

vivendi

June, 14th
2013



Communication on Progress 2012

United Nations Global Compact

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VIVENDI AT A GLANCE

Vivendi is one of the few multimedia groups in the world to operate across the entire digital value chain. It creates and publishes content for which it develops broadcast networks and distribution platforms.

The Group capitalizes on both its employees' expertise and its strong brands to offer its customers high added-value digital services and products.

Vivendi currently operates a number of companies that are leaders in content, media and telecommunications.

Content and Media



Canal+ Group,
France's leading
Pay-TV channel and
Europe's largest
producer and
distributor of films.



The world's leading
music company,
operating in about 60
countries and with a
catalog of more than
2 million titles



The world leader in
video games, with
franchises played the
world over, including
Call of Duty,
Skylanders and *World*
of Warcraft.

Telecommunications



The number one
alternative
telecommunications
operator in France and
Europe.



The number one fixed-
line and mobile
telecommunications
operator in Morocco,
also operating in
Burkina Faso, Gabon,
Mauritania and Mali.



The number one
alternative
telecommunications
operator in Brazil, with a
high-performance
broadband network and
new generation services
in fixed-line telephony,
Internet and Pay-TV .

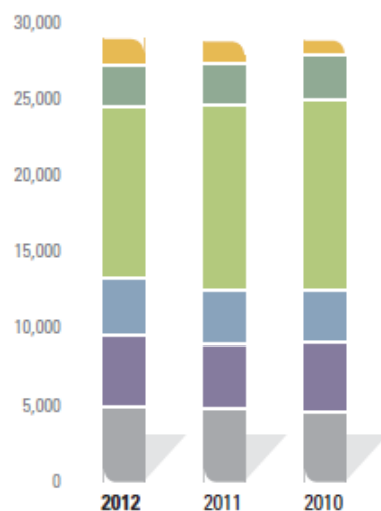
Vivendi also owns a number of other market-leading companies: **Digitick** and **See Tickets** (event ticketing), **Wengo** (expert phone counseling) and **Watchever** (subscription video-on-demand service in Germany).

In 2012, Vivendi reported revenues of €29 billion and adjusted net income of €2.55 billion. €2.6 billion was invested in video games, music, movies and audiovisual programming, while €4.5 billion was allocated to net capital expenditure, including €4.1 billion to telecommunications activities. As of December 31, 2012, the Group had more than 58,000 employees throughout the world.

Key Figures (12.31.2012)

Revenues by business segment

December 31 - in millions of euros



	2012	2011	2010
Canal+ Group (1)	5,013	4,857	4,712
Universal Music Group (2)	4,544	4,197	4,449
Activision Blizzard	3,768	3,432	3,330
SFR	11,288	12,183	12,577
Maroc Telecom Group	2,689	2,739	2,835
GVT	1,716	1,446	1,029
Non-core operations and others, and elimination of intersegment transactions	(24)	(41)	(54)
TOTAL	28,994	28,813	28,878

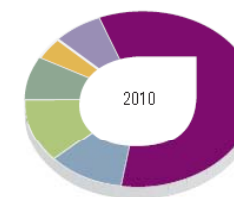
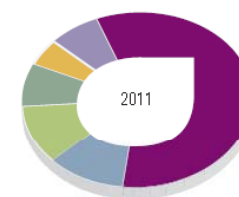
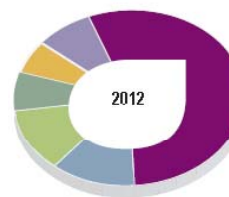
(1) Including DB and D17, consolidated since September 27, 2012 and "n" consolidated since November 30, 2012.

(2) Including EMI Recorded Music, consolidated since September 28, 2012.

Revenues by geographical zone

December 31 - in millions of euros

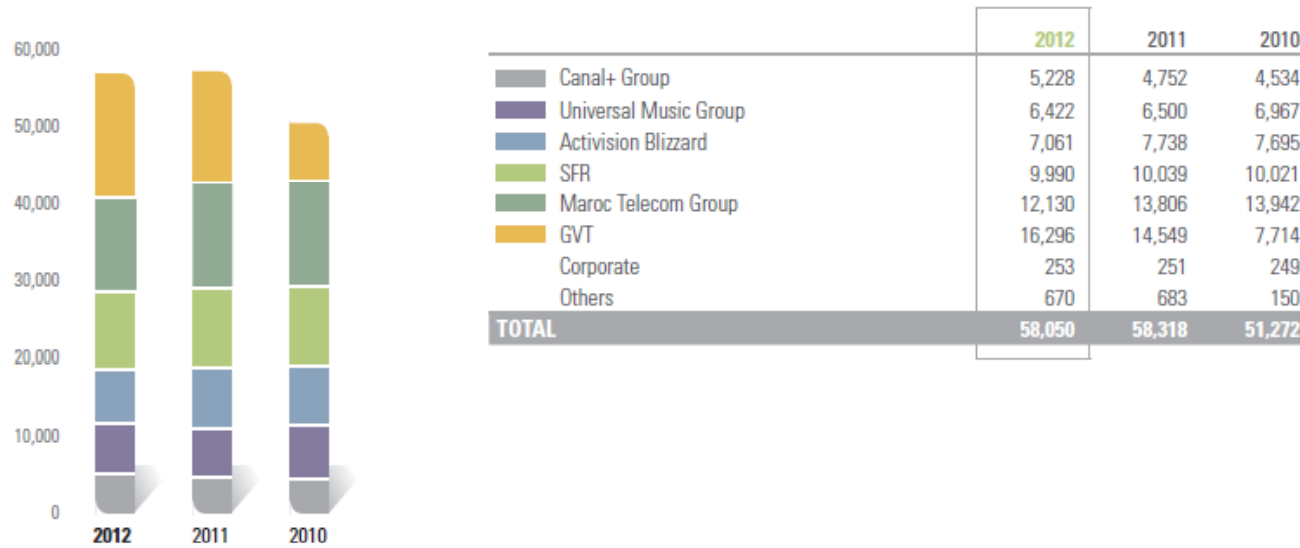
	2012	2011	2010
France	15,955	16,800	17,097
Rest of Europe	3,393	3,173	3,061
USA	3,395	3,085	3,375
Morocco	2,029	2,166	2,296
Brazil	1,797	1,527	1,084
Rest of the World	2,425	2,062	1,965
TOTAL	28,994	28,813	28,878



