

## 3.2 CORPORATE GOVERNANCE ARRANGEMENTS **AFR**

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

This report was prepared by the Secretary to the Board (who is also Group Legal Affairs Director) in conjunction with senior management and the Group Finance Department. It draws upon various internal documents (Articles of Association and Rules of Procedure, and minutes of Board and Board Committee Meetings), and takes account

of current regulations; corporate governance recommendations issued by the AMF (the French financial markets authority); the recommendations contained in the AFEP/MEDEF Corporate Governance Code of Listed Corporations (the "AFEP/MEDEF Code"); the report of the French High Committee on Corporate Governance; and market practice.

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

### 3.2.1 PRINCIPLES GOVERNING THE COMPOSITION OF THE BOARD OF DIRECTORS

#### RULES APPLICABLE TO THE COMPOSITION OF THE BOARD OF DIRECTORS

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

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

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

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

#### Procedure for selecting Directors

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

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

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

The actual selection process is strictly confidential.

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

#### Non employee representative Directors

The non employee representative Directors are appointed by a General Meeting of shareholders. They serve for a three-year term of office, in order to facilitate the phased rotation recommended by the

AFEP/MEDEF Code. They must hold at least 100 TF1 shares throughout their term of office according to the Board of Directors' Rules of Procedure.

#### Employee representative Directors

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

Employee representative Directors hold office for two years.

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

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

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

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

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

#### Employee shareholder representative Director

Prior to publication of law no. 2019-486 of 22 May 2019 on the Business Growth and Transformation Action Plan (the "Pacte" law),

which removed the exemption that applied to TF1, the company had no obligation to arrange for the election of employee shareholder representative Directors pursuant to Article L. 225-23 of the French Commercial Code.

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

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

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

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

### Age limit

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

## APPLICATION OF THE AFEP/MEDEF CORPORATE GOVERNANCE CODE

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

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

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

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

## BOARD RULES OF PROCEDURE AND DIRECTORS' CODE OF CONDUCT

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

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

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

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

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

### ASSESSMENT OF DIRECTOR INDEPENDENCE

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

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

- not being, and not having been within the past five years: (i) an employee or executive officer of TF1; (ii) an employee, executive officer or Director of an entity consolidated by TF1; or (iii) an employee, executive officer or Director of TF1's parent or of an entity consolidated by that parent;
- not being an executive officer of an entity in which (i) TF1 directly or indirectly holds a directorship or (ii) an employee of TF1 is designated as a Director or (iii) an executive officer of TF1 (current, or who has held such office within the past five years) holds a directorship;

- not being a customer, supplier, investment banker, commercial banker or consultant that is (i) material to TF1 or its group or (ii) for which TF1 or its group represents a significant proportion of its business;
- not being related by close family ties to a corporate officer;
- not having been a statutory auditor of TF1 within the past five years;
- not having been a Director of TF1 for more than twelve years (a Director ceases to be independent once he or she has served on the Board for twelve years).

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

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

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

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

✓ Compliant X Non-compliant

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

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

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

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

- five female Directors, which means that the proportion of female Directors would be 56%;

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

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

## DIVERSITY POLICY APPLIED TO BOARD MEMBERS

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

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

<b>Objectives</b>	The Board takes the view that a good balance is achieved by having Directors with diverse profiles, whether in terms of age, length of service, expertise and professional experience relevant to the Group’s business activities, and also by having a sufficient number of independent Directors.
<b>Procedures</b>	The Board believes that the expertise and experience of its members, their ability to understand the challenges and risks facing the Group, and their complementarity and commitment, all contribute to the balance of the Board. The Board, acting on recommendations from the Selection and Remuneration Committee, takes account of diversity objectives when proposing new Directors or committee members, and during the annual evaluation of the Board. The Board pays particular attention to the experience and knowledge of the Group’s businesses that each Director needs in order to contribute effectively to the work of the Board and its committees. The presence of employee representative Directors on the Board and its committees also contributes to the diversity policy.
<b>Outcomes</b>	<p><b>Age</b> As of 31 December 2020, the average age of the Directors was 57.</p> <p><b>Length of service</b> The average length of service of the Directors as of 31 December 2020 was 6.6 years.</p> <p><b>Expertise</b> The Directors are drawn from a variety of backgrounds. The detailed career résumés in section 3.1, and the table below, show the diverse nature of Board members’ expertise in fields such as the media industry, entrepreneurship, finance, industry and digital.</p> <p><b>Independent Directors</b> See above.</p> <p><b>International experience</b> Although 10 of the 11 Board members are French nationals, most of them have extensive international professional experience or a bi-national culture.</p> <p><b>Gender balance</b> As of 31 December 2020:  <ul style="list-style-type: none"> <li>■ the Board had five female Directors, which means that the proportion of female Directors was 56% (without counting employee representative Directors);</li> <li>■ each of the three Board committees was chaired by a woman;</li> <li>■ eight of the ten committee seats (80%) were held by women.</li> </ul> </p>

