

DELOITTE & ASSOCIES  
185, avenue Charles de Gaulle  
92524 Neuilly-sur-Seine

ERNST & YOUNG ET AUTRES  
1, place des Saisons  
92400 Courbevoie

## **VIVENDI**

*Société Anonyme*

42, avenue de Friedland  
75008 PARIS

---

### **Statutory Auditors' special report on regulated agreements and commitments**

Shareholders' Meeting held to approve the  
financial statements for the year ended December  
31, 2017

# VIVENDI

*Société Anonyme*

*42, avenue de Friedland*  
75008 PARIS

---

## **Statutory Auditors' special report on regulated agreements and commitments**

*This report supplements the report issued on February 15, 2018  
following the omission of certain paragraphs*

Shareholders' Meeting held to approve the financial statements  
for the year ended December 31, 2017

---

*This is a free translation into English of the statutory auditors' special report on regulated agreements and commitments that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code (Code de Commerce) and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.*

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby report to you on regulated agreements and commitments.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such commitments and agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements and commitments, if any. It is your responsibility, pursuant to Article R. 225-58 of the French Commercial Code (*Code de commerce*), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 225-58 of the French Commercial Code relating to the implementation during the past

year of agreements and commitments previously approved by the Shareholders' Meeting, if any.

We performed the procedures that we considered necessary with regard to 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 agreeing the information provided to us with the relevant source documents.

## **AGREEMENTS AND COMMITMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING**

---

### **Agreements and commitments authorized during the year**

Pursuant to Article R.225-88 of the French Commercial Code, we have been informed that the following agreements and commitments were previously authorized by your Supervisory Board.

#### **1. Acquisition by Vivendi of Bolloré Group's stake in Havas**

a. Co-contracting entity: Bolloré

Terms and conditions: On May 11, 2017, your Supervisory Board authorized the acquisition by Vivendi of 25,045,315 Havas shares held by Bolloré at a price of €9.25 per share (ex-dividend), representing a total consideration of €231,669,163.75.

Executives concerned: Mr. Vincent Bolloré, Chairman of the Supervisory Board  
Mr. Yannick Bolloré, Member of the Supervisory Board

b. Co-contracting entity: Compagnie du Cambodge

Terms and conditions: On May 11, 2017, your Supervisory Board authorized the acquisition by Vivendi of 54,446,158 Havas shares held by Compagnie du Cambodge at a price of €9.25 per share (ex-dividend), representing a total consideration of €503,626,961.50.

Executive concerned: Mr. Vincent Bolloré, Chairman of the Supervisory Board

c. Co-contracting entity: Société Industrielle et Financière de l'Artois

Terms and conditions: On May 11, 2017, your Supervisory Board authorized the acquisition by Vivendi of 62,833,575 Havas shares held by Compagnie du Cambodge at a price of €9.25 per share (ex-dividend), representing a total consideration of €581,210,568.75.

Executive concerned: Mr. Vincent Bolloré, Chairman of the Supervisory Board

The Havas shares, including the 108,172,230 Havas shares held by Financière de Sainte Marine, were acquired on July 3, 2017 at a unit price of €9.25 per share (ex-dividend).

Reasons justifying the company's interest:

Based on the presentation made by the Chairman of your Management Board and in view of the opinions conveyed by the advisory banks, your Supervisory Board noted that the transaction, in its totality, was in line with the objective of accelerating the creation of a global content, media and communication leader, providing Vivendi with a new dimension and a unique positioning to compete with powerful world players. At the financial level, the transaction would increase revenue from €10.8 billion to €13.1 billion (based on 2016 results) and improve the risk spread by adding a new business division, while expanding geographical revenue distribution. The new entity's operating margins would rise and the transaction would be significantly accretive to net income.

Your Supervisory Board has also noted that this transaction would bring value to Vivendi's assets (artists, catalogues, content and video games), thanks to the advertising expertise of Havas and the use of its data analytics know-how. In turn, Havas would benefit from Vivendi's practical support to develop in countries where its presence is limited (particularly in Africa) or countries where its market share is negligible and to add flexibility in a booming sector that is being reshaped.

