

# GRI Report 2020

Bertelsmann Corporate Responsibility Information in accordance  
with the Global Reporting Initiative (GRI) Standards

[www.bertelsmann.com/responsibility](http://www.bertelsmann.com/responsibility)

**BERTELSMANN**

## About this Report

Since 2011, Bertelsmann's corporate responsibility (CR) reporting has followed the international standards of the Global Reporting Initiative (GRI), the world's leading framework for sustainability reporting by international companies and organizations, and known since 2016 as the „GRI Standards.“ This report was created in accordance with the GRI Standards: Core option. Supplementary information in conformity with the sector-specific “Media Sector Disclosures” (MSD) are also included. Hyperlinks lead to further information, facts and figures about the responsible conduct of Bertelsmann and its divisions on the corporate website. The report's content was selected based on a relevance analysis of corporate responsibility topics at Bertelsmann, which was carried out with in-house and external stakeholders.

Bertelsmann's GRI reporting also fulfills its obligation, as a UN Global Compact member, to produce an annual Communication on Progress. A separate column in the table highlights the relevant reporting content for each principle. In addition, the environmental data from Bertelsmann's carbon footprint have been fully integrated into its GRI reporting as of 2018.

In March 2021, Bertelsmann also published a [Combined Non-Financial Statement as part of its Combined Management Report 2020](#) (pp. 44-50), which complies with the CSR Directive Implementation Act in Germany.



Dear readers,

The year 2020 was an exceptional one also for Bertelsmann, demanding a great deal from everyone in the company. Looking back, I am particularly grateful that so far we have succeeded in providing our 132,000 employees around the world with the best possible protection against COVID-19 infections at their workplaces through a comprehensive bundle of measures. We also took successful countermeasures from an economic point of view, kept Bertelsmann on a growth course, and ultimately closed the year with a record operating EBITDA.

Bertelsmann's media and services are particularly relevant during the pandemic: in times of uncertainty, we provide information and entertainment with our books, magazines, music and TV formats.

With Bertelsmann\_next, we are now further refining our corporate strategy. In this context, we will set ourselves additional Group targets – beyond "Climate Neutrality 2030" – for our priority Corporate Responsibility (CR) topics. Our ambition is to advance Bertelsmann's CR strategy in line with our stakeholders' expectations.

As an employer, as a business partner, and with all its products and services, Bertelsmann is a member of the global community. Our mindset is codified in the Bertelsmann Essentials: "We're mindful of the impact we have on society and environment, and we seek to make a positive difference."

We are continuously working on this and thank you for your interest.

Sincerely yours,

A handwritten signature in blue ink, which appears to read "Thomas Rabe". The signature is fluid and cursive.

Thomas Rabe

Chairman and Chief Executive Officer of Bertelsmann

P.S. This report also serves as our annual Communication on Progress on the implementation of the UN Global Compact's Ten Principles.

# GRI 102

General Disclosures



## GRI Content Index

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the English version of the report. With the exception of the Media Sector Disclosures (MSD) and the “GRI 303: Water and Effluents 2018” and “GRI 403: Occupational Health and Safety 2018” standards, all of the GRI Standards listed in the following GRI Content Index were published in 2016.

### GRI 101 Foundation

GRI	Disclosure	UNGC
<b>101</b>	<b>Foundation</b>	
101	Bertelsmann has taken the content of Standard 101 (Foundation) into account in compiling the GRI Report 2020.	

### GRI 102 General Disclosures

GRI	Disclosure	UNGC
<b>102</b>	<b>Organizational profile</b>	
102-1	<p><b>Name of the organization</b> Bertelsmann SE &amp; Co. KGaA</p>	
102-2	<p><b>Activities, brands, products, and services</b></p> <p>Bertelsmann is a media, services and education company that operates in about 50 countries around the world. It includes the broadcaster RTL Group, the trade book publisher Penguin Random House, the magazine publisher Gruner + Jahr, the music company BMG, the service provider Arvato, the Bertelsmann Printing Group, the Bertelsmann Education Group and Bertelsmann Investments, an international network of funds. The company had around 130,000 employees and generated revenues of €17.3 billion in the 2020 financial year. Bertelsmann stands for creativity and entrepreneurship. This combination promotes first-class media content and innovative service solutions that inspire customers around the world.</p> <p><b>Media</b></p> <p>Bertelsmann’s media businesses are based on the production and acquisition of high-quality information and entertainment content – the basis for creating audiovisual formats, books, magazines, music products, and online services. With the exception of books and music, these products contain advertising as well as editorial content – an additional source of revenue beyond the incomes from sales and distribution. All these products are distributed physically or digitally, directly or through service providers. Because media businesses live by the diversity of the content they produce and distribute, good networks of creative talent and content producers are a key success factor.</p> <p><b>Services</b></p> <p>Companies from a wide variety of industries rely on Bertelsmann’s portfolio of solutions, including telecommunication providers, energy suppliers, banks and insurance companies,</p>	

GRI	Disclosure	UNGC
	<p>as well as e-commerce, IT and Internet service providers. At the core of this segment are services Bertelsmann delivers to the end customers of its clients (“B2B2C services”). Typical support services include supply chain management solutions, as well as financial, IT, marketing, and customer relationship management services. These services combine a variety of resources: staff resources, technology, and the use of natural resources in the form of energy and materials. While hardware and standard software are sourced from third-party suppliers, software solutions for specialized applications are also developed in-house. In its print operations, Bertelsmann processes materials like paper and ink to produce media and advertising products for business customers – typically advertising flyers, books, catalogs, magazines and brochures – using offset, gravure and digital printing presses by third-party manufacturers. The most important raw material used in the CD, DVD and Blu-ray replication business is polycarbonate.</p> <p><b>Education</b></p> <p>With its digital education and range of services focusing on the health and technology sectors as well as in the field of university education, Bertelsmann is shaping work-related learning in the 21st century. The business models in the education segment are based first foremost on the combined deployment of highly qualified employees and innovative technology.</p> <p>Bertelsmann does not offer products that are prohibited by law.</p> <p>More information on brands: see <a href="#">GRI 102-7</a>.</p> <p><a href="#">Company Profile</a> <a href="#">Bertelsmann Annual Report 2020 (Financial Information), pp. 5-6</a></p>	
102-3	<p><b>Location of headquarters</b></p> <p>Gütersloh, Germany.</p>	
102-4	<p><b>Location of operations</b></p> <p>Bertelsmann operates in the core business fields of media, services and education in around 50 countries worldwide.</p> <p>More information on the core markets: see <a href="#">GRI 102-6</a>.</p>	
102-5	<p><b>Ownership and legal form</b></p> <p>Bertelsmann SE &amp; Co. KGaA is a publicly traded but unlisted partnership limited by shares.</p> <p><a href="#">Shareholder Structure</a></p>	
102-6	<p><b>Markets served</b></p> <p>The geographic core markets are Western Europe – in particular, Germany, France and the United Kingdom – and the United States. In addition, Bertelsmann is strengthening its involvement in growth markets such as Brazil, India and China and is expanding its activities in Southeast Asia, Latin America and Africa.</p> <p>More information on the core lines of business and the customers: see <a href="#">GRI 102-2</a></p>	
102-7	<p><b>Scale of the organization</b></p> <p>The company has approx. 130,000 employees and generated revenues of €17.3 billion in the 2020 financial year.</p>	

<b>GRI</b>	<b>Disclosure</b>	<b>UNGC</b>
------------	-------------------	-------------

RTL Group is one of the leading European television groups in the broadcasting, content and digital business, with interests in 67 television channels, 10 streaming platforms, 38 radio stations, global content production companies as well as digital video networks.

Penguin Random House is, based on revenue, the world's largest trade book publisher, with more than 300 imprints across six continents. Each year, Penguin Random House publishes about 15,000 new titles and sells around 600 million print books, e-books and audiobooks.

Gruner + Jahr is a premium magazine publisher whose portfolio includes established brands such as "Stern," "Brigitte" and "Geo"; young brands like "Barbara," "Guido" and "Wohllibens Welt"; and digital products in all publishing segments.

BMG is an international music company with 20 offices in 12 core music markets, now representing more than three million songs and recordings.

Arvato is an international service provider that develops and implements custom-made solutions for all kinds of business processes, for customers in a wide range of sectors in more than 40 countries. These comprise Supply Chain Solutions (SCS), Financial Solutions and IT Services. The services business also includes the CRM company Majorel, in which Bertelsmann owns 50 percent of shares.

Bertelsmann Printing Group unites Bertelsmann's printing activities. They include all the Group's gravure and offset printing companies in Germany, the United Kingdom and the United States.

Bertelsmann Education Group comprises Bertelsmann's education activities. The digital education and service offerings are primarily in the healthcare and technology sectors, as well as in the university education area.

Bertelsmann Investments comprises Bertelsmann's global start-up investments. The activities are focused on the strategic growth markets of Brazil, China, India and the United States. Revenues by division, region and revenue stream: see [GRI 201-1](#).

[Bertelsmann Annual Report 2020 \(Financial Information\), pp. 13, 51](#)

[The Group and its Divisions](#)

<b>102-8</b>	<b>Information on employees and other workers</b>	<b>VI</b>
--------------	---	-----------

#### Employees by division

	2020	2019
RTL Group	15,686	16,264
Penguin Random House	10,871	10,663
Gruner + Jahr	8,777	9,273
BMG	974	904
Arvato	85,662	77,342
Bertelsmann Printing Group	7,183	7,866
Bertelsmann Education Group	1,626	1,834
Bertelsmann Investments	390	433
Corporate	1,673	1,868
<b>Total</b>	<b>132,842</b>	<b>126,447</b>

Basis: employee headcount on permanent and temporary contracts, excluding trainees, as of December 31.

GRI

Disclosure

UNGC

**Employee distribution worldwide**

	2020	2019
Germany	40,378	41,942
Other European countries	44,391	42,238
North America	12,250	11,741
Central & South America	5,203	4,485
Africa	17,979	15,263
Asia	11,503	9,819
Australia & New Zealand	1,138	959
<b>Total</b>	<b>132,842</b>	<b>126,447</b>

Basis: employee headcount on permanent and temporary contracts, excluding trainees, as of December 31.

**Employees by employment period worldwide**

in percent

	2020	2019
Permanent	74	73
Temporary	26	27

Basis: employee headcount on permanent and temporary contracts, excluding trainees, as of December 31.  
Rounding differences may occur.

**Employees by employment period and region**

in percent

	Permanent men	Permanent women	Permanent total	Temporary men	Temporary women	Temporary total
Germany	41.1	36.7	77.8	10.8	11.4	22.2
Other European countries	30.4	43.1	73.5	10.3	16.1	26.4
North America	41.6	52.6	94.2	2.1	3.7	5.8
Central & South America	21.8	38.4	60.2	17.1	22.7	39.8
Africa	20.8	22.5	43.3	30.7	26.1	56.8
Asia	47.6	50.6	98.2	0.7	1.1	1.8
Australia & New Zealand	15.8	29.6	45.4	27.5	27.1	54.6
<b>Total</b>	<b>34.4</b>	<b>39.6</b>	<b>74.0</b>	<b>12.0</b>	<b>13.9</b>	<b>25.9</b>

Basis: employee headcount on permanent and temporary contracts, excluding trainees, as of December 31.  
Rounding differences may occur.

**Number of full- and part-time employees in Germany**

in percent

	2020	2019
Part-time	28	30
Full-time	72	70

Basis: employee headcount on permanent and temporary contracts, excluding trainees, as of December 31.