## POLICY ON NON-DISCRIMINATION AND GENDER BALANCE ON EXECUTIVE BODIES

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

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

### Executive Committee

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

### Management Committee

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

## DIVERSITY AND COMMITMENT OF THE DIRECTORS

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

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

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

Average length of service of Directors: 6.6 years  
Average age of Directors: 57

Percentage of women: 56%<sup>(1)</sup>  
Percentage of independent Directors: 44%<sup>(1)</sup>

(1) Excluding employee representative Directors.

## 3.2.2 PRINCIPLES ON WHICH CORPORATE GOVERNANCE OPERATES

### GOVERNANCE ARRANGEMENTS

#### Chairman and Chief Executive Officer

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

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

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

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

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

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

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

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

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

#### Limits on the powers of the Chairman and Chief Executive Officer

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

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

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

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

#### Age limit

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

#### EXECUTIVE COMMITTEE

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

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

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



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

Alongside the Chairman and Chief Executive Officer, they are:

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

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

## SUCCESSION PLANNING

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

## RULES GOVERNING HOW THE BOARD OPERATES

### Powers of the Board of Directors

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

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

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

- the Board of Directors, with the assistance of a special purpose committee if needed, examines and makes decisions on operations of real strategic importance;
- the strategic priorities, business plans and financing policy for each business segment and the Group are presented to the Board for approval;
- the Board must give its prior approval for any transaction regarded as being of major significance for the Group including investments, organic growth, external acquisitions, disposals, or internal restructuring, particularly where the transaction is outside the scope of the company's stated strategy;
- Board approval is required for the principal guarantees and major commitments entered into by the Group;
- the Board exercises control over management and oversees the quality of the information supplied to shareholders and to the markets, in particular through the financial statements and in connection with significant corporate actions;

- the Board performs regular reviews of opportunities and risks, including risks of a financial, legal, operational, social or environmental nature, and assesses their impact on the strategy determined by the Board and the measures taken as a consequence, and to that end receives all information necessary to fulfil its remit;
- the Board determines the remuneration of senior executives and corporate officers, subject to powers expressly reserved by law for the General Meeting of shareholders;
- the Board applies the rules relating to the composition of the Board and of its committees;
- the Board authorises regulated agreements, and monitors the process for determining whether contracts qualify as ordinary agreements contracted on an arm's length basis.

### Holding of Board Meetings

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

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

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

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

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

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

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

### PROVISION OF TRAINING AND INFORMATION TO DIRECTORS

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

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

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

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

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

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

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

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

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

Extract from the Directors' Code of Conduct:

#### **" 5. Prevention of conflicts of interest**

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

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

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

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

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

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

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

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

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

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

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

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

#### **Application of the procedure for unregulated agreements**

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

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



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

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

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

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

### EVALUATION OF THE BOARD OF DIRECTORS

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

The evaluation has three key objectives:

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

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

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

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

### Principal findings

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

Directors also expressed their appreciation of:

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

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

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

### Progress made

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

### Areas for improvement

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

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

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

## WORK OF THE BOARD OF DIRECTORS IN 2020

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

### Main issues discussed

#### Board Meeting of 13 February<sup>(1)</sup>

- 2019 business review and outlook for 2020.
- Audit Committee report and auditors' opinion on the financial statements.
- Closing off the individual and consolidated financial statements for 2019; proposed appropriation of earnings; accounting documents and forecasts.
- Selection and Remuneration Committee report. Determination of the variable remuneration of the Chairman and CEO for 2019, and of the remuneration policy for 2020.
- Proposed reappointment of two Directors and co-opting of a Director. Review of succession planning.
- Ethics and CSR Committee report. Opinion on the Non-Financial Performance Statement.
- Update of the Rules of Procedure of the Board of Directors to reflect the revised version of the AFEP/MEDEF Code issued in January 2020, and extension of the remit of the Ethics and CSR Committee to include patronage.
- Approval of the management report, the report on corporate governance, and the description of the share buyback programme.
- Financial delegation of authority to issue bonds and guarantees.
- Calling of the Annual General Meeting and finalisation of the agenda, proposed resolutions, and reports to the meeting.

