see a further increase on 2018.

ELECTRICITY STORAGE AND SOLUTIONS

The Bolloré Group in 2019 will continue to make investments in electricity storage. A greatly improved version of its battery will be available sometime in 2019. In particular, it will maintain its R&D efforts, notably through its US subsidiary Capacitor Sciences Inc.

Profit forecasts or estimates

The Bolloré Group does not provide any profit forecasts or estimates.

5. Contents consolidated financial statements

INFORMATION INCORPORATED BY REFERENCE

In accordance with article 28 of European Commission (EC) regulation no. 809/2004, the following information is incorporated by reference in this registration document:

- the consolidated financial statements and accompanying Statutory Auditors' report on pages 155 to 248 of the registration document for the fiscal year ended December 31, 2017, filed with the AMF on April 26, 2018, under no. D. 18-0409;
- the consolidated financial statements and accompanying Statutory Auditors' report on pages 139 to 211 of the registration document for the fiscal year ended December 31, 2016, filed with the AMF on April 27, 2017, under no. D. 17-04 56;
- Both the above-mentioned registration documents are available online on the company's website (www.bollore.com) and the website of the Autorité des marchés financiers (www.amf-france.org).

Some parts of these documents are not included here, as they are either of no relevance to investment or their subject matter appears elsewhere in this registration document.

PRO FORMA FINANCIAL INFORMATION

None.

5.1. Consolidated financial statements

Unless otherwise indicated, all amounts are expressed in millions of euros and rounded to the nearest decimal. In general, the values presented in the consolidated financial statements and the notes to the consolidated financial statements are rounded to the nearest decimal. As a result, the sum of the rounded amounts may differ slightly from the reported total. Furthermore, ratios and differences are calculated on the basis of the underlying amounts and not on the basis of the rounded amounts.

5.1.1. CONSOLIDATED INCOME STATEMENT

(in millions of euros)	Notes	2018	2017[1]
Revenue	5.2-5.3	**23,024.4**	**18,337.2**
Goods and services bought in	5.4	(16,041.3)	(12,525.5)
Personnel costs	5.4	(4,554.4)	(3,942.0)
Depreciation, amortization and provisions	5.4	(1,426.5)	(939.4)
Other operating income	5.4	488.0	268.4
Other operating expenses	5.4	(211.6)	(234.6)
Share in net income of operating companies accounted for using the equity method	5.4-7.2	22.5	151.0
Operating income	5.2-5.3-5.4	**1,301.1**	1,115.1
Net financing expenses	7.1	(130.7)	(128.3)
Other financial income	7.1	2,781.4	702.2
Other financial expenses	7.1	(2,511.0)	(455.1)
Financial income	7.1	**139.7**	118.8
Share in net income of non-operating companies accounted for using the equity method	7.2	172.1	115.5
Corporate income tax	12	(505.8)	699.5
Consolidated net income		**1,107.1**	2,048.9
Consolidated net income, Group share		235.4	694.9
Minority interests	9.3	871.8	1,353.9

EARNINGS PER SHARE[2] 9.2

(in euros)	2018	2017[1]
Group share of net income		
– basic	0.08	0.24
– diluted	0.08	0.24

(1) Restated – See note 3 – Comparability of financial statements.
(2) Excluding treasury shares.

5.1.2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of euros)	**2018**	2017[1]
Consolidated net income for the period	**1,107.1**	2,048.9
Translation adjustment of controlled entities	526.0	(1,123.3)
Change in fair value of financial instruments of controlled entities[2]	(2.0)	1,707.7
Other changes in items that may subsequently be recycled in profit or loss[3]	(176.4)	(173.8)
Total changes in items that will be recycled subsequently through profit or loss	**347.6**	410.6
Change in fair value of financial instruments of controlled entities[2]	(1,228.3)	
Change in fair value of financial instruments of entities accounted for using the equity method[3]	(0.8)	
Actuarial gains and losses from controlled entities recognized in equity	26.2	31.7
Actuarial gains and losses from entities accounted for using the equity method recognized in equity	(2.1)	3.7
Total changes in items that will not be recycled subsequently through profit or loss	**(1,205.0)**	35.4
COMPREHENSIVE INCOME	**249.7**	2,494.9
Of which:		
– Group share	(723.6)	1,701.5
– minority interests	973.4	793.5
of which tax in other comprehensive income:		
– on items that can be recycled in profit or loss	*0.0*	*(0.5)*
– on items that cannot be recycled in profit or loss	*(11.2)*	*(14.1)*

(1) Restated – See note 3 – Comparability of financial statements.
(2) See note 7.3 – Other financial assets.
(3) Change in comprehensive income from investments in companies accounted for under the equity method: essentially the impact of the conversion and recognition at fair value of items that can be reclassified in profit or loss – See Consolidated statement of changes in shareholders' equity.

5.1.3. CONSOLIDATED BALANCE SHEET

ASSETS

(in millions of euros)	Notes	12/31/2018	12/31/2017[1]
Goodwill	6.1	14,438.6	13,988.0
Other intangible assets	6.2-5.2	10,060.5	9,931.5
Tangible assets	6.3-5.2	2,870.6	3,108.2
Investments in companies accounted for under the equity method	7.2	4,507.2	4,574.4
Other non-current financial assets	7.3	6,456.8	10,133.0
Deferred tax	12.2	737.7	727.4
Other non-current assets	5.8.1	662.3	523.1
Non-current assets		**39,733.7**	42,985.6
Inventories and work in progress	5.5	1,174.0	1,171.5
Trade and other receivables	5.6	7,559.9	7,152.5
Current tax	12.3	433.7	454.4
Other current financial assets	7.3	1,080.5	109.1
Other current assets		662.7	535.2
Cash and cash equivalents	7.4	4,784.9	3,098.7
Current assets		**15,695.7**	12,521.4
TOTAL ASSETS		**55,429.4**	55,507.0

(1) Restated – See note 3 – Comparability of financial statements.

EQUITY AND LIABILITIES

(in millions of euros)	Notes	**12/31/2018**	12/31/2017[1]
Share capital		468.7	467.5
Share issue premiums		1,265.7	1,236.7
Consolidated reserves		7,499.8	8,726.1
Shareholders' equity, Group share		**9,234.2**	10,430.3
Minority interests		18,969.6	20,660.7
Shareholders' equity	9.1	**28,203.8**	31,091.0
Non-current financial debts	7.5	8,225.6	6,982.1
Provisions for employee benefits	11.2	866.6	907.2
Other non-current provisions	10	951.1	945.2
Deferred tax	12.2	2,484.4	2,338.3
Other non-current liabilities	5.8.2	372.8	475.4
Non-current liabilities		**12,900.4**	11,648.2
Current financial debts	7.5	2,040.6	1,033.0
Current provisions	10	446.5	437.3
Trade and other payables	5.7	11,122.0	10,583.2
Current tax	12.3	210.0	236.5
Other current liabilities	5.8.4	506.0	477.9
Current liabilities		**14,325.2**	12,767.8
TOTAL LIABILITIES		**55,429.4**	55,507.0

(1) Restated – See note 3 – Comparability of financial statements.

5.1.4. CHANGES IN CONSOLIDATED CASH FLOWS

(in millions of euros)	Notes	2018	2017[1]
Cash flow from operations			
Net income, Group share		235.4	695.0
Net income, minority interests' share		871.8	1,353.9
Consolidated net income		**1,107.2**	2,048.9
Non-cash income and expenses:			
– elimination of depreciation, amortization and provisions		1,293.2	812.3
– elimination of change in deferred taxes		59.0	(376.1)
– other income and expenses not affecting cash flow or not related to operating activities		(421.0)	(360.5)
– elimination of capital gains or losses upon disposals		2.7	(243.7)
Other adjustments:			
– net financing expenses		130.7	128.3
– income from dividends received		(23.6)	(32.2)
– tax charge on companies		463.5	(114.2)
Dividends received:			
– dividends received from associated companies		55.0	44.5
– dividends received from unconsolidated companies		24.4	32.5
Income tax on companies paid up		(439.2)	14.7
Impact of the change in working capital requirement:		(253.3)	112.5
– of which inventories and work in progress		*17.6*	*44.3*
– of which payables		*180.8*	*500.7*
– of which receivables		*(451.8)*	*(432.5)*
Net cash from operating activities		**1,998.6**	2,067.0
Cash flow from investing activities			
Disbursements related to acquisitions:			
– tangible assets		(561.1)	(709.9)
– intangible assets		(438.6)	(350.1)
– assets arising from concessions		(22.5)	(42.8)
– securities and other non-current financial assets		(584.6)	(122.6)
Income from disposal of assets:			
– tangible assets		12.2	23.0
– intangible assets		4.5	0.1
– securities		2,241.0	35.4
– other non-current financial assets		63.5	888.1
Effect of changes in consolidation scope on cash flow		(108.6)	3,405.6
– of which impact of the full consolidation of Vivendi			*3,494.8*
Net cash from investing activities		**605.8**	3,126.8

(in millions of euros)	Notes	2018	2017[1]
Cash flows from financing activities			
Disbursements:			
– dividends paid to parent company shareholders		(144.4)	(134.4)
– dividends paid to minority shareholders net of distribution tax		(583.7)	(548.8)
– financial debts repaid	7.5	(375.9)	(3,219.3)
– acquisition of minority interests and treasury shares		(2,506.4)	1,722.5
Receipts:			
– capital increases		192.7	149.1
– investment subsidies		6.9	8.2
– increase in financial debts	7.5	2,502.2	2,027.1
– disposal to minority interests and disposals of treasury shares		1.0	2.9
Net interest paid		(128.7)	(110.6)
Net cash from financing activities		**(1,036.3)**	(3,548.3)
Effect of exchange rate fluctuations		(6.5)	(103.0)
Others		(5.5)	(0.1)
Net increase (decrease) in cash and cash equivalents		**1,556.1**	1,542.4
Cash and cash equivalents at the beginning of the period[2]		2,766.9	1,224.5
Cash and cash equivalents at the end of the period[2]		4,323.0	2,766.9

(1) Restated – See note 3 – Comparability of financial statements.
(2) See note 7.4 – Cash and cash equivalents and net cash.

NET CASH FLOWS FROM OPERATING ACTIVITIES

Other income and expenses not affecting cash flow or not related to operating activities mainly include the revaluation of securities held by Vivendi (Spotify, Tencent and Ubisoft before sale) in the amount of – 364.5 million euros and the reversals of the share of income of companies accounted for using the equity method in the amount of – 194.7 million euros.
The working capital requirement (WCR) increased by 253.3 million euros compared with December 2017. The main changes are described below:

- the WCR of the Electricity storage and solutions segment deteriorated by 135.0 million euros, mainly due to the consequences of the shutdown of the Autolib business;
- the WCR of the Communications segment deteriorated by 127.0 million euros, mainly at Vivendi (121.0 million euros);
- the WCR of the oil logistics segment decreased by 33.0 million euros, mainly due to a reduction in volume, with average customer payment terms up 1.1 days over the year;
- the WCR of the Transportation and logistics segment deteriorated by 21.0 million euros.

NET CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of investments mainly represent the acquisition of Vivendi's cash management financial assets.
Proceeds from the sale of securities are mainly attributable to the sale of Ubisoft, Fnac-Darty and Telefónica shares (see note 1 – Key events).

NET CASH FLOWS FROM FINANCING ACTIVITIES

Debt issue and repayment flows are related mainly to the day-to-day management of the Group's financing at Bolloré SA (issues: 1,033.1 million euros/ repayments: 69.9 million euros), Compagnie de Cornouaille (issues: 998.5 million euros) and Financière de Larmor (issues: 330.0 million euros).
Borrowings mainly include financing backed by Vivendi shares in the amount of 998.5 million euros at Compagnie de Cornouaille and 330.0 million euros at Financière de Larmor. The increase of 963.9 million euros in financial debt at Bolloré SA reflects drawdowns on various credit lines (see note 7.5 – Financial debt).
Payments related to the acquisition of minority interests related mainly to the purchase of Vivendi shares for 2,482.1 million euros by Compagnie de Cornouaille and Financière de Larmor.

5.1.5. CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in millions of euros)	Number of shares excl. treasury shares[(1)]	Share capital	Share issue premiums	Treasury shares	Fair value of financial assets recyclable	Fair value of financial assets not recyclable	Translation adjustment	Actuarial (losses) and gains	Reserves	**Share-holders' equity, Group share**	Minority interests	**Total**
Shareholders' equity at January 1, 2017	2,895,129,395	465.7	1,198.9	(24.8)	3,369.0		(80.3)	(92.8)	4,079.8	**8,915.4**	**1,365.3**	**10,280.7**
Transactions with shareholders	11,159,057	1.8	37.8	0.0	2.4		8.9	(4.2)	(233.3)	**(186.6)**	**18,501.9**	**18,315.3**
Capital increases	11,159,057	1.8	37.8							39.6		39.6
Dividends distributed									(173.7)	(173.7)	(133.4)	(307.1)
Share-based payments									13.0	13.0	23.0	36.0
Changes in consolidation scope[(2)]					2.4		5.8	21.6	(69.4)	(39.5)	18,611.8	18,572.3
Other changes					(0.1)		3.1	(25.8)	(3.2)	(26.0)	0.5	(25.5)
Comprehensive income items					1,277.0		(277.9)	7.4	694.9	**1,701.5**	**793.5**	**2,494.9**
Net income for the period									694.9	694.9	1,353.9	2,048.8
Change in items recyclable through profit and loss												
– translation adjustment of controlled entities							(221.5)			(221.5)	(901.8)	(1,123.3)
– change in fair value of financial instruments of controlled entities[(3)]					1,321.5					1,321.5	386.2	1,707.7
– other changes in comprehensive income[(4)]					(44.5)		(56.4)			(100.9)	(72.9)	(173.8)
Change in items that will not be recycled												
Actuarial (losses) and gains from controlled entities								7.3		7.3	24.5	31.7
Actuarial (losses) and gains from entities accounted for using the equity method								0.1		0.1	3.6	3.7
Equity as of December 31, 2017[(5)]	2,906,288,452	467.5	1,236.7	(24.8)	4,648.4		(349.3)	(89.6)	4,541.4	**10,430.3**	**20,660.7**	**31,091.0**
IFRS 9 impact[(6)]					(4,584.2)	4,489.4			91.0	(3.8)	(8.7)	(12.5)
Equity as at January 1, 2018[(5)(6)]	2,906,288,452	467.5	1,236.7	(24.8)	64.2	4,489.4	(349.3)	(89.6)	4,632.4	**10,426.5**	**20,652.0**	**31,078.5**
Transactions with shareholders	7,957,761	1.3	29.0	0.0	9.2	(5.0)	(124.1)	(25.7)	(353.4)	**(468.7)**	**(2,655.8)**	**(3,124.5)**
Capital increases	7,957,761	1.3	29.0							30.3		30.3
Dividends distributed									(174.3)	(174.3)	(562.8)	(737.1)
Share-based payments									12.5	12.5	20.0	32.5
Changes in consolidation scope[(2)]					4.9	(21.5)	(121.0)	(25.7)	(168.0)	(331.3)	(2,110.7)	2,442.0
Other changes					4.3	16.5	(3.1)		(23.6)	(5.9)	(2.3)	(8.2)
Comprehensive income items					(41.2)	(1,035.6)	114.6	3.2	235.4	**(723.6)**	**973.4**	**249.8**
Net income for the period									235.4	235.4	871.8	1,107.2
Change in items recyclable through profit and loss												
– translation adjustment of controlled entities							136.6			136.6	389.4	526.0
– change in fair value of financial instruments of controlled entities[(3)]					(3.6)					(3.6)	1.6	(2.0)
– other changes in comprehensive income[(4)]					(37.6)		(22.0)			(59.6)	(116.8)	(176.4)
Change in items that will not be recycled												
– change in fair value of financial instruments of controlled entities[(3)]						(1,034.8)				(1,034.8)	(193.5)	(1,228.3)
– change in fair value of financial instruments of entities accounted for using the equity method[(3)]						(0.8)				(0.8)	0.0	(0.8)
Actuarial (losses) and gains from controlled entities								3.7		3.7	22.5	26.2
Actuarial (losses) and gains from entities accounted for using the equity method								(0.5)		(0.5)	(1.6)	(2.1)
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2018	2,914,246,213	468.7	1,265.7	(24.8)	32.2	3,448.8	(358.8)	(112.1)	4,514.4	**9,234.2**	18,969.6	**28,203.8**

(1) See note 9.1 – Shareholders' equity.
(2) In 2017, recognition of Vivendi's minority interests at fair value in the amount of 20,142.2 million euros, following Vivendi's full consolidation on April 26, 2017, taking into account the definitive purchase price allocation (note 3 – Comparability of financial statements and note 4.1.2 – Changes in consolidation scope in 2017) and the impact of the Havas takeover bid in the amount of –1,600.8 million euros.
In 2018, mainly the impact of purchases of Vivendi shares in the amount of –2,585.7 million euros. See note 1 – Significant events.
(3) See note 7.3 – Other financial assets.
(4) Mainly change in comprehensive income from investments in companies accounted for under the equity method: impact of the conversion and the fair value adjustment.
(5) Restated for IFRS 15 and the definitive Vivendi PPA. See note 3 – Comparability of financial statements.
(6) Impact of the application of IFRS 9 as of January 1, 2018. See note 3 – Comparability of financial statements.

5.1.6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Bolloré SA is a corporation *(société anonyme)* incorporated under French law and subject to all legislative and other provisions applying to trading companies in France, and in particular those of the French company law *(Code de commerce)*. Its registered office is at Odet, 29500 Ergué-Gabéric. The administrative headquarters is at 31-32, quai de Dion-Bouton, 92811 Puteaux. The company is listed on the Paris stock exchange.
Bolloré SA is consolidated by Financière de l'Odet and Bolloré Participations.
On March 14, 2019, the Board of Directors approved Bolloré Group's consolidated financial statements for the year ended December 31, 2018. They will only become final after approval by the General Shareholders' Meeting to be held on May 29, 2019.

NOTE 1. KEY EVENTS

Increase in the Group's stake in Vivendi

During the 2018 fiscal year, the Group's holding in Vivendi rose from 20% to 26%, including the borrowing of shares representing 0.9% of the share capital (11.2 million shares) and the outstanding balance of call options representing 1% of the capital (13 million).
The additional investment in 2018 amounted to 2.5 billion euros

Disposal of the stake in Ubisoft

On March 20, 2018, the Group announced the sale of its entire 27.27% stake in Ubisoft (30,489,300 shares) at a price of 66 euros per share, or a total of 2 billion euros. This shareholding had been acquired over the last three years by Vivendi for an amount of 794 million euros.
The sale resulted in the Group receiving 1,511 million euros on March 23, 2018 (sale of 22,898,391 shares) and 69 million euros on October 3, 2018 (sale of 1,040,909 shares). The remainder of the sale proceeds to be collected by the Group amounted to 429 million euros in respect of the forward sale of the balance of its interest in Ubisoft (6,550,000 shares), which took place on March 5, 2019. In the consolidated balance sheet as of December 31, 2018, the securities were reclassified as current financial assets in the amount of the forward sale.
In the consolidated income statement for the 2018 fiscal year, only the revaluation of the investment between January 1 and March 20, 2018 (53 million euros) was recognized, in accordance with IFRS 9, applicable since January 2018. The balance of the capital gain corresponds to the revaluation of the investment until December 31, 2017, when it was recognized in "other expenses and income directly recognized in equity" as of December 31, 2017, in accordance with the former IAS 39, and was reclassified to consolidated reserves from January 1, 2018, when IFRS 9 was first applied. It would have been recognized in profit or loss on the sale during the six-month period, in accordance with IAS 39, applicable until December 31, 2017.

Disposal of the stake in Fnac-Darty

On January 16, 2018, the Group concluded a hedging transaction to protect the value of its 11% stake in Fnac-Darty. The hedge takes the form of an over-the-counter instrument combining a forward sale, based on a reference price of 91 euros per share, and a securities loan, with the shares placed on the market. When the arrangement was unwound, the Group had the possibility of opting for settlement in cash or by delivery of shares.
On July 2, 2018, the Group opted for settlement by delivery of shares, which took place on July 10. On July 12, 2018, the Group received a settlement of 267 million euros corresponding to the hedging rate of 90.61 euros per share.

Termination of the Autolib' concession agreement

At the end of June 2018, the Syndicat Mixte Autolib' Vélib' Métropole (SMAVM) announced its intention of terminating early the contract for the delegation of the public electric car-sharing service that the Group had been operating in Paris and some 100 of its suburbs since 2011.
The termination of the concession contract was notified by the SMAVM on June 25, 2018, and the service was progressively stopped between June 25 and July 31, 2018.
In a letter dated September 25, 2018, Autolib' transmitted to the SMAVM its claim for compensation totaling 235 million euros calculated in accordance with articles 63.3 and 61 of the Agreement. A 235 million euro receivable was accordingly declared to the SMAVM and entered into the accounts at that date, together with the incurred and anticipated costs resulting from the termination.
The SMAVM, in a letter dated November 27, 2018, signaled its refusal to pay compensation. A conciliation procedure is currently in progress. See note 10.2. – Litigation in progress.

Partnership between Blue Solutions and Daimler

On July 10, 2018, Bolloré and Daimler announced an agreement to fit Daimler's E-Citaro buses with Lithium Metal Polymer (LMP®) batteries made by Blue Solutions, a subsidiary of Bolloré. This contract, still in the preliminary phase, did not have a significant impact on the Group's financial statements for the year ended December 31, 2018.

Bolloré SA dividends

Balance of the 2017 Bolloré SA dividend

The Bolloré SA General Shareholders' Meeting of June 1, 2018 decided to pay the balance of the dividend for the 2017 fiscal year of 0.04 euro per share with the option to receive this dividend in shares. 5,585,862 Bolloré SA shares were issued on the date of payment of the balance, resulting in an increase of share capital of Bolloré SA of 21.7 million euros.
The total dividend paid for 2017 was 0.06 euro per share including the interim dividend paid in 2017.

2018 Bolloré SA interim dividend

The Bolloré SA Board of Directors' of August 31, 2018 approved the payment of an interim dividend of 0.02 euro per share for 2018, with the option of receiving the dividend in the form of shares. 2,371,899 Bolloré SA shares were issued on the date of payment of this interim dividend, resulting in an increase of share capital of Bolloré SA of 8.6 million euros.

NOTE 2. GENERAL ACCOUNTING POLICIES

The Group's consolidated financial statements for 2018 were drawn up in accordance with the IFRS (International Financial Reporting Standards), as adopted by the European Union on December 31, 2018 (available at the following address: https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en).
The Group applies IFRS as adopted by the European Union.
These differ from the IASB's IFRS subject to mandatory application on the following points:

- compulsory application standards according to the IASB but not yet adopted or to be applied after closure according to the European Union: see note 2.1 – Changes in standards.

2.1. Changes in standards

2.1.1. IFRS, IFRIC interpretations or amendments applied by the Group from January 1, 2018

Standards, amendments or interpretations	Dates of adoption by the European Union	Application date pursuant to European Union: fiscal years beginning on or after
IFRS 9 "Financial instruments"	11/22/2016	01/01/2018
IFRS 15 "Revenue from contracts with customers"	09/22/2016	01/01/2018
IFRIC Interpretation 22 "Foreign currency transactions and advance consideration"	03/28/2018	01/01/2018
Amendment to IAS 40 "Transfers of investment property"	03/14/2018	01/01/2018
Amendments to IFRS 2 "Classification and measurement of share-based payment transactions"	02/26/2018	01/01/2018
Improvements to IFRS – 2014-2016 cycle	02/07/2018	01/01/2017–01/01/2018
Amendments to IFRS 4: "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts"	11/03/2017	01/01/2018
Clarification of IFRS 15 "Revenue from contracts with customers"	10/31/2017	01/01/2018

With the exception of IFRS 9 and IFRS 15, the impact of other standards and interpretations applicable as of January 1, 2018 is not material.

IFRS 15 "Revenue from contracts with customers"
The Group has applied IFRS 15 "Revenue from contracts with customers" retrospectively. As a result, the data presented for 2017 have been restated for comparison purposes. However, the impact of the application of IFRS 15 is of little materiality for the Group's consolidated financial statements and is presented in note 3 – Comparability of financial statements.
IFRS 15 introduces new revenue recognition principles, particularly with regard to the identification of performance obligations or the allocation of the transaction price for contracts with multiple components, and modifies the analyses to be performed with respect to the notions of agent and principal, as well as accounting for variable consideration.
The review of revenue recognition principles and the identification of impacts related to IFRS 15 were conducted within each of the Group's segments, taking into account the various business lines and the specific features of the relevant contracts. The segment specificities relating to revenue recognition are described in note 5.1 – Revenue. The impacts identified concern the Communications and Transportation and logistics segments.
For the Communications segment, analyses were carried out by business line at the Vivendi Group level. The main concern for Vivendi relates to the accounting for sales of intellectual property licenses (musical and audiovisual works). These licenses transfer to the customer either a right of use of the intellectual property as it exists at the precise moment when the license is granted (static license) or a right of access to the intellectual property as it exists throughout the period covered by the license (dynamic license).
Revenue is recognized when the performance obligation promised in the contract is satisfied (static license) or as it is satisfied (dynamic license), i.e. when the seller has transferred the risks and benefits related to the right of use/access of the intellectual property and the customer has taken control of the use of/access to the license. Revenue from static licenses is therefore recognized at the precise moment when the license is granted and when the customer can use and enjoy the benefits of the license. Dynamic license revenue is recognized progressively throughout the license term from the beginning of the period during which the customer will be able to use the license and enjoy the benefits.
In the Transportation and logistics segment, the main points of attention were the recognition of gross or net revenue for freight forwarding services involving a third party and the identification of performance obligations. If the entity's promise is by nature a performance obligation to provide the specified goods or services itself, then it acts on its own behalf and is the "principal" in the sale transaction: it recognizes as revenue the gross amount of the consideration to which it expects to be entitled in exchange for the goods or services provided and as cost of revenue the services billed by third parties. If the entity arranges for the third party to provide the specified goods or services, then the entity recognizes as revenue the net amount of the consideration to which it expects to be entitled in exchange for the goods or services provided.
Generally speaking, the work carried out confirmed that the Group acts as principal on freight forwarding services. Revenue, net of rebates or discounts granted, if any, is recognized over the period during which the service is performed as and when control is transferred to the customer.
The main impacts of application identified by the Group relate to the recognition of gross or net revenue after analysis of the notions of agent vs. principal in accordance with the criteria laid down in IFRS 15 for certain services performed at Bolloré Transport & Logistics (Transportation), Havas (Advertising) and Gameloft (Games).

IFRS 9 "Financial instruments"
IFRS 9 applies to all financial instruments and lays down rules for the classification and measurement of financial assets and liabilities, the impairment of the credit risk of financial assets (including the impairment of trade receivables) and hedge accounting. It replaces IAS 39 "Financial instruments – Recognition and measurement". The Group applied this change in accounting standard to the income statement and the statement of comprehensive income for the 2018 fiscal year and restated its opening balance sheet as of January 1, 2018. See note 3 – Comparability of financial statements.
Its main impact on the recognition by the Group of financial instruments relates to the classification of financial assets. As of January 1, 2018, financial assets are classified as "financial assets at amortized cost", "financial assets at fair value through other comprehensive income" or "financial assets at fair value through profit or loss".
The classification depends on the entity's management model of financial assets and the contractual conditions for determining whether the cash flows are solely payments of principal and interest (SPPI). Financial assets that include an embedded derivative are considered in their entirety to determine whether their cash flows are SPPIs.
The main material impact for the Group of the application of this standard relates to the choice of the accounting classification of the investment portfolio, taking into account the elimination of the "available-for-sale" category in which these financial assets were recorded until December 31, 2017:

- for certain equity investments, including Ubisoft, the Group has opted for classification in the "fair value through profit or loss" category; the difference between the book value as of December 31, 2017 and the initial cost has been reclassified from other income and expenses recognized directly in other consolidated income, which can be recycled, into consolidation reserves;
- for the other equity investments, the Group has opted for classification in the "fair value through other comprehensive income items not subsequently reclassified in profit or loss" category; the difference between the book value as of December 31, 2017 and the initial cost has been reclassified from other income and expenses recognized directly in other consolidated income subsequently reclassified in profit or loss, to other expenses and income recognized directly in other consolidated income not subsequently reclassified in profit or loss.

The other impacts of the application of this standard did not have a material impact on the Group's consolidated financial statements. As of January 1, 2018, consolidated shareholders' equity has been adjusted for the cumulative impact of the application of IFRS 9. The main impacts are presented in note 3 – Comparability of financial statements.
Note that the Group has an equity investment in Mediobanca (see note 7.2 – Investments in companies accounted for under the equity method). As this company's fiscal year is not aligned with the calendar year (its annual accounts close in June), it applied IFRS 9 and IFRS 15 from the fiscal year beginning on July 1, 2018. The impact of IFRS 15 at Mediobanca was deemed immaterial. An IFRS 9 impact of – 80.9 million euros was recorded in Mediobanca's statements, i.e. an impact of – 6.4 million euros in the share of net assets in the Group's financial statements. Additional IFRS 9 impacts could be recognized by Mediobanca until January 1, 2021, through its near 13% stake in Generali, which benefits from the deferred application of IFRS 9 approved by the European Commission for the insurance segment.

2.1.2. Accounting standards or interpretations that the Group will apply in the future

The IASB published standards and interpretations which have not yet been adopted by the European Union as of December 31, 2018; at this date, they have not been applied by the Group.

Standards, amendments or interpretations	Dates of publication by the IASB	Application dates pursuant to IASB: fiscal years beginning on or after
IFRS 17 "Insurance contracts"	05/18/2017	01/01/2021
Amendment to IAS 28 "Long-term interests in associated enterprises and joint ventures"	10/12/2017	01/01/2019
Improvements to IFRS – 2015-2017 cycle	12/12/2017	01/01/2019
Amendment to IAS 19 "Plan amendment, curtailment or settlement"	02/07/2018	01/01/2019
Updated references to the conceptual framework in IFRS	03/29/2018	01/01/2020
Amendments to IFRS 3 "Definition of a business"	10/22/2018	01/01/2020
Amendments to IAS 1 and IAS 8 "Definition of significant term"	10/31/2018	01/01/2020

The IASB published standards and interpretations, adopted by the European Union on December 31, 2018, for which the application date is after January 1, 2018. These new provisions were not applied in advance.

Standards, amendments or interpretations	Dates of adoption by the Europeen Union	Application date pursuant to European Union: fiscal years beginning on or after
Amendment to IFRS 9 "Prepayment features with negative compensation"	03/22/2018	01/01/2019
IFRIC 23 "Uncertainty over income tax treatments"	10/23/2018	01/01/2019
IFRS 16 "Leases"	10/31/2017	01/01/2019

The Group has not opted for early application of IFRS 16 "Leases", which is mandatory from January 1, 2019.
As the purchase and sale of access rights and rights to use intellectual property licenses are excluded from the scope of IFRS 16, the main point of attention relates to the accounting of property leases for which the Group is lessee. As a preliminary step, the Group has determined that future lease payments relating to these leases, estimated as of January 1, 2019 in accordance with IFRS 16, amount to approximately 2.0 billion euros, which does not at this stage include the possible impact of the consolidation of Editis from February 1, 2019. The definitive impacts of the application of IFRS 16 on the income statement, the statement of comprehensive income, the balance sheet, and the statement of cash flows (presentation) and the content of the notes to the consolidated financial statements will be finalized during the year ending on December 31, 2019.
The Group has opted for application of IFRS 16 with retroactive effect from January 1, 2019, without restatement of the comparative periods in the financial statements, using the simplified retrospective method.

2.2. Arrangements for first-time application of IFRS

As a first-time adopter of IFRS, the Group has decided to use the following first time adoption options allowed under IFRS 1:
- business combinations prior to the IFRS transition date have not been restated;
- the cumulative amount of translation differences on the IFRS transition date has been taken as nil;
- the cumulative amount, on the IFRS transition date, of actuarial differences on employee benefits has been recorded in shareholders' equity;
- tangible assets have been revalued.

2.3. Use of estimates

Where financial statements are drawn up under IFRS, estimates and assumptions are made concerning the valuation of certain amounts which appear in the financial statements. This applies to the following sections, among others:
- the valuations used in impairments tests;
- the estimates of fair values;
- revenue;
- the impairment of doubtful receivables;
- content assets included in other intangible assets and inventory;
- deferred taxes.
- the valuation of retirement provisions and pension commitments;
- compensation based on equity instruments;
- agreements to buy out minority interests and earn-out agreements;

The Group regularly reviews its valuations in the light of historical data, the economic climate and other factors. The amounts given in future Group financial statements could be affected as a result.

NOTE 3. COMPARABILITY OF FINANCIAL STATEMENTS

Changes in scope are described in note 4.1 – Main changes in consolidation scope.
It should be noted that since the Group has consolidated Vivendi using the full consolidation method since April 26, 2017, the 2017 fiscal year only includes eight months of full consolidation, compared with twelve months in 2018.
In addition, as a result of the events that occurred during the 2018 fiscal year, Vivendi has classified its share of Telecom Italia's net income in the share in net income from non-operating companies accounted for using the equity method as of January 1, 2018, following the reduction in its influence on Telecom Italia. In 2017, it was classified in the share of net income of operating companies accounted for under the equity method, in operating income, in the amount of 107.9 million euros. See note 7.2 – Investments in companies accounted for under the equity method.
During the 2018 fiscal year, the Group applied the following two new standards and completed the allocation of Vivendi's goodwill.

IFRS 15 "Revenue from contracts with customers"
The Group has restated its revenue for the 2017 fiscal year in accordance with the provisions of the new accounting standards, meaning that the data presented for the 2018 and 2017 periods are comparable (see note 2.1 – Changes in standards).

IFRS 9 "Financial instruments"
In accordance with the provisions of this standard, the Group has applied this change in accounting standards to the income statement and the comprehensive income statement for the 2018 fiscal year and restated its opening balance sheet as of January 1, 2018. The 2017 data presented are therefore not comparable (see note 2.1 – Changes in standards).

Final Vivendi purchase price allocation
In accordance with the provisions of IFRS 3, the Group finalized during the first quarter of 2018, i.e. within a year of its acquisition of control of Vivendi, the identification and allocation of assets and liabilities to take into account foreign exchange effects related to asset tracking and foreign currency goodwill at Vivendi.
The 2017 income statement and balance sheet data as of December 31, 2017 have been restated to ensure comparability.

3.1. Reconciliation between the published and restated comparable consolidated income statement

IFRS income statement for the 2017 fiscal year

(in millions of euros)	2017 Reported	IFRS 15	Vivendi PPA	2017 Restated
Revenue	**18,325.2**	**12.0**		**18,337.2**
Goods and services bought in	(12,496.3)	(29,2)		(12,525.5)
Personnel costs	(3,942.0)			(3,942.0)
Depreciation, amortization and provisions	(947.8)		8.4	(939.4)
Other operating income and expenses	33.8			33.8
Share in net income of operating companies accounted for using the equity method	151.0			151.0
Operating income	**1,123.9**	**(17.2)**	**8.4**	**1,115.1**
Net financing expenses	(128.3)			(128.3)
Other financial income and expenses	247.1			247.1
Financial income	**118.8**			**118.8**
Share in net income of non-operating companies accounted for using the equity method	115.5			115.5
Corporate income tax	723.3	6.2	(30.0)	699.5
CONSOLIDATED NET INCOME	**2,081.5**	**(11.0)**	**(21.6)**	**2,048.9**
Consolidated net income, Group share	699.4	(1.1)	(3.3)	695.0
Minority interests	1,382.1	(9.9)	(18.3)	1,353.9
Net earnings per share, Group share (in euros, excluding treasury shares)				
– basic	0.24	(0.0)	(0.0)	0.24
– diluted	0.24	(0.0)	(0.0)	0.24

3.2. Reconciliation between the reported and restated comparative consolidated balance sheets

Consolidated balance sheet

Assets

(in millions of euros)	12/31/2017 Reported	IFRS 15	PPA	12/31/2017 Restated	IFRS 9	**01/01/2018 Restated**
Goodwill	14,459.6		(471.6)	13,988.0		13,988.0
Other intangible assets	10,290.2		(358.7)	9,931.5		9,931.5
Tangible assets	3,109.2		(1.0)	3,108.2		3,108.2
Investments in companies accounted for under the equity method	4,587.4		(13.0)	4,574.4	(14.3)	4,560.1
Other non-current financial assets	10,133.0		0	10,133.0	(80.9)	10,052.1
Deferred tax	721.2	6.2	0	727.4	2.3	729.7
Other non-current assets	523.2		0	523.2		523.2
Non-current assets	43,823.8	6.2	(844.3)	42,985.7	(92.9)	**42,892.8**
Inventories and work in progress	1,170.9	0.5	0	1,171.4		1,171.4
Trade and other receivables	7,153.0		(0.5)	7,152.5	(12.6)	7,139.9
Current tax	454.4		0	454.4		454.4
Other current financial assets	109.1		0	109.1		109.1
Other current assets	534.9	0.3	0	535.2		535.2
Cash and cash equivalents	3,098.7		0	3,098.7		3,098.7
Current assets	12,521.0	0.8	(0.5)	12,521.3	(12.6)	**12,508.7**
TOTAL ASSETS	56,344.8	7.0	(844.8)	55,507.0	(105.5)	**55,401.5**

Equity and liabilities

(in millions of euros)	12/31/2017 Reported	IFRS 15	PPA	12/31/2017 Restated	IFRS 9	**01/01/2018 Restated**
Share capital	467.5		0	467.5		467.5
Share issue premiums	1,236.7		0	1,236.7		1,236.7
Consolidated reserves	8,807.5	(1.1)	(80.2)	8,726.2	(3.8)	8,722.4
Shareholders' equity, Group share	10,511.7	(1.1)	(80.2)	10,430.4	(3.8)	**10,426.6**
Minority interests	21,346.2	(9.9)	(675.6)	20,660.7	(8.7)	20,652.0
Shareholders' equity	31,857.9	(11.0)	(755.8)	31,091.1	(12.5)	**31,078.6**
Non-current financial debts	6,982.1		0	6,982.1		6,982.1
Provisions for employee benefits	907.2		0	907.2		907.2
Other non-current provisions	945.3		(0.1)	945.2		945.2
Deferred tax	2,424.3		(86.1)	2,338.2		2,338.2
Other non-current liabilities	475.4		0	475.4	(93.0)	382.4
Non-current liabilities	11,734.3	0.0	(86.2)	11,648.1	(93.0)	**11,555.2**
Current financial debts	1,033.0		0	1,033.0		1,033.0
Current provisions	437.0		0.2	437.2		437.2
Trade and other payables	10,586.1		(3.0)	10,583.1		10,583.1
Current tax	236.5		0	236.5		236.5
Other current liabilities	460.0	18.0	0	478.0		478.0
Current liabilities	12,752.6	18.0	(2.8)	12,767.8		**12,767.7**
TOTAL LIABILITIES	56,344.8	7.0	(844.8)	55,507.0	(105.5)	**55,401.5**

NOTE 4. CONSOLIDATION SCOPE

Accounting policies

- **Consolidation scope**

Companies over which the Group exercises exclusive control are fully consolidated.

Generally, the control exercised by the Group is materialized by the holding of at least 50% of the capital and voting rights of the companies involved. However, in some cases, and in accordance with the criteria addressed by IFRS 10, the Group may consider that it controls entities in which it holds less than 50% of the capital and voting rights.

As of December 31, 2018, the Bolloré Group held 25.13% of Vivendi's share capital, excluding treasury shares and without taking into account securities on loan and call options, and 28.51% of total gross voting rights. In view of the increase in its interest over the fiscal year (see note 1 – Key events) and other facts and circumstances, the Group considers that its control over Vivendi, which began on April 25, 2017 (See note 4.1.2 – Change in consolidation scope in 2017), is maintained.

Those companies on which the Group has a considerable influence are consolidated by the equity method.

Companies over which the Group has joint control by virtue of a contractual agreement with other shareholders are analyzed, whatever the percentage held, in order to define whether they are "joint ventures" or "joint operations" pursuant to the criteria defined by IFRS 11. "Joint ventures" are consolidated by the equity method, whereas "joint operations" are accounted for at the level of the control directly held over the partnership's assets and liabilities.

The Group principally holds shareholdings in "joint ventures" in partnerships of the "Transportation and logistics" sector, mainly in the field of port terminal operations jointly with other players specializing in this field.

The Group did not identify any joint control of the "joint operations" type as at December 31, 2018.

The Group assesses, on a case-by-case basis in respect of each shareholding, all of the details enabling the type of control exercised by it to be characterized and reviews this assessment if there are changes affecting governance or if facts and circumstances indicate a change in control exercised by the Group.

Potential voting rights held in consolidated entities are analyzed on a case-by-case basis. In accordance with IFRS 10 "Consolidated financial statements", only the potential voting rights conferring, either alone or by virtue of other facts and circumstances, substantial rights over the entity are taken into account for the assessment of control. The Group then analyzes whether these potential rights enable it to have immediate access to the variable returns on the investment and then takes account of the holding resulting there from when calculating percentage interests. This is the case, for example, if there are reciprocal purchase or sale options that can be exercised at a fixed price and on the same date.

Companies that are of no significance either individually or collectively in relation to the consolidated financial statements are excluded from the consolidation scope. Their materiality is assessed before the end of each fiscal year.

- **Translation of foreign companies' financial statements**

The financial statements of foreign companies whose operating currency is not the same as that in which the Group's consolidated financial statements are presented and which are not suffering hyperinflation have been translated according to the "closing date exchange rate" method. Their balance-sheet items are translated at the exchange rate prevailing at the close of the fiscal period, and income statement items at the average rate for the period. The resulting translation adjustments are recorded under translation adjustments in the consolidated reserves.

Goodwill relating to foreign companies is regarded as part of the assets and liabilities acquired and accordingly translated at the exchange rate prevailing on the closing date.

- **Transactions in foreign currencies**

Foreign currency transactions are initially recognized in the entity's functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate for the entity's functional currency prevailing at the closing date. All differences are recorded in the net income for the period, with the exception of differences on borrowings in foreign currencies that are hedges of net investment in a foreign entity. Those are directly charged to other income and expense recognized directly in equity as long as the net investment is held.

- **Business combinations**

As from January 1, 2010, the Group has applied the provisions of revised IFRS 3 "Business combinations".

Combinations initiated after January 1, 2004 but before January 1, 2010 are entered in the accounts in accordance with the former version of IFRS 3.

Goodwill is equal to the difference between:

- the sum of:
  - the consideration transferred, i.e. the acquisition cost excluding acquisition fees and including the fair value of any earn-out payment,
  - the fair value on the date control is taken of minority interests in the case of partial acquisition for which the full-goodwill option is chosen,
  - the fair value of the stake previously owned, if applicable;
- and the sum of:
  - the share, of the fair value of identifiable assets and liabilities of the entity acquired on the date control is taken, of controlling interests (including, if applicable, previously held interests),
  - the share relating to minority interests if the full-goodwill option is retained.

On the acquisition date, the assets, liabilities and identifiable potential liabilities of the entity acquired are individually assessed at their fair value, whatever their intended purpose. The analyses and expert assessments required for the initial valuation of these items must be completed within twelve months of the acquisition date. An interim valuation is given if financial statements must be made up during this period.

Intangible assets are entered separately from goodwill if they can be separately identified, i.e. if they arise from a legal or contractual right or are separable from the activities of the entity acquired and are expected to yield a financial return in the future.

Acquisition fees are posted in the income statement, as is any change outside the period for appropriation of elements included in the calculation of goodwill.

If control is gained through successive acquisitions, the share previously owned is revalued at fair value on the date control was taken with a counterpart in the income statement.

The Group assesses, on a case-by-case basis with respect to each partial acquisition, whether to choose the full-goodwill option (goodwill including the share attributable to minority interests).

The Group enters the effects of business combinations under "Other financial income (expenses)".

- **Accounting for changes in consolidated ownership interests without loss of control**

In accordance with IFRS 10, in the event of the acquisition or disposal of securities in an entity controlled by the Group not resulting in a change in control, the entity recognizes all differences between the adjustment of the value of non-controlling interests and the fair value of the consideration paid or received directly in shareholders' equity, Group share.

- **Loss of control**

In accordance with IFRS 10, the Group recognizes in the income statement, on the date of the loss of control, the difference between:

- the sum of:
  - the fair value of the consideration received,
  - the fair value of any interests retained; and
- the book value of these items.

The Group includes the effect of losses of control in "Other financial income (expenses)".

4.1. Changes in consolidation scope in 2018 and 2017

4.1.1. Changes in consolidation scope in 2018

First consolidation in the Communications segment

The acquisitions made by the Communications segment in the 2018 fiscal year include Paylogic, a ticketing and related technology company acquired by Vivendi Village on April 16, 2018. In addition, Havas is pursuing its policy of targeted acquisitions and is continuing to strengthen its operations in certain areas of expertise or certain geographies. In 2018, Havas made two acquisitions: DAA (Deekeling Arndt Advisors), a public relations agency based in Germany, and M&C Consultancy, a London-based agency specializing in health.

Over the year, Havas also acquired 51% of Republica, the leading independent multicultural marketing agency in the United States, and 88% of Étoile Rouge, a communications agency dedicated to luxury and lifestyle players in France.

— Overall effect of acquisitions over the period

Provisional goodwill, including commitments to buy out minority interests relating to acquisitions made over the period amounted to 107.3 million euros, and relates mainly to the Communications segment. Work on measuring the fair value of assets and liabilities will be finalized within the one-year period permitted under the standard.

4.1.2. Changes in consolidation scope in 2017

Full consolidation of Vivendi

In light of the analysis conducted by the Bolloré Group following the Vivendi General Shareholders' Meeting of April 25, 2017 of other facts and circumstances that indicate its ability to direct the pertinent activities of Vivendi, the Group believed that the conditions of control within the meaning of IFRS 10 were fulfilled. The shareholding in Vivendi Group, which had previously been accounted for using the equity method since October 7, 2016, was fully consolidated from April 26, 2017.

At December 31, 2017, the Bolloré Group owned 15.2% of the total share capital of Vivendi, namely 15.6% excluding treasury shares.

The acquisition of a controlling interest was accounted for in accordance with IFRS 3 (revised) and the Group elected to apply the full goodwill method, the minority interests having been valued on the basis of the market price on the date of acquisition of a controlling interest. The previous shareholding in Vivendi was revalued at the market price on the same date and items of other comprehensive income that could be reclassified were recognized in income. 232.2 million euros was accordingly recognized in net financial income in June 2017.

The task of calculating the fair value of assets and liabilities at the date control was obtained was given to an outside firm.

Intangible assets already identified in accordance with IAS 38 and following common practice in this industry primarily include brands and trademarks, music catalogs, contracts with performers, customer relationships (in particular Canal+ subscriber base, etc.), etc. These assets were measured by present-discounting the flow of fees for trademarks and according to the "multi-period excess earnings" method for musical catalogs, contracts with performers and customer relationships. Intangible assets are amortized over useful lives of between seven and twenty years and generate an annual amortization expense of approximately 300 million euros.

The securities portfolio was measured at fair value. Other assets were measured at net book value, taking that to equal their fair value.

The investment has been fully consolidated since the acquisition of control, and definitive goodwill has been recognized in the amount of 11,722.1 million euros (see note 6.1 – Goodwill).

— Net book value of main assets and liabilities on the date of acquisition of a controlling interest (or fair value)

(in millions of euros)	Net book value	Impact of revaluation at fair value	Fair value	(in millions of euros)	Net book value	Impact of revaluation at fair value	Fair value
Goodwill	10,705.1	1,017.0	11,722.1	Total shareholders' equity	18,997.1	4,847.7	23,844.8
Intangible and tangible assets	2,947.7	6,920.9	9,868.6	Financial debts	3,524.2		3,524.2
Investments in companies accounted for under the equity method	4,464.6	(998.6)	3,466.0	Provisions	2,052.6		2,052.6
Other financial assets	5,227.8		5,227.8	Net deferred tax assets	22.2	2,091.6	2,113.8
Cash and cash equivalents	3,619.4		3,619.4	Net WCR	2,368.5		2,368.5
TOTAL ASSETS	**26,964.6**	**6,939.3**	**33,903.9**	**TOTAL LIABILITIES**	**26,964.6**	**6,939.3**	**33,903.9**

Other entities consolidated for the first time

- **Communications: Havas group**

In the first half of 2017, Havas acquired 100% of A79, the leading independent digital agency in France. This multi-digital agency assists its clients in setting strategies for communication, space buying, tracking and optimization of on-line campaigns. Havas also took control of 58.02% of Sorento, an Indian healthcare advertising agency. In December 2016, Havas acquired 60% of Mr Smith, a New Zealand agency specializing in brand and distribution channel strategies, the creation and production of content for any type of platform, programming and media planning. This entity was consolidated for the first time in the first half of 2017.

In the second half of 2017, Havas acquired, among others, 100% of The 88 agency based in New York. This digital and social agency consults on strategy, creation, influence, coverage of events and in the management of social media in fashion, lifestyle and consumer brands. Havas also took 100% control of So What Global, a healthcare communications agency based in the United Kingdom. In addition, Havas took a majority share of 60% in the equity of Blink, one of the main social media agencies, specializing in content and managing the conversation between consumers and brands. It also assists clients in monitoring, understanding and managing their presence in social media.

Given the earn-out commitments and the buyout of minority interests, the total amount of goodwill is provisionally estimated at 39.2 million euros at December 31, 2017.

— Overall effect of acquisitions over the period

Goodwill on acquisitions made in 2017, including commitments to buy out minority interests, adjusted for the definitive allocation of Vivendi's goodwill (see "Full consolidation of Vivendi") amounted to 11,774.2 million euros. It mainly reflected the consolidation of the Vivendi group and acquisitions by the Havas group.

4.2. Commitments given as part of share dealings

4.2.1. Commitments given

In connection with the sale or acquisition of businesses and financial assets, the Group has granted or received commitments to purchase and sell securities:

- Vivendi has undertaken to Ubisoft to sell all of its shares by March 7, 2019. Vivendi has also undertaken not to acquire Ubisoft shares for a period of five years;
- Vivendi has subscribed for bonds redeemable in shares or in cash issued by Banijay Group Holding and Lov Banijay;
- in November and December 2018, Vivendi sold its Telefónica shares on the market in accordance with its commitment to the Brazilian competition authority (CADE). This commitment remained in force as long as Vivendi simultaneously held shares in Telefónica and Telecom Italia, and both companies were operating in the Brazilian telecom market.

At December 31, 2018 (in millions of euros)	**Total**	**Less than 1 year**	**From 1 to 5 yearss**	**More than 5 years**
Firm commitments to purchase securities(1)(2)	55.2	0.0	55.2	0.0
Guarantees and other commitments given(3)	236.0	0.0	20.0	216.0

(1) Only commitments not recognized in the financial statements.
(2) Relates to the put options given to shareholders in non-consolidated Havas group companies and the commitment to purchase Blue Solutions for 22.3 million euros in 2020. This commitment is dependent on the Blue Solutions share price at the time of the offer in 2020.
(3) Essentially related to contingent liabilities arising from commitments given in connection with sales of securities by Vivendi, including GVT and Activision Blizzard.

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 yearss	More than 5 years
Firm commitments to purchase securities(1)(2)	38.7	0.0	26.7	12.0
Guarantees and other commitments given(3)	249.0	16.0	20.0	213.0

(1) Only commitments not recognized in the financial statements.
(2) Relates to the put options given to shareholders in non-consolidated Havas group companies and the commitment to purchase Blue Solutions for 16.7 million euros in 2020.
(3) Essentially related to contingent liabilities arising from commitments given in connection with sales of securities by Vivendi, including GVT, Maroc Telecom and Activision Blizzard.

4.2.2. Commitments received

At December 31, 2018 (in millions of euros)	**Total**	**Less than 1 year**	**From 1 to 5 yearss**	**More than 5 years**
In respect of securities transactions(1)	30.0	0.0	30.0	0.0

(1) Corresponds primarily to commitments received by Vivendi.

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 yearss	More than 5 years
In respect of securities transactions(1)	44.0	28.0	16.0	0.0

(1) Corresponds primarily to commitments received by Vivendi.

NOTE 5. OPERATING DATA

5.1. Revenue

Accounting policies

Income from ordinary activities is recognized as revenue when the performance obligation promised in the contract is fulfilled for an amount that is highly unlikely to be revised down significantly. Revenue is presented net of discounts granted.
Contracts are analyzed in accordance with IFRS 15 "Revenue from contracts with customers".
The table below shows the specific characteristics of each segment associated with the entry of income from ordinary activities in the financial statements:

Transportation and logistics	Acting as agent	Where the entity is acting as an agent, revenue corresponds solely to the commission received, less income/expenses passed on to ship owners.
	Acting as principal	Where the entity is acting as principal, revenue corresponds to the total invoiced excluding customs duties.
Oil logistics	Distribution of oil products	Revenue includes specific taxes on oil products included in sale prices. Reciprocal invoices between colleagues are excluded from revenue.
Communications	Studies, advice and services in communications and media strategy	The fees collected in remuneration of advice and services rendered are recorded in revenue in the following manner: – ad hoc or project fees are recorded when the service has been performed; – fixed fees are most often recorded on a straight-line basis reflecting the expected duration of the service; and – fees calculated per time spent are recognized according to the work carried out.
	Purchase of advertising space and advertising revenue	Revenue is recognized upon dissemination or publication in the media.
	Recorded music	Income from physical sales, net of allowances for returns and of any discounts applicable, is recognized when shipped or delivered according to the terms of the contract. Income from digital sales is recognized on the basis of their estimate at the time of sale to the final customer from the data received from distributors, if the data are sufficiently reliable, or at the time of notification by the distribution platforms of the sale to the end-customer.
	Music publishing	Revenue is recognized upon receipt of royalty statements (based on third-party usage) and when collection is assured.
	Free and pay-TV	Subscription income is recognized over the period during which the service is provided, net of items provided free of charge. Advertising revenues are recognized as and when the advertisements are released. Revenues from related services are recognized at the time the service is performed. The income related to the rental of equipment is most often recognized straight-line over the duration of the contract (in application of IFRIC 4 "Determining whether an arrangement contains a lease").
	Films and television programs	Income from the distribution of films in cinemas is recognized at the time of projection. Income from the distribution and licensing of films on television programs, video or televised media are recognized at the start of the broadcast schedule. Video income: when products for retail sales are shipped and made available to the public.
	Video games	Mobile and consoles: at the time of downloading, at the fair value of the consideration received or receivable.

5.2. Information on operating segments

Accounting policies

Under the provisions of IFRS 8 "Operating segments", the operating segments used for segment disclosures are those used in internal Group reporting, as reviewed by Executive management (the Group's main operational decision maker), and reflect the Group's organization, which is based on business lines.
The operating segments used are as follows:

- Transportation and logistics includes services relating to the organization of sea and air transport networks, and logistics;
- Oil logistics: refers to the distribution and warehousing of oil products in Europe;
- Communication: includes the sale of recorded music on physical media or digital form, exploitation of copyrights and services to artists; publishing and distribution of pay and free TV and production, the sale and distribution of cinema films and TV series; design and edition of downloadable video games on mobiles and consoles; ticketing and venue services; communications consulting, advertising agencies, media, digital technology and telecoms;
- Electricity storage and solutions: includes the production and sale of electric batteries and their applications: electric vehicles, terminals and specialized systems and plastic films.

Other activities mainly concern holding companies.
The breakdown of segment information by geographical area is as follows:

- France, including overseas departments and territories;
- Europe, excluding France;
- Africa;
- Asia-Pacific;
- Americas.

Transactions between different segments are conducted under market conditions.
No single individual customer represents more than 10% of the Group's revenue.
The operating results for each segment are the main data used by Executive management to assess the performance of the various segments and allocate resources to them.

The accounting and valuation methods used in internal reporting are identical to those used to draw up the consolidated financial statements, with the exception of the allocation of trademark fees.
Revenue and investment are also regularly monitored by Executive management.
Information on allocations to amortization and provisions is provided to show the reader the main non-cash items of the segment's operating income but is not included in internal reporting.

Due to the recent nature of the acquisition of control and to maintain comparability between periods, Vivendi remained allocated in full to the Communications segment in 2018.

5.2.1. Information by operating segment

In 2018 (in millions of euros)	**Transportation and logistics**	**Oil logistics**	**Communications**	**Electricity storage and solutions**	**Other activities**	**Inter-segment eliminations**	**Total consolidated**
Sale of goods	18.6	2,618.5	6,081.7	243.5	19.0	0.0	8,981.2
Provision of services	5,920.0	44.6	7,895.5	56.5	2.0	0.0	13,918.5
Income from associated activities	68.5	36.1	7.6	11.5	1.0	0.0	124.7
External revenue	6,007.0	2,699.1	13,984.7	311.6	21.9	0.0	23,024.4
Inter-segment revenue	29.8	1.9	10.6	8.0	61.1	(111.4)	0.0
REVENUE	**6,036.8**	**2,701.1**	**13,995.3**	**319.6**	**83.0**	**(111.4)**	**23,024.4**
Net depreciation, amortization and provision expense	(208.0)	(22.7)	(915.1)	(268.1)	(12.6)	0.0	(1,426.5)
Operating income by segment(1)	**510.8**	**34.3**	**939.8**	**(152.2)**	**(31.5)**	**0.0**	**1,301.1**
Tangible and intangible capital expenditure	**285.4**	**32.2**	**631.6**	**74.9**	**7.9**	**0.0**	**1,032.0**

In 2017(2) (in millions of euros)	Transportation and logistics	Oil logistics	Communications	Electricity storage and solutions	Other activities	Inter-segment eliminations	Total consolidated
Sale of goods	10.8	2,089.3	4,025.6	228.2	17.6	0.0	6,371.6
Provision of services	5,553.0	42.7	6,137.2	78.2	2.2	0.0	11,813.3
Income from associated activities	102.5	30.0	11.1	7.5	1.2	0.0	152.3
External revenue	5,666.3	2,162.0	10,173.9	313.9	21.0	0.0	18,337.2
Inter-segment revenue	18.0	2.7	8.7	10.5	58.6	(98.5)	0.0
REVENUE	5,684.3	2,164.7	10,182.6	324.4	79.6	(98.5)	18,337.2
Net depreciation, amortization and provision expense	(214.5)	(9.8)	(599.7)	(102.4)	(13.1)	0.0	(939.4)
Operating income by segment(1)	490.8	36.3	780.4	(164.2)	(28.2)	0.0	1,115.1
Tangible and intangible capital expenditure	398.5	64.9	480.8	149.4	12.1	0.0	1,105.7

(1) Before Bolloré trademark fees.
(2) Restated – See note 3 – Comparability of financial statements.

5.2.2. Information by geographical area

(in millions of euros)	France and overseas departments and territories	Europe outside France	Africa	Americas	Asia/Pacific	TOTAL
In 2018						
Revenue	8,397.1	4,466.7	2,968.4	4,844.2	2,348.1	**23,024.4**
Other intangible assets	3,541.7	457.6	917.6	5,110.6	33.1	**10,060.5**
Tangible assets	1,250.1	385.0	776.0	311.7	147.9	**2,870.6**
Tangible and intangible capital expenditure	405.3	203.2	212.1	128.7	82.6	**1,032.0**
In 2017(1)						
Revenue	6,935.7	3,557.6	2,602.1	3,456.3	1,785.5	18,337.2
Other intangible assets	3,962.2	298.6	624.7	5,016.4	29.5	9,931.5
Tangible assets	1,382.3	341.5	1,012.3	274.2	97.8	3,108.2
Tangible and intangible capital expenditure	477.8	167.3	334.7	80.4	45.6	1,105.7

(1) Restated – See note 3 – Comparability of financial statements.

Revenue by geographical area shows the distribution of products according to the country in which they are sold.

5.3. Main changes at constant scope and exchange rates

The table below shows the impact of changes in consolidation scope and exchange rates on the key figures, with the 2017 data being applied to the 2018 consolidation scope and exchange rates.
Where reference has been made to data at constant scope and exchange rates, this means that the impact of changes in the exchange rate and changes in scope (acquisitions or disposals of shareholding in a company, change in percentage of integration, change in consolidation method) has been restated.

(in millions of euros)	2018	2017(1)	Changes in consolidation scope(2)	Foreign exchange variations(3)	Constant 2017(1) scope and exchange rates
Revenue	23,024.4	18,337.2	3,561.1	(477.3)	21,421.0
Operating income	1,301.1	1,115.1	(38.0)	(34.9)	1,042.2

(1) Restated – See note 3 – Comparability of financial statements.
(2) Changes in scope relate mainly to the impact of Vivendi's full consolidation in 2017.
(3) Foreign exchange variations on revenue and operating income relate mainly to changes in the value of the euro against the US dollar and the Nigerian naira.

5.4. Operating income

Accounting policies

- **Other operating income and expenses**

Other operating income and expenses mainly include gains and losses on the acquisition and disposal of non-current assets, net foreign exchange gains or losses on operating transactions, the impact of currency derivatives on commercial transactions, the research tax credit and the competitiveness and jobs tax credit.

- **Foreign currency transactions**

Foreign currency transactions are translated into the entity's functional currency at the exchange rate prevailing on the transaction date. At the close of the fiscal year, monetary items denominated in foreign currency are translated into euros at the year-end exchange rate. The resulting foreign exchange gains and losses are recognized under "Foreign exchange gains and losses net of hedging" and presented under operating income in respect of commercial transactions.
Gains and losses on foreign exchange derivatives used for hedging are entered under operating income in respect of commercial transactions.

(in millions of euros)	2018	2017(1)
Revenue	23,024.4	18,337.2
Goods and services bought in:	(16,041.3)	(12,525.5)
– purchases and external charges	*(15,574.6)*	*(12,097.9)*
– lease payments and rental expenses	*(466.7)*	*(427.6)*
Personnel costs	(4,554.4)	(3,942.0)
Depreciation, amortization and provisions	(1,426.5)	(939.4)
Other operating income(*)	488.0	268.4
Other operating expenses(*)	(211.6)	(234.6)
Share in net income of operating companies accounted for using the equity method(2)	22.5	151.0
OPERATING INCOME	**1,301.1**	1,115.1

(1) Restated – See note 3 – Comparability of financial statements.
(2) See note 7.2 – Investments in companies accounted for under the equity method.

(*) Details of other operating – income and expenses

	2018			2017		
(in millions of euros)	Total	Operating income	Operating expenses	Total	Operating income	Operating expenses
Capital gains (losses) on the disposal of non-current assets	(9.9)	32.1	(42.0)	(10.7)	26.7	(37.4)
Currency translation gains and losses net of hedging	7.0	96.7	(89.7)	(10.8)	83.6	(94.4)
Research and competitiveness and jobs tax credits	47.3	47.3	0.0	67.4	67.4	0.0
Other	232.0	311.9	(79.9)	(12.1)	90.7	(102.8)
OTHER OPERATING INCOME AND EXPENSES	**276.4**	**488.0**	**(211.6)**	33.8	268.4	(234.6)

5.5. Inventories and work in progress

Accounting policies

Inventories are entered at the lower of their cost and their net realizable value. “Cost” here includes direct costs of materials and any direct labor costs as well as other directly attributable expenses.
The net realizable value is the estimated selling price in the normal course of business, less the estimated cost of completing the goods and the estimated expense needed to make the sale (essentially selling expenses).

- **Programs and broadcast rights of Canal+ group**

When contracts are signed for the acquisition of broadcasting rights of films, television programs and sporting events, the acquired rights are shown as contractual commitments. They are then entered in the balance sheet, classified among the inventories and work in progress, on the following terms:

- the broadcasting rights of films and television programs are recognized at their acquisition cost when the program is available for its initial release, and are expensed in the period in which they are broadcast;
- the rights to broadcast sporting events are recorded at their acquisition cost, at the start of the broadcast schedule of the sports season concerned or as soon as the first payment is received, and are recorded as expenses as and when they are broadcast;
- the consumption of broadcasting rights of films, television programs and sporting events is included in goods and services bought in as a change in inventory.

	12/31/2018			12/31/2017(1)		
(in millions of euros)	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Raw materials, supplies, etc.	163.2	(60.6)	102.6	168.2	(48.4)	119.8
In-progress, intermediate and finished products	35.0	(8.8)	26.2	36.9	(9.2)	27.7
Other services in progress	1.1	(0.1)	1.0	1.0	(0.1)	0.9
Programs and broadcast rights	778.0	(32.4)	745.6	757.6	(17.3)	740.3
Goods	409.5	(110.9)	298.6	375.7	(92.9)	282.8
TOTAL	**1,386.8**	**(212.8)**	**1,174.0**	1,339.4	(167.9)	1,171.5

(1) Restated – See note 3 – Comparability of financial statements

5.6. Trade and other receivables

Accounting policies

Trade and other receivables are current financial assets (see note 7.3 – Other financial assets) initially recorded at their fair value, which generally corresponds to their nominal value, unless the effect of discounting is significant.

At each year-end, receivables are valued at amortized cost, after deducting any impairment losses due to collection risk.

The Group assesses the expected credit losses associated with its financial assets carried at amortized cost on a prospective basis. To assess the provision for expected credit losses on its original financial assets, the Group takes into account the probability of default at the date of initial recognition. Subsequently, provisions for expected credit losses on financial assets are remeasured based on change in the credit risk of the asset during each fiscal year.

To assess whether there has been a significant increase in credit risk, the Group compares the default risk on the asset at the balance sheet date with the credit risk at the date of initial recognition, based on reasonable forward-looking information and events, credit ratings where available, and material or anticipated material adverse changes in the economic, financial or business environment that may result in a material change in the borrower's ability to meet its obligations. The notion of default and the full impairment policy are defined specifically within each operating entity.

Receivables sold to third parties through commercial factoring contracts are recorded under trade receivables if their associated risks and benefits essentially remain with the Group, financial debts and loans being increased accordingly.

The portion advances to right holders at UMG (musical artists, composers and co-publishers) due in less than one year are recognized in other operating receivables. They are maintained as assets if the current popularity and past performance of rights holders provide sufficient assurance as to the recovery of advances on the fees that will be due in the future. The advances are expensed once the fees to the right holders come due. The balances of advances are reviewed periodically and impaired if necessary because the future performances are considered as being no longer assured.

Advances of more than one year granted to rights holders are recognized in "Other non-current assets".

Fees to rights holders are expensed when the proceeds from the sales of music recordings, minus a reserve for estimated returns, are recognized.

	12/31/2018			12/31/2017		
(in millions of euros)	**Gross value**	**Provisions**	**Net value**	Gross value	Provisions	Net value
Trade accounts receivable	5,431.2	(303.4)	5,127.8	5,386.5	(275.0)	5,111.5
Taxes and social security contributions(1)	273.7	(0.5)	273.2	227.7	(0.7)	227.0
Other operating receivables(2)	2,285.2	(126.3)	2,158.9	1,855.1	(41.1)	1,814.0
TOTAL	**7,990.1**	**(430.2)**	**7,559.9**	7,469.3	(316.8)	7,152.5

(1) Including 142.6 million euros in current research tax credits as of December 31, 2018 and 103.3 million euros as of December 31, 2017.
Bluecar's 2012-2014 research tax credit receivables of 78.9 million euros are subject to a review by the tax authorities, with which discussions are still ongoing. The Group, which remains confident in the merits of its claim, has not impaired these receivables.
(2) Including 600.5 million euros for advances to artists and other music rights holders at Vivendi at December 31, 2018.

5.6.1. Aged balance of past due receivables without provisions at the year end

December 31, 2018 (in millions of euros)	**Total**	**Not past due**	**Past due**	**0 to 6 months**	**6 to 12 months**	**>12 months**
Net trade receivables	5,127.8	3,778.9	1,348.9	1,143.7	111.3	93.9

December 31, 2017 (in millions of euros)	Total	Not past due	Past due	0 to 6 months	6 to 12 months	>12 months
Net trade receivables	5,111.5	3,856.9	1,254.6	1,072.0	93.0	89.6

The Bolloré Group believes that the collection risk of operating receivables is strongly reduced due to a fragmented customer portfolio, consisting as it does of many customers from a variety of places operating in very different businesses. Furthermore, the stability of this customer base is guaranteed by the fact that the biggest freight forwarding customers – consisting of shipping companies – are also suppliers of the Group for comparable amounts.

Similarly, Vivendi believes that there is no significant risk of non-collection of operating receivables for the activities of the Group. The high number of individual clients, the diversity of customers and markets, as well as the geographical distribution of the activities of the Group (chiefly Universal Music Group, Canal+ group, Havas and Gameloft), help to minimize the risk to receivables of credit concentration.

Past due receivables without provisions were covered by credit insurance for 318.6 million euros at December 31, 2018 and 340.4 million euros at December 31, 2017.

5.6.2. Analysis of the change in provisions for trade accounts receivable

(in millions of euros)	At 12/31/2017	Allowances	Reversals	Changes in consolidation scope	Changes currency	Other transactions	**At 12/31/2018**
Provisions for trade accounts receivable	(275.0)	(100.6)	75.4	3.1	4.2	(10.5)	(303.4)

5.7. Trade and other payables

(in millions of euros)	At 12/31/2017[1]	Changes in consolidation scope	Changes net	Changes currency	Other transactions	At 12/31/2018
Due to suppliers	5,040.6	23.5	(118.2)	(14.1)	11.3	4,943.1
Fees to artists and other musical rights holders	1,844.0	4.0	176.2	39.2	(12.5)	2,050.9
Tax and social security contributions payable	368.1	(0.2)	28.0	0.0	(0.3)	395.6
Other operating payables[2]	3,330.5	(0.5)	56.7	(2.7)	348.4	3,732.4
TOTAL	10,583.2	26.8	142.7	22.4	346.9	**11,122.0**

(1) Restated – See note 3 – Comparability of financial statements.
(2) Including of payables for broadcasting rights of films, programs and sports events in the amount of 602.8 million euros and commitments to repurchase securities in the amount of 15.5 million euros as of December 31, 2018.

5.8. Other assets and liabilities

Accounting policies

Other non-current assets mainly include the non-current portion of advances to rights holders at Universal Music Group and non-current research tax credit receivables and tax credits for competitiveness and employment. The current portion of advances to rights holders at Universal Music Group, research tax credit receivables and competitiveness and jobs tax credit receivables is recognized in "Trade and other receivables".