GRI	Disclosure	UNGC
	Information on external employees: see <a href="#">GRI 401</a> .	
<b>102-9</b>	<p data-bbox="272 315 440 338"><b>Supply chain</b></p> <p data-bbox="272 360 1342 450">Bertelsmann has a widely ramified supply chain with only a few main suppliers, including paper and energy suppliers. Most of the services purchased are creative in nature or other services rendered by humans.</p> <p data-bbox="272 472 879 495">More information on value creation: see <a href="#">GRI 102-2</a>.</p> <p data-bbox="272 517 919 539">More information on paper procurement: see <a href="#">GRI 301</a>.</p>	
<b>102-10</b>	<p data-bbox="272 600 1038 622"><b>Significant changes to the organization and its supply chain</b></p> <p data-bbox="272 645 1342 853">As of April 1, 2020, Bertelsmann completed its acquisition of the remaining 25 percent of the shares in Penguin Random House from co-shareholder Pearson after receiving all of the required regulatory approvals. With the completion of the share acquisition, the German-language Random House Verlagsgruppe, which already belonged to Bertelsmann, was also integrated into the overall Penguin Random House Group. Its publishing independence remains unaffected.</p> <p data-bbox="272 875 1342 1084">In November 2020, Bertelsmann announced the acquisition of the publishing group Simon &amp; Schuster from the media company ViacomCBS for US\$2.175 billion. The acquisition will strengthen Bertelsmann's position in the global book publishing business, especially in the United States. This transaction is subject to regulatory approval. Bertelsmann will pay the purchase price with available cash and cash equivalents. The transaction is expected to close in 2021.</p> <p data-bbox="272 1106 1342 1211">In December 2020, Gruner + Jahr initiated exclusive negotiations with the French media company Vivendi regarding the sale of the French Gruner + Jahr subsidiary Prisma Media. The sale to Vivendi is effective May 31, 2021.</p> <p data-bbox="272 1234 1342 1301">In February 2021, RTL Group sold the US ad-tech company SpotX by concluding a binding agreement with Magnite. RTL Group closed the transaction on 30 April 2021.</p> <p data-bbox="272 1323 1118 1346"><a href="#">Bertelsmann Annual Report 2020 (Financial Information), pp. 11-12</a></p>	
<b>102-11</b>	<p data-bbox="272 1406 735 1429"><b>Precautionary Principle or approach</b></p> <p data-bbox="272 1451 1342 1794">As a global corporation, Bertelsmann is exposed to a large number of risks, including legal and regulatory risks. The Bertelsmann risk management system (RMS) is designed for the early identification, evaluation of, and handling of internal and external risks. The Internal Control System (ICS) as an integral part of the RMS monitors the effectiveness of the implemented countermeasures. The aim of the RMS is to identify, at an early stage, material risks to the Group so that risk response measures can be taken and controls implemented. Risks are defined as possible future developments or events that could lead to a negative economic forecast or target deviation for Bertelsmann. In addition, risks can negatively affect the achievement of the Group's strategic, operational, reporting and compliance-related objectives, and its reputation.</p> <p data-bbox="272 1816 1342 2101">The risk management process is based on the internationally accepted frameworks of the Committee of Sponsoring Organizations of the Treadway Commission (COSO Enterprise Risk Management – Integrated Framework and Internal Control – Integrated Framework, respectively) and is organized in subprocesses of identification, assessment, response, control, communication and monitoring. A major element of risk identification is a risk inventory that lists significant risks year by year, from the profit-center level upward. The risks are compared to risk management and control measures to determine the net risk position. Both one- and three-year risk assessment horizons are applied to enable the</p>	

GRI	Disclosure	UNGC
102-12	<p><b>External initiatives</b></p> <p>At the Group level, Bertelsmann supports the following external initiatives and their principles. In addition, Bertelsmann companies are involved in other external initiatives at the local level.</p> <ul style="list-style-type: none"> <li>• United Nations Global Compact: Bertelsmann has been a member (“signatory” option) of the UN Global Compact since 2008.</li> <li>• UN Sustainable Development Goals (SDGs): As a member of the UN Global Compact, Bertelsmann supports the Sustainable Development Goals adopted by the United Nations in 2015.</li> <li>• OECD Guidelines for Multinational Enterprises: Bertelsmann follows the OECD Guidelines for Multinational Enterprises.</li> <li>• United Nations Guiding Principles for Business and Human Rights: Bertelsmann is committed to the principles of the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights.</li> <li>• International Labour Organization (ILO): Bertelsmann complies with the ILO core labor standards.</li> <li>• Global Reporting Initiative (GRI): Since 2011, Bertelsmann has based its Corporate Responsibility reporting on the currently valid international reporting framework issued by the GRI. The Group has reported in accordance with the GRI Standards since 2017.</li> <li>• Committee of Sponsoring Organizations of the Treadway Commission (COSO): The risk management process is based on the internationally accepted COSO frameworks.</li> <li>• German Corporate Governance Code (DCGK): The recommendations and suggestions contained in the German Corporate Governance Code, as amended on December 16, 2019, that entered into force on March 20, 2020, serve as guidelines for Bertelsmann.</li> </ul> <p>In addition, Bertelsmann participates in relevant non-financial ratings and rankings in which its management of non-financial matters is evaluated by third parties. In 2020, the company was able to improve its status in the EcoVadis CR ratings from Gold to Platinum.</p>	

GRI	Disclosure	UNGC
	Bertelsmann and scored a B (“Above Sector Average”) in the CDP’s Climate Change 2020 rating.	
	<a href="#"><u>Responsibility Rankings and Awards</u></a>	
<b>102-13</b>	<b>Membership of associations</b>	
	<p><a href="#"><u>Memberships of Bertelsmann SE &amp; Co. KGaA</u></a></p> <p>AGP – Arbeitsgemeinschaft zur Förderung der Partnerschaft in der Wirtschaft, Kassel</p> <p>American Chamber of Commerce in Germany e. V., Frankfurt a. M.</p> <p>Atlantik Brücke e. V., Berlin</p> <p>BDI – Bundesverband der Deutschen Industrie: Förderkreis der deutschen Industrie, Berlin</p> <p>BDI – Bundesverband der Deutschen Industrie: Kulturkreis der deutschen Wirtschaft, Berlin</p> <p>Charta der Vielfalt, Berlin</p> <p>Deutsch-Französische Industrie- und Handelskammer, Paris</p> <p>ICC Germany e. V., Berlin</p> <p>econsense – Forum Nachhaltige Entwicklung der Deutschen Wirtschaft e. V., Berlin</p> <p>Fördergesellschaft FH Bielefeld e. V.</p> <p>Freunde und Förderer der Staatsoper Unter den Linden e. V., Berlin</p> <p>Freunde und Förderer der Stiftung Jüdisches Museum Berlin e. V.</p> <p>GUG – Gesellschaft für Unternehmensgeschichte, Frankfurt a. M.</p> <p>Gesellschaft für Westfälische Wirtschaftsgeschichte e. V., Dortmund</p> <p>Goethe Institut, München</p> <p>Gütersloher Verkehrsverein e. V.</p> <p>Humboldt Universitätsgesellschaft, Berlin</p> <p>Responsible Media Forum, London</p> <p>Schmalenbach-Gesellschaft für Betriebswirtschaft e. V., Köln</p> <p>Stifterverband für die Deutsche Wissenschaft, Essen</p> <p>Stiftung Familienunternehmen, München</p> <p>Stiftung Lesen, Mainz</p> <p>Stiftung Preußischer Kulturbesitz, Kuratorium Museumsinsel, Berlin</p> <p>UN Global Compact, New York</p> <p>UnternehmensForum e. V., Ingelheim</p> <p>Verein der Freunde der Nationalgalerie, Berlin</p> <p>Westfälisch-Lippische Universitätsgesellschaft, Bielefeld</p> <p>Wirtschaft und Wissenschaft für OWL e. V., Bielefeld</p> <p>Wirtschaftliche Gesellschaft für Westfalen und Lippe e. V., Münster</p> <p>Wirtschaftsinitiative Kreis Gütersloh e. V.: Pro Wirtschaft GT</p> <p>Wittenberg-Zentrum für Globale Ethik e. V.</p>	
<b>102</b>	<b>Strategy</b>	
<b>102-14</b>	<p><b>Statement from senior decision-maker</b></p> <p>See <a href="#"><u>Chairman’s Foreword</u></a>.</p>	

GRI	Disclosure	UNGC
102-15	<p><b>Key impacts, risks, and opportunities</b></p> <p>A number of non-financial risks are associated with the CR topics that are relevant for Bertelsmann. These risks can arise from the company's own business activities or from its business relationships, and can affect the company or its surroundings and stakeholders.</p> <p>As defined in the German CSR Directive Implementation Act, the major non-financial aspects where risks can occur are related to environmental, employee and social issues, respect for human rights, and the fight against corruption and bribery. For the non-financial matters defined in the German Commercial Code – environmental, employee and social matters, respect for human rights, and the fight against corruption and bribery – no significant risks were identifiable as part of the 2020 reporting (see <a href="#">Combined Non-Financial Statement in the Combined Management Report for the 2020 Financial Year, pp. 44-50</a>).</p> <p>Beyond this, there are also risks associated with the CR topics relevant to Bertelsmann that are connected with the company's business activities, business relationships, and products and services, but that are not very likely to have serious impacts. The following risk assessment focuses on these CR risks.</p> <p><b>CR Risks for Bertelsmann and its surroundings</b></p> <p><u>CR Risks for Bertelsmann:</u> CR risks that may arise from Bertelsmann as a company include increasing business customer requirements stemming from a range of non-financial topics, the nonfulfillment of which may result in revenue losses. CR issues are increasingly subject to statutory regulations, which can lead to noncompliance penalties linked to loss of trust in various stakeholder groups. Disruption in business processes, such as bottlenecking in the procurement of paper or energy, can arise due to a resource scarcity, exacerbated in particular in connection with the coronavirus pandemic. In human resources, risks may arise due to inadequate working conditions, with implications such as decreased employee motivation and productivity, inadequate skills due to lack of training, increased illness, or increased staff turnover. Developments in media and social policy, such as in the area of press freedom, also contain potential risks for Bertelsmann's businesses.</p> <p><u>CR Risks for Bertelsmann's surroundings:</u> Bertelsmann's activities, including the supply chain, also have repercussions for the company's surroundings, environment and stakeholders. For instance, working conditions have a direct and indirect impact on the well-being of employees, their individual opportunities, and their family environment. During the coronavirus pandemic, in particular, protecting the health of employees, e.g., by means of hygiene and protection concepts or work-from-home arrangements, is of major importance. Bertelsmann's business operations also have a reciprocal relationship with the local communities where they operate and with global society. Corruption, for example, can impede economic development, contribute to the continuation and growth of poverty, and reduce the equality of opportunity. With regard to human rights, Bertelsmann's journalistic conduct, its creative independence, and its treatment of data in particular affect the state of public information, freedom of opinion, self-determination and democracy. In the environment, the use of resources such as paper influences the survival, development and diversity of ecological systems, and with them, sustainable living conditions. The company contributes to global warming through the direct and indirect emission of greenhouse gases.</p> <p>Finally, all risks caused by Bertelsmann – and the possible negative impacts on its environment – can also cause risks for the company, affecting such factors as reputation,</p>	

GRI	Disclosure	UNGC
	<p>attractiveness as an employer or business partner, litigation, and inclusion in “do not source” lists and indexes.</p> <p>An overview of the CR topics relevant for Bertelsmann: see <b>GRI 102-44, 102-47</b>.</p>	

## 102 Ethics and integrity

### 102-16 Values, principles, standards, and norms of behavior I-X

The **Bertelsmann Essentials** describe the company’s sense of purpose, common goals, and core values. The values of Creativity & Entrepreneurship are an integral part of daily business activities at Bertelsmann. Through their interaction, they reinforce each other and thus form the cornerstones of Bertelsmann’s corporate culture, which relies on participation and partnership. The Bertelsmann Essentials are a prerequisite for a corporate culture in which employees, management and shareholders work together in a successful, respectful and trusting manner. In the spirit of the Essentials, Bertelsmann is mindful of the impact it has on employees, society, the business environment and the natural environment, and strives to make a positive difference.

The **Bertelsmann Code of Conduct** is a globally binding guideline for all employees that defines standards for ethical and lawful conduct within the company and toward business partners and the public. Everyone in the company – employees, the Executive Board and Supervisory Board – is obliged to adhere to the principles stipulated in it. The Code of Conduct is not only a guide to appropriate decision-making, but also provides information about the options for seeking advice in the company, and for confidentially and securely expressing concerns about possible misconduct.