Attendance rate

91%

#### Board Meeting of 31 March

- Withdrawal of 2020 guidance and dividend, and amendment to the resolution on appropriation of 2019 profits initially submitted to the Annual General Meeting of shareholders.
- Holding of the Annual General Meeting behind closed doors.
- Delegation of authority to the Chairman & CEO to answer questions submitted in writing.

Attendance rate

100%

#### Board Meeting of 1 April

- Composition of the Board of Directors as of 31 March 2020. Formal record of the election of the employee representative Directors, and change in the permanent representative of a corporate Director. Composition of the Board committees as of 1 April 2020.
- Exceptional circumstances facing the Group due to the COVID-19 pandemic. Health and safety of employees. Opportunities and action plans.
- Decision to live stream the Annual General Meeting. Designation of two tellers (representatives of the largest shareholders).

Attendance rate

100%

#### Board Meeting of 29 April

- 2020 first-quarter business review and financial statements, and outlook.
- Audit Committee report and auditors' opinion on the financial statements. Closing off the first-quarter financial statements, and approval of the quarterly Financial Report.
- Consultation with the Economic & Social Committee on strategic orientations.
- Change in the permanent representative of a corporate Director.

Attendance rate

100%

#### Board Meeting of 28 July<sup>(1)</sup>

- Handling of the COVID-19 crisis. New working practices. Cost savings. Relaunch plan.
- 2020 first-half business review and financial statements, and outlook.
- Audit Committee report and auditors' opinion on the financial statements.
- Closing off the first-half financial statements, and approval of the half-year Financial Report.
- Updates to accounting documents and forecasts.
- Review of strategic priorities.
- Definitive abandonment of a dividend payout in respect of 2019.
- Strategic priorities.
- Selection and Remuneration Committee report. Update to the 2020 remuneration policy for the Chairman & CEO.
- Reduction of the cap for his annual variable remuneration. Principle of awarding a one-off COVID-19 bonus.

Attendance rate

100%

#### Board Meeting of 28 October

- 2020 third-quarter business review and financial statements, and outlook.
- Audit Committee report and auditors' opinion on the financial statements.
- Closing off the third-quarter financial statements, and approval of the quarterly Financial Report.
- Setting the dates for elections of employee members of the Supervisory Board of the FCPE TF1 Actions employee share ownership fund from among the holders of units in the fund.
- Evaluation of the Board of Directors.
- Share capital – Cancellation of repurchased own shares.

Attendance rate

100%

#### Board Meeting of 15 December

- Strategy and three-year business plan (2021-2023).
- Major risk mapping.
- Ethics, CSR and Patronage Committee reports.
- Appointment of new Chief Ethics Officer, corruption risk mapping, and patronage initiatives. A cybersecurity issue.
- Write-down of the goodwill of the Unify division. Audit Committee report.
- Review of ongoing regulated agreements. Procedure for assessing whether contracts qualify as ordinary agreements.
- Authorisation of related party agreements.

Attendance rate

100%

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

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

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

### COMMITTEE OF INDEPENDENT DIRECTORS

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

### BOARD COMMITTEES

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

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

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

### AUDIT COMMITTEE

#### Composition and attendance

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

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

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

## Remit

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

- oversees the process for preparing financial information, and to this end:
  - reviews the parent company and consolidated financial statements before they are presented to the Board,
  - obtains assurance that the accounting policies used in drawing up those financial statements are relevant and consistent,
  - reviews any changes that have a material impact on the financial statements,
  - reviews the principal optional treatments applied at the accounting close, key estimates and judgments, and the main changes in the scope of consolidation,
  - makes any recommendations necessary to safeguard the integrity of financial information;
- oversees the effectiveness of internal control and risk management systems, and of Internal Audit where necessary, as regards procedures for preparing and processing accounting, financial and non-financial information, without undermining its independence, and to this end:
  - reviews internal control procedures relating to the preparation of the financial statements, in conjunction with internal departments and qualified advisors, and also reviews the key accounting, financial, social and environmental risks faced by the company, any changes in those risks, and the arrangements put in place to manage them,
  - performs an annual review of the key risks faced by the company, including social and environmental risks, any changes in those risks, and the arrangements put in place to manage them,
  - reviews key information system risks,
  - performs an annual review of the company's internal control self-assessment;
- oversees matters related to the statutory auditors, and to this end:
  - organises the selection procedure as specified in the relevant laws and regulations with a view to the appointment of the statutory auditors by the Annual General Meeting,
  - makes recommendations to the Board of Directors on the statutory auditors proposed for appointment or reappointment at Annual General Meetings and oversees the execution by the statutory auditors of their engagement,
  - obtains assurance that the statutory auditors are in compliance with the independence criteria specified in the applicable laws and regulations; and to this end, examines the allocation of fees paid by the company itself and by Group companies between each statutory auditor (including members of their networks),

including fees paid for services other than the statutory audit of the financial statements,

- approves the provision of any services other than statutory audit that may be provided by the statutory auditors or by members of their networks, having first analysed the risks posed to the independence of the statutory auditors and the protective measures applied by them,
- reports to the Board of Directors on the outcomes of the statutory audit engagement, the way in which that engagement contributed to the integrity of financial information, and the role played by the committee in that process;
- reports on its work to the Board of Directors on a regular basis and makes recommendations to the Board of Directors on the matters listed above, both periodically at accounting closes and whenever warranted by a specific event;
- informs the Board of Directors without delay of any difficulties that may be encountered.