Key Figures (12.31.2012) - Following

Headcount by business segment

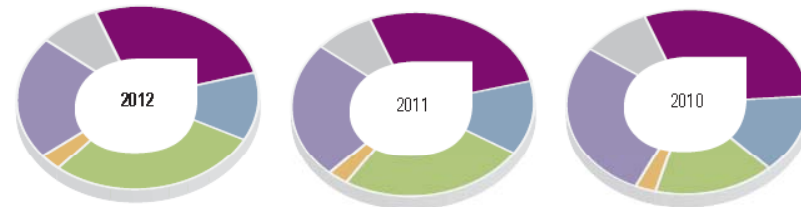
December 31



Headcount by geographical zone

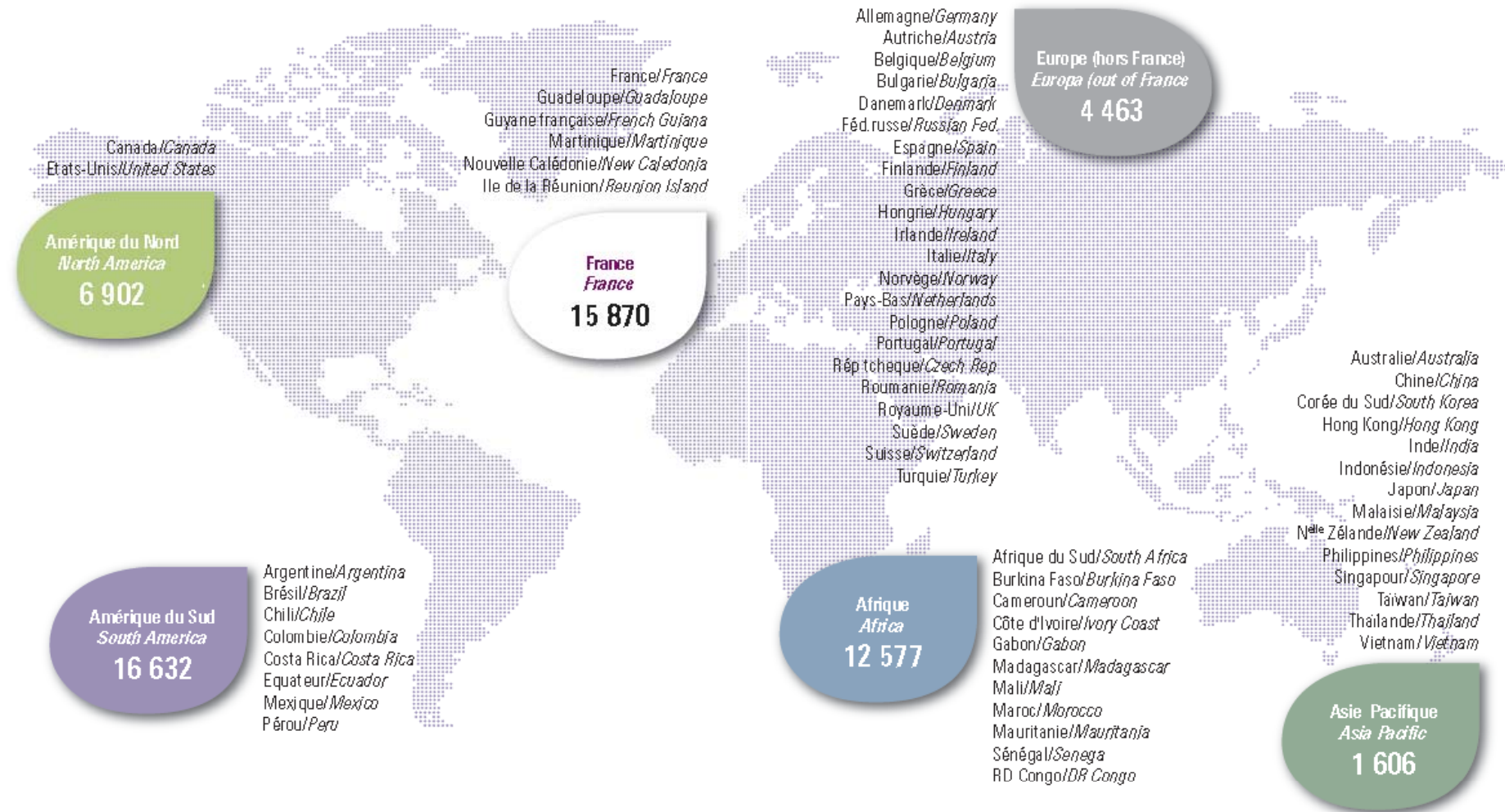
December 31

	2012	2011	2010
France	15,870	15,691	15,447
North America	6,902	7,435	7,419
South and Central America	16,632	14,868	8,051
Asia-Pacific	1,606	1,542	1,609
Africa	12,577	14,069	14,127
Europe (excluding France)	4,463	4,713	4,619
TOTAL	58,050	58,318	51,272



Key Figures (12.31.2012) - Following

58,050 Employees



CEO'S STATEMENT

Vivendi is proud of being a signatory of the United Nations Global Compact. The present document, our « Communication on progress » for 2011, allows us to present and explain our commitment in favor of the United Nations Global Compact's ten principles. We demonstrate how the Group has fully integrated each of the four major issues – namely human rights, labor standards, environment and anti-corruption – within our strategy, our activities and our sustainable development policy.