Other non-current liabilities mainly include the earn-outs payable, the negative fair value of derivative instruments as well as the current commitments to purchase minority interests. The share, at less than one year, of commitments to purchase minority interests is recognized under "Trade and other payables".

Commitments to purchase minority interests are initially recognized, and for any subsequent change in the fair value of the commitment, through shareholders' equity.

The fair value of the commitments is reviewed at the end of each accounting period, and the amount of the debt is adjusted accordingly.

The debt is discounted to present value in view of the time until the commitment matures.

5.8.1. Other non-current assets

	12/31/2018			12/31/2017		
(in millions of euros)	**Gross value**	**Provisions**	**Net value**	Gross value	Provisions	Net value
Research and competitiveness and jobs tax credits	189.1	0.0	189.1	212.2	0.0	212.2
Advances to artists and other musical rights holders	453.0	0.0	453.0	291.3	0.0	291.3
Others	23.1	(2.9)	20.2	22.5	(2.9)	19.6
TOTAL	**665.2**	**(2.9)**	**662.3**	526.0	(2.9)	523.1

5.8.2. Other non-current liabilities

(in millions of euros)	At 12/31/2017	Change in scope	Change net	Change currency	Others movements[1]	At 12/31/2018
Commitments to purchase minority interests[2]	104.7	(16.4)	0.4	1.1	9.8	99.6
Other non-current liabilities[3]	370.7	(0.9)	5.5	4.2	(106.3)	273.2
TOTAL	475.4	(17.3)	5.9	5.3	(96.5)	**372.8**

(1) In accordance with IFRS 9, the fair value of the options that allow Banijay Group Holding and Lov Banijay to redeem bonds in shares has been reclassified as a reduction in financial assets as of January 1, 2018.
(2) Mainly at Vivendi.
(3) Including debt on earn-out payments in the amount of 53.2 million euros as of December 31, 2018.

5.9. Off-balance sheet commitments for operating activities

5.9.1. Commitments given

At December 31, 2018 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Broadcasting rights of films and programs(1)	2,630.0	1,134.0	1,494.0	2.0
Broadcasting rights of sporting events(2)	1,735.0	942.0	782.0	11.0
Employment contracts, creative talent and other(3)	1,172.0	542.0	590.0	40.0
Satellite capacity	471.0	77.0	259.0	135.0
Customs bonds(4)	503.0	354.8	60.8	87.4
Other bonds, endorsements, guarantees and del credere granted(5)	194.5	152.5	19.0	23.0
Firm investment commitments and other purchase commitments	87.6	29.8	44.4	13.4
Other(6)	776.0	408.0	316.0	52.0
COMMITMENTS GIVEN WITHIN THE FRAMEWORK OF OPERATING ACTIVITIES	**7,569.1**	**3,640.1**	**3,565.2**	**363.8**

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Broadcasting rights of films and programs(1)	2,724.0	1,086.0	1,600.0	38.0
Broadcasting rights of sporting events(2)	2,022.0	804.0	1,200.0	18.0
Employment contracts, creative talent and other(3)	1,112.0	481.0	553.0	78.0
Satellite capacity	390.0	88.0	255.0	47.0
Customs bonds(4)	504.6	372.0	50.2	82.4
Other bonds, endorsements, guarantees and del credere granted(5)	145.6	82.7	40.6	22.3
Pledges and mortgages	0.1	0.0	0.1	0.0
Firm investment commitments and other purchase commitments	162.0	70.0	78.5	13.4
Other(6)	812.0	322.0	421.0	69.0
COMMITMENTS GIVEN WITHIN THE FRAMEWORK OF OPERATING ACTIVITIES	7,872.3	3,305.8	4,198.4	368.1

(1) Mainly consists of multi-year contracts for the broadcasting rights of film and television productions (largely in the form of exclusive contracts with the major American studios), for pre-purchases in the French cinema, for commitments (given and received) to produce and co-produce the films of Studiocanal, and for the broadcasting rights of thematic channels in Canal and nc+ digital packages. These are recognized as content assets when the program is available for initial broadcast or as soon as the first significant payment has been received. As of December 31, 2018, provisions had been recognized on these commitments in the amount of 26 million euros (27 million euros as of December 31, 2017).
In addition, these amounts do not include commitments as to contracts for network broadcasting rights and non-exclusive network distribution for which Canal+ group has not granted or obtained a guaranteed minimum. The variable amount of these commitments, which may not be reliably determined, is not recognized on the balance sheet and is not listed among commitments. It is recognized as an expense in the period in which the charge is incurred. Based on an estimate of the future number of subscribers at Canal+ group, commitments given would be increased by a net amount of 407 million euros as of December 31, 2018, compared with 630 million euros as of December 31, 2017. These amounts include the distribution agreement renewed on July 11, 2016 with beIN sports for four years.
In addition, on November 8, 2018, Canal+ group announced the renewal of its May 7, 2015, agreement (which covered the 2015-2019 period) with all professional film organizations (ARP, Blic and Bloc), extending the long-standing partnership dating back more than thirty years between Canal+ and French cinema until December 31, 2022. Under the terms of this agreement, SECP (Société d'Édition de Canal Plus) is obliged to invest 12.5% of its revenue each year to finance European cinematographic works. In terms of TV and radio, Canal+ group, under agreements with the producers' and authors' organizations in France, must spend 3.6% of its total net annual resources on French productions each year. Only films for which an agreement in principle has been given to producers are given a value in the off-balance sheet commitments; the total future estimate of the commitments under agreements with professional film-making organizations and producers' and authors' organizations is not known.
(2) Includes mainly the broadcasting rights of Canal+ group for the following sporting events:
At December 31, 2018:
a. League 1 French Football Championship for the 2019/2020 season covering the two premium packages (549 million euros);
b. exclusive rights for the British Premier League in France and Poland for the three seasons from 2019/2020 to 2021/2022, won on October 31, 2018;
c. exclusive rights for the French Rugby Championship (Top 14) for the four seasons from 2019/2020 to 2022/2023;
d. exclusive rights for Formula 1, Formula 2 and GP3 for the 2019 and 2020 seasons.
At December 31, 2017,
e. France's League 1 tournament for the two seasons 2018-2019 and 2019-2020 with respect to the two premium packages (1,097 million euros);
f. exclusive rights for the French Rugby Championship (Top 14) for the four seasons from 2019/2020 to 2022/2023, won on May 12, 2016. This also includes the rights for the 2018-2019 season, won on January 19, 2015;
g. exclusive rights for Formula 1, Formula 2 and GP3 for the 2018, 2019 and 2020 seasons, won on May 4, 2017.
These commitments will be recognized on the balance sheet at the start of the broadcast schedule of each season or as soon as the first significant payment has been made.
(3) Mainly concerns UMG, which, as part of its normal activities, undertakes to pay contractually set amounts to artists or other third parties in exchange for content or other products ("Employment contracts, creative talent and other"). As long as such content or products have not been delivered or the payment of the advance has not been made, the UMG's commitment is not recognized on the balance sheet and is listed among off-balance sheet commitments. While the artist or the other parties are also obliged to deliver content or another product to the company (usually as part of the exclusivity agreements), this consideration cannot be estimated reliably and hence does not figure in commitments received.
(4) Customs guarantees are granted to the customs authorities of certain countries in the normal course of business, primarily the transportation business, to enable deferred payment of the outstanding customs dues recognized in these financial statements.
(5) Mainly consists of completion guarantees granted by the Group in connection with its operations. Vivendi also grants guarantees under different forms to financial institutions or to third parties on behalf of their subsidiaries in connection with their operations.
(6) Other commitments given and received as part of current operations, primarily Vivendi.
In addition, on March 14, 2017, Boulogne Studios, a wholly-owned subsidiary of Vivendi, signed a mutual agreement for the purchase of land for a construction project on Île Seguin with Val de Seine Aménagement, a local development agency and developer in the city of Boulogne-Billancourt. This purchase commitment is subject to conditions precedent, including obtaining a building permit. This project will involve the construction of a campus of approximately 150,000 m² that could accommodate, in five to seven years, a group of companies working in media and content as well as digital technology, sports and sustainable development. To date, to guarantee the execution of its purchase agreement, which amounts to approximately 330 million euros, Vivendi has paid a deposit of 70 million euros which could be returned, under certain conditions, if Vivendi does not carry out the transaction.

5.9.2. Commitments received

At December 31, 2018 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Broadcasting rights of films and programs	188.0	91.0	97.0	0.0
Broadcasting rights of sporting events	6.5	2.5	4.0	0.0
Employment contracts, creative talent and other			not quantifiable	
Satellite capacity	124.0	65.0	59.0	0.0
Other(1)	1,043.8	614.1	409.4	20.3
COMMITMENTS RECEIVED AS TO OPERATING ACTIVITIES	**1,362.3**	**772.6**	**569.4**	**20.3**

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Broadcasting rights of films and programs	212.0	109.0	103.0	0.0
Broadcasting rights of sporting events	16.0	7.0	9.0	0.0
Employment contracts, creative talent and other		not quantifiable		
Satellite capacity	133.0	63.0	70.0	0.0
Other(1)	2,382.6	677.3	1,705.0	0.3
COMMITMENTS RECEIVED AS TO OPERATING ACTIVITIES	2,743.6	856.3	1,887.0	0.3

(1) Includes guaranteed minimums receivable by the Group under the distribution agreements signed with third parties, including Internet service suppliers and suppliers of other digital platforms.
In addition, Canal+ group has signed Canal distribution agreements with Free, Orange and Bouygues Telecom. The variable amounts of these commitments, which are based on the number of subscribers and may not be reliably determined, are not recognized on the balance sheet and are not listed among commitments. These are accounted as income or expense for the period during which they occur.

5.10. Lease commitments

5.10.1. Lease agreements – lessee

Schedule of minimum payments due

At December 31, 2018 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments(1)	(1,919.5)	(348.5)	(850.7)	(720.3)
Income from subleasing	2.7	0.9	1.6	0.2
TOTAL	**(1,916.8)**	**(347.6)**	**(849.1)**	**(720.1)**

(1) Minimum payments refer to the rent to be paid over the term of the contract and leases.

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments(1)	(2,007.4)	(331.0)	(902.5)	(773.9)
Income from subleasing	3.3	1.2	1.1	1.0
TOTAL	(2,004.1)	(329.8)	(901.4)	(772.9)

(1) Minimum payments refer to the rent to be paid over the term of the contract and leases.
On June 26, 2017, Universal Music Group signed a fifteen-year lease for approximately 15,000 m^2 in King's Cross in London. In addition, minimum future lease payments as at December 31, 2017 include rents of Havas, for 675 million euros, which includes the lease signed in July 2016 by Havas for the approximately 15,000 m^2 in King's Cross, London, for fifteen years (the premises have been occupied since January 2017).

5.10.2. Lease agreements – lessor

Schedule of minimum payments due under leases

At December 31, 2018 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments	32.2	16.6	15.5	0.1
Contingent rent for the period	0.1	0.1	0.0	0.0
TOTAL	**32.3**	**16.7**	**15.5**	**0.1**

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Minimum payments	54.0	22.7	30.2	1.1
Contingent rent for the period	0.2	0.2	0.0	0.0
TOTAL	54.2	22.9	30.2	1.1

NOTE 6. TANGIBLE AND INTANGIBLE ASSETS AND CONCESSION CONTRACTS

6.1. Goodwill

Accounting policies

Goodwill on controlled companies is recorded in the consolidated balance sheet assets under "Goodwill". Goodwill is not amortized but subjected to an impairment test at least once a year and whenever there is an indication of impairment. When impairment is found, the difference between the asset's book value and its recoverable value is recognized among operating expenses for the fiscal year. This goodwill impairment cannot be reversed.

Negative goodwill (badwill) is charged directly to the income statement for the year of acquisition.

Intangible and tangible assets are tested for impairment under certain circumstances. In the case of non-current assets with indefinite lives (e.g. goodwill), a test is carried out at least once a year, as well as whenever there is an indication of impairment. For other non-current assets, a test is carried out only when there is an indication of impairment.

Assets tested for impairment are grouped in cash-generating units (CGUs), each corresponding to a homogeneous set of assets whose use generates an identifiable cash flow. When a CGU's recoverable value is less than its net book value, an impairment is recognized and charged as an operating expense. The CGU's recoverable value is the market value (less selling costs) or its value in use, whichever is higher. The value in use is the discounted value of the foreseeable cash flow from use of an asset or a CGU. The discount rate is calculated for each cash-generating unit in accordance with its geographical area and the risk profile of its business.

6.1.1. Change in goodwill

(in millions of euros)	
At December 31, 2017(1)	**13,988.0**
Acquisitions of controlling interests(2)	107.3
Disposals	(0.5)
Impairment loss	0.0
Currency fluctuations(3)	340.5
Others	3.3
AT DECEMBER 31, 2018	**14,438.6**

(1) Adjusted for the definitive Vivendi purchase price allocation: foreign exchange impact related to Vivendi's tracking of foreign currency goodwill. See note 3 – Comparability of financial statements.
(2) Related to takeovers in the Communications segment – See note 4 – Scope of consolidation.
(3) Mainly includes translation differences for the US dollar against the euro at Universal Music Group.

6.1.2. Information by operating segment

(in millions of euros)	**12/31/2018**	12/31/2017(1)
Communications	13,384.6	12,939.4
Transportation and logistics	913.0	909.4
Oil logistics	86.1	84.9
Electricity storage and solutions	46.1	45.5
Other activities	8.8	8.8
TOTAL	**14,438.6**	13,988.0

(1) Restated – See note 3 – Comparability of financial statements.

6.1.3. Definition and reorganization of CGUs

At December 31, 2018, the Bolloré Group had some 50 cash-generating units (CGUs) before the CGU reorganization. The division of operations into CGUs is based on the particular features of each of the Group's business lines.

The principal CGUs or groups of CGUs are the following: Universal Music Group, Canal+ group (excluding Studiocanal), Transportation and logistics Africa, Logistics International and Oil logistics (excluding concessions).

These business activities are described in note 5.2 – Information on the operating segments.

In light of the synergies existing among the CGUs listed above, the Group has reorganized them into the following four groups of CGUs:

- the Logistics Africa combination: includes the CGUs Transportation and logistics Africa, and Rail and port concessions Africa;
- the International logistics combination: includes the CGUs International logistics, and Port concessions France;
- the Free Newspapers combination;
- the Telecoms combination.

The goodwill relating to Vivendi is tested on the basis of the CGU and CGU combinations as defined in the Vivendi financial statements in the same way as the assets identified as part of the PPA.

6.1.4. Recoverable value based on value in use

The main assumptions used for the estimation of recoverable value are:

- the discount rate is determined by basing it on the weighted average cost of capital (WACC) of each CGU; it includes potential risks specific to each activity (business lines, markets and geographical areas); the rate selected was determined on the basis of information communicated by an outside consulting firm;
- the cash flows are calculated on the basis of operating budgets, then extrapolated by applying a five-year growth rate reflecting the growth potential of the relevant markets and management's judgment based on past experience. After year five, the terminal value is based on the perpetuity value of the cash flows.

The cash flow projections on concession arrangements are based on the lives of the contracts.

These tests are carried out using an after-tax discount rate. The method adopted did not lead to a material difference with a calculation based on a pre-tax discount rate (test performed in accordance with IAS 36 BCZ 85).

No impairment losses were recognized following the testing either at December 31, 2018 or at December 31, 2017.

The following table summarizes the assumptions used for the most significant tests on goodwill:

2018 (in millions of euros)	**Universal Music Group**	**Canal+ group**	**Havas**	**Transportation and logistics in Africa**	**International logistics**
Net book value of goodwill	**7,500.1**	**2,975.1**	**1,978.5**	**421.1**	**484.7**
Impairment losses recognized in the period	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Base used for recoverable value	**NA(1)**	**NA (2)**	**value in use**	**value in use**	**value in use**
Parameters of cash flow model used:					
– forecast growth rate from N+2 to N+5				3% to 4%	2% to 3%
– growth rate on terminal value	NA(1)	NA(2)	2%	2%	2%
– weighted average cost of capital (WACC)	NA(1)	NA(2)	7.90% to 8.10%	10.1%	7.5%
Sensitivity of tests to changes in the following criteria:					
– discount rate for which the recoverable value = net book value	NA(1)	NA(2) (10.02% for StudioCanal)	11.6%	12.9%	13.4%
– perpetual growth rate for which the recoverable value = net book value	NA(1)	NA(2) (–3.28% for StudioCanal)	–3.3%	–2.1%	–4.6%

(1) To boost the valuation of Universal Music Group, given favorable trends in the global music market, and particularly the strong growth of subscription-based streaming services, in the course of 2018 Vivendi signaled plans to sell up to 50% of Universal Music Group's share capital to one or more strategic partners. The process could last eighteen months.
(2) Based on valuation multiples observed during recent acquisition transactions, Vivendi considers Canal+ group's recoverable amount to be greater than its book value. Canal+ group did not update its business plan at the end of 2018 in view of the uncertainties regarding the programming offer at the expiry of the League 1 football rights in France in 2020.

The cash flows of Transportation and logistics in Africa and International logistics are sensitive, above all, to fluctuations in commodity and oil prices and well as volatility in freight rates. However, these effects vary by country and are often offset by the network effect.

Nor does the Group analyze the sensitivity of its flows to these factors.

Nevertheless, for reference, a sensitivity assumption of –10% on cash flows of the terminal value was calculated. This change would result in an –7.8% and –7.4% reduction in the recoverable value of the Transportation and logistics in Africa and International logistics CGUs, respectively. No impairment loss need be recognized for those CGUs.

2017 (in millions of euros)	Universal Music Group	Canal+ group	Havas	Transportation and logistics in Africa	International logistics
Net book value of goodwill(1)	7,143.3	2,956.6	1,939.2	415.5	482.4
Impairment losses recognized in the period	0.0	0.0	0.0	0.0	0.0
Base used for recoverable value	value in use	value in use	value in use	value in use	value in use
Parameters of cash flow model used:					
– forecast growth rate from N+2 to N+5				2.5% to 3.5%	2% to 3%
– growth rate on terminal value	2.10%	0.5% to 2%	2%	2%	2%
– weighted average cost of capital (WACC)	9.00%	6.70% to 11.20%	7.80% to 8.20%	10.0%	7.2%
Sensitivity of tests to changes in the following criteria:					
– discount rate for which the recoverable value = net book value	9.40%	7.46% to 11.96% (9.56% for StudioCanal)	11.30%	10.7%	13.1%
– perpetual growth rate for which the recoverable value = net book value	1.60%	−0.42% to 0.58% (−0.92% for StudioCanal)	−2.90%	1.0%	−5.9%

(1) Adjusted for the definitive Vivendi purchase price allocation: foreign exchange impact related to Vivendi's tracking of foreign currency goodwill. See note 3 – Comparability of financial statements.

6.2. Other intangible assets

Accounting policies

Other intangible assets mainly include trademarks and brand names, customer relationships, operating rights, content assets, computer software, Wimax licenses and assets arising from concessions resulting from the reclassification of infrastructures held under concessions in application of the IFRIC 12 interpretation (see note 6.4 – Concession arrangements).

Vivendi's content assets include the music rights and catalogs of the UMG group, the costs of films and television programs produced or acquired for sale to third-parties and the catalogs of Film and TV rights of Canal+ group. The music rights and catalogs at UMG include musical catalogs, contracts of artists and the music publishing assets acquired in business combinations. At Canal+, films and television programs consist of the portion of films or television programs produced or acquired with a view to be sold to third parties. Film and TV rights catalogs consist of second-run films acquired or transfers of films and television programs produced or acquired with a view to being sold to third parties after their first operating cycle (i.e. once first broadcast on a free broadband channel.)

Once acquired, intangible assets appear in the balance sheet at their acquisition cost. Produced assets are appearing on the balance sheet at their production cost.

They are amortized on a straight-line basis over their useful life, with the exception of films and television programs as well as catalogs of film and TV rights, which are amortized using the estimated income method (i.e. the ratio of gross revenues collected during the period over total gross revenue estimated, from all sources, for each production). The Group believes that amortization by the estimated income method reflects the rate at which the entity expects to consume the future economic benefits from the assets and that there is a strong correlation between income and the consumption of economic benefits from intangible assets.

The useful lives of the main categories of intangible assets are as follows:

Right to use Wimax concessions and licenses	Duration of the concession agreement (see note 6.4 – Concession contracts)
Music rights and catalogs acquired	20 years
Software and IT licenses	1 to 5 years
Customer relationship acquired	7 to 19 years

In line with IAS 38 "Intangible assets", R&D expenditures are entered as expenses on the income statement of the fiscal year in which they were incurred, with the exception of development costs, which come under intangible assets if the conditions under which they will yield returns meet the following criteria:

- the project is clearly identified and its attendant costs reliably identified and monitored;
- the technical feasibility of the project has been shown;
- the intention is to end the project and use or sell all its products;
- there is a potential market for the product developed under this project, or its internal utility has been demonstrated;
- the resources needed to complete the project are available.

Development costs are amortized over the estimated lifetime of the projects concerned from the date on which the product becomes available.

In the particular case of software, the lifetime is determined as follows:

- if the software is used in-house, over the probable useful life;
- if the software is for external use, according to the prospects for sale, rental or any other form of marketing.

Capitalized software development costs are those incurred during the programming, coding and testing stages. Previously incurred expenditure (planning, design, product specification and architecture) is entered as an expense.

The development costs of games are capitalized when the technical feasibility and the intention of the management to complete the development of the game and to market it have been established and if the costs are regarded as recoverable. The uncertainty existing until the launch of the game generally does not make it possible to fulfill the capitalization criteria required by IAS 38. The development costs of games are therefore recognized as expenses when they are incurred.

Total research and development expenses recognized in the income statement for the 2018 fiscal year amounted to 190.4 million euros and related mainly to developments by Gameloft, part of the Vivendi group.

6.2.1. Composition

(in millions of euros)	12/31/2018 Gross value	Depreciation and impairment	Net value	12/31/2017[1] Gross value	Depreciation and impairment	Net value
Operating rights, patents, development costs	699.4	(422.5)	276.9	589.7	(350.9)	238.8
Intangible assets arising from concessions[2]	917.7	(152.5)	765.2	659.7	(96.2)	563.5
Content assets[3]	18,946.1	(13,485.0)	5,461.1	18,047.3	(12,570.5)	5,476.8
Trademarks, brand names[4]	2,243.6	(47.3)	2,196.3	2,248.4	(28.2)	2,220.2
Client relationships	1,494.1	(426.9)	1,067.2	1,485.3	(320.3)	1, 165.0
Others	938.9	(645.1)	293.8	876.3	(609.1)	267.2
TOTAL	**25,239.8**	**(15,179.3)**	**10,060.5**	23,906.7	(13,975.2)	9,931.5

(1) Restated – See note 3 – Comparability of financial statements.
(2) Classification, in accordance with IFRIC 12, of infrastructure reverting to the grantor at the end of the contract under intangible assets from concessions for concessions recognized in accordance with this interpretation.
(3) Correspond mainly to the construction of a new wharf on Freetown Terminal.
(4) Correspond notably to the brands identified on Canal+ group.

As at December 31, 2018, the intangible assets were tested in estimating recoverable value of the CGU. No impairment was found to be necessary.

6.2.2. Change in intangible assets

Net values (in millions of euros)	At 12/31/2017[1]	Gross acquisitions	Disposals NAV	Net allowances	Changes in consolidation scope	Changes currency	Other transactions[2]	**At 12/31/2018**
Operating rights, patents, development costs	238.8	61.7	(0.3)	(75.5)	0.0	0.2	52.0	276.9
Intangible assets arising from concessions	563.5	21.9	2.0	(32.0)	0.0	0.6	209.2	765.2
Content assets	5,476.8	250.4	(0.4)	(500.9)	0.0	230.1	5.1	5,461.1
Trademarks, brand names	2,220.2	0.1	(0.1)	(0.3)	0.3	(4.3)	(19.6)	2,196.3
Client relationships	1, 165.0	0.2	0.0	(107.0)	3.4	(3.3)	8.9	1,067.2
Others	267.2	145.2	0.0	(74.7)	1.2	0.9	(46.0)	293.8
NET VALUES	9,931.5	479.5	1.2	(790.4)	4.9	224.2	209.6	**10,060.5**

(1) Restated – See note 3 – Comparability of financial statements.
(2) Mainly including the transfer to concessions treated in accordance with IFRIC 12 of Owendo Containers Terminal following the renegotiation of the contract and the extension of the concession.

6.3. Tangible assets

Accounting policies

Tangible assets are entered at their acquisition or production cost, less cumulative impairment and any recognized impairment.

Impairment is generally determined using the straight-line method over the asset's useful life; the accelerated impairment method may nevertheless be used if it appears more relevant to the conditions under which the equipment concerned is used. In the case of certain complex non-current assets with different components (buildings, for instance), each component is depreciated over its specific useful life.

The main useful lives of various categories of tangible assets are as follows:

Buildings and fittings	8 and 33 years
Plant, machinery and equipment	3 to 13 years
Set-top boxes	5 to 7 years
Other property, plant and equipment	3 to 15 years

Depreciable lives are periodically reviewed to check their relevance.

The start date for depreciation is that on which the asset came into service. In the case of an acquisition, the asset is depreciated over its residual useful lifetime which is determined as of the date of acquisition.

6.3.1. Composition

(in millions of euros)	12/31/2018			12/31/2017[1]		
	Gross value	Depreciation and impairment	Net value	Gross value	Depreciation and impairment	Net value
Land and fixtures and fittings	220.7	(11.4)	209.3	200.4	(11.6)	188.8
Buildings and fitting-out	1,737.3	(807.6)	929.7	1,835.3	(773.3)	1,062.0
Plant and equipment	3,388.0	(2,426.8)	961.2	3,364.0	(2,282.3)	1,081.7
Other[2]	2,031.8	1,261.4	770.4	2,008.1	1,232.4	775.7
TOTAL	**7,377.8**	**(4,507.2)**	**2,870.6**	7,407.8	(4,299.6)	3,108.2

(1) Restated – See note 3 – Comparability of financial statements.
(2) Of which non-current assets in progress.

6.3.2. Change in property, plant and equipment

Net values (in millions of euros)	At 12/31/2017[1]	Gross acquisitions	Disposals NAV	Net allowances	Changes in consolidation scope	Changes currency	Other transactions[2]	**At 12/31/2018**
Land and fixtures and fittings	188.8	0.9	(0.3)	(1.8)	1.2	0.4	20.1	209.3
Buildings and fitting-out	1,062.0	42.0	(2.5)	(79.6)	3.0	1.3	(96.5)	929.7
Plant and equipment	1,081.7	172.9	(31.5)	(332.2)	4.8	(1.3)	66.8	961.2
Other[3]	775.7	336.7	(9.3)	(117.7)	0.2	3.9	(219.1)	770.4
NET VALUES	3,108.2	552.5	(43.6)	(531.3)	9.2	4.3	(228.7)	**2,870.6**

(1) Restated – See note 3 – Comparability of financial statements.
(2) Mainly including the transfer to concessions treated in accordance with IFRIC 12 of Owendo Containers Terminal following the renegotiation of the contract and the extension of the concession.
(3) Of which non-current assets in progress.

Capital expenditure is listed by operating segment in note 5.2 – Information on operating segments.

6.4. Concession contracts

Accounting policies

The Group operates a number of "concession" arrangements in various business sectors. This term comprises various types of contracts: public service concession, leasing, development and renewal "BOT" contracts, right to operate on public property.

In essence, the Group analyzes the characteristics of all new concession arrangements awarded to it in order to determine which standard the accounting treatment to be applied comes under, taking into account at the same time the contractual terms and conditions, and also its experience in carrying out similar contracts.

The Group first analyzes new contracts in relation to the criteria of the IFRIC 12 interpretation.

The IFRIC 12 interpretation applies to public service concession arrangements which combine the following characteristics:

- the grantor controls or regulates the services supplied and, amongst other things, sets the scale of charges for the service. This criterion is assessed by the Group for each agreement depending on the autonomy enjoyed, in order to ensure the financial stability of the concession;
- ownership of the infrastructures reverts to the grantor at the end of the contract.

For all of the concessions it operates, the Group is remunerated through the sale of services to users and not by the grantor. Concessions falling under IFRIC 12 are therefore recognized using the intangible asset model, comprising a right to receive payment from users:

- the fair value of infrastructures created including, where applicable, the interim interest of the construction phase is entered under intangible assets (pursuant to IAS 38);
- it is amortized using the straight-line method over the period of the contract from the start of use.

Revenue from construction, maintenance and operating activities is recorded in accordance with IFRS 15 "Revenue from contracts with customers".

Some rail and port concession arrangements obtained in Africa, as well as the Autolib' concession, fall under IFRIC 12. The infrastructures reverting to the grantor at the end of the contract were classified as intangible assets arising from the concessions in accordance with that interpretation (see note 6.2 – Other intangible assets), as the grantee's income is received directly from users in every concession arrangement.

If the contract does not fulfill the criteria of IFRIC 12, the Group applies IFRIC 4 "Determining whether an arrangement contains a lease" to identify any specific assets which may meet the criteria for recognition under IAS 17 "Leases". The Group has not identified any specific assets in this regard.

If this rule does not apply, the Group recognizes the assets concerned according to IAS 16 "Property, plant, and equipment" and applies the "component" approach. Replaceable goods are depreciated over their useful life.

Unless a finance lease is specifically identified, operating income is recognized in revenue, and payments to the grantor are recognized in operating expenses for the fiscal year in which they are incurred.

For all contracts:

- where royalties are payable at the start of the contract, an intangible asset is recognized and amortized by the straight-line method over the contract's life;
- where the Group is contractually obliged to carry out work required to restore infrastructures to their original condition, but where the infrastructures are not recognized amongst its assets, the Group recognizes a provision in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets";
- the contractually agreed capital expenditure necessary for maintaining the good operating condition of the concession is recorded as off-balance sheet commitments (see note 6.4.3 – Commitments given under concessions);
- payments to the grantor for the operation of assets under concession are recognized as operating expenses in the fiscal year in which they fall due.

Cash flow from investing activities connected with concession agreements are classified under Assets arising from concessions when the contract falls within the scope of IFRIC 12 or under tangible or intangible assets for other concessions.

Non-repayable investment grants are recognized under unearned income in "Other current liabilities" and recognized within operating income in accordance with the defined impairment period for the asset concerned, as per IAS 20.

6.4.1. Characteristics of concession arrangements

Port concessions

— ***Port concessions, France***

Recipient of the concession	Grantor of the concession	Duration of the contract	Infrastructures made available by the concession grantor	Contractual obligations to create additional infrastructure reverting to the grantor at the end the contract	Other obligations of the recipient of the concession
Bolloré Ports Dunkerque	Independent Port of Dunkirk	25 years from 2010	Freycinet quay surface, quayside, hangar and office – Dunkirk Port	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Normande de Manutention	Sea Port of Rouen	25 years from 2010	Land, quay surfaces, quays, buildings and fitting out of the container terminal for various goods	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Normande de Manutention	Sea Port of Rouen	15 years from 2010	Land, quay surfaces, quays, buildings and fitting out of the Solid Bulk Goods Terminal	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea port of La Rochelle	25 years from 2010	Land, quays, quay surfaces and hangars of the Chef-de-Baie terminal – La Rochelle	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea port of La Rochelle	15 years from 2010	Land, quays, quay surfaces and hangars of the Bassin à Flot terminal – La Rochelle	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea port of La Rochelle	15 years from 2010	Land, quay surfaces and quays of the Môle d'Escale Ouest Terminal – La Rochelle	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Bolloré Ports France	Sea Port of Rouen	10 years from 2012	Land, quay surfaces and quays of the Seine quay terminal – Honfleur	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures
Terminal du Grand Ouest(1)	Sea Port of Nantes Saint-Nazaire	35 years from 2011	Land and accessories for the Montoir-de-Bretagne container terminal for various goods	NA	The recipient of the concession is responsible for the upkeep and maintenance of infrastructures

NA: Non applicable
(1) Partnership accounted for by the equity method.

These agreements provide for the payment to the grantor of a fixed annual fee, together with, in some cases, a variable fee according to volumes. Royalties are recognized as operating expenses in the fiscal year in which they fall due.
These agreements may be terminated at any time with advance notice by the operator or by common agreement with the grantor. They may be terminated by the grantor for reasons of general interest (with compensation) or as a result of major default by the recipient of the concession.

— Port concessions

Recipient of the concession	Grantor of the concession	Duration of the contract	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Owendo Container Terminal (formerly STCG)(2)	Gabon port office (OPRAG) (Gabon)	20 years starting in 2008 extended by rider for a duration of 27 years from 2017 (until 2044), renewable in 20 years	Land, quay surfaces and quays of the Owendo Port Terminal	NA	Contractual obligation for the upkeep of assets operated under concession and the reconfiguration and development of installations in order to ensure the operational performance of the terminal
Abidjan Terminal(2)(3)	Autonomous port of Abidjan (Republic of Côte d'Ivoire)	15 years from March 2004, renewed until 2029, extended by rider until 2039	Land, quay surfaces and quays of the Vridi port terminal, buildings, storage yard for refrigerated containers	NA	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal
Douala International Terminal (DIT)	Independent port of Douala (Cameroon)	15 years from 2005	Land, quay surfaces and quays of the Douala Container Terminal, container yard, hangars and warehouses	NA	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal
Meridian Port Services(1) (MPS)	Ghana port authorities	20 years from August 2004 Amendment in 2016 for a new period of 35 years after a construction period of 4 years	Land, quay surfaces and quays of the Tema port terminal	Construction of new port infrastructure in the port of Tema (seawall, dredging, container terminal and shared area)	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal
Tin Can International Container Terminal Ltd	Nigeria port authorities	15 years from June 2006, extended by 5 years in December 2011	Land, quay surfaces and quays of the Tin Can Port Terminal, storage areas, offices and warehouses	NA	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal
Congo Terminal(2)	Independent port of Pointe-Noire (Congo)	27 years from July 2009	Pointe-Noire Port Terminal area, quay surfaces and quays	Reconstruction and extension of quays and construction of additional quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal
Togo Terminal(2)	Independent port of Lomé (Togo)	35 years from 2010	Lomé container port terminal area, quay surfaces and quays	Construction of additional quay and additional quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal
Lomé Multipurpose Terminal(2)	Independent port of Lomé (Togo)	25 years from August 2003	Conventional Lomé port terminal area, quay surfaces and warehouses	NA	Contractual obligation for the upkeep of assets operated under concession. No development or improvement work specified as being the responsibility of the recipient of the concession
Freetown Terminal(2)	Sierra Leone Port Authority (Sierra Leone)	30 years from 2011	Quay surfaces and quays of the Freetown container terminal	Rehabilitation and development of existing quay surfaces and construction of a new quay and quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal

Recipient of the concession	Grantor of the concession	Duration of the contract	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Conakry Terminal(2)	Independent port of Conakry (Guinea)	25 years from 2011	Quay surfaces and quays of the Conakry port terminal	Construction of additional quay and additional quay surfaces	Contractual obligation for the upkeep of assets operated under concession and the improvement of facilities in order to ensure the operational performance of the terminal
Moroni Terminal(2)	Comoros Government	10 years from December 2011	Moroni terminal port area	NA	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
Bénin Terminal(2)	Benin Government and independent port of Cotonou (Benin)	25 years from October 2012	Land and quays of the Cotonou port terminal	Construction of quay surfaces	Contractual obligation for the upkeep of assets operated under concession, excluding walls Development works to be borne by the recipient of the concession, to meet the terminals' operational performance targets
Dakar Terminal(2)	Autonomous port of Dakar (Senegal)	25 years from March 2014	Dakar RoRo terminal	Renovation and modernization of existing infrastructure	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
Tuticorin (Dakshin Bharat Gateway Terminal Private Limited)(1)(2)	Chidambaranar Port Authorities (India)	30 years from August 2012	Tuticorin terminal	NA	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
Niger Terminal	Nigerien Government (Niger)	20 years from September 19, 2014	Inland container depot of Dosso and its branch in Niamey	Redevelopment of quay surfaces of the inland container depot	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
Kribi Containers Terminal(1)(2)	Independent port of Kribi	25 years from 2017	Existing quay of 350 meters temporarily made available to the grantee during the period of construction of a second quay of 715 meters made by the grantor	NA	The recipient of the concession is contractually responsible for maintenance and upkeep Investment in renewal is the responsibility of the recipient of the concession

NA: Non applicable
(1) Partnership accounted for by the equity method.
(2) Accounted for in accordance with the provisions of IFRIC 12.
(3) Newly accounted for in accordance with the provisions of IFRIC 12 since its renewal in 2018.

These agreements provide for the payment to the grantor of a fixed annual fee, combined with a variable fee dependent on the performance of the terminal, with the exception of the Togo Terminal concession which provides only for a variable fee. Royalties are recognized as operating expenses in the fiscal year in which they fall due.
These agreements may be terminated by common agreement with the grantor. They may be terminated by the grantor for reasons of general interest (with compensation) or as a result of major default by the recipient of the concession.

Rail concessions

— Rail concessions, Africa

Recipient of the concession	Grantor of the concession	Duration of the contract	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Camrail	Cameroon Government	30 years from 1999, renewed until 2034	Cameroon railway network: railway infrastructures required for operating	NA	The recipient of the concession is contractually responsible for maintenance
Sitarail	Burkina Faso and Republic of Côte d'Ivoire Governments	15 years from 1995, renewed until 2030	Railway network connecting Abidjan and Ouagadougou (Republic of Côte d'Ivoire/Burkina Faso): railway infrastructures and dependencies of the public railway-owned land as well as the equipment necessary to operate it.	NA	The recipient of the concession is contractually responsible for maintenance

The concessions contain royalty payments to the grantor in exchange for the operating license granted. Royalties are recognized as operating expenses in the fiscal year in which they fall due.
Contractual obligations to maintain and recondition assets operated under concession are recognized in provisions depending on the plans according to IAS 37 and described in note 10.1 – Provisions.
The Sitarail agreement may be terminated by the recipient of the concession in the event of serious breach of contract by the grantor (with compensation) or in the event of force majeure, or at the request of the grantor through the buyback of the concession or in the event of serious breach of contract by the recipient of the concession.
An agreement was signed in July 2016 with the Republic of Côte d'Ivoire and Burkina Faso to extend the term of the revised concession by thirty years from its effective date in exchange for major renovation work. The provisions appended to the contract were finalized in July 2017 and were scheduled to become effective in 2018, once all of the conditions precedent had been met. These items were not finalized as of December 31, 2018.

Other concessions

Recipient of the concession	Grantor of the concession	Duration of the contract	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Bolloré Telecom	French Government	20 years from 2006	Regional WiMax licenses	NA	Obligation for regional deployment of the service
SFDM	French Government	25 years from March 1995	Oil pipeline linking the port of Donges to Metz and depots	NA	Contractual obligation to maintain and upgrade premises operated under concession
Bluely	Lyon Urban Community	10 years from June 2013	Road sites	NA	Maintenance of areas made available and of installed equipment
Bluecub	Bordeaux Urban Community	10 years from July 31, 2013	Road sites	NA	Maintenance of areas made available and of installed equipment
BluePointLondon	Transport for London	Unlimited	Road sites (and existing terminals)	NA	Obligation to ensure the upkeep and maintenance of the charging terminals
BlueIndy	City of Indianapolis (Indiana, USA)	15 years from September 2015	Road sites	NA	Obligation to operate and maintain the car-sharing service
Bluetorino Srl	City of Turin	20 years from March 2016	Road sites	NA	Obligation to operate and maintain the car-sharing service
BlueSG Ltd	City of Singapore	10 years from December 2017	Road sites	NA	Obligation to operate and maintain the car-sharing service
BlueLA Carsharing LLC	City of Los Angeles	5 years from January 2017	Road sites	NA	Obligation to operate and maintain the car-sharing service

The concessions contain royalty payments to the grantor in exchange for the operating license granted. Royalties are recognized as operating expenses in the fiscal year in which they fall due.
With respect to SFDM, contractual obligations to maintain and recondition assets operated under concession are recognized in provisions depending on the multiannual plans according to IAS 37 and described in note 10.1 – Provisions. This agreement includes a termination clause in the event of serious breach of contract by the recipient of the concession or force majeure.
For Autolib', the contract existing since the end of 2011 for an originally planned period of twelve years was the subject of a notification of termination by the licensor (Syndicat Mixte Autolib') dated June 25, 2018. See note 1 – Key events.

6.4.2. Concessions signed at December 31, 2018 in respect of which operations have not yet started

Port concessions

Recipient of the concession	Grantor of the concession	Duration of the contract	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Côte d'Ivoire Terminal (TC2)[1]	Autonomous port of Abidjan (Republic of Côte d'Ivoire)	21 years from February 2017	Second container terminal in the port of Abidjan	Development of quays and quay surfaces	The recipient of the concession is contractually responsible for maintenance Investment in development and renewal is the responsibility of the recipient of the concession
TVB Port-au-Prince Terminal SA[1]	Haiti Port Authorities	25 years	Existing quay	Work to develop a quay and a quay surface for the container business.	Contractual obligation for the upkeep.
Timor Port SA	Government of the Democratic Republic of East Timor	30 years, renewable 10 years	Land of the port of Dili	Construction and development of a 630 meter quay and the creation of a quay surfaces	Contractual maintenance and repair obligation of the port facility throughout the operation phase

(1) Equity-accounted partnership.

Rail concessions

Recipient of the concession	Grantor of the concession	Duration of the contract	Infrastructures made available by the concession grantor	Contractual obligations to build infrastructures reverting to the grantor at the end of the contract	Other obligations of the recipient of the concession
Benirail Exploitation[1]	Nigerien and Benin Governments	20 years from the commissioning of the line	NA	NA	Passenger transport public service obligation Contractual obligation to finance and maintain the rolling stock in good condition
Benirail Infrastructure[1]	Nigerien and Benin Governments	30 years from the commissioning of the line	Rail facilities	Design and construction of infrastructures, facilities and structures comprising the rail link between Cotonou and Niamey	Contractual obligation to maintain the line

(1) The performance of the Benirail concession arrangements agreed in summer 2015 was put on hold following the decision of the Cotonou appeals court in November 2015 to overturn an earlier judgment in summary proceedings primarily brought against the State of Benin by the Petrolin group. The current proceedings are not challenging the validity of the contract signed by the Group but are delaying its implementation.

6.4.3. Commitments given under concessions

The commitments made by the Group under concession arrangements held by its subsidiaries are as follows:

At December 31, 2018 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions(1)	787.1	51.8	201.0	534.2
Future capital expenditure in respect of concessions(2)(3)	1,256.6	108.0	507.1	641.5
TOTAL	**2,043.7**	**159.8**	**708.1**	**1,175.7**

(1) Only includes the fixed portion of fees.
(2) Does not include the remaining capital expenditure commitments relating to the construction of the rail link between Cotonou and Niamey following the suspension of the performance of these concession agreements. Total expected capital expenditure is around 800 million euros.
(3) Including the commitments related to the Sitarail concession, the conditions precedent of which had not been met at the date of the signing of the financial statements.

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions(1)	769.1	47.4	182.3	539.4
Future capital expenditure in respect of concessions(2)(3)	1,237.3	170.8	397.1	669.4
TOTAL	2,006.4	218.2	579.4	1,208.8

(1) Only includes the fixed portion of fees.
(2) Does not include the remaining capital expenditure commitments relating to the construction of the rail link between Cotonou and Niamey following the suspension of the performance of these concession agreements. Total expected capital expenditure is around 800 million euros.
(3) Including the commitments related to the Sitarail concession, the conditions precedent of which had not been met at the date of the signing of the financial statements.

The Group's commitments relating to concession contacts held by entities under joint control or under significant influence of the Group and presented here according to the Group's percentage holding are as follows:

At December 31, 2018 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions(1)	405.0	4.6	66.4	334.0
Future capital expenditure in concessions	470.6	197.2	172.3	101.2
TOTAL	**875.6**	**201.8**	**238.6**	**435.0**

(1) Only includes the fixed portion of fees.

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Concessions(1)	517.4	3.7	56.5	457.2
Future capital expenditure in concessions	666.1	155.8	419.5	90.8
TOTAL	1,183.5	159.5	476.0	548.0

(1) Only includes the fixed portion of fees.

NOTE 7. FINANCIAL STRUCTURE AND FINANCIAL COSTS

7.1. Financial income

Accounting policies

Net financing expenses include interest charges on debt, interest received on cash deposits and any changes in value of derivatives.
Other financial income and expenses mainly include impairment of financial assets, losses and profits associated with acquisitions and disposals of securities, the effect of fair valuation when control is obtained or given up, net exchange gains concerning financial transactions, discounting effects, dividends received from non-consolidated companies, changes in financial provisions and any changes in value of derivatives relating to financial transactions.

- **Foreign currency transactions**

Foreign exchange gains and losses resulting from the translation of monetary items denominated in foreign currencies are recognized under "Other financial income and expenses" in respect of financial transactions, with the exception of translation adjustments concerning the financing of net capital expenditure in certain foreign subsidiaries, which are recognized in shareholders' equity under "Translation adjustments" until the date of sale of the shareholding.

(in millions of euros)	**2018**	2017
Net financing expenses	(130.7)	(128.3)
– Interest expenses	*(184.2)*	*(150.4)*
– Income from financial receivables	*51.0*	*16.9*
– Other earnings	*2.5*	*5.2*
Other financial income(*)	2,781.4	702.2
Other financial expenses(*)	(2,511.0)	(455.1)
FINANCIAL INCOME	**139.7**	118.8

(*) Details of other financial income and expenses

	2018			2017		
(in millions of euros)	**Total**	**Financial income**	**Financial expenses**	Total	Financial income	Financial expenses
Income from securities and short-term investments[1]	24.1	24.1	0.0	32.5	32.5	0.0
Capital gains (losses) on disposals of securities and short-term investments[2]	(39.8)	2,226.4	(2,266.2)	18.9	76.5	(57.6)
Effect of changes in consolidation scope[3]	5.5	19.6	(14.1)	221.9	261.3	(39.4)
Changes in financial provisions	(21.1)	31.2	(52.3)	(58.0)	10.2	(68.2)
Fair value adjustment of financial assets[4]	336.1	383.1	(47.0)	122.2	122.6	(0.4)
Other[5]	(34.4)	97.0	(131.4)	(90.4)	199.1	(289.5)
OTHER FINANCIAL INCOME AND EXPENSES	**270.4**	**2,781.4**	**(2,511.0)**	247.1	702.2	(455.1)

(1) Mainly Telefónica dividends in the amount of 11.4 million euros as of December 31, 2018 and 19.7 million euros as of December 31, 2017.
(2) Includes, as of December 31, 2018, the disposal of Ubisoft securities at fair value on disposal, with no impact.
(3) Of which, as of December 31, 2017, mainly 232.3 million euros related to the revaluation of equity-accounted investments following the change in Vivendi's consolidation method (see note 4.1.2 – Changes in consolidation scope in 2017).
(4) Of which, in financial income, the revaluation between January 1 and December 31, 2018 of investments in Spotify in the amount of 243.8 million euros and Ubisoft in the amount of 53.1 million euros, accounted for through profit or loss in accordance with the new IFRS 9, applied from January 1, 2018, including the impact in financial expense of the change in the fair value of Vivendi call options subscribed in October 2016 in the amount of –47.0 million euros.
(5) Other financial income and expense includes foreign exchange gains and losses on financial items.

7.2. Investments in companies accounted for under the equity method

Accounting policies

Companies accounted for using the equity method include companies over which the Group has a significant influence and joint ventures. To clarify the financial information provided further to the implementation of IFRS 10 "Consolidated financial statements" and IFRS 11 "Joint arrangements", the Group elected to recognize the shares of net income from companies accounted for using the equity method whose activities are linked to the Group's operating activities, in "Share in net income from operating companies accounted for using the equity method". The shares of net income from the Group's holding companies are presented in "Share in net income from non-operating companies accounted for using the equity method".

Shareholdings in associate companies and joint ventures are recognized under IAS 28 revised as soon as a significant degree of influence or control has been acquired. Any difference between the cost of the shareholding and the acquired share in the fair value of the assets, liabilities and contingent liabilities of the company is entered under goodwill. Goodwill thus determined is included in the book value of the shareholding.

An impairment test is carried out as soon as an objective indication of impairment has been identified, such as a significant fall in the price of the shareholding, the anticipation of a significant fall in future cash flows or any information suggesting likely significant negative effects on the results of the entity.

The recoverable value (in the case of shareholdings consolidated by the equity method) is then tested as described in the note on impairment of non-financial non-current assets (see note 6.1 – Goodwill).

The value in use of the shareholdings is calculated on the basis of an analysis of various criteria including the stock exchange value for listed securities, discounted future cash flows and comparable listed companies. These methods use the price targets set by financial analysts for listed securities.

Impairment losses, if any, are recognized in profit and loss under "Share in net income from operating companies accounted for using the equity method" or "Share in net income from non-operating companies accounted for using the equity method", according to their classification.

Should significant influence or joint-control be attained through successive stock purchases, in the absence of a ruling on IAS 28 revised, the Group has chosen to adopt the cost method.

Following this method, the goodwill recognized equals the sum of the goodwill of each successive lot of shares acquired. The goodwill is calculated for each purchase, as the difference between the price paid and the portion of fair value of the net identifiable asset acquired. The cost of lots acquired before attaining significant influence or joint control is not remeasured at fair value when significant influence is attained.

The Group considers itself as involved in any losses realized by entities accounted for using the equity method even if the amount of the losses exceeds the initial investment. The share of losses realized during the fiscal year is recognized in liabilities under "Share in net income from companies accounted for using the equity method", a provision is recognized under "Provisions for contingencies" for the share of losses exceeding the initial investment.

(in millions of euros)	
As of December 31, 2017, restated	**4,574.4**
IFRS 9 impact(1)	(14.3)
At January 1, 2018	**4,560.1**
Change in the consolidation scope	(7.1)
Share in net income from operating companies accounted for using the equity method	22.5
Share in net income from non-operating companies accounted for using the equity method	172.1
Other transactions(2)	(240.45)
AT DECEMBER 31, 2018	**4,507.2**

(1) Corresponds to the impact of IFRS 9 as of January 1, 2018 on the stake in Telecom Italia. See note 3 – Comparability of financial statements.
(2) Including –53.9 million euros in dividends, –110.4 million euros in translation differences, (66.2) million euros in changes in fair value reserves and –6.4 million euros relating to the impact of Mediobanca's transition to IFRS 9 as of July 1, 2018.

Consolidated value of the main companies accounted for using the equity method

Information has been categorized by operating segment.

At December 31, 2018 (in millions of euros)	**Share in net income from operating companies accounted for using the equity method**	**Share in net income from non-operating companies accounted for using the equity method**	**Equity value**
Entities under significant influence			
Entities accounted for using the equity method at Vivendi(*)	6.4	122.2	3,478.0
– Telecom Italia		*122.2*	*3,020.8*
– Others	*6.4*		*457.2*
Mediobanca(**)		37.8	627.1
Socfin group		11.6	179.5
Others	2.8	0.5	29.8
Sub-total entities under significant influence	**9.2**	**172.1**	**4,314.4**
Joint ventures	**13.3**	**0.0**	**192.8**
TOTAL	**22.5**	**172.1**	**4,507.2**

As of December 31, 2017, restated (in millions of euros)	Share in net income from operating companies accounted for using the equity method	Share in net income from non-operating companies accounted for using the equity method	Equity value(1)
Entities under significant influence			
Vivendi – Equity-accounted for 4 months(2)	12.9		0.0
Entities accounted for using the equity method at Vivendi(*)	106.6		3,526.6
Telecom Italia	*107.9*		*3,080.7*
Others	*(1.3)*		*445.9*
Mediobanca(**)		98.4	659.2
Socfin group		16.7	172.7
Others	3.4	0.4	31.8
Sub-total entities under significant influence	122.9	115.5	4,390.3
Joint ventures	28.1	0.0	184.0
TOTAL	151.0	115.5	4,574.4

(1) Adjusted for the Vivendi PPA – foreign exchange impact on Vevo securities housed in UMG (see note 3 – Comparability of financial statements).
(2) The Vivendi group was accounted for using the equity method until April 26, 2017, date of the acquisition of control within the meaning of IFRS 10.

(*) Entities accounted for using the equity method at Vivendi

Work to allocate the fair value of assets and liabilities as of the acquisition date of Vivendi was finalized in the first quarter of 2018. For the record, as of December 31, 2017, the book value of investments in companies accounted for under the equity method presented in the Group's financial statements was reviewed and set at fair value at the date of acquisition of control based primarily on the market price of the listed securities at that date. The initial amounts recognized in respect of Telecom Italia and Vevo were accordingly adjusted. (see note 4.1.1 – Change in consolidation scope in 2018) when assigning the fair values of the assets and liabilities as of the date of acquisition of control.

Telecom Italia

As of December 31, 2018, unchanged from December 31, 2017, the Group held, through Vivendi, 3,640 million ordinary shares of Telecom Italia, representing 23.94% of the voting rights and 17.15% of the total capital of Telecom Italia, taking into account non-voting preferred shares. Since December 31, 2017, the following major events have occurred:

- on March 22, 2018, the three representatives to Telecom Italia's Board of Directors proposed by Vivendi, including Arnaud de Puyfontaine, Executive Chairman of Telecom Italia's Board of Directors since June 1, 2017, resigned from office effective April 24, 2018;
- on May 4, 2018, Telecom Italia's General Shareholders' Meeting appointed five candidates, including Arnaud de Puyfontaine and Amos Genish, out of the 10 submitted by Vivendi to the company's Board of Directors, Vivendi's list having obtained 47% of the votes, against 49% for the Elliott fund, which was awarded ten directors;
- on May 7, 2018, Telecom Italia's Board of Directors unanimously appointed Telecom Italia's Amos Genish as *Amministratore Delegato* (Chief Executive Officer). At that time, Vivendi reaffirmed its long-term commitment to Telecom Italia. Vivendi notes that it supported the 2018-2020 industrial plan presented by Amos Genish on March 12, 2018 and approved unanimously by Telecom Italia's Board of Directors;
- on May 16, 2018, Telecom Italia's Board of Directors considered that Vivendi no longer exercised "management and coordination activity" on Telecom Italia (*attività di direzione e coordinamento* within the meaning of article 2497-bis of the Italian Civil Code), and therefore terminated the "management and coordination activity" exercised by Vivendi since July 27, 2017;
- on November 13, 2018, the Board of Directors of Telecom Italia revoked the executive powers as *Amministratore Delegato* of Amos Genish, who remains a member of the Board of Directors.;
- on December 14, 2018, Vivendi asked Telecom Italia's Board of Directors to call a General Shareholders' Meeting as soon as possible to appoint new auditors. Vivendi also requested that the removal of five members of the Board from Elliott's list be placed on the agenda of this General Shareholders' Meeting.

Notwithstanding change in Telecom Italia's governance in 2018, which has resulted in a reduction in Vivendi's influence on Telecom Italia's Board of Directors, the Group still believes it has the power to participate in decisions relating to Telecom Italia's financial and operating policies, particularly in view of the 23.94% of voting rights it holds and its representation on the Board of Directors. It therefore considers that it exercises significant influence over Telecom Italia. To reflect the reduction in its influence on Telecom Italia in 2018, the Group now recognizes Telecom Italia in the "Share in net income of non-operating companies accounted for using the equity method". In 2017, it was recorded in the "Share in net income of operating companies accounted for using the equity method".

Value of shareholding in Telecom Italia at December 31, 2018

As of December 31, 2018, the value of Telecom Italia shares accounted for using the equity method was 3,020.8 million euros after taking into account the share of net income for the period and changes in other comprehensive income. At that date, the market value of the investment was 1,759 million euros, based on a share price of 0.4833 euro per ordinary share.
Remplacer par :
With the assistance of an independent expert, the Group applied standard valuation methods (value in use determined by discounting future cash flows, and fair value, determined using market data and prices, peer comparisons and comparison with the value ascribed to similar assets or companies in recent transactions).
In its financial statements for the year ended December 31, 2018, Vivendi re-estimated the value in use of its interest in Telecom Italia and impaired it, notably to take into account the risk of non-execution of the 2018-2020 industrial plan, given Vivendi's reduced influence in Telecom Italia's financial and operating policies, and in order to take into account Telecom Italia's changing regulatory and competitive environment. In Vivendi's consolidated financial statements for the year ended December 31, 2018, the value in use of the equity-accounted Telecom Italia shares was 3,130 million euros, after impairment in the amount of 1,066 million euros.
For the record, the value of Telecom Italia securities in the Group's financial statements was measured at fair value on Vivendi's acquisition of control on April 26, 2017, in accordance with the standards in force. It is lower than the average purchase price of securities by Vivendi. Since the carrying amount is lower, the impairment loss was not recognized in the Group's financial statements as of December 31, 2018.

Financial information of Telecom Italia at 100% ownership used to prepare the Group's annual financial statements

The main aggregates of the consolidated financial statements as published by Telecom Italia are as follows:

(in millions of euros)	**Financial statements as at September 30, 2018 9 months**	Annual financial statements as at December 31, 2017 12 months
Non-current assets	54,038	58,452
Current assets	9,533	10,331
Total assets	63,571	68,783
Shareholders' equity	21,901	23,783
Non-current liabilities	29,062	32,612
Current liabilities	12,608	12,388
Total liabilities	63,571	68,783
including net financial debt(1)	*26,127*	*26,091*
Revenue	14,077	19,828
EBITDA(1)	5,778	7,790
Net income, Group share	(868)	1,121
Comprehensive income, Group share	(1,530)	527

(1) Not strictly accounting measures, as published by Telecom Italia (Alternative Performance Measures).

Share in net income

Vivendi relies on the public financial information of Telecom Italia to account for its shareholding in Telecom Italia by the equity method. Given the respective dates of publication of the financial statements of Vivendi and Telecom Italia, Vivendi always recognizes its share in the net income of Telecom Italia with a lag of one quarter. Accordingly, in 2018, Vivendi earnings include its share in the net income of Telecom Italia for the fourth quarter of 2017 and the first nine months of fiscal year 2018 for a total amount of 122 million euros. These amounts are carried in the financial statements of the Bolloré Group.

(**) Mediobanca

Mediobanca is a listed company which publishes financial statements in compliance with the IFRS system.

At December 31, 2018, the Bolloré Group was the second largest shareholder in Mediobanca. La Financière du Perguet, a Bolloré Group subsidiary, holds 7.86% of the total share capital of Mediobanca at December 31, 2018, representing 8.01% excluding treasury shares (7.9% and 8.0% respectively at December 31, 2017).

In September 2018, the Group announced its exit, as of January 1, 2019, from the shareholders' agreement representing more than 28% of Mediobanca's capital. A new agreement was signed in December 2018 and came into force on January 1, 2019, bringing together shareholders owning approximately 20% of the capital of Mediobanca. The Group is not a participant. The new agreement is only advisory, and the participants are individually free to manage their shares and their votes. In view of the nature of the new agreement, the weight of the Group's shareholding in Mediobanca (second-largest shareholder), and the Group's representation in Mediobanca's governance bodies, the Group considers that it continued to have significant influence as of December 31, 2018.

The value in use of the shareholding in Mediobanca was recalculated as at December 31, 2018. The value is calculated on the basis of an analysis of various criteria including the stock exchange value for listed securities, discounted future cash flows and comparable listed companies. It is higher than the valuation based on the market price at that date. The recoverable amount used as of December 31, 2018 is therefore based on the value in use. The review of the recoverable amount nevertheless led to the recognition of additional impairment of 39.7 million euros as of December 31, 2018.

At December 31, 2018, the value of the equity-method investment was 627.1 million euros and the Group share of net income was 37.8 million euros, after reversing the impairment of the shareholding in the amount of 39.7 million euros. The market value of the shareholding at that date was 514.0 million euros.

Summary of key financial information – Mediobanca

(in millions of euros)	**At 12/31/2018(1)**	At 12/31/2017(1)
Net banking income	1,032	1,056
Net income, Group share	451	476
Total balance sheet	76,531	72,090
Shareholders' equity, Mediobanca group share	9,205	9,223

(1) Corresponding to publication twice a year, i.e. six months of activity, as the Mediobanca group closes its annual accounts in June. The Group nevertheless presents twelve months in the full-year financial statements.

The reconciliation of Mediobanca's summarized financial information with the book value of the Group's interest is established as follows:

(in millions of euros)	**At 12/31/2018**	At 12/31/2017
Shareholders' equity, Mediobanca group share	9,205	9,223
Homogenization restatement and PPA	233	104
Percentage held by the Bolloré Group	8.0%	8.0%
Share in net assets from Mediobanca group	756	748
Goodwill and adjustment of fair value of the shareholding	(129)	(89)
NET BOOK VALUE OF THE GROUP'S INTEREST	**627**	659

7.3. Other financial assets

Accounting policies

On initial recognition, financial assets are carried at fair value, which generally corresponds to the acquisition cost plus directly attributable transaction costs. Subsequently, financial assets are measured at fair value or amortized cost depending on the category to which they belong.

As of January 1, 2018, financial assets are classified as "financial assets at fair value through other comprehensive income", "financial assets at fair value through profit or loss" and "financial assets at amortized cost".

This classification depends on the entity's management model of financial assets and the contractual conditions for determining whether the cash flows are solely payments of principal and interest (SPPI). Financial assets that include an embedded derivative are considered as a whole to determine whether their cash flows are SPPIs.

Non-current financial assets include the portion due in over one year of financial assets recognized at fair value or at amortized cost.

Current financial assets include trade and other receivables, cash and cash equivalents, and the portion due in less than one year of financial assets carried at fair value or amortized cost.

- **Financial assets at fair value**

These assets include assets measured at fair value through other comprehensive income, derivative financial instruments with a positive value and whose underlying is financial, and other financial assets measured at fair value through profit or loss.

Most of these financial assets are actively traded on organized financial markets, their fair value being determined by reference to published market prices at the balance sheet date. For financial assets for which there is no quoted market price in an active market, the fair value is estimated. The fair value of unlisted securities is determined on the basis of the revalued net assets and, if applicable, for transparency, the value of any underlying assets. The Group ultimately measures financial assets at historical cost less any potential impairment losses when no reliable estimate of their fair value can be made by valuation techniques and in the absence of an active market.

- **Financial assets at fair value through other comprehensive income**

Financial assets measured at fair value through other comprehensive income include:

- non-consolidated investments that are not held for trading purposes and for which the Group has made an irrevocable election to classify them at fair value through other non-recyclable items of comprehensive income. Unrealized gains and losses on financial assets measured at fair value through other non-recyclable items of comprehensive income are recorded in other income and expenses recognized directly in equity until the financial asset is sold, cashed in or otherwise removed from the balance sheet, at which time the accumulated gain or loss, previously recorded in other expenses and income recognized directly in equity, is transferred to consolidation reserves and is not reclassified in profit or loss. Dividends and interest received from non-consolidated investments are recognized in the income statement;
- debt instruments whose contractual cash flows are solely payment of principal and interest on the outstanding principal, and where the Group's management intention is to collect contractual cash flows and to sell the financial assets. Unrealized gains and losses on these financial assets measured at fair value through other comprehensive income are recognized in other income and expenses recognized directly in equity. Where the financial asset is sold, cashed in or otherwise removed from the balance sheet or where there is objective evidence that the financial asset has lost all or part of its value, the accumulated gain or loss, recorded until then in other expenses and income recognized directly in other comprehensive income is transferred to the income statement in other financial income and expense.

- **Assets at fair value through profit and loss**

Other financial assets at fair value through profit or loss mainly include held-for-trading assets that the Group intends to resell in the near future (notably investment securities) and other financial assets not meeting the definition of other categories of financial assets, including derivative financial instruments. Unrealized gains and losses on these assets are recognized in other financial income and expense.

- **Financial assets at amortized cost**

Financial assets measured at amortized cost include debt instruments where the Group's management intention is to collect contractual cash flows that correspond solely the payment of principal and interest on the outstanding principal. They include receivables from equity interests, current account advances to associated or non-consolidated entities, security deposits, other loans, receivables and obligations.
Short-term investments (term deposits, interest-bearing current accounts and medium-term negotiable notes) do not meet the criteria for classification as cash equivalents according to IAS 7; similarly, the money market funds not meeting the specifications of AMF position no. 2011-13 are classified as cash management financial assets in current financial assets.
At the end of each accounting period, these assets are valued at amortized cost using the "effective interest rate" method.
An impairment is recognized if there is an objective indication of such a loss. The impairment corresponding to the difference between the net book value and the recoverable value (discount of expected cash flows at the original effective interest rate) is charged to the income statement. This may be reversed if the recoverable value later rises.

At December 31, 2018 (in millions of euros)	**Gross value**	**Provisions**	**Net value(1)**	**Including non-current**	**Including current**
Financial assets at fair value through other comprehensive income			5.273.1	5.273.1	0.0
Financial assets at fair value through profit or loss			1,477.3	847.2	630.1
Financial assets at amortized cost	975.3	(188.4)	786.9	336.4	450.5
TOTAL			**7,537.3**	**6,456.8**	**1,080.5**

(1) Other financial assets by net value include investments in listed and unlisted companies in the amount of 6,062.1 million euros, derivative assets for 40.4 million euros, cash management for 598.8 million euros and loans and receivables for 836.0 million euros.

At December 31, 2017 (in millions of euros)	Gross value	Provisions	Net value	Including non-current	Including current
Available-for-sale assets	9,674.3	(238.8)	9,435.5	9,435.5	0.0
Assets at fair value through profit and loss	266.4	0.0	266.4	190.5	75.9
Loans, receivables, deposits and bonds	724.1	(183.9)	540.2	507.0	33.2
TOTAL	10,664.8	(422.7)	10,242.1	10,133.0	109.1

Breakdown of changes over the period

(in millions of euros)	At 12/31/2017 Net value	IFRS 9 impact(1)	At January 1, 2018 Net value	Change in consolidation scope	Acquisitions(2)	Disposals(3)	Change in fair value(4)	Other transactions(5)	**At 12/31/2018 Net value**
Available-for-sale assets	9,435.5	(9,435.5)							
Financial assets at fair value through other comprehensive income		7,130.6	7,130.6	(0.3)	10.5	(644.1)	(1,226.1)	2.5	5,273.1
Financial assets at fair value through profit or loss	266.4	2,366.6	2,633.0	0.0	521.9	(1,713.7)	325.0	(288.9)	1,477.3
Financial assets at amortized cost	540.2	(142.6)	397.6	18.4	38.7	(92.4)	0.1	424.5	786.9
TOTAL	10,242.1	(80.9)	10,161.2	18.1	571.1	(2,450.2)	(901.0)	138.1	**7,537.3**

(1) Since January 1, 2018, the Group has applied the provisions of IFRS 9 (see note 3 – Comparability of financial statements). Regarding financial assets, for certain equity lines, including Ubisoft and Spotify, the Group has opted for classification in the "fair value through profit or loss" category. The recyclable reserves accumulated as of December 31, 2017 relating to these securities have therefore been reclassified as consolidation reserves.
In addition, as of January 1, 2018, the Group has reclassified as a reduction to financial assets the fair value of the options that allow Banijay Group Holding and Lov Banijay to redeem their bonds in shares in accordance with IFRS 9.
(2) Of which 519.5 million euros relating to cash management financial assets (see note 7.5 – Financial debt).
(3) The disposal of financial assets at fair value through profit or loss corresponds essentially to the sale of Ubisoft shares and the exercise of Vivendi call options (see note 1 – Key events). The disposal of financial assets at fair value through other comprehensive income mainly corresponds to the sale of Telefónica securities for 373 million euros and Fnac-Darty securities for 267 million euros.
(4) The change in the fair value of financial assets through other consolidated income mainly includes –515.2 million euros relating to the Group's controlling interests, –444.7 million euros in respect of the financial securities of Financière de l'Odet and –165.4 million euros relating to Mediaset. The change in the fair value of financial assets accounted for through profit or loss mainly relates to investments in Spotify, Tencent Music and Ubisoft, as well as derivatives, including Vivendi call options.
(5) The change in financial assets at amortized cost mainly corresponds to the receivable on the sale of securities, in the amount of the forward sale of the Ubisoft securities, i.e. 429 million euros.

Portfolio of listed and unlisted securities

Breakdown of main shares

(in millions of euros)	**At 12/31/2018**		At 12/31/2017	
Companies	**Percentage ownership**	**Net book value**	Percentage ownership	Net book value
Financière de l'Odet(1)	35.55	1,863.5	35.55	2,308.2
Ubisoft(2)	–	0.0	27.27	1,955.6
Mediaset(3)	28.80	933.6	28.80	1,099.0
Telefónica(4)	–	0.0	0.95	400.1
Fnac-Darty(5)	–	0.0	11.05	296.6
Other listed shares		865.9		116.1
Listed securities subtotal		**3,663.0**		6,175.6
Sofibol	48.95	1,273.5	48.95	1,563.1
Financière V	49.69	662.0	49.69	811.9
Omnium Bolloré	49.84	334.3	49.84	409.9
Other unlisted securities		129.3		474.9
Subtotal, unlisted securities		**2,399.1**		3,259.9
TOTAL		**6,062.1**		9,435.5

(1) At December 31, 2018, the consolidated shareholders' equity of Financière de l'Odet was 26,155.7 million euros and the consolidated net income 1,101.5 million euros.
(2) The sale of Vivendi's 27.27% stake in Ubisoft, i.e. 30,489 thousand shares, will include the sale of 6,550 thousand shares on March 5, 2019. Vivendi has recognized a receivable on the sale of these securities in the amount of the forward sale (429 million euros).
(3) The partnership agreement concluded between Vivendi and Mediaset on April 8, 2016 is the subject of litigation. As of December 31, 2017, Vivendi held 29.94% of the voting rights of Mediaset. On April 9, 2018, in accordance with the commitments made to AGCOM, Vivendi transferred the fraction of its shares in excess of 10% of the voting rights of Mediaset to an independent trust company. As of December 31, 2018, it accordingly held 9.99% of the voting rights. See note 10.2 – Litigation in progress.
(4) In November and December 2018, Vivendi sold its Telefónica shares for a total of 373 million euros.
(5) On July 2, 2018, Vivendi opted to settle in shares the hedging transaction entered into in January 2018 relating to its interest in Fnac-Darty. The settlement took place on July 10, 2018, and Vivendi received the payment of 267 million euros on July 12, 2018.