In addition, the **Bertelsmann Supplier Code of Conduct** obligates business partners that work for, with, or on behalf of Bertelsmann to adhere to minimum compliance and ethics standards outlined in the Bertelsmann Code of Conduct. Bertelsmann also requires its business partners to pass these minimum requirements along their own value chain to any third parties (e.g., subcontractors) they may use to fulfill their contractual obligations with Bertelsmann. In the event of breaches of the Supplier Code of Conduct, Bertelsmann reserves the right to make appropriate responses corresponding to the severity of the breach, which may include contract termination.

### 102-17 Mechanisms for advice and concerns about ethics

At Bertelsmann, various options are continuously available to employees, business partners and third parties for seeking advice or using confidential and secure channels to express concerns about possible misconduct. Contact points include the Integrity & Compliance department, an online whistleblowing system at [www.reportconcerns.com](http://www.reportconcerns.com), which can be reached via the divisional intranets as well, and external ombudspersons appointed by Bertelsmann. All reports are investigated to ensure an adequate response to compliance violations.

More information on Compliance: see **GRI 205**.

## 102 Governance

### 102-18 Governance structure

The pursuit of responsible corporate governance is part of the Bertelsmann identity and an important element of its corporate culture. Bertelsmann SE & Co. KGaA is a capital-market-oriented, but unlisted company, and as such is not required to issue a declaration pursuant to section 161 of the German Stock Corporation Act stating that it complies with the recommendations of the German Corporate Governance Code. Nevertheless, the

GRI	Disclosure	UNGC
	<p>recommendations and suggestions contained in the German Corporate Governance Code, as amended on December 16, 2019, that entered into force on March 20, 2020, serve as guidelines for Bertelsmann SE &amp; Co. KGaA. Deviations from the provisions of the German Corporate Governance Code relate primarily to Bertelsmann's shareholder structure, in particular to those recommendations and suggestions in the Code that apply mainly to publicly held enterprises with a larger number of shareholders.</p> <p><u>Statutory Bodies of the Company</u></p> <p>The statutory bodies of Bertelsmann SE &amp; Co. KGaA are the General Meeting, the Supervisory Board and Bertelsmann Management SE as a general partner. Bertelsmann SE &amp; Co. KGaA and Bertelsmann Management SE each have their own Supervisory Boards.</p> <p><u>Tasks and Decision-making Processes</u></p> <p>The Supervisory Board of Bertelsmann SE &amp; Co. KGaA supervises the management of the business by the general partner and uses its extensive information and control rights for this purpose. In addition, the Supervisory Boards advise the Executive Board on strategic matters and significant transactions. The Executive and Supervisory Boards of Bertelsmann SE &amp; Co. KGaA work in close, trusting cooperation and are able to reconcile the demands of effective corporate governance with the need for rapid decision-making processes. Fundamental matters of corporate strategy and their implementation are discussed openly and coordinated in joint sessions. The Bertelsmann SE &amp; Co. KGaA and Bertelsmann Management SE shareholders exercise their rights and vote at the respective General Meetings.</p> <p>The Supervisory Board of Bertelsmann Management SE has formed an Personnel Committee and a Program Committee, and the Supervisory Board of Bertelsmann SE &amp; Co. KGaA has formed an Audit and Finance Committee and a Working Group of Employee and Management Representatives. The Audit and Finance Committee of the Supervisory Board of Bertelsmann SE &amp; Co. KGaA addresses, among other things, the accounting process and the effectiveness of the risk monitoring and risk management system, the internal control system, and the internal auditing system. It also addresses issues relating to compliance, in particular the effectiveness and proper functioning of the compliance organization and related matters of integrity within the Group, and reviews the non-financial reporting.</p> <p><u><a href="#">Bertelsmann Annual Report 2020 (Financial Information), pp. 149-151.</a></u></p>	
<b>102-20</b>	<b>Executive-level responsibility for economic, environmental, and social topics</b>	
	<p>The body responsible for the strategic development of corporate responsibility (CR) at Bertelsmann is the CR Council. The CR Council is comprised of high-ranking executives from the divisions as well as Bertelsmann's Chief HR Officer, who chairs the council. It regularly deals with Group-wide CR topics related to the corporate strategy, the further anchoring of CR in the divisions, and the cross-divisional coordination of CR activities.</p> <p>At the Group level, the Corporate Responsibility (CR) department, a central staff function of the HR executive portfolio, coordinates and supports the work of the CR Council. It does so in close cooperation with other Group functions such as Financial Reporting, Risk Management, Investor Relations, Communications, Legal, Integrity &amp; Compliance, and employee representations. The CR department is also responsible for CR reporting and the processing of CR ratings and rankings at the Group level, and coordinates the Group's stakeholder dialog as well as internal networks and consulting projects on a wide range of CR topics. It also carries responsibility for Bertelsmann's environmental and climate</p>	

GRI	Disclosure	UNGC
	<p>management as well as the Group-wide development of the topic of Diversity, Equity &amp; Inclusion.</p> <p>Rooted in the company structure that has evolved at Bertelsmann over the decades, the principle of delegating responsibility applies for CR implementation across the Group. Since Bertelsmann's local Managing Directors know their businesses and the social and ecological environment they operate in best, specific CR measures and projects are locally implemented. Bertelsmann's corporate divisions and companies have their own structures and processes in place for this, in accordance with local requirements.</p> <p>Responsibilities at Executive Board level are also presented in the respective management approaches.</p> <p><a href="#">CR Organization</a></p>	
102-22	<p><b>Composition of the highest governance body and its committees</b></p> <p>In the 2020 financial year, women comprised 23 percent (previous year: 23 percent) of the Supervisory Board. The average age of Supervisory Board members was 59 (previous year: 58). 77 percent (previous year: 77 percent) of the Supervisory Board members were German, while 23 percent (previous year: 23 percent) were of non-German nationality.</p> <p><a href="#">Bertelsmann Annual Report 2020 (Financial Information), pp. 149-151</a></p>	
102-23	<p><b>Chair of the highest governance body</b></p> <p>The respective duties and responsibilities of the General Meeting, the Supervisory Board, and Bertelsmann Management SE are clearly defined and are strictly separated from each other. Simultaneous membership on the Executive Board of Bertelsmann Management SE on the one hand, and on the Supervisory Board of Bertelsmann Management SE or the Supervisory Board of Bertelsmann SE &amp; Co. KGaA on the other, is excluded.</p>	
<b>102 Stakeholder engagement</b>		
102-40	<p><b>List of stakeholder groups</b></p> <p>Bertelsmann reaches more than one billion people worldwide with its content, brands and formats. The company interacts with a variety of internal and external stakeholders: with employees and their representatives, business partners, consumers, journalists, creative talent, content producers, investors, political decision-makers and representatives of government agencies, associations, and non-governmental organizations.</p>	
102-41	<p><b>Collective bargaining agreements</b></p> <p>The Code of Conduct and the Supplier Code of Conduct (see <a href="#">GRI 102-16</a>) reaffirm the right to freedom of association and the right to engage in collective bargaining, in accordance with applicable laws and regulations, for all employees of Bertelsmann companies as well as those of business partners.</p>	III
102-42	<p><b>Identifying and selecting stakeholders</b></p> <p>On the one hand, Bertelsmann is in dialog with stakeholders who have a strong influence on the company's business, social or environmental performance, or on the regulatory framework that governs its activities. And on the other, the Group seeks exchange with stakeholders who are significantly affected by its economic, social or environmental contributions and impacts.</p>	

GRI	Disclosure	UNGC
102-43	<p><b>Approach to stakeholder engagement</b></p> <p>In its day-to-day business, Bertelsmann is in regular contact with journalists, investors and customers through its press offices, investor relations department and service centers. Beyond daily press interaction and the many events – most of them digital in 2020 given the coronavirus pandemic – that Bertelsmann and its divisions organize, the Annual Press Conference on year-end results and the communications accompanying the publication of the Interim Report as well as quarterly figures represent proven formats for contact with journalists, investors, and the media. Because capital market financing is a major element in the Group’s financing strategy, transparency vis-à-vis the capital market is of great importance for the company’s financial security and independence. With the <a href="#">Combined Non-Financial Statement in the Bertelsmann Annual Report 2020 (Financial Information, pp. 44-50)</a> matters related to Corporate Responsibility (CR) are reported in the Combined Management Report. As part of so-called CR relevance analyses, Bertelsmann regularly determines which CR topics should be primarily focused on. Inside the company, selected top executives, experts from the divisions, and employee representatives are surveyed; externally, the analysis covers business partners, potential employees, bankers, journalists, and politicians.</p> <p>For more information on Bertelsmann’s stakeholders: see <a href="#">GRI 102-40</a>.</p> <p>More information on the various dialog formats the company regularly carries out to promote exchange with employees and their representatives: see <a href="#">GRI 402</a>.</p>	
102-44	<p><b>Key topics and concerns raised</b></p> <p>The last CR relevance analysis, whose validity for the reporting year 2020 was confirmed by the Bertelsmann Executive Board, validated the following topics as being relevant for Bertelsmann:</p> <ul style="list-style-type: none"> <li>• <b>Integrity &amp; Compliance:</b> Promoting behavior consistent with the values and principles stated in the Essentials and the Code of Conduct, and building mutually trusting relationships with all employees, customers, business partners and government agencies, who count on Bertelsmann as a law-abiding partner.</li> <li>• <b>Antitrust Compliance:</b> Promoting fair competition and preventing anticompetitive behavior.</li> <li>• <b>Data Protection &amp; Privacy:</b> Ensuring that customers’ confidential and personal information is handled in a secure and legally compliant manner.</li> <li>• <b>Diversity:</b> Recruiting and retaining a diverse workforce and providing equal opportunities to all. Creating an inclusive corporate culture. Valuing different perspectives as the basis for creativity and innovation.</li> <li>• <b>Fair Working Conditions:</b> Ensuring decent working conditions for employees, including job security. Protecting employees’ privacy, fair payment, and promoting a fair share of benefits/appropriate participation in the company’s success.</li> <li>• <b>Creative/Journalistic Independence:</b> Encouraging creative production and editorial decision-making while upholding editorial guidelines and values without interference from media owners. Journalistic independence without succumbing to any sort of political or economic influence.</li> <li>• <b>Paper:</b> Sourcing paper from recycled materials and sustainably managed forests.</li> <li>• <b>Intellectual Property &amp; Copyright:</b> Addressing topics such as copyright, patents, royalty payments, illegal downloading, counterfeiting, and product piracy.</li> </ul>	



GRI	Disclosure	UNGC
	<ul style="list-style-type: none"> <li>• <b>Learning:</b> Fostering learning and training to tackle major entrepreneurial challenges with well-trained employees. Strengthening employees' innovative capacity.</li> <li>• <b>Content Responsibility:</b> Producing and delivering an output that is fair and protects the right and interests of readers, viewers, listeners and users, including minors and other vulnerable groups.</li> <li>• <b>Employee Participation:</b> Involving employees through employee representatives, employee surveys, performance reviews, as well as employee suggestion schemes.</li> <li>• <b>Health:</b> Providing a secure, safe and healthy environment for all employees.</li> <li>• <b>Anti-Corruption &amp; Bribery:</b> Committing to and ensuring processes to prevent all forms of corruption.</li> </ul> <p>CR topics, including non-financial performance indicators, are increasingly important for Bertelsmann's businesses, but have not yet been incorporated into the value-oriented management system. The focus is on sales, operating profit and optimal capital investment. Due to currently limited measurability, no directly quantifiable statements can be made regarding interdependencies and value increases for the Group. For this reason, the non-financial performance indicators are not yet used for the management of the Group.</p> <p><a href="#">Bertelsmann CR Relevance Matrix</a></p>	

## 102 Reporting practice

### 102-45 Entities included in the consolidated financial statements

All fully consolidated Group companies were included in this report. Deviations from the scope of consolidation are indicated in the text. The full list of shareholdings of the Bertelsmann Group according to § 285 and § 313 German Commercial Code (HGB) for Bertelsmann SE & Co. KGaA as of December 31, 2020, can be found in the attachments of the individual financial statements of Bertelsmann SE & Co. KGaA, as of December 31, 2020.