***2. Amendment to the service agreement between Vivendi and Mr. Dominique Delpont***

Terms and conditions: On May 11, 2017, upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, your Supervisory Board authorized the amendment of the service agreement between Vivendi and Mr. Dominique Delpont, previously authorized by the Supervisory Board on September 2, 2015 and approved by the Shareholders' Meeting of April 21, 2016, canceling the variable component of his annual fees potentially payable up to an amount of €200,000 per year, with effect from January 1, 2017.

Following this amendment, annual fees payable to Mr. Dominique Delpont, initially set at €500,000 (fixed component of €300,000 plus a variable component of up to €200,000), are reduced to a fixed amount of €300,000 per year only.

Executive concerned: Mr. Dominique Delpont  
Member of the Supervisory Board

Reasons justifying the company's interest:

Elimination of the remuneration's variable component.

**3. Additional commitment under the supplemental defined-benefit pension plan benefiting Mr. Gilles Alix and Mr. Cédric de Bailliencourt, members of the Management Board since September 1, 2017**

Terms and conditions: On August 31, 2017, your Supervisory Board appointed Messrs. Gilles Alix and Cédric de Bailliencourt to the Management Board with effect from September 1, 2017 for a period expiring June 23, 2018, the date of renewal of the Management Board, and authorized an additional commitment in their favor under the supplemental defined-benefit pension plan governed by the provisions of Article L. 225-90-1 of the French Commercial Code.

Executives concerned: Mr. Gilles Alix, Member of the Management Board  
M. Cédric de Bailliencourt, Member of the Management Board

Reasons justifying the company's interest:

Under the plan, retiring beneficiaries can obtain a substitution rate close to that of the other company employees. It is proportional to the services rendered by beneficiaries in the performance of their duties or mandates, the rights being capped in percentage and amount, and does not represent an excessive cost for the company.

**AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY SHAREHOLDERS' MEETING**

---

**Agreements and commitments approved in prior years**

***a) with continuing effect during the year***

Pursuant to Article 225-57 of the French Commercial Code, we have been informed that the following agreements and commitments, previously approved by Shareholders' Meetings of prior years, have remained in force during the year.

***Service agreement between Vivendi and Mr. Dominique Delport***

On September 2, 2015, upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, your Supervisory Board authorized the signature of a service agreement between Vivendi and Mr. Dominique Delport for five years starting October 1, 2015, under which Mr. Dominique Delport provides assistance and advice in the creation and use of new digital content for the development of Vivendi Content and Dailymotion.

The maximum annual amount of fees under this service agreement is €500,000 (fixed component of €300,000 plus a variable component of up to €200,000).

Fixed fees of €300,000 were recorded in the accounts in respect of this agreement as of December 31, 2017. No variable fees were paid in 2017.

Under this contract, Mr Dominique Delport has a long-term incentive plan indexed to growth in the enterprise value of Dailymotion as of June 30, 2020 compared to its acquisition value (€271.25 million), assessed by an independent expert. Assuming an increase in Dailymotion's value, the amount of his remuneration under the incentive plan would be capped at 1% of this increase.

Executive concerned: Mr. Dominique Delport  
Member of the Supervisory Board

Reasons justifying the company's interest:

The Supervisory Board noted that it would be in the company's interest to hire Mr. Dominique Delport, whose digital technology experience is extensive, for the development of its digital strategy, which relies as much on the Vivendi group's internal resources as it does on external support, particularly in terms of original and distinctive formats for digital content.

***b) without effect during the year***

In addition, we have been informed of the following commitments and agreements, previously approved by Shareholders' Meetings of prior years, which had no effect during the year.