Listed securities are valued at market price (see note 8.1 – Information as to risk). Unlisted securities include mainly of the Group's stakes in Omnium Bolloré, Sofibol and Financière V, all intermediate holding companies controlled by the Group.

Sofibol, Financière V, Omnium Bolloré

The Bolloré Group directly and indirectly owns shares in Sofibol, Financière V and Omnium Bolloré, all intermediate holding companies controlled by the Group.

- Sofibol, controlled by Vincent Bolloré, is 51.05% owned by Financière V, 35.93% owned by Bolloré and 13.01% owned by Compagnie Saint-Gabriel, itself a 99.99% subsidiary of Bolloré.
- Financière V, controlled by Vincent Bolloré, is 50.31% owned by Omnium Bolloré, 22.81% owned by Compagnie du Cambodge, 10.50% owned by Financière Moncey, 10.25% owned by Bolloré, 4% owned by Société Industrielle et Financière de l'Artois, 1.68% owned by Compagnie des Tramways de Rouen and 0.45% owned by Société des Chemins de Fer et Tramways du Var et du Gard.
- Omnium Bolloré, controlled by Vincent Bolloré, is 50.04% owned by Bolloré Participations, 27.92% owned by African Investment Company (controlled by Bolloré), 17.10% owned by Financière Moncey, 4.82% owned by Bolloré and 0.11% owned by Vincent Bolloré.

Despite its shareholding in Financière de l'Odet (35.55%), Sofibol (48.95%), Financière V (49.69%) and Omnium Bolloré (49.84%), the Bolloré Group does not exert significant influence over them, since the shares have no voting rights attached, due to the direct and indirect control these companies have over the Bolloré Group.

The valuation of these securities is based on the market price of the Financière de l'Odet securities and includes a discount reflecting the lesser liquidity of these securities, using a valuation model called the "protective put" (Chaffe model). This valuation led to the recognition of a 10.6% discount as at December 31, 2018.

All listed securities are classified in level 1 of the IFRS 13 fair value hierarchy. Unlisted securities valued at fair value are classified in level 2 or 3.

7.4. Cash and cash equivalents and net cash

Accounting policies

"Cash and cash equivalents" consists of cash in hand, bank balances and short-term deposits in the money market. Such deposits (three months or less) are readily convertible into a known amount of cash and are subject to a negligible risk of change in value.

	At 12/31/2018			At 12/31/2017		
(in millions of euros)	Gross value	Provisions	Net value	Gross value	Provisions	Net value
Cash	1,614.7	0.0	1,614.7	1,490.5	0.0	1,490.5
Cash equivalents	3,170.2	0.0	3,170.2	1,608.2	0.0	1,608.2
Cash management agreements – assets(1)	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	**4,784.9**	**0.0**	**4,784.9**	3,098.7	0.0	3,098.7
Cash management agreements – liabilities(1)	(117.6)	0.0	(117.6)	(30.9)	0.0	(30.9)
Current bank facilities	(344.4)	0.0	(344.4)	(300.8)	0.0	(300.8)
NET CASH	**4,323.0**	**0.0**	**4,323.0**	2,767.0	0.0	2,767.0

(1) The cash management agreements affecting the consolidated balance sheet are those between companies which have shared ownership links but where one of them is not included within the Group's consolidation scope but within a wider scope.
The shared financial interests of these companies have led them to examine ways of enabling them to improve the terms under which they meet their cash requirements or use their surpluses so as to optimize cash flow.
These current transactions are cash transactions conducted under market conditions and are by nature backup credits.

Net cash includes the cash and cash equivalents of Vivendi for 3,793.3 million euros at December 31, 2018 (including 1,999.0 million euros of term deposits and interest-bearing current accounts and 1,306.0 million euros of money market funds).

7.5. Financial debt

Accounting policies

The definition of the Group's net financial debt complies with recommendation no. 2013-03 of November 7, 2013, of the French Accounting standards authority (Autorité des normes comptables, or ANC) relating to undertakings under the international accounting system, it being pointed out that:

- any derivative financial instruments based on a net debt item are included in net debt;
- certain specific financial assets applied to the repayment of debt are included in net debt;
- liabilities for buying back minority interests and for earn-outs are excluded from net debt.

Loans and other similar financial debts are entered at amortized cost according to the effective interest rate method. Financial transaction liabilities are kept at fair value, with a counterpart in the income statement.

Bonds redeemable for stock purchase or sale warrants are compound financial liabilities with an "option component" (redeemable stock purchase or sale warrants) which entitle the bearer of the warrants to convert them into equity and a "liability component" representing a financial liability due to the bearer of the bond. The "option component" is recognized in shareholders' equity separately from the "liability component". Deferred tax liabilities arising from the difference between the accounting basis of the "liability component" and the tax basis of the bond are debited to shareholders' equity.

The "liability component" is measured at the issue date based on the fair value of a comparable liability not associated with an "option component". This fair value is determined from the future net cash flows present-discounted at the market rate for a similar instrument without a conversion option. It is recognized at amortized cost using the effective interest rate method.

The book value of the "option component" equals the difference between the fair value of the bond loan as a whole and the fair value of the liability. This value is not remeasured subsequently to the initial recognition.

Issuance costs, since they cannot be directly charged to the "liability" or equity component, are allocated proportionately based on their respective book values.

7.5.1. Net financial debt

(in millions of euros)	**At 12/31/2018**	**Including current**	**Including non-current**	At 12/31/2017	Including current	Including non-current
Bond loans	5,214.9	932.5	4,282.4	5,310.7	134.5	5,176.2
Loans from credit institutions	4,498.5	600.9	3,897.6	2,197.3	439.3	1,758.0
Other borrowings and similar debts	547.9	507.2	40.8	506.9	459.2	47.7
Liability derivatives(1)	4.8	0.0	4.8	0.2	0.0	0.2
GROSS FINANCIAL DEBT	**10,266.2**	**2,040.6**	**8,225.6**	8,015.1	1,033.0	6,982.1
Cash and cash equivalents(2)	(4,784.9)	(4,784.9)	0.0	(3,098.7)	(3,098.7)	0.0
Cash management financial assets(3)	(598.8)	(598.8)	0.0	(75.0)	(75.0)	0.0
Asset derivatives(1)	0.0	0.0	0.0	0.0	0.0	0.0
NET FINANCIAL DEBT	**4,882.5**	**(3,343.1)**	**8,225.6**	4,841.4	2,140.7	6,982.1

(1) See section "Net debt asset and liability derivatives" below.
(2) See 7.4 – Cash and cash equivalents and net cash.
(3) Cash management financial assets are short-term investments that do not satisfy the criteria of IAS 7 as well as money market funds that do not satisfy the specifications of AMF position no. 2011-13. As of December 31, 2018, they represented 598.8 million euros of Vivendi's financial assets, mainly term deposits.

Main characteristics of the items in net financial debt

— Liabilities at amortized cost

Bond loans

(in millions of euros)	**12/31/2018**	12/31/2017
Bonds issued by Bolloré(1)	1,162.4	1,160.9
Bonds issued by Havas(2)	398.2	500.5
Bonds issued by Vivendi(3)	3,654.3	3,649.3
BOND LOANS	**5,214.9**	5,310.7

(1) Issued by Bolloré.
On January 25, 2017, Bolloré issued a bond loan at a par value of 500 million euros, due in 2022, with a yearly coupon of 2.00%.
On July 29, 2015, Bolloré issued a bond loan at a par value of 450 million euros, due in 2021, with a yearly coupon of 2.875%.
On January 30, 2014, Bolloré issued a bond loan with a par value of 30 million euros, maturing in 2019 and at a variable rate (euribor +1.75%), under the European Efficiency Fund financing and used to finance the Group's car-sharing investments.
On October 23, 2012, Bolloré issued a bond loan at a par value of 170 million euros, due in 2019, with a yearly coupon of 4.32%.
The accrued interest on these bond loan issues totaled 19.9 million euros at December 31, 2018.
(2) Issued by Havas.
On December 8, 2015, Havas SA issued a bond loan for a par value of 400 million euros, due in 2020, with a yearly coupon of 1.875%. The amortized cost of this debt on the balance sheet was 398.9 million euros at December 31, 2018.
On July 11, 2013, Havas SA issued a bond loan for 100 million euros, due in 2018, with a yearly coupon of 3.125%. It was fully repaid on maturity in July 2018.
The accrued interest on these bond loan issues totaled 0.7 million euros at December 31, 2018.
(3) Issued by Vivendi.
In September 2017, Vivendi issued a bond loan for a par value of 850 million euros, due in 2024, with a yearly coupon of 0.875%.
In November 2016, Vivendi issued a bond loan for a par value of 600 million euros, due in 2023, with a yearly coupon of 1.125%.
In May 2016, Vivendi issued a bond loan at a par value of 500 million euros, due in 2026, with a yearly coupon of 1.875%.
In May 2016, Vivendi issued a bond loan at a par value of 1,000 million euros, due in 2021, with a yearly coupon of 0.75%.
In December 2009, Vivendi issued a bond loan for a par value of 700 million euros, due in 2019, with a yearly coupon of 4.875%.
The accrued interest on these bond loan issues totaled 15.8 million euros at December 31, 2018.

Loans from credit institutions

(in millions of euros)	**12/31/2018**	12/31/2017
Loans from credit institutions(1)	4,498.5	2,197.3

(1) Including 400.0 million euros as of December 31, 2018 and December 31, 2017 under a floating rate credit agreement maturing in 2023. Interest rate hedges that swapped the original interest rate for a fixed rate that can be classified as hedge accounting were set up for this loan.
Including 176.1 million euros as of December 31, 2018 and 186 million euros as of December 31, 2017 under a factoring program.
Including 291.7 million euros in short-term negotiable securities at Bolloré as of December 31, 2018 (120.0 million euros as of December 31, 2017) under a program capped at 900.0 million euros.
Including 500.0 million euros as of December 31, 2018 in respect of a revolving credit agreement maturing in 2023.
Including 2,433.6 million euros as of December 31, 2018 and 1,099.3 million euros as of December 31, 2017 in financing backed by Vivendi shares maturing in 2020, 2021, 2022 and 2024. As of December 31, 2018, 170,524,112 Vivendi shares were pledged, of which 159,299,112 for financing obtained.

Other borrowings and similar debts

(in millions of euros)	**12/31/2018**	12/31/2017
Other borrowings and similar debts(1)	547.9	506.9

(1) As of December 31, 2018, primarily including bank overdrafts in the amount of 344.4 million euros (of which 97.8 million euros on Vivendi), compared with 300.8 million euros (of which 75.0 million euros on Vivendi) as of December 31, 2017.

— *Net debt asset and liability derivatives*

(in millions of euros)	**12/31/2018**	12/31/2017
Non-current asset derivatives(1)	0.0	0.0
Current asset derivatives(1)	0.0	0.0
TOTAL ASSET DERIVATIVES	**0.0**	0.0
Non-current liability derivatives	4.8	0.2
TOTAL LIABILITY DERIVATIVES	**4.8**	0.2

(1) Included under "Other financial assets", see note 7.3.

Nature and fair value of financial derivatives in net debt

Nature of instrument	Risk hedged	Company	Maturity	Total notional amount (in thousands of currency)	**Fair value of financial instruments as at December 31, 2018** (in millions of euros)	Fair value of financial instruments as at December 31, 2017 (in millions of euros)
Interest rate swaps(1)	Interest rate	Bolloré	2021/2023	€400,000	(3.5)	(0.2)
Interest rate swaps(2)	Interest rate	DRPC(3)	2028	€70,000	(1.3)	NA

(1) Interest rate swap (variable rate/fixed rate) qualifying for hedge accounting, contracted in 2016.
(2) Interest rate swap (variable rate/fixed rate) qualifying for hedge accounting, contracted in 2018.
(3) Rouen Petit-Couronne Depot.

The income and expenditure posted in the income statement for the period for these financial liabilities are shown in note 7.1 – Financial income.

— *Financial debt by currency (amounts before hedging)*

At December 31, 2018 (in millions of euros)	**Total**	**Euros and CFA francs(1)**	**US dollars**	**Other currencies**
Other bond loan issues	5,214.9	5,214.9	0.0	0.0
Total bond loan issues (a)	**5,214.9**	**5,214.9**	**0.0**	**0.0**
Loans from credit institutions (b)	4,498.5	4,359.1	108.0	31.5
Other borrowings and similar debts (c)	547.9	395.9	30.7	121.4
GROSS FINANCIAL DEBT EXCLUDING DERIVATIVES (a + b + c)	**10,261.4**	**9,969.8**	**138.7**	**152.9**

(1) Including 4,097 million euros for Vivendi.

After hedging, the redemption value of Vivendi's borrowings in euros amounted to 4,733 million euros, that in US dollars to −685 million euros and in other currencies to −182 million euros. See note 8.3 – Fair value of financial instruments.

At December 31, 2017 (in millions of euros)	Total	Euros and CFA francs(1)	US dollars	Other currencies
Other bond loan issues	5,310.7	5,310.7	0.0	0.0
Total bond loan issues (a)	5,310.7	5,310.7	0.0	0.0
Loans from credit institutions (b)	2,197.3	2,100.1	62.1	35.1
Other borrowings and similar debts (c)	506.9	401.4	13.6	91.9
GROSS FINANCIAL DEBT EXCLUDING DERIVATIVES (a + b + c)	8,014.9	7,812.2	75.7	127.0

(1) Including 4,270 million euros for Vivendi.

After hedging, the redemption value of Vivendi's borrowings in euros amounted to 5,814 million euros, that in US dollars to −1,333 million euros and in other currencies to −97 million euros.

— Financial debt by interest rate (amounts before hedging)

(in millions of euros)	**At 12/31/2018**			At 12/31/2017		
	Total	**Fixed rate**	**Variable rate**	Total	Fixed rate	Variable rate
Other bond loan issues	5,214.9	5,165.6	49.3	5,310.7	5,243.8	66.8
Total bond loan issues (a)	**5,214.9**	**5,165.6**	**49.3**	**5,310.7**	**5,243.8**	**66.8**
Loans from credit institutions (b)	4,498.5	174.7	4,323.8	2,197.3	289.7	1,907.6
Other borrowings and similar debts (c)	547.9	70.8	477.2	506.9	123.4	383.5
GROSS FINANCIAL DEBT EXCLUDING DERIVATIVES (a + b + c)	**10,261.4**	**5,411.1**	**4,850.3**	8,014.9	5,657.0	2,357.9

At December 31, 2018, Group share of gross fixed-rate financial debt was 52.7%.
At December 31, 2017, Group share of gross fixed-rate financial debt was 70.6%.

7.5.2. Change in gross financial debt

(in millions of euros)	At 12/31/2017	New borrowings	Repayment of borrowings	Other cash changes(1)	Non-cash changes: Change in consolidation scope	Non-cash changes: Other transactions(2)	**At 12/31/2018**
Other bond loan issues	5,310.7	0.6	(99.6)	0.0	0.0	3.2	5,214.9
Loans from credit institutions	2,197.3	2,474.6	(168.9)	0.0	0.3	(4.8)	4,498.5
Other borrowings and similar debts	506.9	27.0	(107.5)	146.0	1.7	(26.2)	547.9
Liability derivatives(3)	0.2	0.0	0.0	0.0	0.0	4.6	4.8
GROSS FINANCIAL DEBT	8,015.1	2,502.2	(375.9)	146.0	2.0	(23.2)	**10,266.2**

(1) Mainly involves the change in current bank facilities and cash agreement liabilities included in net cash (see note 7.4 – Cash and cash equivalents and net cash).
(2) Including change in exchange rates and change in accrued interest on borrowings.
(3) See "Net financial debt asset and liability derivatives".

7.5.3. Maturities of gross financial debt

The main assumptions made when drawing up this schedule of non-discounted disbursements relating to gross financial debt were as follows:

- confirmed credit lines: the expired position is the position on the 2018 reporting date, the amount used at a subsequent date may be substantially different;
- the maturity assumed for bilateral credit lines is the term of the contract and not that of the draw; these draws are renewed at the Group's discretion as a matter of cash arbitrage;
- sums in other currencies are translated at the year end;
- future interest at a variable rate is fixed on the basis of the rate at the year end, unless a better estimate is provided.

(in millions of euros)	**At 12/31/2018**	Under 3 months		From 3 to 6 months		From 6 to 12 months	
		Nominal	Interest	Nominal	Interest	Nominal	Interest
Other bond loan issues	5,214.9	30.0	25.7	0.0	25.7	902.4	48.5
Loans from credit institutions	4,498.5	30.4	11.1	8.9	10.6	561.7	20.5
Other borrowings and similar debts	547.9	0.3	3.9	0.3	3.9	506.6	7.9
Liability derivatives	4.8	0.0	0.0	0.0	0.0	0.0	0.0
GROSS FINANCIAL DEBT	**10,266.2**						

(in millions of euros)	At 12/31/2018	Total due within 1 year		From 1 to 5 years		More than 5 years	
		Nominal	Interest	Nominal	Interest	Nominal	Interest
Other bond loan issues	5,214.9	932.5	100.0	2,939.7	151.3	1,342.8	24.4
Loans from credit institutions	4,498.5	601.0	42.2	3,818.1	88.2	79.5	1.4
Other borrowings and similar debts	547.9	507.2	15.7	30.6	2.5	10.2	0.2
Liability derivatives	4.8	0.0	0.0	3.5	0.0	1.3	0.0
GROSS FINANCIAL DEBT	**10,266.2**	2,040.6		6,791.8		1,433.8	

7.6. Off-balance sheet commitments for financing activities

7.6.1. Commitments given

At December 31, 2018 (in millions of euros)	**Total**	**Less than 1 year**	**From 1 to 5 years**	**More than 5 years**
Financial guarantees and bonds(1)	182.3	136.0	41.0	5.3
Pledges, mortgages, assets and collateral given to guarantee a loan(*)	2,472.7	0.0	2,472.7	0.0
Other commitments given	29.8	21.2	8.1	0.5

(1) Bonds and financial securities are issued by the Group's main holding companies to guarantee repayment of the credit facilities (drawn and not drawn) of their subsidiaries arranged with credit institutions. The issued part of the corresponding liabilities is recognized in these financial statements.

(*) Details of the main pledges, collateral security and mortgages

Borrower	Nominal amount originally guaranteed (in millions of euros)	Maturity	Asset pledged
Camrail	36.7	07/01/2020	Rolling stock
Bolloré Logistics Canada	6.1	03/31/2022	Building
Compagnie de Cornouaille and Financière de Larmor	2,430.0	Between 2020 and 2024	Vivendi securities(1)

(1) Pledge of Vivendi securities in 2015, 2016 and 2018.
Compagnie de Cornouaille and Financière de Larmor set up several financing arrangements backed by Vivendi securities in 2015, 2016 and 2018. 159.3 million Vivendi securities were pledged at December 31, 2018. These transactions can be unwound at any time at the discretion of the Group, which retains ownership of the shares, dividends and their associated voting rights throughout the transactions.

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
Financial guarantees and bonds(1)	98.9	11.1	83.6	4.2
Pledges, mortgages, assets and collateral given to guarantee a loan(*)	1,143.6	0.0	1,143.6	0.0
Other commitments given	30.1	20.8	8.8	0.5

(1) Bonds and financial securities are issued by the Group's main holding companies to guarantee repayment of the credit facilities (drawn and not drawn) of their subsidiaries arranged with credit institutions. The issued part of the corresponding liabilities is recognized in these financial statements.

(*) Details of the main pledges, collateral security and mortgages

Borrower	Nominal amount originally guaranteed (in millions of euros)	Maturity	Asset pledged
Camrail	36.7	07/01/2020	Rolling stock
Bolloré Logistics Canada	7.0	03/31/2022	Building
Compagnie de Cornouaille	1,100.0	Between 2016 and 2022	Vivendi securities(1)

(1) Pledge of Vivendi securities in 2015 and 2016.
Compagnie de Cornouaille set up several financing arrangements backed by Vivendi securities in 2015 and 2016. 74.1 million Vivendi securities were pledged at December 31, 2017. These transactions can be unwound at any time at the discretion of the Group, which retains ownership of the shares, dividends and their associated voting rights throughout the transactions.

7.6.2. Commitments received

At December 31, 2018 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For financing	20.6	1.5	0.1	18.9

At December 31, 2017 (in millions of euros)	Total	Less than 1 year	From 1 to 5 years	More than 5 years
For financing	21.7	1.1	1.7	18.9

NOTE 8. INFORMATION RELATING TO MARKET RISK AND THE FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

8.1. Information on risk

This note is to be read in addition to the information provided in the Board's' report on corporate governance included in the notes to this document.

The Group identifies three categories of risk:

- main risks concerning the Group: risks that may impact the Group as a whole;
- risks specific to activities: risks that could impact a given business line or geographical area without threatening the financial structure of the Group as a whole;
- legal risks.

Business-specific risks are detailed in chapter 3 – Risk factors of the registration document.

Particular legal risks are detailed in chapter 3 – Risk factors of the registration document.

Main risks concerning the Group

Risk associated with listed shares

The Bolloré Group, which holds a securities portfolio valued at 6,062.1 million euros at December 31, 2018, is exposed to price fluctuations on market prices.

The Group's equity investments in non-consolidated companies are measured at fair value at the end of the accounting period in accordance with IFRS 9 "Financial instruments" and are classified as financial assets (see note 7.3 – Other financial assets).

As far as shares in listed companies are concerned, this fair value is the closing stock market value.

As of December 31, 2018, revaluations of equity investments in the consolidated balance sheet, determined on the basis of stock market prices, amounted to 3,556.2 million euros before tax, of which 311.4 million euros impacted net profit or loss and 3,244.8 million euros with a direct impact on other comprehensive income before tax that will not be reversed to profit or loss in the future.

As of December 31, 2018, a 1% variation in stock market prices would have a an impact of 57.1 million euros on equity investments, of which 5.8 million euros impacting profit or loss and 51.3 million impacting equity, including 22.6 million euros for revaluations of the Group's investments in Omnium Bolloré, Financière V and Sofibol.

These unlisted securities, either directly or indirectly owned by Omnium Bolloré, Financière V and Sofibol, whose value is dependent on the valuation of Bolloré and Financière de l'Odet securities, are also impacted by fluctuations in market prices (see note 7.3 – Other financial assets). At December 31, 2018, the remeasured value of these securities was 2,269.8 million euros, for a gross value of 183.9 million euros. The shares of these unlisted companies are not very liquid.

Liquidity risk

The Group's liquidity risk stems from obligations to repay its debt and from the need for future financing in connection with the development of its various lines of business. To deal with liquidity risk, the Group's strategy has been to maintain a level of unused credit lines that will allow it to deal at any point with cash requirements. As of December 31, 2018, the amount of confirmed and unused credit lines was 3,840.4 million euros (of which 2,000 million euros for Vivendi). Additionally, the Group strives to diversify its sources of financing by using the bond market, the banking market and such organizations as the European Investment Bank.

For the Bolloré Group's main syndicated bank financing facilities as of December 31, 2018:

- Bolloré SA has a revolving credit line of 1,300 million euros, drawn in the amount of 500 million euros as of December 31, 2018, maturing in 2023, and a drawn credit of 400 million euros maturing in 2023. They are subject to a gearing covenant that caps the net debt to equity ratio at 1.75;
- Vivendi SA has a credit line of 2,000 million euros, maturing on October 29, 2021, undrawn at December 31, 2018. This line of credit is subject to a leverage covenant (net financial debt to EBITDA over twelve rolling months), which must be below three throughout the term of the loan. As of December 31, 2018, Vivendi was in compliance with this ratio.

The bonds issued by Bolloré in 2012 (170 million euros due in 2019), in 2015 (450 million euros due in 2021) and in 2017 (500 million euros due in 2022) are subject to the usual clauses in the event of default, restrictions in terms of collateral and changes in control but not to any early redemption clause in the event of a failure to satisfy a financial ratio.

Bonds issued by Vivendi are subject the usual default, negative pledge and *pari passu* clauses. Moreover, the bond loans issued by Vivendi contain an early redemption clause in the event of a change in control (this clause excludes the change in control in favor of the Bolloré Group for the bonds issued in May and November 2016) which would apply if, following any such event, Vivendi SA's long-term rating were to drop below investment grade (Baa3/BBB-).

On February 11, 2019, when the Vivendi Management Board met to approve the financial statements for the year ended December 31, 2018, Vivendi's ratings were as follows:

Rating agency	Type of debt	Ratings	Outlook
Standard & Poor's	Long-term corporate debt	BBB	Stable
	Senior unsecured debt	BBB	Stable
Moody's	Senior unsecured long-term debt	Baa2	Stable

Some other lines may have early repayment covenants connected with respect of financial ratios, generally involving gearing ratios (net debt to shareholders' equity) and/or debt service coverage. All of these bank covenants and financial ratios were met as of December 31, 2018, and as of December 31, 2017.

The portion due in less than one year of loans used as of December 31, 2018 includes 291.7 million euros of short-term negotiable securities at Bolloré SA out of a program of up to 3,300 million euros (of which 400 million euros for Havas and 2,000 million euros for Vivendi) and 176.1 million of receivables.

All bank lines of credit, both drawn and undrawn, are repayable as follows:

2019	9%
2020	10%
2021	35%
2022	6%
2023	24%
2024	11%
Beyond 2024	5%

Interest rate risk

Because of its financial debt, the Group is exposed to changes over time in interest rates in the eurozone, primarily on the portion of debt which is at variable rates, as well as to changes in the lending margins of credit institutions. To deal with this risk, executive management may decide to set up interest rate hedges. Firm hedging (rate swap, FRA) may be used to manage the interest rate risk on the Group's debt.

Note 7.5 – Financial debt describes the various derivative instruments for hedging the Group's interest rate risk.

At December 31, 2018, after hedging, fixed-rate gross financial debt made up 48% of total debt.

If interest rates were to rise uniformly by 1%, the cost of gross debt would increase by 54.0 million euros after hedging on interest-bearing gross debt. In net debt terms, the Group is a net lender at variable rates and would therefore benefit from a rise in rates.

Investment and counterparty risk

Surplus cash is invested in a prudent manner in low-risk liquid products with counterparties with a high credit rating.

As such, Vivendi also invests some of its cash in investment funds with high ratings (1 or 2) on the seven-tier synthetic risk/return indicator (SRRI) defined by the European Securities and Markets Authority (ESMA) and at commercial banks with high long- and short-term credit ratings (at least - [Standard & Poor's]/A3 [Moody's] and A-2 [Standard & Poor's] P-2 [Moody's] respectively). Moreover, the Vivendi group spreads its investments across a number of selected banks and limits individual investment amounts.

Currency risk

For the Bolloré Group, the breakdown of revenue by currency area (46% in euros, 18% in US dollars, 7% in CFA francs, 4% in pounds sterling and less than 3% for all other currencies) and the fact a large proportion of operating expenses is in local currencies limit its exposure to operating currency risk.

The Group is reducing its exposure to currency risk further by hedging its main operations in currencies other than the euro and the CFA franc with large international banks. The management of exchange risk is largely centralized in Bolloré SA and Vivendi SA for the subsidiaries which are attached to them directly.

At the Bolloré SA level, at the end of each month, each subsidiary declares its currency positions to be hedged to the Cash Department, which may arrange a firm hedge (forward buy or sell). In addition to these operations carried out on a three month rolling basis, other hedges may be arranged on an ad hoc basis (for example for a charter, a contract, or the purchase of port gantry cranes).

Bolloré Energy hedges its positions directly in the market each day.

As regards Vivendi, the management of currency risk is intended primarily to hedge the budgetary exposures (80%) and firm external commitments (100%) in order to limit the monetary risks resulting from operations conducted in currencies other than the euro; and all of the editorial content (sports rights, TV/radio, films, etc.) and certain capital expenditures in currencies other than the euro. The majority of hedging instruments are currency swaps or forward purchase and sale contracts maturing in less than one year. Given the currency hedges in place, an unfavorable and uniform change of 1% in the euro against any of the currencies accounted for at December 31, 2018 would have an insignificant aggregate effect on net income.

8.2. Derivative financial instruments

The Group uses derivative financial instruments to manage and reduce its exposure to risks of change in interest rates and exchange rates. These are instruments traded on organized markets or over the counter, negotiated with first-class counterparties. They include interest rate or foreign currency swaps, as well as of forward foreign exchange contracts. These instruments are used for hedging purposes.

When these contracts qualify as hedges in accounting terms, the profits and losses made on these contracts are recognized in net income, symmetrically with the recognition of the income and expense of the items hedged. When the derivative instrument hedges a risk of change in the fair value of an asset or a liability recognized on the balance sheet, or a firm off-balance sheet commitment, it is termed a fair-value hedge. On an accounting basis, the instrument is remeasured at its fair value as a debit or credit to income and the item hedged is symmetrically remeasured for the portion hedged, on the same line of the profit and loss statement; or, if part of a planned transaction on a non-financial asset or a liability, in the initial cost of the asset or liability. When the derivative instrument hedges a cash flow, it is termed a cash flow hedge. In that case, in accounting terms, the instrument is remeasured at its fair value as a debit or credit to other income and expense recognized directly in equity with respect to the effective portion and by a debit or credit to income with respect to the ineffective portion. When the item hedged is realized, the amounts accumulated in equity are reclassified in profit and loss on the same line as the item hedged; if part of a planned transaction on a non-financial asset or a liability, it is reclassified in the initial cost of the asset or liability. When the derivative instrument is a hedge of the net investment in a foreign company, it also qualifies as a cash flow hedge. For derivative instruments that do not qualify as hedges in accounting terms, the changes in their fair value are carried directly in profit and loss without remeasurement of the underlying asset or liability.

In addition, the income and expense related to the foreign exchange instruments used to hedge highly likely budgetary exposures and firm commitments, contracted as part of acquisition of rights on editorial content (sports rights, TV, films, etc.), are recognized in operating income. In all other cases, changes in the fair value of the instruments are recognized in other financial income and expense.

Derivative financial instruments

Balance sheet value

(in millions of euros)	12/31/2018	12/31/2017
Other non-current financial assets[1]	14.2	190.5
Trade and other receivables[2]	22.3	3.4
Other current financial assets[1][2]	26.3	0.9
TOTAL ASSET DERIVATIVES, EXCLUDING FINANCIAL DEBT	**62.8**	194.8
Other non-current liabilities	0.0	93.0
Trade and other payables[2]	5.0	25.3
Other current liabilities[2]	0.7	8.2
TOTAL LIABILITY DERIVATIVES, EXCLUDING FINANCIAL DEBT	**5.7**	126.5

(1) Including Vivendi call options subscribed in October 2016 in the amount of 24.7 million euros maturing in less than one year as of December 31, 2018, compared with 175.4 million euros maturing in more than one year as of December 31, 2017.
(2) Derivative subscribed for the management of the foreign exchange risk.

Currency risk management instruments

The tables below present the instruments for managing currency risk used by Vivendi; positive amounts represent the currencies receivable negative amounts represent the currencies to be delivered at the contract rate:

	Notional value					Fair value	
At December 31, 2018 (in millions of euros)	**Total**	**US Dollars**	**Polish zloty**	**GBP**	**Others**	**Assets**	**Equity and liabilities**
Sales against euros	(408.0)	(131.0)	(170.0)	(62.0)	(45.0)		(3.0)
Purchases against euros	1,727.0	942.0	128.0	133.0	524.0	18.6	(1.9)
Others	0.0	(235.0)	100.0	94.0	41.0	5.3	(0.8)
TOTAL	**1,319.0**	**576.0**	**58.0**	**165.0**	**520.0**	**23.9[1]**	**(5.7)**

(1) Of which 17.1 million euros for the current portion and 6.8 million euros for the non-current portion.

Breakdown by accounting category of foreign exchange hedging instruments

— ***Cash flow hedges***

	Notional value					Fair value	
At December 31, 2018 (in millions of euros)	**Total**	**US Dollars**	**Polish zloty**	**GBP**	**Others**	**Assets**	**Equity and liabilities**
Sales against euros	(33.0)	(1.0)	(16.0)		(16.0)		
Purchases against euros	92.0	45.0			47.0	3.7	(0.2)
Others	0.0	(23.0)	14.0		9.0		
TOTAL	**59.0**	**21.0**	**(2.0)**	**0.0**	**40.0**	**3.7**	**(0.2)**

— ***Fair value hedges***

	Notional value					Fair value	
At December 31, 2018 (in millions of euros)	**Total**	**US Dollars**	**Polish zloty**	**GBP**	**Others**	**Assets**	**Equity and liabilities**
Sales against euros	(313.0)	(130.0)	(154.0)	0.0	(29.0)		(3.0)
Purchases against euros	913.0	780.0	0.0	133.0	0.0	13.3	(1.0)
Others	0.0	(136.0)	86.0	49.0	1.0	5.3	(0.8)
TOTAL	**600.0**	**514.0**	**(68.0)**	**182.0**	**(28.0)**	**18.6**	**(4.8)**

— ***Economic hedges***[1]

At December 31, 2018 (in millions of euros)	Notional value					Fair value	
	Total	USD	Polish zloty	GBP	Others	Assets	Equity and liabilities
Sales against euros	(62.0)			(62.0)	0.0		
Purchases against euros	722.0	117.0	128.0	0.0	477.0	1.6	(0.7)
Others	0.0	(76.0)		45.0	31.0		
TOTAL	**660.0**	**41.0**	**128.0**	**(17.0)**	**508.0**	**1.6**	**(0.7)**

(1) Instruments qualifying as economic hedges are derivative financial instruments not eligible for hedge accounting according to the criteria established by IAS 9.

Unrealized gains and losses recognized directly in shareholders' equity

(in millions of euros)	Cash flow hedges		Net investment hedges	Total
	Management of interest rate risk	Foreign exchange risk management		
Balance at December 31, 2017	**0.1**	**(4.0)**	**49.8**	**45.9**
IFRS 9 impact		1.0		1.0
Balance at December 31, 2017	**0.1**	**(3.0)**	**49.8**	**46.9**
Income and expense recognized directly in equity	(4.6)	2.7	0.0	(1.9)
Recycling in the period P&L	0.0	0.0	0.0	0.0
Tax effects	0.0	0.0	0.0	0.0
BALANCE AT DECEMBER 31, 2018	**(4.5)**	**(0.3)**	**49.8**	**45.0**

8.3. Fair value of financial instruments

At December 31, 2018 (in millions of euros)	Balance sheet value	Of which non-financial assets and liabilities	Of which non-financial assets and liabilities: Financial assets/ liabilities at fair value through profit and loss	Investments held to maturity	Loans and receivables/ payables at amortized cost	Financial assets at fair value through other comprehensive income	Total financial assets and liabilities
Non-current financial assets	6,456.8	0.0	847.2	0.0	336.4	5,273.1	6,456.8
Other non-current assets	662.3	0.0	0.0	0.0	662.3	0.0	662.3
Current financial assets	1,080.5	0.0	630.0	0.0	450.5	0.0	1,080.5
Trade and other receivables	7,559.9	0.0	22.3	0.0	7,537.6	0.0	7,559.9
Other current assets	662.7	662.7	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	4,784.9	0.0	4,784.9	0.0	0.0	0.0	4,784.9
TOTAL ASSETS	**21,207.1**	**662.7**	**6,284.5**	**0.0**	**8,986.8**	**5,273.5**	**20,544.5**
Long-term financial debts	8,225.6	0.0	4.8	0.0	8,220.8	0.0	8,225.6
Other non-current liabilities	372.8	0.0	0.0	0.0	372.8	0.0	372.8
Short-term financial debts	2,040.6	0.0	0.0	0.0	2,040.6	0.0	2,040.6
Trade and other payables	11,122.0	0.0	5.0	0.0	11,117.0	0.0	11,122.0
Other current liabilities	506.0	505.3	0.7	0.0	0.0	0.0	0.7
TOTAL LIABILITIES	**22,267.0**	**505.3**	**10.5**	**0.0**	**21,751.2**	**0.0**	**21,761.7**

At December 31, 2017 (in millions of euros)	Balance sheet value	Of which non-financial assets and liabilities	Of which non-financial assets and liabilities: Financial assets/ liabilities at fair value through profit and loss	Investments held to maturity	Loans and receivables/ payables at amortized cost	Financial assets available for sale	Total financial assets and liabilities
Non-current financial assets	10,133.0	0.0	190.5	0.0	507.0	9,435.5	10,133.0
Other non-current assets	523.1	0.0	0.0	0.0	523.1	0.0	523.1
Current financial assets	109.1	0.0	75.9	0.0	33.2	0.0	109.1
Trade and other receivables	7,152.5	0.0	3.4	0.0	7,149.1	0.0	7,152.5
Other current assets	535.2	535.2	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	3,098.7	0.0	3,098.7	0.0	0.0	0.0	3,098.7
TOTAL ASSETS	21,551.6	535.2	3,368.5	0.0	8,212.4	9,435.5	21,016.4
Long-term financial debts	6,982.1	0.0	0.2	0.0	6,981.9	0.0	6,982.1
Other non-current liabilities	475.4	0.0	93.0	0.0	382.4	0.0	475.4
Short-term financial debts	1,033.0	0.0	0.0	0.0	1,033.0	0.0	1,033.0
Trade and other payables	10,583.1	0.0	25.3	0.0	10,557.8	0.0	10,583.1
Other current liabilities	477.9	469.7	8.2	0.0	0.0	0.0	8.2
TOTAL LIABILITIES	19,551.5	469.7	126.7	0.0	18,955.1	0.0	19,081.8

(in millions of euros)	12/31/2018 Total	Of which level 1	Of which level 2	Of which level 3(1)	12/31/2017 Total	Of which level 1	Of which level 2	Of which level 3
Available-for-sale assets					9,435.5	6,175.5	3,213.0	47.0
Financial assets at fair value through other comprehensive income	5,273.1	2,874.1	2,352.5	46.5				
Financial assets at fair value through profit or loss	838.0	793.9	0.0	44.1				
Cash management financial assets(2)	598.8	50.0	0.0	0	75.0	25.0		
Derivative financial instruments	40.5	0.0	40.5	0	191.4	0.0	191.4	0.0
Financial assets at amortized cost	786.9				540.2			
Financial assets	**7,537.3**	**3,718.0**	**2,393.0**	**90.6**	10,242.1	6,200.5	3,404.4	47.0
Cash and cash equivalents(3)	**4,784.9**	**2,740.7**	**2,044.2**	**0.0**	3,098.7	1,861.7	1,237.0	0.0
Financial debts measured at fair value through profit or loss	4.8	0.0	4.8	0.0	0.2	0.0	0.2	0.0
Derivative financial instruments	5.7	0.0	5.7	0.0	126.5	0.0	126.5	0.0
Financial liabilities valued at fair value through profit and loss	**10.5**	**0.0**	**10.5**	**0.0**	126.7	0.0	126.7	0.0

(1) These financial assets include the fair value of the bond redeemable in shares or cash (ORAN 2) subscribed by Vivendi in 2016 as part of its investment in Banijay Group Holding. The balance of ORAN 1 was prepaid in cash (25 million euros) on December 21, 2018.
(2) Including 50 million euros in fixed income UCITS as of December 31, 2018.
(3) Including, in level 2, term deposits of less than three months in the amount of 2,035.9 million as of December 31, 2018 and 1,214.6 million euros as of December 31, 2017.

The Group's listed securities are recorded at fair value level 1, securities in holding companies are recorded at fair value level 2 (see note 7.3 – Other financial assets).
In accordance with IFRS 9 as of January 1, 2018, the classification of financial assets has changed. Financial assets are now classified as "financial assets at amortized cost", "financial assets at fair value through other comprehensive income" or "financial assets at fair value through profit or loss".
The table above presents the valuation method for financial instruments, required by IFRS 7, based on the following three levels:
- level 1: estimated fair value based on prices quoted on the asset markets for identical assets or liabilities;
- level 2: fair value estimated by reference to the quoted prices mentioned for level 1 that are observable for the asset or liability in question, either directly (i.e. as prices) or indirectly (i.e. derived from prices),
- level 3: fair value estimated based on valuation techniques using inputs relating to the asset or liability which are not based on directly observable market data.

NOTE 9. SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

9.1. Shareholders' equity

9.2.2. Changes in capital

Accounting policies
Shares in the parent company held by the Group are recognized by deducting their acquisition cost from shareholders' equity. Any gains or losses connected with the purchase, sale, issue or cancellation of such shares are recognized directly in shareholders' equity without affecting income.

At December 31, 2018, the share capital of Bolloré SA was 468,731,048.16 euros, divided into 2,929,569,051 fully paid-up ordinary shares with a par value of 0.16 euros each. During the period ending on December 31, 2018, the weighted average number of ordinary shares was 2,914,246,213 and the weighted average number of ordinary and potential dilutive shares is 2,918,436,024.

The share capital of the parent company was increased by 7,957,761 shares during the year on the basis of the following:
- 5,585,862 shares for the payment of the balance of the 2017 dividend (see below);
- 2,371,899 shares for the payment of the 2018 interim dividend (see below).

Transactions that affect or could affect the share capital of Bolloré SA are subject to agreement by the General Shareholders' Meeting of Shareholders.
The Group monitors, in particular, changes in the net debt/total shareholders' equity ratio.
The financial debt used is presented in note 7.5 – Debt.
The shareholders' equity used is that shown in the schedule of changes in shareholders' equity in the financial statements.

9.1.2. Dividends paid out by the parent company

The total amount of dividends paid by the parent company in respect of the 2017 fiscal year was 116.7 million euros, i.e. 0.04 euro per share (total dividend amounted to 0.06 euro when including the interim dividend paid in 2017), paid partly in shares: 5,585,862 Bolloré SA shares were allocated under the option for payment of the dividend in shares.
An interim dividend of 0.02 euro per share was paid in 2018 in respect of the 2018 fiscal year, amounting to a total of 58.5 million euros paid partly in shares: 2,371,899 Bolloré SA shares were allocated under the option for payment of the interim dividend in shares.

9.1.3. Treasury shares

At December 31, 2018, the number of treasury shares held by Bolloré and its subsidiaries was 15,322,838.

9.2. Earnings per share

The table below gives a breakdown of the details used to calculate the basic and diluted earnings per share shown at the bottom of the income statement.

(in millions of euros)	2018	2017(1)
Net income, Group share, used to calculate earnings per share – basic	235.4	694.9
Net income, Group share, used to calculate earnings per share – diluted(2)	235.4	689.6

Number of shares issued at December 31	2018	2017(1)
Number of shares issued	**2,929,569,051**	2,921,611,290
Number of treasury shares	(15,322,838)	(15,322,838)
Number of shares outstanding (excluding treasury shares)	**2,914,246,213**	2,906,288,452
Share-option plan	0	0
Free shares	6,840,000	5,651,600
Number of shares issued and potential shares (excluding treasury shares)	**2,921,086,213**	2,911,940,052
Weighted average number of shares outstanding (excluding treasury shares) – basic	**2,914,246,213**	2,906,288,452
Potential dilutive securities resulting from the exercise of stock options and free shares(3) (grant of Bolloré SA free shares(4))	4,189,811	2,306,657
Weighted average number of shares outstanding and potential shares (excluding treasury shares) – after dilution	**2,918,436,024**	2,908,595,109

(1) Restated – See note 3 – Comparability of financial statements.
(2) Includes at December 31, 2017 only the impact for Vivendi of dilutive instruments of Telecom Italia, calculated on the basis of the financial information published by Telecom Italia with a one-quarter lag.
(3) Potential securities, for which the exercise price plus the fair value of services to be carried out by recipients until rights are earned is greater than the average market price for the period, are not included in the calculation of diluted earnings per share owing to their non-dilutive effect.
(4) See note 11.3 – Share-based payment transactions.

9.3. Main minority interests

The information presented below has been categorized by operating segment.

	Net income from minority interests(1)		Total minority interests held(1)	
(in millions of euros)	**12/31/2018**	12/31/2017(2)	**12/31/2018**	12/31/2017(2)
Communications	791.8	1,277.7	18,419.8	20,095.2
Transportation and logistics	86.0	77.1	371.9	353.7
Others	(6.0)	(0.9)	177.9	211.8
TOTAL	**871.8**	1,353.9	**18,969.6**	20,660.7

(1) Including direct and indirect minority interests.
(2) Restated – See note 3 – Comparability of financial statements.

The bulk of the Group's minority interests involve the Group's shareholding in Vivendi.
The summary financial information about Vivendi is given below.
The information presented in these Groups' financial statements is restated summarized financial information, before elimination of inter-Group investments and transactions.

Balance sheet

(in millions of euros)	Vivendi	
	12/31/2018	12/31/2017
Current assets	12,158.9	9,037.9
Non-current assets	30,926.3	32,810.1
Current liabilities	10,927.5	9,890.7
Non-current liabilities	7,660.3	8,209.3
Shareholders' equity, Group share	6,082.6	3,665.6
Minority interests	18,414.8	20,082.4

Income statement

(in millions of euros)	Vivendi	
	2018	2017
Revenue	13,931.5	8,977.8
Consolidated net income	1,006.2	1,481.3
Consolidated net income, Group share	215.3	228.2
Minority interests	(791.0)	(1,253.1)
Other comprehensive income items	171.5	(692.3)
Comprehensive income, Group share	259.7	119.3
Comprehensive income, minority interests	918.1	669.7

Net increase (decrease) in cash and cash equivalents

(in millions of euros)	Vivendi	
	2018	2017
Dividends paid to minority shareholders net of distribution tax	(492.5)	(458.5)
Net cash from operating activities	1,455.3	1,659.1
Net cash from investing activities	1,023.7	2,103.4
Net cash from financing activities	(647.7)	(1,838.7)

NOTE 10. PROVISIONS AND LITIGATION

Accounting policies

Provisions are liabilities whose actual due date or amount cannot be precisely determined.

They are recognized when the Group has a present obligation resulting from a past act or event which will probably entail an outflow of resources that can reasonably be estimated. The amount recorded must be the best estimate of the expenditure necessary to settle the obligation at the end of the accounting period. It is discounted if the effect is significant and the due date is more than one year in the future.

Provisions for restructuring are recognized as soon as the Group has a detailed formal plan of which the parties concerned have been notified.

Provisions for contractual obligations mainly concern the restoration of premises used under service concession contracts. They are calculated at the end of each financial period according to a work schedule extending over more than one year and revised annually to take account of the expenditure schedules.

10.1. Provisions

(in millions of euros)	At 12/31/2018	Including current	Including non-current	At 12/31/2017(1)	Including current	Including non-current
Provisions for litigation	300.4	218.1	82.3	307.9	50.1	257.8
Provisions for subsidiary contingencies	4.6	0.0	4.6	3.1	0.0	3.1
Other provisions for contingencies	382.8	147.9	234.9	360.7	321.9	38.8
Provisions for taxes	605.0	19.9	585.1	604.3	0.0	604.3
Contractual obligations	6.5	0.0	6.5	5.7	0.0	5.7
Restructuring	67.6	46.7	20.9	64.5	52.3	12.2
Environmental provisions	7.0	0.9	6.1	8.0	1.1	6.9
Other provisions for charges	23.7	13.0	10.7	28.2	11.9	16.3
Employee benefits obligations	866.6	0.0	866.6	907.2	0.0	907.2
PROVISIONS	**2,264.2**	**446.5**	**1,817.7**	2,289.6	437.3	1,852.4

(1) See note 3 – Comparability of financial statements.

Breakdown of changes over the period

(in millions of euros)	At 12/31/2017(1)	Increase	Decrease: With use	Decrease: Without use	Changes in consolidation scope	Other transactions	Changes currency	At 12/31/2018
Provisions for litigation(2)	307.9	102.8	(31.2)	(64.9)	0.2	(13.0)	(1.4)	300.4
Provisions for subsidiary contingencies	3.1	0.2	0.0	(0.1)	1.0	0.4	0.0	4.6
Other provisions for contingencies	360.7	137.5	(87.6)	(61.7)	0.1	29.7	4.1	382.8
Provisions for taxes(3)	604.3	31.9	(26.0)	(22.7)	0.0	12.2	5.3	605.0
Contractual obligations	5.7	1.3	(0.2)	(0.3)	0.0	(0.0)	0.0	6.5
Restructuring(4)	64.5	59.8	(52.6)	(3.2)	0.0	(0.9)	0.0	67.6
Environmental provisions	8.0	0.2	(0.9)	(0.4)	0.0	(0.1)	0.2	7.0
Other provisions for charges	28.2	4.5	(2.6)	(6.1)	0.0	(0.2)	(0.1)	23.7
Employee benefits obligations(5)	907.2	75.7	(71.4)	0.0	0.9	(53.3)	7.5	866.6
TOTAL	2,289.6	413.9	(272.5)	(159.4)	2.2	(25.2)	15.6	**2,264.2**

(1) Restated – see note 3 – Comparability of financial statements.
(2) Including 247 million euros at December 31, 2018 for litigation involving Vivendi. See note 10.2 – Litigation in progress.
(3) Includes provisions for tax withholding, mainly on dividend distributions, and provisions for tax audits, in particular provisions related to Vivendi's tax consolidation in 2012 and 2015 for 239 million euros and 203 million euros respectively as of December 31, 2018.
(4) Of which 54.7 million euros relating to Vivendi (including 13 million euros for UMG and 40 million euros for Canal+). The remainder mainly consists of various departures individually negotiated and notified to the people concerned.
(5) See note 11.2 – Pension benefit obligations.

Impact (net of expenses incurred) on the income statement in 2018

(in millions of euros)	Allowances	Reversals without use	Net impact
Operating income	(332.3)	133.7	(198.6)
Financial income	(49.7)	3.0	(46.7)
Tax charges	(31.9)	22.7	(9.2)
TOTAL	**(413.9)**	**159.4**	**(254.5)**

10.2. Litigation in progress

In the normal course of their activities, Bolloré and its subsidiaries are party to a number of legal, administrative, or arbitrational proceedings.
The potential costs of these proceedings are the subject of provisions insofar as they are probable and quantifiable. The provisioned amounts are subject to a risk assessment on a case-by-case basis.
There are no other governmental, legal or arbitration proceedings, of which the company is aware, which are pending or being threatened and are likely to have, or have had over the course of the last twelve months, a significant effect on the financial situation or profitability of the company and/or the Group, other than those described below.

The Togo Guinea inquiry

On December 12, 2018 criminal charges were brought in a purely mechanical manner against Bolloré SA for corruption of a foreign public agent, complicity in falsification and use and complicity in breach of trust, following the criminal charges brought on April 25, 2018 against two of its senior executives.
The allegations at the heart of the judicial inquiry go back to 2009-2010 and concern two operations in Togo and Guinea.
The inquiry seeks to determine whether the concessions obtained by local subsidiaries of the Group in Togo and Guinea were obtained because of communications services provided by Havas in those countries for, respectively, 300,000 euros and 170,000 euros.
Bolloré SA is vigorously contesting the facts alleged, which have been the subject of numerous appeals before courts and tribunals. In Guinea, the Group was named operator of the concession in 2010 because it had come in second during the international tender offer of 2008, after the default of the operator that had come in first. In Togo, the concession agreement was signed on August 29, 2001, whereas the facts alleged would have occurred in 2009 and 2010, which is to say ten years later. In these two countries the Group's investments in port infrastructure today total over 500 million euros.

ICSID Arbitration – Republic of Togo

The dispute brought before the arbitration tribunal arose from the failure of the Republic of Togo to honor the right of first refusal accorded to Togo Terminal as part of the signing of rider No. 2 to the concession agreement of May 24, 2010.
Following the signing of this rider, Togo Terminal and its ultimate shareholder, the Bolloré Group, invested several hundred million euros in the development and modernization of the infrastructures of the independent port of Lomé, including the construction of a third quay in the port.
Early in 2014, Togo Terminal learned that construction work on a dock that had been started near the area it had been conceded under the concession agreement was for the purpose of creating a new special-purpose terminal for container operations. From that date, Togo Terminal requested the Republic of Togo to apply the contractual provisions, but despite its repeated requests was unable to get the Republic of Togo honor the right of first refusal that it had been granted.
Accordingly, on April 20, 2018, Togo Terminal filed a request for arbitration with the International Center for the Settlement of Investment Disputes (ICSID), primarily so that the Republic of Togo would be ordered to carry out Togo Terminal's preferential right and to restore in full the damages suffered by Togo Terminal.

Litigation Autolib' between the Syndicat Mixte Autolib' and Vélib' Métropole

On February 25, 2011, Syndicat Mixte Autolib' et Vélib' Métropole ("the SMAVM") and Autolib' SA entered into a public service delegation for the purpose of installing, managing and maintaining a self-service electric automobile service and an electric vehicle recharging infrastructure ("the Agreement" or "the Concession.")
In light of the Updated 2016 Business Plan and the Updated 2017 Business Plan that Autolib' forwarded to the SMAVM, it was clear that the Agreement was not economically attractive as defined in its article 63.2.1, and Autolib' notified SMAVM of this fact on May 25, 2018, in accordance with the Agreement.
Since the SMAVM did not wish to pay Autolib' the compensation called for in article 63.2.2 of the Agreement in the event the Concession should prove economically unattractive, it terminated the Agreement per its article 63.3 in deliberation No. 2018-18 of June 21, 2018. Article 63.3 of the Agreement provides that, should the Agreement be terminated pursuant to that article, the indemnification schedule in article 61 of the Agreement shall apply.
Therefore, Autolib' sent the SMAVM a letter dated September 25, 2018 with its request for indemnification in a total amount of 235,243,366 euros, calculated in accordance with articles 63.3 and 61 of the Agreement.
The SMAVM, however, in a letter dated November 27, 2018 expressed its refusal to pay the indemnification referred to in item (vi) of Article 61 of the Agreement (indemnification and compensation due to Autolib' from the SMAVM since the threshold defined in article 63 of the Agreement had been exceeded) by challenging Autolib's right to be compensated due to the threshold having been exceeded and to the Agreement thus being economically unattractive.
Given this refusal by the SMAVM to pay the compensation called for in item (vi) of article 61 of the Agreement, thereby demonstrating a profound disagreement between the SMAVM and Autolib' about the amount of compensation to be paid under article 61 of the Agreement, Autolib' notified the SMAVM, in accordance with article 61 of the Agreement and in a letter dated November 29, 2018, that it was bringing the matter before the Arbitration Panel mentioned in article 70 of the Agreement. Article 61 of the Agreement provides that, "The Arbitration Panel may be appealed to by either party in the event of disagreement about the amount of this compensation." Article 70.1 of the Agreement concerning the establishment of an Arbitration Panel provides inter alia that, "the Arbitration Panel shall consist of three (3) members whose personal and moral qualities and experience in public-private arrangements for comparable complex projects is well known. Within fifteen (15) calendar days after the appeal to the Arbitration Committee, each party will designate one (1) member and the third member, who will be Chairman of the Arbitration Panel, will be chosen by common agreement between the two (2) members so designated. Failing an agreement within fifteen (15) calendar days, the Chairman of the Arbitration Panel will be designated by the Chief Judge of the Administrative Court of Paris, at the request of the first party to act". Therefore and in conformance with said article 70.1 of the Agreement, Autolib' and the SMAVM each proceeded on their own, on December 11 and 12, 2018 respectively, to designate the two out of three members of the Arbitration Panel.
Despite numerous conversations held and proposals made by the members of the Arbitration Panel designated by the SMAVM and Autolib', the two of them could not reach an agreement as to the choice of a Chairman of the Arbitration Panel, even more than two months after the appeal to the Arbitration Panel on November 29, 2018. Therefore and pursuant to article 70.1 of the Agreement, Autolib' appealed to the Chief Judge of the Administrative Court of Paris in a request dated February 12, 2019 so that she might appoint the Chairman of the Arbitration Panel. When the Chief Judge of the Administrative Court recused herself from making that appointment, Autolib' and the SMAVM granted the arbitrators a one-month extension to reach an agreement on the choice of a Chairman of the Arbitration Panel.

LBBW *et al.* versus Vivendi

On March 4, 2011, 26 institutional investors from Germany, Canada, Luxembourg, Ireland, Italy, Sweden, Belgium and Austria sued Vivendi in the Paris Commercial Court for alleged damages resulting from four financial releases in October and December 2000, September 2001 and April 2002. On April 5 and April 23, 2012, two similar suits were filed against Vivendi: one by an American pension fund, the Public Employee Retirement System of Idaho, and the other by six German and British institutional investors. On August 8, 2012, British Columbia Investment Management Corporation also sued Vivendi on the same grounds. On January 7, 2015, the Paris Commercial Court appointed a third party to ascertain the standing of the applicants and to examine the evidence they submitted regarding the alleged shareholdings. That third party filed its final reports during the first half of 2018. The first hearings on the substance of the case were held during the second half of 2018.

California State Teachers Retirement System *et al.* versus Vivendi

On April 27, 2012, 67 foreign institutional investors sued Vivendi in the Paris Commercial Court seeking damages for losses they allegedly incurred as a result of the financial communication of Vivendi between 2000 and 2002. On June 7 and September 5 and 6, 2012, 26 further parties joined the action. In November 2012 and March 2014, twelve plaintiffs withdrew. On January 7, 2015, the Paris Commercial Court appointed a third party responsible for checking the standing of the claimants and reviewing the documentation provided by them to evidence their alleged holding of the securities. That third party filed its final reports during the first half of 2018. The first hearings on the substance of the case were held during the second half of 2018.

Vivendi Deutschland versus FIG

Further to a claim filed by CGIS BIM (former Vivendi subsidiary) against FIG to obtain payment of the outstanding amount of the sales price for a building, the latter, on May 29, 2008, obtained the cancellation of the sale by the Berlin Appeals Court and the payment of damages. On December 16, 2010, the Berlin Appeals Court upheld the April 2009 judgment of the Berlin Regional Court, which had found in favor of CGIS BIM, in which it challenged the validity of the execution of the judgment by FIG and accordingly overturned the order against CGIS BIM to take back the building and pay damages. This decision is now final.

In parallel, FIG had filed a second suit, of which CGIS BIM was notified on March 3, 2009, in the Berlin Regional Court claiming additional damages. On June 19, 2013, the Berlin Regional Court ordered CGIS BIM to pay FIG 3.9 million euros plus interest from February 27, 2009. CGIS BIM appealed this decision. The Appeals Court held a hearing on January 8, 2018 in which the judge proposed a settlement, the terms of which had been agreed to by both parties, thereby ending this dispute.

Mediaset versus Vivendi

On April 8, 2016, Vivendi signed a strategic partnership agreement with Mediaset. The agreement entailed swapping 3.5% of Vivendi's capital for 3.5% of Mediaset and 100% of pay-TV subsidiary Mediaset Premium.

Vivendi's acquisition of Mediaset Premium was based on financial assumptions submitted by Mediaset to Vivendi in March 2016, which had raised a number of questions at Vivendi, which were notified to Mediaset. The April 8 agreement subsequently underwent due diligence (realized for Vivendi by Deloitte) as provided for in the contract. This audit and Vivendi's analyses showed that the figures provided by Mediaset prior to the agreement being signed were unrealistic and calculated on an artificially inflated base.

Vivendi and Mediaset began talks on how they might structure an alternative deal to the April 8 agreement, which were broken off by Mediaset on July 26, 2016, when it publicly rejected Vivendi's proposal. This had proposed that, in exchange for a 3.5% stake in Vivendi, Vivendi would take 20% of Mediaset Premium and 3.5% of Mediaset, with the balance made up by the issue to Vivendi of Mediaset bonds convertible to Mediaset shares.

Subsequently, Mediaset and its RTI subsidiary, on the one hand, and Fininvest, Mediaset's controlling shareholder, on the other, sued Vivendi in the Milan Civil Court to try and enforce implementation of the April 8, 2016 agreement and the related shareholders' agreement together with the payment of damages for the alleged loss suffered. The plaintiffs claimed in particular that Vivendi failed to file notice of the transaction with the European competition authorities, thus blocking the fulfillment of the final condition precedent that would allow the deal to go ahead. Vivendi states that it completed the pre-notification process to the European Commission on time but that the Commission would not formally take receipt of the documentation in the absence of agreement between the parties on their differences.

In the first hearing in the case, the judge invited the parties to try and reach an amicable settlement. On May 3, 2017, the parties therefore began a mediation procedure in the Milan National and International Arbitration Chamber.

Despite this mediation process, Mediaset, RTI and Fininvest filed another suit against Vivendi on June 9, 2017, seeking 2 billion euros in damages for Mediaset and RTI and 1 billion euros for Fininvest, accusing Vivendi of the acquisition of Mediaset shares in the last quarter of 2016. According to the plaintiffs (who unsuccessfully requested that this proceeding be joined to the earlier two), this transaction violates the April 8, 2016 agreement and breaches Italian media and competition regulations. In this new suit, they are also asking that Vivendi sells its Mediaset shares, whose purchase reportedly violates regulations and the April 8, 2016 agreement. Ultimately the plaintiffs are requesting that Vivendi be no longer entitled to the rights (including voting rights) conferred by said Mediaset shares.

On February 27, 2018, the court ruled an end to the mediation and set a hearing date of October 23, 2018, later postponed to December 4, 2018. At that hearing, Fininvest, RTI and Mediaset withdrew their demand for compulsory execution of the agreement of April 8, 2016, but maintained their request for indemnification for the loss supposedly suffered, in the amount of (i) 720 million euros with regard to Mediaset and RTI for failure to perform the agreement of April 8, 2016, and (ii) 1.3 billion euros with regard to Fininvest for failure to execute the aforementioned shareholders agreement, for the loss suffered due to the change in Mediaset's stock price between July 26 and August 2, 2016 and various damages arising from allegedly illegal purchases of Mediaset shares by Vivendi at the close of 2016. Fininvest also claims compensation for damage to its decision-making procedures and to its image, in an amount to be determined by the court. The next hearing is scheduled for March 12, 2019.

Other procedures related to Vivendi's purchase of Mediaset share capital

During November and December 2016, Vivendi began to buy up Mediaset shares on the stock market, eventually raising its stake to 28.80%. Fininvest states that it filed a complaint for market manipulation against Vivendi with the Milan Prosecutor's Office and Consob, the Italian market regulator.

Meanwhile, on December 21, 2016, AGCOM (the Italian communication regulator) launched an inquiry into whether Vivendi's increased stake in Mediaset and its position as a shareholder in Telecom Italia were incompatible under Italian media sector regulations.

On April 18, 2017, AGCOM ruled that Vivendi failed to comply with these regulations. Vivendi, which had twelve months to comply, appealed this finding before the Administrative Court of Latium. Pending this judgment in this appeal, AGCOM has noted the compliance plan proposed by Vivendi setting out the procedures by which it would bring itself into compliance with the ruling. On April 9, 2018, in accordance with the undertakings made to AGCOM, Vivendi transferred the fraction of its Mediaset shares in excess of 10% of the voting rights to an independently fiduciary company. On November 5, 2018 the Administrative Court of Latium decided to suspend its ruling and to refer to the Court of Justice of the European Union the analysis of the compatibility of the Italian regime of article 43 of the Tusmar Law as applied by AGCOM, with the principles of the free movement of goods found in the Treaty on the Functioning of the European Union.

Telecom Italia

On August 5, 2017, the Italian Government informed Vivendi that it was launching an inquiry into whether Telecom Italia and Vivendi had complied with certain provisions of the decree-law 21 of March 15, 2012 on "regulating special powers in the areas of defense and national security" (article 1) and "activities of strategic importance in the energy, transport and communications sectors" (article 2). It was Vivendi's view that the provisions of this law did not apply to Vivendi. In particular, (i) article 1 regulating special powers in the areas of defense and national security was never declared and communicated to the market in terms of the nature of the businesses conducted: by Telecom Italia and (ii) article 2 concerning activities of strategic importance in the energy, transport and communications sectors does not apply to Vivendi inasmuch as it deals with the acquisition of significant shareholdings by entities that do not belong to the European Union.

Moreover, in this same connection, Consob declared on September 13, 2017 that Vivendi exercises de facto control over Telecom Italia. Vivendi and Telecom Italia formally contest this position and appealed to the competent courts.

On September 28, 2017, the President of the Council of Ministers found that the notification made by Vivendi under article 1 of the aforementioned legislative decree as a precautionary measure was made late and that Telecom Italia had failed to make the required notification under article 1 of the decree after the change in control over its assets of strategic importance in the energy, transport and communications sectors. The President of the Council of Ministers thus opened proceedings against Telecom Italia for failure to give notice per article 2 of the same decree-law. Vivendi and Telecom Italia appealed this decision.

In addition, in its decree of October 16, 2017, the Italian Government decided to use the special powers granted under article 1 of the 2012 decree-law, pertaining to national security and defense. This decree creates a certain number of obligations in terms of organization and governance for Vivendi, Telecom Italia and its subsidiaries Telecom Italia Sparkle Spa ("Sparkle") and Telsy Elettronica e Telecomunicazioni Spa ("Telsy"). Specifically, Telecom Italia and its subsidiaries Sparkle and Telsy must have an internal division responsible for overseeing all national security and defense matters, operating wholly independently and with the human and financial resources needed to ensure its independence, and appoint to their management bodies a member of Italian nationality who is approved by the government and holds security clearance. It also requires the establishment of a supervisory committee under the auspices of the Council of Ministers (*Comitato di monitoraggio*) to monitor compliance with these obligations. On February 13, 2018, Vivendi and Telecom Italia filed an appeal against this decree with the President of the Council of Italian Ministers.

In addition, in a decree dated November 2, 2017, the Italian Government decided to apply the special powers granted under article 2 of the decree-law of 2012 on energy, transport and communications. This decree required Telecom Italia to implement development, investment and maintenance plans to ensure the operation and security of networks, the provision of the universal service and, more broadly, to satisfy the public interest over the medium and long-term, under the control of the *Comitato di monitoraggio*, which must be informed of any restructuring of the holdings of Telecom Italia group, as well as of any plans by the operator that impact network security, uptime and operation. On March 2, 2018, Vivendi and Telecom Italia filed an appeal against this decree with the President of the Council of Italian Ministers.

In a decree dated May 8, 2018, the Italian government levied an administrative fine against Telecom Italia of 74 million euros for failure to inform, which was the absence of notification per article 2 of the decree-law no. 21 of March 15, 2012 (see above). On July 5, 2018, the Regional Administrative Court of Latium suspended the enforcement of this administrative sanction.

Etisalat versus Vivendi

On May 12, 2017, Etisalat and EINA sought arbitration at the International Arbitration Court of the International Chamber of Commerce over the terms of the November 4, 2013 agreement to sell SPT/Maroc Telecom that was closed on May 14, 2014. The case concerned a number of claims about the statements and guarantees given by Vivendi and SFR under the framework sale agreement. On January 3, 2019, the arbitration panel gave its ruling, which dismissed Etisalat's case for compensation entirely.

Parabole Réunion

In July 2007, Parabole Réunion initiated proceedings before the Tribunal de Grande Instance of Paris following the discontinuation of the exclusive distribution of TPS channels in the territories of Réunion, Mayotte, Madagascar and the Republic of Mauritius and the deterioration of the channels made available to it. In a judgment issued on September 18, 2007, Canal+ group was prohibited, under penalty, from allowing the broadcast of said channels or replacement channels by third parties and ordered to replace the TPS Foot channel if it should be terminated. Canal+ group appealed the grounds for this judgment. On June 19, 2008 the Paris Appeals Court partly struck down the judgment, ruling that the replacement channels need not be granted exclusively if these channels had been available to third parties before the merger with TPS. Parabole Réunion's claims about the content of the channels were dismissed. On November 10, 2009, the Cour de cassation dismissed this appeal.

On September 24, 2012, Parabole Réunion brought a fast-track claim (assignation à jour fixe) against the Canal+ group, Canal+ France and Canal+ Distribution before the enforcement judge (juge de l'exécution) of the Nanterre Regional Court, seeking to enforce the order of the Paris Regional Court upheld by the Appeals Court. On November 6, 2012, Parabole Réunion extended its motions to the channels TPS Star, Cinecinema Classic, Culte and Star. On April 9, 2013 the enforcement judge declared part of the Parabole Réunion demand inadmissible and dismissed its other demands. He was careful to note that Canal+ group owed no obligation regarding content or maintenance of programming on the channels made available to Parabole Réunion and found, having established that TPS Foot had not ceased production, that there was no need to replace this channel. Parabole Réunion lodged its first appeal against this ruling on April 11, 2013. On May 22, 2014 the Versailles Appeals Court declared this appeal inadmissable because of the lack of legal capacity of the Parabole Réunion representative. Parabole Réunion lodged a second appeal to have the April 9, 2013 ruling set aside on February 14, 2014. On April 9, 2015, the *Cour de cassation* quashed the order of the Versailles Appeals Court of May 22, 2014, which had declared Parabole Réunion's appeal of April 11, 2013 inadmissable. Parabole Réunion took its claim back to the Paris Appeals Court on April 23, 2015. On May 12, 2016, the Paris Appeals Court confirmed the judgment of first instance and dismissed all Parabole Réunion's demands. Parabole Réunion appealed the Paris Appeals Court ruling on May 27, 2016. In a ruling handed down on September 28, 2017, the *Cour de cassation* dismissed Parabole Réunion's appeal against the decision of the Paris Appeals Court.

At the same time, on August 11, 2009, Parabole Réunion lodged a fast-track demand against Canal+ group with the Paris Regional Court, seeking that Canal+ group be ordered to provide a channel of equivalent attractiveness to TPS Foot in 2006 and to pay damages. On April 26, 2012, Parabole Réunion initiated an action against Canal+ France, Canal+ group and Canal+ Distribution before the Tribunal de Grande Instance of Paris for the purpose of establishing the breach by the Canal+ group companies of their contractual obligations toward Parabole Réunion and their commitments with the Minister of the Economy. These two claims were combined in a single procedure. On April 29, 2014, the court ruled the Parabole Réunion claims partly admissible for the period after June 19, 2008 and accepted the contractual liability of Canal+ group for the inferior quality of the channels made available to Parabole Réunion. The court ordered an appraisal of damages suffered by Parabole Réunion, rejecting the company's own appraisals. On June 3, 2016, the Appeals Court upheld the Regional Court's April 29, 2014, ruling. Canal+ group appealed to have the ruling quashed but was denied on January 31, 2018.