Vivendi's contribution to sustainable development is a specific one: empowering present and future generations to satisfy their need to communicate, feed their curiosity, develop their talent and encourage intercultural dialogue.

Vivendi is committed to promoting human rights through its content production and distribution activities and through its services offer. The Group's business units play a major role in strengthening mutual understanding and social ties. By choosing to promote cultural diversity on the different continents where the Group operates, by investing massively in content and in networks, Vivendi's ambition is to encourage its customers to engage and participate in cultural life, facilitating their communication through information and communication technologies, and fostering a spirit of openness between peoples and generations.

Our three sustainable development specific issues defined as soon as 2003 (protection and empowerment of youth, promotion of cultural diversity, sharing knowledge) stem from human rights. They refer to international standards such as the United Nations Convention on the Rights of the Child of 1989, the UNESCO Universal Declaration on Cultural Diversity of 2001, or, of course, the Universal Declaration of Human Rights of 1948. Indeed, its article 27 declares that the right of everyone freely to participate in the cultural life of the community and to enjoy the arts.

I feel strongly that culture and intercultural dialogue must be recognized as pillars of sustainable development, and I commit myself to seeing that Vivendi contributes actively to promote them.

Paris, June, 13th 2013

Jean-François Dubos,
CEO

IMPLEMENTATION OF THE GLOBAL COMPACT'S TEN PRINCIPLES WITHIN VIVENDI IN 2012

Human Rights

1

Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence ;

- Vivendi contributes, within its sphere of influence, to promote human rights and ensure its employee's awareness on the topic.

→ Vivendi pursues an [active dialogue with its stakeholders](#) and regularly brings together employees and representatives of civil society to discuss the key topics of sustainable development and the promotion of human rights.

- Vivendi must reconcile the development of content and service offerings enabled by new technologies with the protection of young audiences against harmful behaviors.

→ In 2003, Vivendi defined the [protection of youth](#) as one of its specific issues in sustainable development. The group evaluates the impact of its product and service offerings on young audiences in terms of opportunities or risks, and apprehends generational approaches of media and cultural practices.

- Vivendi shares the vision of UNESCO, whose March 2007 Convention on the Protection and Promotion of the Diversity of Cultural Expressions states that cultural diversity is *"a mainspring for the sustainable development for communities, peoples, and nations."*

→ In 2003, the group defined the [promotion of cultural diversity](#) as one of its specific issues in sustainable development and contributes to promoting the variety and diversity of its content in all forms of expression.

- Vivendi commits itself to support and participate in the sharing of knowledge and access to new technologies (8th Millennium Development Goal defined by United Nations).

→ In 2003, Vivendi defined the [sharing of knowledge](#) as one of its specific issues in sustainable development. The group contributes to producing pluralistic quality content for a large and diverse audience, and to facilitating access to this content and to new technologies.

2

and make sure that they are not complicit in human rights abuses.

- Vivendi is committed to support and to implement the fundamental principles of human rights and promotes them to its suppliers and providers.

→ Vivendi's [Compliance Program](#) formalizes the group's commitments, concerning human rights, on the form of rules of conduct. Adherence to these rules of conduct is a condition for belonging to Vivendi, and an annual progress report, based on these rules of conduct, is prepared by Vivendi's General Counsel's office and presented to the Audit Committee.

Examples to illustrate the implementation of Human rights' principles:

In 2012, Vivendi's **Reporting Protocol** was completely revised to meet the new requirements of Article 225 of the French Grenelle II law and the guidelines of the Media Sector Supplement of the Global Reporting Initiative (GRI) to which Vivendi has been an active contributor. Yet as early as 2007, Vivendi had organized the collection of **societal information** related to its three strategic issues (protection and empowerment of youth, promotion of cultural diversity, sharing of knowledge). Its three strategic issues are integrated into the area of **"Actions undertaken in favor of human rights."**

The **Statutory Auditors** have approved the substance and value of the CSR data defined in its Protocol: more than 35% of the non-financial data collected in the Reporting Protocol are presented the Annual Report and have been audited.

Our specific issues stem from human rights:



- The protection and empowerment of youth are set down in the United Nations Convention on the Rights of the Child of 1989 (Art. 17) and the "Children's Rights and Business Principles," developed by the UN Global Compact, UNICEF and Save the Children (March 2012);
- The promotion of cultural diversity relates to the Universal Declaration of Human Rights of 1948 (Art. 27), the UNESCO Universal Declaration on Cultural Diversity of 2001 (Art. 5), and the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions of 2005 (Art. 2).
- Sharing knowledge contributes fully to the exercise of human rights as recalled in the Charter of Fundamental Rights of the European Union of 2000 (Art. 11) relating to freedom of expression and information and the United Nations Millennium Development Goals of 2000.