[Individual Financial Statements and Combined Management Report 2020, pp. 28-49](#)

### 102-46 Defining report content and topic boundaries

Bertelsmann regularly performs Corporate Responsibility relevance analyses. The CR relevance analysis whose validity for the reporting year was confirmed by the Bertelsmann Executive Board involved surveying more than 150 people, i.e. representatives of all major external stakeholder groups as well as Bertelsmann executives and employee representatives, on 21 selected CR topics. The external stakeholders gave their assessment of how Bertelsmann's business activities impact these CR topics, while the executives and employee representatives assessed their relevance for the businesses. All external participants were interviewed personally using guided interviews. The Corporate Responsibility department summarized the results in a [CR Relevance Matrix](#), which was then adopted by the CR Council.

More information on the 13 CR topics which were identified in this way: see [GRI 102-44, 102-47](#).

In fall 2020, a Group-wide stakeholder survey was conducted, based on which the Bertelsmann Executive Board adopted eight Bertelsmann Priority CR Topics at the beginning of 2021. Further information on this is available on the [Bertelsmann Website](#).

## GRI

## Disclosure

## UNGC

## 102-47 List of material topics

<b>CR Topic at Bertelsmann</b>	<b>GRI topic</b> Basis: GRI Standards 2016 and GRI Media Sector Disclosures, if not otherwise specified	<b>Boundary/Scope</b> Cf. GRI Standards Glossary 2016, p.17
Integrity/Compliance	Antitrust Compliance	Inside the company
	Anti-corruption	Inside the company, outside the company
Antitrust Compliance	Anti-Competitive Behavior	Inside the company
Data Protection & Privacy	Customer Privacy	Inside the company
Diversity	Diversity and Equal Opportunities	Inside the company
	Non-discrimination	Inside the company, outside the company
Fair Working Conditions	Employment	Inside the company
	Labor/Management	Inside the company
	Freedom of Association and Collective Bargaining	Inside the company, outside the company
	Child Labor	Outside the company
	Forced or Compulsory Labor	Outside the company
Creative/Journalistic Independence	Freedom of Expression and Opinion	Inside the company, outside the company
	Content Production	Inside the company, outside the company
Paper	Materials	Outside the company
Intellectual Property & Copyright	Protection of Intellectual Property	Inside the company
Learning	Training & Education	Inside the company
Content Responsibility	Marketing and Product Labelling	Inside the company, outside the company
	Content Dissemination	Inside the company
	Media Literacy	Inside the company, outside the company
Employee Participation	Labor/Management	Inside the company
Health	Occupational Health and Safety <sup>1</sup>	Inside the company
Anti-corruption & Bribery	Anti-corruption	Inside the company, outside the company
Further Topics	Energy	Inside the company, outside the company
	Water and Effluents <sup>1</sup>	Inside the company, outside the company
	Emissions	Inside the company, outside the company
	Waste	Inside the company, outside the company
	Economic Performance	Inside the company, outside the company

GRI	Disclosure	UNGC
	Local Communities	Inside the company
	Public Policy	Inside the company
	<sup>1</sup> Based on: GRI Standards 2018.	
<b>102-48</b>	<b>Restatements of information</b> For environmental data collection: see <a href="#">GRI 300</a> .	
<b>102-49</b>	<b>Changes in reporting</b> None.	
<b>102-50</b>	<b>Reporting period</b> The reporting period covers the 2020 financial year.	
<b>102-51</b>	<b>Date of most recent report</b> The last Bertelsmann GRI Report was published in June 2020. In addition, CR information is continuously updated on the <a href="#">Bertelsmann Website</a> .	
<b>102-52</b>	<b>Reporting cycle</b> Annual.	
<b>102-53</b>	<b>Contact point for questions regarding the report</b> Bertelsmann SE & Co. KGaA Corporate Responsibility Marie-Luise Kühn von Burgsdorff Senior Vice President Corporate Responsibility Tel.: +49 (0) 5241-80-75021 <a href="mailto:responsibility@bertelsmann.com">responsibility@bertelsmann.com</a>	
<b>102-54</b>	<b>Claims of reporting in accordance with the GRI Standards</b> This report has been prepared in accordance with the GRI Standards: Core option.	
<b>102-55</b>	<b>GRI content index</b> The GRI report includes the GRI content index ( <a href="#">GRI 102</a> , <a href="#">GRI 200</a> , <a href="#">GRI 300</a> , <a href="#">GRI 400</a> ).	
<b>102-56</b>	<b>External assurance</b> The economic indicators in this GRI report were taken from the <a href="#">Bertelsmann Annual Report 2020</a> , which was audited by KPMG AG. The audit was conducted with reasonable assurance and also covered the Combined Non-Financial Statement as part of Bertelsmann's Combined Management Report 2020, including figures on the proportion of women in top and senior management, and on the sites using green electricity. <a href="#">Bertelsmann Annual Report 2020 (Financial Information), pp. 141-148: Auditor's Report</a>	

# GRI 200

Economic

## GRI 200 Economic

GRI	Disclosure	UNGC
GRI 201	Economic Performance	

### 103 Management approach (including GRI 103-1, 103-2, 103-3)

I-X

Bertelsmann's geographic core markets are Western Europe – in particular, Germany, France and the United Kingdom – and the United States. In addition, Bertelsmann is strengthening its involvement in growth markets such as Brazil, India and China. Bertelsmann's strategic focus is on a fast-growing and high-earning digital, international and diversified Group portfolio. Businesses in which Bertelsmann invests should have long-term stable growth, global reach, sustainable business models, high market-entry barriers and scalability. The education business is being developed into the third earnings pillar alongside the media and service businesses. During the financial year 2020, the Group strategy was further developed and focused on five strategic growth priorities: creating national media champions, expanding global content and service businesses, as well as expanding online education business and investments. Thanks to the successful strategy implementation, Bertelsmann was overall able to minimize the economic impact of the coronavirus pandemic. The Group benefited from the quality of its business portfolio and the high proportion of revenues from digital business models. In the financial year 2020, additional substantial strategic progress was made in the individual divisions.

### 201-1 Direct economic value generated and distributed

#### Revenues by division

in € millions

	2020			2019		
	Germany	International	Total	Germany	International	Total
RTL Group	1,958	4,059	6,017	2,138	4,513	6,651
Penguin Random House	277	3,525	3,802	265	3,371	3,636
Gruener + Jahr	769	366	1,135	913	442	1,355
BMG	46	556	602	46	554	600
Arvato	1,666	2,716	4,382	1,697	2,478	4,175
Bertelsmann Printing Group	833	529	1,362	948	620	1,568
Bertelsmann Education Group	2	299	301	2	331	333
Bertelsmann Investments	4	8	12	0	13	13
<b>Total divisional revenues</b>	<b>5,555</b>	<b>12,058</b>	<b>17,613</b>	<b>6,009</b>	<b>12,322</b>	<b>18,331</b>
Corporate / Consolidation	-221	-103	-324	-203	-105	-308
<b>Continuing operations</b>	<b>5,334</b>	<b>11,955</b>	<b>17,289</b>	<b>5,806</b>	<b>12,217</b>	<b>18,023</b>

#### Consolidated revenues by region

in percent

	2020	2019
Germany	30.9	32.2
France	11.9	12.3

GRI	Disclosure	UNGC	
	UK	6.5	6.5
	Other European countries	19.3	18.9
	USA	24.8	23.4
	Other countries	6.6	6.7

**Revenues by category**

in percent

	2020	2019
Rights and licenses	16.5	17.1
Own products and merchandise	25.3	24.3
Advertising	21.1	22.5
Services	37.1	36.1

Bertelsmann seeks to contribute to the future-oriented development of its surroundings through donations, sponsorship and charitable activities, while at the same time securing acceptance and a broad client base. The goal is to reach as many people as possible and to create a positive impact on society.

The Bertelsmann Corporate Center’s donations and sponsorship measures are summarized on the [Bertelsmann Website](#).

For donations and sponsorship measures by the divisions in their respective surroundings: see **GRI 413-1**.

For measures to promote media literacy: see **MSD Media Literacy**.

[Bertelsmann Annual Report 2020 \(Financial Information\), p. 51](#)

**MSD M1 Significant funding and other support received from nongovernmental sources (ads etc.)**

In the 2020 financial year, Bertelsmann generated 21.1 percent (previous year: 22.5 percent) of its revenues from advertising.

**GRI 205 Anti-corruption**

**103 Management approach (including GRI 103-1, 103-2, 103-3) X**

Corruption and bribery hinder the development of the economy, deter investors and contribute to the persistence of poverty in many countries. For this reason, many states have tightened their anti-corruption laws in recent years. In the event of infringement, executives and employees, as well as the company itself, may face considerable consequences under criminal and civil law, such as imprisonment, fines, confiscation of profits, exclusion from tender procedures and the revocation of permits. In addition, business customers increasingly demand evidence of effective anti-corruption compliance measures as a prerequisite for cooperation. Responsible management must therefore also include measures to prevent corruption. The aim is to mitigate the risk of corruption to a level at which it does not endanger the company’s success.

To avoid violations of laws and regulations, directives, and company guidelines, the Executive Board created a compliance organization. It appointed a Corporate Compliance Committee (CCC) and established an Integrity & Compliance program. The Integrity &

GRI	Disclosure	UNGC
	<p>Compliance department is subordinated to the CCC and advises and supports it. The department also handles the global management and further development of the issue of corruption prevention.</p> <p>The Head of the Integrity &amp; Compliance department reports to the Head of the Corporate Legal Department, who also serves as Chair of the CCC. The latter, in turn, reports to the Chairman and CEO of Bertelsmann, who is responsible for matters of compliance within the Executive Board. This organization reflects the relevant standards for compliance management systems that contribute toward mitigating risks in various ways. Its basic elements include the Bertelsmann Code of Conduct, the Bertelsmann Supplier Code of Conduct (see <b>GRI 102-16</b>), the compliance guidelines, risk analysis, consultation, communication and training measures, whistleblowing systems, and case management.</p> <p>Bertelsmann complies with all applicable national and international anti-corruption regulations. Bribery and corruption, as well as conduct that may harm the company’s assets or those of business partners or third parties, are strictly prohibited. Both the Bertelsmann Code of Conduct and the Executive Board Guideline on Anti-corruption &amp; Integrity explicitly prohibit all forms of corruption and bribery. The latter guideline specifies detailed principles and rules of conduct for complying with applicable regulations. Along with instructions for dealing with officials, and guidelines for the granting or accepting of gifts in the context of business relations, it prescribes appropriate due diligence processes in dealing with third parties. It also describes the reporting channels for suspected violations and seeking advice, as well as other prevention and control measures. The Executive Board Guideline for dealing with alleged compliance violations anchors an obligation to report suspected violations of the prohibition against corruption to the Bertelsmann Corporate Center. Another Executive Board Guideline regulates the compliance organization and the role of compliance officers.</p> <p>The Bertelsmann Supplier Code of Conduct requires Bertelsmann business partners that work for, with, or on behalf of the company to comply with the same strict anti-corruption rules.</p> <p>In 2020, the most important measures included the revision and updating of the Code of Conduct and the development of a new Code of Conduct tutorial, to be rolled-out in 2021. The results of the Bertelsmann Compliance Risk Analysis 2020 show that the risk of corruption is minimized to the greatest extent possible in view of the measures taken.</p>	
205-2	<p><b>Communication and training about anti-corruption policies and procedures</b></p> <p>Local management has a duty to communicate the Code of Conduct and the Group Guidelines. Executives and employees covered by the nomination criteria are trained by means of an e-tutorial. Key measures taken in 2020 included advising and training executives and employees on anti-corruption and the continued roll-out of the e-tutorial on this topic to new Group companies.</p>	X
GRI 206	<b>Anti-competitive Behavior</b>	
103	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>Bertelsmann is committed to the principle of fair competition and condemns antitrust violations and anti-competitive behavior. The goal is to reduce the risk of antitrust violations to a level at which they do not endanger the company’s success. The company takes action against any known contravention. An extensive training program (face-to-face training and online training for refresher courses) is designed to prevent antitrust violations.</p>	

GRI	Disclosure	UNGC
206-1	<p>The Executive Board-approved “Group Guideline on Compliance with Antitrust Regulations” serves to anchor the obligation to report any antitrust violations. With regard to the supply chain, the Supplier Code of Conduct (see <b>GRI 102-16</b>) requires Bertelsmann’s business partners to comply with applicable antitrust and competition law. Violations of antitrust regulations can be reported at Bertelsmann by employees as well as by third parties through the reporting channels of the existing compliance management system. The topic of antitrust and competition law is addressed in the annual Compliance Report submitted to the Executive Board. The Corporate Legal Department provides an obligatory antitrust training program to corporate divisions and the management, and employees of these divisions who work in antitrust-related areas. This training program is designed to help identify antitrust risks at an early stage and to prevent antitrust violations. Since April 2020, it has been conducted virtually due to the coronavirus pandemic.</p> <p><b>Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</b> <b><u><a href="#">See Bertelsmann Annual Report 2020 (Financial Information), pp. 36-37.</a></u></b></p>	



# GRI 300

Environmental

## GRI 300 Environmental

Bertelsmann aspires to achieve climate neutrality by 2030. With its long-term climate strategy, the company fulfills its responsibility to reduce and offset greenhouse gas emissions. Bertelsmann has joined the Science Based Targets Initiative and supports the goal of the Paris Climate Agreement to limit global warming to well below 2 degrees Celsius.