In an order issued on October 25, 2016, the pre-trial judge considered that the April 29, 2014, judgment, by ordering Canal+ group to compensate Parabole Réunion, had established the principle that the latter was entitled to receive compensation even if its amount remained to be established. He ordered Canal+ group to pay a provision of 4 million euros. On January 17, 2017, the Paris Regional Court ordered Canal+ group to pay 37,720,000 euros with provisional enforcement. Parabole Réunion appealed this ruling to the Paris Appeals Court on February 23, 2017. Canal+ group submitted its responses and cross-appeal on July 20, 2017. In the absence of the submission of the responses of Parabole Réunion by the required deadline, on December 8, 2017, Canal+ group submitted responses noting the failure to respect this deadline and accordingly seeking the cancellation of the expert report ordered on October 12, 2017 (see below). On June 7, 2018, the pre-trial advisor of the Appeals Court gave a ruling rejecting the request for cancellation of the expert's report in progress. Canal+ group asked the Court to refer this ruling to trial, but withdrew that request in October 2018 given the progress made on the report by that point.

On May 29, 2017, Parabole Réunion also notified a cross-appeal seeking the commissioning of an additional appraisal of the impairment of its business assets. On October 12, 2017, the pre-trial advisor of the Appeals Court approved this request, and a judicial expert was appointed. On December 17, 2018, Parabole Réunion raised a new objection to the pre-trial advisor for the purpose of having the expert's assignment defined, and at that point the expert suspended his work.

The French Competition Authority, acting on its own initiative, began an investigation into practices in the pay-TV segment

Following this and a complaint by Orange, on January 9, 2009, the French Competition Authority sent Vivendi and Canal+ group a notice of complaint. The French Competition Authority is in particular accusing Canal+ group of having abused its dominant position in certain pay TV markets and Vivendi and Canal+ group of having colluded with i) TF1 and M6, and ii) Lagardère group.

On November 16, 2010, the Authority handed down its decision, rejecting the allegations of collusion against all parties and certain allegations against Canal+ group. The decision nevertheless ordered an investigation into fiber television services and catch-up television services as well as exclusives distributed by Canal+ group on channels produced by the group and independent channels and the extension of exclusives of the TF1, M6 and Lagardère channels to fiber and catch-up television services. On October 30, 2013, the French Competition Authority took over the investigation of these aspects of the case but no evidence has been taken since December 2013. In April 2018 the Competition Authority informed the Canal+ group that the matter was closed.

Canal+ group versus TF1, M6 and France Télévision

On December 9, 2013, Canal+ group submitted a complaint to the French Competition Authority regarding the practices of the TF1, M6 and France Télévision groups in the original French-language film market of the French catalog. It is alleged that they included pre-emption rights clauses into the co-production contracts, which had a restrictive effect on competition. On February 23, 2018, the Competition Authority notified France Television, TF1 and M6 of possible violations. The matter was taken up by the Authority at its meeting of February 13, 2019.

TF1 versus the Canal+ group

On May 7, 2018, TF1 filed a suit against Canal+ group for infringement of neighboring rights and trademarks, and also for unfair competition. TF1 accuses the Canal+ group of having continued past the expiration of the contract to distribute its linear channels and associated services on all of its networks. Following an agreement reached between the parties, TF1 withdrew its suit.

TF1 and M6 agreements

On September 30, 2017, Canal+ group lodged summary petitions with the Council of State requesting the quashing of decisions of the French media regulator, Conseil supérieur de l'audiovisuel (CSA), dated July 20 and 27, 2017 for the TF1 channel and the M6 channel, respectively. These decisions relate to renewed terrestrial authorizations for TF1 and M6, against the background of requests from the two groups for compensation for the distribution of their free-to-air DTT channels, including the eponymous TF1 and M6 channels. Following an agreement with TF1, Canal+ group withdrew its action against the latter on November 26, 2018.

Aston France versus Canal+ group

On September 25, 2014, Aston complained to the French Competition Authority against the decision by Canal+ group to stop selling its "card-only" satellite subscriptions (allowing the decoding of Canal+/Canalsat programs on satellite decoders, labelled Canal Ready, manufactured and distributed by third parties including Aston). In parallel, Aston sought an injunction against Canal+ group on September 30, 2014 in the Paris Commercial Court seeking the suspension of the decision by Canal+ group to terminate the Canal Ready partnership agreement and thereby stop selling "card-only" satellite subscriptions. On October 17, 2014, the Commercial Court handed down its ruling, rejecting Aston's claims. On November 4, 2014, Aston appealed this decision and on January 15, 2015, the Appeals Court, in summary proceedings, granted its application and suspended the decision by Canal+ group to stop selling card-only subscriptions until such time as the French Competition Authority had made a determination on the merits. On March 21, 2018, Canal+ group received the preliminary evaluation of the Competition Authority containing its concerns about competition. On April 4, 2018, Canal+ group submitted proposed undertakings to the Authority. Since these undertakings, in effect until December 31, 2021, met the pressing need to prevent piracy and at the same time offer alternative set-top boxes to the ones leased by Canal+ group, the Competition Authority decided on July 24, 2018 to make them obligatory and therefore closed the proceeding brought before it.

In addition, on January 18, 2019, Strong SARL sought a summary proceeding in the Paris Commercial Court to order the Canal+ group to suspend the Group's decision to stop marketing its products on set-top boxes certified Canal Ready (card-only), a decision made in consequence to the aforementioned ruling of the Competition Authority. The Aston company, which had not contested the undertakings offered by Canal+ group to the Competition Authority, joined in this summary proceeding. The Court's decision was handed down on February 22, 2019.

Top 14 case (2019-2023)

On July 19, 2016, the French Competition Authority received a registered mail letter from Altice asking it to investigate practices during the call for tenders for the audiovisual rights to the Top 14 rugby league in the seasons from 2019/2020 to 2022/2023. Altice withdrew its petition, and the Competition Authority took official notice of that and closed the case.

Canal+ group versus Numericable-SFR

On October 4, 2017, Canal+ group sued Numericable-SFR in the Paris Commercial Court for customer poaching and contractual non-performance, asking the Court to issue an injunction ordering it to cease such practices and to grant it damages. Following an agreement reached between the parties, Canal+ group withdrew its suit on October 9, 2018.

"Touche Pas à Mon Poste"

On June 7, 2017 the French media regulator, the Conseil supérieur de l'audiovisuel or CSA, penalized C8 for a sequence broadcast during the "TPMP" show on December 7, 2016. The sequence, which was not meant to be broadcast, showed the program's presenter Cyril Hanouna larking about with one of the contributors, Capucine Anav. The CSA found that it was degrading to the image of women. The penalty involved a two-week ban on running advertising slots during "Touche Pas à Mon Poste" and its rebroadcasts and in the fifteen minutes before and after the show, beginning the second Monday after the decision was announced.

On the same day, the CSA also penalized C8 for another sequence in the show "TPMP ! la Grande Rasshrah" of November 3, 2016. The CSA found that this new sequence, in which a contributor, Matthieu Delormeau, was filmed using a hidden camera, violated his dignity. It imposed a further one-week ban on running advertising during broadcasts of "Touche Pas à Mon Poste", its rebroadcasts and the fifteen minutes either side of the show.

On July 3, 2017, following these two CSA rulings, C8 filed two appeals with the Council of State. On July 4, 2017, C8 also filed two claims for compensation with the CSA, which were rejected by an implied decision.

In November 2, 2017, C8 appealed these decisions to the French Council of State (*Conseil d'État*). On June 18, 2018, the Council of State rejected C8's first application for judicial review but did uphold its second application by overruling the decision of the CSA. The Council of State's decision to reverse has been appealed to the European Court of Human Rights, in December 2018. The actions for damages are being investigated by the Council of State. A decision is expected in the first quarter of 2019.

On July 26, 2017, the CSA decided to penalize C8 for a sequence broadcast during "TPMP Baba hot line" on May 18, 2017, judging that the channel had ignored the principle of respect for private life and its obligation to fight against discrimination, levying a cash fine of 3 million euros.

Following this decision, on September 22, 2017, C8 filed for judicial review of an administrative action before the French Council of State (Conseil d'État), which was rejected on June 18, 2018. That decision has been appealed to the European Court of Human Rights, in December 2018. In identical manner, C8 filed an action for damages with the CSA, whose implicit rejection was contested before the Council of State on January 25, 2018. C8 withdrew this action for damages on September 7, 2018.

Rovi Guides Inc. against Canal+ group

Rovi Guides petitioned the International Chamber of Commerce to mediate a dispute with Canal+ group for failure to honor a patent licensing agreement for an electronic program guide which was signed in 2008 and for non-payment of the associated fees between January 1, 2016 and June 30, 2017.

The parties were unable to settle; the mediation was terminated, and Rovi applied for arbitration on June 1, 2018.

Studiocanal, Universal Music Group and Vivendi versus Harry Shearer and Century of Progress Productions

Studiocanal and Vivendi were sued in California by Harry Shearer through his company Century of Progress Productions, in his capacity as author/actor and composer for the 1984 film *The Spinal Tap*, a US film produced and financed by Embassy Pictures (Studiocanal being the successor to Embassy). Harry Shearer sought damages for failure to satisfy contractually-obligated reporting processes, fraud and failure to exploit the trademark and seeking the awarding of the trademark. On February 8, 2017, four new plaintiffs, co-creators of the film, joined the proceedings. On February 28, 2017, in response to the complaint, the defendants filed a motion to dismiss, in which they asked the judge to declare the claims of the plaintiffs to be inadmissible and to deny the claim for fraud. The judge handed down a decision on September 28, 2017. With respect to inadmissibility, the judge dismissed the claims of three of the four co-creators as well as the claim for fraud. Nevertheless, the judge gave permission to the plaintiffs to file amended complaints in their individual capacities as well as to supplement their claim for fraud. On October 19, 2017, a new complaint (the "second amended complaint") was filed, which reintroduced the claims of the three plaintiffs found to be inadmissible. The same writ broadened the suit to include Universal Music Group. On December 21, 2017, UMG and Studiocanal each filed a motion to dismiss in reply. In a decision of August 28, 2018 (i) the motion by Studiocanal to reject the action of the plaintiffs for fraud was rejected. The judge did not acknowledge fraud but kept the possibility open for the plaintiffs to prove it in the course of the trial on the merits that will follow this preliminary stage; (ii) with regard to UMG's motion, although the judge did validate certain of the arguments, she authorized the plaintiffs to file a revised suit so that they might amend or supplement their brief on those points. The judge further rejected the request by UMG contesting the request by the opposing party to terminate and recover for itself UMG's rights in the United States on film music. This point will therefore be examined during the trial on the merits. On September 18, 2018 the plaintiffs filed their new complaint ("the third amended complaint"). Simultaneously, the parties agreed to go into mediation, the first session of which was held March 11, 2019. The parties suspended the trial on the merits until the conclusion of this mediation.

Maitena Biraben versus Canal+

Maitena Biraben contested her dismissal by Canal+ for serious misconduct with the Employment Tribunal (Conseil de prud'hommes). On September 27, 2018, the Employment Tribunal rendered its verdict, finding that the dismissal of Ms. Biraben was without good and serious cause. It required Canal+ to pay 38,456.22 in back wages and paid leave, 148,000 euros for contractual dismissal indemnities, 510,000 euros in damages, and 2,550,000 euros for breach of contract, for a total of 3,246,456.22 euros. Canal+ has appealed this judgment.

Inquiry by the Hauts-de-Seine agency for population protection (Direction départementale de la protection des populations des Hauts-de-Seine)

On April 20, 2018 the Direction départementale de la protection des populations des Hauts-de-Seine (DDPP92) took out an injunction against Canal+ group to cease placing its subscribers on contract into enhanced products, a practice which the DDPP92 deemed to be an "unordered sale." On June 19, 2018, Canal+ group filed an appeal above the DDPP92 to the Minister of the Economy, who rejected it on August 9, 2018. On October 5, 2018, Canal+ group filed an appeal with the Administrative Court of Cergy-Pontoise.

Suits in the US against the major players in the music industry

In 2006, a number of suits were filed in federal courts in New York and California against Universal Music Group and other major players in the music industry, for alleged anti-competitive practices in the sale of CDs and online music downloading. These cases were consolidated in the Federal Court of New York. The motion to dismiss filed by the defendants had been accepted by the Federal Court on October 9, 2008, but this decision was overturned on appeal to the Second Circuit Appeals Court on January 13, 2010. The defendants subsequently asked for a further hearing by the Appeals Court but this motion was rejected. A motion was filed with the United States Supreme Court, which was rejected on January 10, 2011. On July 18, 2017, the court rejected the motion for class certification filed by the complainants, who appealed this decision. On December 8, 2017, the Second Circuit Court of Appeals refused to hear this appeal. In November 2018, the parties entered into a settlement agreement, bringing this dispute to a close.

Mireille Porte versus Interscope Records, Stefani Germanotta and Universal Music France

On July 11, 2013, the artist Mireille Porte (known professionally as Orlan) sued Interscope Records, Stefani Germanotta (known professionally as Lady Gaga) and Universal Music France in the Paris regional court for plagiarizing a number of her works. On July 7, 2016, the Court dismissed Mireille Porte's claims. She appealed this decision. On May 15, 2018, the Appeals Court upheld the Trial Court's ruling.

Aspire versus Cash Money Records and UMG

On April 7, 2017, the label Aspire Music filed a complaint with the New York State Supreme Court against Cash Money Records for breach of contract and non-payment of royalties on the first six albums by the rapper Drake. After unsuccessful negotiations, UMG was subpoenaed on April 12, 2018. UMG filed a motion to dismiss on the grounds that it had no contractual relationship with Aspire and no liability for the contractual obligations of Cash Money, The court denied UMG's motion and UMG has appealed.

Inquiry by US judicial authorities into commercial practices in the advertising industry

On June 11, 2018, Havas received an injunction to provide documents concerning one its subsidiaries in Spain, Havas Media Alliance WWSL. These documents were sent to the relevant American authorities. This request from the US judicial authorities seems to concern commercial practices the area of discounts and rebates. At this point, Havas is not part of any proceedings and no claims have been made against it.

Proceeding concerning the services provided by Havas Paris to Business France

Havas Paris, a subsidiary of Havas SA, was indicted on February 7, 2019 for concealment of favoritism valued at 379,319 euros. This indictment took place as part of a judicial investigation opened by the Paris prosecutor's office into illegal favoritism alleged to have been practiced by Business France when it arranged for communications services to be provided by Havas Paris. Havas Paris disputes the allegations and immediately appealed this decision.

Glass Egg versus Gameloft Inc., Gameloft SE, Gameloft Iberica and Vivendi SA

Glass Egg, a company specialized in the design of cars in 3D for use in video games, on August 23, 2017 sued Gameloft Inc., Gameloft SE, Gameloft Iberica and Vivendi SA in the California District Court in San Francisco. It is seeking damages for copyright infringement, unfair competition and the misappropriation of trade secrets. The court allowed it to amend its original suit on three occasions. On September 17, 2018, Gameloft, Inc. replied to Glass Egg's fourth amended suit, rejecting all of its claims. A discovery process was begun, which is expected to continue into the first half of 2019. In addition, by an order of the court of February 12, 2018 the joinder of Gameloft Iberica and Vivendi SA was denied. The admissibility of the suit against Gameloft SE remains contested, and the court has ordered a limited discovery process to determine jurisdiction.

Dailymotion versus Reti Televisive Italiane (RTI)

Since 2012, RTI has brought various proceedings against Dailymotion in the Rome Civil Court. Similar to claims it has made against other major online video platforms, RTI is seeking damages for infringement of its neighboring rights (audiovisual production and broadcasting rights) and unfair competition as well as the removal of the contested content from the Dailymotion platform.

Tax litigation

The Group and its subsidiaries are routinely subject to tax inspections in the countries in which they operate or have operated. Various tax authorities have proposed adjustments to the results reported by the Group and its subsidiaries for the 2017 and prior fiscal years, subject to the statute of limitations protecting the Group and its subsidiaries. The likely costs of these proceedings are the subject of provisions insofar as they are considered probable and quantifiable. For tax inspections in progress at the end of the reporting period, no provision is made when it is not possible to accurately assess the impact that could result from an unfavorable outcome. To date, management believes that the inspections are unlikely to have a significant impact on the company's financial position or liquidity.

Regarding Vivendi SA's tax obligations under its consolidated global profit tax system, tax audits are ongoing for fiscal years 2006, 2007, 2008, 2009 and 2010. Similarly, inspections of fiscal years 2011 and 2012, either at Vivendi SA or its tax group, are ongoing. In the course of these inspections, the tax authorities challenged Vivendi's right to use its foreign tax receivables for the purposes of settling its 2012 tax. However, for that same reason, Vivendi has requested the reimbursement of its 2015 tax by litigation, requesting that is be allowed to use these foreign tax claims. It should be recalled in this regard that the effects of the usage of foreign tax receivables flowing from the global profit tax system for fiscal years 2012 and 2015 were provisional at December 2012, 2015, totaling 239 million euros and 203 million euros, respectively.

Specifically regarding the tax inspections for 2008 to 2011, Vivendi SA was the subject of an assessment with the tax authorities challenging the accounting and tax treatment for the NBC Universal securities received in consideration upon the 2004 disposal of the securities of Vivendi Universal Entertainment and challenging the deduction of the 2.4 billion euros loss upon the disposal of these securities in 2010 and 2011. The French National Board for Direct Taxation to which this dispute was referred gave its opinion on December 9, 2016, which was communicated to Vivendi SA on January 13, 2017, in which it calls for the assessments proposed by the tax authorities to be dropped. The dispute moreover being based on administrative principles, Vivendi asked for its cancellation on the grounds that it was creating new law. On May 29, 2017, the Council of State accepted Vivendi's appeal on the ground that it had exceeded its powers (ultra vires). This inspection was still ongoing. Vivendi's management believes it has solid legal grounds to defend its positions for determining the taxable income for the fiscal years under audit.

In the case of the US tax group, the audit for fiscal years 2008, 2009 and 2010 is now complete and gave rise to a 6 million dollars refund. The inspection for fiscal years 2011, 2012 and 2013 is ongoing. On January 31, 2018, the US tax authorities informed Vivendi that it was inspecting fiscal years 2014, 2015 and 2016. Vivendi Management believes that it has solid legal grounds to defend its positions for determining the taxable income for the fiscal years under audit.

With regard to the 3% additional tax contribution on distributions by Vivendi SA, totaling 214 million euros on the dividends paid out in fiscal year 2013 and fiscal years 2015 to 2017, challenges to these contributions were submitted to the tax authorities and then to the Montreuil Administrative Court. Following the October 6, 2017 decision of the Constitutional Court, which found that the 3% contribution was unconstitutional, the tax authorities have canceled the disputed contributions and refunded them. As a result, Vivendi withdrew its administrative claims. Furthermore, in accordance with the legal provisions in force, these refunds gave entitlement to late payment interest calculated until the date of actual repayment. In its financial statements at December 31, 2017, Vivendi SA recorded tax income of 207 million euros in settlement of this dispute, plus late payment interest of 24 million euros. The contributions by Canal+ group (4 million euros) and Havas (7 million euros) were challenged by the tax authorities. Canal+ group and Havas have received their refund. They also received 1 million euros in late payment interest.

With respect to the challenging of the merger of SFR and of Vivendi Telecom International (VTI) in December 2011 and the possible reconsideration of the consolidation of SFR within the Vivendi tax group for that fiscal year, SFR was notified, by a letter dated November 8, 2017, of the decision by the tax authorities to discontinue their proposed assessment, thereby confirming Vivendi's position that it had solid legal grounds for challenging the position taken by the tax authorities.

Finally, with respect to Havas group, Havas SA brought an action seeking the repayment of the withholding tax paid by the company between 2000 and 2002 on the redistribution of dividends from European subsidiaries, namely 38 million euros. Following a decision by the Administrative Court and later by the Paris and Versailles Appeals Court, on July 28, 2017, the Council of State rejected an appeal by Havas against the decision of the Versailles Appeals Court. This decision permanently ends this tax dispute and means that Havas won't be refunded the withholding tax. However, to reassert Havas's right to compensation, a series of three actions have been taken: (i) a complaint to the European Commission, (ii) referral to the European Court of Human Rights and (iii) a claim against the State. Vivendi Management believes that it has solid legal grounds to defend its positions for determining the taxable income for the fiscal years under audit.

Moreover, in the course of tax inspections of Havas SA and Havas International covering fiscal years 2002 to 2005, the authorities adjusted the profit of the Havas SA tax group, reducing the overall deficit reported by the tax group by 267 million euros. All the assessments were contested with the tax authorities. Following the decision of the Montreuil Administrative Court, upheld by the Versailles Appeals Court, the Council of State struck down the decision of the Appeals Court against Havas on July 12, 2017, referring the case back to the same court. On August 28, 2017, Havas filed a further brief with the Versailles Appeals Court. By a decision dated July 3, 2018, the Versailles Appeals Court granted Havas's applications and decided to reinstate Havas SA's losses in the amount of 267 million euros.

NOTE 11. EMPLOYEE EXPENSES AND BENEFITS

11.1. Average workforce

Breakdown of staff by segment

	2018	2017
Transportation and logistics	35,654	35,428
Oil logistics	1,019	1,043
Communications(1)	41,864	35,594
Electricity storage and solutions	2,324	2,466
Other activities	280	297
TOTAL	**81,141**	74,828

(1) In 2017, when Vivendi joined the consolidation, the average annual headcount was calculated using 8/12ths of the total Vivendi headcount.

11.2. Pension benefit and related obligations

Accounting policies

- **Post-employment benefits**

Post-employment benefits include end-of-service payments, retirement schemes, as well as life insurance and healthcare benefits granted to the retirees of certain subsidiaries (primarily in the US).

Commitments relating to post-employment benefits mainly concern subsidiaries in the eurozone and the Africa zone (CFA zone), and those based in the United Kingdom. In the case of Vivendi, virtually all Group employees enjoy retirement benefits under defined contribution schemes, which are incorporated into local social security schemes and multi-employer schemes, or defined benefit plans, which are typically managed under group pension plans. The Group's scheme financing policy is in line with applicable public regulations and obligations.

- **Other long-term benefits**

Other long-term benefits are entered in the balance sheet as provisions. These include commitments relating to incentives associated with length of service and to mutual societies.

This provision is valued according to the projected unit credit method.

Expenses related to these commitments are recognized in the operating statement, with the exception of interest expense net of the expected return on assets, which is recognized in financial income.

11.2.1. Presentation of schemes

Defined-benefit plans

In line with IAS 19 revised "Employee benefits", the Group's commitments under defined-benefit plans, and likewise their cost, are valued by actuaries in accordance with the projected unit credit method. Valuations are carried out each year for the various schemes.

These schemes are either "funded", in which case their assets are managed separately from and independently of the Group's, or "not funded", in which case the commitment appears as a liability on the balance sheet. In the case of funded schemes, they may be funded by investments in different instruments, such as insurance contracts or equity securities and bonds, excluding Group debt instruments or shares.

For funded defined-benefit plans, the shortfall or surplus of the assets' fair value compared with the discounted value of the obligations is recognized as a balance sheet liability or asset. If scheme assets exceed recognized obligations, a financial asset is generated up to the present value of expected future refunds and reductions in future contributions. If such a surplus is not available or does not represent any future financial benefit, it is not recognized.

Commitments associated with employee benefits are valued using assumptions as to future wages, age when rights are claimed, mortality rate and rate of inflation, and then discounted using the interest rate of first-class long-term private bonds. The discount rate is thus determined for each country, by reference to the yield rate of AA-rated corporate bonds with an equivalent maturity to the duration of the schemes valued, generally based on representative indices. The benchmark rates used for primary plans are iBoxx AA Corporate and Merrill Lynch AA Corporate on the assessment date and maturing in a time comparable to the average horizon of the particular plan in question. The benchmark rates used for these primary plans were not changed during the fiscal year.

A cost for past services is generated when the company institutes a defined-benefit plan or changes benefit levels in an existing scheme: the cost for past services is immediately recognized as an expense.

The actuarial cost recorded as operating income for defined-benefit plans includes the cost of benefits provided during the financial period, the cost of past services, and the effects of any reduction or abolition of the scheme.

The financial component, recognized in other financial income and expenses, is comprised of the accretion effect of commitments, net of the expected return on plan assets using the discount rate used to measure commitments.

Actuarial differences arise mainly from changes in assumptions and from the difference between the results using the actuarial assumptions and the actual outcome of the defined-benefit plans. Actuarial differences are recognized in full in the balance sheet, with an offsetting entry in shareholders' equity except for other long-term benefits for which the effects of the changes are recognized in profit and loss.

Defined-contribution schemes

Certain benefits are also provided under defined-contribution schemes. The contributions for these schemes are entered as employee costs when they are incurred.

11.2.2. Defined-benefit schemes

The Group has defined-benefit schemes, in particular in the United Kingdom. These schemes are managed and monitored by trustees. In accordance with current legislation, the trustees implement an investment strategy to ensure the best long-term return on investment with a level of risk that is appropriate to the nature and length of the agreements. The manager is in charge of the daily management of assets in accordance with the defined strategy.

The plans are analyzed on a regular basis by an independent actuary.

Assets and liabilities included in the balance sheet

	At 12/31/2018			At 12/31/2017		
(in millions of euros)	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Discounted value of commitments (non-funded schemes)	537.2	34.4	571.6	609.9	34.3	644.2
Discounted value of commitments (funded schemes)	880.4	0.0	880.4	850.5	0.0	850.5
Fair value of plan assets	(594.9)	0.0	(594.9)	(595.5)	0.0	(595.5)
NET BALANCE SHEET VALUE OF COMMITMENTS TO EMPLOYEES	**822.7**	**34.4**	**857.1**	864.9	34.3	899.2
Of which assets related to employee benefit plans			(9.5)			(8.0)
Of which provisions for employee benefit schemes			866.6			907.2

Expenditure components

(in millions of euros)	**2018**			2017		
	Post-employment benefits	**Other long-term benefits**	**Total**	Post-employment benefits	Other long-term benefits	Total
Cost of services provided	(39.2)	(3.3)	(42.4)	(35.1)	(3.4)	(38.5)
Cost of past services	1.0	0.6	1.6	1.3	(0.2)	1.1
Actuarial gains and losses recognized	0.0	0.3	0.3	0.0	1.2	1.2
Effects of reductions and plan liquidation	2.7	0.5	3.1	1.7	0.1	1.8
Interest expenses	(30.2)	(0.5)	(30.7)	(23.0)	(0.4)	(23.4)
Expected yield of scheme assets	12.5	0.0	12.5	10.8	0.0	10.8
Others	(0.9)	0.0	(0.9)	(1.5)	0.0	(1.5)
COST OF COMMITMENTS TO STAFF	**(54.1)**	**(2.4)**	**(56.5)**	(45.9)	(2.6)	(48.5)

Changes in net balance sheet liabilities/assets

— *Changes in provisions*

(in millions of euros)	**2018 fiscal year**			2017 fiscal year		
	Post-employment benefits	**Other long-term benefits**	**Total**	Post-employment benefits	Other long-term benefits	Total
At January 1	**864.9**	**34.3**	**899.2**	272.4	36.3	308.7
Vivendi consolidation(1)	0.0	0.0	0.0	675.8	0.0	675.8
Increase through P&L	54.1	2.4	56.5	45.9	2.6	48.5
Decrease through P&L	(66.7)	(2.2)	(68.9)	(54.8)	(1.9)	(56.7)
Actuarial gains and losses in shareholders' equity	(36.7)	0.0	(36.7)	(45.9)	0.0	(45.9)
Translation adjustment	6.3	(0.1)	6.2	(32.3)	(1.5)	(33.8)
Other transactions	0.8	0.0	0.8	3.8	(1.2)	2.6
AT DECEMBER 31	**822.7**	**34.4**	**857.1**	864.9	34.3	899.2

(1) In 2017, including –19 million euros for assets relating to employee benefit schemes.

Actuarial gains and (losses) recognized directly in shareholders' equity

The change in actuarial gains and (losses) recognized directly in shareholders' equity is as follows:

(in millions of euros)	**At 12/31/2018**	At 12/31/2017
Opening balance	(381.9)	(148.4)
Actuarial gains and (losses) recognized in the period (for controlled entities)	36.7	45.9
Other changes(1)	(17.5)	(279.4)
Closing balance	(362.7)	(381.9)

(1) In 2017, primarily reflects actuarial gains and losses of Vivendi as of date of entry into scope on April 26, 2017 and the actuarial gains and losses of entities accounted for using the equity method. In 2018, reflects actuarial gains and losses of entities accounted for using the equity method.

Consolidated financial statements Information on hedged assets

— Reconciliation between the fair value of hedged assets at the start and end of the fiscal year

(in millions of euros)	
Fair value of assets at January 1, 2018	**595.5**
Expected return on assets	12.1
Actuarial (losses) and gains generated	(7.7)
Contributions paid by the employer	17.1
Contributions paid by the employees	0.1
Reductions/liquidations	0.0
Benefits paid by the fund	(20.4)
Changes in consolidation scope	0.0
Others	(1.8)
FAIR VALUE OF ASSETS AS AT DECEMBER 31, 2018	**594.9**

— Composition of the investment portfolio

The assets of pension plans are mainly located in France and the United Kingdom.
At the year end, hedged assets were invested as follows:

France (as a percentage)	**12/31/2018 share**	12/31/2017 share
Shares	11	11
Bonds	74	71
Insurance contracts	7	11
Fixed assets	7	6
Cash	0	1
Others	1	0
TOTAL	**100**	100

In accordance with IAS 19, the expected yield rate is identical to the discount rate.
No investment is made in the Group's own assets.

United Kingdom (as a percentage)	**12/31/2018 share**	12/31/2017 share
Shares	16	19
Bonds	19	18
Insurance contracts	30	31
Cash	16	13
Others	19	18
TOTAL	**100**	100

Others (as a percentage)	**12/31/2018 share**	12/31/2017 share
Shares	9	8
Bonds	7	6
Insurance contracts	79	80
Fixed assets	0	0
Cash	1	4
Others	4	1
TOTAL	**100**	100

Valuation assumptions

Commitments are valued by actuaries who are independent from the Group. Any assumptions made reflect the specific nature of the plans and companies concerned.

Full actuarial valuations are carried out each year during the final quarter.

At December 31, 2018 (in millions of euros)	France	United Kingdom	Others	Total
Post-employment benefits	361.1	475.0	581.5	1,417.6
o/w Discounted value of commitments (non-funded schemes)	*123.3*	*4.0*	*409.9*	*537.2*
o/w Discounted value of commitments (funded schemes)	*237.8*	*471.0*	*171.6*	*880.4*
Other long term benefits	19.2	0.7	14.5	34.4
Fair value of plan assets	(55.4)	(432.0)	(107.5)	(594.9)
NET BALANCE SHEET VALUE OF COMMITMENTS TO EMPLOYEES	**324.9**	**43.7**	**488.5**	**857.1**

Discount rates determined by country or geographical area are obtained by reference to the yield rate of first-class private bonds (with maturity equivalent to the term of the schemes valued).

The main actuarial assumptions made in determining commitments are as follows:

(as a percentage)	France	United Kingdom	Others
At December 31, 2018			
Discount rate	1.50	2.75 – 2.95	1.50 – 4.00
Expected return on assets	1.50	2.75 – 2.95	1.50 – 4.00
Wage increases[1]	2.50 – 3.47	3.30 – 3.50	1.75 –2.50
At December 31, 2017			
Discount rate	1.50	2.50 – 2.60	1.50 –3.75
Expected return on assets	1.50	2.50 – 2.60	1.50 –3.75
Wage increases[1]	2.50 – 3.30	3.20 – 3.50	1.75 –2.50

(1) Inflation-adjusted.

Sensitivity

— ***The sensitivity of the valuation to changes in the discount rate is as follows:***

	As a percentage		In millions of euros	
Change in the discount rate	−0.5%	0.5%	−0.5%	0.5%
Effect on commitment in 2018	11.95	−11.67	102.4	(100.0)
Effect on expense in 2019	1.88	−2.11	1.2	(1.3)

— ***The sensitivity of the valuation to changes in the expected return on assets***

The valuation with a 10% change in the expected return on assets does not have a significant effect either on debt, the standard cost or the interest.

— ***Sensitivity of healthcare benefit commitments to a one-point change in medical costs***

The 1% increase in medical expenses does not have a significant effect either on debt, the standard cost or the interest.

11.3. Share-based payment transactions

Accounting policies

The valuation and accounting arrangements for share subscription or share purchase plans relating to shares in the parent company and its subsidiaries are set out in IFRS 2 "Share-based payment".
The granting of shares and stock options is a benefit for the persons concerned and as such counts as supplementary compensation. These benefits are recognized as expenses on a straight-line basis in the vesting period against an increase in shareholders' equity for plans that can be repaid in the form of shares and as debts to staff for plans that can be repaid in cash.
They are valued at the time of their granting on the basis of the fair value of the shareholders' equity instruments granted.

11.3.1. Bolloré SA free share allocation plan

The Group granted free Bolloré SA shares to Group employees. These transactions were made on the conditions set by the General Shareholders' Meeting of June 3, 2016. The terms of these plans were decided at the Board of Directors' Meetings of September 1, 2016, March 23, 2017 and March 22, 2018.,
The Group applied IFRS 2 "Share-based payment" to this free-share allocation plan. On the grant dates, September 2, 2016, March 23, 2017 and March 22, 2018, the fair value of the shares granted was calculated by an independent expert, this value equaling the expense to be recognized for the period corresponding to the vesting period of the shares.
The fair value of the shares is recognized on a straight-line basis over the vesting period. This amount is included in the income statement under "Personnel costs" with an offsetting entry in shareholders' equity. The employer's contributions due under these plans were immediately recognized as expenses.

Bolloré SA plan	2016	2017	2018
Allocation conditions			
Grant date	September 2, 2016	March 23, 2017	March 22, 2018
Number of shares originally granted	4,131,200	1,610,000	1,238,000
Share price on award date (in euros)	3.15	3.51	4.35
Vesting period	36 months	36 months	36 months
Holding period	None at the end of the vesting period, i.e. September 2, 2019	None at the end of the vesting period, i.e. March 23, 2020	None at the end of the vesting period, i.e. March 22, 2021
Main assumptions			
Dividend rate (as a percentage)	2.0	1.7	1.4
Risk-free rate (as a percentage)	0 at 2 years	0 at 2 years	0 at 2 years
	0 at 5 years	0 at 5 years	0 at 5 years
Fair value of the option (including lock-up discount) (in euros)	2.97	3.33	4.17
At December 31, 2018			
Number of remaining shares	3,992,000	1,610,000	1,238,000
Expense recognized in the income statement (in millions of euros)	(3.9)	(1.8)	(1.3)

11.3.2. Plans granted by Vivendi

Vivendi share subscription options

7,245 thousand share subscription options had vested and were exercisable at December 31, 2018, at a weighted average exercise price of 15.6 euros. At the market price on that date, the aggregate intrinsic value of the unexercised share subscription options can be estimated at 41 million euros. The weighted average remaining period of the share subscription options is 1.5 years.

Vivendi performance share plans

At December 31, 2018, there remained 4,790 thousand performance shares. The average time before delivery of performance shares is 1.7 years. Vesting for the period ended December 31, 2018 involved 418 thousand shares, including the cancellation during the period of 378 thousand shares for non-attainment of performance objectives or due to the departure of certain beneficiaries.
On May 17, 2018, Vivendi awarded its employees and senior executives 1,632 thousand performance shares, including 175,000 to members of the Executive Committee. The terms and conditions of the grant are set out in the Vivendi 2018 annual report. On February 23, 2017, Vivendi awarded its employees and senior executives 1,544 thousand performance shares, including 200,000 to members of the Executive Committee.
The expense related to all of the performance plans was 16 million euros, versus 14.6 million euros for fiscal year 2017, since the date of acquisition on April 26, 2017.

Group savings plan and Vivendi leveraged plan

On July 19, 2018 and July 25, 2017, Vivendi carried out capital increases by means of a group savings plan and a leveraged plan that allowed Group employees and retirees to subscribe for Vivendi shares.
The valuation assumptions can be found in the Vivendi 2018 annual report.
As part of the group savings plan, 734 thousand shares were subscribed in 2018 through an employee investment fund at a price of 19.327 euros per share, versus 651 thousand shares at 16.25 euros per share in 2017.
In addition, a leveraged plan was created under which 4,259 thousand shares were subscribed in 2018 through an employee investment fund at a price of 19.327 euros per share, versus 2,587 thousand shares at 16.25 euros per share in 2017. The leveraged plan allows current and retired employees of Vivendi and its French and foreign subsidiaries to subscribe for Vivendi shares through a reserved capital increase that gives them a discount on subscription and ultimately capital gains (determined as per the plan rules) on 10 shares for each share subscribed. This transaction was underwritten by a financial institution commissioned by Vivendi. In addition, 193 thousand shares were subscribed for through an employee share ownership mechanism established for the employees of the Japanese subsidiaries, versus 922 thousand shares through an equivalent mechanism for the employees of the US subsidiaries in 2017.
In 2018, the expense recorded under the leveraged plan and the group savings plan was 1 million euros, versus 5.7 million euros in 2017, since the date of acquisition on April 26, 2017.
The transactions carried out in France and abroad through the employee investment funds (group savings plan and leveraged plan) enabled a capital increase to be carried out on July 19, 2018 that totaled 100 million euros (including issue premiums), compared with a total amount of 68 million euros (including issue premiums) on July 25, 2017.

11.3.3. Havas SA performance share plan

The free-share allocation and performance share plans were valued on the basis of the Havas share price on the date of the meeting of the Board of Directors that decided to grant these shares. Provided the performance conditions on the various plans are satisfied, the rights fully vest upon registration at the end of a 36 to 51 month period subject to continued employment.

The following allocation plans were in force at December 31, 2018:

- on January 19, 2015, the Havas SA Board of Directors allocated 2,420 thousand performance-based shares to the employees and corporate officers of Havas SA and its French and overseas subsidiaries;
- on March 19, 2015, the Board of Directors allocated 70 thousand performance shares to Yannick Bolloré, Chairman and Chief Executive Officer of Havas SA;
- on August 27, 2015, the Board of Directors allocated a 120 thousand performance share plan to all employees of French companies;
- on May 10, 2016, the Board of Directors allocated three share plans totaling 2,784 thousand free and performance shares to senior executive employees and French and foreign senior managers of the Group, including 90 thousand shares for Yannick Bolloré;
- on July 21, 2016, the Board of Directors allocated 148 thousand free shares to all employees of French companies;
- on February 28, 2017, the Board of Directors allocated 1,699 thousand free shares to French or foreign top executives.

The expense related to all the performance plans was 10.0 million euros in 2018, versus 10.0 million euros for 2017.

In light of both the implementation of the mandatory squeeze-out resulting in the absence of liquidity for Havas shares and the change of control of Havas to Vivendi, Vivendi's Supervisory Board resolved that the free and performance shares granted by Havas would be replaced by Vivendi shares, on the basis of 0.44 Vivendi shares for every one Havas share.

In 2018, all holders of Havas free and performance shares were individually given the option of being granted the corresponding shares initially granted to them, subject to having entered into a liquidity contract with Vivendi which contains:

- a put option, giving such holders the right to sell their Havas free and performance shares within thirty calendar days from the first business day following the date of final grant of their Havas free and performance shares; and
- a call option, allowing Vivendi to acquire the Havas free and performance shares in question within fifteen calendar days of the expiry of the above-mentioned put option exercise period.

The exercise price for these options will be the cash equivalent, for each Havas share, of the market value of 0.44 of a Vivendi share calculated on the basis of the average, weighted by daily trading volumes on the Euronext Paris regulated market, Vivendi share price on Euronext Paris over the ten trading days prior to the vesting date of the Havas free and performance shares.

As an exemption, given the proximity of the vesting date applicable to the plan of January 29, 2014 (i.e. April 29, 2018), this exercise price was equal to the tender offer price, i.e. 9.25 euros for the beneficiaries of this plan.

At December 31, 2018, 2,297 thousand Havas shares came under a liquidity commitment and will thus be allocated to the beneficiaries, conditioned on continued employment, at the maturity date of each plan and then be bought back by Vivendi; and 3,570 thousand Havas shares will be exchanged for approximately 1,571 thousand Vivendi shares (at the rate of 0.44 Vivendi share for 1 Havas share).

11.3.4. Blue Solutions free share plan

Blue Solutions' Board of Directors of January 7, 2014, partially using the authorization granted to it by the Extraordinary General Shareholders' Meeting of August 30, 2013, decided to award a maximum of 380,000 free shares, or 1.32% of the capital. 364,500 free shares were awarded in this way on January 8, 2014, and 13,500 on April 7, 2014, in line with the procedures set out by the General Shareholders' Meeting and the Board of Directors. The recognition procedures for this plan were not modified during the fiscal year. The fair value of the shares granted was calculated by an independent expert. This fair value represents the expense to be recognized over the vesting period, it is recognized on a straight-line basis in P&L under "Personnel costs" with an offsetting entry in shareholders' equity, amounting to –0.1 million euros for 2018, versus –1.1 million euros for 2017. The employer contributions due were immediately recognized as net income.

Blue Solutions free share plan		
Allocation conditions		
Grant date	January 8, 2014	April 7, 2014
Number of shares originally granted	364,500	13,500
Share price on award date (in euros)	19.35	27.32
Vesting period	48 months	48 months
Holding period	2 years after vesting period	2 years after vesting period
Main assumptions		
Dividend rate (as a percentage)		
Risk-free rate (as a percentage)	1.49 at 6 years 1.01 at 4 years	1.49 at 6 years 1.01 at 4 years
Fair value of the share (including lock-up discount) (in euros)	17.29	24.42
At December 31, 2018		
Number of remaining shares	0	0
Expense recognized in the income statement (in millions of euros)	(0.0)	(0.0)

11.3.5. Gameloft S.E. free-share grants

The free share allocation plans were measured on the basis of the Gameloft S.E. ("Gameloft") share price on the date of the meeting of the Board of Directors that decided to grant these shares, taking on board the lock-up period following vesting. The vesting of shares for beneficiary employees is subject to having a valid employment contract with the company at all times throughout the vesting period, of two or four years depending on the plan.

At December 31, 2018, the balance of free share grant plans was 341 thousand shares, versus 734 thousand shares at December 31, 2017. In fiscal year 2018, 87 thousand shares were canceled. The average residual term before unwinding of the plans was 0.96 year, versus 1.5 years in 2017.

In the second half of 2018, the beneficiaries agreed to the liquidity commitment proposed by Vivendi. The number of shares covered by this commitment is 1,606 thousand.

11.3.6. Dailymotion long-term incentive plan

In 2015, Vivendi implemented a long-term incentive plan for a five-year period for certain key senior executives. This plan is indexed to increases in the enterprise value of Dailymotion versus its acquisition value, as determined on June 30, 2020 by an independent expert report. Should the value of Dailymotion increase, the amount of compensation under the incentive plan is capped at a percentage, depending on the beneficiaries, of this increase. In the six months from June 30, 2020, the plan will, where necessary, be settled by means of a cash payment.

Pursuant to IFRS 2, an expense must be estimated for the cost of this compensation and recognized at each reporting date up to the date of payment. For the period ended December 31, 2018, no expenses were recorded with respect to this plan, as was the case in previous years.

The detailed features of the main new plans during the fiscal year are as follows:

Allocation conditions for free share and performance plans granted in fiscal year 2018

Shares affected	Vivendi	Bolloré
Grant date	May 17, 2018	March 22, 2018
Number of shares awarded	1,632,000	1,238,000
Share price on award date (in euros)	23.03	4.352
Dividend rate (as a percentage)	1.95	1.380
Fair value of a share (in euros)	19.85	4.17
Vesting period	36 months	36 months
Lock-up period	2 years at the end of the vesting period, i.e. May 17, 2023	None at the end of the vesting period, i.e. March 22, 2021
NUMBER OF SHARES GRANTED AT DECEMBER 31, 2018	**1,632,000**	**1,238,000**

The change over the fiscal year in the number of shares and options outstanding related to share-based payment transactions was as follows:

Changes in the number of outstanding free and performance shares

Shares affected	Blue Solutions	Vivendi	Havas[1]	Bolloré
Number of shares at December 31, 2017	**324,750**	**4,303,000**	**7,933,360**	**5,651,600**
From business combinations				
Grant		1,636,000		1,238,000
Past due			(1,719,000)	
Fiscal year	(324,750)	(771,000)		
Canceled		(378,000)	(347,000)	(49,600)
NUMBER OF SHARES AT DECEMBER 31, 2018	**0**	**4,790,000**	**5,867,360**	**6,840,000**

(1) Under the plan granted on January 29, 2014 and maturing April 29, 2018, 870 thousand shares were settled in cash by Vivendi at the price of 9.25 euros per share and 849 thousand Havas shares were exchanged for 374 thousand Vivendi shares at an exchange rate of 0.44 Vivendi shares for one Havas share, in accordance with the settlement of the plan described in note 11.3.4 – Havas SA Performance share plan.

Change in the number of share subscription

Options affected	Vivendi
Number of options at December 31, 2017	**13,202,000**
From business combinations	
Grant	
Past due	(968,000)
Fiscal year	(4,989,000)
Canceled	
NUMBER OF OPTIONS AT DECEMBER 31, 2018	**7,245,000**

11.4. Compensation of governing and management bodies (related parties)

(in millions of euros)	2018	2017
Short-term benefits	13.5	11.1
Post-employment benefits	0.0	0.0
Long-term benefits	0.0	0.0
Severance payments	0.0	0.0
Payment in shares	4.1	2.8
Number of free and performance shares held by senior executives with respect to Bolloré securities(1)	3,451,000	2,498,000
Number of Blue Solutions free shares(1)	0	20,000
Number of Havas performance shares and options on securities(1)	186,080	186,080
Number of Vivendi performance shares and options on securities(1)	18,000	0

(1) The features of the different plans in terms of shares and stock options are detailed in note 11.3 – Share-based payment transactions.

In 2018, Vincent Bolloré, Chairman of the Board of Directors, received compensation of 1,060 thousand euros by way of bonuses from Bolloré Group companies, compared with 1,050 thousand euros in 2017. In 2018, Vincent Bolloré also received 118 thousand euros in directors' fees for company offices held within Group companies (103 thousand euros in 2017).

The Group has no commitments towards its senior executives or former senior executives regarding pensions or equivalent (post-employment) indemnities.

The Group does not grant advance payments or credit to members of the Board of Directors.

NOTE 12. TAXES

Accounting policies

The Group calculates its income tax in accordance with the tax law in force at the time.

In accordance with IAS 12 "Income taxes", the timing differences between the book values of assets and liabilities and their tax-base values give rise to recognition of a deferred tax asset or liability, according to the variable carryforward method using the tax rate adopted or virtually adopted on the closing date.

Deferred taxes are recognized for all timing differences unless the deferred tax is generated by goodwill or by the initial recognition of an asset or liability which is not a business combination and does not affect either accounting or fiscal income on the transaction date.

A deferred tax is recognized for all fiscal timing differences connected with shareholdings in subsidiaries, associate companies and joint ventures or capital expenditure in branches, unless the date on which the timing difference is to be reversed is within the Group's control and it is probable that it will not be reversed in the foreseeable future.

A deferred tax asset is recognized for the carryforward of tax losses and of unused tax credits, insofar as it is probable that there will in future be sufficient taxable income to which these tax losses and unused tax credits can be imputed or if there are liability timing differences.

For Vivendi, the book value of deferred tax assets is reviewed at the end of each fiscal year and, where necessary, revalued or reduced, to reflect changes in the likelihood of generating taxable profits resulting in these deferred tax assets being used. To assess the likelihood of generating an available taxable profit, the track record of results over past fiscal years is in particular taken into account along with forecasts for future results, non-recurring items that are unlikely to reoccur in the future and the tax strategy. As a result, the evaluation of the Group's ability to use its tax loss carryforwards requires a significant amount of judgment. If the Group's future tax results were to vary materially from what was anticipated, the Group would then be required to revise the book value of the deferred tax assets up or down, which could have a material effect on the Group's balance sheet and results.

For other Bolloré Group companies or tax groups for which there is a recent history of unused tax losses, the Group does not deem it necessary to recognize the net deferred tax assets in respect of carrying forward tax losses.

In line with IAS 12, deferred tax assets and liabilities are not discounted.

12.1. Tax charges

12.1.1. Income tax analysis

(in millions of euros)	2018	2017(1)
Current and deferred tax(2)	(398.8)	140.7
Provision (expense)/reversal for taxes(3)	16.8	209.3
Other taxes (lump sum, adjustments, tax credits, carry back)(4)	(5.4)	436.3
Withholding taxes	(79.6)	(55.7)
Corporate added value contribution	(38.8)	(31.1)
TOTAL	**(505.8)**	699.5

(1) Restated – see note 3 – Comparability of financial statements.
(2) In accordance with the new IFRS 9 applied as of January 1, 2018, Vivendi's deferred tax expense in 2018 included the revaluation through profit or loss of the stake in Spotify and Tencent Music for a combined –72 million euros.
(3) In 2017, included the impact related to the favorable outcome for Vivendi SA regarding the global consolidated profit plan for fiscal year 2011 for 409 million euros.
(4) Included in 2017 a current tax profit of 243 million euros corresponding to the restitution to Vivendi and its subsidiaries of the amount paid pursuant to the 3% contribution on distributed income.

12.1.2. Explanation of income tax expense

By convention, the Group decided to apply the ordinary rate applicable in France, i.e. 34.43%. The effect of additional tax contributions paid by the Group is described below in "Impact of tax rate differentials".
The difference between the theoretical and actual tax liability may be analyzed as follows:

(in millions of euros)	2018	2017(1)
Consolidated net income	1,107.2	2,048.9
Net income from companies accounted for using the equity method	(194.6)	(266.5)
Tax expense (income)	505.8	(699.5)
Income before tax	**1,418.4**	**1,082.9**
Theoretical tax rate	34.43%	34.43%
THEORETICAL TAX INCOME (EXPENSE)	**(488.3)**	(372.8)
Reconciliation:		
Permanent differences(2)	(108.4)	364.7
Effect of the sale of securities not taxed at the current rate(3)	1.8	78.1
Capitalization (impairment) of losses carried forward and impairment of deferred taxes(4)	(87.1)	2.4
Impact of tax rate differentials(5)	192.1	397.3
Other(6)	(15.9)	229.8
ACTUAL TAX INCOME (EXPENSE)	**(505.8)**	699.5

(1) Restated – see note 3 – Comparability of financial statements.
(2) In 2017, corresponds mainly to current tax revenue of 409 million euros recorded following the favorable outcome for Vivendi SA of litigation regarding the global tax profit system for fiscal year 2011.
(3) In 2017, corresponds primarily to the tax effect related to the accounting revaluation of the Vivendi equity interests for 232.3 million euros not imposed on Compagnie de Cornouaille.
(4) In 2017, mainly reflects the uncapitalized losses of Vivendi in the amount of –98 million euros.
(5) In 2018, with regard to Vivendi includes a favorable tax effect following the change in the Federal corporate tax rate in the United States.
(6) In 2017, corresponds to a current tax revenue of 243 million euros corresponding to the restitution to Vivendi and its subsidiaries of the amount paid pursuant to the 3% contribution on distributed income.

12.1.3. Vivendi tax consolidation and consolidated global profit regime

Vivendi SA qualifies for the tax consolidation regime and considers that it qualified, up to and including December 31, 2011, for the so-called "consolidated global profit" regime provided for in article 209 (d) of the French General Tax Code. As from January 1, 2012, Vivendi SA has only benefited from the French Tax Group System.
The tax consolidation regime allows Vivendi to consolidate for tax purposes its profits and losses with the profits and losses of French companies at least 95% directly or indirectly controlled, namely at December 31, 2017, mainly entities belonging to Universal Music Group, Canal+ group and Gameloft in France, as well as the companies involved in the Group's development projects in France (Vivendi Village, Vivendi Content, Studio+, etc.).
Up to December 31, 2011, the approved consolidated global profit regime allowed Vivendi to consolidate for tax purposes its profits and losses with the profits and losses of Group companies at least 50% directly or indirectly controlled, both in France and abroad. It initially received approval for a five-year period, namely from January 1, 2004 to December 31, 2008, which was renewed on May 19, 2008 for a three-year period, namely from January 1, 2009 to December 31, 2011. For reference, on July 6, 2011, Vivendi filed a further application with the French Ministry of Finance for approval to use the consolidated global profit tax system for a three-year period from January 1, 2012 to December 31, 2014.
Changes in French tax law in 2011 ended the consolidated global profit tax system for companies closing their fiscal years from September 6, 2011 and capped the use of tax loss carryforwards at 60% of taxable profit. Since 2012, the use of tax loss carryforwards has been capped at 50% of taxable profit and interest deductibility is limited to 85% of net financial expenses (75% from January 1, 2014).
The impact of the French tax group and consolidated global profit tax systems on the value of Vivendi's losses, foreign tax receivables and carryforwards is calculated as follows:
As Vivendi considers that its entitlement to use the Consolidated Global Profit Tax System was effective until the end of the authorization granted by the French Ministry of Finance (i.e., until December 31, 2011), in 2012, Vivendi submitted a 366 million euro refund request with respect to fiscal year 2011. At the end of the approval procedure conducted before the administrative bodies, France's Council of State by its decision of October 25, 2017 recognized Vivendi's right to make a claim of reasonable confidence authorizing it to allocate the consolidated earnings over the entire period covered by the approval, including therefore the period ended December 31, 2011. Since the Council of State is in this instance the court of last resort and its ruling cannot be appealed, the sum of 366 million euros repaid to Vivendi, along with default interest in the amount of 43 million euros, became non-refundable. Consequently, in its financial statements for the year ended December 31, 2017, Vivendi recorded a tax income of 409 million euros.
In addition, given that the foreign tax receivables held by Vivendi upon exiting the consolidated global profit tax system can be carried forward until expiry of the approval, Vivendi asked for repayment of the tax paid for the fiscal year ended December 31, 2012. On May 8, 2013, Vivendi received a refund of 201 million euros. This refund was subsequently challenged by the tax authorities as part of an audit procedure and, in its financial statements as at December 31, 2012, Vivendi provisioned the risk relating to the principal amount of 208 million euros, which was increased to 221 million euros at December 31, 2013. In its financial statements as at December 31, 2014, Vivendi maintained this provision and supplemented it with the amount of late interest of 11 million euros, for a total provisioned amount of 232 million euros at December 31, 2014, which was reduced to 228 million euros as of December 31, 2015 after deduction of ordinary tax credits. In the course of this audit, Vivendi paid 321 million euros on March 31, 2015, comprising the aforementioned 221 million euros and 11 million euros plus 89 million euros in penalties.
Following the closure of the audit process, on June 29, 2015 Vivendi challenged the tax and late interest levied plus the penalties with the tax authorities, with provisions not being funded on the advice of the company's advisers. Vivendi has since lodged this dispute with the Montreuil Administrative Court. On March 16, 2017, the Administrative Court of Montreuil issued a decision favorable to Vivendi. On April 18, 2017, Vivendi received a reimbursement of 315 million euros corresponding to the principal amount of tax owed for 2012 (218 million euros) and late interest (10 million euros), plus penalties (87 million euros), together with late payment interest (31 million euros), for a total amount of 346 million euros. Since the Minister appealed the decision concerning the principal amount of tax owed, Vivendi maintained in its financial statements at December 31, 2017 the provision for principal repayment (218 million euros) and late payment interest (10 million euros), plus the interest on arrears (23 million euros), for a total provision of 251 million. As the Minister had not appealed the penalties (87 million euros), Vivendi recorded, in its financial statements at December 31, 2017, tax income of 9 million euros as the portion of the late payment interest definitively accruing to Vivendi. On November 22, 2018 the Administrative Court of Appeal of Versailles overruled the decision of March 16, 2017 of the Administrative Court of Montreuil and made Vivendi

again liable for the supplemental contributions to which it was subject for fiscal 2012. However, it relieved Vivendi of late payment interest. On its financial statements for the year ended December 31, 2018 Vivendi recognized income of 12 million euros due to the relief from late payment interest (10 million euros) as well as the corresponding default interest (2 million euros), bringing the total amount provisioned to 239 million euros (218 million euros of principal and 21 million euros for associated default interest). On December 31, 2018, Vivendi submitted an appeal to the French Council of State asking for the nullification of the judgment of the Administrative Court of Appeal of Versailles. On February 11, 2019, in performance of the judgment of the Administrative Court of Appeal of Versailles, Vivendi received from the tax authorities a demand to pay 239 million euros. Vivendi has a period of thirty days to comply with this demand. Since Vivendi has recognized a provision for that amount, this payment will have no impact on the income statement.

Following the ruling by the Montreuil Administrative Court on March 16, 2017, Vivendi, on June 15, 2017, requested a refund of the 203 million euros in tax owed in respect of the fiscal year ended December 31, 2015. At December 31, 2017 Vivendi recognized a provision in the amount of the repayment demanded (203 million euros) and maintained that provision on its books at December 31, 2018 in anticipation of the aforementioned decision of the Council of State.

In the financial statements at December 31, 2018, the tax profit of the companies in the Vivendi SA tax group was estimated. As a result, the level of tax losses, of foreign tax receivables and carryforwards at December 31, 2018 cannot currently be determined with any certainty. At December 31, 2018, after taking into account the impact of the estimated tax profit for the 2018 fiscal year and before taking account of the impact of the consequences of ongoing tax audit (please refer to note 6.5) on the level of losses, foreign tax receivables and carryforwards, Vivendi SA would be in a position to obtain from its losses, foreign tax receivables and carryforwards tax savings of 781 million euros (at the applicable corporate tax rate at January 1, 2019, namely 32.02%). At the rate of 25.83% applicable in 2022, Vivendi would obtain from its losses, its foreign tax receivables and carryforwards a tax saving of 630 million euros.

However, Vivendi SA values its losses, foreign tax receivables and carryforwards on the basis of a full year profit forecast, using the budget for the following fiscal year. On this basis, in 2019, it is anticipated that Vivendi will likely be able to achieve tax savings of 114 million euros from the French Tax Group System (based on the income tax rate applicable in 2019, i.e., 32.02%).

12.2. Deferred tax

12.2.1. Balance sheet position

(in millions of euros)	**12/31/2018**	12/31/2017[1]
Deferred tax assets	737.7	727.4
Deferred tax liabilities	2,484.4	2,338.3
NET DEFERRED TAX ASSETS[2]	**(1,746.6)**	(1,610.8)

(1) Restated – see note 3 – Comparability of financial statements.
(2) Of which –1,785.7 million euros related to Vivendi

12.2.2. Origin of deferred tax assets and liabilities

(in millions of euros)	**12/31/2018**	12/31/2017[1]
Capitalization of tax losses carried forward[2]	186.9	236.3
Provisions for retirement and other employee benefits	223.9	238.2
Revaluation of non-current assets[3]	(2,034.0)	(2,081.5)
Regulatory tax provisions	(41.0)	(44.6)
Others	(82.4)	40.8
NET DEFERRED TAX ASSETS AND LIABILITIES	**(1,746.6)**	(1,610.8)

(1) Restated – see note 3 – Comparability of financial statements.
(2) Including 166.3 million euros pertaining to the tax consolidation of Vivendi SA.
(3) Including –1,601 million euros pertaining to the remeasurement of assets identified following Bolloré's PPA of Vivendi.

12.2.3. Net change in position in 2018

(in millions of euros)	Net deferred tax assets
December 31, 2017	**(1,610.8)**
Deferred tax recognized through P&L[1]	(59.1)
Deferred tax recognized directly in other comprehensive income[2]	(4.7)
Changes in consolidation scope	0.1
Others	(72.0)
DECEMBER 31, 2018	**(1,746.6)**

(1) Including the impact on the period as regards the treatment of the Vivendi PPA in the amount of –70.9 million euros.
(2) The net change essentially includes the change in deferred taxes relative to actuarial gains on employee benefit obligations, of –3.8 million euros.

12.2.4. Deferred tax not recognized in respect of tax loss carryforwards or tax credits

(in millions of euros)	**12/31/2018**	12/31/2017
Tax loss carryforwards(1)	2,211.0	2,051.8
Others	21.2	19.4
TOTAL	**2,232.2**	2,071.2

(1) Including, before taking into account the possible consequences of ongoing tax inspections (see note 10.2 – Litigation in progress), the tax effect on unrecognized tax loss carryforwards at December 31, 2018 of Vivendi (including the Havas group) totaling 1,566 million euros (1,790 million euros at December 31, 2017) and the Bolloré SA tax group totaling 336.4 million euros (316.3 million euros at December 31, 2017).

12.3. Current tax

12.3.1. Assets

	12/31/2018			12/31/2017		
(in millions of euros)	**Gross value**	**Provisions**	**Net value**	Gross value	Provisions	Net value
Current tax assets	433.7	0.0	433.7	454.4	0.0	454.4
TOTAL	**433.7**	**0.0**	**433.7**	454.4	0.0	454.4

12.3.2. Equity and liabilities

(in millions of euros)	12/31/2017	Changes in consolidation scope	Changes net	Changes currency	Other transactions	**12/31/2018**
Current tax liabilities	236.5	2.3	(21.5)	15.7	(23.0)	210.0
TOTAL	236.5	2.3	(21.5)	15.7	(23.0)	**210.0**

NOTE 13. RELATED-PARTY TRANSACTIONS

The consolidated financial statements include transactions carried out by the Group in the normal course of business with non-consolidated companies that have a direct or indirect capital link to the Group.
The table below summarizes all the transactions entered into in 2017 and 2018 with related parties:

(in millions of euros)	**2018**	Of which parties related to the Vivendi group	2017
Revenue			
Non-consolidated Group entities[1]	27.1	9.3	15.5
Entities accounted for using the equity method	250.6	218.7	268.0
Goods and services bought in			
Non-consolidated Group entities[1]	(20.0)	(14.8)	(4.6)
Entities accounted for using the equity method	(70.8)	(69.3)	(99.9)
Other financial income and expenses			
Non-consolidated Group entities[1]	6.0		4.9
Entities accounted for using the equity method	10.4	0.4	1.5
Non-current financial assets			
Non-consolidated Group entities[1]			
Entities accounted for using the equity method	85.2	85.2	184.0
Non-current financial liabilities			
Non-consolidated Group entities[1]			
Entities accounted for using the equity method	0.0	0.0	93.0
Receivables associated with business activity (excluding tax consolidation)			
Non-consolidated Group entities[1]	6.2	2.1	4.8
Entities accounted for using the equity method	69.6	53.1	96.3
Non-current content assets			
Entities accounted for using the equity method	0.8	0.8	1.0
Provisions for bad debts	**(0.4)**		(0.4)
Payables associated with business activity (excluding tax consolidation)			
Non-consolidated Group entities[1]	2.5	2.1	1.0
Entities accounted for using the equity method	16.5	13.5	18.1
Current accounts and cash management agreements – assets			
Non-consolidated Group entities[1]	33.9		31.8
Entities accounted for using the equity method	6.3		1.6
Current accounts and cash management agreements – liabilities			
Non-consolidated Group entities[1]	135.9		49.9
Entities accounted for using the equity method			0.1

(1) Non-consolidated subsidiaries and holding companies in the Group.

NOTE 14. EVENTS AFTER THE REPORTING PERIOD

The key events occurring between the closing date and March 14, 2019, the date of the Bolloré Board of Directors' meeting that approved the annual financial statements were as follows:

Equity offering in Universal Music Group

The process of selling up to 50% of the equity in Universal Music Group to one or more strategic partners continues. The prior legal reorganization was completed late in 2018 and the work on vendor due diligence was begun in early 2019. The shortlist of banks has been drawn up. The final choice of banks acting as advisors in finding the best partners for Universal Music Group is expected to be made very soon.
A reservation price will be set for the sale of Universal Music Group equity to partners.

New financing for Vivendi SA

On January 16, 2019, Vivendi SA's syndicated line of bank credit, which had been 2 billion euros, not drawn and maturing October 29, 2021, was increased to 2.2 billion and the maturity extended to January 16, 2024, with two one-year optional extensions. Additionally, Vivendi signed confirmed bilateral credit lines with leading banking institutions in January 2019 for a total availability of 1.2 billion euros maturing in January 2024.

None of these credit lines are subject to financial ratios any longer but they contain the usual default clauses and undertakings that impose certain restrictions on Vivendi, particularly concerning the posting of collateral and M&A deals.

Completion of the Editis acquisition by Vivendi

Following the acquisition agreement entered into on November 15, 2018 with the Spanish group Planeta based on an enterprise value of 900 million euros, on January 31, 2019 Vivendi completed the acquisition of 100% of the share capital of Editis, the second-largest publishing house in France, representing a cash outflow of 833 million euros, including for the repayment of Editis' financial debt. The French Competition Authority had approved the transaction without reservation on January 2, 2019. As of February 1, 2019, Vivendi has fully consolidated Editis.
Editis generates annual revenue on the order of 750 million euros.
Vivendi and Editis share recognized know-how in the development and management of rights in cultural works and the same passion for creating and supporting talent. This acquisition fits into the strategy of building a large content, media and communications group. The transaction also marks the return of this beacon in the publishing world to a European group of worldwide scope.

Disposal of the stake in Ubisoft

As planned, the balance of the forward sale of the stake in Ubisoft was disposed of on March 5, 2019. See note 1 – Significant events.

NOTE 15. IFRS CONSOLIDATED FINANCIAL STATEMENTS FOR OMNIUM BOLLORÉ GROUP

Some of the companies included in the consolidation scope of Financière de l'Odet and of Bolloré hold shares in Omnium Bolloré or its subsidiaries (see the Group's detailed organization chart).
At the request of the AMF, the consolidated financial statements of Omnium Bolloré, the unlisted holding company that heads the entire Group, are provided below (cross-shareholdings of companies within the consolidation scope have been eliminated).
Omnium Bolloré does not prepare consolidated financial statements, and only a balance sheet, an income statement, a cash-flow statement as well as a statement of changes in shareholders' equity and a statement of comprehensive income have been prepared.

Consolidated income statement of Omnium Bolloré group

(in millions of euros)	2018	2017[1]
Revenue	**23,024.4**	**18,337.1**
Goods and services bought in	(16,042.7)	(12,527.0)
Personnel costs	(4,554.4)	(3,942.0)
Depreciation, amortization and provisions	(1,426.5)	(939.4)
Other operating expenses	(211.6)	(234.6)
Other operating income	488.0	268.4
Share in net income of operating companies accounted for using the equity method	22.5	151.0
Operating income	**1,299.7**	**1,113.5**
Net financing expenses	(132.5)	(130.8)
Other financial expenses	(2,511.0)	(455.2)
Other financial income	2,778.4	699.2
Financial income	**134.9**	**113.2**
Share in net income of non-operating companies accounted for using the equity method	172.1	115.5
Corporate income tax	(506.1)	699.9
CONSOLIDATED NET INCOME	**1,100.6**	2,042.1
Consolidated net income, Group share	21.9	66.0
Minority interests	1,078.7	1,976.1

Consolidated statement of comprehensive income of Omnium Bolloré group

(in millions of euros)	2018	2017[1]
Consolidated net income for the period	**1,100.6**	2,042.1
Translation adjustment of controlled entities	526.0	(1,123.2)
Change in fair value of financial instruments of controlled entities	(1.9)	430.7
Other changes in comprehensive income	(176.4)	(173.8)
Total changes in items that will not be recycled subsequently through profit or loss	**347.7**	(866.3)
Change in fair value of financial instruments of controlled entities	(268.4)	
Change in fair value of financial instruments of entities accounted for using the equity method	(0.9)	
Actuarial gains and losses from controlled entities recognized in equity	26.2	31.8
Actuarial gains and losses from entities accounted for using the equity method recognized in equity	(2.1)	3.7
Total changes in items that will not be recycled subsequently through profit or loss	**(245.2)**	35.5
COMPREHENSIVE INCOME	**1,203.1**	1,211.3
Of which:		
– Group share	19.5	43.1
– Minority interests	1,183.6	1,168.2
Of which taxes:		
– on fair value of financial instruments	*0.0*	*(0.5)*
– on actuarial gains and losses	*(11.2)*	*(14.1)*

(1) Restated – see note 3 – Comparability of financial statements.

Consolidated balance sheet for Omnium Bolloré group

(in millions of euros)	At 12/31/2018	At 12/31/2017[1]
Assets		
Goodwill	14,381.1	13,930.5
Intangible assets	10,060.5	9,931.5
Tangible assets	2,870.6	3,108.2
Investments in equity affiliates	4,507.2	4,574.4
Other financial assets	2,324.7	5,041.6
Deferred tax	737.8	727.5
Other assets	662.2	523.1
Non-current assets	**35,544.1**	37,836.8
Inventories and work in progress	1,174.0	1,171.5
Trade and other receivables	7,560.8	7,152.5
Current tax	433.8	455.4
Other financial assets	662.7	535.2
Other assets	1,080.5	109.0
Cash and cash equivalents	4,785.0	3,098.7
Current assets	**15,696.8**	12,522.3
TOTAL ASSETS	**51,240.9**	50,359.1
Equity and liabilities		
Share capital	34.9	34.9
Share issue premiums	6.8	6.8
Consolidated reserves	440.2	451.6
Shareholders' equity, Group share	**481.9**	493.3
Minority interests	23,387.7	25,235.0
Shareholders' equity	**23,869.6**	25,728.3
Long-term financial debts	8,340.5	7,156.9
Provisions for employee benefits	866.6	907.2
Other provisions	951.1	945.2
Deferred tax	2,484.4	2,338.3
Other liabilities	372.7	475.4
Non-current liabilities	**13,015.3**	11,823.0
Short-term financial debts	2,070.9	1,070.8
Provisions (due within one year)	446.5	437.3
Trade and other payables	11,122.4	10,585.1
Current tax	210.2	236.7
Other liabilities	506.01	477.9
Current liabilities	**14,356.0**	12,807.8
TOTAL LIABILITIES	**51,240.9**	50,359.1

(1) Restated – see note 3 – Comparability of financial statements.