Area for action

Protecting and empowering young people

- Protecting young people (Promoting rules of professional ethics, raising the awareness of young people and parents, promoting techniques for choosing or controlling content)
- Empowering youth audiences (Fostering media literacy, taking their expertise into account, sharing information about careers within cultural and creative industries)

Area for action

Promoting cultural diversity

- Encouraging creation in all its diversity
- Promoting young and new talents
- Strengthening local cultural production capacities
- Promoting cultural heritage

Area for action

Knowledge sharing

- Promoting pluralism of information and quality of content
- Encouraging intercultural dialogue
- Raising awareness about sustainable development
- Facilitating access to ICTs and content: Struggling against digital divides

Protecting and empowering young people (1/2)

The issue of protecting and empowering young people is one of transverse mobilization within Vivendi. In March 2012, the Sustainable Development Department organized the second edition of the **Sustainable Development Seminar** of Vivendi. This internal seminar gathered about 120 participants and 30 speakers including senior executives from the headquarters and from subsidiaries around the world.

A session on the topic "Youth and Digital life: What Stakes?" was introduced by Jean-François Dubos and was open to the public. It was organized around two main themes, one being, "Challenges: online reputation, privacy, time consuming" and the other being, "Opportunities: giving a voice to young people, citizenship, democracy." These sessions, which were attended by representatives of the European Commission, the Internet Governance Forum, the French Commission on Informatics and Liberties (CNIL) and experts from civil society, were co-led by young ambassadors of the Pan-EU Youth program (photo opposite).

Seminar **d** sustainable development
march 29th - 30th 2012



Vivendi lent its support to ENS Cachan and the Sorbonne Nouvelle university for the organization of the "Transliterations: issues of citizenship and creativity" colloquium, that took place in November 2012. This conference brought together leading international experts to explore issues of **media literacy and information**. Vivendi joined in this event the young European ambassadors of Pan-EU Youth in order to give them an opportunity to interact with internationally renowned experts about their digital practices.

As part of its partnership with the **Safer Internet**, under the aegis of the European Commission, Vivendi spoke at the 2012 annual conference about the theme "Promoting positive and responsible online behaviors and uses." This meeting brings together about three hundred representatives from industry, academia, NGOs, national and European institutions as well as youth ambassadors from the 27 member states.



VIVENDI, PARTNER OF THE
SAFER INTERNET FORUM

BRUSSELS OCTOBER 18-19TH



Empowering young people in their digital and media practices also requires knowledge of the careers within **cultural and creative industries**.

Partner of the **National Youth Day**, held on November 30 2012, Vivendi brought together four high school classes in its head office for an introduction of the many careers in the cultural industries, such as director, lawyer, music producer or video game designer. This initiative was a unique opportunity for these young students to meet and ask any questions to professionals and artists such as Michel Vuillermoz from *La Comédie Française* or the young director Stéphane Cazes. In addition, these careers are recognized in the section "[Job creation](#)" of the website [Culture\(s\) with Vivendi](#), that offers exclusive interviews of professionals from three areas: music, movies and video games.

For the second time, one of the **Statutory Auditors** of Vivendi has **verified** the indicator integrated in the Group's societal reporting, relating to protection and empowerment of youth: "Existence of a formal commitment to professional ethics regarding content (production and/or distribution), part of which specifically concerns protection of young audiences" and "Mechanisms for implementing and monitoring this commitment."

Protecting and empowering young people (2/2)

In June 2012, CanalSat and Viacom International Media Networks France launched Mon Nickelodeon Junior, the first **TV channel of educational entertainment** fully customizable by parents and without advertising. From the catalog of the youth programs of the Nickelodeon Junior channel (Dora, Diego...), parents can create a channel for their child, based on several criteria, including age and viewing time desired.



In February 2012, GVT participated in the 5th edition of the Campus Party, one of the **world's largest forums dedicated to innovation and new technologies**, which is held annually in São Paulo, Brazil. This forum brought together 200,000 people over five days around lectures, discussions, digital workshops and competitions about the Internet, social networks, video games or music online. GVT has contributed to the discussions on security issues on the Internet.



GVT has an **educational website** for children, parents and teachers dedicated to responsible Internet use (www.internetresponsavel.com.br).

In 2012, the **Guide to Responsible Internet Use** was enhanced with 10 new fun comics on topics such as 3G technology, parental rating, Internet fraud and illegal downloading. These publications and the website are the result of an initiative begun in 2008 in partnership with the Committee for Democracy in Information Technology (CDI), a NGO that has broken new ground in digital integration for Latin America that has also the support of Safernet, a NGO focused on cyber crimes combat and defence of Human Rights in the Internet.



CEO Coalition to make the Internet a better place for kids


Vivendi is a founding member of the "**CEO Coalition to make the Internet a better place for children**." This initiative, launched by Neelie Kroes, Vice President of the European Commission responsible for the Digital Agenda, brings together 30 media and telecom companies.

The coalition has been working across five areas:

- developing simple and robust reporting tools for users
- setting age-appropriate privacy parameters
- extending the use of content classification
- increasing the availability and use of parental controls
- more effectively eliminating childpornography material

In 2012, Vivendi submitted a report, drafted in cooperation with its subsidiaries, to the European Commission. Vivendi's membership in the CEO Coalition clearly demonstrates its intention to build a safer and more responsible digital world for young people.



In November 2012, SFR has partnered up with  Leasecom, Itslearning, Maxicours.com and SMART Technologies to create a unique offer designed to simplify access to digital technology in schools. The offer "e-school for all" is the only offer on the market to benefit from such a wide panel of experts brought together to create a **turnkey solution** (hardware installation, secure broadband access provided by SFR with filtering websites and protection against cyber attacks, digital workspace, educational content, support for the use and assistance), which is today the most successful offer to support institutions towards a **digital approach**.

