

## LAGARDÈRE SCA

4, rue Presbourg  
75016, Paris, FRANCE

For the attention of Mr. Arnaud LAGARDÈRE and Arjil Commanditée-Arco, represented by Mr. Arnaud LAGARDÈRE, managers of LAGARDÈRE SCA

Cc : Chairman of the Supervisory Board  
London, 9 April 2020

### Re: Lagardère announcements in the context of Covid-19

Dear Sirs,

We write further to recent announcements by Lagardère SCA (“**Lagardère**” or the “**Company**”) in response to the unprecedented turbulences affecting the Company due to the Covid-19 epidemic in order to share the following comments with you<sup>1</sup>:

#### 1. Regarding the measures announced by Management to protect the Company

We take note of the decision by Management and the Supervisory Board to:

- Propose the suspension of the dividend at the next General Meeting of shareholders – thereby reconsidering the initial announcement to simply reduce the dividend from 1.30 euro to 1 euro This earlier proposal was clearly not adequate in light of the current challenges faced by the Company.

<sup>1</sup> **Amber Capital UK LLP** (14-17 Market Place – Kent House, London, W1W 8AJ, United Kingdom), acting on behalf of the following funds: (i) Amber Active Investors Limited, (ii) Amber Global Opportunities Limited, (iii) Amber European long Opportunities Fund, (iv) PrivilEdge – Amber Event Europe and (v) Amber Strategic Opportunities Fund and **Amber Capital Italia SGR SpA** (Piazza del Carmine 4, 20121 Milan, Italy), acting on behalf of the Alpha UCITS SICAV/Amber Equity Fund (jointly “**Amber**”).

- Set up a “Covid solidarity fund” of 5 million euros, deducted from the amounts initially set aside to pay the dividend, in order to support the employees, associates and, where possible, business partners of Lagardère.

As the main shareholder of Lagardère, Amber faced up to its responsibilities right from the beginning of the crisis, consistently calling for measures to protect the Company and its employees and to strengthen the financial condition of the Company.

However, the shareholders and employees of the Group cannot be the only ones to make sacrifices: it would be inconceivable and irresponsible for the members of the Executive Committee and of the Supervisory Board to not make similar concessions in the wider interests of the Company they manage.

Therefore, we publicly express our wish to reduce the remuneration of the members of the Executive Committee and of the Supervisory Board for the 2019 financial year – a measure that many companies have already taken<sup>2</sup>. We note in particular that if the members of Management gave up only their variable remuneration, more than 3 million euros could be saved and added to the 5 million euros allocated to the “Covid solidarity fund”.

We regret having to advocate such measures, which could – and should – have been announced already by Management and the Supervisory Board in order to demonstrate their solidarity with the Company, its employees and its shareholders. In this respect, the candidates to the Supervisory Board that Amber is proposing have indicated that, as far as they are concerned, they would reduce their remuneration by 25% if they are elected.

## **2. Regarding the 2020 General Meeting**

We also take note of the decision of Management to maintain the initial date of the General Meeting of 5 May 2020 and therefore to hold this Meeting behind closed doors.

We believe it is essential that this decision be reconsidered otherwise it will severely prejudice the rights of shareholders.

As you are aware, Amber has submitted fifteen resolutions to the agenda for the Meeting in order to renew the mandate of almost all members of the Supervisory Board. Therefore, the Meeting will be a crucial moment for shareholders who will make a very important decision for the future of the Company.

Therefore, in order to enable shareholders to participate in person at the Meeting – provided the health situation permits – we request that you postpone the date of the Meeting until the end of June.

We are surprised that Management has not already taken this decision, since it reminded shareholders just yesterday of its commitment to maintaining transparency and a dialogue with all shareholders: the General Meeting is precisely the occasion where such a dialogue can and should take place.

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<sup>2</sup> To provide just a few examples: Accor, Hermès, Michelin, Sodexo, etc.

Also, thanks to such a postponement the shareholders would maintain the hope of attending the Meeting in person in order to express their vote and to share their opinions. This would also allow the Company to invite the candidates to the Supervisory Board as proposed by Amber to attend the Meeting in order to permit shareholders the opportunity to meet them, ask questions and therefore make a more informed choice.

Once again, many companies have already taken the decision to postpone their General Meetings to preserve, as far as possible, the rights of their shareholders<sup>3</sup>.

This important issue applies even more to Lagardère this year.

Failing such a postponement, we request confirmation that, at the very least, a representative of Amber can physically attend the Meeting – respecting any health-related rules. This request is justified for two reasons: (i) Amber as the main shareholder of Lagardère and is a member of the bureau (*scrutateur*) and (ii) having added fifteen resolutions to the agenda, it is legitimate for Amber to be able to ensure a proper voting process is followed.

For the same reasons, we think it is essential – if the Meeting is to be held behind closed doors – that a bailiff can attend in person in order to follow the debates and discussions and to ensure that vote counting is undertaken correctly, and that these items are immediately made available to shareholders.

For that purpose, please inform us where the Meeting will be held.

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In view of the importance of these points to all stakeholders of Lagardère, we inform you that we have taken the decision to publish this letter on our website.

Regards,

**Joseph Oughourlian**

**Amber Capital UK LLP and Amber Capital Italia SGR SpA**

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<sup>3</sup> To provide just a few examples: Accor, PSA Groupe, Scor, Vinci, etc.