Consolidated statement of cash flows for Omnium Bolloré group

(in millions of euros)	2018	2017(1)
Cash flow from operations		
Net income, Group share	21.9	66.0
Net income, minority interests' share	1,078.7	1,976.1
Consolidated net income	**1,100.6**	2,042.1
Non-cash income and expenses:		
– elimination of depreciation, amortization and provisions	1,293.2	812.4
– elimination of change in deferred taxes	59.0	(376.1)
– other income and expenses not affecting cash flow or not related to operating activities	(421.0)	(360.5)
– elimination of capital gains or losses upon disposals	2.7	(243.7)
Other adjustments:		
– net financing expenses	132.5	130.8
– income from dividends received	(20.6)	(29.2)
– tax charge on companies	463.8	(114.5)
Dividends received:		
– dividends received from companies accounted for using the equity method	55.0	44.5
– dividends received from unconsolidated companies	21.4	29.4
Income tax on companies paid up	(438.7)	14.4
Impact of the change in working capital requirement:	(255.8)	114.2
– of which inventories and work in progress	*17.6*	*44.3*
– of which payables	*179.3*	*502.3*
– of which receivables	*(452.7)*	*(432.4)*
Net cash from operating activities	**1,992.1**	2,063.8
Cash flow from investing activities		
Disbursements related to acquisitions:		
– tangible assets	(561.1)	(709.9)
– intangible assets	(438.6)	(350.1)
– assets arising from concessions	(22.5)	(42.8)
– securities and other non-current financial assets	(584.6)	(122.6)
Income from disposal of assets:		
– tangible assets	12.2	23.0
– intangible assets	4.5	0.1
– securities	2,241.0	35.4
– other non-current financial assets	63.4	888.1
Effect of changes in consolidation scope on cash flow	(108.6)	3,405.6
Net cash from investing activities	**605.7**	3,126.8
Cash flows from financing activities		
Disbursements:		
– dividends paid to parent company shareholders	0.0	0.0
– dividends paid to minority shareholders net of distribution tax	(617.2)	(572.3)
– financial debts repaid	(375.8)	(3,285.2)
– acquisition of minority interests and treasury shares	(2,541.5)	(1,722.5)
Receipts:		
– capital increases	192.7	149.1
– investment subsidies	6.9	8.2
– increase in financial debts	2,532.2	2,027.1
– disposal to minority interests and disposals of treasury shares	1.0	2.9
Net interest paid	(130.4)	(113.2)
Net cash from financing activities	**(932.1)**	(3,505.9)
Effect of exchange rate fluctuations	(6.5)	(103.0)
Others	(5.4)	(0.1)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**1,653.8**	1,581.6
Cash and cash equivalents at the beginning of the period	2,786.4	1,204.8
Cash and cash equivalents at the end of the period	4,440.2	2,786.4

(1) Restated – see note 3 – Comparability of financial statements.

Consolidated statement of changes in shareholders' equity for Omnium Bolloré Group

(in millions of euros)	Number of shares excluding treasury shares	Share capital	Share issue premiums	Treasury shares	Fair value of financial assets		Translation adjustment	Actuarial (losses) and gains	Reserves	**Shareholders' equity, Group share**	Minority interests	**Total**
					recyclable	non recyclable						
Shareholders' equity at January 1, 2017	1,165.5	34.9	6.8	(1.8)	15.3	0.0	(7.8)	(8.9)	416.6	**455.1**	**5,635.8**	**6,090.9**
Transactions with shareholders	0.0	0.0	0.0	0.0	(0.3)	0.0	0.9	(0.3)	(5.2)	**(4.9)**	**18,431.0**	**18,426.1**
Capital increases										0.0		0.0
Dividends distributed										0.0	(196.2)	(196.2)
Transactions on treasury shares										0.0		0.0
Share-based payments									1.2	1.2	34.8	36.0
Changes in consolidation scope					(0.3)		0.6	2.2	(6.1)	(3.6)	18,615.4	18,611.8
Other changes							0.3	(2.5)	(0.3)	(2.5)	(23.0)	(25.5)
Comprehensive income items					3.0	0.0	(26.6)	0.7	66.0	**43.1**	1,168.2	**1,211.3**
Net income for the period									66.0	66.0	1,976.1	2,042.1
Change in items recyclable through profit and loss												
– translation adjustment of controlled entities							(21.2)			(21.2)	(1,102.0)	(1,123.2)
– change in fair value of financial instruments of controlled entities					7.4					7.4	423.3	430.7
– other changes in comprehensive income					(4.4)		(5.4)			(9.8)	(164.0)	(173.8)
Change in items that will not be recycled												
– actuarial (losses) and gains from controlled entities								0.7		0.7	31.1	31.8
– actuarial (losses) and gains from entities accounted for using the equity method										0.0	3.7	3.7
Shareholders' equity at December 31, 2017(1)	1,165.5	34.9	6.8	(1.8)	18.0	0.0	(33.5)	(8.5)	477.4	**493.3**	**25,235.0**	**25,728.3**
Impact of IFRS 9(2)					(11.5)	2.5			8.6	(0.4)	(12.1)	(12.5)
Shareholders' equity at January 1, 2018(1)(2)	1,165.5	34.9	6.8	(1.8)	6.5	2.5	(33.5)	(8.5)	486.0	**492.9**	25,222.9	**25,715.8**
Transactions with shareholders	0.0	0.0	0.0	0.0	0.9	(0.6)	(12.1)	(2.5)	(16.2)	**(30.5)**	**(3,018.8)**	**(3,049.3)**
Capital increases										0.0		0.0
Dividends distributed										0.0	(626.4)	(626.4)
Transactions on treasury shares										0.0		0.0
Share-based payments									1.2	1.2	31.4	32.6
Changes in consolidation scope					0.5	(2.1)	(11.5)	(2.5)	(15.7)	(31.3)	(2,415.5)	(2,446.8)
Other changes					0.4	1.5	(0.6)		(1.7)	(0.4)	(8.3)	(8.7)
Comprehensive income items					(4.1)	(9.6)	11.0	0.3	21.9	**19.5**	1,183.6	**1,203.1**
Net income for the period									21.9	21.9	1,078.7	1,100.6
Change in items recyclable through profit and loss												
– translation adjustment of controlled entities							13.1			13.1	512.9	526.0
– change in fair value of financial instruments of controlled entities					(0.3)					(0.3)	(1.6)	(1.9)
– other changes in comprehensive income					(3.8)		(2.1)			(5.9)	(170.5)	(176.4)
Change in items that will not be recycled												
– change in fair value of financial instruments of controlled entities						(9.5)				(9.5)	(258.9)	(268.4)
– change in fair value of financial instruments of entities accounted for using the equity method						(0.1)				(0.1)	(0.8)	(0.9)
– actuarial (losses) and gains from controlled entities								0.4		0.4	25.8	26.2
– actuarial (losses) and gains from entities accounted for using the equity method								(0.1)		(0.1)	(2.0)	(2.1)
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2018	1,165.5	34.9	6.8	(1.8)	3.3	(7.7)	(34.6)	(10.7)	491.7	**481.9**	23,387.7	**23,869.6**

(1) Restated for IFRS 15 and the final allocation of the Vivendi PPA. See note 3 – Comparability of financial statements.
(2) Impact of the application of IFRS 9 as of January 1, 2018. See note 3 – Comparability of financial statements.

NOTE 16. FEES OF STATUTORY AUDITORS AND MEMBERS OF THEIR NETWORKS

Fees by network

(in thousands of euros)	TOTAL 2018	Constantin Associés				AEG Finances			
		Statutory Auditors		Network[1]		Statutory Auditors		Network	
		Amount (before tax)	%	Amount (before tax)	%	Amount (before tax)	%	Amount (before tax)	%
Certification of the separate and consolidated financial statements									
– Bolloré	786	393	8	NA		393	31	NA	
– Fully-consolidated subsidiaries	13,284	4,430	91	8,009	96	845	67		
Sub-total	**14,070**	4,823	99	8,009	96	1,238	98	0	
Services other than certification of the financial statements[2]									
– Bolloré	129	15	1	98	2	16	1		
– Fully-consolidated subsidiaries	216	10	0	199	2	7	1	NA	
Sub-total	**345**	25	1	297	4	23	2	0	
TOTAL FEES	**14,415**	4,848	100	8,306	100	1,261	100	0	

NA: not applicable.
(1) Includes the Deloitte network.
(2) These services cover facilities required by legal texts and regulations (Reports on capital increases, comfort letters, etc.) as well as services provided at the request of Bolloré and its subsidiaries (due diligence, legal and tax assistance and miscellaneous certifications).

NOTE 17. LIST OF CONSOLIDATED COMPANIES

17.1. Fully-consolidated companies

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
AMC – Agence Maritime Cognaçaise	Châteaubernard	51.00	51.00	319 569 828
Abidjan Terminal	Abidjan	55.42	55.42	Republic of Côte d'Ivoire
Africa Construction et Innovation(1)	Puteaux	100.00	100.00	812 136 315
African Investment Company SA	Luxembourg	93.90	93.90	Grand Duchy of Luxembourg
Alcafi	Rotterdam	100.00	100.00	Netherlands
Alraine Shipping Agencies Ltd	Lagos	100.00	100.00	Nigeria
AMC USA Inc.	New York	51.00	51.00	United States
Ami (Tanzania) Ltd	Dar es-Salaam	100.00	100.00	Tanzania
Amifin Holding	Geneva	100.00	100.00	Switzerland
Antrak Ghana Ltd	Accra	100.00	100.00	Ghana
Antrak Group (Ghana) Ltd	Accra	100.00	100.00	Ghana
Antrak Logistics Pty Ltd	Perth	100.00	100.00	Australia
Ascens Services	Abidjan	100.00	100.00	Republic of Côte d'Ivoire
Ateliers & Chantiers de Côte d'Ivoire	Abidjan	99.99	99.99	Republic of Côte d'Ivoire
Atlantique Containers Réparations (Acor)	Montoir-de-Bretagne	52.48	52.48	420 488 355
Automatic Control Systems Inc.	New York	95.11	95.04	United States
Automatic Systems (Belgium) SA	Wavre	95.11	95.04	Belgium
Automatic Systems (France)(2)	Rungis	95.11	95.04	304 395 973
Automatic Systems America Inc.	Montreal	95.11	95.04	Canada
Automatic Systems Equipment UK	Birmingham	95.11	95.04	United Kingdom
Automatic Systems Espanola SA	Barcelona	95.11	95.04	Spain
Automatic Systems Suzhou Entrance Control Co. Ltd	Taicang	NC	95.04	People's Republic of China
Bénin Terminal	Cotonou	100.00	100.00	Benin
Bénin-Niger Rail Exploitation	Cotonou	79.47	79.47	Benin
Bénin-Niger Rail Infrastructure	Cotonou	79.47	79.47	Benin
B'Information Services(1)	Puteaux	100.00	100.00	333 134 799
BlueLA Inc.	Los Angeles	100.00	100.00	United States
Blue Line Guinée SA	Conakry	100.00	100.00	Guinea
Blue Solutions	Odet	77.92	78.80	421 090 051
Blue Solutions Canada Inc.	Boucherville-Quebec	77.92	78.80	Canada
Bluealliance(3)	Puteaux	100.00	51.00	501 407 233
Blueboat(1)	Odet	100.00	100.00	528 825 888
Bluebus(1)	Saint-Berthevin	100.00	100.00	501 161 798
Bluecar(1)	Puteaux	100.00	100.00	502 466 931
Bluecar East Asia Pte. Ltd	Singapore	100.00	100.00	Singapore
Bluecar Italy	Milan	100.00	100.00	Italy
Bluecarsharing(1)	Vaucresson	100.00	100.00	528 872 625
Bluecity UK Ltd	London	100.00	100.00	United Kingdom
Bluecub(3)	Vaucresson	100.00	51.00	538 446 543
Bluedistrib(1)	Maurepas	100.00	100.00	814 094 967
BlueElec(1)	Vaucresson	100.00	100.00	519 136 816
BlueIndy LLC	Indianapolis	100.00	100.00	United States
BlueLA Carsharing LLC	Los Angeles	100.00	100.00	United States
Bluelib(1)	Vaucresson	100.00	100.00	814 649 513

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
Bluely(3)	Vaucresson	95.00	48.45	538 446 451
BluePointLondon Ltd	London	95.11	95.04	United Kingdom
BlueSG Ltd	Singapore	100.00	100.00	Singapore
Bluestation(1)	Vaucresson	100.00	100.00	795 208 552
Bluestorage(1)	Odet	100.00	100.00	443 918 818
Blue Systems USA, Inc.	New York	100.00	100.00	United States
Bluetorino S.r.l.	Turin	100.00	100.00	Italy
Bluetram(1)	Puteaux	100.00	100.00	519 139 273
BlueVentures Services Ltd	London	100.00	100.00	United Kingdom
Bolloré(1)	Odet	100.00	100.00	055 804 124
Bolloré Africa (Beijing) Logistics Co. Ltd	Beijing	100.00	100.00	People’s Republic of China
Bolloré Africa Logistics(1)	Puteaux	100.00	100.00	519 127 559
Bolloré Africa Logistics (SL) Ltd	Freetown	99.95	99.95	Sierra Leone
Bolloré Africa Logistics Angola Limitada	Luanda	100.00	100.00	Angola
Bolloré Africa Logistics Aviation Services	Pretoria	100.00	100.00	South Africa
Bolloré Africa Logistics India	Delhi	60.00	60.00	India
Bolloré Africa Logistics Maroc	Casablanca	99.75	99.75	Morocco
Bolloré Africa Logistics South Africa	Johannesburg	49.00	49.00	South Africa
Bolloré Africa Railways	Puteaux	99.34	99.34	075 650 820
Bolloré Energy(1)	Odet	99.99	99.99	601 251 614
Bolloré Inc.	Dayville	100.00	100.00	United States
Bolloré Logistics(1)	Puteaux	100.00	100.00	552 088 536
Bolloré Logistics (Shanghai) Co. Ltd	Shanghai	100.00	100.00	People’s Republic of China
Bolloré Logistics (Thailand) Co. Ltd	Bangkok	60.00	60.00	Thailand
Bolloré Logistics Argentina SA	Buenos Aires	100.00	100.00	Argentina
Bolloré Logistics Asia-Pacific Corporate Pte Ltd	Singapore	99.98	99.98	Singapore
Bolloré Logistics Australia Pty Ltd	Banksmeadow	100.00	100.00	Australia
Bolloré Logistics Bangladesh Ltd	Dhaka	51.00	51.00	Bangladesh
Bolloré Logistics Belgium	Antwerp	100.00	100.00	Belgium
Bolloré Logistics Brazil Ltda	São Paulo	100.00	100.00	Brazil
Bolloré Logistics Cambodia Ltd	Phnom Penh	100.00	100.00	Cambodia
Bolloré Logistics Canada Inc.	Saint Laurent-Quebec	100.00	100.00	Canada
Bolloré Logistics Chile SA	Santiago	100.00	100.00	Chile
Bolloré Logistics China Co. Ltd	Shanghai	100.00	100.00	People’s Republic of China
Bolloré Logistics Czech Republic s.r.o.	Zlin	100.00	100.00	Czech Republic
Bolloré Logistics Germany GmbH	Frankfurt	100.00	100.00	Germany
Bolloré Logistics Guadeloupe(1)	Baie-Mahault/Guadeloupe	100.00	100.00	348 092 297
Bolloré Logistics Guyane	Remiré Montjoly/Guyana	85.00	85.00	403 318 249
Bolloré Logistics Hong Kong Ltd	Hong Kong	100.00	100.00	People’s Republic of China
Bolloré Logistics India Ltd	Calcutta	99.98	99.98	India
Bolloré Logistics Italy Spa	Milan	100.00	100.00	Italy
Bolloré Logistics Japan KK	Tokyo	100.00	100.00	Japan
Bolloré Logistics Korea Co. Ltd	Seoul	100.00	100.00	South Korea
Bolloré Logistics Lao Ltd	Vientiane	100.00	100.00	Laos
Bolloré Logistics Luxembourg	Luxembourg	100.00	100.00	Grand Duchy of Luxembourg
Bolloré Logistics Malaysia Sdn Bhd	Kuala Lumpur	60.00	60.00	Malaysia
Bolloré Logistics Martinique(1)	Fort-de-France/Martinique	100.00	100.00	303 159 370

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
Bolloré Logistics Mayotte	Longoni	100.00	100.00	Mayotte
Bolloré Logistics Mexico, SA de CV	Mexico	100.00	100.00	Mexico
Bolloré Logistics Netherlands BV	Hoogvliet	100.00	100.00	Netherlands
Bolloré Logistics New Zealand Ltd	Auckland	100.00	100.00	New Zealand
Bolloré Logistics Norway AS	Oslo	100.00	100.00	Norway
Bolloré Logistics Nouvelle-Calédonie	Nouméa	100.00	100.00	New Caledonia
Bolloré Logistics Pakistan (Pvt) Ltd	Karachi	51.00	51.00	Pakistan
Bolloré Logistics Philippines Inc.	Parañaque	70.00	70.00	Philippines
Bolloré Logistics Poland Sp. Z.o.o.	Gdynia	100.00	100.00	Poland
Bolloré Logistics Polynésie	Papeete	100.00	100.00	French Polynesia
Bolloré Logistics Portugal Lda	Lisbon	99.90	99.90	Portugal
Bolloré Logistics Réunion(1)	La Possession/La Réunion	100.00	100.00	310 879 937
Bolloré Logistics Singapore Pte Ltd	Singapore	100.00	100.00	Singapore
Bolloré Logistics Suisse SA	Meyrin	90.00	90.00	Switzerland
Bolloré Logistics Taiwan Ltd	Taipei	100.00	100.00	Taiwan
Bollore Logistics Tanger Med	Tangiers	99.93	99.93	Morocco
Bolloré Logistics UK Ltd	Hainault-Ilford	100.00	100.00	United Kingdom
BBolloré Logistics USA Inc.	New York	100.00	100.00	United States
Bolloré Logistics Vietnam Co. Ltd	Ho Chi Minh City	100.00	100.00	Vietnam
Bolloré Logistics WLL (Qatar)	Doha	92.00	92.00	Qatar
Bolloré Média Digital(1)	Puteaux	100.00	100.00	485 374 128
Bolloré Média Régie(1)	Puteaux	100.00	100.00	538 601 105
Bolloré Ports Cherbourg(1)	Tourlaville	100.00	100.00	552 650 228
Bolloré Ports Dunkerque(1)	Dunkirk	100.00	100.00	380 355 875
Bolloré Ports France(1)	Rochefort	100.00	100.00	541 780 193
Bolloré Telecom(1)	Puteaux	97.76	97.76	487 529 232
Bolloré Transport & Logistics (SL) Ltd	Freetown	99.92	99.92	Sierra Leone
Bolloré Transport & Logistics (South Sudan) Ltd	Juba	90.00	90.00	South Sudan
Bolloré Transport & Logistics Bénin	Cotonou	93.09	93.09	Benin
Bolloré Transport & Logistics Botswana (Pty) Ltd	Gaborone	100.00	100.00	Botswana
Bolloré Transport & Logistics Burkina Faso	Ouagadougou	88.61	88.61	Burkina Faso
Bolloré Transport & Logistics Burundi	Bujumbura	98.92	98.92	Burundi
Bolloré Transport & Logistics Cameroun	Douala	94.66	94.66	Cameroon
Bolloré Transport & Logistics Centrafrique	Bangui	99.99	99.99	Central African Republic
Bolloré Transport & Logistics Congo	Pointe-Noire	99.99	99.99	Congo
Bolloré Transport & Logistics Côte d'Ivoire	Abidjan	84.73	84.73	Republic of Côte d'Ivoire
Bolloré Transport & Logistics Djibouti	Djibouti	70.00	70.00	Djibouti
Bolloré Transport & Logistics Gabon	Libreville	96.63	96.63	Gabon
Bolloré Transport & Logistics Gambia Ltd	Banjul	99.99	99.99	Gambia
Bolloré Transport & Logistics Ghana Ltd	Tema	90.00	90.00	Ghana
Bolloré Transport & Logistics Guinée	Conakry	96.52	96.52	Guinea
Bolloré Transport & Logistics Kenya Ltd	Nairobi	100.00	100.00	Kenya
Bolloré Transport & Logistics Lekki FZE	Lagos	100,00	100,00	Nigeria
Bolloré Transport & Logistics LFTZ Enterprise	Lagos	100,00	100,00	Nigeria
Bolloré Transport & Logistics Libéria Incorporated	Monrovia	60.48	60.48	Liberia
Bolloré Transport & Logistics Madagascar	Toamasina	99.99	99.99	Madagascar
Bolloré Transport & Logistics Malawi Ltd	Blantyre	100.00	100.00	Malawi

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
Bolloré Transport & Logistics Mali	Bamako	99.40	99.40	Mali
Bolloré Transport & Logistics Maroc	Casablanca	99.99	99.99	Morocco
Bolloré Transport & Logistics Moçambique SA	Beira	99.49	99.49	Mozambique
Bolloré Transport & Logistics Namibia Proprietary Ltd	Windhoek	99.95	99.95	Namibia
Bolloré Transport & Logistics Niger	Niamey	96.18	96.18	Niger
Bolloré Transport & Logistics Nigeria Ltd	Lagos	100.00	100.00	Nigeria
Bolloré Transport & Logistics RDC	Kinshasa	99.99	99.99	Democratic Republic of the Congo
Bolloré Transport & Logistics Rwanda Ltd	Kigali	99.99	99.99	Rwanda
Bolloré Transport & Logistics Sénégal	Dakar	84.41	84.41	Senegal
Bolloré Transport & Logistics South Africa (Pty) Ltd	Johannesburg	100.00	100.00	South Africa
Bolloré Transport & Logistics Sudan Co. Ltd	Khartoum	50.00	50.00	Sudan
Bolloré Transport & Logistics Tanzania Ltd	Dar es-Salaam	100.00	100.00	Tanzania
Bolloré Transport & Logistics Tchad SA/CA	N'Djamena	85.14	85.14	Chad
Bolloré Transport & Logistics Togo	Lomé	99.98	99.98	Togo
Bolloré Transport & Logistics Tunisie	Rades	100.00	100.00	Tunisia
Bolloré Transport & Logistics Uganda Ltd	Kampala	100.00	100.00	Uganda
Bolloré Transport & Logistics Zambia Ltd	Lusaka	100.00	100.00	Zambia
Bolloré Transport & Logistics Zimbabwe (Private) Ltd	Harare	100.00	100.00	Zimbabwe
Bolloré Transport & Logistics Corporate(1)	Puteaux	100.00	100.00	797 476 256
Bolloré Transport Logistics Spain SA(1)	Valence	100.00	100.00	Spain
Burkina Logistics and Mining Services	Ouagadougou	95.57	95.57	Burkina Faso
Calpam Mineralol GmbH Aschaffenburg	Aschaffenburg	100.00	100.00	Germany
Camrail	Douala	76.69	76.69	Cameroon
Capacitor Sciences Inc.	Palo Alto	77.92	78.80	United States
Carena	Abidjan	49.99	49.99	Republic of Côte d'Ivoire
Cherbourg Maritime Voyages(1)	Tourlaville	100.00	100.00	408 306 975
CICA SA	Neuchâtel	99.99	99.99	Switzerland
CIPCH BV	Rotterdam	100.00	100.00	Netherlands
Cogema Dunkerque(1)	Dunkirk	100.00	100.00	076 650 019
Compagnie de Cornouaille(1)	Odet	100.00	100.00	443 827 134
Compagnie de Daoulas(1)	Puteaux	99.00	99.00	794 999 581
Compagnie de la Pointe d'Arradon(1)	Odet	95.12	95.12	519 116 552
Compagnie de Pleuven	Puteaux	97.95	97.93	487 529 828
Compagnie de Plomeur(1)	Puteaux	99.00	99.00	538 419 805
Compagnie des Glénans(1)	Odet	100.00	100.00	352 778 187
Compagnie des Tramways de Rouen	Puteaux	89.26	89.23	570 504 472
Compagnie du Cambodge	Puteaux	97.92	97.91	552 073 785
Compagnie Saint-Corentin(1)	Puteaux	99.98	99.98	443 827 316
Compagnie Saint-Gabriel(1)	Odet	99.99	99.99	398 954 503
Conakry Terminal	Conakry	75.10	75.10	Guinea
Congo Terminal	Pointe-Noire	44.52	44.52	Democratic Republic of the Congo
Congo Terminal Holding	Puteaux	45.00	45.00	512 285 404
Cross Marine Services Ltd	Lagos	100.00	100.00	Nigeria
Dakar Terminal	Dakar	38.25	40.29	Senegal
Dakar Terminal Holding	Puteaux	51.00	51.00	800 731 028
Delmas Petroleum Services	Port-Gentil	77.30	77.30	Gabon
Dépôt Rouen Petit-Couronne (DRPC)	Puteaux	69.99	69.99	795 209 022

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
Deutsche Calpam GmbH Hamburg	Hamburg	100.00	100.00	Germany
Direct Toulouse[1]	Puteaux	97.04	97.04	492 950 860
DME Almy[1]	Avion	99.99	99.99	581 920 261
Douala International Terminal	Douala	43.72	43.72	Cameroon
East Africa Commercial Shipping Djibouti	Djibouti	70.00	70.00	Djibouti
East Africa Commercial Shipping Mombasa	Nairobi	99.98	99.98	Kenya
Entreprise Sénégalaise des Transports Bellasee SA	Dakar	95.22	95.22	Senegal
Établissements Caron[1]	Calais	99.99	99.99	315 255 778
Établissements Labis[1]	Hazebrouck	NC	99.99	323 417 196
EXAF[1]	Puteaux	100.00	100.00	602 031 379
Fast Bolloré Logistics SAL	Beirut	75.00	75.00	Lebanon
Financière 84[1]	Puteaux	99.95	99.95	315 029 884
Financière d'Audierne[1]	Puteaux	99.00	99.00	797 476 223
Financière de Briec	Puteaux	100.00	100.00	797 476 298
Financière de Larmor[1]	Puteaux	100.00	NC	833 658 206
Financière de Sainte-Marine	Puteaux	NC	97.93	442 134 177
Financière du Champ de Mars SA	Luxembourg	100.00	100.00	Grand Duchy of Luxembourg
Financière du Perguet[1]	Puteaux	95.12	95.12	433 957 792
Financière Moncey	Puteaux	93.30	93.26	562 050 724
Financière Penfret[1]	Odet	100.00	100.00	418 212 197
Fleet Management Services	Puteaux	94.75	94.09	791 469 935
Forestière Équatoriale	Abidjan	96.10	96.03	Republic of Côte d'Ivoire
Freetown Terminal	Freetown	80.00	80.00	Sierra Leone
Freetown Terminal Holding	London	100.00	100.00	United Kingdom
Fret Air Service Transport	Orly	NC	100.00	320 565 435
Global Solutions A/S	Dragor	51.00	NC	Denmark
Globolding[1]	Puteaux	100.00	100.00	314 820 580
Guadeloupe Transit Déménagements (GTD)[1]	Baie-Mahault/Guadeloupe	100.00	100.00	327 869 061
Guinée Rail	Conakry	NC	99.34	Guinea
Hello Fioul[1]	Puteaux	99.99	99.99	824 352 033
Holding Intermodal Services (HIS)[1]	Puteaux	100.00	100.00	382 397 404
Hombard Publishing BV	Amsterdam	100.00	100.00	Netherlands
IER Impresoras Especializadas	Madrid	95.11	95.04	Spain
IER Inc.	Carrollton	95.11	95.04	United States
IER Pte Ltd	Singapore	95.11	95.04	Singapore
IER SA[2]	Suresnes	95.11	95.04	622 050 318
Immobilière Mount Vernon[1]	Vaucresson	100.00	100.00	302 048 608
Imperial Mediterranean[1]	Puteaux	99.00	99.00	414 818 906
Interconnect Logistics Services Nigeria Limited	Port-Harcourt	49.00	49.00	Nigeria
International Human Resources Management Ltd	London	100.00	100.00	United Kingdom
Iris Immobilier[1]	Puteaux	100.00	100.00	414 704 163
ITD	Puteaux	100.00	100.00	440 310 381
Joint Service Africa	Amsterdam	100.00	100.00	Netherlands
JV PIL Mozambique	Maputo	51.00	51.00	Mozambique
La Charbonnière	Maisons-Alfort	52.68	52.68	572 199 636
La Financière du Levant	Beirut	100.00	100.00	Lebanon
Lequette Energies[1]	Puteaux	99.99	99.99	442 822 730

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
Les Charbons Maulois[1]	Maule	99.87	99.87	619 803 083
Les Combustibles de Normandie (LCN)[1]	Cormelles-le-Royal	99.99	99.99	797 476 199
Libreville Business Square	Libreville	67.64	67.64	Gabon
Locamat[1]	Tremblay-en-France	100.00	100.00	339 390 197
Logistics Support Services Ltd	Hong Kong	100.00	100.00	People's Republic of China
Lomé Multipurpose Terminal	Lomé	98.55	98.53	Togo
Manches Hydrocarbures[1]	Tourlaville	99.99	99.99	341 900 819
Matin Plus[1]	Puteaux	99.85	99.82	492 714 779
Mombasa Container Terminal Ltd	Nairobi	100.00	100.00	Kenya
Moroni Terminal	Moroni	80.77	80.77	Comoros
Necotrans Sénégal	Dakar	100.00	100.00	Senegal
Niger Terminal	Niamey	100.00	100.00	Niger
Nord Sud CTI[1]	Rouen	100.00	100.00	590 501 698
Nord-Sumatra Investissements	Luxembourg	100.00	100.00	Grand Duchy of Luxembourg
Normande de Manutention[1]	Grand-Couronne	100.00	100.00	382 467 645
Owendo Container Terminal (OCT)	Libreville	96.40	96.38	Gabon
Pargefi	Valence	98.09	98.06	Spain
Pargefi Helios Iberica Luxembourg SA	Luxembourg	98.09	98.06	Grand Duchy of Luxembourg
Participaciones Ibero Internationales	Valence	98.08	98.05	Spain
Participaciones Internacionales Portuarias	Valence	98.08	98.05	Spain
Pemba Terminal Holding	Johannesburg	85.00	85.00	South Africa
Pemba Terminal Services	Maputo	85.29	85.29	Mozambique
Petroplus Marketing France[1]	Paris-la Défense	99.99	99.99	501 525 851
Plantations des Terres Rouges SA	Luxembourg	98.09	98.06	Grand Duchy of Luxembourg
Polyconseil[1]	Paris	100.00	100.00	352 855 993
Ports Secs du Mali	Bamako	69.51	69.51	Mali
Progosa Investment SA	Seville	98.08	98.05	Spain
PT Bollore Logistics Indonesia	Jakarta	100.00	100.00	Indonesia
PT Optima Sci	Puteaux	99.00	99.00	430 376 384
PT Sarana Citra Adicarya	Jakarta	100.00	100.00	Indonesia
PTR Finances	Luxembourg	98.09	98.06	Grand Duchy of Luxembourg
Rainbow Investments Ltd	Lusaka	99.95	99.95	Zambia
Redlands Farm Holding	Wilmington	98.09	98.06	United States
Rivaud Innovation	Puteaux	95.62	95.57	390 054 815
Rivaud Loisirs Communication	Puteaux	96.97	96.94	428 773 980
SFA SA	Luxembourg	98.09	98.06	Grand Duchy of Luxembourg
S+M Tank AG	Oberbipp	99.99	99.99	Switzerland
Saga Congo	Pointe-Noire	99.99	99.99	Congo
Saga Gabon	Port-Gentil	99.40	99.40	Gabon
Saga Investissement[1]	Puteaux	99.99	99.99	381 960 475
Saga Réunion[1]	La Possession/La Réunion	99.99	99.98	310 850 755
Saga Togo	Lomé	80.99	80.99	Togo
SAMA[1]	Colombes	100.00	100.00	487 495 012
SAMC Combustibles	Basel	99.99	99.99	Switzerland
SARL Noodo	Aubière	55.16	55.16	497 928 101
SAS Domaine de la Croix Exploitation[1]	La Croix-Valmer	98.99	98.99	437 554 348
SAS Malawi	Blantyre	NC	99.49	Malawi

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
Satram Huiles SA	Basel	99.99	99.99	Switzerland
Scanship (Ghana) Ltd	Tema	100.00	100.00	Ghana
SCCF	Douala	99.07	99.07	Cameroon
SCEA Pegase	La Croix-Valmer	99.96	99.96	414 393 454
SCIEC Cameroun	Douala	96.44	NC	Cameroon
SDV CarTrading LLC	Indianapolis	100.00	100.00	United States
SDV Guinea SA	Malabo	55.00	55.00	Equatorial Guinea
SDV Industrial Project SDN BHD	Kuala Lumpur	60.00	60.00	Malaysia
SDV Logistics Brunei SDN BHD	Bandar Seri Begawan	60.00	60.00	Brunei Darussalam
SDV Logistics East Timor Unipessoal Lda	Dili	100.00	100.00	East Timor
SDV Méditerranée(1)	Marseille	100.00	100.00	389 202 144
SDV Mining Antrak Africa(1)	Puteaux	99.95	99.95	414 703 892
SDV Transami Nv	Antwerp	100.00	100.00	Belgium
SEMT	Châteaubernard	51.00	51.00	803 239 805
Sénégal Tours	Dakar	71.25	71.25	Senegal
SETO	Ouagadougou	47.74	47.74	Burkina Faso
Sitarail	Abidjan	55.68	55.64	Republic of Côte d'Ivoire
SMN	Douala	50.27	50.27	Cameroon
SNAT	Libreville	80.00	80.00	Gabon
Socarfi	Puteaux	92.76	92.65	612 039 099
Socatraf	Bangui	68.55	68.55	Central African Republic
Socfrance	Puteaux	97.27	97.24	562 111 773
Société Autolib'(1)	Vaucresson	100.00	100.00	493 093 256
Société Bordelaise Africaine	Puteaux	99.63	99.63	552 119 604
Société Centrale de Représentation	Puteaux	97.77	97.75	582 142 857
Société de Commission de Transport et de Transit (SCTT)(1)	Colombes	99.96	99.96	775 668 825
Société de Manutention du Terminal à Conteneurs de Cotonou (SMTC)	Cotonou	100.00	100.00	Benin
Société de Participations Africaines(1)	Puteaux	100.00	100.00	421 453 852
Société de Participations Portuaires	Puteaux	60.00	60.00	421 380 460
Société des Chemins de Fer et Tramways du Var et du Gard	Puteaux	93.84	93.82	612 039 045
Société d'Exploitation des Parcs à Bois du Cameroun (SEPBC)	Douala	72.23	72.23	Cameroon
Société d'Exploitation du Parc à Bois d'Abidjan (SEPBA)	Abidjan	82.98	70.59	Republic of Côte d'Ivoire
Société d'Exploitation Portuaire Africaine(1)	Puteaux	100.00	100.00	521 459 826
Société Dunkerquoise de Magasinage et de Transbordement (SDMT)(1)	Loon-Plage	98.09	98.09	075 750 034
Société Financière d'Afrique Australe (SF2A)	Puteaux	NC	99.95	500 760 178
Société Financière Panafricaine(1)	Puteaux	100.00	100.00	521 460 402
Société Foncière du Château Volterra	Puteaux	94.89	94.88	596 480 111
Société Française Donges-Metz (SFDM)(1)	Avon	95.01	95.01	390 640 100
Société Industrielle et Financière de l'Artois	Puteaux	92.56	92.44	562 078 261
Société Nationale de Transit du Burkina	Ouagadougou	85.00	85.00	Burkina Faso
Société Tchadienne d'affrètement et de transit (STAT)	N'Djamena	55.00	55.00	Chad
Société Togolaise de Consignation Maritime	Lomé	84.74	84.74	Togo

Name	Registered office	% of interest 2018	% of interest 2017	Siren (business registration number)/ Country/Territory
Socopao(1)	Puteaux	100.00	100.00	343 390 431
Socopao Cameroun	Douala	92.93	92.93	Cameroon
Socopao Côte d'Ivoire	Abidjan	84.73	84.73	Republic of Côte d'Ivoire
Socopao Guinée	Conakry	98.44	98.44	Guinea
Socopao RDC	Kinshasa	99.20	99.20	Democratic Republic of the Congo
Socopao Sénégal	Dakar	84.52	84.52	Senegal
Sofib	Abidjan	83.10	83.05	Republic of Côte d'Ivoire
Sofimap(1)	Puteaux	99.80	99.79	424 097 939
Sofiprom(1)	Puteaux	97.45	97.45	328 516 844
Sogam	Les Sables-d'Olonne	69.00	69.00	332 185 859
Sogera(1)	Baie-Mahault/Guadeloupe	100.00	100.00	309 023 422
Sogetra	Dunkirk	50.00	50.00	075 450 569
Sorebol SA	Luxembourg	100.00	100.00	Grand Duchy of Luxembourg
Sorebol UK Ltd	London	100.00	100.00	United Kingdom
Technifin	Fribourg	100.00	100.00	Switzerland
Tema Conteneur Terminal Ltd	Tema	100.00	100.00	Ghana
Terminal Conteneurs de Kinshasa	Kinshasa	51.00	51.00	Democratic Republic of the Congo
Terminal Conteneurs Madagascar	Toamasina	100.00	100.00	Madagascar
Terminaux Conventionnels de Lomé	Lomé	100.00	100.00	Togo
Terminaux du Bassin du Congo	Brazzaville	44.52	100.00	Democratic Republic of the Congo
Terminaux du Gabon Holding	Puteaux	99.02	99.00	492 950 845
TGI(1)	Dunkirk	95.00	95.00	322 827 924
TICH(1)	Puteaux	99.87	99.87	498 916 089
Timor Port SA	Dili	100.00	100.00	East Timor
Tin Can Island Container Terminal Ltd	Lagos	52.44	52.44	Nigeria
Togo Line	Lomé	99.34	99.34	Togo
Togo Terminal	Lomé	88.74	88.71	Togo
Trailer Corp. Ltd	Lusaka	99.95	99.95	Zambia
Transcap Nigeria	Lagos	100.00	99.99	Nigeria
Transisud SA	Marseille	100.00	100.00	327 411 583
Transport Solutions Corporation	Parañaque	70.00	70.00	Philippines
TSL South East Asia Hub Pte Ltd	Singapore	100.00	100.00	Singapore
Unicaf(1)	Puteaux	100.00	100.00	403 227 820
Whaller	Puteaux	NC	75.00	519 139 497
Whitehorse Carriers Ltd	Melrose Arch	99.95	99.95	South Africa
Wifirst	Paris	55.16	55.16	441 757 614
Wifirst UK Limited	London	55.16	55.16	United Kingdom
Zalawi Haulage Ltd	Lusaka	99.95	99.95	Zambia
Havas group(*)	Puteaux	NC	15.63	335 480 265
Vivendi(*)	Paris	25.13	15.63	343 134 763

(1) Company fiscally consolidated in Bolloré.
(2) Company fiscally consolidated in IER.
(3) Company fiscally consolidated in Bluealliance.
NC: not consolidated.

(*) Vivendi

Vivendi has been fully consolidated since April 26, 2017. Havas has been consolidated by Vivendi since July 3, 2017.
For the list of Vivendi's consolidated companies, please see Vivendi's annual report.

17.2. Companies accounted for using the equity method

Name	Registered office	% interest 2018	% interest 2017	SIREN (business registration number)/ Country/Territory
Joint ventures				
Bahri Bolloré Logistics	Riyad	40.00	NC	Saudi Arabia
Blue Congo	Pointe-Noire	50.00	50.00	Democratic Republic of the Congo
Blue Project	Puteaux	50.00	50.00	813 139 334
Bluesun	Puteaux	50.00	50.00	538 446 493
Bolloré Logistics LLC	Dubai	48.99	48.99	United Arab Emirates
Côte d'Ivoire Termina	Abidjan	49.00	49.00	Republic of Côte d'Ivoire
Dakshin Bharat Gateway Terminal Private Limited	Mumbai	49.00	49.00	India
EACS Tanzania	Dar es-Salaam	49.00	49.00	Tanzania
EUSU Logistics Spain SA	Valence	48.00	48.00	Spain
Grimaldi Agencies Maroc	Casablanca	50.00	50.00	Morocco
Grimaldi Côte d'Ivoire	Abidjan	49.23	49.23	Republic of Côte d'Ivoire
Hanjin Spain SA	Valence	NC	49.00	Spain
Horoz Bolloré Logistics Tasimacilik AS	Istanbul	49.90	49.90	Turkey
India Ports & Logistics Private Limited	Mumbai	49.00	49.00	India
Kribi Terminal	Kribi	30.83	30.83	Cameroon
Kribi Terminal Holding	Puteaux	51.00	51.00	819 920 760
Meridian Port Holding Ltd	London	50.00	50.00	United Kingdom
Meridian Port Services	Tema	35.00	42.32	Ghana
Pacoci	Abidjan	42.38	42.38	Republic of Côte d'Ivoire
Société de Manutention du Tchad	N'Djamena	45.00	45.00	Chad
Sogeco	Nouakchott	50.00	50.00	Mauritania
Terminaux Routiers à Conteneurs du Burkina	Ouagadougou	39.77	35.79	Burkina Faso
Terminal du Grand Ouest (TGO)	Montoir-de-Bretagne	50.00	50.00	523 011 393
Terminal Roulier d'Abidjan (TERRA)	Abidjan	28.24	28.24	Republic of Côte d'Ivoire
TVB Port-au-Prince Terminal	Port-au-Prince	50.00	50.00	Haiti
Companies under significant influence				
Agripalma Lda	Sao Tomé	28.02	27.41	Sao Tomé-et-Principe
APM Terminals Liberia	Monrovia	24.90	24.90	Liberia
Bereby Finance	Abidjan	27.72	27.11	Republic of Côte d'Ivoire
Brabanta	Kananga	31.86	31.16	Democratic Republic of the Congo
Coviphama Co. Ltd	Phnom Penh	44.76	44.50	Cambodia
Fred & Farid	Paris	30.00	30.00	492 722 822
Liberian Agriculture Company	Monrovia	31.85	31.15	Liberia
Mediobanca	Milan	7.62	7.63	Italy
Okomu Oil Palm Company Plc	Lagos	21.06	20.59	Nigeria
Plantations Nord-Sumatra Ltd	Guernsey	44.76	44.50	United Kingdom
Plantations Socfinaf Ghana Ltd	Tema	31.85	31.15	Ghana
Raffinerie du Midi	Paris	33.33	33.33	542 084 538
SAFA Cameroun	Dizangué	21.99	21.51	Cameroon
SAFA France	Puteaux	31.85	31.15	409 140 530
Salala Rubber Corporation	Monrovia	31.85	31.15	Liberia
Socapalm	Tillo	21.48	21.01	Cameroon
Socfin	Luxembourg	39.12	38.68	Grand Duchy of Luxembourg

Name	Registered office	% interest 2018	% interest 2017	SIREN (business registration number)/ Country/Territory
Socfin Agriculture Company	Freetown	29.62	28.97	Sierra Leone
Socfin KCD	Phnom Penh	44.76	44.50	Cambodia
Socfinaf	Luxembourg	31.85	31.15	Grand Duchy of Luxembourg
Socfinasia	Luxembourg	44.76	44.50	Grand Duchy of Luxembourg
Socfinco	Brussels	38.30	37.82	Belgium
Socfinco FR	Fribourg	38.30	37.82	Switzerland
Socfindo	Medan	40.28	40.05	Indonesia
Société Anonyme de Manutention et de Participations (SAMP)	Le Port/La Réunion	25.45	25.45	310 863 329
Société d'Acconage et de Manutention de La Réunion (SAMR)	Le Port/La Réunion	25.45	25.45	350 869 000
Société des Caoutchoucs du Grand-Bereby (SOGB)	San Pedro	20.29	19.84	Republic of Côte d'Ivoire
Société du Terminal de l'Escaut	Paris	30.00	30.00	449 677 541
Sogescol FR	Fribourg	38.30	37.82	Switzerland
SP Ferme Suisse	Edea	21.48	21.01	Cameroon
STP Invest.	Brussels	31.85	31.15	Belgium
Tamaris Finance	Puteaux	49.05	49.05	417 978 632

17.3. List of companies with fiscal years not ending on December 31

	Year end
Mediobanca	June 30

5.2. Statutory Auditors' report on the consolidated financial statements

Financial year ended December 31, 2018

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English-speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Bolloré Annual General Meeting

OPINION

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Bolloré for the year ended December 31, 2018.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2018 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from January 1, 2018 to the date of our report and in particular we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) no 537/2014 or the French Code of Ethics (*Code de déontologie*) for statutory auditors.

OBSERVATION

Without qualifying the opinion expressed above, we draw your attention to note 2.1 "Changes in standards" to the consolidated financial statements, which describes the changes in accounting methods relating to the mandatory application as of January 1, 2018 of IFRS 9 "Financial instruments" and IFRS 15 "Recognition of revenue from contracts with customers".

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements, as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

EVALUATION OF GOODWILL (NOTES 4 AND 6.1 TO THE CONSOLIDATED FINANCIAL STATEMENTS)

Key audit matter	Our audit approach
At December 31, 2018, goodwill is recorded in the balance sheet for a net book value of 14,439 million euros compared to total assets of 55,429 million euros. Goodwill was allocated to the cash-generating units (CGU) or groups of CGU of the activities into which the companies acquired were consolidated. Management ensures, in every financial year, that the book value of goodwill does not exceed the recoverable value and presents no risk of impairment loss. The methods for performing impairment tests and their implementation by Management are described in the notes to the consolidated financial statements; they include a significant proportion of judgements and assumptions, relating, in particular, to: • future cash flow forecasts; • infinite growth rates used for the forecast flows; • discount rates (WACC) applied to the estimated cash flows; • the selection of companies from among transaction or stock market comparables. Consequently, a change in these assumptions may significantly impact the recoverable value of goodwill and require, if necessary, recognition of an impairment. We consider the evaluation of goodwill to be a key audit matter due: (i) to its significant materiality in the Group's consolidated financial statements; (ii) to the judgements and assumptions needed to determine its recoverable value, based on discounted cash flow forecasts, the realization of which is, by nature, uncertain.	We analyzed the compliance of the methods applied by the company with the accounting standards in force, in particular for determining the cash-generating units (CGU) and the methods for estimating the recoverable value. We obtained the impairment tests for each CGU or groups of CGU, examined the determination of their value and paid particular attention to those for which the book value is close to the estimated recoverable value, those for which the performance record has shown discrepancies compared with forecasts, and those operating in volatile economic environments. We assessed the competence of the experts appointed by the company to define certain assumptions and to evaluate certain CGU or groups of CGU. We familiarized ourselves with the key assumptions adopted for all of the CGU or groups of CGU and: • reconciled the business forecasts underlying the determination of the cash flows with the information available, including market outlooks and past achievements, and with Management's latest estimates (assumptions, budgets, strategic plans, where applicable); • compared the infinite growth rates used for the forecast cash flows with the market analyses and the consensus of the principal professionals concerned; • compared the discount rates (WACC) used with our internal databases, by including financial evaluation specialists in our teams; • examined the selection of companies from among transaction or stock market comparables to compare it with pertinent samples according to analysts and our understanding of the market. We obtained and examined the sensitivity analyses carried out by Management, which we compared with our own calculations, to determine which changes in assumptions would require the recognition of goodwill impairment. Finally, we assessed the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

EVALUATION OF THE TELECOM ITALIA SHARES ACCOUNTED FOR UNDER THE EQUITY METHOD (NOTE 7.2 TO THE CONSOLIDATED FINANCIAL STATEMENTS)

Key audit matter	Our audit approach
The net book value of the Telecom Italia shares accounted for under the equity method at December 31, 2018 amounted to 3,021 million euros. At year-end, the Group ensures that no impairment loss in respect of this shareholding needs to be recognized in the consolidated financial statements by comparing its recoverable value to the book value recorded in the Group's consolidated financial statements. The recoverable value was estimated using the standard evaluation methods (value in use, determined by discounting future cash flows, and fair value, determined based on market data). The Group used the services of an expert to evaluate the recoverable value of this asset. In particular, in view of the volatility observed on Telecom Italia's stock market performances over the last financial year, we consider the evaluation of this shareholding accounted for under the equity method to be a key audit matter.	We obtained the documentation relating to the evaluation of Telecom Italia. We assessed the competence of the expert appointed by the Group. With the help of our evaluation specialists, we: • familiarized ourselves with the models used and the key assumptions used to determine discounted cash flows (long-term growth rate, forecast margin rate, discount rate), and compared this data with our own internal databases; • familiarized ourselves with the stock market multiples used to assess the relevance of the estimates resulting from the discounted cash flow method and compared this data with market practices and data. Finally, we assessed the appropriateness of the disclosures provided in the notes to the consolidated financial statements.

ANALYSIS OF THE LEGAL DISPUTES WITH THE MEDIASET GROUP AND FORMER MINORITY SHAREHOLDERS (NOTE 10.2 TO THE CONSOLIDATED FINANCIAL STATEMENTS)

Key audit matter	Our audit approach
The Group's business is carried out in a constantly changing environment and within a complex international regulatory framework. The Group is subject to significant changes in the legislative environment, the application or interpretation of regulations, but it is also confronted with disputes arising in the normal course of its business. Accordingly, the Group exercises its judgement in the evaluation of risks incurred relating to legal disputes, particularly with the Mediaset group and with foreign institutional investors, and records a provision when the financial expense that may result from these legal disputes is probable and the amount may be either quantified or estimated within a reasonable range. We consider this topic to be a key audit matter given the materiality of the amounts involved and the degree of judgement required to determine the provisions.	We analyzed all data made available to us, including, any written consultations of external advisors appointed by the Group relating to: (i) the dispute between Vivendi and the Mediaset group as well as its shareholders; and (ii) the dispute between Vivendi and certain foreign institutional investors over alleged damages resulting from Vivendi's financial communications and its former CEO between 2000 and 2002. We examined the risk estimates assessed by the Group and verified that they correspond to the information made available to us by Vivendi's advisors. We also analyzed the replies received from the lawyers concerning these legal disputes. Finally, we verified the disclosures relating to these risks presented in the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

As required by law and in accordance with professional standards applicable in France, we have also verified the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

NON-FINANCIAL PERFORMANCE STATEMENT

We attest that the consolidated non-financial performance statement provided for in article L. 225-102-1 of the French Commercial Code *(Code de commerce)* is included in the disclosures relating to the Group presented in the management report, it being specified that, in accordance with article L. 823-10 of the Code, we have not verified the fairness of the information contained in this declaration or its consistency with the consolidated financial statements that must be verified in a report by an independent third party.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

APPOINTMENT OF THE STATUTORY AUDITORS

We were appointed Statutory Auditors of Bolloré by the Annual General Meeting of June 28, 1990 for Constantin Associés and June 5, 2007 for AEG Finances.

At December 31, 2018, Constantin Associés was in its twenty-ninth year and AEG Finances in its twelfth year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for preparing consolidated financial statements presenting a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it expects to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OBJECTIVE AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. "Reasonable assurance" is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in article L. 823-10-1 of the French Commercial Code *(Code de commerce)*, our audit does not include assurance on the viability or quality of management of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgment throughout the audit. They also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) no. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(Code de déontologie)* for statutory auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris-la Défense, April 19, 2019

The Statutory Auditors

AEG Finances	Constantin Associés
French Member of	Member of
Grant Thornton International	Deloitte Touche Tohmatsu Limited
Jean-François Baloteaud	Jean Paul Séguret

6. Separate financial statements

6.1. Annual financial statements

BALANCE SHEET

ASSETS

(in thousands of euros)	Notes	12/31/2018 Amount (gross)	12/31/2018 Depreciation, amortization and provisions	12/31/2018 Net amount	12/31/2017 Net amount
Intangible assets	1				
Licenses, patents and similar rights		6,183	5,126	1,057	1,600
Goodwill		0	0	0	0
Other intangible assets		536	103	433	479
Property, plant and equipment	1				
Land		46,807	1,357	45,450	45,707
Buildings		113,566	46,430	67,136	68,722
Plant and equipment		101,246	83,812	17,434	11,828
Other property, plant and equipment		8,816	6,173	2,643	3,464
Non-current assets in progress		3,827		3,827	12,024
Advances and down payments		624		624	280
Non-current financial assets	3				
Shareholdings		3,018,128	1,399,078	1,619,050	1,799,541
Receivables from stakes		719,452	95,819	623,634	621,044
Other non-current investments		2,546	2,178	367	437
Loans		2,175	1,661	514	1,022
Other non-current financial assets		640,783	0	640,783	640,788
Total non-current assets		**4,664,689**	**1,641,737**	**3,022,952**	3,206,936
Inventories and work in progress					
Raw materials and supplies		5,450	426	5,024	4,815
Intermediate and finished products		4,040	267	3,773	3,203
Goods		96	1	95	52
Advances and down payments on orders		693		693	176
Receivables	4				
Trade accounts receivable		25,816	6,051	19,765	17,082
Other receivables		5,674,157	163,870	5,510,287	4,368,621
Miscellaneous					
Marketable securities	5	82,779	943	81,836	1,811
Cash		223,410	0	223,410	546,063
Accrual adjustments					
Prepayments		942		942	736
Total current assets		**6,017,383**	**171,558**	**5,845,825**	4,942,560
Staggered bond issue costs		8,222		8,222	7,238
Bond redemption premiums		1,251		1,251	1,700
Foreign currency translation losses		168		168	3,960
TOTAL ASSETS		**10,691,713**	**1,813,295**	**8,878,418**	8,162,394

LIABILITIES

		Net amount	
(in thousands of euros)	Notes	**12/31/2018**	12/31/2017
Equity			
Share capital (of which paid up: 468,731,048.16 euros)		468,731	467,458
Issue, merger and acquisition premiums		1,265,715	1,236,681
Revaluation adjustment		24	24
Legal reserve		46,746	46,567
Other reserves		2,141	2,141
Amount carried forward		579,857	664,326
Income for the period (profit or loss)		**(135,150)**	90,788
investment subsidies		173	
Interim dividend		(58,544)	(58,359)
Regulated provisions		12,378	11,278
Total equity	6	**2,182,071**	2,460,904
Provisions for contingencies and charges			
Provisions for contingencies		5,235	7,903
Provisions for charges		1,371	1,560
Total provisions for contingencies and charges	7	**6,606**	9,463
Debts	4		
Other bond loan issues		1,166,467	1,166,467
Loans from credit institutions		1,653,081	755,189
Borrowings and other financial debts		251	241
Advances and down payments received on orders in progress		163	1,885
Trade accounts payable		14,887	17,097
Taxes and social security contributions payable		20,983	21,066
Non-current asset payables and related accounts		413	1,619
Other payables		3,828,235	3,724,064
Accrual adjustments			
Unearned income		0	71
Total debts		**6,684,480**	5,687,699
Unrealized foreign exchange gains		5,261	4,328
TOTAL LIABILITIES		**8,878,418**	8,162,394

STATEMENT OF EARNINGS

(in thousands of euros)	Notes	2018	2017
Sales of goods		15,433	13,428
Sales of:			
– goods		85,115	83,577
– services		52,733	56,744
Net revenue	10	**153,281**	153,749
Production left in stock		422	(79)
Capitalized production			243
Operating subsidies		18	0
Write-backs of depreciation, amortization and provisions, transfers of charges		8,473	5,161
Other earnings		36,169	35,900
Total operating income		**198,363**	194,974
Purchases of merchandise (including customs duties)		(15,961)	(13,754)
Changes in inventories (of merchandise)		44	47
Purchases of raw materials, other supplies (and customs duties)		(44,589)	(43,440)
Changes in inventories (of raw materials and supplies)		219	94
Other goods and services bought in		(56,477)	(58,437)
Taxes and related payments		(5,988)	(6,264)
Wages and salaries		(43,844)	(38,586)
Social security contributions		(19,293)	(16,965)
Operating provisions			
On fixed assets: depreciation/amortization allowance		(11,372)	(10,485)
On current assets: allocations to provisions		(1,502)	(2,107)
For contingencies and charges: allocations to provisions		(751)	(887)
Other expenses		(1,530)	(2,332)
Total operating expenses		**(201,044)**	(193,116)
Operating income		**(2,681)**	1,858
Joint operations			
Financial income			
Financial income from investments		168,920	234,419
Income from other securities and receivables from non-current assets		4	4
Other interest and similar income		52,203	35,713
Reversals of provisions and transfers of charges		72,672	27,059
Positive exchange differences		4,786	13,151
Total financial income		**298,585**	310,346
Financial allocations to amortization and provisions		(397,992)	(210,008)
Interest and related expenses		(70,853)	(64,674)
Negative exchange differences		(8,812)	(3,859)
Net expenses on disposal of marketable securities		(22)	(15)
Total financial expenses		**(477,679)**	(278,557)
Financial income	11	**(179,094)**	31,789
Recurring income before tax		**(181,776)**	33,647
Extraordinary income from management operations		4,052	74
Extraordinary income from capital transactions		3,866	264,854
Reversals of provisions and transfers of charges		2,238	19,144
Total extraordinary income		**10,156**	284,072
Extraordinary expenditure on management operations		(3,058)	(7,714)
Extraordinary expenditure on capital transactions		(3,872)	(242,318)
Extraordinary allocations to amortization and provisions		(2,971)	(3,257)
Total extraordinary expenditure		**(9,901)**	(253,289)
Extraordinary income	12	**255**	30,782
Employees' shareholding and profit sharing		(1,344)	(783)
Corporate income tax		47,714	27,141
Total income		**507,104**	789,392
Total expenses		**(642,254)**	(698,604)
Profit/loss		**(135,150)**	90,788

VARIATION IN CASH FLOW

(in thousands of euros)	2018	2017
Cash flow from operations		
Net income for the period	**(135,150)**	90,788
Non-cash income/expenses:		
– amortization and provisions	370,331	131,633
– income on disposal of assets	605	(22,448)
– income on mergers		
Cash flow	**235,786**	199,973
Change in working capital requirement	(51,972)	68,786
– of which inventories and work in progress	(821)	279
– of which payables and receivables	(51,151)	68,507
Net cash from operating activities	**183,814**	268,759
Cash flows from investing activities		
Acquisitions		
– property, plant and equipment and intangible assets	(5,686)	(15,422)
– securities	(182,143)	(98,559)
– other non-current financial assets	(53,027)	(214,456)
Disposals		
– property, plant and equipment and intangible assets	3,303	8
– securities	0	264,923
– other non-current financial assets	55,320	61,994
Net cash from investing activities	**(182,233)**	(1,512)
Cash flows from financing activities		
– dividends paid	(144,956)	(135,066)
– investment subsidies	224	
– increase in borrowings	1,032,413	1,098,882
– repayment of borrowings	(126,036)	(1,510,407)
Net cash from financing activities	**761,645**	(546,591)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**763,226**	(279,344)
Cash and cash equivalents at the beginning of the period(1)	1,136,310	1,415,654
Cash and cash equivalents at the end of the period(1)	1,899,536	1,136,310

(1) Cash, marketable securities and cash agreements net of impairment.

SUBSIDIARIES AND SHAREHOLDINGS AT DECEMBER 31, 2018

Companies (in thousands of euros)	Share capital	Equity other than share capital	Share capital held as a percentage	Gross value
A. Information on securities whose gross value exceeds 1% of capital				
Subsidiaries over 50%-owned by the company				
Alcafi	2,723	(11,079)	100	14,504
Autolib’	40,040	93,898	100	40,040
Bluecarsharing	10	(38,040)	100	109,120
Blue Solutions	145,815	25,192	78	139,937
Bluebus	30,395	4,756	100	197,595
Bluecar	166,489	(165,338)	100	633,258
Bluestorage	36,325	(37,029)	100	71,487
Bluetram	1,435	(191)	100	9,263
Bolloré Africa Logistics	174,335	158,860	100	181,263
Bolloré Energy	19,523	192,976	100	91,167
Bolloré Inc.(1)	2,078	(25,819)	100	7,477
Bolloré Logistics	44,051	209,998	100	105,969
Bolloré Media Digital	2,494	(2,938)	100	94,874
Bolloré Media Régie	8,205	(4,238)	100	15,940
Bolloré Telecom	95,030	(55,365)	98	159,871
Bolloré Transport & Logistics Corporate	5,000	(778)	100	5,000
Compagnie Saint-Gabriel	22,000	(3,530)	100	42,043
Compagnie de Plomeur	18,163	(500)	99	20,800
Compagnie des Glénans	247,500	321,436	100	318,815
Financière de Cézembre	1,200	524	99	4,814
Financière Penfret	6,380	(6,444)	100	14,383
HP BV(2)	50	(85,220)	100	7,768
Immobilière Mount Vernon	5,850	438	100	9,612
Iris Immobilier	28,529	2,228	100	29,141
LCA – La Charbonnière	360	3,811	53	9,183
Matin Plus	8,367	58	100	111,487
Mp 42	40	220	99	8,588
Nord-Sumatra Investissements SA	1,515	244,731	73	78,382
Polyconseil	156	9,417	100	9,990
Société Navale Caennaise – SNC	2,750	3,468	100	7,249
Société Navale de l’Ouest – SNO	43,478	(42,338)	100	59,829
TOTAL I				**2,608,847**

Provisions	Net value	Loans and advances granted by the company and not yet repaid	Guarantees and endorsements given by the company	Pre-tax revenue for the fiscal year ended	Profit or loss for the fiscal year ended	Dividends received by the company during the fiscal year
14,504	0	20,006		6	835	
40,040	0	258,150	0	25,738	132,742	
109,120	0	113,267	80	18,455	(38,343)	
0	139,937	17,817		36,002	(12,033)	
115,226	82,369	29,590		23,881	(38,360)	
632,107	1,151	308,637		34,243	(111,104)	
40,987	30,500	61,763		2,256	(19,745)	
8,015	1,248	3,515		0	(191)	
0	181,263	233,154	2,319	71,209	67,522	
0	91,167	0	85,300	1,946,040	17,194	5,076
7,477	0	20,543		20,367	(1,574)	
0	105,969	0	59,863	1,520,442	54,120	
93,187	1,687	164		2,120	(3,086)	
15,518	422	0		3,102	(1,283)	
121,664	38,207	0		575	(11,025)	
778	4,222	0		58,995	402	
0	42,043	20,443		0	(371)	
0	20,800	6,815		0	(77)	
0	318,815	0		0	37,149	66,495
3,101	1,713	0		0	1	
0	14,383	14,865		819	(492)	
7,768	0	0		0	(5)	
536	9,076	2,254		2,406	(100)	876
0	29,141	0		10,573	968	
6,986	2,197	536		38,226	160	79
101,261	10,226	0	1,100	13,819	(6,908)	
8,331	257	0		0	(7)	
0	78,382	0		0	413	11,344
0	9,990	4,359		24,564	6,438	7,559
1,038	6,211	0		0	(9)	
58,689	1,140	0		0	4	
1,386,331	**1,222,516**	**1,115,881**	**148,662**	**3,853,838**	**73,235**	**91,429**

Companies (in thousands of euros)	Share capital	Equity other than share capital	Share capital held as a percentage	Gross value
Shareholdings of between 10% and 50%				
Compagnie de Pleuven	136,201	780,658	32	44,238
Financière du Champ de Mars	19,460	66,945	24	68,097
Financière Moncey	4,206	106,433	15	12,095
Financière V	69,724	18,927	10	10,782
Fred et Farid Group	2,219	9,051	30	6,900
Socfinasia	24,493	385,623	17	6,125
Sofibol	131,825	58,506	36	81,844
Tamaris Finances	3,676	(3,143)	49	7,702
TOTAL II				**237,783**
B. Summary information on securities whose gross value does not exceed 1% of capital				
Subsidiaries over 50%-owned by the company				
French subsidiaries				12,591
Non-French subsidiaries				7,064
Shareholdings of between 10% and 50%				
French shareholdings				1,465
Non-French shareholdings				4,489
Securities of companies held under 10%				**145,888**
TOTAL				**3,018,128**

(1) In thousands of US dollars (except the columns: gross value/provisions/net values, in thousands of euros).
(2) Provisions on loans and advances granted by the company and not yet repaid.

Provisions	Net value	Loans and advances granted by the company and not yet repaid	Guarantees and endorsements given by the company	Pre-tax revenue for the fiscal year ended	Profit or loss for the fiscal year ended	Dividends received by the company during the fiscal year
0	44,238				625,434	32,487
0	68,097				11,116	2,370
0	12,095	220			4,056	1,225
0	10,782				578	31
0	6,900				1,670	450
0	6,125				24,836	3,022
0	81,844				3,472	415
2,706	4,997	11,427		22	(881)	
2,706	**235,077**	**11,647**	**0**	**22**	**670,281**	**40,000**
6,181	6,410	3,966,161	1,700,000			143
	7,064					5,226
	1,465					969
1,480	3,008					1,324
2,380	**143,508**	**130**				**12,089**
1,399,078	**1,619,050**	**5,093,819**	**1,848,662**	**3,853,860**	**743,516**	**151,180**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

SIGNIFICANT EVENTS OF THE FISCAL YEAR

Capital increase following the payment of the balance of the 2017 dividend, with an option to receive payment in shares

The Ordinary General Meeting of June 1, 2018 approved the proposal by the Board of Directors concerning the payment of the balance of the 2017 dividend for an amount of 0.04 euro per share.
As part of this transaction, an increase in share capital and of the issue premium was carried out for 0.9 million and 20.8 million euros respectively by the issuance of 5,585,862 new shares.

Capital increase following the payment of the 2018 interim dividend with an option to receive payment in shares

The Board of Directors of Bolloré SA meeting on August 31, 2018 approved the payment of an interim dividend of 0.02 euro with the option of dividend payment in shares.
As part of this transaction, an increase in capital and of the issue premium was carried out for 0.4 million and 8.3 million euros respectively in October 2018 by the issuance of 2,371,899 new shares.

ACCOUNTING METHODS AND PRINCIPLES

The annual financial statements have been prepared in accordance with the accounting principles, standards and methods taken from the 2014 French chart of accounts, in compliance with ANC regulation No. 2014-03 as well as the further opinions and recommendations of the French National Accounting Council and the French Accounting Regulatory Committee.
General accounting standards were applied in line with the prudential principle, according to the following basic assumptions:
- going concern;
- the consistency of accounting methods from one fiscal year to another;
- independence of the fiscal years.

Additionally, they have been prepared in accordance with the general rules regarding the preparation and presentation of annual financial statements.
The basic method used for the valuation of accounting entries is the historical -cost method.

1. Non-current assets

1.1. Intangible assets and property, plant and equipment

Non-current assets are valued at cost of acquisition, the value at which they were contributed, or at the cost of production.
Impairment allowances are calculated on a straight-line basis in accordance with the expected useful life of the assets.
The difference between the fiscal impairment and straight-line impairment is entered under extra tax-driven impairment under balance sheet liabilities.
The principal useful lifetimes applied for the acquisition of new assets are as follows:

Software and licenses	from 3 to 5 years
Buildings	from 15 to 40 years
Fixtures and fittings	from 5 to 15 years
Industrial equipment	from 4 to 10 years
Other property, plant and equipment	from 3 to 10 years

1.2. Non-current financial assets

Shareholdings are entered at their cost of acquisition, exclusive of ancillary costs, or at the value at which they were contributed.
At the end of the fiscal year, a provision for impairment is made when the net asset value is lower than the balance sheet value.
The net asset value is calculated according to the revalued net book value, profitability, future prospects and the value in use of the shareholding. The estimate of the net asset value may therefore justify retaining a higher net value than the proportion of the net book assets. The technical loss from merger, if any, is included in the net book value of the underlying assets during impairment tests.

Capitalized accounts receivable are valued at par value. A provision for impairment is made when the net asset value is lower than the book value.
Provisions are made for other non-current investments when their value in use is lower than the balance sheet value.

2. Inventories

Raw materials and goods are valued at their cost of acquisition, in accordance with the FIFO method. If applicable, an impairment allowance is applied in order to reflect their current value.
The value of work in progress and finished products includes the cost of materials and supplies, the direct costs of production, indirect factory and workshop costs and economic depreciation. Fixed costs are recognized in accordance with normal operations.
A discount is applied to old buildings without reducing the net value below the residual value.

3. Trade and other receivables

Receivables are valued at par value. A provision for impairment is made when the net asset value is lower than the book value.

4. Transactions in foreign currencies

Receivables and payables denominated in non-euro zone currencies are entered on the balance sheet at their translation value at year-end. Unrealized gains and losses are entered among the translation adjustments. Unrealized losses corresponding to foreign currency translation losses are the subject of a provision for risks.
Foreign exchange gains and losses are recorded in operating income if they relate to a commercial transaction, and in financial income if they relate to a financial transaction.

5. Bond issue costs

Bond issue costs are recognized under deferred expenses and are amortized on a straight-line basis over the life of the bond.

6. Regulated provisions

Regulated provisions are made in accordance with current fiscal regulations. They include extra tax-driven impairment and provisions for price increases.

7. Provision for pensions and retirement

Bolloré SA applies method 2 of ANC recommendation 2013-02, for valuation as well as accounting.
Supplementary pensions paid to retired staff are recognized in the form of a provision. They are valued according to the PUC (Projected Unit Credit) method, with a gross discount rate of 1.50%.

8. Severance pay and pensions

Legal or conventional severance pay and supplementary pensions for personnel in service are entered under off-balance sheet commitments, in accordance with the option provided by article L. 123-13 of the French commercial code *(Code de commerce)*.
For the valuation of its retirement commitments, Bolloré SA applies method 2 of ANC recommendation 2013-02.
The total commitment is valued in accordance with the PUC (Projected Unit Credit) method, applying a gross discount rate of 1.50% and an actual progression in salaries of 0.7% (nominal salary progression of 2.5% and inflation of 1.8%).
There are no specific commitments towards the governing bodies or executive management.

9. Details of financial instruments

Financial instruments are used mainly to cover interest rate risks arising as a result of debt management, as well as foreign exchange risks. Firm hedging deals (rate swaps, future rate agreements, spot or forward currency purchases or sales) are used.
A Risk Committee meets several times a year to discuss strategies, as well as limits, markets, instruments and counterparts.

Exchange rate risk management

At December 31, 2018, the currency hedge portfolio (in terms of euro equivalent) comprised forward sales of 28.7 million euros and forward purchases of 10.3 million euros, a net short position of 18.4 million euros.