Promoting cultural diversity

CULTURE(S) with vivendi



On the occasion of **World Day for Cultural Diversity for Dialogue and Development** on May 21, 2012, Vivendi inaugurated an institutional website entitled « **Culture(s) with Vivendi: A journey through cultural diversity** ».

This site is aimed at promoting cultural diversity and dialogue between cultures and building a bridge between young people and the culture industries.

It comprises three parts, which correspond to specific goals:

- « **Artist inspiration** » is intended to facilitate young audiences' access to a variety of music and film repertoires they are sometimes unfamiliar with;
- « **Creative jobs** » is aimed at encouraging young people to get involved in the culture industries and better understand the different career areas our business units are involved in (cinema, music, video games);
- « **Intercultural dialogue** » is an invitation to get to know different cultures better and understand how the digital universe serves as an effective bridge for exchange, joy and discovery.

In France, Canal+ participates actively to **support creation** by financing of **54.1%** of the French-initiative films approved by the CNC (French national center for cinema and animated image). Canal+ also financed **27 first French-initiative films** approved by the CNC (35.1 % of the French-initiative films). The channel financed 43 out of 129 French-initiative films with budgets of under €4 million. [Figures of the CNC, study in march 2013]

STUDIOCANAL

In 2012, StudioCanal, a wholly-owned subsidiary of the Canal+ Group, produced **17 full-length films** from filmmakers of **7** different nationalities.

Canal+ Africa supports numerous African cinematographic productions. Thus, in 2012, **7 projects** were co-financed.

Cinematographic diversity is one of the pillars of the editorial line of the channel Canal+, **90%** of subscribers affirm that genres of films aired are varied and **86%** declared to be satisfied by the cinema offer at the end of 2012.

To promote culture as a pillar of sustainable development, Vivendi spoke in several national and international bodies: the **European Parliament hearing** on "Promoting European cultural and creative sectors as sources of economic growth and employment" (April 2013) the international conference on "**Culture & Sustainable development**" (November 2012) co-organized by the French and Quebec Ministries of Culture, and the **Lille Forum** on responsible economy (November 2012); roundtable "What role for culture in SRI ? " organized by the **Médicis Committee of Amundi** (2012).

2nd edition of the *Activision Independent Games Competition*, intended to **encourage independent creators and studios.**

In 2012, more than **60%** of Universal Music Group's sales are by **local artists** within a scope of 59 countries.

Six **Gramophone Awards**, the Oscars of classical music, awarded to artists signed by Decca Classics and Deutsche Grammophon labels in September 2012.



In Mali, the album "Made in Bamako", coordinated by No Format! was made on the occasion of the 8th session of **a training program to encourage the sound engineer professional field**, that Vivendi supports since 2006. This program takes place in Bamako in the studio of the great songwriter-composer Salif Keita, a Universal Music France artist, who Vivendi accompanies in his desire to make of Mopti a cultural hub of Mali. The album illustrates the ability of apprentices to record and mix the productions of artists, from the most promising to the more established.

Knowledge sharing

The United Nations invited Vivendi to the fifth **Alliance of Civilizations Forum** (UNAOC) held between Feb 27 & 28, 2012, in Vienna (Austria). In the presence of Bank Ki-Moon, General Secretary of the UN, this event brought together policy makers, business leaders and representatives of civil society towards one common objective: to include cultural diversity and intercultural dialogue in the global agenda for sustainable development.



In March 2012, SFR won the Disability Matters Award, in the "Market Place" category for the **adaptation of its customer service** to those who are deaf or hearing impaired.



The **Téléphonie Solidaire** program (partnership between SFR and Emmaüs Défi) currently has approximately 2,500 beneficiaries. They are provided with a mobile phone so they can remain in contact with friends and relatives, call potential employers, or look for housing, if necessary. A new experiment, *Connexions Solidaires*, offers a solution for Internet access.



CALL OF DUTY ENDOWMENT

The Call of Duty Endowment was created by Activision Blizzard in 2009 to help soldiers **transition to civilian careers** after their military service. In 2012, Activision Publishing donated \$6.3 million to the Call of Duty Endowment in an effort to ensure that U.S. military heroes have stable employment upon their return from active duty.

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The Maroc Telecom group participates actively in **reducing the digital divide** in the countries where it is present. In 2012, under the PACTE (Telecommunications Access Program), it covered 1,110 rural communities: 1,011 in Morocco, 25 in Burkina Faso, 18 in Mauritania, 9 in Mali and 47 in Gabon. This raised GSM coverage to 92.1%, 94%, 76% and 96% of their populations, respectively. In 2012, Maroc Telecom committed **21.77% of its investment** to reducing the digital divide.

In 2012, GVT has provided CDI (Committee for the democratization of the Internet) with packages including screen, decoder, 28 TV channels, modem for Internet access and support services. This initiative demonstrates the operator's **commitment** to access information and knowledge sharing.

Since June 2012, the Polish deaf children can watch the animated series in **sign language** on MiniMini + and Teletoon + channels

Canal+'s **editorial project** "Kindia 2015" goes against traditional reports and one-time programs by offering to follow over the long-term a **development** process in the town of Kindia, in Guinea Conakry. Four films will be broadcasted in prime time between 2012 and 2015. Meanwhile, the Canal + Group has established an endowment fund for the benefit of associations followed by cameras.



Vivendi and the United Nations Alliance of Civilizations share the ambition of making **intercultural dialogue** part of the worldwide sustainable development agenda. In 2012, for the second time, Vivendi welcomed young leaders from the MENA Fellowship Program.

