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## **VIVENDI S.A.**

### **Statutory Auditors' Report on related party Agreements and Commitments**

*This is a free translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

General Shareholders' Meeting to approve the financial  
statements for the year ended December 31, 2014  
Vivendi S.A.  
42, avenue de Friedland - 75008 Paris

*This report includes 6 pages*

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## **Vivendi S.A.**

Registered Office : 42, avenue de Friedland - 75008 Paris  
Share Capital : € 7,441,953,871.00

### **Statutory Auditors' Report on related party Agreements and Commitments**

General Shareholders' Meeting to approve the financial statements for the year ended December 31, 2014

To the Shareholders,

In our capacity as statutory auditors of your company, we hereby report on certain related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with article R. 225-58 of the French commercial Code (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with article R. 225-58 of the French commercial code (*Code de commerce*) concerning the implementation, during the year, of the agreements and commitments already approved by the shareholders' meeting.

We performed those procedures which we considered necessary to comply with professional guidance issued by the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

## AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE ANNUAL SHAREHOLDERS' MEETING

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

In accordance with article L. 225-88 of the French commercial Code (*Code de commerce*), we have been advised of certain related party agreements and commitments which received prior authorization from your Supervisory Board.

- **Counter-guarantee related to Maroc Telecom between Vivendi and SFR**

*Members of the Management concerned: Hervé Philippe, Pierre Rodocanachi and Stéphane Roussel*

At its meeting of November 14, 2014, your Supervisory Board authorized your Management Board to enable Vivendi to counter-guarantee SFR for guarantees granted jointly by SFR and Vivendi to Etisalat as part of the disposal of Maroc Telecom. This commitment is capped at the selling price of Maroc Telecom (4,187 million euros) and will expire on May 14, 2018.

### **Agreements and commitments authorized subsequently to the closing of the financial statements**

We have been advised of the following related party agreements and commitments, implemented subsequently to the closing of the financial statements, which received prior authorization from your Supervisory Board.

- **Offers of Altice and Numericable-SFR to purchase the 20% stake in Numericable-SFR**

*Persons concerned: Vivendi, Compagnie Financière du 42 avenue de Friedland represented by Stéphane Roussel*

At its meeting of February 27, 2015, your Supervisory Board, after having examined offers terms from Altice and from Numericable-SFR to purchase 20% stake in Numericable-SFR held by Vivendi, authorized the Management Board to accept them with the following conditions:

- Share repurchase agreement by Numericable-SFR of 10% of its own shares at a price of 40 euros per share, or 1,948 million euros in the aggregate. The cash payment would occur five working days after the Numericable-SFR Shareholders' Meeting subject to the approval of (i) the Share Repurchase Program and (ii) the authorization given to the Board to ratify the Share repurchase agreement;

- Share purchase agreement with Altice France S.A. of 10% stake in Numericable-SFR at a price of 40 euros per share or 1,948 million euros in the aggregate. The payment would occur no later than April 7, 2016 with a possibility of advance payment of the full amount and a first demand bank guarantee has been issued.

The Share repurchase agreement and the Share purchase agreement have been signed on February 27, 2015, respectively with Numericable-SFR and with Altice France S.A.

- **Conditional severance payment to the Chairman of the Management Board upon termination of employment at the initiative of the Company**

*Member of the Management concerned: Arnaud de Puyfontaine*

At its meeting of February 27, 2015, your Supervisory Board, 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 its termination at the initiative of the Company decided, upon the recommendation of the Corporate Governance, Nominations and Remuneration Committee and in accordance with the provisions of Article L.225-90-1 of the French Commercial Code (*Code de Commerce*), that in the event of the termination of his employment at the initiative of the Company, he would be entitled, except in the case of gross negligence, to compensation, subject to performance conditions.

This severance compensation would be capped at a gross amount equal to eighteen months of target compensation (based on the amount of his last fixed compensation 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) was higher than the target bonus, the calculation of compensation will only take into account the amount of the target bonus. If the bonus paid was lower than the target bonus, the amount of compensation 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 income.