Interest rate risk management

Of a total of 2,819 million euros of financial debts, the fixed-rate debt amounted to 1,583 million euros at December 31, 2018.

10. Tax consolidation

The company is the head of a tax consolidation group. The tax liability is borne by each company as it would be if there was no consolidation. The tax savings are allocated to the parent company.
The tax effect for the 2018 fiscal year was as follows:
- consolidation gain was 52 million euros;
- the tax group's income showed a loss.

As the tax consolidation agreement does not provide for the repayment to the subsidiaries of their tax loss carryforwards if they leave the consolidation scope, no provision has been made for the fiscal losses of subsidiaries used by the parent company.

11. Related parties

With regard to related-party transactions, the company is not affected and all transactions are concluded under normal conditions.

NOTES TO THE BALANCE SHEET

NOTE 1. NON-CURRENT ASSETS, DEPRECIATION AND AMORTIZATION

Gross amounts

(in thousands of euros)	Gross value at 01/01/2018	Increase	Decrease	**Gross value at 12/31/2018**
Intangible assets	10,512	345	(4,138)	6,719
Property, plant and equipment	273,983	4,136	(3,233)	274,886
Non-current financial assets(1)	4,200,790	240,628	(58,334)	4,383,084
TOTAL	4,485,285	245,109	(65,705)	**4,664,689**

(1) Of which 640.6 million euros corresponding to technical losses allocated to securities.
Pursuant to ANC Regulation 2015-06 of November 23, 2015, the technical losses stemming from the transfer of the assets and liabilities with SAGA in 2012 (56.6 million euros), the merger of Bolloré Investissement with Bolloré in 2016 (246.3 million euros), and the takeover of the technical losses previously recorded by Bolloré (337.7 million euros) were reallocated to the following securities lines in 2016: 302 million euros to Bolloré Africa Logistics, 239 million euros to Bolloré Logistics, 47 million euros to Bolloré Energy and 53 million euros to Blue Solutions.

Depreciation, amortization and impairment

(in thousands of euros)	Depreciation and amortization accruing at 01/01/2018	Allowances	Reversals	**Depreciation and amortization accruing at 12/31/2018**
Intangible assets	8,433	307	(3,511)	5,229
Property, plant and equipment	131,959	7,201	(1,388)	137,772
Non-current financial assets	1,137,957	361,714	(935)	1,498,736
TOTAL	1,278,349	369,222	(5,834)	**1,641,737**

NOTE 2. INFORMATION ON FINANCE LEASES

No finance leases exist for the 2018 fiscal year.

NOTE 3. NON-CURRENT FINANCIAL ASSETS

Shareholdings and other non-current investments (gross)

- **Increase in non-current financial assets:**
- participation in the capital increases of:
– Bluecarsharing (109.1 million euros),
– Matin Plus (33.9 million euros),
– Bluebus (32.9 million euros);
- increase in receivables from:
– Bolloré Africa Logistics (55.2 million euros).

- **Reduction in non-current financial assets:**
- reduction in receivables from:
– Bolloré Africa Logistics (54.3 million euros);
- disposals of securities:
– Whaller (1.5 million euros).

Shareholdings and other non-current investments (provisions)

The main allowances include provisions for the securities in Bluecar (111.2 million euros), Bluecarsharing (109.1 million euros), Bluebus (49.4 million euros), Matin Plus (42.1 million euros) and Bluestorage (31 million euros).

NOTE 4. TERMS OF RECEIVABLES AND DEBTS

Details of receivables

(in thousands of euros)	Amount (gross)	Under 1 year	More than 1 year
Non-current assets			
Receivables from stakes	719,452	17,471	701,981
Loans	2,175	503	1,672
Other non-current financial assets	146	146	
Current assets			
Operating receivables	25,816	25,816	
Current accounts	5,336,078	5,299,995	36,083
Other receivables	338,079	185,629	152,450
TOTAL	**6,421,746**	**5,529,560**	**892,186**

Details of payables

(in thousands of euros)	Amount (gross)	Under 1 year	From 1 to 5 years	More than 5 years
Financial debts				
Bond loans	1,166,467	216,467	950,000	
Loans from credit institutions	1,653,081	376,313	1,276,768	
Sundry borrowings	251	251		
Operating payables				
Due to suppliers	14,887	14,887		
Taxes and social security contributions payable	20,983	20,983		
Sundry payables				
Current accounts	3,529,027	3,529,027		
Non-current asset payables	413	413		
Other payables	299,207	148,159	133,480	17,568
TOTAL	**6,684,316**	**4,306,500**	**2,360,248**	**17,568**

The company has centralized the management of its subsidiaries' cash. The change in net debt is as follows:

(in thousands of euros)	**12/31/2018**	12/31/2017
Bond loans	1,166,467	1,166,467
Loans from credit institutions	1,653,081	755,189
Other financial debts	251	241
Credit balances	3,529,027	3,420,609
Receivables from stakes	(719,452)	(716,848)
Loans	(2,175)	(2,683)
Debit balances	(5,336,078)	(4,266,529)
Cash	(223,410)	(546,063)
Marketable securities	(82,779)	(3,217)
TOTAL	**(15,068)**	(192,834)

NOTE 5. ESTIMATED VALUE OF MARKETABLE SECURITIES

(in thousands of euros)	Gross value	Net value	Estimated value
Unlisted securities	538	0	0
Listed securities	2,659	2,254	4,281
FCP	79,582	79,582	79,582

NOTE 6. EQUITY AND VARIATIONS IN NET SITUATION

(in thousands of euros)	Equity as at 01/01/2018	Capital increases[2]	Allocation of 2017 earnings	Other transactions	Dividends distributed	Net income for the period	Total
Share capital[1]	467,458	1,273					466,731
Share issue premiums	1,236,681	29,034					1,265,715
Legal reserve	46,567		179				46,746
Other reserves	2,165						2,165
Amount carried forward	664,326		32,250		(116,719)		579,857
Net income for the period	90,788		(90,788)			(135,150)	(135,150)
Investment subsidies				173			173
Interim dividend	(58,359)		58,359		(58,544)		(58,544)
Regulated provisions	11,278			1,101			12,379
TOTAL	2,460,904	30,307		1,273	(175,263)	(135,150)	2,182,071

(1) At December 31, 2018, the share capital was divided into 2,929,569,051 shares with a par value of 0.16 euro.
(2) The capital increases are a result of:
a. payment of the balance of the dividend for 2017 (General Meeting of June 1, 2018);
b. payment of interim dividend in respect of 2018 (Board of Directors meeting of August 31, 2018).

NOTE 7. PROVISIONS AND IMPAIRMENT

(in thousands of euros)	Amount at 01/01/2018	Allowances	Uses	Reversals	**Amount at 12/31/2018**
Regulated provisions	11,278	2,365	(46)	(1,218)	**12,379**
– provision for price increases	122		(46)		76
– excess tax depreciation	11,156	2,365		(1,218)	12,303
Provisions for contingencies and charges	9,463	1,706	(4,247)	(317)	**6,606**
– provision for restructuring	226		(226)		
– provision for foreign exchange losses	3,958	12	(3,803)		168
– provision for long-service benefits	870	112	(76)		905
– provision for subsidiary risks		395			395
– other provisions	4,408	1,188	(142)	(317)	5,138
Impairment	1,341,041	398,651	(69,155)		**1,670,537**
– property, plant and equipment	288		(46)		243
– non-current financial assets[1]	1,137,956	361,714	(935)		1,498,736
– inventories and work in progress	831	70	(207)		694
– customers	4,628	1,432	(9)		6,051
– other receivables[2]	195,931	35,434	(67,495)		163,870
– investment securities	1,406		(463)		943
TOTAL	1,361,782	402,721	(73,448)	(1,535)	**1,689,522**

(1) See note 3 – Shareholdings and other non-current securities (depreciation, amortization and impairment).
(2) Of which an allocation of 33 million euros under the Autolib cash agreement and a reversal of 62.6 million euros under the Bluecarsharing cash agreement.

NOTE 8. ACCRUED EXPENSES AND ACCRUED INCOME

(in thousands of euros)	12/31/2018
Accrued expenses	
Accrued interest on bond loan issue	16,467
Accrued interest on financial debts	1,571
Trade accounts payable	6,360
Non-current asset payables	93
Taxes and social security contributions payable	16,473
Overdraft interest	484
Other payables	112
Accrued income	
Accrued interest on other non-current financial assets	17
Trade accounts receivable	19
Other receivables	1,918
Banks	89

NOTE 9. OFF-BALANCE SHEET LIABILITIES (EXCLUDING FINANCE LEASES)

(in thousands of euros)	2018	2017
Commitments given		
Customs and Public Treasury	154,617	154,657
Other bonds	1,765,564 (1)	1,173,514
Firm commitments to purchase securities	22,176 (2)	16,655
Commitments received		
Return to better fortune	38,001	38,001
Reciprocal or extraordinary commitments		
Unused bank lines of credit	1,306,000	1,914,000
Forward currency sales	28,691	31,008
Forward currency purchases	10,299	16,684
End-of-service payments	**8,873**	8,997

(1) Of which 1,700 million euros with Compagnie de Cornouaille, a Group company.
(2) Commitment to file a tender offer for Blue Solutions shares at the price of 17 euros per share after the public announcement of Blue Solutions' 2019 results.

In 2013, Bolloré granted Blue Solutions six sale agreements concerning the total stock of the following companies:
- Bluecar, Autolib' and Bluecarsharing (this agreement can only be exercised on the three companies together);
- Bluebus;
- Blueboat;
- Bluestorage;
- Bluetram;
- Polyconseil.

The sale agreements' exercise price was set by an independent expert. Blue Solutions was free to exercise its option at any time between September 1, 2016 and June 30, 2018.

On March 23, 2017, Blue Solutions' Board of Directors decided not to exercise its option and to initiate discussions with Bolloré SA in the first half 2017 to set a new window for the exercise of the option.

On May 11, 2017, the Board of Directors of Bolloré SA approved a new window for the exercise of the options, i.e. between January 1, 2020 and June 30, 2020.

NOTES TO THE STATEMENT OF EARNINGS

NOTE 10. DISTRIBUTION OF REVENUE

By business

(in thousands of euros)	**2018**	2017
Brittany factories	93,245	92,047
Services provided by headquarters	60,036	61,702
TOTAL	**153,281**	153,749

By geographical area

(as a percentage)	**2018**	2017
France	45.90	48.40
Europe	28.46	28.70
Americas	19.86	17.00
Africa	0.29	0.39
Others	5.49	5.51
TOTAL	**100.00**	100.00

NOTE 11. FINANCIAL INCOME

(in thousands of euros)	**2018**	2017
Dividends from operating subsidiaries	151,180	220,275
Other income/expenses	13,695	23,425
Net financing expenses	(18,650)	(28,962)
Allowances and reversals	(325,320)	(182,949)
TOTAL	**(179,095)**	31,789

NOTE 12. EXTRAORDINARY INCOME

(in thousands of euros)	**2018**	2017
Net allocations to regulated provisions	(1,100)	(1,269)
Income on disposal of assets	(552)	22,448
Personnel-related costs	(1,231)	(5,317)
Net allocations to provisions	(50)	16,741
Retirement benefits paid	(408)	(405)
Miscellaneous	3,596	(1,416)
TOTAL	**255**	30,782

NOTE 13. AVERAGE WORKFORCE

(in number of persons)	**2018**	2017
Management staff	183	192
Supervisors/other employees	390	394
TOTAL	**573**	586

NOTE 14. EXECUTIVE COMPENSATION

(in thousands of euros)	2018	2017
Directors' fees	(594)	(549)
Other compensation	(4,247)	(2,817)

The amounts stated above are those paid by the company during the year to members of the Board of Directors and company officers.

NOTE 15. EFFECT OF SPECIAL TAX ASSESSMENTS

(in thousands of euros)	2018	2017
Net income for the period	(135,150)	90,788
Corporate income tax	(47,714)	(27,141)
Income before tax	(182,865)	63,647
Changes to regulated provisions	1,100	1,269
INCOME BEFORE SPECIAL TAX ASSESSMENTS	**(181,764)**	64,916

NOTE 16. INCREASE AND DECREASE IN FUTURE TAX BURDEN

Nature of temporary differences (in thousands of euros)	2018	2017
A. Increase in future tax burden		
Extra tax-driven impairment	12,303	11,156
Provision for price increases	76	122
Deferred expenses, foreign currency translation losses	168	3,960
Total tax base	**12,547**	15,238
Increase in future tax burden	**4,182**	5,079
B. Decrease in future tax burden		
Paid holidays, solidarity contributions, non-deductible provisions	15,709	16,585
Unrealized foreign currency translation gains, income taxed in advance	5,261	4,328
Total tax base	**20,970**	20,913
Decrease in future tax burden	**6,990**	6,971

NOTE 17. CONSOLIDATION

The company's accounts are integrated:

- for the largest companies: by full consolidation in the accounts of:
  Bolloré Participations (Siren: 352 730 394)
  Odet
  29500 Ergué-Gabéric – France;
- for the smallest subgroup: by full consolidation in the accounts of:
  Bolloré (Siren: 055 804 124)
  Odet
  29500 Ergué-Gabéric – France.

NOTE 18. SUBSEQUENT EVENTS

None.

6.2. Statutory Auditors' report on the annual financial statements

Financial year ended December 31, 2018

This is a translation into English of the Statutory Auditors' report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the General Meeting of Bolloré,

OPINION

To fulfil the assignment entrusted to us by your General Meeting, we have audited the annual financial statements of BOLLORE for the financial year ended December 31, 2018, as attached to this report.

We hereby certify that, under French accounting rules and principles, the annual financial statements, give a true and fair view of the results of the company's operations for the year, as well as the financial position and assets of the company at the end of this period.

The opinion provided above is consistent with the contents of our report to the Audit Committee.

BASIS OF OUR OPINION

AUDITING FRAMEWORK

We have conducted our audit in accordance with the professional standards applicable in France. We believe that the evidence we have obtained provides an appropriate, sufficient basis for our opinion.

Our responsibilities under these standards are set out in the section entitled "Responsibilities of the Statutory Auditors with respect to the auditing of annual financial statements" of this report.

INDEPENDENCE

We carried out our audit in accordance with the independence rules applicable to us, covering the period from January 1, 2018, to the date of our report. In particular, we have not provided services prohibited by article 5(1) of Regulation (EU) no. 537/2014 or by the French Code of Ethics *(Code de déontologie)* for statutory auditors.

JUSTIFICATION OF OUR ASSESSMENTS – KEY POINTS OF THE AUDIT

Pursuant to the provisions of articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we would like to inform you of the key points of the audit relating to the risks of material misstatement which, according to our professional judgement, were the most important for the audit of the annual financial statements for the year, as well as the responses we have given in relation to these risks.

Such assessments are thus part of our audit of the annual financial statements considered as a whole, and of the formation of our opinion expressed above. We express no opinion on items in these annual financial statements considered individually.

VALUATION OF INVESTMENTS AND RELATED RECEIVABLES (NOTE 1.2 TO THE ANNUAL FINANCIAL STATEMENTS)

Key point of the audit	Our audit approach
Equity investments amounted to 1,619 million euros, as of December 31, 2018, with a total balance sheet of 8,878 million euros. In addition, technical losses, allocated in full to equity securities, amounted to 641 million euros and receivables from equity investments to 624 million euros. The current value of these assets, which corresponds to their value in use, is determined according to the revalued net asset value, profitability or future prospects of the investment. We consider the valuation of equity securities to be a key point of the audit due to (i) their representing a significant amount in the accounts of the company, (ii) the judgements and assumptions necessary for the determination of the value in use.	We analyzed the compliance of the company's methodologies with the accounting standards in force as regards the methods for estimating the value in use of the equity securities. We obtained the analyses conducted by the company and focused in particular on those of which the book value is close to the estimated value in use, those whose performance history showed deviations from forecasts and those operating in volatile economic environments. For equity securities valued using the discounted future cash flow method, we have reviewed the key assumptions used and have: • reconciled the activity forecasts underlying the determination of cash flows to the available information, including the market outlook and past achievements, and to the Management's latest estimates (assumptions, budgets, strategic plans, as the case may be); • compared the terminal growth rates used for the projected flows with the market analyses and the consensus of the main professionals concerned. • compared the discount rates used (WACC) with our own databases. We obtained and reviewed sensitivity analyses performed by Management, which we compared to our own calculations.

SPECIFIC AUDITS

We have also conducted, in accordance with professional standards in France, the specific audits required by applicable law and regulations.

INFORMATION PROVIDED IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS ON THE FINANCIAL POSITION AND THE ANNUAL FINANCIAL STATEMENTS ADDRESSED TO THE SHAREHOLDERS

We have no observations questioning the fairness and consistency with the annual financial statements of the information provided in the Board of Directors' management report and in other documents sent to the shareholders on the financial position and annual financial statements.
We hereby certify the fairness and consistency with the financial statements of the information relating to the payment periods mentioned in article D. 441-4 of the French Commercial Code *(Code de commerce)*.

REPORT ON CORPORATE GOVERNANCE

We hereby certify that the Board of Directors' report on corporate governance contains the information required by articles L 225-37-3 and L. 225-37-4 of the French Commercial Code *(Code du commerce)*.

Regarding the information provided pursuant to the provisions of article L. 225-37 of the French Commercial Code *(Code de commerce)* on the remunerations and benefits paid to corporate officers as well as on the commitments made in their favour, we verified their consistency with the accounts or with the data used to draw up the accounts and, where applicable, with the information collected by your company from the companies controlling your company or controlled by it. On the basis of this work, we hereby certify the accuracy and fairness of this information.

Regarding the information relating to the items that your company considered likely to have an impact in the event of a takeover or exchange offer, provided pursuant to the provisions of article L. 225-37-5 of the French Commercial Code *(Code de commerce)*, we verified their consistency with the documents from which it was obtained and which were communicated to us. On the basis of this work, we have no comments to make on this information.

ADDITIONAL INFORMATION

In accordance with the law, we have ensured that all information relating to the acquisition of equity interests and controlling interests and the identity of the holders of capital or voting rights has been disclosed to you in the management report.

INFORMATION RESULTING FROM OTHER LEGAL AND REGULATORY REQUIREMENTS

APPOINTMENT OF STATUTORY AUDITORS

We have been appointed Statutory Auditors of BOLLORE by the General Meeting of June 28, 1990, for the firm Constantin Associés and of June 5, 2007 for the firm AEG Finances.

As at December 31, 2018, the firm Constantin Associés was in the twenty-ninth year of its uninterrupted assignment and the firm AEG Finance, in the twelfth year.

RESPONSIBILITIES OF MANAGEMENT AND OF THE CORPORATE GOVERNANCE OFFICERS WITH RESPECT TO THE ANNUAL FINANCIAL STATEMENTS

Management is responsible for preparing annual financial statements that present a true and fair view in accordance with French accounting rules and principles and for setting up the internal control that it deems necessary for the preparation of annual financial statements that are free of material misstatement, regardless of whether any such misstatement results from fraud or error.

In preparing the annual financial statements, Management is responsible for evaluating the ability of the Company to continue as a going concern, for presenting in these accounts, as appropriate, the necessary information supporting the going concern assumption and applying the going concern accounting policy, unless it intends to wind up the company or cease its operations.

The Audit Committee is responsible for monitoring the process of preparing financial information and the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with respect to procedures relating to the preparation and processing of accounting and financial information.

The annual financial statements were approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS WITH RESPECT TO THE AUDITING OF THE ANNUAL FINANCIAL STATEMENTS

OBJECTIVE AND APPROACH OF AUDIT

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements as a whole are free of material misstatement. "Reasonable assurance" means a high level of assurance, but does not entail a guarantee that an audit performed in accordance with professional standards will systematically detect any material misstatement. Misstatements may result from fraud or error and are considered material where it can reasonably be expected that, considered individually or cumulatively, they may influence the business decisions made by users of these financial statements, based on the latter.

As stated in article L. 823-10-1 of the French Commercial Code *(Code de commerce)*, our assignment to certify the accounts does not consist of guaranteeing the viability or the quality of the management of your company.

Statutory Auditors exercise their professional judgement throughout audits conducted in accordance with the professional standards applicable in France. In addition, Statutory Auditors:
- identify and assess the risks of the annual financial statements containing material misstatements, whether due to fraud or error, and define and implement audit procedures for such risks, and collect evidence they consider sufficient and appropriate on which to base their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from error, as fraud may involve collusion, falsification, voluntary omissions, misrepresentation or the circumventing of internal control.
- become aware of the internal control procedures relevant to the audit in order to define audit procedures that are appropriate to the circumstances,

and not to express an opinion on the effectiveness of the company's internal control.
- assess the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the information concerning them provided in the annual financial statements.
- assess how appropriately management applies the going concern accounting policy and, depending on the evidence gathered, whether there is significant uncertainty related to events or circumstances likely to affect the company's ability to continue as a going concern. This assessment is based on the evidence gathered up to the date of their report, taking into account that subsequent circumstances or events could affect business continuity. If they conclude that there is significant uncertainty, they direct the readers of the report to the information provided in the annual financial statements concerning such uncertainty or, if this information is not provided or is not relevant, they certify the financial statements with reservations, or refuse to certify them.
- assess the overall presentation of the annual financial statements and evaluate whether the annual financial statements reflect their underlying transactions and events so as to give a true and fair view of them.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the Audit Committee, which outlines the scope of the audit work and the work programme implemented, as well as the findings of our work. We also inform, where appropriate, the significant internal control weaknesses that we have identified with respect to the procedures relating to the preparation and processing of accounting and financial information.

Included in the information disclosed in the report to the Audit Committee are the risks of material misstatements that we consider to have been the most significant for the audit of the financial statements for the year and which therefore constitute the key points of the audit, which it is our responsibility to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) no. 537/2014 confirming our independence within the meaning of the rules applicable in France as established in particular under articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code *(Code de déontologie)* of Ethics for statutory auditors. If necessary, we discuss with the Audit Committee the risks to our independence and the safeguards applied.

Neuilly-sur-Seine and Paris-la Défense, April 19, 2019

The Statutory Auditors

AEG Finances	Constantin Associés
French Member of	Member of
Grant Thornton International	Deloitte Touche Tohmatsu Limited
Jean-François Baloteaud	Jean Paul Séguret

7. Other financial and accounting information

7.1. Financial results of the company during the last five fiscal years

Items	2014	2015	2016	2017	**2018**
I. Financial position at the year-end					
Share capital(1)	439,704	463,200	465,672	467,458	466,731
Number of shares issued	2,748,147,300	2,895,000,442	2,910,452,233	2,921,611,290	2,929,569,051
Maximum number of shares to be created					
– by conversion of bonds	–	–	–	–	–
– by exercising subscription rights	2,677,500	2,677,500	4,131,200	5,651,600	5,602,000
II. Total results of operations(1)					
Revenue net of taxes	142,304	150,443	151,643	153,749	153,281
Profit before taxes, depreciation, amortization and provisions	300,248	149,519	209,613	244,383	156,741
Corporate income tax(2)	(33,333)	(36,833)	(57,572)	(27,141)	(47,714)
Employees' shareholding and profit sharing	1,090	1,027	1,255	783	1,344
Profit after taxes, depreciation, amortization and provisions	325,452	99,985	43,252	90,788	(135,150)
Amount of profits distributed	170,199	173,567	174,380	175,078	175,632
III. Earnings per share(3)					
Profit after taxes, but before depreciation, amortization and provisions	0.12	0.06	0.09	0.09	0.07
Profit after taxes, depreciation, amortization and provisions	0.12	0.03	0.01	0.03	(0.05)
Dividend paid to each shareholder	0.06	0.06	0.06	0.06	0.06
IV. Employees					
Average number of employees	600	595	598	586	573
Total payroll(1)	39,052	41,472	39,404	38,586	43,844
Total value of employee welfare benefits(1)	18,500	18,254	18,289	16,965	19,293

(1) In thousands of euros.
(2) In parentheses: tax proceeds.
(3) In euros.

7.2. Details of payment terms

Pursuant to article D. 441-4 of the French commercial code *(Code de commerce)*, the following table sets out the remaining balance, at December 31, 2018, of the amounts due to suppliers and trade receivables according to their due dates.

	Article D. 441 I.-1°: Invoices received, not yet paid and past due at the closing date					
	0 day (due date)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Total (more than 1 day)
(a) Number of days past due						
Number of invoices affected	135	–	–	–	–	271
Total amount of invoices affected including tax	201,749.36	153,894.97	217,646.94	1,439.32	11,437.81	384,419.04
Percentage of total amount of purchases including tax for the year	0.32%	0.22%	0.35%	0.00%	0.02%	0.59%
Percentage of revenue including tax for the year						
(b) Invoices excluded from (a) related to disputed and unrecorded debts						
Number of invoices excluded						104
Total amount of invoices excluded						633,979.66
(c) Reference payment periods used (contractual or statutory period – article L. 441-6 or article L. 443-1 of French commercial code *(Code de commerce)*)						
Payment deadlines used to calculate payment defaults	Contractual deadlines					

	Article D. 441 I.-2°: Invoices received, not yet paid and past due at the closing date					
	0 day (due date)	1 to 30 days	31 to 60 days	61 to 90 days	Over 91 days	Total (more than 1 day)
(a) Number of days past due						
Number of invoices affected	115	–	–	–	–	467
Total amount of invoices affected including tax	934,188.76	758,998.56	834,932.49	91,459.28	4,022,204.00	5,707,594.33
Percentage of total amount of purchases including tax for the year	0.89%	0.77%	0.78%	0.09%	3.59%	5.23%
Percentage of revenue including tax for the year						
(b) Invoices excluded from (a) related to disputed and unrecorded debts						
Number of invoices excluded						80
Total amount of invoices excluded						5,814,470.90
(c) Reference payment periods used (contractual or statutory period – article L. 441-6 or article L. 443-1 of the French commercial code *(Code de commerce)*)						
Payment deadlines used to calculate payment defaults	Contractual deadlines					

7.3. Date of last financial disclosure

- The results for the 2018 fiscal year were published on March 14, 2019. The financial statements and the accompanying press release are available online at www.bollore.com.
- Revenue for the first quarter 2019 was published on April 17, 2019

6 Information on the company and shareholders

1. Shareholder base

1.1. Distribution of share capital

1.1.1. INFORMATION ON THE SHAREHOLDER BASE AT DECEMBER 31, 2018

Bolloré	Number of shares	%	Number of votes (AMF General Regulation art. 223-11, par. 2)	%	Number of votes that may be used at General Meetings	%
Financière de l'Odet[1]	1,867,086,638	63.73	3,725,191,869	75.15	3,725,191,869	75.38
Other Bolloré Group companies[2]	98,808	0.00	196,108	0.00	196,108	0.00
Nord-Sumatra Investissements[3]	200,100	0.01	–	–	–	–
Imperial Mediterranean[3]	13,339,838	0.46	–	–	–	–
Société Bordelaise Africaine[3]	1,782,900	0.06	–	–	–	–
Companies holding treasury shares subtotal	15,322,838	0.52	–	–	–	–
Bolloré Group subtotal	**1,882,508,284**	**64.26**	**3,725,387,977**	**75.15**	**3,725,387,977**	**75.38**
Orfim	153,496,361	5.24	304,438,184	6.14	304,438,184	6.16
Public	893,564,406	30.50	912,026,397	18.40	912,026,397	18.46
Difference[4]	–	–	15,322,838	0.31	–	–
TOTAL	**2,929,569,051**	**100.00**	**4,957,175,396**	**100.00**	**4,941,852,558**	**100.00**

(1) Controlled directly by Sofibol, itself controlled indirectly by Vincent Bolloré and his family.
(2) Includes Bolloré Participations, Omnium Bolloré, Financière V, and Sofibol.
(3) Companies holding treasury shares.
(4) Corresponding to shares owned by the companies referred to in (3) stripped of voting rights.
The percentages presented in the table above are rounded to the nearest decimal, consequently the sum of the rounded values may have insignificant differences with the reported total.

No significant changes have occurred in the shareholder base since December 31, 2018.

To the best of the company's knowledge, no other shareholder apart from those listed in the table above holds more than 5% of the company's capital or voting rights.

At December 31, 2018, the number of registered shareholders was 505 (195 in direct registered share accounts and 317 in share accounts administered by an intermediary), with 7 shareholders simultaneously holding a direct registered share account and a share account administered by an intermediary (source: list of shareholders published by Caceis Corporate Trust).

No shareholder agreement exists between the shareholders of the company as referred to in article L. 233-11 of the French commercial code (*Code de commerce*) and the company holds no treasury shares.

At December 31, 2018, no registered shares were pledged as collateral.

1.1.2. VOTING RIGHTS

The voting rights attached to shares are proportional to the capital share represented.
Each capital share or share entitlement confers a voting right up to its nominal value, under the terms defined by law.
The Florange law no. 2014-384 of March 29, 2014 created a double voting right in companies whose shares are admitted to trading on a regulated market, unless the company's articles of association contain a clause to the contrary. This double voting right applies to all fully paid up shares held in registered form in the name of the same shareholder for two years.
The registered form holding period is accounted for starting from the effective date of the Florange law, i.e. April 2, 2014.
As a result, since April 3, 2016, Bolloré shareholders have automatically had double voting rights when the conditions required by the law are met.

1.1.3. EMPLOYEE SHAREHOLDING OF THE COMPANY'S SHARE CAPITAL

The percentage of share capital held by the Group's employees within the meaning of article L. 225-102 of the French commercial code (*Code de commerce*) is 0.22%.

1.1.4. MODIFICATIONS TO THE DISTRIBUTION OF CAPITAL OVER THE LAST THREE FISCAL YEARS

To the best of the company's knowledge, the breakdown of share capital ownership was as follows and no shareholder other than those listed below held more than 5% of the share capital:

	At December 31, 2015			At December 31, 2016			At December 31, 2017		
(as a percentage)	Shareholding	Theoretical voting rights	Voting rights exercisable at Meetings	Shareholding	Theoretical voting rights	Voting rights exercisable at Meetings	Shareholding	Theoretical voting rights	Voting rights exercisable at Meetings
Financière de l'Odet(1)	63.84	63.84	64.18	63.84	77.63	77.88	63.60	75.12	75.35
Other Bolloré Group companies(2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nord-Sumatra Investissements(3)	0.01	–	–	0.01	–	–	0.01	–	–
Imperial Mediterranean(3)	0.46	–	–	0.46	–	–	0.46	–	–
Société Bordelaise Africaine(3)	0.06	–	–	0.06	–	–	0.06	–	–
Companies holding treasury shares subtotal	0.53	–	–	0.53	–	–	0.52	–	–
Bolloré Group subtotal	**64.37**	**63.84**	**64.18**	**64.37**	**77.63**	**77.88**	**64.13**	**75.12**	**75.36**
Orfim	5.11	5.11	5.14	5.19	3.16	3.17	5.25	6.11	6.13
Public	30.52	30.52	30.68	30.44	18.89	18.95	30.62	18.46	18.52
Difference(4)	–	0.53	–	–	0.32	–	–	0.31	–
TOTAL	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

(1) Controlled directly by Sofibol, itself controlled indirectly by Vincent Bolloré and his family.
(2) Includes Bolloré Participations, Omnium Bolloré since 2016, Financière V, and Sofibol.
(3) Companies holding treasury shares.
(4) Corresponding to shares owned by the companies referred to in (3) stripped of voting rights.
The percentages presented in the table above are rounded to the nearest decimal, consequently the sum of the rounded values may have insignificant differences with the reported total.

- On January 23, 2015, Vincent Bolloré declared that, on January 22, 2015, he had, directly and indirectly via the companies that he controls, crossed below the thresholds of two thirds of the company's share capital and voting rights (see AMF notice no. 215C0124).
- Sébastien Picciotto declared that, on March 5, 2015, he had, directly and indirectly via Orfim, with which he acts in concert, crossed below the thresholds of 5% of the share capital and voting rights (see AMF notice no. 215C0292) and then had exceeded these thresholds on March 23, 2015 (see AMF notice no. 215C0349).
- On April 7, 2016, Vincent Bolloré declared that, on April 3, 2016, he had, directly and indirectly via the companies that he controls, exceeded the threshold of two thirds of the company's voting rights and Financière de l'Odet declared that, on April 3, 2016, it had exceeded the same threshold on an individual basis (see AMF notice no. 216C0824).
- On April 7, 2016, Sébastien Picciotto, acting in concert with Alexandre Picciotto and Orfim, declared that, on April 3, 2016, he had, directly and indirectly, crossed below the threshold of 5% of voting rights (see AMF notice no. 216C0833).
- On March 8, 2017, Sébastien Picciotto, acting in concert with Alexandre Picciotto and Orfim, declared that, on March 6, 2017, he had, directly and indirectly, crossed above the threshold of 5% of voting rights (see AMF notice no. 217C0620).

1.2. Other information about the control of the company

ISSUER'S CONTROL

The Bolloré Group is directly and indirectly controlled by Vincent Bolloré and his family. Governance measures have been put in place and are described in sections 4.1.8. "Corporate Governance Code" and 4.1.10. "Conditions for the preparation and organization of the Board's work".
The Board of Directors now has seven independent directors.

AGREEMENT THAT MAY RESULT IN A CHANGE OF CONTROL

None.

1.3. Shareholding and share subscription or purchase options

SHAREHOLDING

According to information received by the company from the directors, the directors together held about 0.39% of the company's share capital and about 0.36% of the voting rights at December 31, 2018.

HISTORY OF THE GRANTS OF SHARE SUBSCRIPTION OR PURCHASE OPTIONS TO CORPORATE OFFICERS

There is no share subscription plan in force.

1.4. Statement of securities transactions

(SUMMARY STATEMENT OF TRANSACTIONS REPORTED BY THE PERSONS REFERRED TO IN ARTICLE L. 621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE THAT TOOK PLACE DURING THE FISCAL YEAR ENDED DECEMBER 31, 2018)

To the company's knowledge, the following transactions took place in fiscal year 2018:

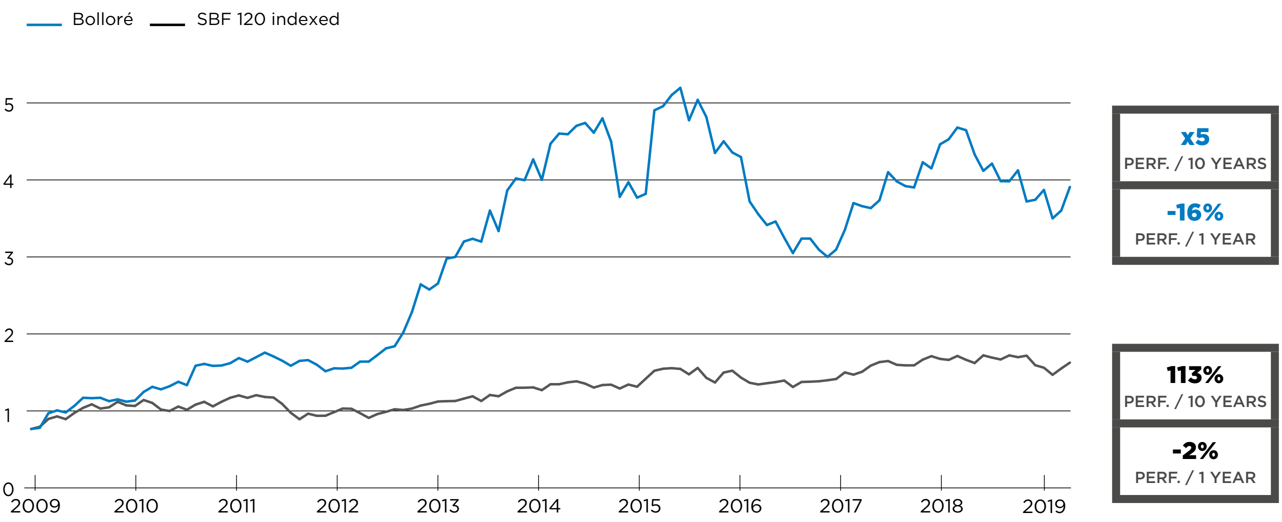
Identity of the declaring party	Date of transaction	Nature of transaction	Number of shares	Aggregate price (in euros)	Amount of transaction (in euros)	AMF ref.
Chantal Bolloré	June 28, 2018	Dividend in shares	14,618	3.8800	56,717.84	2018DD566222
Olivier Roussel	June 28, 2018	Dividend in shares	2,045	3.8800	7,934.60	2018DD566799
Chantal Bolloré	June 29, 2018	Donation of bare ownership	2,700,000	–	–	2018DD567122
Cédric de Bailliencourt	June 29, 2018	Acquisition through acceptance of donation	2,700,000	–	–	2018DD567123
Martine Studer	September 7, 2018	Dividend in shares	842	3.6400	3,064.88	2019DD591624
Cédric de Bailliencourt	October 30, 2018	Pledge	446,449	3.6760	1,641,146.52	2018DD582857
Omnium Bolloré (1)	December 13, 2018	Acquisition	1,500	3.6500	5,475.00	2018DD588108
Financière de l'Odet (1)	December 13, 2018	Acquisition	2,418,580	3.5943	8,693,102.09	AMF ref.(2)
Financière de l'Odet (1)	December 14, 2018	Acquisition	1,526,212	3.6033	5,499,399.70	2018DD588308
Financière de l'Odet (1)	December 17, 2018	Acquisition	327,338	3.6579	1,197,369.67	2018DD588488
Financière de l'Odet (1)	December 18, 2018	Acquisition	1,379,077	3.5913	4,952,679.23	2018DD588741
Financière de l'Odet (1)	December 19, 2018	Acquisition	1,349,771	3.5617	4,807,479.37	2018DD588887
Financière de l'Odet (1)	December 20, 2018	Acquisition	1,650,229	3.4948	5,767,220.31	2018DD588924
Financière de l'Odet (1)	December 24, 2018	Acquisition	5,200	3.4000	17,680.00	2018DD589087
Financière de l'Odet (1)	December 27, 2018	Acquisition	485,633	3.4000	1,651,152.20	2018DD589088

(1) Companies related to Vincent Bolloré, it being understood that Omnium Bolloré declared his capacity as a director.
(2) AMF ref.: 2018DD588144, 2018DD588148, 2018DD588154, 2018DD588156, 2018DD588157, 2018DD588158, 2018DD588162, 2018DD588163.

2. Stock exchange data

2.1. Changes in the Bolloré share price

as of February 28, 2019 (in euros, monthly average)



2.2. 18-Month Bolloré share price performance

	Average price (in euros)	High (in euros)	Low (in euros)	Securities traded	Trading volume (in thousands of euros)
September 2017	4.23	4.28	3.91	37,518,882	155,357
October 2017	4.15	4.26	3.90	30,954,529	126,860
November 2017	4.46	4.49	3.89	38,720,222	163,991
December 2017	4.53	4.59	4.38	25,097,874	112,625
January 2018	4.68	4.80	4.50	27,426,111	128,206
February 2018	4.65	4.72	4.24	36,980,375	165,377
March 2018	4.33	4.64	4.21	33,022,809	145,033
April 2018	4.12	4.54	4.04	38,883,170	166,513
May 2018	4.21	4.48	4.12	35,650,016	154,349
June 2018	3.98	4.38	3.92	37,295,898	153,965
July 2018	3.98	4.02	3.80	27,829,874	108,430
August 2018	4.12	4.19	3.88	24,235,112	98,498
September 2018	3.72	4.18	3.55	35,341,210	132,765
October 2018	3.74	3.79	3.46	44,805,409	164,747
November 2018	3.87	4.07	3.68	26,333,796	100,884
December 2018	3.50	3.98	3.36	39,536,336	141,587
January 2019	3.60	3.71	3.41	25,130,213	89,648
February 2019	3.91	3.91	3.43	23,064,971	83,614

3. Indicative financial communications calendar, interim and other information

3.1 Calendar

- Ordinary and Extraordinary General Meeting: May 29, 2019
- Dividend payment in respect of the 2018 fiscal year: June 26, 2019
- Interim results: September 12, 2019

3.2 Interim performance

- The 2018 half-yearly financial report was published on September 26, 2018, and is available online at www.bollore.com.
- The results for the 2018 fiscal year were published on March 14, 2019. The financial statements and the accompanying press release are available online at www.bollore.com.
- Revenue for the first quarter 2019 was published on April 17, 2019

4. Dividends

4.1. Distribution of dividends for the past three fiscal years

The amounts of the dividends per share distributed for the three previous fiscal years were as follows:

Fiscal year	2017	2016	2015
Number of shares	2,921,611,290	2,906,326,357	2,895,000,442
Dividend (in euros)	0.06(2)	0.06(1)	0.06(1)
Amount distributed (in millions of euros)	175.07	174.37	173.56

(1) The dividends received before January 1, 2018 by natural persons domiciled for tax purposes in France are subject to the progressive scale of income tax, after application of a rebate of 40%.
When they are paid, they will be subject to withholding tax at the rate of 21% and can be offset against income tax owed for the year during which payment was made. Individuals whose declared taxable income for the previous year was lower than a certain amount (50,000 euros for single, widowed or divorced taxpayers – 75,000 euros for taxpayers who file jointly) may request an exemption from this withholding tax.

(2) Since January 1, 2018, dividends received by natural persons that are tax domiciled in France are subject to a single flat-rate withholding tax (PFU or flat tax) of 30% at the time of payment, i.e. 12.8% in respect of income tax and 17.2% in respect of social withholding tax.
Individuals whose reference taxable income for the previous year was lower than a certain threshold (50,000 euros for single, widowed or divorced taxpayers – 75,000 euros for taxpayers who file jointly) may request an exemption from the withholding of the flat tax (12.8%). The request must be made, under the shareholders' responsibility, by November 30 at the latest of the year preceding the dividend payment.
At the time of their declaration, dividends may also optionally be subject to the progressive income tax scale, after the application of a 40% allowance. If applicable, this option gives rise to a regularization of the income tax paid in respect of the single flat tax.
In all cases, dividends received must be declared the year following their payment and may give rise, if applicable, to additional income tax in respect of the exceptional contribution on high revenues.

4.2. Appropriation of income for the fiscal year

Net income for the fiscal year amounted to a loss of 135,150,124.20 euros. Your Board recommends allocating distributable profit as follows:

(in euros)	
Net income for the period	(135,150,124.20)
Retained profit carried over	579,857,172.44
Appropriation to the legal reserve	–
Distributable profit	444,707,048.24
Dividend	
– Interim dividend(1)	58,543,943.04
– Year-end dividend(2)	117,087,886.08
Amount carried forward	269,075,219.12

(1) This interim dividend, which the Board of Directors decided to distribute on August 31, 2018, was set at 0.02 euro per share with a nominal value of 0.16 euro Payment was made on October 4, 2018.
(2) The year-end dividend will amount to 0.04 euro per share, on the stipulation that of the total number of shares composing the share capital (i.e. 2,929,569,051), 2,371,899 shares issued in respect of the interim dividend payment for fiscal year 2018 carry dividend rights as from January 1, 2019, and therefore do not confer any rights to any year-end dividend in 2018.

The dividend for the 2018 fiscal year is thus set at 0.06 euro per 0.16 euro nominal share.
Since January 1, 2018, dividends received by natural persons that are tax domiciled in France are subject to a single flat-rate withholding tax (PFU or flat tax) of 30% at the time of payment, i.e. 12.8% in respect of income tax and 17.2% in respect of social withholding tax.
Individuals whose reference taxable income for the previous year was lower than a certain threshold (50,000 euros for single, widowed or divorced taxpayers – 75,000 euros for taxpayers who file jointly) may request an exemption from the withholding of the flat tax (12.8%). The request must be made, under the shareholders' responsibility, by November 30 at the latest of the year preceding the dividend payment.
At the time of their declaration, dividends may also optionally be subject to the progressive income tax scale, after the application of a 40% allowance. If applicable, this option gives rise to a regularization of the income tax paid in respect of the single flat tax.
In all cases, dividends received must be declared the year following their payment and may give rise, if applicable, to additional income tax in respect of the exceptional contribution on high revenues.

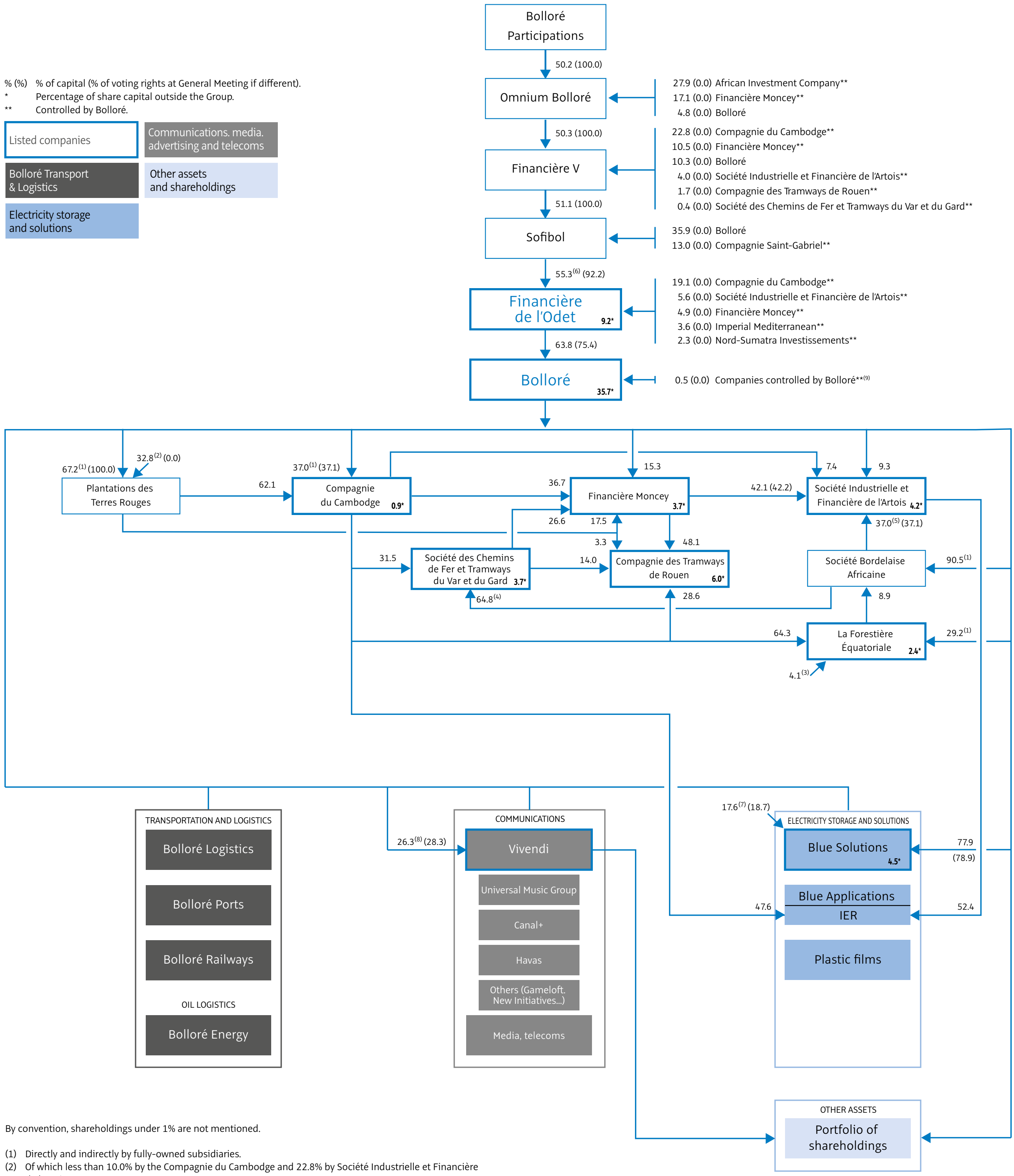
A proposal is made to the General Shareholder's Meeting convened for May 29, 2019 (fourth and fifth resolutions) to grant each shareholder the option to receive their dividend payment either in cash or in shares, in accordance with the legal and statutory provisions.
If approved, this will mean that each shareholder can opt to receive the whole of their dividend payment either in cash or in shares between June 6, and June 20, 2019. Any shareholders who have not expressed a choice by June 20, 2019 inclusive shall automatically receive their dividends in cash.
Shares will be delivered to shareholders opting to take their dividends in shares on the same date as the payment of the cash dividend, i.e. June 26, 2019.

4.3. Time limit on dividend entitlement

The legal time limit on unclaimed dividend entitlements is five years from the date of payment. Dividends left unclaimed after this five-year period will be paid to the French State.

5. Organizational chart: detailed shareholding of Group listed companies

AT DECEMBER 31, 2018, IN PERCENTAGE OF SHARE CAPITAL
(AND VOTING RIGHTS)



By convention, shareholdings under 1% are not mentioned.

(1) Directly and indirectly by fully-owned subsidiaries.
(2) Of which less than 10.0% by the Compagnie du Cambodge and 22.8% by Société Industrielle et Financière de l'Artois.
(3) 4.1% by SFA, a 98.4%-owned subsidiary of Plantations des Terres Rouges.
(4) 64.8% by its 53.4%-owned direct subsidiary Socfrance.
(5) 30.2% by Société Bordelaise Africaine and 6.8% by its 53.4%-owned direct subsidiary Socfrance.
(6) Of which 5.3% by its 99.5%-owned direct subsidiary Compagnie de Guénolé.
(7) Of which 17.6% by Bolloré Participations.
(8) Via Compagnie de Cornouaille (including 0.9% in respect of a share loan and 1% corresponding to call options) and Financière de Larmor, wholly-owned subsidiaries of Bolloré.
(9) Imperial Mediterranean, Société Bordelaise Africaine, and Nord-Sumatra Investissements.

The main minority interests are in the Communications and Transportation and logistics divisions. In 2018, net income attributable to minority interests was 792 million euros in Communications and 86 million euros in Transportation and logistics, out of total net income for the whole Group of 1,107 million euros (see Chapter 5, section 5. Consolidated financial statements – note 9.3 of the registration document). Most of the minority interests in the Transportation and logistics division are in the port and rail concessions. The percentage ownership of each entity is listed on pages 246 to 255.

6. Main subsidiaries

Position	Entity	Sector	Country	Geographical area	Revenue (in thousands of euros)	% of contribution	% ownership
1	Vivendi(1)	Communications	France	Worldwide	13,923,900	60	25.13
2	Bolloré Energy	Oil logistics	France	France and overseas departmens and territories	1,593,841	7	99.99
3	Bolloré Logistics	Transportation and logistics	France	France and overseas departmens and territories	1,181,360	5	100.00
4	Les Combustibles de Normandie - LCN	Oil logistics	France	France and overseas departmens and territories	334,773	1	99.99
5	Bolloré Transport & Logistics Côte d'Ivoire	Transportation and logistics	Republic of Côte d'Ivoire	Africa	231,158	1	84.73
6	CICA SA	Oil logistics	Switzerland	Europe excluding	225,031	1	99.99
7	Bolloré Transport & Logistics South Africa (pty) Ltd	Transportation and logistics	South Africa	Africa	223,695	1	100.00
8	Bolloré Logistics China Co Ltd	Transportation and logistics	China	Asia-Pacific	208,881	1	100.00
9	Calpam Mineralol GmbH Aschaffenburg	Oil logistics	Germany	Europe excluding	207,132	1	100.00
10	Bolloré Logistics Singapore Pte Ltd	Transportation and logistics	Singapore	Asia-Pacific	187,673	1	100.00

(1) including Havas group.

7. Acquisitions of direct shareholdings and controlling interests

7.1. Acquisitions of direct shareholdings

The figures given below relating to shareholdings (article L. 233-6 of the French commercial code – *Code de commerce*) are based on the highest percentage held during the year.

	Shareholdings in 2018		Total shareholding as at 12/31/2018	
Company	% of share capital	% of voting rights	% of share capital	% of voting rights
2ème Regard	20.00	20.00	20.00	20.00
Compagnie d'Auray	99.00	99.00	99.00	99.00
Compagnie de l'Ile de Groix	99.00	99.00	99.00	99.00
Compagnie de Sauzon	99.00	99.00	99.00	99.00
Financière d'Iroise	99.00	99.00	99.00	99.00

7.2. Acquisition of controlling interests

The figures given below relating to the acquisitions of controlling interests (article L. 233-6 of the French commercial code – *Code de commerce*) are based on the highest percentage held during the year.

Company (% of voting rights)	Indirect shareholdings acquired in 2018	Control as at 12/31/2018
Compagnie d'Auray	–	99.00
Compagnie de l'Ile de Groix	–	99.00
Compagnie de Sauzon	–	99.00
Financière d'Iroise	–	99.00

8. Additional information about share capital

8.1. Share capital

8.1.1. SHARE CAPITAL AMOUNT

SHARE CAPITAL AMOUNT

At December 31, 2018, the share capital totaled 468,731,048.16 euros divided into 2,929,569,051 shares with a par value of 0.16 euro each, all of the same value and fully paid.

PLACE OF LISTING

The issuer's securities are listed on the Euronext Paris Stock Exchange, compartment A, under ISIN FR 0000039299.
Following a distribution of interim dividend, 2,371,899 shares created in October 2018, carrying dividend rights from January 1, 2019, were listed under ISIN FR 0013358041.

POTENTIAL SHARE CAPITAL AMOUNT

The total number of potential shares at December 31, 2018 was made up of 6,840,000 free shares granted during the two most recent fiscal years ended, i.e. potential additional capital of 1,094,400 euros.

8.1.2. NUMBER, BOOK VALUE AND PAR VALUE OF SHARES HELD BY THE COMPANY ITSELF OR ON ITS BEHALF OR BY ITS SUBSIDIARIES

COMPANY SHARES HELD BY CONTROLLED COMPANIES

At December 31, 2018, the company's shares held by controlled companies numbered 15,322,838. Their book value amounts to 25,392,015.65 euros and their par value to 2,451,654.08 euros.
These shares do not have voting rights.

AUTHORIZATION FOR THE PURPOSE OF BUYING BACK ITS OWN SHARES GRANTED BY THE ORDINARY GENERAL MEETING OF JUNE 1, 2018

The twelfth resolution of the Ordinary General Meeting of June 1, 2018 authorized the company to trade in its own shares under the following conditions:

- maximum purchase price: 7 euros per share (excluding acquisition costs);
- maximum percentage held: 290 million shares, or 9.926% of the shares that comprise the share capital of the company;
- duration of the share buyback scheme: eighteen months.

The Board of Directors has not implemented the authorization to trade in its own shares that was granted to it by the Ordinary General Meeting of June 1, 2018.

AUTHORIZATION FOR THE PURPOSE OF BUYING BACK ITS OWN SHARES TO BE SUBMITTED TO THE NEXT ORDINARY GENERAL MEETING OF MAY 29, 2019

The renewal of an authorization to buy back shares in accordance with the provisions of articles L. 225-209 *et seq.* of the French commercial code (*Code de commerce*) will be submitted to the next General Meeting.

Description of the program submitted for authorization to the General Shareholders' Meeting of May 29, 2019

1. Breakdown by objectives of the securities held and open positions involving derivatives
Bolloré does not hold any treasury shares or open positions involving derivatives.

2. Objectives of the share repurchase program
i) Reducing the company's share capital through the cancellation of shares.
ii) Honoring the obligations associated with stock option programs or other types of share allocations to employees or corporate officers of the company or an associate company.
iii) Their submission as a form of payment or exchange in the context of an acquisition, up to a limit of 5% of the share capital.
iv) Ensuring liquidity or the trading of the company's securities through an investment service provider bound by a liquidity contract in compliance with an ethics charter recognized by the *Autorité des marchés financiers* (AMF).
v) The delivery of shares upon the exercise of the rights attached to securities or marketable securities giving access to the share capital.
vi) Implementing any market practice that may become recognized legally or by the French *Autorité des marchés financiers* (AMF).

3. Maximum percentage of the share capital, maximum number and characteristics of the equity-linked securities
The maximum portion of the share capital to be bought back authorized by the General Shareholders' Meeting in the context of the share buyback scheme is set at 291 million shares, equivalent to 9.933% of the total number of shares making up the share capital of the company at December 31, 2018.
In accordance with article L. 225-210 of the French commercial code (*Code de commerce*), the number of shares that may be held by Bolloré at any given time may not exceed 10% of the shares making up the share capital of the company on the date the purchases are made.
The securities that may be repurchased are ordinary shares with a par value of 0.16 euro listed on Euronext Paris, compartment A, under ISIN code number FR 0000039299.

4. Maximum authorized unit purchase price
The maximum unit purchase price shall not exceed 6 euros (excluding acquisition costs) with the specification that this purchase price may be adjusted by a decision of Board of Directors, particularly to adjust the aforementioned maximum unit purchase price in the event of a capital increase through the incorporation of premiums, reserves or profits, resulting in either an increase in the par value or in the creation or the granting of free shares, as well as in the event of the division or consolidation of shares or any other transaction affecting the share capital, in order to take into account the impact of these transactions on the share value.

5. Duration of the share buyback scheme
The buyback scheme would have a duration of eighteen months from the Ordinary General Meeting of May 29, 2019, i.e. until November 29, 2020.

8.1.3. HISTORY OF THE SHARE CAPITAL FOR THE PERIOD COVERED BY THE HISTORICAL FINANCIAL INFORMATION

Year	Operations	Nominal (in euros)	Amount of change in capital (in euros)	Amount of issue premium (in euros)	Cumulative share capital (in euros)	Cumulative number of company shares
June 2014	Capital increase further to the payment of the dividend in shares	16	1,157,152	29,263,650.86	438,628,608	27,414,288
October 2, 2014	Capital increase further to the payment of the interim dividend in shares	16	473,360	11,858,555.55	439,101,968	27,443,873
October 11, 2014	Capital increase further to the vesting of free shares	16	56,000	–	439,157,968	27,447,373
November 27, 2014	Extraordinary General Meeting 100-for-1 stock split	0.16	–	–	439,157,968	2,744,737,300
December 8, 2014	Capital increase further to the vesting of free shares	0.16	545,600	–	439,703,568	2,748,147,300
January 19, 2015	Capital increase further to the implementation of a public exchange offer on Havas securities	0.16	10,774,566.56	236,569,077.63	450,478,134.56	2,815,488,341
February 27, 2015	Capital increase further to the implementation of a public exchange offer on Havas securities (reopening of the offer)	0.16	11,478,196.80	344,130,687.81	461,956,331.36	2,887,227,071
June 29, 2015	Capital increase further to the payment of the dividend in shares	0.16	888,554.08	24,601,841.09	462,844,885.44	2,892,780,534
October 2, 2015	Capital increase further to the payment of an interim dividend with option to receive payment in shares	0.16	335,185.28	9,301,414.52	463,200,070.72	2,895,000,442
May 21, 2016	Capital increase further to the vesting of free shares	0.16	428,400	–	463,628,470.72	2,897,677,942
June 29, 2016	Capital increase further to the payment of the dividend in shares	0.16	1,383,746.40	23,696,657.10	465,012,217.12	2,906,326,357
October 7, 2016	Capital increase further to the payment of an interim dividend with option to receive payment in shares	0.16	660,140.16	11,593,711.56	465,672,357.28	2,910,452,233
June 28, 2017	Capital increase further to the payment of the dividend in shares	0.16	1,203,335.68	25,646,091.68	466,875,692.96	2,917,973,081
October 5, 2017	Capital increase further to the payment of an interim dividend with option to receive payment in shares	0.16	582,113.44	12,115,235.97	467,457,806.40	2,921,611,290
June 28, 2018	Capital increase further to the payment of the dividend in shares	0.16	893,737.92	20,779,406.64	468,351,544.32	2,927,197,152
October 4, 2018	Capital increase further to the payment of an interim dividend with option to receive payment in shares	0.16	379,503.84	8,254,208.52	468,731,048.16	2,929,569,051

8.2. Other securities giving access to equity

8.2.1. SHARE PURCHASE SUBSCRIPTION OPTIONS

BOLLORÉ SHARE SUBSCRIPTION OR PURCHASE OPTIONS AUTHORIZED AND NOT ALLOCATED

The Extraordinary General Meeting of Bolloré on June 1, 2017 authorized the Board of Directors to grant share subscription or purchase options for the benefit of employees and officers of the company and companies that are related to it under the conditions specified in articles L. 225-177 *et seq.* of the French commercial code (*Code de commerce*).
The maximum number of options that may be granted by the Board of Directors shall not give the right to subscribe or acquire a number of shares representing more than 5% of the share capital.
The subscription price or the acquisition price for the beneficiaries will be determined in the following manner:
i) in terms of the subscription options, the price of the share subscription options shall be determined on the day on which the options are granted, and shall not be lower than the average opening price of the company's shares listed on the regulated market Euronext Paris, or on any other market used as a substitute, during the twenty trading days preceding the grant date;
ii) in terms of the purchase options, the purchase price of the existing shares shall be determined on the day on which the options are granted, and the purchase price shall not be lower than the value indicated (i) above or than the average purchase price of the shares held by the company pursuant to articles L. 225-208 and L. 225-209 of the French commercial code *(Code de commerce)*.
The authorization was granted for a period of thirty-eight months from the Meeting of June 1, 2017.
This authorization was not used by the Board of Directors.

SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED

None.

8.2.2. FREE SHARES

GRANT OF SHARES AUTHORIZED AND PARTIALLY IMPLEMENTED

The Extraordinary General Meeting of Bolloré of June 3, 2016 authorized the Board of Directors to grant existing or future shares in the company free of charge to employees and company officers according to legal provisions.
This delegation was granted for a duration of thirty-eight months and the total number of shares granted may not represent more than 5% of the share capital, with the specification that the granting of shares to executive company officers may not exceed a subceiling equal to 2%.
This authorization was partially used by the Board of Directors at meetings on i) September 1, 2016 for a grant of 4,131,200 shares, ii) March 23, 2017 for a grant of 1,610,000 shares, and iii) March 22, 2018 for a grant of 1,238,000 shares.

FREE SHARES AND PERFORMANCE SHARES GRANTED BY BOLLORÉ

Grant of free or existing shares by the Board of Directors' meeting held on September 1, 2016, authorized by the Extraordinary General Meeting held on June 3, 2016

The terms and conditions of the grants are as follows:

	Grant
Total number of shares granted	4,131,200
Grant dates	September 1, 2016
Vesting period (3 years)	September 2, 2019
Holding period	NA
Number of recipients	136
Cumulative number of granted shares expired	139,200
Number of free shares at December 31, 2018	3,992,000

Grant of free or existing shares by the Board of Directors' meeting held on March 23, 2017, authorized by the Extraordinary General Meeting held on June 3, 2016

The terms and conditions of the grants are as follows:

	Grant
Total number of shares granted	1,610,000
Grant dates	March 23, 2017
Vesting period (3 years)	March 23, 2020
Holding period	NA
Number of recipients	11
Cumulative number of granted shares expired	–
Number of free shares at December 31, 2018	1,610,000

Grant of existing free shares by the Board of Directors' meeting held on March 22, 2018, authorized by the Extraordinary General Meeting held on June 3, 2016

The terms and conditions of the grants are as follows:

	Grant
Total number of shares granted	1,238,000
Grant dates	March 22, 2018
Vesting period (3 years)	March 22, 2021
Holding period	NA
Number of recipients	11
Cumulative number of granted shares expired	–
Number of free shares at December 31, 2018	1,238,000

BOLLORÉ FREE SHARES AND PERFORMANCE SHARES VESTED DURING THE FISCAL YEAR

No acquisition of free shares occurred during the fiscal year.

FREE SHARES AND PERFORMANCE SHARES GRANTED BY ASSOCIATED COMPANIES

In accordance with the provisions set forth by article L. 225-197-5, we draw your attention to the granting of free shares and performance shares granted by controlled companies in which Bolloré directly or indirectly holds a majority interest.

Blue Solutions (Board of Directors on January 7, 2014 authorized by the Extraordinary General Meeting of August 30, 2013)

	First award	Second award
Total number of shares granted: 378,000	364,500	13,500
Grant date	January 8, 2014	April 7, 2014
Vesting period (4 years)	January 8, 2018	April 7, 2018
Holding period (2 years)	January 8, 2020	April 7, 2020
Number of recipients	73	2
Cumulative number of granted shares expired	53,250	–
Number of free shares outstanding at December 31, 2018	0	0

8.3. Table summarizing current delegations of power granted by the General of Meeting Shareholders for capital increases, in accordance with articles L. 225-129-1 and L. 225-129-2, and indicating the use made of these delegations during the fiscal year (article L. 225-37-4, 3° of the French commercial code *[Code de commerce]*)

Authorizations	Date of General Meeting resolution	Duration (maturity)	Maximum amount (in euros)	Use
Issue of securities giving access to equity capital with preferential subscription rights	Extraordinary General Meeting of June 1, 2017	26 months (August 1, 2019)	Loan: 500,000,000 Share capital: 200,000,000	Not used
Issue of ordinary shares to be paid for by incorporation of reserves, profits or premiums or by raising the nominal value	Extraordinary General Meeting of June 1, 2017	26 months (August 1, 2019)	200,000,000(1)	Not used
Delegation to carry out a capital increase to provide remuneration for shares contributed or securities giving access to equity	Extraordinary General Meeting of June 1, 2017	26 months (August 1, 2019)	10% of share capital	Not used
Delegation to carry out a capital increase reserved for employees	Extraordinary General Meeting of June 1, 2017	26 months (August 1, 2019)	1% of share capital	Not used

(1) Amount imputed to capital increases to be carried out by issuing securities with preferential subscription rights.

8.4. Non-equity securities

BOND LOANS ISSUED BY THE COMPANY

Pursuant to the authorizations granted to him, the Chairman and Chief Executive Officer, has approved:

- on October 22, 2012, the issue of a bond loan with a nominal value of 170,000,000 euros, represented by 1,700 bonds with a nominal value of 100,000 euros each, bearing interest at the annual rate of 4.320%, maturing on October 25, 2019 (authorization by the Board of Directors on March 22, 2012);
- on January 30, 2014, the issue of a bond loan with a nominal value of 30,000,000 euros, represented by 300 bonds with a nominal value of 100,000 euros each, bearing interest at the Euribor rate plus a margin of 1.75% annually, maturing on January 31, 2019 (authorization by the Board of Directors on March 21, 2013);
- on July 23, 2015, the issue of a bond loan with a nominal value of 450,000,000 euros, represented by 4,500 bonds with a nominal value of 100,000 euros each, bearing interest at the annual rate of 2.875%, maturing on July 29, 2021 (authorization by the Board of Directors on March 19, 2015);
- on January 18, 2017, the issue of a bond loan with a nominal value of 500,000,000 euros, represented by 5,000 bonds with a nominal value of 100,000 euros each, bearing interest at the annual rate of 2.00%, maturing on January 25, 2022 (authorization by the Board of Directors on March 24, 2016).

7 General Shareholders' Meetings

1. Agenda

1.1. Agenda of the Ordinary General Meeting of May 29, 2019

- Management report of the Board of Directors – Report of the Board on corporate governance – Reports of the Statutory Auditors – Presentation and approval of the consolidated financial statements of the Group as at December 31, 2018 and reading of the report by the Statutory Auditors on the consolidated financial statements.
- Approval of the report by the Board of Directors and the annual financial statements for the fiscal year ended December 31, 2018 and reading of the report by the Statutory Auditors on the annual financial statements; discharge of directors.
- Allocation of earnings.
- Option to receive dividend payment in shares.
- Option to receive interim dividend payment in shares.
- Approval of regulated agreements and commitments.
- Renewal of the terms of office of directors.
- Acknowledgment of the expiration of the term of office of two directors.
- Appointment of a new director.
- Reappointment of a principal Statutory Auditor.
- Reappointment of an alternate Statutory Auditor.
- Authorization granted to the Board of Directors to acquire company shares.
- Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable to Vincent Bolloré in his role as Chairman and Chief Executive Officer in respect of the 2018 fiscal year.
- Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable to Cyrille Bolloré in his role as Deputy Chief Executive Officer in respect of the 2018 fiscal year.
- Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Vincent Bolloré for the period January 1 to March 14, 2019 in respect of his role as Chairman and Chief Executive Officer.
- Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Cyrille Bolloré for the period January 1 to March 14, 2019 in respect of his role as Deputy Chief Executive Officer.
- Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind payable to Cyrille Bolloré in respect of the 2019 fiscal year by virtue of his office as Chairman and Chief Executive Officers.
- Powers for formalities.

1.2. Agenda of the Extraordinary General Meeting of May 29, 2019

- Report by the Board of Directors.
- Special reports of the Statutory Auditors.
- Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares or any securities giving immediate or future access to the share capital with preferential subscription rights.
- Delegation of authority granted to the Board of Directors to increase the capital by issuing ordinary shares to be paid by incorporation of reserves, profits or premiums, or by raising the par value.
- Delegation of authority granted to the Board of Directors to increase the capital within the limit of 10% of the capital to pay for contributions of equity securities or securities giving access to the capital.
- Delegation of authority granted to the Board of Directors to increase the capital by issuing shares reserved for employees with cancellation of preferential subscription rights.
- Authorization granted to the Board of Directors to reduce the share capital through the cancellation of shares previously repurchased as part of a share repurchase program.
- Authorization granted by the General Shareholders' Meeting to the Board of Directors to award free shares of the company, either new or existing, to corporate officers and employees of the company or related companies.
- Extension of the duration of the company and resulting amendment of the bylaws.
- Conversion of the legal form of the company by adoption of the *societas europaea* legal form and the terms of conversion, and recording of the continuation of the terms of each director, the terms of office of the statutory and alternate auditors and the authorizations and delegations of competence and powers granted to the Board of Directors by the General Shareholders' Meeting.
- Adoption of the bylaws of the company as a societas Europaea.
- Powers to be given.

2. Draft resolutions submitted to the General Shareholders' Meetings

2.1. Presentation of resolutions to the Ordinary General Meeting of May 29, 2019

APPROVAL OF THE FINANCIAL STATEMENTS AND ALLOCATION OF THE DIVIDEND

The purpose of the **first resolution** is the approval of the annual financial statements for 2018, which record a profit of 135,150,124.20 euros, as well as expenses and charges not recognized as deductible expenses for the determination of corporate income tax, that amount to 206,423 euros.
In the **second resolution** you are asked to approve the 2018 consolidated financial statements showing consolidated net profits, Group share of 235,374 thousand euros.
The purpose of the **third resolution** is the allocation of earnings for fiscal year 2018. You are asked to set the dividend for the fiscal year at 0.06 euro per share.
Taking into account the payment of an interim dividend of 0.02 euro per share on October 4, 2018, the balance of the dividend payable on June 26, 2019 would be 0.04 euro per share.