The Fellowship Program aims to enable young leaders of the Arab world and the Muslim world to know and understand better the reality of Europe and the United States, and vice versa for young European and American leaders. These meetings are an opportunity to present Vivendi's strategic orientations in terms of sustainable development and share with these young leaders the key role played by the media in building bridges between cultures while respecting human rights.

Labour standards	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining ;	<ul style="list-style-type: none"> Vivendi works to establish a constructive dialogue between management and the competent bodies representing employees which respect their prerogatives. 	→ Vivendi leads a process of dialogue and consultation with the social unions in order to encourage collaboration and communication within the group.
	4	the elimination of all forms of forced and compulsory labour;	<ul style="list-style-type: none"> Vivendi supports and implements the fundamental principles of labour rights and promotes them to its suppliers and providers. 	→ The respect of individual dignity and private life, within employment conditions, is a clearly defined rule of conduct set down in Vivendi's Compliance Program .
	5	the effective abolition of child labour; and ;		
	6	the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> Vivendi affirms and asserts its attachment to diversity in recruitment and its fight against discrimination, which it holds to be guarantees of richness and performance. 	→ The fight against discrimination based on unlawful selection criteria such as sex, age, lifestyle, race, ethnicity, nationality, disability, religious or political opinions or beliefs, or union membership is a clearly defined rule of conduct set down in Vivendi's Compliance Program .

Examples to illustrate the implementation of Labour standards' principles:

In 2012, **the corporate partners** of the Group Works Council, the European Authority for Dialog between Management and Labor and the headquarters' Works Council were regularly updated as to the Group's strategy, financial position, social policy, and main achievements for the fiscal year. The two-day joint annual training session for the Corporate Works Committee and the ESDC enabled their representatives to learn more about the Group's strategy with respect to corporate social responsibility (CSR) and Vivendi's business more generally.

In 2012, Vivendi was even more determined to increase the involvement of the Group's social partners through discussions on strategy, the employee shareholding policy and ensuring better alignment of the governing bodies with the Group's geographic presence. for the first time, an agreement to grant **50 bonus shares** was entered into with Vivendi S.A.'s trade union organizations in conjunction with the Corporate Works Committee.

All employees based in metropolitan France and the overseas departments and territories are covered by **collective bargaining agreements**. The same is true worldwide for more than 90% of Maroc Telecom group employees and 100% of Canal+ Group and GVT employees.

Vivendi has implemented employees' rights among the code of conduct set out within the [Compliance Program](#):

*"Ethical business practice is one of Vivendi's fundamental values. Acting with probity, complying with the law, **respecting the dignity and individual rights of employees**, protecting confidentiality, placing business ethics above the search for economic performance, protecting the Group's property and resources: these are all principles which must guide the professional conduct of employees to ensure the Group's business is conducted ethically and legally. (...)*

*The essential principles which form Vivendi's employment policy — in the context of a constructive dialogue between management and the competent bodies representing employees which respect their prerogatives — are to ensure the **safety** of its employees wherever they may be, **to respect their employment rights**, to give each of them recruitment, employment and promotion prospects based on their abilities and sense of responsibility, and to maintain employment conditions which respect their individual dignity and private life."*

In 2011, the Supervisory Board, persuaded that having women in leadership positions is a measure of the Group's success, approved a mentoring and networking program to promote a gender balance at the highest level. In March 2012, **the ANDIAMO network** was created and it is a forum for approximately twenty women. The network aims to support women in their development through the personal stories of "role models" and co-development and training workshops.

Situation of gender equity within the Group, on 12.31.2012:

- With **four women among the 11 directors** on Vivendi's Board, Vivendi ranked third among CAC 40 companies according to the October 2012 issue of the Challenges magazine. Two of these women directors chair Board committees: the Corporate Governance and Appointments Committee and the Human Resources Committee;
- the percentage of women in the Vivendi Group remained stable at **35%** (compared to 34% in 2011);
- The percentage of women in management is of **35 %**, which is in line with their employment rate.

At 12.31.2012, **9%** of the Group's employees were under 25 years old, **86%** were aged 25 to 55 and **5%** were older than 55 ans. The average age within the Group is 37.3 years and the average seniority is 9 years.

Apprenticeships are essential for young employees and provide advantages for businesses, allowing them to diversify their sources of recruitment. In 2011, Vivendi has continued the commitment, employing **647** work-study contracts in France in 2011, compared to 606 in 2010 (on a like-for-like basis).

Pursuant to the authorizations granted by the Shareholders' Meeting held on April 21, 2011, the **annual share capital increase reserved for employees** of the Group's companies under the Group savings plan was decided by the



Management Board on May 10, 2012 and approved on July 19, 2012. For the fifth year running, the capital increase involved the simultaneous launch of a traditional employee share offerings and a French and international leveraged plan, **Opus 12**. The renewal of these offerings enabled Group employees to cross the ownership threshold of 3% of the share capital of the company for the first time, allowing them to designate **an employee shareholders' representative** to Vivendi's Supervisory Board from 2013, following an election open to employee shareholders in all the countries concerned.

In 2012, the number of new shares subscribed by employees represented, in aggregate, 0.95% of Vivendi's share capital, compared with 0.75% in 2011. Following completion of the reserved capital increase in July 2012, the Group's employees together held a total of **3.38%** of Vivendi share capital, compared with 2.68% in 2011.