This compensation would not be payable if the Group's financial results (adjusted net income and cash flow from operations) were less than 80% of the budget over the two years prior to departure and if Vivendi's stock performance was less than 80% of the average performance of a composite index (CAC 40 (50%) and Euro STOXX® Media (50%)) over the last 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 acquired by him on the date of his departure would be maintained, subject to the satisfaction of the related performance conditions.

This severance payment would not be payable in the event of resignation or retirement.

## AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE ANNUAL SHAREHOLDERS' MEETING

### **Agreements and commitments approved in prior years**

In accordance with article R. 225-57 of the French commercial Code (*Code de commerce*), we have been advised that the implementation of the following agreements and commitments which were approved by the annual shareholders' meeting in prior years continued during the year.

- **Agreement on the additional retirement benefits**

*Members of the Management concerned: Jean-François Dubos (Chairman of the Management Board until June 24, 2014), Jean-Yves Charlier (Member of the Management Board until June 24th, 2014), Arnaud de Puyfontaine (Chairman of the Management Board since June 24, 2014) Hervé Philippe (Member of the Management Board since June 24, 2014) and Stéphane Roussel (Member of the Management Board since June 24, 2014)*

Your Supervisory Board authorized the implementation of an additional pension plan for senior executives, including the actual members of the Management Board holding an employment contract with your company, governed by French law.

The main terms and conditions of the additional pension plan are as follows: a minimum of three years in office, progressive acquisition of rights according to seniority (over a period of twenty years); a reference salary for the calculation of the pension equal to the average of the last three years; dual upper limit; reference salary capped at 60 times the social security limit, acquisition of rights limited to 30% of the reference salary; application of the Fillon Act: rights maintained in the event of retirement at the initiative of the employer after the age of 55; and payment of 60% in the event of the beneficiary's death. The benefits are lost in the event of a departure from the company, for any reason, before the age of 55.

Mr. Jean-François Dubos exercised his rights to retirement on June 30, 2014. The annual retirement pension related to the supplemental pension plan amounts to 411,611 euros. This amount represents 20.79% of Jean-François Dubos last target compensation and 30% of its reference salary. This amount, paid by the life insurance company appointed by Vivendi S.A. for the management of the supplemental pension plan, is deducted from associated plan assets managed by the life insurance company.

Mr. Jean-Yves Charlier lost the benefit of the additional pension plan.

Mr. Arnaud de Puyfontaine, Chairman of the Management Board, who waived his employment contract, is eligible to the additional pension plan.

The provision recorded in the 2014 financial statements for the additional retirement benefits of the members of the Management Board in office as at December 31, 2014, amounts to 1,876 thousand euros.

### **Agreements and commitments approved over the past year**

In addition, we have been advised of the implementation of the following agreements and commitments which were already approved by the annual shareholders' meeting on June 24, 2014, based upon Statutory Auditors' Report on related party Agreements and Commitments dated April 11, 2014.

- **Assistance agreement between Vivendi S.A. and SFR**

*Members of the Management concerned: Jean-René Fourtou (Chairman of the Supervisory Board until June 24, 2014), Jean-François Dubos (Chairman of the Management Board until June 24, 2014), Jean-Yves Charlier (Member of the Management Board until June 24, 2014), Hervé Philippe, and Pierre Rodocanachi*

At its meeting of February 21, 2014, your Supervisory Board authorized, subsequently to its implementation, an amendment to the assistance agreement dated from 2003 between Vivendi S.A. and SFR.

This amendment, effective from January 1, 2013, consisted of changing the amount charged based on 0.1% of the consolidated revenue of SFR (excluding Maroc Telecom and revenue derived from equipment sales) against 0.2% formerly, to determine the amount of services provided by Vivendi.

This agreement terminated on November 27, 2014, at the date of the disposal of SFR to Numericable Group.

The revenue recorded in the financial statements at 31 December 2014 by your company for such services amounted to 8.4 million euros.

Paris-La Défense, Mars 12, 2015

The Statutory Auditors  
*French original signed by*

KPMG Audit  
*KPMG S.A. Department*

ERNST & YOUNG et Autres

Baudouin Griton  
*Partner*

Jean-Yves Jégourel  
*Partner*