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

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

## Work of the Audit Committee in 2020

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

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

## SELECTION AND REMUNERATION COMMITTEE

### Composition and attendance

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

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

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

### Remit

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

The committee's remit includes:

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

- periodically reviewing issues related to the composition of the Board, and making proposals to the Board on the appointment or reappointment of Directors, taking account of the principle of achieving a balance on the Board in terms of independent Directors, gender, international experience, expertise, etc.;
  - organising a procedure for selecting future Directors, and carrying out its own research on potential candidates before making any approach to them;
  - examining regularly, and each time the term of office of Executive Officers is up for renewal, (i) what governance arrangements to adopt (in particular, whether to combine or separate the functions of Chairman and Chief Executive Officer) and making recommendations on this, and (ii) changes in the Group's executive bodies, in particular by liaising with the Chairman to prepare succession plans for Executive Officers, especially in the event of an unforeseen vacancy;
  - assessing, on a case by case basis, the situation of each Director or candidate for a directorship with respect to the independence criteria, and recommending proposals to the Board;
  - anticipating and examining any issues relating to conflicts of interest;
  - reviewing proposals to set up Board committees, and suggesting lists of their remits and members;
  - reviewing the draft Report on corporate governance, and informing the Board of any observations about that report;
  - preparing the evaluation of the Board and of its specialised committees as specified in Article 7 of the Rules of Procedure of the Board of Directors, presenting the Board with a summary report on that evaluation, and making recommendations to improve the composition, organisation and operation of the Board and its specialised committees;
  - examining the gender balance policy for executive bodies proposed by senior management, the objectives of that policy, how the policy is implemented, and the outcomes achieved in the last financial year, and making any relevant observations to the Board.
- Remit relating to remuneration*
- reviewing and submitting proposals to the Board on the remuneration policy for corporate officers, with a view to submission of that policy to the Annual General Meeting for approval;
  - reviewing and submitting proposals to the Board of Directors on all components of the remuneration and benefits due or likely to be due to the Executive Officers, and in particular:
    - for variable remuneration components:
      - proposing definitions for how the variable component objectives are to be determined,
      - checking each year that the rules for setting the variable portion have been correctly applied, and are consistent with the assessment of their performance and with the company's medium- and long-term strategy,
    - for long-term remuneration components:
      - proposing and setting the terms of long-term remuneration plans,
      - examining stock option and share ownership plans, and making proposals for awarding such plans to Executive Officers,
      - making proposals on and monitoring compliance with rules specific to Executive Officers (minimum holding of registered shares and prohibition on use of hedging);
  - issuing a recommendation on the overall amount of Directors' remuneration, and the arrangements for allocating that remuneration between the Directors;
  - submitting proposals on remuneration and incentive arrangements for senior executives of the company and the Group other than Executive Officers;
  - proposing a general policy on the granting of stock options, the allotment of shares free of charge or the awarding of performance shares, and determining the frequency thereof for each category of beneficiary;
  - presenting annually the drafts of the reports on the remuneration of corporate officers, on the remuneration policy applicable to Executive Officers, and on stock options or performance shares.
- The committee may conduct or commission analyses or surveys in furtherance of its remit, and may call upon assistance from independent experts.
- The committee reports regularly to the Board of Directors on how it is fulfilling its remit and makes any recommendations to the Board on the matters described above, both periodically at the Board Meeting held to close off the financial statements and whenever circumstances require, and informs the Board without delay of any difficulty encountered.

### Work of the Selection and Remuneration Committee in 2020

Director independence was discussed by the committee and reviewed by the Board of Directors, in particular prior to publication of the universal registration document. The committee gave an opinion on the composition of the Board of Directors and recommended asking the Combined General Meeting of 17 April 2020 (i) to approve the renewal of the terms of office of Catherine Dussart and Olivier Bouygues as Directors; (ii) to ratify the co-opting of SCDM, represented by Martin Bouygues, as a Director; (iii) to adopt the resolution formally recording the results of the March 2020 election of employee representative Directors; and (iv) to approve the amendment to Article 10 of the Articles of Association in order to comply with the new legal requirements on the designation of an employee shareholder representative Director.