The recording and evaluation of environmental impacts along the relevant value chains is a key component of the Group-wide environmental commitment. A gradual expansion of transparency in cooperation with business partners supports the identification and minimization of negative environmental impacts. At the same time, this enables Bertelsmann to meet the increasing information requirements of its business customers and consumers.

The [Bertelsmann Environmental Policy](#), the [Bertelsmann Energy & Climate Policy](#), and the [Bertelsmann Paper Policy](#) provide the framework for the Group's environmental management. In addition to climate neutrality (see [GRI 305](#)) and the shift to 100 percent green electricity (see [GRI 302](#)), Bertelsmann strives to ensure the sustainable procurement of paper (see [GRI 301](#)).

All Group-wide environmental efforts are coordinated by the Corporate Responsibility department under the supervision by the Chief Human Resources Officer. Cross-divisional coordination is handled by the Corporate Responsibility Council, which is chaired by the Chief HR Officer. Overall responsibility lies with the Bertelsmann Executive Board, which monitors the achievement of environmental goals annually as part of strategic planning. Operational responsibility for energy and environmental management lies with the managements of the individual Bertelsmann companies, which set and track their own targets for improving their environmental performance as part of local management systems.

The internationally staffed Bertelsmann “be green” Committee serves as a platform for cross-divisional environmental commitment. It is managed by the Corporate Responsibility department.

Representatives from the Bertelsmann divisions – e.g., paper buyers, energy and environmental managers, logistics experts, and controllers – regularly coordinate on the latest environmental issues and measures. The experts in the “be green” Committee also coordinate the Group-wide collection and reporting of environmental data. Since 2008, Bertelsmann has compiled Group-wide environmental indicators on energy, greenhouse gas emissions, paper, water, effluents, and waste (see [GRI 301](#), [302](#), [303](#), [305](#), [306](#)). These indicators illustrate the development of the environmental impacts of Bertelsmann and its divisions.

The basis for environmental reporting is the Group-wide IT platform “green.screen”. “green.screen” is a platform for the collection, processing and analysis of environmental data at all levels of the organization. At the same time, more and more Bertelsmann companies use “green screen” for their digital energy data management. 336 companies at 520 locations across all divisions were included in this latest data collection. All production and logistics sites, the company's own computer centers and most of its own and rented office sites were included in the data collection process. The environmental data for employees at the remaining office locations was calculated based on average consumption values.

**GRI Disclosure UNGC**

**GRI 301 Materials**

**103 Management approach (including GRI 103-1, 103-2, 103-3) VII-VIII**

Bertelsmann uses a wide variety of materials in the production and logistics of physical products. Besides paper and cardboard, the materials used include, e.g., printing inks, coatings and adhesives, granulate for the production of CDs and DVDs, and plastic-based films and packaging. In addition, materials are procured as part of purchased goods and services.

Paper continues to be a particular priority at Bertelsmann, representing the most important resource for the company's traditional print media business. Even in an increasingly digitized media landscape, printed books, magazines, brochures, and flyers continue to have their place. Therefore, sustainable forestry, resource conservation, climate protection, and waste avoidance play a major role for Bertelsmann across the entire paper value chain. To complement its [Environmental Policy](#), Bertelsmann has issued a [Paper Policy](#). It stipulates, for example, that no wood from primary or protected forests must be used in paper production. In addition to certified wood fiber, Bertelsmann companies also take care to ensure that the paper used contains the highest possible proportion of recycled materials.

Bertelsmann strives to raise the proportion of recycled paper and paper from certified, sustainable forestry to 100 percent. This new ambition replaces the target of 90 percent, which was already achieved in previous years. Recycled paper as well as papers of certified origin that meet FSC®, PEFC™, SFI® requirements or comparable standards are regarded as sustainably sourced paper.

The content businesses Penguin Random House, Gruner + Jahr, and BMG are increasingly working on resource-conserving product design, e.g., sustainably certified books and magazines and plastic-free packaging. In their function as providers of print services, the companies in Bertelsmann's service divisions offer their customers an extensive range of sustainably certified and climate-neutral print products.

For information on the general management approach for environmental matters: see [GRI 300](#).

**301-1 Materials used by weight or volume VII-VIII**

**Material consumption**

in tons

	2020	2019
Paper <sup>1)</sup>	1,481,180	1,681,990
Other materials	60,090	57,530
<b>Total materials</b>	<b>1,541,270</b>	<b>1,739,520</b>

<sup>1)</sup> Including quantities procured via service providers and provided by third parties

In the 2020 financial year, Bertelsmann's use of materials decreased by 11 percent. The volume of paper for print products, packaging paper and office paper declined by 12 percent, primarily due to the decline in the print business of the Bertelsmann Printing Group and Gruner + Jahr. In contrast, other materials such as printing inks, plastics, and packaging films increased by 4 percent year on year, in particular due to Arvato's growing logistics business.

## GRI

## Disclosure

## UNGC

**Paper consumption by corporate division**

in tons

	2020	2019
RTL Group	88	183
Penguin Random House	258,518	234,504
Gruner + Jahr	64,278	85,506
BMG	3	4
Arvato	21,979	18,558
Bertelsmann Printing Group	1,239,877	1,475,240
Bertelsmann Education Group	6	9
Bertelsmann Investments	1	1
Corporate	9	25
<b>Total paper before consolidation</b>	<b>1,584,759</b>	<b>1,814,030</b>
Consolidated	-103,541	-132,040
<b>Total paper after consolidation</b>	<b>1,481,218</b>	<b>1,681,990</b>

The development of volumes compared to the previous year varied from division to division. At Bertelsmann Printing Group and Gruner + Jahr, production-related decreases in paper volumes of approximately 260,000 tons were recorded. In contrast, Penguin Random House recorded an increase of nearly 24,000 tons in paper used due to the increase in book sales during the coronavirus pandemic. Arvato's logistics business saw an increase in packaging papers of around 3,000 tons due to increased online mail orders.

**301-2 Recycled input materials used**

## VIII

**Paper consumption and share of recycled and certified paper by corporate division**

in tons

	Total paper consumption	of which recycled	of which certified	of which other
RTL Group	88	26	48	14
Penguin Random House	258,518	3,163	249,566	5,789
Gruner + Jahr	64,278	14,364	49,040	874
BMG	3	1	0	2
Arvato	21,979	10,979	3,134	7,866
Bertelsmann Printing Group	1,239,877	224,426	705,534	309,917
Bertelsmann Education Group	6	4	0	2
Bertelsmann Investments	1	0	0	1
Corporate	9	8	0	1
Consolidated	-103,541	-442	-101,801	-1,298
<b>Total</b>	<b>1,481,218</b>	<b>252,529</b>	<b>905,521</b>	<b>323,168</b>

<b>GRI</b>	<b>Disclosure</b>	<b>UNGC</b>
------------	-------------------	-------------

In the 2020 financial year, 78 percent of the total amount of paper used was either recycled paper or certified “virgin” (fresh-fiber). Papers that meet the requirements of FSC®, PEFC™, SFI®, or similar standards are shown under certified quantities. The remaining 22 percent of the total amount of paper procured did not meet the above criteria. They are reported as “other”, the majority of which were supplied by customers outside the Group for the printing of books, magazines, catalogs, and brochures (“provisions”).

**Share of sustainably sourced paper**  
in percent

	2020	2019
Share of recycled fibers	25	24
Share of certified fresh fibers	72	72
<b>Total</b>	<b>97</b>	<b>96</b>

For quantities of paper purchased by Bertelsmann companies on their own account and not provided by third parties, special attention is paid to the paper standards described above. Bertelsmann uses the proportions of recycled paper and certified virgin fiber paper in the total amount of paper purchased as indicators of responsible use of natural resources and protection of forests. The proportion of sustainably sourced papers for own account increased slightly to 97 percent in the 2020 financial year (previous year: 96 percent).

<b>GRI</b> <b>302</b>	<b>Energy</b>
--------------------------	---------------

<b>103</b>	<b>Management approach (including GRI 103-1, 103-2, 103-3)</b>	<b>VII-IX</b>
------------	--	---------------

Energy as a major factor influencing the achievement of Bertelsmann’s climate target is a focus topic for the Group. Although increasing digitalization lowers the company’s dependency on finite natural resources, it simultaneously leads to a higher energy consumption caused by data use. Besides improving its energy efficiency, Bertelsmann relies on increasing the use of renewables across all corporate divisions and among its external IT service providers. The Group-wide specifications on energy management are codified in the [Bertelsmann Energy and Climate Policy](#).

As the most important lever for reducing its own emissions, Bertelsmann pursues the goal of procuring 100 percent of the electricity it buys from renewable sources. Beyond electricity purchasing, local on-site generation of own electricity and heat using renewable energies and, on a transitional basis, highly efficient natural gas-powered cogeneration plants, contribute to the transformation of local energy markets. Bertelsmann does not use lignite or anthracite in producing its own energy, and expects its energy suppliers to gradually phase out fossil fuels.

Increasing transparency about energy consumption thanks to the “green.screen” IT platform supports energy data management at site level and enables interaction and exchange between sites.

Information on general management approach to the environment: see [GRI 300](#).

GRI	Disclosure	UNGC
302-1	Energy consumption within the organization	VII-VIII

### Use of fuels and propellants

in megawatt hours (MWh)

	2020	2019
Natural gas	1,064,000	1,117,000
Diesel	34,000	51,000
Gasoline	9,000	15,000
Heating oil	7,000	11,000
Other	8,600	11,000

In the 2020 financial year, a total of 1,064,000 MWh of natural gas were used for the company's own energy generation, reflecting a year-on-year decrease of close to 5 percent. Natural gas is used in highly efficient cogeneration power plants to produce electricity and heat, to generate process heat in printing plants, and in heating systems for the company's own heat generation. Only a small proportion of heat is generated using heating oil. The volume decreased by another more than 36 percent compared with the previous year. 34,000 MWh of diesel were consumed for company vehicles as well as emergency power generators. The decrease by one-third is primarily due to the reduced mobility of employees during the coronavirus pandemic. This is also the reason for the 40-percent drop in gasoline consumption to 9 MWh. In accordance with the Bertelsmann Energy and Climate Policy, no coal is used in the in-house generation of energy. The remaining energy quantities are used for forklifts and company jets. The quantities subsumed under "other" include renewable fuels.

In addition to energy production from fuels and propellants, a small amount of energy is generated from renewable sources. Electricity generation from solar power increased from 3,200 MWh in 2019 to 8,000 MWh in 2020, with approximately half of this being consumed by the company itself and the remaining amount being fed into the power grid. The increase was achieved through higher electricity generation from photovoltaic systems at Arvato in the Netherlands, and at the Bertelsmann Printing Group in the United Kingdom.