OPTION TO RECEIVE DIVIDEND PAYMENT IN SHARES

The purpose of the **fourth resolution** is to give each shareholder the option to receive payment of the dividend in new company shares, and this for the full amount of dividends payable in respect of shares owned.
If the option for payment of the dividend in shares is exercised, the new shares will be issued at a price equal to 90% of the average opening price quoted on the market for the twenty trading days preceding the date of the General Shareholders' Meeting, less the amount of the dividend attributed by the third resolution, rounded up to the next euro cent.

OPTION TO RECEIVE PAYMENT OF THE INTERIM DIVIDEND IN SHARES

The **fifth resolution** bears on the possibility of the Board of Directors deciding to pay one or more interim dividends for the fiscal year ending December 31, 2019 and on the possibility granted to each shareholder in this case to opt for the payment of the interim dividend in new shares of the company, in the entire amount of the interim payment in respect of shares owned.
If the option for payment of the dividend in shares is exercised, the new shares will be issued at a price equal to 90% of the average opening price quoted on the market for the twenty trading days preceding the date of the decision of the General Shareholders' Meeting to pay an interim dividend less the amount of the relevant interim payment rounded up to the next euro cent.

APPROVAL OF REGULATED AGREEMENTS AND COMMITMENTS

The **sixth resolution** notes that no new agreement was concluded during the 2018 fiscal year, and notes the execution conditions for the agreements authorized previously, as presented in the Statutory Auditors' special report (in the registration document).

ACKNOWLEDGMENT OF THE EXPIRATION OF THE TERM OF OFFICE OF A DIRECTOR

In the **seventh resolution**, the Board of Directors asks you to acknowledge the expiration of the term of office as a director of Vincent Bolloré.

RENEWAL OF THE TERMS OF OFFICE OF DIRECTORS

The Board of Directors of your company has 18 members, 8 of whom are women.
Following the recommendations of the Compensation and Appointments Committee, the Board of Directors, at its meeting of March 14, 2019, decided to propose the renewal of the terms of office of Cyrille Bolloré, Yannick Bolloré, Cédric de Bailliencourt, Bolloré Participations, Chantal Bolloré, Sébastien Bolloré, Financière V and Omnium Bolloré, Olivier Roussel and François Thomazeau, which expire at the end of this General Shareholders' Meeting.
In the **eighth, ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, fifteenth, sixteenth and seventeenth resolutions,** you are asked to renew the terms of office of Cyrille Bolloré, Yannick Bolloré, Cédric de Bailliencourt, Bolloré Participations, Chantal Bolloré, Sébastien Bolloré, Financière V and Omnium Bolloré, Olivier Roussel and François Thomazeau for a period of three years until the General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

ACKNOWLEDGMENT OF THE EXPIRATION OF TERM OF OFFICE OF A DIRECTOR AND PROPOSED APPOINTMENT OF A DIRECTOR

In the **eighteenth resolution,** the Board of Directors asks you to acknowledge the expiration of the term of office as director of Valérie Coscas.
In the **nineteenth resolution,** you are asked to appoint Virginie Courtin as a director for a period of three years, until the General Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2021.

REAPPOINTMENT OF THE STATUTORY AUDITORS

The **twentieth resolution** proposes the renewal of the term of office of a Statutory Auditor, AEG Finances – Audit. Expertise. for a further period of six fiscal years, i.e. until the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2024.
The **twenty-first resolution** proposes the renewal of the term of office of an alternate Statutory Auditor, the Institut de gestion et d'expertise comptable – IGEC for a further period of six fiscal years, i.e. until the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2024.

AUTHORIZATION GRANTED TO THE BOARD OF DIRECTORS TO ACQUIRE SHARES OF THE COMPANY

In the **twenty-second resolution,** it is proposed that you authorize the Board of Directors to buy back shares of the company.
This authorization would enable the Board of Directors to acquire 291 million shares, or 9.933% of the shares comprising the share capital of the company.
This buyback scheme could be used for the following purposes:

i) reducing the company's share capital by cancelling shares;
ii) honoring the obligations associated with share option programs or other allocations of share to employees or to company officers of the company or of an associate company;
iii) their submission as a form of payment or exchange in the context of an acquisition, up to a limit of 5% of the share capital;
iv) ensuring liquidity or the trading of the company's securities through an investment service provider bound by a liquidity contract in compliance with an ethics charter recognized by the Autorité des marchés financiers (AMF);
v) the delivery of shares upon the exercise of the rights attached to securities or marketable securities giving access to the share capital; and
vi) implementing any market practice that may become recognized legally or by the AMF.

The maximum purchase price would be set at 6 euros per share (excluding acquisition costs).
This authorization would be granted for a period of eighteen months from the date of this General Shareholders' Meeting and would terminate the previous share repurchase program authorized by the General Shareholders' Meeting of June 1, 2018 pursuant to its twelfth resolution.

APPROVAL OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL COMPENSATION AND BENEFITS OF ANY KIND PAID OR GRANTED FOR FISCAL YEAR 2018 TO EACH EXECUTIVE COMPANY OFFICER OF THE COMPANY BY VIRTUE OF THEIR OFFICE

In the **twenty-third and twenty-fourth resolutions,** you are asked to approve, in application of articles L. 225-37-2 and L. 225-100 of the French commercial code *(Code de commerce)*, the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable in respect of the 2018 fiscal year to each company officer of the company.
These components are presented in the corporate governance report.

APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, DISTRIBUTION AND ALLOCATION OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL COMPENSATION AND BENEFITS OF ANY KIND PAYABLE TO EACH EXECUTIVE COMPANY OFFICER FOR THE PERIOD JANUARY 1 TO MARCH 14, 2019, BY VIRTUE OF THEIR OFFICE

The **twenty-fifth and twenty-sixth resolutions** submit for your approval the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind payable to each executive corporate officer for the period January 1 to March 14, 2019 by virtue of their office.
In accordance with the provisions of article L. 225-37-2 of the French commercial code *(Code de commerce)*, the twenty-fifth and twenty-sixth resolutions are presented in the corporate governance report.

APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, DISTRIBUTION AND ALLOCATION OF THE FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL COMPENSATION AND BENEFITS OF ANY KIND PAYABLE TO THE COMPANY'S OFFICER IN RESPECT OF THE 2019 FISCAL YEAR

The **twenty-seventh resolution** submits for your approval the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind payable in respect of the 2019 fiscal year, by virtue of his office as Company Officer.
In accordance with the provisions of article L. 225-37-2 of the French commercial code (*Code de commerce*), the twenty-seventh resolution is presented in the corporate governance report.

POWERS TO BE GIVEN

The **twenty-seventh resolution** concerns the granting of powers necessary to carry out the public notice and other formalities required by law.

2.2. Resolutions presented to the Ordinary General Meeting of May 29, 2019

FIRST RESOLUTION

(Approval of the annual financial statements for the 2018 fiscal year)

The General Shareholders' Meeting, having reviewed the management report of the Board of Directors and the attached Board report on corporate governance, which it approves in their entirety, as well as the report of the Statutory Auditors on the annual financial statements, approves the annual financial statements for the fiscal year ended December 31, 2018, as presented, as well as the transactions recorded in these financial statements and summarized in these reports.

In particular, it approves the expenditures covered by article 223 quater of the French General Tax Code *(Code général des impôts)* and not deductible for determining the amount of corporation tax under article 39-4 of the French General Tax Code *(Code général des impôts)*, which total 206,423 euros.
It consequently discharges all directors from their duties for the fiscal year ended December 31, 2018.

SECOND RESOLUTION

(Approval of the consolidated financial statements for the 2018 fiscal year)

The General Shareholders' Meeting, having acknowledged the presentation made to it of the consolidated financial statements for the fiscal year ended December 31, 2018 and the Statutory Auditors' report, showing consolidated revenue of 23,024,415 thousand euros and consolidated net profit, Group share of 235,374 thousand euros, approves the consolidated financial statements for the fiscal year ended December 31, 2018, as presented.
The General Meeting notes the content of the Group's management report, as included in the management report of the Board of Directors.

THIRD RESOLUTION

(Allocation of earnings)

The General Meeting approves the proposal made by the Board of Directors and resolves to allocate the distributable profit for the period as follows:

(in euros)	
Net income for the period	(135,150,124.20)
Retained profit carried over	579,857,172.44
Appropriation to the legal reserve	–
Distributable profit	**444,707,048.24**
Dividend	–
– Interim dividend(1)	58,543,943.04
– Year-end dividend(2)	177,087,886.08
Amount carried forward	269,075,219.12

(1) This interim dividend, which the Board of Directors decided to pay on August 31, 2018, was set at 0.02 euro per share with a par value of 0.16 euro. Payment was made on October 4, 2018.
(2) The year-end dividend will amount to 0.02 euro per share, on the stipulation that of the total number of shares composing the share capital (i.e. 2,929,569,051), 2,371,899 shares issued in respect of the interim dividend payment for fiscal year 2018 carry dividend rights as from January 1, 2019, and therefore do not confer any rights to any year-end dividend in 2018.

The final dividend for the 2018 fiscal year is accordingly set at 0.06 euros per share with a par value of 0.16 euro.
Since January 1, 2018, dividends received by natural persons that are tax domiciled in France are subject to a single flat-rate withholding tax (PFU or flat tax) of 30% at the time of payment, i.e. 12.8% in respect of income tax and 17.2% in respect of social withholding tax.
Individuals whose reference taxable income for the previous year was lower than a certain threshold (50,000 euros for single, widowed or divorced tax-payers – 75,000 euros for taxpayers who file jointly) may request an exemption from the withholding of the flat income tax (12.8%). The request must be made, under the shareholders' responsibility, by November 30 at the latest of the year preceding the dividend payment.
At the time of their declaration, dividends may also optionally be subject to the progressive income tax scale, after the application of a 40% allowance. If applicable, this option gives rise to a regularization of the income tax paid in respect of the single flat tax.
In all cases, dividends received must be declared the year following their payment and may give rise, if applicable, to additional income tax in respect of the exceptional contribution on high revenues.
The amounts distributed by way of the year-end dividend will be paid on June 26, 2016.

In accordance with the provisions of article 243 *bis* of the French General Tax Code *(Code général des impôts)*, the General Meeting duly notes that the amounts of the dividends per share distributed for the three previous fiscal years were as follows:

Fiscal year	2017	2016	2015
Number of shares	2,921,611,290	2,906,326,357	2,895,000,442
Dividend (in euros)	0.06(2)	0.06(1)	0.06(1)
Amount paid (in millions of euros)	175.07	174.37	173.56

(1) The dividends received before January 1, 2018 by natural persons domiciled for tax purposes in France are subject to the progressive scale of income tax, after application of a rebate of 40%.
When they are paid, they will be subject to withholding tax at the rate of 21% and can be offset against income tax owed for the year during which payment was made.
Individuals whose declared taxable income for the previous year was lower than a certain amount (50,000 euros for single, widowed or divorced tax-payers – 75,000 euros for taxpayers who file jointly) may request an exemption from this withholding tax.
(2) Since January 1, 2018, dividends received by natural persons that are tax domiciled in France are subject to a single flat-rate withholding tax (PFU or flat tax) of 30% at the time of payment, i.e. 12.8% in respect of income tax and 17.2% in respect of social withholding tax.
Individuals whose reference taxable income for the previous year was lower than a certain threshold (50,000 euros for single, widowed or divorced tax-payers – 75,000 euros for taxpayers who file jointly) may request an exemption from the withholding of the flat income tax (12.8%). The request must be made, under the shareholders' responsibility, by November 30 at the latest of the year preceding the dividend payment.
At the time of their declaration, dividends may also optionally be subject to the progressive income tax scale, after the application of a 40% allowance. If applicable, this option gives rise to a regularization of the income tax paid in respect of the single flat tax.
In all cases, dividends received must be declared the year following their payment and may give rise, if applicable, to additional income tax in respect of the exceptional contribution on high revenues.

FOURTH RESOLUTION

(Option to receive dividend payment in shares)

The General Meeting, having noted the report of the Board of Directors and verified that the share capital is fully paid up, resolves, in accordance with article 22 of the articles of association, to offer each shareholder the option of receiving their full entitlement to a dividend payment, based on the number of shares they currently hold, in new shares.
If this option is exercised, the new shares shall be issued at a price equal to 90% of the average opening price quoted on the regulated market of Euronext Paris for the twenty trading days preceding the date of the General Shareholders' Meeting, less the amount of the dividend attributed under the third resolution, rounded up to the next euro cent.
Shares issued as a result shall carry dividend rights as of January 1, 2019.
If the amount of the dividends over which the option is exercised does not correspond to a whole number of shares, the shareholder may:

- receive the next higher whole number of shares by paying the difference in cash on the day he or she exercises the option;
- receive the next lower number of whole shares and the difference in cash.

Shareholders can notify their choice to receive their dividend payment in cash or in new shares between June 6, 2019 and June 20, 2019 inclusive, by notifying their authorized financial intermediaries or, for holders of direct registered shares held by the company, by notifying the trustee (Caceis Corporate Trust – Assemblées générales centralisées – 14, rue Rouget-de-Lisle – 92862 Issy-les-Moulineaux Cedex 09, France).
For shareholders who have not opted for payment of the dividend in shares by the expiry of the period referred to in the previous paragraph, the dividend will be paid in cash only.
Shares will be delivered to shareholders opting to take their dividends in shares on the same date as the payment of the cash dividend, i.e. June 26, 2019.
The General Shareholders' Meeting gives the Board of Directors all necessary powers, with the right of subdelegation under the conditions specified by law, to carry out the dividend payment in new shares, to specify the terms of implementation and execution, to record the number of new shares issued under this resolution and to amend the bylaws accordingly and, in general, to take whatever further steps shall be necessary or appropriate.

FIFTH RESOLUTION

(Option to receive interim dividend payment in shares)

The General Shareholders' Meeting, having noted the report of the Board of Directors and verified that the share capital is fully paid up, resolves, in accordance with article 22 of the bylaws, in the event that the Board of Directors decides to pay one or more interim dividends for the fiscal year ending December 31, 2019 and for each such interim payments, to offer each shareholder the option of receiving their full entitlement to the interim dividend payment, based on the number of shares they currently hold, in new shares.

If this option is exercised, the new shares shall be issued at a price equal to 90% of the average opening price quoted on the regulated market of Euronext Paris for the twenty trading days preceding the day of the Board of Directors' decision to pay an interim dividend, less the amount of the interim dividend attributed under the third resolution, rounded up to the next euro cent.

If the amount of the interim dividend over which the option is exercised does not correspond to a whole number of shares, the shareholder may:

- receive the next higher whole number of shares by paying the difference in cash on the day he or she exercises the option; or
- receive the next lower number of whole shares and the difference in cash.

Accordingly, the General Shareholders' Meeting grants all powers to the Board of Directors, with the option of further delegating within the statutory limits, to set the period during which the option of payment in shares is offered to shareholders, to set the dividend entitlement date of the new shares and their delivery date, to record the capital increase resulting from the issue of shares resulting from shareholders taking up the option, to make the corresponding amendments to the bylaws and to carry out all public notice formalities required by law.

SIXTH RESOLUTION

(Approval of regulated agreements and commitments)

The General Shareholders' Meeting, after examining the Statutory Auditors' special report on the agreements and commitments mentioned in article L. 225-38 of the French commercial code *(Code de commerce)*, and ruling on this report, notes that no new agreement was entered into in the fiscal year ended as well as the conditions of execution of previously authorized agreements.

SEVENTH RESOLUTION

(Acknowledgment of the expiration of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Vincent Bolloré on the Board of Directors is due to expire at the end of the present Meeting, duly acknowledges his decision not to seek the renewal of his term of office.

EIGHTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Cyrille Bolloré on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

NINTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Yannick Bolloré on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

TENTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Cédric de Bailliencourt on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

ELEVENTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Bolloré Participations on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

TWELFTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Chantal Bolloré on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

THIRTEENTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Sébastien Bolloré on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

FOURTEENTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Financière V on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

FIFTEENTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Omnium Bolloré on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

SIXTEENTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Olivier Roussel on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

SEVENTEENTH RESOLUTION

(Renewal of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of François Thomazeau on the Board of Directors is due to expire at the end of the present Meeting, resolves to renew this appointment for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2021.

EIGHTEENTH RESOLUTION

(Acknowledgment of the expiration of the term of office of a director)

The General Shareholders' Meeting, noting that the term of office of Valérie Coscas on the Board of Directors is due to expire at the end of the present Meeting, duly acknowledges her decision not to request the renewal of her term of office.

NINETEENTH RESOLUTION

(Appointment of a director)

On the proposal of the Board of Directors, the General Shareholders' Meeting hereby appoints Virginie Courtin, who is domiciled at Clarins SAS, 9 rue Commandant Pilot, 92200 Neuilly-sur-Seine, France, as a director for a period of three years, until the end of the Ordinary General Meeting called to approve the financial statements for the year ending December 31, 2021.

TWENTIETH RESOLUTION

(Reappointment of a principal Statutory Auditor)

The General Shareholders' Meeting, noting that the term of office of AEG Finances – Audit. Expertise. Gestion, principal Statutory Auditor, is due to expire at the end of the present Meeting, resolves to renew this appointment for another six financial years until the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2024.

TWENTY-FIRST RESOLUTION

(Reappointment of an alternate Statutory Auditor)

The General Shareholders' Meeting, noting that the term of office of the Institut de Gestion et d'Expertise Comptable – IGEC, alternate Statutory Auditor, is due to expire at the end of the present Meeting, resolves to renew this appointment for another six financial years until the Ordinary General Meeting called to approve the financial statements for the fiscal year ending December 31, 2024.

TWENTY-SECOND RESOLUTION

(Authorization granted to the Board of Directors to acquire company shares)

The General Shareholders' Meeting, having reviewed the report of the Board of Directors, authorizes the Board, with the right of subdelegation under the conditions specified by law, to acquire company shares in accordance with the provisions of articles L. 225-209 *et seq.* of the French commercial code *(Code de commerce)* for the purpose of:

i) reducing the company's share capital by cancelling shares;
ii) honoring the obligations associated with share option programs or other allocations of share to employees or to company officers of the company or of an associate company;
iii) their submission as a form of payment or exchange in the context of an acquisition, up to a limit of 5% of the share capital;
iv) ensuring liquidity or the trading of the company's securities through an investment service provider bound by a liquidity contract in compliance with an ethics charter recognized by the Autorité des marchés financiers (AMF);
v) the delivery of shares upon the exercise of the rights attached to securities or marketable securities giving access to the share capital;
vi) implementing any market practice that may become recognized legally or by the AMF.

The maximum purchase price is set at 6 euros per share (excluding acquisition costs).

In the event of a capital increase through the incorporation of share premiums, reserves or profits resulting in either an increase in the par value or the creation or granting of free shares, as well as in the event of the division or consolidation of shares or any other type of transaction involving the share capital, the Board of Directors will be able to adjust the purchase price in order to take into account the impact of these transactions on the share value.

The Board of Directors may acquire 291 million shares under this authorization, i.e. 9.933% of the shares that make up the share capital of the company.

The General Shareholders' Meeting grants all powers to the Board of Directors, with the option of further delegating under the conditions provided by the law, to implement this authorization, and specifically to place any stock market order or order outside the market, allocate or reallocate acquired shares to the various objectives sought, prepare all documents, make all disclosures and, generally, do all that is necessary.

This authorization is granted for a period of eighteen months from the date of this General Shareholders' Meeting and terminates the previous share buyback program authorized by the General Shareholders' Meeting of June 1, 2018 pursuant to its twelfth resolution.

TWENTY-THIRD RESOLUTION

(Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable to Vincent Bolloré in his role as Chairman and Chief Executive Officer in respect of the 2018 fiscal year)

In accordance with articles L. 225-37-2 and L. 225-100 of French commercial code *(Code de commerce)*, the General Shareholders' Meeting, ruling under the quorum and majority conditions required for Ordinary General Shareholders' Meetings, approves the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable in respect of the previous fiscal year to Vincent Bolloré in his role as Chairman and Chief Executive Officer, as presented in the corporate governance report mentioned in article L. 225-37 of this same Code.

TWENTY-FOURTH RESOLUTION

(Approval of the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable to Cyrille Bolloré in his role as Deputy Chief Executive Officer in respect of the 2018 fiscal year).

In accordance with articles L. 225-37-2 and L. 225-100 of French commercial code *(Code de commerce)*, the General Shareholders' Meeting, ruling under the quorum and majority conditions required for Ordinary General Shareholders' Meetings, approves the fixed, variable and exceptional components of the total compensation and benefits of any kind paid or payable in respect of the previous fiscal year to Cyrille Bolloré in his role as Deputy Chief Executive Officer, as presented in the corporate governance report mentioned in article L. 225-37 of this same Code.

TWENTY-FIFTH RESOLUTION

(Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Vincent Bolloré for the period January 1 to March 14, 2019 in his role as Chairman and Chief Executive Officer)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the principles and criteria for determining, allocating and granting of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the Board of Directors' corporate governance report that may be paid to Vincent Bolloré for the period January 1 to March 14, 2019 in his role as Chairman and Chief Executive Officer.

TWENTY-SIXTH RESOLUTION

(Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Cyrille Bolloré for the period January 1 to March 14, 2019 in his role as Deputy Chief Executive Officer)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the Board of Directors' corporate governance report that may be paid to Cyrille Bolloré for the period January 1 to March 14, 2019 in his role as Deputy Chief Executive Officer.

TWENTY-SEVENTH RESOLUTION

(Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and exceptional components of total compensation and benefits of any kind that may be paid to Cyrille Bolloré in respect of the 2019 fiscal year in his role as Chairman and Chief Executive Officer)

The General Meeting, ruling under the quorum and majority conditions required for Ordinary General Meetings, approves the principles and criteria for determining, allocating and granting of the fixed, variable and exceptional components of the total compensation and benefits of any kind presented in the Board of Directors' corporate governance report that may be paid to Vincent Bolloré in his role as Chairman and Chief Executive Officer.

TWENTY-EIGHTH RESOLUTION

(Powers for formalities)

The General Meeting assigns full powers to the persons bearing copies or extracts of these minutes for the completion of all legal formalities.

2.3. Presentation of the terms of conversion and the draft bylaws as a societas Europaea

TERMS OF CONVERSION OF THE COMPANY INTO A *SOCIETAS EUROPAEA*

These terms of conversion have been prepared by the Board of Directors of the company as part of the proposed conversion ("**Conversion**") of the company into a societas Europaea ("**SE**") in accordance with the provisions of article 37 (4) Council Regulation (EC) no. 2157/2001 of October 8, 2001 on the Statute for a European company (the "**SE Regulation**") and the second paragraph of article L. 225-245-1 of the French commercial code *(Code de commerce)*.

I – DESCRIPTION OF THE TERMS OF CONVERSION

1. IDENTITY AND CHARACTERISTICS OF THE COMPANY

i) Form – Registered office – Capital

The company is a public limited-liability company *(société anonyme)* with a Board of Directors governed by French law, whose head office is located at Odet, 29500 Ergué-Gabéric.
The company's share capital of 468,731,048.16 euros is divided into 2,929,569,051 shares of a single class, with a par value of 0.16 euro each, all fully paid up.

ii) Place of registration – Applicable law

The company is registered in the Quimper Trade and Companies Register under number 055 804 124. It is governed by the laws and regulations in force in France and by its bylaws.

iii) Activities

Bolloré is a company whose securities are admitted to trading on compartment A of Euronext Paris, and whose main activity is to acquire or manage shareholdings.
Founded in 1822, the Bolloré Group, controlled mainly by the Bolloré family, is one of the world's 500 largest companies. The stability of its shareholders allows it to pursue a long-term investment policy.
Due to its diversification strategy based on innovation and international development, the Group holds strong positions in three business:

- **transportation and logistics**

The Bolloré Group is one of the world's leading transportation groups, with more than 36,000 employees in more than 100 countries throughout Europe, Asia, the Americas and Africa, where it carries where it operates its business activities in ports, freight forwarding and railroads.
It is also a major player in oil logistics in France and Europe.

- **communications**

The Group's Communications division mainly consists of its stake in Vivendi, with Universal Music Group, a global leader in the music industry, Canal+ group, Havas, one of the world's leading advertising and communications groups, and Gameloft, a leader in mobile video games.
The Group owns *CNews,* a free daily newspaper in France, and also has a telecoms business.

- **electricity storage solutions**

The Bolloré Group has made electricity storage one of its major areas of development. It has developed unique technology in Lithium Metal Polymer batteries (LMP®), which it has used to launch mobile and stationary applications. It also has a set of systems serving to manage these applications.

In addition to these activities, the Bolloré Group manages a portfolio of financial investments (amounting to more than 7.4 billion euros at the end of 2017).

iv) Corporate purpose (article 3 of the bylaws)

Article 3 of the bylaws reads as follows:
"**Article 3 – Corporate purpose**
The company objectives in France and in any other country are to carry out the following activities, either directly or indirectly:
- the acquisition of any interests and shareholdings in any French or non-French company by any means;
- the industrial application of any technologies;
- any forms of transportation, by sea, land or otherwise, and any transportation-related services, together with all related operations;
- the provision of services, advice and assistance to companies, particularly on financial matters;
- the purchase and sale of any products, the acquisition, management, operation (including by lease with or without a purchase option) or sale of any consumer goods or equipment, whether fixed, movable or vehicular, of machines and tools, as well as any land, sea and air craft;
- the acquisition and licensing of all patents, trademarks and commercial or manufacturing operations; and
- more generally, any commercial, financial or industrial transaction whatsoever, movable or immovable, that may directly or indirectly further the corporate purpose or any similar or related purposes.

v) Duration

Article 5 of the bylaws reads as follows:
"**Article 5 – Duration**
The duration of the company is ninety-nine years from the date of its definitive incorporation, unless wound up early or extended."

2. REASONS FOR THE CONVERSION

The Bolloré Group, thanks to its diversification strategy based on innovation and international development, holds strong positions in its three lines of business: transportation and logistics, communications, and electricity storage solutions.
The activities of the Group to which the company belongs cover several geographies: Europe, Africa, Asia-Pacific and the Americas.
However, the Group has expanded very widely in many countries of the European Union and the European Economic Area. It currently operates in 17 of them (France, Germany, the United-Kingdom, Belgium, Italy, Spain, Portugal, the Netherlands, Poland, Czech Republic, Luxembourg, Austria, Hungary, Romania, Finland, Denmark and Norway).
Its European identity is reflected in the fact that the company and its subsidiaries now generate a majority of their revenue (more than 55%) in Europe. Moreover, at December 31, 2017, the Group had a workforce of 39,451 employees, of which 10,037 in Europe, representing approximately 25% of its workforce.
As the Group operates in a large number of countries and has strong roots in Europe, the Board of Directors now wishes to reflect its European dimension in the company's very structure, and as such proposes to change its legal form by the adoption of the societas Europaea form.
This legal form has the advantage of being recognized in the countries of the European Union, and benefits from a common base formed by a unified system comprising the provisions of the SE Regulation.
In addition to positive aspects in terms of image in respect of its customers and partners, the prospective conversion would strengthen the sense of belonging of all employees to the Group.
The conversion of the company into a societas Europaea would accordingly be consistent with the reality of its economic activities, as regards both its employees and its customers and partners.

3. CONDITIONS OF THE CONVERSION

i) Subsidiary governed by the law of another Member State

In accordance with the provisions of article 2, paragraph 4 of the SE Regulation, a public limited-liability company, formed under the law of a Member State, which has its registered office and head office within the Community may be transformed into an SE if for at least two years it has had a subsidiary company governed by the law of another Member State.
This condition is fulfilled since the company, a public limited-liability company incorporated under French law with its registered office and central administration in France, has for more than two years owned several subsidiaries located within the European Union.

ii) Amount of share capital

In accordance with the provisions of article 4, paragraph 2 of the SE Regulation, the subscribed capital of an SE shall not be less than 120,000 euros.
This condition is fulfilled at the present date and will be fulfilled on the day of the General Shareholders' Meeting called to rule on the Conversion.

iii) Reserves

In accordance with article 37, paragraph 6 of the SE Regulation and article L. 225-245-1 of the French commercial code *(Code de commerce)*, in the event of conversion into an SE, the company must have reserves at least equivalent to its capital plus those reserves that the law or the articles of association do not allow to be distributed.
This condition will be evidenced by a report from one or more conversion commissioner(s), as described below.

4. LEGAL REGIME OF THE CONVERSION

The Conversion is governed by:
- the provisions of the SE Regulation (in particular articles 2, paragraph 4 and 37 relating to the incorporation of a *societas europaea* by way of conversion);
- articles L. 225-245-1 and R. 229-20 to R. 229-22 of the French commercial code *(Code de commerce)*; and
- the provisions of Council Directive 2001/86/EC of October 8, 2001 supplementing the Statute for a European company with regard to the involvement of employees (the "SE Directive") and the provisions transposing the SE Directive into national law as provided for in articles L. 2351-1 *et seq.* of the French Labor Code *(Code du travail)*.

II – CONSEQUENCES OF THE PROPOSED CONVERSION

1. LEGAL ASPECTS OF CONVERSION

i) Legal regime

The legal regime applicable to the SE is defined by the provisions of article 9, paragraph 1 of the SE Regulation.
As such, the SE will be governed by:
a) the SE Regulation;
b) where the SE Regulation expressly authorizes it, by the provisions of the bylaws of the SE; or
c) for matters not covered by the SE Regulation or where a subject is only partially covered by it, by:
– the provisions of the French commercial code *(Code de commerce)* bearing on SEs (articles L. 229-1 and R. 229-1 *et seq.*),
– the provisions applicable to public limited-liability companies incorporated in France, when they are compatible with the SE rules,
– the provisions of the bylaws of the SE, under the same conditions as for a public limited-liability company *(sociétés anonymes)* incorporated in France.

ii) Company name after the Conversion

On the effective date of the Conversion, the company will retain its corporate name "Bolloré", which will be followed by the abbreviation "SE".

iii) Registered office and head office of the company

The registered office and the head office of the company are in France.

iv) Bylaws (draft attached)

A draft of the bylaws that will govern the company after the definitive completion of the Conversion, subject to their approval by the Extraordinary General Meeting, is appended to this document.
These bylaws also take into account the changes that will be submitted to shareholders at the next Extraordinary General Meeting.
The provisions of these bylaws are consistent with the SE Regulation and applicable French law.

v) Legal personality and shares of the company

Pursuant to article 37, paragraph 2 of the SE Regulation, the Conversion will not entail the winding up of the company or the creation of a new legal person.
After the definitive completion of the Conversion and from its registration as a SE in the Quimper Trade and Companies Register, the company will simply continue its activity in the form of a societas Europaea.

vi) Structure of the SE

The SE Regulation lays down a limited number of rules concerning the functioning of an SE, with reference to the provisions of the relevant national laws.
All the rules provided for in the SE Regulation have been incorporated into the draft bylaws appended hereto.
As a result, the company will retain its current organs, whose terms and decision-making conditions will not be modified by the conversion into an SE, with the exception of certain rules:

- **General Shareholders' Meeting**

The rules for calculating the voting majority at General Shareholders' Meetings of Shareholders will be amended in accordance with articles 57 and 58 of the SE Regulation.
While in a public limited-liability company *(société anonyme)* under French law, abstention or an informal vote at a General Shareholders' Meeting (ordinary, extraordinary or special) is equivalent to a vote "against" the resolution, the calculation of the majority for the adoption of resolutions by the General Shareholders' Meeting of an SE is based on "votes validly cast", which do not include those attached to shares for which a shareholder did not take part in the vote, or abstained or returned a blank or spoilt ballot paper.
In addition, pursuant to article 55 of the SE Regulation, one or more shareholders together holding shares representing at least 10% of the subscribed capital may ask the SE to call a General Shareholders' Meeting and draw up the agenda therefore.

- **Single-tier structure of the Board of Directors**

The single-tier structure will be maintained after the Conversion, and the current terms of office of the members of the Board of Directors will continue under the same conditions and for the remaining period as within the company in its current form.
If necessary, the General Shareholders' Meeting will agree to the continuation of the directors' terms of office.
Board of Directors will meet at least once every three months to discuss the progress and foreseeable development of the company's business, in accordance with article 44, paragraph 1 of the SE Regulation.
For its decisions to be valid, at least half of the directors must be present or represented.
The organization of the governance, which is based on the establishment of two specialist Committees of the Board of Directors (Audit Committee and Compensation and Appointments Committee) will remain unchanged.

vii) Statutory Auditors

Following the completion of the Conversion, the Statutory Auditors will be the same as those of the company in its current form. Their current terms will continue under the same conditions and for the remaining period as for the company in its current form.
If necessary, the General Shareholders' Meeting will agree to the continuation of the ongoing terms within the SE.

2. CONSEQUENCES FOR SHAREHOLDERS

The Conversion will not affect the rights of the shareholders of the company.
As such, the financial commitment of each shareholder will remain limited to that to which he/she had subscribed prior to the conversion of the company. The Conversion will not affect the share of each shareholder in the voting rights of the company.
The number of shares issued by the company will not be changed as a result of the Conversion.
Conversion into a societas Europaea will result in a reinforcement of the rights of shareholders will be strengthened, as article 55, paragraph 1 of the SE Regulation recognizes the option of one or more shareholders together holding at least 10% of the subscribed capital of the company may ask the SE to call a General Shareholders' Meeting and draw up the agenda therefore.

3. CONSEQUENCES FOR CREDITORS

The Conversion will not in itself change the rights of the creditors of the company.
Pre-Conversion creditors will retain all rights in respect of the company following the completion of the Conversion. Creditors will also retain the benefit of the securities granted to them before the final completion of the Conversion and which are still in force at that date.

4. CONSEQUENCES FOR EMPLOYEES

The negotiation procedure with the employee representatives of the companies concerned by the creation of a societas Europaea is set out in the SE Directive, which has been transposed into articles L. 2351-1 to L. 2353-32 of the French Labor Code *(Code du travail)*.
Bolloré will ask its employees to establish a special negotiating body ("SNB"). The purpose of the SNB is to conduct negotiations with a view to concluding a written agreement with the employee representatives of all direct and indirect subsidiaries of the company with their registered office in the European Union or in the European Economic Area on the terms of employee involvement in the SE.

The members of the SNB will be appointed in accordance with the procedures laid down for each of the countries concerned. This body will be the partner of management in the negotiations. It will have legal personality.
The members of the SNB will be called to meet by the senior executives of the company; they may be assisted by experts. Negotiations may continue for six months from the date of the first meeting of the SNB. They may be extended by mutual agreement of the parties without the maximum duration of negotiations exceeding one year.
The SNB's negotiations on employee involvement in the societas Europaea may lead to one of the following outcomes:

i) a written agreement determining the terms of employee involvement in the societas Europaea; or
ii) the application of the subsidiary provisions relating to the societas Europaea Committee provided for in articles L. 2353-1 *et seq.* of the French Labor Code *(Code du travail)* when, at the end of the collective bargaining period provided for in article L. 2352-9 of the said Code, if no agreement has been reached.

It has already been established that the conversion of the company into a societas Europaea will not entail any change in the employment contracts of employees of the company or its direct or indirect subsidiaries. As such, their employment contracts will continue pursuant to the same terms and under the same conditions as prior to the completion of the Conversion.

5. ECONOMIC CONSEQUENCES OF THE CONVERSION

As mentioned above in point I-2. (Reasons for the Conversion), the Group has expanded very widely in many countries of the European Union, resulting in the fact that a majority of the revenue of the company and its subsidiaries is now generated in Europe (more than 50%). Moreover, out of a total workforce of 39,451 employees, the Group has 10,037 employees in Europe, representing approximately 25% of its workforce.
The Conversion is therefore consistent with the economic reality of the company, this legal form being recognized in the countries of the European Union, and benefiting from a common base formed by a unified system comprising the provisions of the SE Regulation.
This form would better reflect the Group's reality, which operates in many countries, with a significant presence in Europe, and would have advantages in terms of image in respect of the company's customers and partners.

6. TAX CONSEQUENCES OF THE CONVERSION

The conversion of the company will not result in any specific tax impact with respect to corporation tax since it will not lead to the creation of a new legal person or the change of the tax regime of the company, nor to the transfer of the company's headquarters abroad.
As regards registration fees, the operation must be registered within thirty days of its completion; insofar as it is not considered to be the formation of a corporation, this operation will not entail the payment of any capital duties, but will be subject only to the fixed duty on unnamed acts provided for in article 680 of the French General Tax Code *(Code général des impôts)*, (currently 125 euros).

III – PROCEDURE

1. OPINION OF THE CENTRAL COMMITTEE OF THE ECONOMIC AND SOCIAL UNIT (CCUES)

The CCUES issued an opinion on the terms of conversion of the company into an SE on November 29, 2018.

2. CONVERSION COMMISSIONER(S)

Pursuant to article 37, paragraph 6 of the SE Regulation and article L. 225-245-1 of the French commercial code *(Code de commerce)*, one or more conversion commissioners will be appointed by the Presiding Judge of the Quimper Commercial Court ruling on the application.
In accordance with article R. 229-21 of the French commercial code *(Code de commerce)*, the conversion commissioner(s) will be selected from among the Statutory Auditors registered in the list provided for in article L. 822-1 of the French commercial code *(Code de commerce)* or from among experts appointed by the courts and tribunals.
The conversion commissioner(s) will be tasked with preparing for the shareholders a report certifying, in accordance with the provisions of article 37, paragraph 6 of the SE Regulation, that the company has reserves at least equivalent to its share capital plus those reserves that the law or the bylaws do not allow to be distributed.
The conversion commissioner(s) will be remunerated by the company upon completion of the engagement.

3. SPECIAL ADVANTAGES

Neither the members of the Board of Directors nor the company's Statutory Auditors will be entitled to any special advantage as a result of the company's conversion.

4. REGISTRATION AND OFFICIAL NOTICE OF THE TERMS OF CONVERSION

The terms of conversion will be filed with the registry of the Quimper Commercial Court, the registry in whose jurisdiction the company is registered, and will be officially notified by the insertion of a notice in a bulletin of legal notices, and in the *Bulletin des annonces légales obligatoires* (BALO), at least one month prior to the date of the Extraordinary General Meeting called to rule on the terms of conversion.

5. APPROVAL OF THE COMPANY'S TERMS OF CONVERSION AND THE DRAFT BYLAWS

Pursuant to article 37, paragraph 7 of the SE Regulation and article L. 225-245-1 of the French commercial code *(Code de commerce)*, an Extraordinary General Meeting of the company's shareholders will be called to vote on the terms of conversion and the draft bylaws of the company as an SE, subject to quorum and majority requirements for the amendment of the bylaws of public limited-liability companies *(sociétés anonymes)* in accordance with the provisions of article L. 225-96 of the French commercial code *(Code de commerce)*, having read (i) the report of the conversion commissioner(s) certifying that the company has net assets at least equivalent to the amount of its share capital plus the reserves that the law or the bylaws do not allow to be distributed and (ii) the report of the Board of Directors in the form of an explanatory memorandum of the resolutions (explaining the legal and economic implications of the conversion and setting out its consequences for shareholders and employees).

6. MEETINGS OF BONDHOLDERS

Pursuant to paragraph 2 of article L. 225-244 of the French commercial code *(Code de commerce)*, meetings of bondholders requiring a majority of two-thirds of the bondholders present or represented will be called to vote on the terms of conversion.
In the absence of approval of the terms of conversion, the company may, in accordance with paragraph 1 of article L. 228-72 of the French commercial code *(Code de commerce)*, override the decision of the bondholders by offering to redeem their bonds.

7. EFFECTIVE DATE OF THE CONVERSION

The conversion into an SE will take effect from the company's registration as a societas Europaea in the Trade and Companies Register.
In accordance with article 12, paragraph 2 of the SE Regulation, registration as a societas Europaea can only take place when the procedure relating to employee involvement has been completed.
For this purpose, as described below, a Special Negotiating Body (SNB) consisting of employee representatives of the company, its direct or indirect subsidiaries and European branches is being established with a view to opening talks as soon as possible, for a period of six months, unless reduced or extended to no more than one year by mutual agreement.
The company's conversion into a societas Europaea and its registration in the Trade and Companies Register will take place after the conclusion of the talks with the SNB.

Quimper, March 14, 2019

The Board of Directors

APPENDIX – DRAFT BYLAWS OF BOLLORÉ AS A SOCIETAS EUROPAEA

Bolloré SE
Societas Europaea with share capital of 468,731,048.16 euros
Registered office: Odet – 29500 Ergué-Gabéric
Quimper Trade and Companies Register No. 055 804 124
Draft bylaws adopted by the Extraordinary General Meeting of May 29, 2019 approving the terms of conversion and the draft bylaws

TITLE I – FORM, NAME, PURPOSE, REGISTERED OFFICE, DURATION

Article 1 – Form

The company (the "company") was initially incorporated as a public limited-liability company *(sociétés anonymes)* on July 21, 1926.
The company has been transformed into a European company ("societas Europaea") by a decision of the Extraordinary General Meeting of May 29, 2019.
It is governed by the provisions of Council Regulation (EC) no. 2157/2001 of October 8, 2001 on the Statute for a European company, the provisions of Council Directive 2001/86/EC of October 8, 2001, the provisions of the French commercial code *(Code de commerce)* on companies in general and European companies in particular (together, the "Law") and by these bylaws.
The company continues to exist between its current and future shareholders.

Article 2 – Name

The name of the company is "**Bolloré SE**".

Article 3 – Corporate purpose

The company's purpose, in France and in all other countries, without exception, is to carry out the following activities, either directly or indirectly:
- the acquisition of any interests and stakes in any French or non-French company by any means;
- the industrial application of any technologies;
- any forms of transportation, by sea, land or otherwise, and any transportation-related services, together with all related operations;
- the provision of services, advice and assistance to companies, particularly on financial matters;
- the purchase and sale of any products, the acquisition, management, operation (including by lease with or without a purchase option) or sale of any consumer goods or equipment, whether fixed, movable or vehicular, of machines and tools, as well as of any land, sea and air craft;
- the acquisition and licensing of all patents, trademarks and commercial or manufacturing operations; and

more generally, any commercial, financial, industrial transaction whatsoever, movable or immovable, that may directly or indirectly further the corporate purpose or any similar or related purposes.

Article 4 – Registered office

The company's registered office is located at Odet, in Ergué-Gabéric (29500).

Article 5 – Duration

The company, unless extended or wound up early, was incorporated for a period of ninety-nine years beginning on the date of its definitive incorporation.
By a decision of the shareholders at an Extraordinary General Meeting held on May 29, 2019, the term of the company has been extended. It will now terminate, unless extended wound up early, on December 31, 2116.

TITLE II – SHARE CAPITAL, SHARES

Article 6 – Share capital

The share capital is set at four hundred sixty-eight million, seven hundred thirty-one thousand, forty-eight euros and sixteen eurocents (468,731,048.16 euros).
It is divided into 2,929,569,051 shares with a par value of 0.16 euro each, all of the same value and fully paid up.

Article 7 – Change in share capital

The share capital may be increased, amortized or reduced under the conditions provided by the Law.

Article 8 – Payment for shares

The amounts remaining to be paid in cash on the shares are called by the Board of Directors.
Calls for funds are notified to subscribers and shareholders at least fifteen days before the date set for each payment by a notice inserted in a bulletin of legal notices in the place of the registered office and by individual registered letter.
Any delay in the payment of amounts due on the unpaid amount of the shares will automatically entail, without any further formalities, the payment of late-payment interest calculated daily, from the due date, at the legal rate in commercial matters plus three percentage points, without prejudice to any personal action that the company may take against the defaulting shareholder and the enforcement measures provided for by the Law.

Article 9 – Form of the shares

Fully paid-up shares may be held in registered or bearer form at the shareholder's discretion. They are indivisible.
They give rise to registration in an account in accordance with the terms and conditions provided for by the prevailing laws and regulations.
The company is authorized to make use of the legal provisions for the identification of the holders of securities granting immediate or future voting rights at its General Shareholders' Meetings.

Article 10 – Bequest – Transfer of shares

The bequest and transfer of shares is unrestricted, subject to legal requirements.
Any transfer or bequest of shares, whether registered or bearer, is made by transfer between accounts.

Article 11 – Rights attached to each share

In addition to the voting right attached to it by the Law, each share entitles the holder to a portion, in proportion to the number and par value of existing shares, of the corporate assets, the profits or the liquidation surplus.
In order for all shares to receive, without distinction, the same net amount, the company will bear, unless prohibited by law, the amount of any proportional tax that may be due on certain shares, in particular when the company is wound up or when it reduces its share capital. However, such payment will be devoid of purpose when the tax applies under the same conditions to all shares of the same class, if there are several classes of shares to which different rights are attached.
Whenever it is necessary to own a certain number of shares to exercise a right, shareholders who do not hold that number must make it their business to obtain the required number of shares.

TITLE III – ADMINISTRATION AND CONTROL OF THE COMPANY

Article 12 – Board of Directors

1. Composition

The company is governed by a Board of Directors with no fewer than three and no more than eighteen members, subject to the exemption permitted by the Law in the event of a merger.
Directors may be natural persons or legal persons.
Directors that are legal persons are required upon appointment to designate a permanent representative, who is subject to the same conditions and obligations and who incurs the same civil and criminal liability as if he/she were a director in his/her own name, without prejudice to the joint and several liability of the legal person he/she represents.

In the event of the death, resignation or dismissal of its representative, the legal person is obliged to notify the company by registered letter without delay of the death, resignation or dismissal, as well as the name of a new permanent representative.

2. Appointment of directors

Directors are appointed by the Ordinary General Meeting. Their term of office is three years.
The age limit for serving as a director is 99 years.
The Board may make provisional appointments in the cases and under the conditions provided by the Law.

3. Chairmanship of the Board of Directors

The Board of Directors elects a Chairman from among its members under the conditions provided by the Law. His/her term of office may be renewed in accordance with legal provisions.
The Chairman of the Board of Directors carries out the tasks entrusted to him/her by the Law and, in particular, oversees the proper functioning of the company's organs. He/she chairs the Board of Directors, organizes the Board's work and ensures that directors are in a position to fulfill their duties.
Regardless of the term for which it is granted, the Chairman's office ends automatically no later than at the end of the first Ordinary General Meeting held after the date on which he/she turns 75. However, the Board of Directors may in this case decide to extend the Chairman's term for one or two periods of two years.
The Board of Directors appoints one of its members to the position of Vice-Chairman and Managing Director, delegating to him/her in advance the functions of Acting Chairman and Chief Executive Officer, which will be automatically assigned to him/her in the event of the death or disappearance of the Chairman. This delegation is given to the Vice-Chairman and Managing Director for a limited period, which may not exceed the term of office of the Chairman. In the event of death, this delegation remains valid until a new Chairman is elected.
Until the Chairman is replaced, the Vice-Chairman and Managing Director assumes all the powers of the Chairman and Chief Executive Officer and incurs the same liability as the Chairman for any acts that he/she carries out.
The Board may appoint from among its members one or more Vice-Chairmen tasked with chairing Board meetings if the Chairman is absent or unable to attend, if this absence is not covered by the Vice-Chairman and Managing Director.
Failing that, the position of Chairman falls to a member of the Board specially chosen by his/her colleagues at each meeting.
The Board may also appoint a secretary, who may be selected from outside its members.

4. Employee directors

Pursuant to article L. 225-27-1 of the French commercial code *(Code de commerce)*, the Board includes directors representing employees.
The number of directors representing employees is two in companies where the number of directors appointed by the General Shareholders' Meeting is greater than twelve, and one when this number is less than or equal to twelve.
The number of directors taken into consideration in determining the number of employee directors is assessed at the date of appointment of the employee representatives to the Board.
The directors elected by the employees pursuant to article L. 225-27 of the French commercial code *(Code de commerce)* and the employee-representative directors appointed pursuant to article L. 225-23 of the French commercial code *(Code de commerce)* are not taken into account in this respect.
The employee director(s) is (are) appointed by the Group Works Committee for a period of three years.
The duties of employee directors end at the expiry of the three-year period following the date of their designation by the Group Works Committee.

Article 13 – Meetings of the Board of Directors

The Board of Directors meets as often as the interests of the company require, but at least once every three months, to discuss the progress and foreseeable development of the company's business.
The directors may be called to Board meetings by any means, at either the registered office or any other place. Meetings are called by the Chairman or the Vice-Chairman and Managing Director.
If the Board has not met for more than two months, the Chief Executive Officer or one-third of the members of the Board of Directors may ask the Chairman to call a meeting on a predetermined agenda, by registered letter.
The Chairman is bound to grant such requests and to call a meeting of the Board within eight days of its receipt. The meeting must be held no later than one month after it is called. The agenda must be included in the notice of meeting.
The Board may only validly make decisions if at least half of its members are present or represented.
Decisions are taken by a majority of the members present or represented.
The Chairman has a casting vote in the event of a tie.

Article 14 – Powers of the Board of Directors

The Board of Directors manages and administers the company. Subject to the powers expressly assigned to General Shareholders' Meetings and within the limits of the corporate purpose, the Board of Directors deals with all matters bearing on the smooth running of the company, and regulates by its decisions all matters concerning it.
It also performs the controls and verifications that it deems appropriate.
In general terms, the Board of Directors makes all decisions and exercises all prerogatives falling within its scope under the Law or these bylaws.
The prior approval of the Board of Directors is required for the following categories of transactions:
- regulated agreements under the terms of article 17 of these bylaws;
- securities, guarantees and sureties granted by the company as collateral for commitments made by third parties;
- in accordance with the provisions of paragraph 4 of article L. 225-35 and article R. 225-28 of the French commercial code *(Code de commerce)*;
- bond issues.

Each director receives all the information necessary for the performance of his/her duties, and may request any documents deemed useful.
Directors are bound not to disclose, even after the termination of their duties, any information in their possession about the company whose disclosure would be prejudicial to the interests of the company, except where such disclosure is required or permitted by the legal provisions applicable to public limited-liability companies or in the public interest.
The minutes of the proceedings are drawn up, signed and kept in accordance with the Law.
Copies or extracts may be validly certified by the Chairman of the Board of Directors, the Chief Executive Officer, the director acting as Chairman or a proxy authorized for this purpose. They may also be signed by two directors.

Article 15 – Executive management

The executive management of the company is carried out, under his/her responsibility, either by the Chairman of the Board of Directors or by another natural person appointed by the Board of Directors, bearing the title of Chief Executive Officer. In the event of the death or disappearance of the Chairman, and if he/she was in charge of executive management, the Vice-Chairman and Managing Director assumes this function.

1. Option conditions

The Board of Directors may choose between the two methods of exercising the company's executive management.
The decision is taken in accordance with these bylaws, at the time of any appointment or renewal of the term of office of Chairman or Chief Executive Officer, and remains valid until the expiry of the first of these terms.
Shareholders and third parties are informed of the decision under the conditions provided by the Law and the prevailing regulations.

2. Option for the non-separation of the functions of Chairman and Chief Executive Officer

If the Board of Directors chooses not to separate the functions of Chairman of the Board of Directors, the Chairman assumes, under his/her responsibility, the company's executive management. In this case, the provisions relating to the Chief Executive Officer below apply to the Chairman, with the exception of compensation in the event of dismissal without just cause from his/her position as Chief Executive Officer.

3. Option for the separation of the functions of Chairman and Chief Executive Officer

Subject to the powers that the Law expressly assigns to General Shareholders' Meetings and to the Board of Directors, and within the scope of the corporate purpose, the Chief Executive Officer is vested with the broadest powers to act in all circumstances in the name of the company.
When he/she is a director, his/her term of office may not exceed that of his/her directorship.
Regardless of the term for which it is granted, the Chief Executive Officer's office ends automatically no later than at the end of the first Ordinary General Meeting held after the date on which he/she turns 75. However, the Board of Directors may in this case decide to extend the Chief Executive Officer's term for one or two periods of two years.

4. Deputy Chief Executive Officers

The Board of Directors may also, on the proposal of the Chief Executive Officer, mandate one or more persons to assist him/her as Deputy Chief Executive Officer.
The maximum number of Deputy Chief Executive Officers is five.
The extent and duration of the powers granted to them are determined by the Board of Directors, in agreement with the Chief Executive Officer. With respect to third parties, the Deputy Chief Executive Officers have the same powers as the Chief Executive Officer.
When they are directors, their term of office may not exceed that of their directorship.
When the Chief Executive Officer ceases to or is prevented from performing his/her duties, the Deputy Chief Executive Officers continue to perform their duties, unless the Board decides otherwise, until the appointment of the new Chief Executive Officer. The same applies if the executive management is assumed by the Vice-Chairman and Chief Executive Officer following the death or disappearance of the Chairman and Chief Executive Officer.
The Board of Directors determines the compensation of the Chairman, the Chief Executive Officer and the Deputy Chief Executive Officers.

Article 16 – Compensation of directors

The General Shareholders' Meeting may allocate directors' fees in consideration for their work. The amount is maintained until superseded by another decision. The Board apportions the amount at its discretion.
Directors may also be granted exceptional compensation by the Board of Directors in the cases and under the conditions provided for by the Law.

Article 17 – Regulated agreements and other agreements

Pursuant to paragraph 6 of article L. 229-7 of the French commercial code *(Code de commerce)*, the provisions of articles L. 225-38 to L. 225-42 of the French commercial code *(Code de commerce)* apply to agreements entered into by the company.

Article 18 – Auditors – Panel of observers

Statutory Auditors

One or more Statutory Auditors and alternate Auditors are appointed, and carry out their audit duties in accordance with the Law. If the company is required to publish consolidated financial statements, it must appoint at least two incumbent Statutory Auditors.

Panel of observers

The Ordinary General Meeting has the power, on the proposal of the Board of Directors, to appoint a panel of observers.
Observers may be natural persons or legal entities. Legal persons to which the functions of observer have been granted will be represented by a permanent representative designated by them.
Observers are invited to attend all meetings of the Board of Directors and may take part in the proceedings, but in an advisory capacity only. Their term of office is one year, expiring at the end of the Ordinary General Meeting called to approve the financial statements for the previous fiscal year held in the year following that of their appointment.

TITLE IV – GENERAL SHAREHOLDERS' MEETINGS

Article 19 – General Shareholders' Meetings

General Shareholders' Meetings are called and vote under the conditions provided for by the Law.
Meetings are held either at the registered office or at another location specified in the notice of meeting.
All shareholders are entitled to attend General Shareholders' Meetings and to vote, either personally or by proxy, regardless of the number of shares they hold, by simply presenting identification and completing the legal formalities.
All shareholders may also vote by post in accordance with the provisions of the Law and the prevailing regulations.
The Meetings vote in accordance with the conditions provided for by the Law, it being noted that the majority required for the adoption of the decisions of the Meetings is determined on the basis of votes validly cast.
Votes validly cast do not include those attached to shares for which the shareholder did not take part in the vote, or abstained or returned a blank or spoilt ballot paper.
The voting rights attached to the shares are proportional to the percentage of the share capital they represent. At equivalent par value, each capital share or dividend share carries one voting right.
However, in accordance with the legal provisions, a double voting right compared with that granted to other shares, taking into account the percentage of the share capital that they represent, is allocated to all fully paid-up shares held in registered form in the name of the same shareholder for at least two years.
With regard to shares encumbered by usufruct, pledged, subject to an attachment order or undivided, the voting right is exercised in accordance with legal provisions.
However, in the event of the transfer of shares with retention of usufruct under the provisions of article 787 B of the French General Tax Code *(Code général des impôts)*, the voting rights of the usufruct holder are confined to decisions bearing on the appropriation of earnings.
General Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by the Vice-Chairman and Managing Director or by a director specifically delegated for this purpose by the Board. Failing this, the General Shareholders' Meeting elects its own Chairman.
The minutes of General Shareholders' Meetings are drawn up, and their copies are certified and issued in accordance with the Law.

TITLE V – ANNUAL FINANCIAL STATEMENTS, APPROPRIATION OF EARNINGS

Article 20 – Fiscal year

Each accounting period, lasting one year, begins on January 1 and ends on December 31.

Article 21 – Accounts

Regular accounts of the company's operations are kept in accordance with the Law.
Shareholders approve, in accordance with the Law, the parent company and consolidated financial statements.

Article 22 – Appropriation of earnings

On the profit of the fiscal year less, if necessary, previous losses, at least 5% is first deducted to constitute the legal reserve. This deduction ceases to be mandatory when the said reserve reaches a sum equal to one-tenth of the share capital; it resumes when, for any reason, the legal reserve falls below this fraction.
Distributable earnings comprise profits for the fiscal year, less prior losses and amounts credited to reserves pursuant to the Law, plus retained earnings.
The General Shareholders' Meeting decides either to distribute them, to retain them or to place them in one or more reserves, the allocation and use of which it regulates.
The General Shareholders' Meeting may, in addition, decide to distribute sums from the reserves available to it. In this case, the decision must expressly indicate the reserve items from which the deductions are made. However, dividends are deducted first from distributable earnings for the fiscal year.
The General Shareholders' Meeting ruling on the financial statements for the fiscal year may grant each shareholder, for all or part of the dividend or interim dividend, the option of receiving payment of the dividend or interim dividend in cash or in shares.

TITLE VI – CONVERSION, EXTENSION

Article 23 – Conversion – Extension

The conversion and extension of the company are governed by the provisions of the Law.

TITLE VII – WINDING-UP, LIQUIDATION, DISPUTES

Article 24 – Winding-up – Liquidation

At the company's expiry or if it is wound up early, the General Shareholders' Meeting shall decide on the method of liquidation and appoint one or more liquidators whose powers it will determine and who will perform their duties in accordance with the Law.
The net assets remaining after repayment of the par value of the shares are divided between the shareholders in the same proportions as their interest in the share capital.
Throughout the liquidation process, the liquidators will be the sole judges of the need to call the shareholders to a General Shareholders' Meeting, other than in instances imposed by the Law.

Article 25 – Disputes

All disputes that may arise, during the life of the company or upon its liquidation, between the company and the shareholders, or between the shareholders themselves in connection with corporate business will be subject to the jurisdiction of the competent courts, except where the parties have agreed in the relevant contract to refer disputes to arbitration.

2.4. Resolutions presented to the Extraordinary General Meeting of May 29, 2019

FIRST RESOLUTION

(Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares or any securities giving immediate or future access to the share capital with preferential subscription rights)

The General Shareholders' Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having read the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of articles L. 225-129, L. 225-129-2 and L. 228-91 *et seq.* of the French commercial code *(Code de commerce)*:

- delegates to the Board of Directors the authority to approve, in the proportions, under the conditions and on the dates it chooses, one or more capital increases by issuing, in France or internationally, in euros, ordinary shares of the company, or any securities giving access by any means, immediately and/or in the future, to the ordinary shares of the company, and securities other than shares, which may also be denominated in foreign currencies or in any monetary unit established by reference to several currencies;
- sets the validity of this delegation at twenty-six months from the date of this Meeting;
- resolves to set as follows the limits on the amounts of issues authorized in the event that the Board of Directors should use this delegation of authority:
  – the total amount of capital increases that may carried out immediately or in the future may not exceed 200,000,000 euros (two hundred million euros) in par value, excluding any share premiums,
  – this limit may be increased, as needed, by the nominal amount of any additional shares to be issued in the event of new financial transactions to preserve the rights of holders of securities giving rights to shares in the future,
  – the total nominal amount of issues of debt securities giving access to the share capital immediately or in the future may not exceed 500,000,000 euros (five hundred million euros) or the equivalent thereof at the date of issue of this amount in any other currency or any other monetary unit established by reference to several currencies;
- resolves that the shareholders have, in proportion to the amount of their shares, a preferential subscription right to the securities issued pursuant to this resolution. In accordance with the provisions of article L. 225-133 of the French commercial code *(Code de commerce)*, the Board of Directors will also have the option of establishing a subscription right on a reducible basis;
- notes that if subscriptions on an irreducible basis and, where applicable, on a reducible basis have not covered the entirety of an issue of shares or securities as defined above, the Board may use, at its discretion, one or more of the following options:
  – limit the issue to the amount of the subscriptions collected, provided that it is at least three-quarters of the approved issue,
  – freely apportion all or part of the unsubscribed securities;

  and resolves that the Board may also offer all or part of the unsubscribed securities to the public.
- notes that, in accordance with the provisions of article L. 225-132 of the French commercial code *(Code de commerce)*, this delegation automatically constitutes, for the benefit of the holders of securities giving access to the share capital of the company, express waiver by the shareholders of their preferential subscription rights to the shares to which such securities give access;
- delegates to the Board of Directors, with the option of further delegating to the Chief Executive Officer under the conditions provided for in article L. 225-129-4 of the French commercial code *(Code de commerce)*, all powers to determine the form and characteristics of the securities to be issued and the dates and terms of their issue, to set the amounts to be issued, to set the vesting date, which may be retroactive, for the new securities, to determine, as appropriate, the terms and bases for conversion, to determine the terms of the redemption of debt securities, to make any adjustments required in accordance with legal and regulatory provisions, to charge the fees, duties and expenses resulting from the issues against the amount of the corresponding premiums and to deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new share capital after the issue, to apply for the admission of the new securities to trading and, generally, to take all measures, conclude all agreements and carry out all formalities necessary for the proper completion of the proposed issues, to record the resulting capital increases and to amend the bylaws accordingly;
- notes that this delegation cancels any prior delegation with the same purpose;
- notes that, in the event that the Board of Directors should make use of this delegation, the Board of Directors will prepare in accordance with the provisions of article L. 225-129-5 of the French commercial code *(Code de commerce)* a supplementary report for the subsequent Ordinary General Meeting.

SECOND RESOLUTION

(Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares to be paid by incorporation of reserves, profits or premiums, or by raising the par value)

The Extraordinary General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having read the report of the Board of Directors and in accordance with the provisions of articles L. 225-129, L. 225-129-2 and L. 225-130 of the French commercial code *(Code de commerce)*:

- delegates to the Board of Directors the authority to increase the share capital, for a period of twenty-six months, by issuing new ordinary shares to be paid by the incorporation of reserves, profits or premiums, by raising the par value of the shares comprising the capital, or by the successive or simultaneous use of both methods.

  The issue of new shares or the increase in the par value mentioned above may not have the effect of increasing the share capital by an amount exceeding 200,000,000 euros (two hundred million euros), which will be deducted from any capital increases carried out pursuant to the delegation of authority granted under the first resolution of this Meeting;
- resolves, in the event of a capital increase in the form of a grant of free shares, in accordance with the provisions of article L. 225-130 of the French commercial code *(Code de commerce)*, that fractional allocation rights will not be tradable, and that the shares corresponding to all fractional rights will be sold, the net proceeds of their sale being allocated to the holders of said fractional rights, in proportion to their rights, no later than thirty days after the date of registration in their account of the whole number of equity securities granted;
- delegates to the Board of Directors with the option of further delegating to the Chief Executive Officer under the conditions provided for in article L. 225-129-4 of the French commercial code *(Code de commerce)*, all powers to implement this resolution, and notably to amend the bylaws accordingly;
- notes that this delegation cancels any prior delegation with the same purpose.

THIRD RESOLUTION

(Delegation of authority granted to the Board of Directors to increase the share capital within the limit of 10% of the share capital to remunerate contributions of equity securities or securities giving access to the capital)

The General Shareholders' Meeting, voting under the quorum and majority conditions of Extraordinary General Meetings, having read the report of the Board of Directors and in accordance with the provisions of paragraph 6 of article L. 225-147 of the French commercial code *(Code de commerce)*:

- delegates to the Board of Directors, for a period of twenty-six months, all powers to carry out a capital increase within the limit of 10% of the share capital, with a view to remunerating contributions in kind granted to the company, in the form of equity securities or securities giving access to the share capital;
- delegates all powers to the Board of Directors for the purpose of approving the valuation of the contributions, acknowledging the receipt thereof, charging against the contribution premium, where appropriate, any fees and duties arising from the capital increase, deducting from the contribution premium the sums necessary to maintain the full amount of the legal reserve, amending the bylaws and, more generally, taking all necessary measures.

FOURTH RESOLUTION

(Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares reserved for employees with cancellation of preferential subscription rights)

The General Shareholders' Meeting, voting under the quorum and majority conditions of Extraordinary General Meetings, having read the report of the Board of Directors and the special report of the Statutory Auditors, and voting in accordance with the provisions of articles L. 225-129-2, L. 225-138-1 and L. 225-129-6 of the French commercial code *(Code de commerce)* and articles L. 3332-18 *et seq.* of the French Labor Code *(Code du travail)*:

- delegates to the Board of Directors the power to increase the share capital of the company on one or more occasions by issuing new shares and, where applicable, by granting free shares or other securities giving access to the share capital under the conditions set by the Law, within the limit of 1% of the amount of the securities currently comprising the share capital, reserved for members of company savings plans of the company and/or companies or economic interest groupings of which it directly or indirectly holds more than 50% of the share capital or voting rights;
- resolves that this amount of 1% will be deducted from the overall ceiling of capital increases set in the first resolution;
- resolves to cancel, in favor of participants, the preferential subscription right of the shareholders to any shares issued pursuant to this delegation;
- resolves that the price of the shares subscribed by the aforementioned members pursuant to this delegation will be equal to or greater than 80% of the average of the quoted prices of the share on the regulated market of Euronext or on any other market superseding it during the twenty trading days preceding the day of the Board of Directors' decision setting the opening date of the subscription;
- gives the Board of Directors, in accordance with the prevailing legal and regulatory provisions, within the limits and under the conditions specified above and, as appropriate, within the framework of the provisions of the savings plans, all powers to determine the terms and conditions of all such transactions, and in particular to:
  - decide and set the terms of grants of free shares or other securities giving access to the share capital pursuant to the delegation granted above,
  - set the seniority conditions to be met by the beneficiaries of the new shares resulting from the capital increases described in this resolution,
  - determine the amount to be issued, the issue price and the terms of each issue,
  - set the opening and closing dates of the subscriptions,
  - set, within a maximum of three years, the period granted to the subscribers to pay for their securities,
  - set the date, which may be retroactive, from which the new shares will bear dividend rights,
  - record the completion of the capital increase in the amount of the shares effectively subscribed or decide to increase the amount of said capital increase so that all of the subscriptions received can be effectively satisfied, and
  - take all measures to complete the capital increases, carry out the resulting formalities and amend the bylaws accordingly.

The delegation of authority granted to the Board of Directors pursuant to this resolution, with the option of further delegating to the Chief Executive Officer, is valid for a period of twenty-six months from the date of this Meeting.

FIFTH RESOLUTION

(Authorization granted to the Board of Directors to reduce the share capital by canceling shares previously purchased as part of a share repurchase program)

The General Shareholders' Meeting, having read the report of the Board of Directors and the special report of the Statutory Auditors:

- authorizes the Board of Directors, under the conditions and within the limits set by articles L. 225-209 *et seq.* of the French commercial code *(Code de commerce)*:
  - to reduce the share capital, on one or more occasions, by canceling all or part of the shares purchased by the company under a share buyback program, within a limit of 10% of the share capital per 24-month period, and
  - to attribute the difference between the purchase value of the canceled shares and their par value to available premiums and reserves;
- grants all powers to the Board of Directors, with the option of further delegating under prevailing legal provisions, to set the terms and conditions of this or these capital reductions, to amend the bylaws accordingly, to make all declarations, particularly to the Autorité des marchés financiers (AMF) or to any authority superseding it, to carry out all formalities and, generally, take all necessary measures.

This authorization is valid for a period of eighteen months from the date of this Meeting.

SIXTH RESOLUTION

(Authorization granted by the General Shareholders' Meeting to the Board of Directors to award free shares of the company, either new or existing, to corporate officers and employees of the company or related companies)

The General Shareholders' Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having read the report of the Board of Directors and the special report of the Statutory Auditors and voting in accordance with articles L. 225-197-1 *et seq.* of the French commercial code *(Code de commerce)*:

1) authorizes the Board to grant, on one or more occasions, free company shares, either new or existing, to corporate officers fulfilling legal requirements and to company employees, and
   - companies or economic interest groupings in which the company directly or indirectly holds at least 10% of the share capital or voting rights,
   - companies or economic interest groupings that directly or indirectly hold at least 10% of the share capital or voting rights of the company,
   - companies or economic interest groupings in which at least 50% of the share capital or voting rights are directly or indirectly held by a company that itself directly or indirectly holds at least 50% of the share capital of the company;
2) resolves that the Board of Directors will determine the identity of the beneficiaries of such grants, as well as the conditions and, if applicable, the criteria for the allocation of the shares;
3) resolves that the total number of free shares granted pursuant to this authorization may not represent more than five percent (5%) of the share capital of the company on the date of the decision by the Board of Directors to grant them;
4) resolves that grants to executive corporate officers under this resolution may not exceed a sub-ceiling of two percent (2%);

5) resolves that the grant of shares to their beneficiaries will be definitive after a three-year vesting period, the beneficiaries not then being subject to any retention period;
6) further resolves that, if the beneficiary is declared to have a disability corresponding to the second or third of the categories provided for in article L. 341-4 of the French Social Security Code, the shares will be attributed to him/her before the end of the vesting period. Once vested, the shares are freely transferable;
7) authorizes the Board of Directors to adjust during the vesting period, as appropriate, the number of free shares allocated to preserve the rights of the beneficiaries, based on any capital transactions;
8) acknowledges that this decision constitutes shareholders' automatic waiver, in favor of the beneficiaries of free shares, of any right to that portion of the reserves that may, if necessary, be used in the event of the issue of new shares;
9) sets the period of validity of this delegation at thirty-eight months from the date of this Meeting;
10) delegates all powers to the Board of Directors, with the option of further delegating within the statutory limits, to implement this authorization in accordance with the conditions set out below, and in particular:

- to determine whether the free shares granted are new or existing,
- to determine the identity of the beneficiaries and the number of shares granted to each of them,
- with regard to free shares granted to corporate officers, to decide either (i) that the free shares granted cannot be sold by the interested parties before their term of office expires, or (ii) to set the number of free shares that said parties are required to hold as registered shares until their term of office comes to an end,
- in the event of the issue of new shares, to make the necessary deductions from reserves, profits or premiums to be capitalized and to complete and record the completion of the capital increases,
- to amend the bylaws accordingly,
- to effect all legal formalities and generally do whatever is required.