Focus / Human Right & Labour Standards / Suppliers

In 2012, for the first time Vivendi enriched integrated indicators for the first time in its **Protocol of non-financial reporting**. Thus, five indicators related to outsourcing and to suppliers are now included:

- the existence of a commitment relating to the integration of sustainable development issues,
- the percentage of the top 25 suppliers who are signatories of or comply with national or international guidelines,
- the existence of criteria for selection of suppliers and subcontractors based on their societal, social and/or environmental performance,
- the number of audits or evaluations containing societal, social and/or environmental criteria which were achieved over the past 12 months,
- the percentage of employees from purchasing teams trained or educated in responsible purchasing.

In 2012, one of the **Statutory Auditors** of Vivendi has **verified** two of these indicators about taking the social and environmental issues into consideration for the purchasing policy: “the existence of a formal commitment regarding inclusion of sustainable development issues” and « the existence of criteria for selection of suppliers and subcontractors based on their societal, social and/or environmental performance ».

In 2012, **three suppliers** of Activision Blizzard in China were **audited** by the Internal Audit Department of Activision Blizzard on all matters covered by the Vendor Code of Conduct.



At Canal+, all teams from the **CANAL+ GROUP** purchasing departments were given a “Responsible Purchasing” training in 2012.



SFR launched a reassessment campaign: **90 suppliers** (old and new) were assessed or reassessed in 2012 in respect of their CSR criteria.

SFR’s Purchasing department has a socially responsible approach: in 2012, the total number of orders from businesses in the adapted and protected sectors increased by approximately 30%, compared with 2011.

In 2012, Maroc Telecom has conducted audits of **10 suppliers** to ensure their compliance with the Sustainable development terms laid out in contracts (Respect of the fundamental principles of human rights and labor law, compliance with commitments relating to the protection of the environment and commitments in the fight against corruption).



Bravado (the merchandising subsidiary of Universal Music Group) was selected by the London Organizing Committee of the 2012 Olympic and Paralympic Games as one of the **official suppliers** of the event at more than 30 sites in the United Kingdom. In their bids, the official suppliers had to demonstrate their commitment to human rights and environmental protection and adhere to the Organizing Committee’s Sustainable Sourcing Code. Bravado’s approach was singled out by Sedex, an organization that promotes responsible and ethical improvements to general practices in supply chains.



In 2013, an **ambitious training program** was instituted for employees into the purchasing departments: by year-end 2013, over 90% of the employees concerned will have been trained in responsible purchasing as described in the Group’s Reporting Protocol.



Environment
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Businesses should support a precautionary approach to environmental challenges;

Undertake initiatives to promote greater environmental responsibility;

Encourage the development and diffusion of environmental friendly technologies.

- Vivendi defends environmental awareness and takes full responsibility in this domain, while it operates in business sectors where exposure to environmental risks is relatively low.

→ [Environmental awareness](#) is a clearly defined rule of conduct set down in Vivendi's [Compliance Program](#). In 2000, the company put in place a Program of compliance with environmental, health and workplace safety standards, as well as an Environmental Charter.

Examples to illustrate the implementation of Environment' principles:

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

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

The process for **reporting** environmental data was revised again in 2012 after being improved in 2011:

The environmental section of Vivendi's **Reporting** Protocol, a benchmark in CSR reporting for the Group's entities, was fully revised and the improved definitions of each indicator allow for a better harmonization of measurements.

Among the main changes, it may be noted that:

- For the first time this year, purchases of plastic for the general public products as well as the use of packaging materials have been introduced into our reporting ;
- The paper purchases measure was split into two categories: paper for external use (publications and public reports) and internal use (office).

In June 2012, the registration of the European **EMAS** (*Eco-Management and Audit Scheme*) certification was renewed at Vivendi's corporate headquarters in Paris, by the French Ministry for the Ecology, Sustainable Development and Energy. This environmental management system implemented at the Vivendi's headquarters helps to evaluate, improve and better reflect the environmental performance of Vivendi with stakeholders.



Activision Blizzard has focused on reducing the consumption of raw materials used for **packaging** products. A little over 2,000 tons of paper, plastic and cardboard were saved this year.



The **Energy Star** certification was issued for the 6th year consecutively by the United States Environmental Protection Agency (EPA) at UMG headquarters in Santa Monica.

Article 75 of the French Grenelle II law requires major companies to publish their greenhouse gas emissions (GHG). This GHG report must provide an account of all greenhouse gas emissions produced from the Group's activities for the year which precedes the report, in this case 2011.

In France, a number of subsidiaries must comply with this GHG emissions reporting obligation (Canal+ Group, Universal Music France, Blizzard Entertainment and SFR). Vivendi wished to consolidate all of the GHG emissions reporting from its subsidiaries to present a Group GHG emissions report for its France-based entities. Although below the reporting thresholds, Vivendi has included the corporate headquarters in its carbon reporting to ensure that it is comprehensive. Vivendi's GHG report is available on Vivendi's corporate website.

Canal+ Africa launched a "Solar Kits" operation in some countries. Currently in its pilot phase in Kinshasa (DRC) and New Caledonia, the goal of this operation is to allow for the continuity of electricity supply for decoders and TVs with solar energy. Offered in partnership with Goal Zero, an expert in solar energy, Canal + subscribers are eligible to receive substantial discounts on solar kits.



In 2012, for the seventh consecutive year, SFR obtained the **ISO 14001 certification** of its Environmental Management System (EMS) despite the fact that the scope of the activities covered was slightly reduced. This EMS remains the structural and federative element, allowing the coordination of the company's environmental management in a precise and efficient manner to meet the principal environmental objectives of SFR, while also increasing the participation of its employees. The ISO 14001 certification covers various activities, such as deployment, maintenance, operation and hosting, and various sites (light and strategic sites).