### Procurement of electricity and heat

in megawatt hours (MWh)

	2020	2019
Purchased electricity	475,300	527,600
of which from renewable sources	106,900	82,800
Purchased heat	117,400	129,800
of which from renewable sources	3,700	3,700
<b>Total purchased energy</b>	<b>592,700</b>	<b>657,400</b>

In addition to the fuels used, Bertelsmann reports the purchase of electricity and heat. Next to grid purchases, this also includes volumes from rented properties, which are provided by landlords. Bertelsmann was again able to increase its consumption of renewable energies with certificates of origin. The share of green electricity in its total purchased electricity rose to 22 percent (previous year: 16 percent). In the 2020 reporting year, the number of sites

## GRI

## Disclosure

## UNGC

that purchase green electricity increased by eleven sites year on year, to 81 sites. These included RTL Group sites in Luxembourg, some Arvato logistics sites in Germany, and the Corporate Center in Germany.

### Energy consumption by corporate division

in megawatt hours (MWh)

	2020	2019
RTL Group	123,600	140,900
Penguin Random House	78,700	86,000
Gruener + Jahr	30,600	43,000
BMG	2,200	1,700
Arvato	309,900	337,000
Bertelsmann Printing Group	865,800	929,000
Bertelsmann Education Group	4,900	6,700
Bertelsmann Investments	300	300
Corporate	18,900	28,400
<b>Total energy consumption</b>	<b>1,434,900</b>	<b>1,573,000</b>

Bertelsmann's divisions differ in their energy consumption. Bertelsmann Printing Group accounted for by far the largest share of total consumption at 60 percent, followed by Arvato at around 22 percent and RTL Group at 9 percent. The remaining 9 percent was consumed in the other divisions. Energy consumption in 2020 was down year-on-year across nearly all business units. At around 60,000 MWh in each case, this decrease can be explained in equal parts by declines in production and the reduced use of office buildings across all divisions due to the coronavirus pandemic.

## 302-2 Energy consumption outside of the organization

## VII-VIII

### Mobility

in millions of kilometers

	2020	2019
Employee commutes	571	1,024
Business travel	72	280
<b>Total mobility</b>	<b>643</b>	<b>1,304</b>

The mobility of employees decreased significantly by nearly 51 percent in the 2020 fiscal year. Commuting accounted for the largest share of this figure (89 percent). Increased working from home due to the coronavirus pandemic reduced the distances commuted by 44 percent. The distances traveled on business trips fell even more sharply across the Group, by 74 percent. This was also due to the coronavirus pandemic, as a result of which business travel was greatly reduced and digital communication options were used more frequently instead.

## 302-3 Energy intensity

## VIII

The energy intensity, the ratio of the sum of the reported energy-consumption values in megawatt hours to the total revenues reported in the consolidated financial statements (in

GRI	Disclosure	UNGC
	millions of euros), was at 83 in 2020 fiscal year. Compared to the previous year (87), this represents a further decline by 5 percent.	

<b>302-4</b>	<b>Reduction of energy consumption</b> See <b>GRI 302-1</b> .	<b>VII-IX</b>
--------------	--	---------------

## GRI 303 Water and Effluents

<b>103</b>	<b>Management approach (including GRI 103-1, 103-2, 103-3)</b> Data on water consumption and wastewater are also recorded throughout the company as part of the annual environmental data survey, using the “green.screen” IT platform. Based on this data, trends can be discerned and potential for improvement identified. Due to the locally varying relevance and regulation of water management, these topics are predominantly handled by the local businesses. Information on the management approach for water: see <b>GRI 300</b> .	<b>VII-VIII</b>
------------	---	-----------------

<b>303-1</b>	<b>Interactions with water as a shared resource</b> See <b>GRI 303</b> Management approach.	<b>VII-VIII</b>
--------------	--	-----------------

<b>303-2</b>	<b>Management of water discharge-related impacts</b> See <b>GRI 303</b> Management approach.	<b>VII-VIII</b>
--------------	---	-----------------

<b>303-3</b>	<b>Water withdrawal</b>	<b>VII-VIII</b>
--------------	-------------------------	-----------------

### Water withdrawal by source

in thousands of cubic meters

	2020	2019
from public utilities	1,066	1,405
from groundwater	2,813	2,969
from rainwater storage tanks	12	5
<b>Total water withdrawal</b>	<b>3,891</b>	<b>4,379</b>

In the 2020 financial year, water withdrawal fell by 11 percent. The most significant decrease is in water withdrawal from public utilities. This figure fell by 24 percent, primarily because of the decreased use of offices due to the coronavirus pandemic. The use of groundwater from wells was down by 5 percent.

### Water withdrawal by corporate division

in thousands of cubic meters

	2020	2019
RTL Group	2,167	2,381
Penguin Random House	93	123
Gruener + Jahr	42	90
BMG	4	5
Arvato	457	565



GRI	Disclosure	UNGC	
	Bertelsmann Printing Group	1,024	1,070
	Bertelsmann Education Group	79	110
	Bertelsmann Investments	0	0
	Corporate	25	35
	<b>Total water withdrawal</b>	<b>3,891</b>	<b>4,379</b>

Water is used to varying degrees in the individual divisions. RTL Group accounted for more than half of the water withdrawals at just under 56 percent, Bertelsmann Printing Group for 26 percent, and Arvato for 12 percent. The other divisions accounted for 8 percent of total water withdrawal. All divisions recorded a decline in water withdrawals, primarily due to the increase in working from home.

### 303-4 Water discharge VII-VIII

#### Water discharge by destination

in thousands of cubic meters

	2020	2019
into public sewage systems or to third parties	1,105	1,410
into surface water, receiving waters or own wastewater treatment plants	2,129	2,340
<b>Total water discharge</b>	<b>3,234</b>	<b>3,750</b>

In the 2020 financial year, total water discharge fell by 14 percent compared to 2019. The most significant reduction, amounting to almost 22 percent, was in wastewater discharged to the public sewage system or to third parties. This was mainly due to lower consumption of fresh water as a result of reduced use of office space. Discharges to surface water, receiving water bodies, or the company's own wastewater treatment plants fell by 9 percent compared with the previous year.

## GRI 305 Emissions

### 103 Management approach (including GRI 103-1, 103-2, 103-3) VII-IX

Bertelsmann supports the international community's goal of limiting global warming to well below 2°C in line with the Paris Agreement on climate change. Bertelsmann will become climate neutral by 2030. To this end, the greenhouse gas emissions generated from its own sites, employee business travel, and the manufacture of its own products are to be reduced significantly by 2030, and the remaining emissions offset. The total emissions from the above causes amounted to 1.1 million tons of CO<sub>2</sub> equivalents (CO<sub>2</sub>e) in the 2020 financial year. This represents a 15 percent reduction compared to 2018 (1.3 million tons of CO<sub>2</sub>e). At the same time, Bertelsmann is pursuing the reduction target of cutting absolute greenhouse gas emissions by 50 percent by 2030 as compared to 2018. In addition to emissions from sites, employees, and own products, this includes all other emissions covered in the carbon footprint. This reduction target was validated by the Science Based Targets Initiative in March 2021.

The climate protection strategy prioritizes measures to avoid and reduce emissions – ahead of offsetting remaining emissions. It is substantiated by specific action plans for the

## GRI

## Disclosure

## UNGC

individual divisions. The Executive Board follows up on target achievement yearly, based on uniform Group-wide milestones and indicators. Unavoidable emissions are offset by means of emissions compensation from a portfolio of voluntary climate-protection projects. Projects are carefully selected on the basis of defined criteria. These include projects that bind CO<sub>2</sub> emissions from the atmosphere over the long term (“removals”) and thus actually compensate for the volume of emissions caused by Bertelsmann. In the 2020 financial year, certificates for more than 14,000 tons were offset by the reforestation project in Brazil, exclusively supported by Bertelsmann.

Greenhouse gas emissions are accounted for in accordance with the “Corporate Accounting and Reporting Standard” and “Scope 2 Guidance,” and in line with the “Corporate Value Chain (Scope 3) Standard” of the Greenhouse Gas Protocol (GHG Protocol). Greenhouse gas emissions are reported in accordance with the GHG Protocol and in CO<sub>2</sub>e. In accordance with the GHG Protocol, emissions are reported in three different categories. Scope 1 refers to Bertelsmann’s direct emissions, which for instance result from its own (on-site) power generation and the operation of printing machines. Scope 2 covers indirect emissions from the generation of purchased electricity and district heating, or heat provided by landlords. In accordance with the GHG Protocol Scope 2 Guidance, Bertelsmann reports both market-based and location-based emissions in the overview of key indicators.

As part of developing the Climate Neutrality target, the data collection methods for indirect emissions (Scope 3) were updated and the emission sources included in the balance sheet were expanded. Significant changes include the inclusion of supplier-specific emissions data – particularly in the area of paper production and printing services – and a more detailed recording of emissions from commutes. In addition, further emission sources such as refrigerant losses, overnight hotel stays, transport and distribution, and waste logistics were included across the Group. These changes resulted in a retroactively adjusted data basis for the years 2018 and 2019.

## 305-1 Direct (Scope 1) GHG emissions

## VII-VIII

**Scope 1 and 2 emissions**

in tons of CO<sub>2</sub> equivalents (CO<sub>2</sub>e)

	2020	2019
Scope 1	236,900	246,400
Scope 2 <sup>1)</sup>	148,400	185,500
Scope 1 and 2 total	385,300	431,900

1) Scope 2 emissions were calculated using the market-based method as indicated in the Scope 2 Guidance of the GHG Protocol. According to the site-based method, Scope 2 emissions amounted to 200,600 metric tons of CO<sub>2</sub>e (previous year: 239,800 metric tons).

The sum of direct (Scope 1) and energy-related indirect (Scope 2) greenhouse gas emissions in 2020 was 385,300 metric tons of CO<sub>2</sub>e, equaling a decrease of 11 percent compared with the previous year. Scope 1 emissions stem primarily from the combustion of fossil fuels such as natural gas and, to a lesser extent, from the use of fuels and coolants. These emissions fell by nearly 4 percent in the reporting year. Greenhouse gas emissions from purchased electricity and heat (Scope 2) decreased significantly by 20 percent due to lower energy consumption and increased use of green electricity.

## GRI

## Disclosure

## UNGC

**Scope 1 and 2 emissions by corporate division**in tons of CO<sub>2</sub> equivalents (CO<sub>2</sub>e)

	2020	2019
RTL Group	21,600	33,200
Penguin Random House	11,400	14,500
Gruner + Jahr	5,700	10,000
BMG	700	500
Arvato	87,500	97,500
Bertelsmann Printing Group	253,100	267,600
Bertelsmann Education Group	1,900	2,600
Bertelsmann Investments	100	0
Corporate	3,300	6,300
<b>Scope 1 and 2 total</b>	<b>385,300</b>	<b>431,900</b>

Bertelsmann Printing Group and Arvato accounted for the largest share of Bertelsmann's Scope 1 and Scope 2 emissions. This can be attributed to the consumption of electricity, natural gas and heat by the printing presses at Bertelsmann Printing Group, and the operation of materials handling equipment at Arvato's logistics sites.

Nearly all divisions significantly reduced their Scope 1 and Scope 2 emissions year on year. The coronavirus pandemic in particular contributed to a decrease in emissions, as many sites temporarily switched to working from home. Accordingly, consumption of electricity and heat fell significantly, although production volumes and revenues increased at Penguin Random House and Arvato. In absolute terms, this corresponds to a decrease of around 20,000 tons of CO<sub>2</sub>e. Production declines at the printing plants resulted in approximately 15,000 tons less CO<sub>2</sub>e being emitted than in the previous year. Another 15,000 metric tons of CO<sub>2</sub>e were saved by RTL Group, Arvato, and Corporate shifting to green electricity.