The committee also recommended that the Board renew Catherine Dussart's seats on the committees of which she is a member, for her new term of office as a Director (*i.e.* Chair of the Ethics, CSR and Patronage Committee and member of the Selection and Remuneration Committee), with effect from the end of the Annual General Meeting of 17 April 2020. The committee reviewed succession planning. It also acquainted itself with the Group's commitments on increasing the proportion of women on managerial bodies and on equality of opportunity for women and men for the 2020-2022 period. It recommended extending the remit of the Ethics & CSR Committee to include patronage.

The committee expressed its opinion to the Board on (i) the determination of the components of the remuneration and benefits paid in 2019 or awarded in respect of 2019 to the Chairman & CEO and (ii) the remuneration policy applicable to the Chairman & CEO and to the Directors for 2020. It signed off on the attainment levels for the performance conditions stipulated for the 2017 performance share and stock option plans.

At its July meeting, the committee recommended to the Board that the remuneration of the Executive Officer for the 2020 financial year should take account of the quality of his handling of the COVID-19 crisis, stating that this exceptional remuneration (permitted in the general principles of his 2020 remuneration policy) should be evaluated by the Board and the committee in February 2021. The committee also took note of the Executive Officer's proposal to reduce the cap set on the components of his remuneration other than his fixed salary by one-third, to 100% of his fixed remuneration. These remuneration components will be submitted to a shareholder vote at the Annual General Meeting in April 2021.

### ETHICS, CSR AND PATRONAGE COMMITTEE

#### Composition and attendance

The committee has at least two members, and is chaired by an independent Director.

The committee's members are Catherine Dussart (Chair) and Marie Allavena (both independent Directors), and Sabrina Zerbib (an employee representative Director); their career résumés are provided in section 3.1.3 of this universal registration document.

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

#### Remit

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

The committee's remit is:

- Ethics:
  - to help define rules of conduct or guiding principles to inspire the behaviour of executives and other employees,
  - to propose or offer an opinion on ways to promote exemplary ethical conduct,
  - to monitor compliance with those values and rules of conduct,
  - to give an opinion on the system put in place to prevent and detect corruption and influence peddling;
- CSR:
  - to examine at least once a year issues the Group is facing in terms of its responsibility to the environment, employees, and society,
  - to give an opinion to the Board on the non-financial performance statement required pursuant to Article L. 22-10-36 of the Commercial Code;
- Patronage:
  - to set rules or make recommendations for TF1 to follow,
  - to give an opinion to the Chairman of the Board on patronage initiatives proposed by TF1 when they represent a significant financial commitment,
  - to ensure that its recommendations are implemented and its initiatives properly carried out.

In fulfilling its remit, the committee can meet with the Chairman of the Board of Directors or any person designated by him.

### Work of the Ethics, CSR and Patronage Committee in 2020

The committee expressed a favourable opinion on compliance measures, and the implementation of new regulatory requirements affecting ethics and compliance matters within the TF1 group. These included work done to ensure compliance with (i) the "Sapin 2" law and (ii) data protection requirements, including the rollout of the network of data correspondents.

In CSR, the committee gave a favourable opinion on initiatives taken by the Group in areas such as diversity, gender balance, solidarity, sustainable development, upskilling of employees, and transparency of non-Financial Reporting. The committee recommended that the Board approve the Non-Financial Performance Statement. It signed off the draft 2020 Action Plan, which continued along the same lines.





## CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE ARRANGEMENTS

The committee recommended the Board to appoint Didier Casas, General Counsel of the TF1 group and a member of the TF1 EXCO, as the TF1 group's Chief Ethics Officer. It examined the mapping of corruption and influence peddling risks. The committee also acquainted itself with a cybersecurity issue, and with patronage initiatives carried out by Unify and Newen.

#### OTHER INFORMATION

Other information is published in section 7 of this Universal Registration Document, including:

- factors liable to have an impact in the event of a public offer (section 7.5.8);
- a table summarising current authorisations granted to the Board of Directors to proceed with capital increases (section 7.4.5.);
- transactions in TF1 shares declared by corporate officers in 2020 (section 7.4.4);
- agreements entered into by corporate officers or shareholders with subsidiaries or sub-subsidiaries (section 7.5.9);
- specific rules on the participation of shareholders in General Meetings (section 7.5.4);
- specific arrangements for the participation of shareholders in the Annual General Meeting, or provisions in the Articles of Association that specify such arrangements (section 7.5.4).