SFR adopted a **paper SIM card**, which consists only of recyclable and biodegradable natural wood fibers (excluding chip). This initiative is designed to reduce greenhouse gas emissions by 30%.



Two of GVT sites were assessed in relation to their support and call center activities. Avec l'installation d'un système de climatisation fondé sur le débit de réfrigérant variable (DRV) dans son centre administratif de *Vila Hauer*, GVT espère réaliser un gain d'énergie de 20%.

In 2012 Maroc Telecom participated in the "**Voluntary Carbon Standard**" program run by the Mohammed VI Foundation for Environment.

Maroc Telecom has launched an **e-billing** service that allows customers to view online and download their mobile, landline and Internet bills. The e-billing service should gradually replace paper billing and in doing so, reduce paper consumption and "physical" distribution, thus contributing to the preservation of the environment.



Anti-Corruption 10

Businesses should work against corruption in all its forms, including extortion and bribery

- Vivendi works against corruption in all its forms, including extortion and bribery, and makes sure this principle is respected by all its suppliers and providers in all of the groups operating countries.

→ The fight against corruption and the receipt from or grant to any third party of an improper advantage of any kind for the purpose of obtaining preferential treatment is a clearly defined rule of conduct set down in Vivendi's [Compliance Program](#).

Examples to illustrate the implementation of Anti-corruption's principles:

The rules of conduct set down in the Compliance program cover employees' rights, fairness and protection of information, **prevention of conflicts of interest, commercial ethics**, the protection of property and resources belonging to the group, financial ethics, and respect for the environment. The purpose of the program is to instill a sense of responsibility in employees and provide them with guidelines in the form of points of reference that can aid them in shaping their conduct. These general rules are shared and disseminated downstream, in each operational unit, everywhere the Group is present, in order to take into account the specificities of the subsidiaries' business activities and the particularities of local legislation. The principal entities have implemented an additional Code of Ethics specifically applicable to their activities.

The person in charge of the Compliance Program for the Group and the specific "compliance officers" in each operational unit are responsible for its implementation. At the start of each year, the Group's subsidiaries send Vivendi a report on the actions conducted during the preceding business year. This report is presented by the General Counsel to the Audit Committee, which approves it, to the Supervisory Board, and to the Management Board; it is then sent to the compliance officers in the subsidiaries.

Each year, the subsidiaries report on their conformity with the Compliance Program and their actions. This year, the subsidiaries responded to the questionnaire that was sent to them on the theme "At social networks' time - Good use of digital technology, particularly in terms of the issue of **personal data**."

The responses to this questionnaire were used to prepare a report which was presented by the General Secretary to the Audit Committee, which took place on February 15, 2013.

The struggle against corruption is one of the themes of Maroc Telecom's Code of Ethics. This document reaffirms the Group's commitment to **fighting corruption** in all its forms (active, passive, direct and indirect). In particular it requires adherence to anti-corruption legislation, as well as enhanced vigilance in relations with third parties. Each employee must conduct fair and honest relations with customers and with suppliers, in strict adherence to the contracts entered into and the applicable laws and regulations.



The approach taken by Maroc Telecom was hailed by the Vigeo rating agency, which awarded the operator its **Top Performer RSE 2011 trophy** in the areas of business ethics and societal commitment, noting in particular its assertive policy against corruption.

Opposite: Nicole Notat (left), Chairwoman of Vigeo, presents the Top CSR Performer 2011 trophy to Abdeslam Ahizoune, Chairman of the Management Board of Maroc Telecom (right). © Maroc Telecom photo library

In December 2012, each employee of Activision Blizzard had to complete its annual certification of the Code of Conduct via the online module implemented in 2011. At the time this report was published, more than 89% of them (over 6200 employees) had signed their certification. Top management has to go even further by answering an online questionnaire on key topics of the Code of Conduct. This approach has been extended to all directors in 2012, progressing from 200 employees to more than 500. To date, 515 executives (more than 99% of the recipients of the questionnaire) have completed the questionnaire.

In April 2012, SFR signed the **UN Global Compact**, which has already been signed by Vivendi in 2003. Cette adhésion s'inscrit dans la continuité des engagements de l'opérateur et apporte une dimension internationale à sa responsabilité d'entreprise. SFR entend en faire progresser les principes et renforcer leur intégration dans la stratégie du groupe, ses plans d'actions et ses modes opératoires.

Activision Blizzard and Universal Music have a **hotline number** available 24/24h, 7/7d on world-wide basis that employees can call to report suspected fraud, bribery or other violations of the Code. Employees may choose to identify themselves or remain anonymous.

In 2012, 100% of UMG leaders were educated about **antitrust rules**, which are regularly on the agenda of board meetings.

In addition to a similar procedure for whistle blowing (as described above), GVT's employees have an **ombudsman** to receive reports on ethical or legal violations, provide guidance and deal with conflicts of interest.

In 2012, 21 managers and heads of division within GVT were trained on **anticompetitive practices**. These leaders are particularly sensitive to these topics, given such issues as regulatory, marketing, sales, customer service, communication, and international operators are particularly relevant to them.

In November 2012, Maroc Telecom reaffirmed its social responsibility by **signing the UN Global Compact**.

In 2012, **2,300 people** of Maroc Telecom were trained to **fraud** prevention and detection mechanisms.

Appendix

VIVENDI'S COMPLIANCE PROGRAM

[Available on Vivendi's corporate website](#)



- 1** Employees' rights
- 2** Truth and the protection of information
- 3** Prevention of conflicts of interest
- 4** Commercial ethics
- 5** Use of property and resources belonging to the Group
- 6** Financial ethics
- 7** Respecting the environment