**305-2 Energy indirect (Scope 2) GHG emissions**

VII-VIII

See **GRI 305-1**.**305-3 Other indirect (Scope 3) GHG emissions**

VII-VIII

**Scope 3 emissions**in tons of CO<sub>2</sub> equivalents (CO<sub>2</sub>e)

	2020	2019
Materials and services	1,240,000	1,315,100
Energy-related emissions	55,000	69,300
Upstream transports	159,300	170,100
Business travel	18,500	73,500
Commuting by employees	76,800	125,400
Downstream transports	210,400	245,000
Other	27,400	30,400
<b>Scope 3 total before consolidation</b>	<b>1,787,400</b>	<b>2,028,800</b>
Consolidation	-145,700	-152,800

<b>GRI</b>	<b>Disclosure</b>	<b>UNGC</b>
------------	-------------------	-------------

Scope 3 total	1,641,700	1,876,000
---------------	-----------	-----------

The total direct and indirect greenhouse gas emissions (Scope 1, 2 and 3) accounted for in 2020 amounted to 2.03 million metric tons of CO<sub>2</sub>e – of which 81 percent were attributable to indirect emissions along the value chain (Scope 3).

Within the Scope 3 categories, indirect greenhouse gas emissions from materials and services accounted for the largest share at 75 percent (before consolidation). These include emissions from paper purchasing, printing materials used, external services, and the production of TV content. Downstream transport emissions from the distribution of products accounted for just under 13 percent of emissions in 2020, while upstream transport accounted for over 9 percent of Scope 3 emissions. Commuting by employees accounted for 5 percent of emissions. Other sources include upstream energy-related emissions (outside Scope 1 and Scope 2), business travel, and emissions from waste logistics and the end-of-life of Bertelsmann's own products.

Scope 3 emissions decreased by 12 percent in the fiscal year. This was largely due to reduced production volumes and the restricted mobility of employees as a result of the coronavirus pandemic.

### Scope 3 emissions by division

in tons of CO<sub>2</sub> equivalents (CO<sub>2</sub>e)

	2020	2019
RTL Group	138,200	187,200
Penguin Random House	483,200	477,800
Gruner + Jahr	80,400	115,300
BMG	7,000	9,900
Arvato	184,100	240,400
Bertelsmann Printing Group	889,400	985,000
Bertelsmann Education Group	2,400	5,100
Bertelsmann Investments	300	800
Corporate	2,400	7,300
Consolidation	-145,700	-152,800
<b>Scope 3 total</b>	<b>1,641,700</b>	<b>1,876,000</b>

At 54 percent, Bertelsmann Printing Group had the largest share of Scope 3 emissions, followed by Penguin Random House with 29 percent. Arvato also contributed a double-digit share with 11 percent, and RTL Group accounted for 8 percent. Gruner + Jahr generated 5 percent of the remaining emissions, as did the other divisions.

<b>305-4</b>	<b>GHG emissions intensity</b>	<b>VIII</b>
--------------	--------------------------------	-------------

Specific greenhouse gas emissions (Scope 1 and Scope 2) fell from 24.0 metric tons of CO<sub>2</sub>e per 1 million euros of Group revenue in 2019 to 22.1 metric tons of CO<sub>2</sub>e per 1 million euros of Group revenue in the 2020 financial year.

<b>305-5</b>	<b>Reduction of GHG emissions</b>	<b>VII-VIII</b>
--------------	-----------------------------------	-----------------

See [GRI 305-1](#), [305-3](#).

**GRI Disclosure** **UNGC**

**Change in GHG Emissions compared with the base year**

in tons of CO<sub>2</sub> equivalents (CO<sub>2</sub>e)

	2020	2018
Scope 1 emissions	236,900	258,200
Scope 2 emissions	148,400	205,700
Scope 3 emissions	1,641,700	2,001,100
<b>Total</b>	<b>2,027,000</b>	<b>2,465,000</b>

Bertelsmann aims to reduce its reported greenhouse gas emissions by 50 percent by 2030 as compared to 2018 (see **GRI 305 Management approach**). In the base year, a small proportion of the emissions (19 percent) were generated at Bertelsmann's own sites (Scope 1 and Scope 2) and, accordingly, the largest share of 81 percent was generated along the value chain (Scope 3). The main source of Scope 1 and Scope 2 emissions is the combustion of natural gas and the purchase of electricity at Bertelsmann's own sites. The majority of Scope 3 emissions are attributable to the value chain of print products.

In fiscal years 2019 and 2020, total emissions have already been reduced by 18 percent compared to the base year 2018. These reductions are primarily due to production decreases in the print business. At Bertelsmann Printing Group and Gruner + Jahr, around 220,000 metric tons of CO<sub>2</sub>e were saved in this way. Restrictions on mobility due to the coronavirus pandemic resulted in savings of around 90,000 metric tons of CO<sub>2</sub>e across all divisions through increased working from home and significantly reduced business travel. The shift to 100 percent green electricity at Bertelsmann's own sites, particularly at Penguin Random House and RTL Group, saved around 50,000 tons of CO<sub>2</sub>e. In addition, further savings were realized through increased energy efficiency at the company's own sites and through reduced emissions in content production. The latter resulted both from Corona-related restrictions on production and from specific reduction measures.

**GRI 306**

**Effluents and Waste**

**103 Management approach (including GRI 103-1, 103-2, 103-3)**

**VIII**

Data on waste generation is also recorded across the Group during the annual environmental data collection with the IT platform "green screen". Based on this data, trends can be discerned and potential for improvement identified. Due to the varying local relevance and regulation of waste management, these topics are predominantly handled by the local businesses.

Information on the management approach for water: see **GRI 303**.

**306-2 Waste by type and disposal method**

**VIII**

**Waste by type of disposal**

in tons

	2020	2019
for recycling	247,400	284,200
for disposal	11,500	11,800
of which hazardous	1,600	1,600
<b>Total waste</b>	<b>258,900</b>	<b>296,000</b>

In the 2020 reporting year, the amount of recyclable waste was reduced to 247,400 tons, which corresponds to a decrease of 13 percent compared to the previous year. This resulted in particular from production declines at Bertelsmann Printing Group and increased working from home due to the coronavirus pandemic. As in the previous year, waste for recycling accounted for 96 percent of total waste. Waste for recycling refers to waste that was either returned to the resource cycle or incinerated. Waste for disposal accounted for 4 percent of total waste, as in the previous year, and the volume was down by nearly 3 percent year on year. Hazardous waste totaled 1,600 tons, the same amount as in 2019.

### Total waste

in tons

	2020	2019
RTL Group	1,050	1,900
Penguin Random House	22,150	31,100
Gruner + Jahr	1,940	9,000
BMG	40	70
Arvalo	39,680	38,000
Bertelsmann Printing Group	193,610	215,100
Bertelsmann Education Group	20	40
Bertelsmann Investments	0	0
Corporate	440	790
<b>Total waste</b>	<b>258,930</b>	<b>296,000</b>

The recorded waste volumes across the Group plummeted by 13 percent in the 2020 financial year. At 75 percent, Bertelsmann Printing Group's printing plants generated the largest share of total waste. Waste volumes were down by 22,000 tons compared to the previous year, in particular due to declining production volumes. In contrast, waste volumes from the logistics business increased by 2,000 tons, attributable to increased business activity. The remaining reductions are attributable to increased working from home across all divisions.

# GRI 400

Social

## GRI 400 Social

GRI	Disclosure	UNGC
GRI 401	Employment	
103	<b>Management approach (including GRI 103-1, 103-2, 103-3)</b>	I, III, VI
	<p>Every day, approximately 130,000 people in about 50 countries work to ensure Bertelsmann’s success, growth and continuous development. That is the reason why, for generations, the company has made responsibility toward its employees a priority. Bertelsmann wants to create a working environment of participation and partnership for all employees.</p>	
	<p>To be an attractive employer for a diverse workforce, retain employees long-term, and remain competitive, Bertelsmann promotes the development of its employees, and creates the prerequisites for enabling Creativity &amp; Entrepreneurship in a fair and healthy workplace setting. In particular, these include freedom, trust, and respect. Bertelsmann aspires to this all over the world, honoring widely varying social, economic, regulatory and cultural conditions in the process.</p>	
	<p>In addition, employees of all generations increasingly attach particular importance to meaning in the work they perform for their employer. To attract the best talent, employers are expected to have and convey a greater “sense of purpose.” Only if employees are able to identify with their company, its values and strategic goals, they are able to actively implement and ensure that these goals are achieved. This applies particularly in times of change.</p>	
	<p>Bertelsmann strives to offer its employees fair framework conditions for their work. In addition to the protection of human and personal rights, partnership and trustworthy cooperation with employees and their representatives, workplace safety, fair distribution of benefits, flexible working arrangements, and fair treatment of freelancers and external service providers are crucial aspects of fair working conditions at Bertelsmann.</p>	
	<p>Motivated employees are key to creativity, innovation, and continued business success. The Executive Board Guidelines for HR work at Bertelsmann are based on this principle, which is enshrined in the Corporate Constitution and the Bertelsmann Essentials. Supplementary rules are laid down in the Bertelsmann Code of Conduct, which is binding for all employees (see <a href="#">GRI 102-16</a>).</p>	
	<p>The Chief Human Resources Officer (CHRO) is responsible for dealing with employee matters across the whole Group. As Head of the Corporate HR department, which supports the coordination of tasks and development of relevant HR policy, the CHRO cooperates closely with the HR directors of the divisions. The main focus of his work throughout the Group includes setting the strategic HR agenda, aligning management development with the Group’s strategic priorities, talent management, Bertelsmann University, ensuring the standardization and IT support for important HR processes, further developing the corporate culture and implementing corporate responsibility in the Group.</p>	
	<p>To ensure the coordination of procedures throughout its decentralized structure, Bertelsmann’s HR function is organized according to a “dotted-line” concept, with complementary reporting as well as supervisory relationships. This allows Group-wide HR topics to be implemented in accordance with the Executive Board’s decisions.</p>	
	<p>Another important aspect of Bertelsmann’s HR work is the exchange of information in committees:</p>	
	<ul style="list-style-type: none"> <li>• The HR Committee determines the basic aspects of HR work in the interest of the entire Group. Its members include the CHRO, the heads of HR of the divisions, and senior executives from the Group’s Corporate HR department.</li> </ul>	



GRI	Disclosure	UNGC
-----	------------	------

- HR Country Coordination Meetings are designed for cross-divisional coordination within a region and ensure the implementation of HR initiatives across the Group. Its members include the heads of HR of the Group's largest companies or those with the largest number of employees in a specified country.
- The Nomination & Compensation Committees of the divisions and Corporate Center decide on the implementation of remuneration and staffing policies in their areas of responsibility.

Responsibility for ensuring fair working conditions is decentralized, meaning it lies with the management of the local businesses. Bertelsmann provides Group-wide framework conditions that enable local businesses to fulfill this responsibility. Collective regulations (e.g., Group company agreements) and Executive Board Guidelines on certain topics, like those on remuneration and the use of external employees, are also relevant in this regard. In addition, various formats such as the Bertelsmann Group Dialog Conference, and a working group, deal with topics such as a culture of partnership and fair working conditions. As the key contact person for the various bodies representing employee interests, Bertelsmann's CHRO accompanies or presides over these formats.

In addition, there are external regulations, such as the standards of the International Labour Organization, the OECD Guidelines for Multinational Enterprises and Bertelsmann's voluntary commitment in accordance with the UN Global Compact (see [GRI 102-12, 102-16](#)).

At Bertelsmann, remuneration issues are an essential part of the topic of fair working conditions. The compensation system is designed to ensure that remuneration is driven by market, function and performance, taking into account business-specific characteristics. Employee profit sharing at Bertelsmann and many of its subsidiaries in Germany is based on the same criteria as the measurement of variable remuneration components of board members and executives. Many domestic and foreign Group companies have similar success and profit-sharing models adapted to local requirements. In 2020, nearly €100 million of the 2019 profit was distributed as part of such schemes.

Participation in decision-making processes and the granting of the greatest possible freedom contribute to employee loyalty and satisfaction. To support a healthy work-life balance, this also includes offering employees flexible arrangements about where and when they work. Working-time models that focus on results rather than physical presence, as well as trust-based working hours, are widespread. Especially in times of a pandemic such as the one that dominated all areas of life in 2020, this basic idea has enabled and favored the extensive shift to working from home and mobile office solutions. For many businesses, this also confirmed that they should increase their focus on flexible forms of work in the future.