SEVENTH RESOLUTION

(Extension of the duration of the company and resulting amendment of the bylaws)

The General Shareholders' Meeting, voting under the quorum and majority conditions required for Extraordinary General Meetings, having read the report of the Board of Directors, and having noted that the company expires on August 2, 2025, resolves to extend its duration until December 31, 2116.

In accordance with the provisions of paragraph 1 of article L. 210-6 of the French commercial code *(Code de commerce)*, the shareholders note that the extension does not entail the creation of a new legal person.

The General Shareholders' Meeting accordingly resolves to amend article 5 of the current articles of Incorporation as follows:

"**Article 5 – Duration**

The company, unless extended or wound up early, was incorporated for a period of ninety-nine years beginning on the date of its definitive incorporation.

By a decision of the shareholders at an Extraordinary General Meeting held on May 29, 2019, the term of the company has been extended. It will now terminate, unless extended wound up early, on December 31, 2116."

EIGHTH RESOLUTION

(Conversion of the legal form of the company by adoption of the societas Europaea legal form and the terms of conversion, and recording of the continuation of the terms of each director, the terms of office of the statutory and alternate auditors and the authorizations and delegations of competence and powers granted to the Board of Directors by the General Shareholders' Meeting)

The General Shareholders' Meeting, having reviewed:

- the terms of conversion of the company into a societas Europaea prepared by the Board of Directors on March 14, 2019 and filed with the Clerk of the Quimper Commercial Court on March 21, 2019;
- the report of the Board of Directors explaining and justifying the legal and economic aspects of the Conversion and indicating the consequences of the adoption of the societas Europaea legal form for the shareholders and employees;
- the report of Alain Auvray, domiciled at 5 avenue Franklin Roosevelt, Paris (75008), conversion commissioner, appointed by order of the Presiding Judge of the Quimper Commercial Court on March 19, 2019, certifying that the company has reserves at least equivalent to its share capital plus those reserves that the law or the bylaws do not allow to be distributed,

notes that the company fulfills the conditions required by the provisions of Regulation (EC) no. 2157/2001 of October 8, 2001 on the Statute for a European company (SE), and in particular those referred to in articles 2 (4) and 37 of that Regulation, and article L. 225-245-1 of the French commercial code *(Code de commerce)* relating to the conversion of a public limited-liability company *(sociétés anonymes)* under French law into a societas Europaea.

Then, after taking note and confirming as necessary that:

- the conversion of the company into a societas Europaea will not entail the winding up of the company or the creation of a new legal person;
- the name of the company after conversion will, in accordance with the provisions of article 11 of Regulation (EC) no. 2157/2001, be followed by the words "societas Europaea" or the abbreviation "SE";
- the duration of the company, its purpose and its registered office remain unchanged;
- the share capital of the company, the number of shares comprising it and their par value remain unchanged;
- the company's shares will continue to be admitted to trading on the regulated market of Euronext Paris;
- the duration of the current fiscal year will not be modified as a result of the adoption of the societas Europaea legal form, and the financial statements for that fiscal year will be prepared, presented and audited under the conditions laid down by the company's bylaws under its new form and the provisions of the French commercial code *(Code de commerce)* relating to the societas Europaea legal form;
- the offices of each of the current directors, and the statutory and alternate auditors at the time of the conversion of the company into a societas Europaea will continue until their respective term;
- all authorizations and delegations of competence and powers that have been and will be granted to the Board of Directors in its form as public limited-liability company by all General Shareholders' Meetings of the company, and which are in force on the day of the completion of the conversion of the company into a societas Europaea, will be automatically transferred to the Board of Directors of the company as a societas Europaea;
- in accordance with article 12, paragraph 2 of the aforementioned Regulation, the registration of the company as a societas Europaea will only take place when the procedure relating to employee involvement, such as provided for in articles L. 2351-1 *et seq.* of the French Labor Code *(Code du travail)*, has been completed, these negotiations resulting in either:
  i) a written agreement determining the methods of employee involvement in the societas Europaea, or
  ii) the application of the subsidiary provisions relating to the societas Europaea Committee provided for in articles L. 2353-1 *et seq.* of the French Labor Code *(Code du travail)* when, at the end of the collective bargaining period provided for in article L. 2352-9 of the said Code, if no agreement has been reached.

Resolves to approve the conversion of the legal form of the company into a societas Europaea with a Board of Directors, to approve the terms of the company's terms of conversion as approved by the Board of Directors, and to note that the Conversion will take effect from the registration of the company in its new form in the Quimper Trade and Companies Register, which will take place after the negotiations on employee involvement in the societas Europaea.

The General Shareholders' Meeting grants all powers to the Board of Directors to (i) take note of the completion of negotiations on the terms of employee involvement in the societas Europaea and take note, as appropriate, of the signing of an agreement to this effect, (ii) find accordingly that the condition precedent to the registration of the company in its new form at the completion of the said negotiations has been fulfilled and (iii) carry out the formalities necessary for the registration of the company as a societas Europaea.

NINTH RESOLUTION

(Adoption of the bylaws of the company as a societas Europaea)

The General Shareholders' Meeting, in view of the terms of conversion, having read the report of the Board of Directors and the draft bylaws of the company as a societas Europaea, subject to the adoption of the previous resolution, adopts article by article, then as a whole, the company's bylaws in its new form as a societas Europaea.

These bylaws, a copy of which is appended to the minutes of this Meeting, will become effective as from the definitive completion of the conversion of the company into a societas Europaea, that is to say from the date of registration of Bolloré as a societas Europaea in the Quimper Trade and Companies Register.

TENTH RESOLUTION

(Powers for formalities)

The General Shareholders' Meeting grants all powers to the bearer of an original, a copy or an excerpt of these minutes to carry out all necessary filing and notification formalities and all declarations required by law.

3. Report of the Board of Directors to the Extraordinary General Meeting of May 29, 2019

To the shareholders,

We have called you to an Extraordinary General Meeting to submit for your approval resolutions for the following purposes:

- to renew the delegations of authority granted to the Board of Directors to carry out capital increases;
- to renew the authorization granted to the Board of Directors to reduce the share capital by canceling shares previously purchased as part of a share buyback program;
- to authorize the Board of Directors to grant free shares, either new or existing, to employees and/or corporate officers of the company or companies of the Group pursuant to articles L. 225-197-1 *et seq.* the French commercial code *(Code de commerce)*.

You will also be asked to vote on a resolution to extend the duration of the company and to amend the bylaws accordingly.
Lastly, the Board of Directors will submit for your approval resolutions aimed at transforming the legal form of Bolloré (the "company") by adopting the societas Europaea ("SE") form. Societas Europaea status provides a real opportunity to give the Group, which has expanded very widely in several countries of the European Union, an image reflecting its development and operations.

I – Renewal of delegations of authority to carry out capital increases

As the delegations of authority granted to the Board of Directors by the Extraordinary General Meeting of June 1, 2017 will expire on August 1, 2019, you are asked to approve their renewal.

FIRST RESOLUTION

Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares or any securities giving immediate or future access to the share capital with preferential subscription rights

We ask that the Board of Directors be delegated authority, with the option of further delegating authority to its Chief Executive Officer, to issue, on one or more occasions, shares and securities granting the right to securities to be issued and representing a proportion of the company's share capital. These issues would carry preferential subscription rights.
The total nominal amount of issues of securities constituting debt securities would be limited to 500,000,000 euros (five hundred million euros), with the understanding that the maximum aggregate amount of the capital increase resulting immediately or in the future from the use of this authorization may not exceed 200,000,000 euros (two hundred million euros) in par value.

In accordance with the provisions of article L. 225-133 of the French commercial code *(Code de commerce)*, the decision to authorize shareholders to subscribe on a reducible basis belongs to the body that approves the issue.
When subscriptions on an irreducible basis and, if applicable, on a reducible basis have not covered the entire capital increase, the Board of Directors may, at its discretion and in the order it decides, use the options below set out in article L. 225-134:

1. limit the capital increase to the subscriptions received insofar as they represent at least three-quarters of the capital increase.
   This rule applies automatically unless otherwise decided by the General Shareholders' Meeting;
2. divide the unsubscribed shares among the persons of its choice, unless otherwise decided by the Meeting;
3. offer the public all or part of the unsubscribed shares, provided that the Meeting has expressly approved that option.

This delegation of authority would be given for a period of twenty-six months, in accordance with the provisions of article L. 225-129-2 of the French commercial code *(Code de commerce)*.
This delegation would cancel any prior delegation with the same purpose.

SECOND RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares to be paid by incorporation of reserves, profits or premiums, or by raising the par value

In addition, you are asked to grant the Board of Directors, for a period of twenty-six months, a delegation of authority to increase the share capital by issuing ordinary shares to be paid by incorporation of reserves, profits or share premiums or by increasing the par value of the shares comprising the share capital or by the successive or simultaneous use of both methods.
The issue of new shares or an increase in the par value of the shares mentioned above may not have the effect of increasing the share capital by an amount exceeding 200,000,000 euros (two hundred million euros), which will be deducted from any capital increases carried out under the general authorization to issue securities granting access immediately or in the future to a proportion of the company's share capital.
We ask you to give all powers to the Board of Directors, with the option of further delegating under the conditions provided by the Law, to implement this delegation of authority.

THIRD RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital within the limit of 10% of the share capital to pay for contributions of equity securities or securities giving access to the share capital

Paragraph 6 of article L. 225-147 of the French commercial code *(Code de commerce)* provides, for companies whose securities are admitted to trading on a regulated market, the possibility for the Extraordinary General Meeting to delegate to the Board of Directors, for a period of twenty-six months, the powers necessary to carry out a capital increase, within a limit of 10% of its share capital, with a view to remunerating contributions consisting of equity securities or securities giving access to the share capital.
Accordingly, by approving the third resolution, you will be delegating to the Board of Directors, for a period of twenty-six months, the powers necessary to issue shares within the limit of 10% of the share capital, to pay for contributions in kind granted to the company consisting of contributions of equity securities or securities giving access to the share capital.
The Board of Directors would accordingly have all powers to approve the valuation of contributions, to record their completion, to charge, where appropriate, all fees and duties stemming from the capital increase to the contribution premium, to deduct from the contribution premium the sums necessary for the full amount of the legal reserve, and to amend the bylaws.

FOURTH RESOLUTION

(Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares reserved for employees with cancellation of preferential subscription rights)

Article L. 225-129-6 of the French commercial code *(Code de commerce)* provides that when the Extraordinary General Meeting delegates to the Board of Directors its authority to approve a capital increase by a cash contribution (article L. 225-129-2), it must approve a draft resolution for a capital increase under the conditions provided for in article L. 3332-18 of the French Labor Code *(Code du travail)*.

We therefore ask you in view of the purpose of the first resolution to grant the Board of Directors, for a period of twenty-six months, a delegation of authority to increase the share capital of the company on one or more occasions by issuing new shares and, as needed, by granting free shares or other securities giving access to the share capital within the limit of 1% of the amount of the securities comprising the share capital as of that date, and to reserve this transaction for the members of company savings plans of the company and/or the companies or economic interest groupings (EIG) in which it directly or indirectly holds more than 50% of the share capital or voting rights.

This maximum amount set at 1% will be deducted from the overall ceiling of the increase cited in the first resolution.

The price of the shares subscribed by the aforementioned members pursuant to this delegation will be equal to or greater than 80% of the average of the quoted prices of the share on the regulated market of Euronext or on any other market superseding it during the twenty trading days preceding the day of the Board of Directors' decision setting the opening date of the subscription.

We ask you to expressly waive your preferential subscription rights in favor of these company savings plan members.

II – Renewal of the authorization granted to the Board of Directors to reduce the share capital by canceling shares

FIFTH RESOLUTION

Authorization to be granted to the Board of Directors to reduce the share capital by canceling shares previously purchased as part of a share buyback program

We ask you to give the Board of Directors the authorization to cancel shares previously purchased as part of a share buyback program and to reduce the share capital by no more than 10% of the amount thereof per twenty-four-month period.

This authorization would be granted for a period of eighteen months from the date of this Meeting.

III – Authorization granted to the Board of Directors to award free shares

SIXTH RESOLUTION

Authorization granted by the General Shareholders' Meeting to the Board of Directors to grant free shares, either new or existing, to employees and/or corporate officers of the company or companies of the Group pursuant to articles L. 225-197-1 *et seq.* of the French commercial code *(Code de commerce)*

The terms of the authorization that you are being asked to give the Board of Directors are part of the long-term and attractive compensation policy described in the corporate governance report, consistent with the Group's strategic directions.

The legal regime applicable to the authorization granted to the Board of Directors and to its subsequent implementation has the following characteristics:

- the Extraordinary General Meeting remains the competent body for decisions to grant free shares, and may authorize the Board of Directors to grant to employees and managers any existing free shares (treasury shares held by the company or shares it may buy for this purpose) or to be issued (shares to be issued by way of capital increase by incorporation of reserves).

  The Extraordinary General Meeting must set:
  - i) the maximum percentage of shares to be allocated, provided that this percentage does not exceed 10% of the share capital;
  - ii) the vesting period, which may not be less than one year (one year);
  - iii) the period during which the authorization may be used by the Board of Directors, which may not exceed thirty-eight months;
- the Extraordinary General Meeting can also set a minimum retention period running from the vesting date of the shares, provided that the vesting and retention periods together last for no less than two years (two years);
- the Board of Directors determines the identity of beneficiaries of share grants and places them on a list together with details of the number of shares that may be granted to each beneficiary. It also sets the terms and, where appropriate, the criteria for the allocation of the shares;
- the Board will have the power to subject the allocation of shares to certain individual or collective performance criteria.

By approving the sixth resolution, you are being asked:

- to authorize the Board of Directors to grant free shares of the company, either new or existing, on one or more occasions, to employees and corporate officers of the company who meet the conditions set by law or those of related companies within the meaning of article L. 225-197-2 of the French commercial code *(Code de commerce)*;
- to resolve that the Board of Directors shall determine the identity of beneficiaries of the grants, as well as their terms and, where appropriate, criteria;
- to resolve that the total number of free shares allocated may not represent more than 5% of the company's share capital at the date of the decision of their allocation by the Board of Directors;
- to define, in the terms of the recommendations of the revised Afep-Medef Code of June 2018, a maximum percentage of shares in the form of a 2% sub-ceiling that may be allocated to executive corporate officers as a proportion of the overall amount of 5% put to the vote;
- to resolve that the allocation of shares to their beneficiaries will be final after a vesting period of three years, after which the beneficiaries will not be subject to any retention period;
- to authorize the Board of Directors to adjust during the vesting period, as appropriate, the number of free shares allocated to preserve the rights of the beneficiaries, based on any capital transactions;
- to acknowledge that this decision constitutes shareholders' automatic waiver, in favor of the recipients of free shares, of any right to that portion of the reserves that will, if necessary, be used in the event of new shares being issued;
- to set the period of validity of this delegation of power at thirty-eight months from the Meeting date;
- to delegate all powers to the Board of Directors, with the option of further delegating within the statutory limits, to implement this authorization.

IV – Extension of the duration of the company

SEVENTH RESOLUTION

Extension of the duration of the company and resulting amendment of the bylaws

Pursuant to the provisions of article 5 of the bylaws, the duration of the company is ninety-nine years from the date of its definitive incorporation, unless wound up early or extended, and as such expires on August 2, 2025.

The Board of Directors has considered that it may be appropriate to submit to the shareholders at this time a resolution to extend, before the end of the term previously set, the duration of the company for a new period expiring on December 31, 2116.

In accordance with the provisions of paragraph 1 of article L. 210-6 of the French commercial code *(Code de commerce)*, the regular extension of a company does not entail the creation of a new legal person.
If you decide favorably on this proposal, the resulting amendment of the bylaws would be effective from the date of the Extraordinary General Meeting having approved it.

V – Conversion of the company by adoption of the societas Europaea legal form

EIGHTH RESOLUTION

Conversion of the legal form of the company by adoption of the societas Europaea legal form and the terms of conversion, and recording of the continuation of the terms of each director, the terms of office of the Statutory and alternate Auditors and the authorizations and delegations of competence and powers granted to the Board of Directors by the General Shareholders' Meeting

NINTH RESOLUTION

Adoption of the bylaws of the company as a societas Europaea

The SE form is based on Council Regulation (EC) No. 2157/2001 of October 8, 2001 on the Statute for a European company (the "SE Regulation") and Council Directive 2001/86/EC of October 8, 2001 supplementing the SE Statute with regard to the involvement of employees.
In accordance with the provisions of article 37, paragraph 4 of the SE Regulation, the purpose of the report drawn up by the Board of Directors is to explain and justify the legal and economic aspects of the Conversion, as well as to indicate the consequences thereof for the shareholders and employees of Bolloré (the "company"). The report also discusses the consequences of the conversion on the company's creditors.

ECONOMIC AND LEGAL ASPECTS OF THE CONVERSION

ECONOMIC ASPECTS

The Bolloré Group, thanks to its diversification strategy based on innovation and international development, holds strong positions in its three lines of business: transportation and logistics, communications, and electricity storage solutions.
The activities of the Group to which the company belongs cover several geographies: Europe, Africa, Asia-Pacific and the Americas.
However, the Group has expanded very widely in many countries of the European Union and the European Economic Area. It currently operates in 17 of them (France, Germany, United-Kingdom, Belgium, Italy, Spain, Portugal, Netherlands, Poland, Czech Republic, Luxembourg, Austria, Hungary, Romania, Finland, Denmark and Norway).
Its European identity is reflected in the fact that the company and its subsidiaries now generate a majority of their revenue (more than 55%) in Europe. Moreover, at December 31, 2017, the Group had a workforce of 39,451 employees, of which 10,037 in Europe, representing approximately 25% of the Group's workforce.
As the Group operates in a large number of countries and has strong roots in Europe, the Board of Directors now wishes to reflect its European dimension in the company's very structure, and as such proposes to change its legal form by the adoption of the societas Europaea form.
This legal form has the advantage of being recognized in the countries of the European Union, and benefits from a common base formed by a unified system comprising the provisions of the SE Regulation.
In addition to positive aspects in terms of image in respect of its customers and partners, the prospective conversion would strengthen the sense of belonging of all employees to the Group.
The conversion of the company into a societas Europaea would accordingly be consistent with the reality of its economic activities, as regards both its employees and its customers and partners.

LEGAL ASPECTS

The Conversion is governed by the provisions of the SE Regulation, in particular articles 2, paragraph 4 and 37 relating to the incorporation of a societas Europaea by way of conversion, articles L. 225-245-1 and R. 229-20 to R. 229-22 of the French commercial code *(Code de commerce)*, the provisions of Council Directive 2001/86/EC of October 8, 2001 supplementing the Statute for a European company with regard to the employee involvement (the "SE Directive") and the provisions transposing the SE Directive into national law as provided for in articles L. 2351-1 *et seq.* of the French Labor Code *(Code du travail)*.
The company fulfills the conditions provided for by the prevailing laws to become an SE insofar as:

- it is incorporated under French law and has its registered office and central administration in France, in accordance with article 2, paragraph 4 of the SE Regulation; and
- it has, for at least two years, had a subsidiary governed by the law of a different Member State, in accordance with article 2, paragraph 4 of the SE Regulation.

Moreover, the company already has characteristics applicable to a societas Europaea:

- absence of dissociation between the registered office and the central administration of the company, in accordance with the last paragraph of article L. 229-1 of the French commercial code *(Code de commerce)*; and
- subscribed capital in an amount of at least 120,000 euros, in accordance with article 4, paragraph 2 of the SE Regulation.

Lastly, in accordance with article 37, paragraph 6 of the SE Regulation, Mr. Alain Auvray, conversion commissioner, appointed by order of the Presiding Judge of the Quimper Commercial Court on March 19, 2019 has issued a report certifying that the company has reserves at least equivalent to its share capital plus those reserves that the Law or the bylaws do not allow to be distributed.

Legal regime

As a societas Europaea, the company will be subject to the legal regime laid down by the provisions of article 9, paragraph 1 of the SE Regulation.
As such, the company will be governed by:

a) the SE Regulation;
b) where the SE Regulation expressly authorizes it, by the provisions of the bylaws of the SE; or
c) for matters not covered by the SE Regulation or where a subject is only partially covered by it, by:

– the provisions of the French commercial code *(Code de commerce)* bearing on SEs (articles L. 229-1 and R. 229-1 *et seq.)*,
– the provisions applicable to public limited-liability companies incorporated in France, when they are compatible with the SE rules,
– the provisions of the bylaws of the SE, under the same conditions as for a public limited-liability company *(sociétés anonymes)* incorporated in France.

CONSEQUENCES OF THE CONVERSION FOR THE COMPANY

The conversion of the company will not entail the winding up of the company or the creation of a new legal person.
The name of the company after its conversion will, in accordance with the provisions of article 11 of the SE Regulation, be followed by the words "societas Europaea" or the abbreviation "SE".
The duration of the company, its purpose and its registered office remain unchanged.
The share capital of the company, the number of shares comprising it and their par value remain unchanged.
The duration of the current fiscal year will not be modified as a result of the adoption of the societas Europaea legal form, and the financial statements for that fiscal year will be prepared, presented and audited under the conditions laid down by the company's bylaws under its new form and the provisions of the French commercial code *(Code de commerce)* relating to the societas Europaea legal form.
The company will maintain its single-tier structure, and will accordingly continue to have a Board of Directors, whose composition will remain unchanged.
The offices of each of the current directors, and the Statutory and alternate Auditors at the time of the conversion of the company into a societas Europaea will continue until their respective term.

All authorizations and delegations of competence and powers that have been and will be granted to the Board of Directors in its form as public limited-liability company by all General Shareholders' Meetings of the company, and which are in force on the day of the completion of the conversion of the company into a societas Europaea, will be automatically transferred to the Board of Directors of the company as a societas Europaea.

CONSEQUENCES OF THE CONVERSION FOR BONDHOLDERS

The Conversion will be subject to the approval of the General Shareholders' Meeting of bondholders. In the absence of their approval, the company may, in accordance with paragraph 1 of article L. 228-72 of the French commercial code *(Code de commerce)*, override the decision of the bondholders by offering to redeem their bonds.

EFFECTIVE DATE OF THE CONVERSION

The Conversion will take effect from the company's registration as a societas Europaea in the Trade and Companies Register.
In accordance with article 12, paragraph 2 of the SE Regulation, registration of the company as a societas Europaea will only take place when the procedure relating to employee involvement, as provided for in articles L. 2351-1 *et seq.* of the French Labor Code *(Code du travail)*, has been completed.

PRESENTATION OF THE AMENDMENTS TO THE BYLAWS

A draft of the bylaws of Bolloré in the form of SE is appended to this report. The provisions of these bylaws are consistent with the SE Regulation and applicable French law.
The SE Regulation lays down a limited number of rules concerning the functioning of an SE, with reference to the provisions of the relevant national laws.
All the rules provided for in the SE Regulation have been incorporated into the draft bylaws appended hereto.
As a result, the company will retain its current organs, whose terms and decision-making conditions will not be modified by the conversion into an SE, with the exception of certain rules:
— *General Shareholders' Meeting*
The rules for calculating the voting majority at General Shareholders' Meetings of Shareholders will be amended in accordance with articles 57 and 58 of the SE Regulation.
While in a public limited-liability company *(sociétés anonymes)* under French law, abstention or an informal vote at a General Shareholders' Meeting (ordinary, extraordinary or special) is equivalent to a vote "against" the resolution, the calculation of the majority for the adoption of resolutions by the General Shareholders' Meeting of an SE is based on "votes validly cast", which do not include those attached to shares for which a shareholder did not take part in the vote, or abstained or returned a blank or spoilt ballot paper.
In addition, pursuant to article 55 of the SE Regulation, one or more shareholders together holding shares representing at least 10% of the subscribed capital may ask the SE to call a General Shareholders' Meeting and draw up the agenda therefore;
— *Single-tier structure of the Board of Directors*
The single-tier structure will be maintained after the Conversion, and the current terms of office of the members of the Board of Directors will continue under the same conditions and for the remaining period as within the company in its current form.
The Board of Directors will meet at least once every three months to discuss the progress and foreseeable development of the company's business, in accordance with article 44, paragraph 1 of the SE Regulation.
For its decisions to be valid, at least half of the directors must be present or represented (in the form of a public limited-liability company *(société anonyme)* under French law, half of the directors must be present).

CONSEQUENCES OF THE CONVERSION ON THE SHAREHOLDERS, CREDITORS AND EMPLOYEES OF THE COMPANY

SITUATION OF THE SHAREHOLDERS

The Conversion will not affect the rights of the shareholders of the company.
As such, the financial commitment of each shareholder will remain limited to that to which he/she had subscribed prior to the conversion of the company. The Conversion will not affect the share of each shareholder in the voting rights of the company.
The number of shares issued by the company will not be changed as a result of the Conversion.
As stated in the paragraph concerning the amendments to the bylaws, the rules for calculating the majority in the General Shareholders' Meetings of shareholders will be modified in accordance with the rules applicable to SEs, and the rights of shareholders will be strengthened, as article 55, paragraph 1 of the SE Regulation recognizes the option of one or more shareholders together holding at least 10% of the subscribed capital of the company may ask the SE to call a General Shareholders' Meeting and draw up the agenda therefore.

SITUATION OF CREDITORS

The Conversion will not in itself change the rights of the creditors of the company.
Pre-conversion creditors will retain all rights in respect of the company following the completion of the Conversion. Creditors will also retain the benefit of the securities granted to them before the final completion of the Conversion and which are still in force at that date.

SITUATION OF EMPLOYEES

Opinion of the Central Committee of the Economic and Social Unit (CCUES)

The CCUES issued an opinion on the terms of the conversion of the company into an SE on November 29, 2018.

Status of employees

The conversion of the company into a societas Europaea does not entail any change in the employment contracts of employees of the company or its direct or indirect subsidiaries. As such, their employment contracts continue pursuant to national rules in the terms and under the same conditions as prior to the completion of the Conversion.
Similarly, the Conversion has no effect on the collective status of employees, their working conditions or the collective bargaining agreements in force.

Implementation of the procedure relating to employee involvement provided for in articles L. 2351-1 *et seq.* of the French Labor Code *(Code du travail)*

The negotiation procedure with the employee representatives of the companies concerned by the creation of a societas Europaea is set out in the SE Directive, which has been transposed into articles L. 2351-1 to L. 2353-32 of the French Labor Code *(Code du travail)*.
Employees have been asked to establish a special negotiating body ("SNB"), the purpose of which is to conduct negotiations with a view to concluding a written agreement with the employee representatives of all direct and indirect subsidiaries of the company on the terms of employee involvement in the SE.
The members of the SNB are appointed in accordance with the procedures laid down for each of the countries concerned. This group is the partner of management in the negotiations. It has legal personality.
The members of the SNB are called to meet by the senior executives of the company; they may be assisted by experts. Negotiations may continue for six months from the date of the first meeting of the SNB. They may be extended by mutual agreement of the parties without the maximum duration of negotiations exceeding one year.
The SNB's negotiations on employee involvement in the societas Europaea may lead to one of the following situations:
- a written agreement determining the terms of employee involvement in the societas Europaea; or

- the application of the subsidiary provisions relating to the societas Europaea Committee provided for in articles L. 2353-1 *et seq.* of the French Labor Code *(Code du travail)* when, at the end of the collective bargaining period provided for in article L. 2352-9 of the said Code, if no agreement has been reached.

We ask you, by voting in favor the eighth and ninth resolutions, to approve the conversion of the legal form of the company into a societas Europaea, to approve the terms of the company's terms of conversion, to amend the bylaws of the company in order to adapt them to its new legal form, and to note that the Conversion will take effect from the registration of the company in its new form in the Quimper Trade and Companies Register, which will take place after the negotiations on employee involvement in the societas Europaea.

It will also be your responsibility to grant all powers to the Board of Directors to (i) take note of the completion of negotiations on the terms of employee involvement in the societas Europaea and take note, as appropriate, of the signing of an agreement to this effect, (ii) find accordingly that the condition precedent to the registration of the company in its new form at the completion of the said negotiations has been fulfilled and (iii) to carry out the formalities necessary for the registration of the company as a societas Europaea.

VI – Powers to be given

TENTH RESOLUTION

The tenth resolution submitted for your approval asks you to grant full powers to the bearer of copies or an extract of the minutes of this Extraordinary General Meeting to fulfill all legal formalities following the Meeting.

The Board of Directors

4. Statutory Auditors’ reports

4.1. Statutory Auditors’ report on the issue of ordinary shares or any other marketable securities granting access to share capital immediately or in the future with retention of preferential subscription rights

Extraordinary General Meeting of May 29, 2019 – 1st resolution

This is a free translation into English of a report issued in French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your company and in accordance with the procedures set forth in articles L. 228-92 of the French Commercial Code (*Code de Commerce*), we hereby report on the proposed delegation to the Board of Directors to decide, on one or more occasions, the issue of ordinary shares of the company or any other marketable securities granting access by all means, immediately and/or in the future, to ordinary shares of the company, to marketable securities other than shares which could also be denominated in foreign currencies or in any monetary unit comprised of a basket of several foreign currencies, for a maximum amount of 500,000,000 euros, a transaction on which you are asked to vote. The maximum amount of the share capital increase likely to result from this issue amounts to 200,000,000 euros, not including share premiums, if any.

Your Board of Directors proposes that it be authorized, on the basis of its report, for a period of 26 months, to decide on one or more issues of this transaction. When necessary, the Board of Directors will set the final issuance terms and conditions for this transaction.

It is the responsibility of the Board of Directors to prepare a report in accordance with articles R. 225-113 *et seq.* of the French Commercial Code (*Code de commerce*). Our role is to express an opinion on the fair presentation of the quantified information extracted from the financial statements and on certain other information concerning the issue, contained in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) applicable to this engagement. These procedures consisted in verifying the content of the Board of Directors’ report relating to this transaction and the terms and conditions governing the determination of the issue price of the equity securities to be issued.

Since the Board of Director’s report does not specify the terms and conditions for determining the issue price of the equity securities to be issued, we cannot express our opinion on the choice of calculation inputs used for the issue price.

As the final terms and conditions of the issue(s) have not been determined, we do not express an opinion thereon.

In accordance with article R. 225-116 of the French Commercial Code (*Code de commerce*), we will prepare an additional report, if required, should this delegation be exercised by your Board of Directors.

Neuilly-sur-Seine and Paris-la Défense, April 19, 2019

The Statutory Auditors

AEG Finances	Constantin Associés
French Member of	Member of
Grant Thornton International	Deloitte Touche Tohmatsu Limited
Jean-François Baloteaud	Jean Paul Séguret

4.2. Statutory Auditors' report on the capital increase by issue of new shares and, if applicable, the allocation of free shares or other securities granting access to share capital reserved for members of a company savings plan

Extraordinary General Meeting of May 29, 2019 – 4th resolution

This is a free translation into English of a report issued in French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,In our capacity as Statutory Auditors of your company and in accordance with the procedures set forth in articles L. 225-197-1 and L. 225-135 *et seq.* of the French Commercial Code (*Code de Commerce*), we hereby report on the proposed delegation to the Board of Directors to decide a capital increase, with waiver of preferential subscription rights, on one or more occasions, by the issue of new shares and, if applicable, the allocation of free shares or other securities granting access to share capital reserved for members of the savings plans set up by your company and/or other companies or groupings in which the company owns, directly or indirectly, 50% of the share capital or voting rights, for a maximum amount representing 1% of the amount of the shares comprising the share capital as of the date hereof, a transaction on which you are asked to vote.

This capital increase is submitted for your approval in accordance with articles L. 225-129-6 of the French Commercial Code (*Code de commerce*) and L. 3332-18 *et seq.* of the French Labor Code (*Code du travail*).

Your Board of Directors proposes that it be authorized, on the basis of its report, with the option of sub-delegation to the Chief Executive Officer, and for a period of 26 months, to set the terms and conditions of one or more issues, and to waive your preferential subscription rights to the equity securities to be issued. When necessary, the Board of Directors will set the final issuance terms and conditions for this transaction.

It is the responsibility of the Board of Directors to prepare a report in accordance with articles R. 225-113 *et seq.* of the French Commercial Code (*Code de commerce*). Our role is to express an opinion on the fair presentation of the quantified information extracted from the financial statements, on the proposed waiver of preferential subscription rights and on certain other information concerning the issue, contained in this report.

We performed the procedures that we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) applicable to this engagement. These procedures consisted in verifying the content of the Board of Directors' report relating to this transaction and the terms and conditions governing the determination of the issue price of the equity securities to be issued.

Subject to a subsequent review of the terms and conditions of the proposed issue(s), we have no comments on the terms and conditions governing the determination of the issue price of the equity securities to be issued, as presented in the Board of Directors' report.

As the final terms and conditions of the issue(s) have not been determined, we do not express an opinion thereon and, as such, on the proposed waiver of preferential subscription rights submitted for your approval.

In accordance with article R. 225-116 of the French Commercial Code (*Code de commerce*), we will prepare an additional report, if required, should this delegation be exercised by your Board of Directors.

Neuilly-sur-Seine and Paris-la Défense, April 19, 2019

The Statutory Auditors

AEG Finances	Constantin Associés
French Member of	Member of
Grant Thornton International	Deloitte Touche Tohmatsu Limited
Jean-François Baloteaud	Jean Paul Séguret

4.3. Statutory Auditors' report on capital reduction

Special General Meeting of May 29, 2019 – 5th resolution

This is a translation into English of the Statutory Auditors' report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your company and in order to complete the assignment provided for in article L. 225-209 of the French Commercial Code (*Code de commerce*) in the event of a capital reduction by cancellation of purchased shares, we have drawn up this report to share with you our assessment of the causes and conditions of the proposed capital reduction.

Your Board of Directors proposes to delegate, for a period of 18 months from the date of this meeting, all powers to cancel, within the limit of 10% of its capital per 24-month period, the shares purchased under a purchase authorization by your company of its own shares under the provisions of the aforementioned article.

We performed the due diligence that we deemed necessary in light of the professional standards of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) for this assignment. These procedures are aimed at examining whether the causes and conditions of the proposed capital reduction, which will not affect the equality of shareholders, are appropriate. We have no comment to make on the causes and conditions of the proposed capital reduction.

Neuilly-sur-Seine and Paris-la Défense, April 19, 2019

The Statutory Auditors

AEG Finances French Member of Grant Thornton International Jean-François Baloteaud	Constantin Associés Member of Deloitte Touche Tohmatsu Limited Jean Paul Séguret

4.4. Statutory Auditors' report on the authorization to award existing bonus shares or bonus shares to be issued

Special General Meeting of May 29, 2019 – 6th resolution

This is a translation into English of the Statutory Auditors' report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of your company and in order to complete the assignment provided for in article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we present to you our report on the draft authorization to award bonus shares, existing or to be issued, to members of the salaried staff, corporate officers, or some of them, of the company or companies or groups directly or indirectly related to it under the terms of article L. 225-180 of the French Commercial Code, eligible under applicable legal and regulatory conditions, on which transaction you are called upon to decide.

The total number of shares that may be awarded under this authorisation may not represent more than 5% of the company's capital.

On the basis of its report, your Board of Directors proposes, the authorization, for a period of 38 months, of the award of existing bonus shares or bonus shares to be issued.

It is the responsibility of the Board of Directors to draw up a report on this transaction with which it wishes to proceed. It is our responsibility to inform you of our observations, if any, on the information thus provided to you on the proposed transaction.

We performed the due diligence that we deemed necessary in light of the professional standards of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) for this assignment. These procedures consisted mainly of verifying that the methods considered and indicated in the Board of Directors' report are within the framework of the provisions established by law.

We have no comments to make on the information provided in the Board of Directors' report on the proposed authorization to award bonus shares.

Neuilly-sur-Seine and Paris-la Défense, April 19, 2019

The Statutory Auditors

AEG Finances French Member of Grant Thornton International Jean-François Baloteaud	Constantin Associés Member of Deloitte Touche Tohmatsu Limited Jean Paul Séguret

4.5. Statutory Auditors' special report on regulated agreements and commitments

General Meeting to approve the financial statements for the year ended December 31, 2018

This is a translation into English of the Statutory Auditors' report issued in French and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

At the General Meeting of Bolloré,

In our capacity as Statutory Auditors of your company, we present our report on regulated agreements and commitments.

It is our responsibility to communicate to you, on the basis of the information provided to us, the characteristics, essential methods and reasons justifying the interest of the company in the agreements and commitments of which we have been informed or have become aware in carrying out our assignment, without issuing an assessment of their usefulness and their rationale nor investigating whether there are other agreements and commitments. It is your responsibility, under the terms of article R.225-31 of the French Commercial Code (*Code de commerce*), to assess the interest involved in the execution of these agreements and commitments with a view to their approval.

In addition, it is our responsibility, if applicable, to provide you with the information provided in article R.225-31 of the French Commercial Code (*Code de commerce*) relating to the implementation, during the past year, of the agreements and commitments already approved by the general meeting.

We performed the due diligence that we deemed necessary in light of the professional standards of the French National Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) for this assignment. This due diligence consisted of verifying whether the information provided to us was consistent with the source documents from which it was obtained.

AGREEMENTS AND COMMITMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

AGREEMENTS AND COMMITMENTS AUTHORIZED AND EXECUTED DURING THE PAST YEAR

We would like to inform you that we have not been notified of any agreement or commitment authorized and executed during the past financial year to be submitted to the General Meeting for approval in accordance with the provisions of article L. 225-38 of the French Commercial Code (*Code de commerce*).

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

AGREEMENTS AND COMMITMENTS APPROVED IN PREVIOUS FINANCIAL YEARS, WHICH REMAINED IN EFFECT DURING THE PAST YEAR

Pursuant to article R.225-30 of the French Commercial Code (*Code de commerce*), we have been informed that the following agreements and commitments, already approved by the General Meeting in previous financial years, continued to be performed during the past year.

With Bolloré Participations

In respect of Chairman services, Bolloré Participations billed your company in 2018 the sum of 1,478,070.75 euros, of which 75% consists of the salary received by Vincent Bolloré, including all fees.

Under the terms of the service provision agreement, Bolloré Participations provides your company with assistance in the fields of finance, legal affairs and strategy formulation. Bolloré Participations billed your company in 2018 a sum of 1,468,158 euros in this respect.

Directors concerned : Vincent Bolloré, Cyrille Bolloré, Yannick Bolloré, Marie Bolloré, Sébastien Bolloré and Cédric de Bailliencourt.

Bolloré Africa Logistics brand licensing agreements

Under the terms of the Bolloré Africa Logistics brand licensing agreements with Bolloré Group companies, your company received royalties equal to 2% of the revenue of the licensees in the year preceding payment, i.e.:

- 2,393,100 euros paid by Bolloré Transport & Logistics Côte d'Ivoire (formerly Bolloré Africa Logistics Côte d'Ivoire);
- 2,714,000 euros billed by Abidjan Terminal (formerly Société d'Exploitation du Terminal de Vidri);
- 644,300 euros paid by Bolloré Transport & Logistics Senegal (formerly Bolloré Africa Logistics Senegal);
- 896,254 euros paid by Bolloré Transport & Logistics Cameroon (formerly Bolloré Africa Logistics Cameroon);
- 453,600 euros paid by Bolloré Transport & Logistics Gabon (formerly Bolloré Africa Logistics Gabon);
- 719,100 euros paid by Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Congo).

With Blue Solutions

Re-invoicing agreement for the construction and maintenance costs of an electrical transformer substation executed by and between Blue Solutions and Bolloré

The electrical transformation substation under the works contract that was transferred in 2013 from Blue Solutions to your company is for the supply of electricity to the facilities of both your company and Blue Solutions.

On March 21, 2013, your Board of Directors authorized the execution of an agreement under which Blue Solutions will be billed by your company for the construction costs of the transformation substation and the decommissioning costs of the old substation as well as maintenance costs re-invoiced "at cost".

For the 2018 financial year, re-invoicing by your company amounted to 69,412 euros.

Amendment dated May 12, 2017 to the cash management agreement dated November 30, 2001

At a meeting held on May 11, 2017, the Board of Directors authorized the execution of an amendment to the cash management agreement in order to maintain Bolloré's commitment to waive the use of the provisions relating to the notice of termination until June 30, 2020 and thus maintain financial support for its subsidiary until that date.

Neuilly-sur-Seine and Paris-la Défense, April 19, 2019

The Statutory Auditors

AEG Finances	Constantin Associés
French Member of	Member of
Grant Thornton International	Deloitte Touche Tohmatsu Limited
Jean-François Baloteaud	Jean Paul Séguret

8 Additional information

1. Main legal and statutory provisions

1.1. Company name

"Bolloré".

1.2. Place of registration and registration number

RCS (Register of Commerce and Companies) in Quimper.
Registration no. 055 804 124.

1.3. Date of incorporation and duration

The company was incorporated in 1926 for a period expiring on August 2, 2025.

1.4. Registered office, legal form and legislation governing its activity

Bolloré is a corporation *(société anonyme)* with a Board of Directors whose registered office is located at Odet, 29500 Ergué-Gabéric in France.
The company is subject to the provisions of French law.
The offices of the administrative department of the company are at 31-32, quai de Dion-Bouton, 92811 Puteaux Cedex, France (tel.: +33 (0)1 46 96 44 33).
The company has two secondary entities, one at Cascadec, 29390 Scaer, the other in Paris, 12, avenue Paul-Doumer (75116).

1.5. Incorporation documents and articles of association

Bolloré is a corporation *(société anonyme)* whose registered office is located at Odet, 29500 Ergué-Gabéric in France.
Documents and information related to the company may be consulted at its administrative department offices: 31-32, quai de Dion-Bouton, 92811 Puteaux Cedex.

1.5.1. CORPORATE PURPOSE (ARTICLE 3 OF THE ARTICLES OF ASSOCIATION)

The company objectives in France and in any other country are to carry out the following activities, either directly or indirectly:
- the acquisition of any interests and shareholdings in any French or non-French company by all and any means;
- the industrial application of all and any technologies;
- all and any forms of transportation, by sea, land or otherwise, and all and any transport-related services, together with all related operations;
- the provision of services, advice and assistance to companies, particularly relating to financial matters;
- the purchase and sale of all and any products, the acquisition, management, operation (including by lease with or without an option to purchase) or sale of any consumer goods or equipment, whether fixed, movable or vehicular, of machines and tools, as well as of all any land, sea and air craft;
- the acquisition and licensing of all patents, trademarks and commercial or manufacturing operations;
- and, more generally, any commercial, financial, industrial, real estate or movable property transaction whatsoever that could directly or indirectly further the corporate purpose, or any similar or connected purposes.

1.5.2. SUMMARY OF PROVISIONS CONTAINED IN THE ARTICLES OF ASSOCIATION, THE CHARTER AND THE BY-LAWS CONCERNING THE MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

The provisions related to the administrative and management bodies appear in chapter III of the articles of association.
The Board of Directors is made up of three to eighteen members, subject to the exemption provided by law in case of merger.
Their term of office lasts three years, and the age limit for exercising their duties is set at 99 years.
The Board consists of two salaried directors who are appointed by the Central Group Committee for a period of three years.
The by-laws of the Board of Directors include a provision requiring each director to allocate 10% of directors' fees that he/she receives for performing his/her duties as a director to purchasing Bolloré securities until the consideration for his/her number of shares reaches the equivalent of one year of directors' fees received.
The Board of Directors elects from among its members a Chairman of the Board of Directors, a natural person who organizes the Board's work and ensures that the directors are in a position to fulfill their assignments.
Regardless of the period for which they have been conferred, the Chairman's duties end automatically at the end of the first Ordinary General Meeting held after the date on which he/she reaches the age of 75. However, the Board of Directors may in this case decide to renew the Chairman's term of office for one or two periods of two years.
The Board of Directors appoints one of its members to the position of Vice-Chairman and Managing Director, delegating to him/her in advance the functions of Chairman and Chief Executive Officer, which shall be automatically devolved upon him/her in the event of the death or disappearance of the Chairman. This delegation is given to the Vice-Chairman and Managing Director for a limited period, which may not exceed the term of office of the Chairman. In the event of death, this delegation remains valid until a new Chairman is elected.
The Board may appoint from among its members one or more Vice-Chairmen responsible for chairing Board meetings if the Chairman is absent or unable to attend, if this absence is not being covered by the Vice-Chairman and Managing Director.
Failing this, the position of Chairman falls on a member of the Board specially chosen by his/her colleagues at each meeting.
The Board may also appoint a secretary who may be selected from outside the members of the Board.
The Executive management of the company is carried out, under its responsibility, either by the Chairman of the Board of Directors or by another natural person appointed by the Board of Directors, bearing the title of Chief Executive Officer. In the event of the death or disappearance of the Chairman, and if the latter exercises the function of Executive management, the Vice-Chairman and Managing Director takes on this function.
Upon the proposal of the Chief Executive Officer, the Board of Directors may mandate one or more persons (but no more than five) to assist him/her as Deputy Chief Executive Officer.

1.5.3. PROVISIONS RELATED TO THE OBSERVERS

Article 18 – Panel of observers states that the Ordinary General Meeting shall have the option, on the proposal of the Board of Directors, to appoint a panel of observers.
Observers may be natural persons or legal entities. Legal entities to whom the functions of observers have been granted shall be represented by a permanent representative designated by them.
Observers are invited to attend all meetings of the Board of Directors and may take part in the deliberations, but in an advisory capacity only. Their term of office is one year and shall expire at the end of the Ordinary General Meeting of shareholders called to approve the financial statements for the previous year held during the year following the year of their appointment.

1.5.4. RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHED TO SHARES

Article 11 of the articles of association provides that, apart from the voting right granted to it by law, each share gives rise to entitlement to a portion, in proportion to the number and par value of existing shares, of the share capital, the profits or the proceeds of liquidation.
Article 19 of the articles of association states that "[…/…] *The voting rights attached to shares are proportional to the capital share represented. At equivalent par value, each capital share or dividend share confers one voting right. However, in accordance with legal provisions, a double voting right compared to that granted to other shares, taking into account the portion of the share capital that they represent, is granted to all fully paid-up shares held in registered form in the name of the same shareholder for at least two years. With regard to shares encumbered by usufruct, pledged, subject to an attachment order or indivisible, the voting right is exercised in accordance with legal provisions. However, in the event of the transfer of shares with retention of usufruct under the provisions of article 787 B of the French General Tax Code* (Code général des impôts), *the voting rights for the usufruct holder are limited to decisions with regard to the allocation of earnings* […/…]"

1.5.5. ACTIONS TO BE TAKEN TO MODIFY SHAREHOLDER RIGHTS

The company's articles of association do not provide more restrictive provisions than the law in this area.

1.5.6. CONVENING OF MEETINGS AND CONDITIONS FOR ADMISSION

CONVENING

Shareholders' Meetings are convened under the conditions provided by law. In accordance with the provisions of article L. 225-103 of the French commercial code (*Code de commerce*), General Meetings, both Ordinary and Extraordinary, are convened by the Board of Directors. Failing this, they may also be convened by:
- the Statutory Auditors;
- a representative designated by the courts at the request of any interested party in case of urgency or one or more shareholders representing at least 5% of the share capital, or an association of shareholders meeting the conditions set by law;
- shareholders representing a majority of capital or voting rights after a public tender or exchange offer or after sale of a controlling block.

After fulfillment of the formalities preliminary to convening, stipulated by the regulations in force, General Meetings are convened by a notice containing the information set out by these regulations; this notice is inserted in a journal authorized to receive legal announcements in the department of the registered office and in the *Bulletin des annonces légales obligatoires* (gazette). Shareholders who have been registered in the accounts for at least one month on the date of insertion of this notice are also convened by ordinary letter, unless they have asked in good time to be convened, at their own expense, by recorded delivery letter.

SPECIFIC TERMS AND CONDITIONS OF SHAREHOLDER PARTICIPATION IN THE GENERAL SHAREHOLDERS' MEETING OR PROVISIONS OF THE ARTICLES OF ASSOCIATION PROVIDING FOR SUCH TERMS AND CONDITIONS (FRENCH COMMERCIAL CODE (*CODE DE COMMERCE*), ARTICLE L. 225-37-4, 9°)

The right to participate in General Meetings is subject to registration of securities in the name of the shareholder or the intermediary registered on the shareholder's behalf, on the second business day preceding the meeting at midnight, Paris time, either in the registered securities accounts held by the company or in the bearer securities accounts held by the authorized intermediary.
The entry of securities in the bearer securities accounts held by the authorized intermediary is confirmed by a shareholding certificate issued by the latter.
Any shareholder entitled to participate in General Meetings may be represented by their spouse, by another shareholder, by a civil partner or by any other natural or legal person of their choice or may submit a postal vote according to legal conditions.

1.5.7. PROVISIONS CONTAINED IN THE ARTICLES OF ASSOCIATION, THE CHARTER AND THE BYLAWS THAT MAY DELAY, DEFER OR PREVENT A CHANGE OF CONTROL

None.

1.5.8. PROVISIONS OF THE INCORPORATION DOCUMENTS, CHARTER OR BYLAWS FIXING THE THRESHOLD ABOVE WHICH ANY SHAREHOLDING MUST BE DISCLOSED

None.

1.5.9. CONDITIONS OF THE ARTICLES OF ASSOCIATION GOVERNING CHANGES IN SHARE CAPITAL

Changes in share capital may be made under the conditions provided by law.

1.5.10. AGREEMENTS

1.5.10.a. INTERNAL CHARTER ON THE TYPOLOGY OF AGREEMENTS

At its meeting of March 21, 2013, the Board of Directors convened to examine proposals related to regulated agreements as issued by the *Autorité des marchés financiers* (AMF recommendation no. 2012-05 – Meetings of shareholders of listed companies – published on July 2, 2012), approved an internal charter for characterizing agreements and whose terms are litterally set out below:
"**Internal charter characterizing agreements**
Under the regulations established by articles L. 225-38 to L. 225-43, R. 225-30 to R. 225-32 and R. 225-34-1 of the French commercial code *(Code de commerce)* and the recommendation of the French *Autorité des marchés financiers* (AMF) no. 2012-05 – Meetings of shareholders of listed companies – published on July 2, 2012, the Board of Directors, at its meeting of March 21, 2013, decided to establish the typology of agreements, which due to their character and terms are not subject to any formalities.
The following are regarded as current transactions concluded under normal conditions and therefore not subject to any formality:
a) invoices from Bolloré SA to other Group companies related in particular to administrative assistance or management services;
b) invoices from all Group companies related to disposal of assets with a limit of 1.5 million euros per transaction;
c) options or authorizations given within the framework of a Group tax regime (tax consolidation agreement);
d) disposals of securities of minor importance that are purely administrative in nature, or disposals of securities as part of a reclassification of securities occurring between the company and natural persons or legal entities (having links with the company as defined in article L. 225-38 of the French Commercial Code (*Code de commerce*) for up to 500,000 euros per transaction, whereby transactions relating to listed companies have to be carried out at a price corresponding to an average of the prices listed in the last twenty trading days;
e) transfers between the company and one of its directors of a number of securities equal to that set for exercising his/her duties as a corporate officer within the issuer of securities transferred;
f) cash management and/or loan transactions, provided the transaction is carried out at the market rate with a maximum differential of 0.50%."

1.5.10.b. REVIEW OF AGREEMENTS APPROVED DURING PREVIOUS FISCAL YEARS AND CONTINUED DURING THE YEAR

In accordance with the provisions of article L. 225-40-1 of the French commercial code *(Code de commerce)*, the Board of Directors meeting on March 14, 2019, examined the agreements signed and authorized in previous fiscal years whose performance continued in 2018 and noted that the reasons for signing the agreements and the different interests that presided over their implementation are still applicable to each of the agreements.
As part of its annual review, the Board subsequently examined the following agreements:

Bolloré Africa Logistics brand licensing agreements

Under agreements for licensing the Bolloré Africa Logistics trademark with Bolloré Group companies, Bolloré received royalties equal to 2% of revenue realized by the licensees during the fiscal year preceding that of payment, that is:
- 2,393,100 euros paid by Bolloré Transport & Logistics Côte d'Ivoire (former Bolloré Africa Logistics Côte d'Ivoire);
- 2,714,000 euros paid by Abidjan Terminal (former Société d'Exploitation du Terminal de Vridi);
- 644,300 euros paid by Bolloré Transport & Logistics Sénégal (former Bolloré Africa Logistics Sénégal);
- 896,254 euros paid by Bolloré Transport & Logistics Cameroun (former Bolloré Africa Logistics Cameroun);
- 453,600 euros paid by Bolloré Transport & Logistics Gabon (former Bolloré Africa Logistics Gabon);
- 719,100 euros paid by Bolloré Transport & Logistics Congo (formerly Bolloré Africa Logistics Congo).

With Blue Solutions

- **Agreement for re-billing construction and maintenance costs for an electric transformer substation between Blue Solutions and Bolloré**

The electric transformer substation, the subject of the works contract transferred in 2013 from Blue Solutions to Bolloré, was intended to supply electricity to both Bolloré and Blue Solutions facilities.
As a result of an agreement under which Blue Solutions is being re-billed by Bolloré for the cost, of constructing the electric transformer substation and dismantling the former substation, as well as for the maintenance costs, which are re-billed at cost. Bolloré re-invoiced 69,412 euros in 2018.

- **Cash management agreement dated November 30, 2001.**

At its meeting as of May 11, 2017, the Board authorized the signing of an amendment to the cash management agreement in order to maintain Bolloré's undertaking to waive its right to use the provisions relating to the termination notice period until June 30, 2020 and to maintain its financial support for its subsidiary until that date.

With Bolloré Participations

- **Chairman services**

For Chairman services in 2018, Bolloré Participations billed the Bolloré company an amount of 1,478,070.75 euros, equivalent to 75% of the compensation received by Vincent Bolloré (charges included).

- **Service agreement**

The amount billed for the performance of the service agreement between Bolloré Participations and Bolloré was changed, following prior authorization by the Board of Directors at its meeting of March 19, 2015, to 1,468,158 euros starting from the 2015 fiscal year and thereafter until otherwise decided by the Board of Directors.
Under this service agreement, Bolloré Participations assists and collaborates with Bolloré in the following areas:

Financial:
- relations with banks;
- examination and presentation of loan applications;
- assistance in any financial planning;
- assistance in preparing budgets and when monitoring budget implementation;
- leading and managing the monitoring of working capital requirement.

Legal:
- assistance conducting restructuring operations in terms of acquisition, negotiation and drawing up contracts.

Strategic actions:
- developing strategy and leadership;
- examination of investment and development project;
- analysis of synergies;
- assistance with strategic decision-making.

Assistance with Executive management:
- support for the Group's Executive management.

2. Documents on display

Annual and half-yearly reports are available on request from:
Group Communications Department – Investor Relations
Bolloré Group
31-32, quai de Dion-Bouton
92811 Puteaux Cedex, France
Tel.: +33 (0)1 46 96 47 85
Fax: +33 (0)1 46 96 42 38
In addition, the Group's website (www.bollore.com) makes it possible to consult its press releases and financial details respectively under the headings "Press" and "Investors".

3. Persons responsible for the registration document and financial information

3.1. Name and function of the person responsible

Cyrille Bolloré, Chairman and Chief Executive Officer.

3.2. Certification by the person responsible

"To the best of my knowledge and having taken all reasonable measures for such purpose, I certify that the information contained herein gives a true and fair view of the facts and that no material information has been omitted.
I certify, to the best of my knowledge, that the financial statements have been prepared in accordance with applicable accounting standards and are a true representation of the assets, the financial situation and the results of the company and all companies included in the scope of consolidation, and that the management report included in this registration document (the content of which is stated in the cross-reference table shown in the appendix) is a true representation of the development of the business, the results and the financial situation of the company and all companies included in the scope of consolidation and a description of the main risks and uncertainties facing them.
I have obtained from the Statutory Auditors a completion letter (lettre de fin de travaux) *in which they state that they have verified the information concerning the financial situation and financial statements herein, and have carried out a review of the entire registration document."*

Puteaux, April 26, 2019
Cyrille Bolloré

3.3. Name and function of the person responsible for the financial information

Investors and shareholders requiring further details on the Group are invited to contact the Financial Communications and Investor Relations Department:

Emmanuel Fossorier
Financial Communications Director
Tel.: +33 (0)1 46 96 47 85
e.fossorier@bollore.net

Xavier Le Roy
Investor Relations Director
Tel.: +33 (0)1 46 96 47 85
x.leroy@bollore.net

4. Persons responsible for auditing the financial statements

4.1. Principal Statutory Auditors

Constantin Associés
6, place de la Pyramide
92908 Paris-la Défense Cedex, France

Represented by Jean Paul Séguret

First appointed: Extraordinary General Meeting of June 28, 1990.
Reappointed: Ordinary General Meetings of June 12, 1996, June 6, 2002, June 5, 2008 and June 5, 2014.
Term of office expiring at the end of the Meeting approving the financial statements for the year ended December 31, 2019.

AEG Finances – Audit Expertise Gestion
29, rue du Pont
92200 Neuilly-sur-Seine, France

Represented by Jean-François Baloteaud

First appointed: Ordinary General Meeting of June 5, 2007.
Reappointed: Ordinary General Meeting of June 5, 2013.
Term of office expiring at the end of the General Meeting approving the financial statements for the year ended December 31, 2018.

4.2. Alternate Statutory Auditors

CISANE
6, place de la Pyramide
92908 Paris-la Défense Cedex, France
First appointed: Ordinary General Meeting of June 5, 2014.
Term of office expiring at the end of the General Shareholders' Meeting approving the financial statements for the year ended December 31, 2019.

Institut de Gestion et d'Expertise Comptable – IGEC
22, rue Garnier
92200 Neuilly-sur-Seine, France
First appointed: Ordinary General Meeting of June 5, 2013.
Term of office expiring at the end of the General Meeting approving the financial statements for the year ended December 31, 2018.

5. Information provided by third parties, statements by experts and declarations of interest

This document does not contain any information provided by third parties, any statements by experts or any declarations of interest, except for the Statutory Auditors' reports and the Independent Third Party report.

6. Information likely to have an impact in the event of a tender or exchange offer (article L. 225-37-5 of the French commercial code [*Code de commerce*])

6.1. Structure and distribution of the company's share capital

The distribution of share capital and voting rights within the company as of December 31, 2018 is presented in the registration document (chapter 6 section 1.1).

6.2. Restrictions per the articles of association on exercising voting rights and transfers of shares, or contractual provisions brought to the attention of the company in accordance with article L. 233-11 of the French commercial code *(Code de commerce)*

The legal obligations provided for in article L. 233-7 of the French commercial code *(Code de commerce)* are applicable. The company's articles of association do not make provision for additionnal obligations to declare the crossing of thresholds.
The articles of association do not include any limit to the transfer of shares of the company.
No clause in any agreement providing for preferential conditions of sale or acquisition and relating to at least 0.5% of the capital or voting rights of the company was brought to the attention of the company pursuant to article L. 233-11 of the French commercial code *(Code de commerce)*.

6.3. Direct or indirect holdings in the capital of the company that were notified in a threshold crossing declaration or a securities transaction report

None.

6.4. List of holders of any securities with special controlling rights and a description thereof

Law no. 2014-384 of March 29, 2014, the so-called "Florange Law" established, in the absence of a contrary clause of the articles of association adopted subsequent to its enactment, double voting rights for fully paid-up shares with documented registration of two years in the name of the same shareholder (article L. 225-123 of the French commercial code – *Code de commerce*).
The counting of the two-year holding period began on April 2, 2014, the date of entry into force of the Florange Law.
As a result, since April 3, 2016, the shareholders of the company have and may have double voting rights automatically as soon as the conditions required by law are met.
The double voting rights attached to the shares are forfeited in the event of a conversion into bearer form or transfer of ownership of such shares, in accordance with and subject to the exceptions described in article L. 225-124 of the French commercial code (*Code de commerce*).

6.5. Control mechanisms provided by any employee shareholding systems

None.

6.6. Agreements between shareholders of which the company is aware of and which may result in restrictions on the transfer of shares and/or the exercise of voting rights

To the company's knowledge, there is no shareholder agreement that may result in restrictions on the transfer of shares and/or the exercise of voting rights.

6.7. Rules applicable to the appointment and replacement of the members of the Board of Directors and to the amendment of the company's articles of association

In accordance with statutory provisions, the directors are appointed by the Ordinary General Meeting and the Board may, under the conditions laid down by law, make temporary appointments.
The Board must comprise at least three and at most 18 members, subject to the waiver provided for by law in the event of a merger. Their term of office is three years and they may be re-elected.
The rules applicable to the amendment of the company's articles of association are those provided for by law.

6.8. Powers of the Board of Directors, in particular as regards the issue or redemption of securities

In accordance with article 14 of the articles of association, the Board of Directors determines the company's guidelines and ensures that they are implemented. Subject to the powers expressly attributed to Shareholders' Meetings, and within the scope of the company's purpose, it deals with all matters affecting the proper and successful running of the company and its resolutions govern all matters within its purview. It also performs the controls and verifications that it deems appropriate.
The Board of Directors holds delegations of powers to issue or redeem company shares.
The valid delegations granted by the General Shareholders' Meeting with respect to capital increases are mentioned in Section 6.8.3.

The authorization to buy back its own shares issued by the Ordinary General Meeting of June 1, 2018 is described in the registration document (Section 6.8.1.2).

6.9. Agreements signed by the company modified or terminating in the event of change of control of the company

Some financing agreements can be terminated in the case of a change of control. None of the commercial agreements whose termination would have a significant impact on Group activities contains any change of control clause.

6.10. Agreements providing for indemnities for members of the Board of Directors, employees or senior executives of the company if they resign or are dismissed without real and serious grounds or if their employment is terminated due to a tender or exchange offer

None.

Table of correspondence between the management report and the Bolloré registration document

This registration document includes all elements of the management report of the company as required by articles L. 232-1, L. 225-100 and R. 225-102 of the French commercial code (*Code de commerce*).

Items included in the report of the Board of Directors to be submitted to the General Meeting	Sections of registration document containing the corresponding information
Situation and activity of the company and its subsidiaries during the previous fiscal year (French commercial code *[Code de commerce]*, articles L. 232-1 and L. 233-6 paragraph 2)	chap 5, 1.1.1.
Operating results (French commercial code *[Code de commerce]*, article L. 233-6 paragraph 2)	chap 5, 1.1.1.; chap 5, 1.1.
Research and development activities (French commercial code *[Code de commerce]*, article L. 232-1)	chap 5, 2.1.; chap 5, 2.2.
Forecast developments in the company's situation and outlook (French commercial code *[Code de commerce]*, article L. 232-1)	chap 5, 4.
List of existing branches (French commercial code [*Code de commerce*], article L. 232-1)	chap 8, 1.4.
Significant events occurring between the year-end date and the date on which the report is drawn up (French commercial code [*Code de commerce*], article L. 232-1)	chap 5, 5. note 14.
Objective and exhaustive analysis of developments in the company's business, results and financial situation (in particular its debt position), in view of the volume and complexity of the business (French commercial code *[Code de commerce]*, article L. 225-100-1, I-1)	chap 5, 1.; chap 5, 1.2.; chap 5, 3.
To the extent necessary to understand changes in the business, results and situation of the company, key performance indicators of both a financial and, as the case may be, non-financial nature, relating to the specific activity of the company, including information on environmental and personnel matters (French commercial code *[Code decommerce]*, article L. 225-100-1, I-2)	chap 5, 1.1.1.; chap 5, 1.; chap 5, 1.2.; chap 2; chap 5, 3.
Description of the main risks and uncertainties with which the company is confronted (French commercial code *[Code de commerce]*, article L. 225-100-1, I-3)	chap 3, 1.
Information on financial risks related to the effects of climate change and presentation of the measures taken to reduce them by implementing a low-carbon strategy in all components of its activity (French commercial code *[Code de commerce]*, article L. 225-100-1, I-4)	chap 3, 1.; chap 2
Main characteristics of the internal control and risk management procedures put in place by the company (and for all companies included in the scope of consolidation) for the preparation and processing of accounting and financial information (French commercial code *[Code de commerce]*, article L. 225-100-1, I-5)	chap 3, 1.
Information (where relevant for the assessment of its assets, liabilities, financial situation and profits or losses) on its objectives and policy regarding the coverage of each main category of planned transactions for which hedge accounting is used, as well as its exposure to price, credit, liquidity and cash flow risks. This information includes the use of financial instruments by the company (French commercial code *[Code de commerce]*, article L. 225-100-1, I-6)	chap 5, 1.2.4.; chap 5, 1.2.5.; chap 5, 5. notes 7.5. and 8.
Information mentioned in article L. 225-100-1, I-1 to 6 for all companies included in the scope of consolidation	chap 3, 1.; chap 5, 1.1.; chap 5, 1.; chap 5, 1.2.; chap 2.; chap 5, 5.; chap 5, 3.
Report on the status of employee shareholding (possibly including executives) on the last day of the fiscal year (French commercial code *[Code de commerce]*, article L. 225-102)	chap 2
Acquisitions of significant stakes in companies having their registered office in France or acquisitions of controlling interests in such companies (French commercial code *[Code de commerce]*, articles L. 233-6 and L. 247-1)	chap 6, 7.
Stock disposals to adjust reciprocal shareholdings (French commercial code *[Code de commerce]*, article R. 233-19 paragraph 2)	NA
Information related to the breakdown of share capital and treasury shares (French commercial code *[Code de commerce]*, articles L. 233-13 and L. 247-2)	chap 6, 1.1.1.
Transactions by companies in which the company holds a majority interest or subscription of shares or purchase options (French commercial code *[Code de commerce]*, articles L. 225-180, II and L. 225-184)	chap 6, 8.
Amount of dividends distributed over the last three fiscal years and amount eligible for tax rebate (French General Tax Code, article 243 *bis*)	chap 6, 4.1.
Changes in the presentation of the financial statements	chap 5, 5. notes 1 and 2
Injunctions or financial penalties for antitrust practices imposed by the Autorité de la Concurrence and whose publication in the management report was required by the Autorité (French commercial code *[Code de commerce]*, article L. 464-2-I, paragraph 5)	chap 3, 1.3.
Information on the way in which the company takes into account the social and environmental consequences of its activity, including consequences for climate change and due to the use of the goods and services it produces Societal commitments in favor of sustainable development, the circular economy and the fight against food waste and in favor of the fight against discrimination and the promotion of diversity (French commercial code *[Code de commerce]*, articles L. 225-102-1).	chap 3, 1.2.; chap 2

Items included in the report of the Board of Directors to be submitted to the General Meeting	Sections of registration document containing the corresponding information
Status of collective agreements entered into by the company and their impacts on the economic performance of the company and on employee working conditions	chap 2
Information on the risks run in the event of changes in interest rates, exchange rates or market price	chap 3, 1.1.; chap 3, 1.2.; chap 5, 5 note 8.
Items provided for in article L. 225-211 of the French commercial code (*Code de commerce*) in the event of transactions made by the company on its own shares (share buyback scheme)	NA
Items used in calculating and results of the adjustment of bases of conversion and the terms for subscribing or exercising securities giving equity ownership or to share subscription or purchase options (French commercial code *[Code de commerce]*, article R. 228-90)	chap 5, 5. note 11.3.
Summary of the transactions carried out by executives and persons closely associated with them relating to their securities (French Monetary and Financial Code, articles L. 621-18-2 and R. 621-43-I – AMF General Regulation, article 223-26)	chap 6, 1.4.
Details on payment terms for suppliers and customers (French commercial code *[Code de commerce]*, article L. 441-6-1)	chap 5, 7.2.
Loans due in less than two years granted by the company, as a secondary activity to its core business, to micro-to-medium enterprises or intermediate-sized enterprises with which it has economic ties justifying such activity (French Monetary and Financial Code, article L. 511-6, 3 *bis*)	NA
Vigilance plan to identify risks and prevent serious violations of human rights and fundamental freedoms, damage to health or the environment or threats to safety, resulting from the activity of the company and the companies it controls and the activities of subcontractors and suppliers (French commercial code *[Code de commerce]*, article L. 225-102-4, I)	chap 2
Table showing company results for the last five fiscal years (French commercial code *[Code de commerce]*, article R. 225-102 paragraph 2)	chap 5, 6. p. 278

NA: not applicable.

Cross-reference table between the registration document and the annual financial report

The annual financial report, prepared in accordance with articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF General Regulation, consists of the registration document headings identified below:

	Headings	Pages
Statutory Financial statements	chap 5,6.	260
Consolidated financial statements	chap 5,5.	166
Statement by the person responsible for the annual financial report		
Auditors' report on the statutory financial statements	chap 5,6.	275
Auditors' report on the consolidated financial statements	chap 5,5.	256
Management report	Appendix	327
Auditors' fees	chap 5,5.	245
Report of the Statutory Auditors on the financial statements including the observations and certifications required for the report of the Board of Directors on corporate governance (French commercial code *[Code de commerce]*, article L. 225-235)	Appendix	275

NA: not applicable.

Cross-reference table in relation to the headings required by Appendix 1 of European Commission (EC) regulation no. 809-2004 of April 24, 2004

Cross-reference table for the corporate governance report

The following table provides a correlation between the elements of the corporate governance report and the key information required under Articles L. 225-37, L. 225-37-4 and L. 225-37-3 et seq. of the French commercial code (*Code de commerce*).

	Pages
Functioning of the administrative, management and supervisory bodies	
List of appointments and functions for each corporate officer	130
Agreements	142
Summary of current powers delegated by the General Shareholders' Meeting in relation to capital increases	293
Choice made between the two forms of executive management	126
Limits imposed by the Board of Directors on the powers of the Chief Executive Officer	126
Composition of the Board and conditions for the preparation and organization of its work	128; 139
Description of the diversity policy applied to Board members, with details of how the Company seeks a gender balance on the Executive Committee and of the gender equality achieved in the top 10% of senior posts	129
Reference to the Afep/Medef Code and implementation of its recommendations	137
Forms of participation in General Shareholders' Meetings	323
Compensation of corporate officers	
Executive compensation policy	142
Elements of corporate officers' compensation	145
Other information	
Information likely to influence a public offer	325

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