***1. Conditional commitments under the supplemental defined-benefit pension plan benefiting members of the Management Board***

On March 9, 2005, your Supervisory Board authorized the implementation of a supplemental pension plan for senior executives, including the current members of the Management Board holding an employment contract with your company. This plan was approved by the Combined Shareholders' Meeting of April 20, 2006. The Chairman of the Management Board, who waived his employment contract, is eligible for the supplemental pension plan.

The main terms and conditions of this supplemental pension plan are as follows: a minimum of three years with the company; progressive vesting of rights based on seniority and capped at twenty years, calculated at a decreasing rate not exceeding 2.5% per annum and gradually reduced to 1%; reference salary for the calculation of the pension equal to the average of the fixed and variable salaries for the preceding three years; dual upper limit: reference salary capped at 60 times the social security limit and vesting of rights limited to 30% of the reference salary; 60% pension for the surviving spouse in the event of the beneficiary's death; rights maintained in the event of retirement at the initiative of the employer after the age of 55; benefits lost in the event of departure from the company, for any reason, before the age of 55.

In accordance with Article L. 225-90-1 of the French Commercial Code, the rate of increase in the pension is calculated subject to the following criteria, assessed annually: no further increase if, in the relevant year, the Group's financial results (adjusted net income and cash flow from operations) are less than 80% of the

budget and if Vivendi's stock performance is less than 80% of the average performance of a composite index (CAC 40 (50%) and Euro STOXX Media (50%)).

An amount of €8 682 604 is recorded in the 2017 financial statements in respect of the supplemental pension plan benefiting members of the Management Board in office as of December 31, 2017.

## ***2. Severance payment to the Chairman of the Management Board on termination of employment at the initiative of the Company***

On February 27, 2015, after noting that Mr. Arnaud de Puyfontaine no longer benefited from his employment contract which was waived following his appointment as Chairman of the Management Board on June 24, 2014, or any possibility of compensation in the event of his termination at the initiative of the Company, and upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee, your Supervisory Board decided that in the event of the termination of his employment at the initiative of the Company, Mr. Arnaud de Puyfontaine would be entitled, except in the case of gross negligence, to compensation, subject to the following performance conditions:

- gross severance compensation equal to eighteen months of remuneration (based on the amount of his last fixed remuneration and his latest annual bonus earned over a full year);
- if the bonus paid during the reference period (the twelve-month period preceding notification of departure) is (i) higher than the target bonus, the compensation calculation will only take into account the amount of the target bonus (ii) lower than the target bonus, the compensation amount will in any event be capped at two years of net take-home pay, and may not result in the payment of more than eighteen months of target remuneration;
- this compensation will not be payable if the Group's financial results (adjusted net income and cash flow from operations) are less than 80% of the budget over the two years prior to departure and if Vivendi's stock performance is less than 80% of the average performance of a composite index (CAC 40 (50%) and Euro STOXX Media (50%)) over the previous twenty-four months.

The Supervisory Board also decided that in the event of Mr. de Puyfontaine's departure under the conditions set forth above (entitling him to compensation), all rights to performance shares not yet vested at the date of his departure would be maintained, subject to the fulfilment of the related performance conditions.

Executive concerned: Mr. Arnaud de Puyfontaine  
Chairman of the Management Board

**3. Counter-guarantee agreement between Vivendi and SFR in respect of Maroc Telecom and concerning guarantees granted jointly and severally to Etisalat by SFR and Vivendi on the sale of Maroc Telecom**

On November 14, 2014, your Supervisory Board authorized your Management Board to provide a counter-guarantee by your Company covering guarantees granted jointly and severally by SFR and your Company to Etisalat on the sale of Maroc Telecom. This counter-guarantee is capped at the Maroc Telecom selling price (€4,187 million) and will expire on May 14, 2018.

Executives concerned: Mr. Hervé Philippe, Member of the Management Board  
Mr. Stéphane Roussel, Member of the Management Board

Neuilly-sur-Seine and Paris-La Défense, March 16, 2018

The Statutory Auditors

Deloitte & Associés

Ernst & Young et Autres

Jean Paul Séguret

Jacques Pierres