The flexibility requirements of a rapidly changing world of work also mean that knowledge and expertise need to be sourced from outside the company to ensure satisfied customers during peak phases. The company relies on staffing agencies and employs external personnel in addition to permanent employees where the specifics of the tasks allow and require this. Bertelsmann defines external personnel as self-employed persons, service providers and consultants, or as agency staff who work for a Group company. The employment of external personnel must be in accordance with the company's values. The Executive Board Guideline on the Engagement of External Personnel requires standard processes to ensure compliance with legal requirements. This is supplemented by the Supplier Code of Conduct, which also obliges service providers (see [GRI 102-16](#)).

GRI	Disclosure	UNGC
401-1	<p><b>New employee hires and employee turnover</b></p> <p>Bertelsmann does not currently publish information on employee recruitment or fluctuation. This data, categorized by age, gender and region, is not yet fully available and of sufficient quality for publication.</p>	VI
GRI 402	Labor/Management relations	
103	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>Bertelsmann sees the continuous dialog between employee representatives and company management as a key element in its company culture. Additionally, regular dialog with employees and their representatives makes it possible to continually review workplace conditions, identify possible improvements and derive measures. Digital transformation is changing the work environment and every individual's tasks. At Bertelsmann, this process also includes the restructuring of several traditional businesses. Parallel to this, some parts of the company are being dismantled while others are reorganized, expanded or newly built. Seeing change as both a challenge and an opportunity, the Group's management seeks to shape those changes together with employees.</p> <p>Although, as a media company, Bertelsmann falls under Germany's tendency protections and its Supervisory Board is therefore not subject to statutory co-determination requirements, the company has voluntarily granted its employees four seats on the Supervisory Board of Bertelsmann SE &amp; Co. KGaA. Three of them are occupied by leading Works Council members at Group companies. The seat assigned to the Bertelsmann Management Representative Committee, which was vacant at the end of 2020, was filled in May 2021. In addition, the workforce, managers, employees with disabilities, and trainees have platforms for exchanging ideas, advancing topics and constructively voicing their concerns. One proven format is the Bertelsmann Group Dialog Conference, at which the Corporate Works Councils of Bertelsmann, RTL Deutschland, and Gruner + Jahr meet with the Group Chairman &amp; CEO and the Chief HR Officer for consultation and discussion. In 2020, this led to intensive collaboration and cross-divisional exchange beyond the scope of the committees required by law, for example to tackle challenges posed by the coronavirus pandemic and to initiate projects such as a Bertelsmann platform for cooperating on IT matters. The same applies to Representatives for Employees with Disabilities in the Group for implementing the Inclusion Action Plan in the German Bertelsmann companies.</p> <p>Employees are also involved in the development and improvement of working conditions through standardized HR tools (Performance and Development Dialogs, Agreements on Objectives, and Team Talks), as well as the Bertelsmann Employee Survey. The Employee Survey has been a key element of Bertelsmann's corporate culture since 1977. In 2020, in response to the coronavirus pandemic, numerous pulse surveys were conducted in the divisions and among top managers. In addition, the frequency of the international Employee Survey was shortened to two years.</p>	III
402-1	<p><b>Minimum notice periods regarding operational changes</b></p> <p>Bertelsmann's management works to ensure that employees are informed of change processes as early as possible and involves employee representatives at an early stage to collaboratively identify the best solutions. In many cases, the company exceeds the statutory requirements set out in provisions such as the German Works Constitution Act. Particularly in the case of necessary staff reduction measures, the aim is to achieve clarity for the employees affected as early as possible. To this end, and to avoid layoffs for operational reasons, programs were launched in 2020 in individual Bertelsmann companies with</p>	III

GRI	Disclosure	UNGC
	<p>declining business volumes to find solutions with employees for the amicable termination of employment contracts. Beyond this, the “BeWege” concept launched in 2019 and the Bertelsmann Transfer Gesellschaft continued to provide a framework for actively supporting the structural change of all German companies in 2020. A development and transfer center offers the possibility of early advice and further qualification of affected employees for new tasks in the Group when businesses are in structural decline and jobs are therefore at risk.</p>	
<b>GRI 403</b>	<b>Occupational Health and Safety</b>	
<b>103</b>	<b>Management approach (including GRI 103-1, 103-2, 103-3)</b>	<b>I</b>
	<p>To create a health-promoting working environment and prevent work-related health risks, Bertelsmann aims to continually expand occupational health management (OHM) at its German sites. Bertelsmann Health Management develops and supervises the Group’s health strategy in cooperation with a cross-functional Strategy Committee. The Committee includes the heads of the Group Occupational Health and Safety department, Company Medical Services, the Bertelsmann Company Health Insurance Fund (Bertelsmann BKK), Bertelsmann University, the Sports and Health and Corporate Responsibility departments, as well as the Group Representative for Employees with Disabilities. The Head of HR Coordination and Shared Services chairs this committee and directs the implementation of the health strategy.</p> <p>He is supported by the cross-divisional “Health Community”, in which employees from the Health and HR departments, Works Council Members and Representatives for Employees with Disabilities address issues such as “Minimum Health Standards” at German companies. These Minimum Standards include qualification of managers on matters of health, the implementation of a Working Group on Health, the provision of health offers and information for employees, and access to company social counseling. Bertelsmann’s in-house Health Management Consulting, a cooperation between Bertelsmann Health Management and the Bertelsmann BKK, also provides needs-based advice on the development and implementation of occupational health management. Health Managers and Health Contact Persons at the divisions’ sites work to promote the implementation of health management. In addition, there is a Company Integration Management implemented that is supported by local integration teams.</p> <p>Due to the coronavirus pandemic, the focus in 2020 was on immediate health protection of all employees worldwide. This included the establishment of central and local crisis teams, which developed and implemented prevention and protection measures in accordance with the applicable laws. The most important measure was the Group-wide shift to working from home wherever this was compatible with operational considerations (see <a href="#">GRI 403-3</a>).</p> <p>In addition, the results of the third Germany-wide evaluation of the “Minimum Health Standards” and the health-related recommendations based on the Group-wide Employee Survey (2019) were communicated to the German companies in 2020. Most companies drive the implementation of the Minimum Standards and have thus already established the first basic structures for occupational health management.</p>	
<b>403-1</b>	<b>Occupational health and safety management system</b>	<b>I</b>
	<p>Bertelsmann’s Central Occupational Health and Safety department is responsible for approximately 25,000 employees at Arvato, Bertelsmann Accounting Services, and Bertelsmann Corporate. The Group’s own Company Medical Services (see <a href="#">GRI 403-3</a>) supports about 14,000 employees in the Gütersloh region and at other Bertelsmann sites in Germany. The Central Occupational Health and Safety department and the Company</p>	

GRI	Disclosure	UNGC
	<p>Medical Services advise numerous other German Bertelsmann companies on occupational health and safety requirements and standards.</p> <p>At Bertelsmann, responsibility for implementing occupational health and safety, and thus also for corresponding management systems, is decentralized to the divisions. For the most part, these divisions have multi-site occupational health and safety management systems which align with common occupational health and safety standards, e.g., the Occupational Health and Safety Standards (OHSAS, now ISO45001), and take into account German legal requirements regarding occupational health and safety. In some cases, occupational health and safety is integrated into the company’s HSSE (Health, Safety, Security &amp; Environment) organization.</p> <p>Platforms within the divisions are used to map the company structures and data required under German occupational health and safety law on a daily basis and in compliance with data privacy protection requirements, e.g., the number and training status of safety officers, documentation of recurring instructions, monitoring of training and appointment of company emergency responders, and company-relevant preventive medical checkups. At all the companies included, employees with various occupational health and safety tasks are involved in this, e.g., safety representatives and contact persons for accidents, health, and risk assessment.</p>	
<b>403-2</b>	<b>Hazard identification, risk assessment, and incident investigation</b>	<b>I</b>
	<p>The legally mandated risk assessment is carried out and documented at the German sites of the corporate divisions. In-house checklists, templates from the German Social Accident Insurance Institution, and validated questionnaires are used to do so. In some cases, site inspections are carried out for additional identification of existing potential hazards, as well as further measurements of noise, brightness, and climate. The findings, as well as any workplace accidents, are discussed at Health and Safety Committee meetings. Some operations have additionally established processes for dealing with incidents and near-accidents.</p> <p>Bertelsmann Health Management supports the Group companies in Germany in implementing the legal requirements for assessing mental stress in work contexts. In cooperation with the “Health Community,” a toolbox for mental risk assessment was made available to the companies. In addition, the Group-wide Employee Survey (2019) was analyzed from a health perspective and a divisional health index was calculated. In 2020, health-related action areas were identified based on these analyses, and recommendations were communicated to the German divisions.</p>	
<b>403-3</b>	<b>Occupational health services</b>	<b>I</b>
	<p>In Germany, the deployment of company physicians, their qualifications and their tasks are prescribed by law and by the regulations of the German Social Accident Insurance Institution. In addition to its own company medical service, Bertelsmann works with external company physicians at the respective sites to ensure that these requirements are met (see <a href="#">GRI 403-1</a>). In order to ensure a similar range of services at all sites, the external company physicians are guided by the portfolio of Bertelsmann’s own Company Medical Services in Gütersloh. The range of services offered by the company doctors and their communication materials are displayed both on the company intranet and on a central Bertelsmann website.</p> <p>In the 2020 year of the pandemic, the focus was on the immediate health protection of all employees (see <a href="#">GRI 103 Management approach</a>). Bertelsmann’s Company Medical Service played a pivotal and advisory role throughout Germany. The Company Physician was a permanent member of the company’s central Crisis Task Force and of local crisis teams. Local crisis team activities focused in particular on hygiene and behavioral matters,</p>	

GRI	Disclosure	UNGC
	such as business trips to risk areas, the establishment of (PCR) testing capacities, infection prevention, protective equipment (especially masks), the development and implementation of return policies, including necessary organizational adjustments and provision of information to employees.	
403-4	<b>Worker participation, consultation, and communication on occupational health and safety</b>	I
	The legally required Occupational Safety Committee meetings and the meetings of Working Groups on Health are organized by the German divisions on a quarterly basis and implemented locally. Participants include the employer or a management representative appointed by the employer, two members to be determined by the Works Council, the Company Physician, the Occupational Safety Officer, the Safety Representative and the Representative for Employees with Disabilities. Responsibility for all decisions and measures taken lies with the management of each company. The company physician, the occupational safety officer, and the safety representative are involved as advisors without the right to issue instructions. The representatives of the Works Council exercise a supervisory function in the interests of the employees. The meetings of the Occupational Health and Safety Committee and/or the Working Group on Health serve to analyze and discuss occupational health and safety issues and to develop targeted measures.	
403-5	<b>Worker training on occupational health and safety</b>	I
	The legally required instructions and the organization of other relevant training courses are carried out independently by the German divisions. Depending on the activity and the degree of risk, employee training takes place online and/or in person and is documented.	
403-6	<b>Promotion of worker health</b>	I
	Bertelsmann's divisions provide their employees with numerous offers to promote physical and mental health and preventive healthcare. The local health working groups identify action areas, and Health Contact Persons provide support in their implementation. Bertelsmann BKK also provides support in the form of new health offerings tailored to the work situation, such as digital presentations on sleep, stress management or managing virtual teams, which the divisions can access. In addition to the Company Social Counseling Services offered throughout Germany, some locations cooperate with an external family service that offers care options for children and relatives in need of care. The offers are presented on the intranets of the various divisions and in some cases on a central Bertelsmann website.  In the 2020 year of the pandemic, a large proportion of the health promotion offers were provided digitally, so that employees throughout Germany can also take part in e.g., fitness and exercise offers ("Moving Break"), relaxation and mindfulness courses, or health days while working from home. In particular, the "Fit for Work" campaign has encouraged and motivated many employees across Germany to add more exercise to their daily work routine. Other health projects are also being carried out in some divisions, e.g., on health-oriented leadership, ergonomics in the home office, strengthening mental health and resilience.	
403-7	<b>Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</b>	I
	The assurance of product safety for customers is anchored in the Bertelsmann Code of Conduct (see <a href="#">GRI 102-16</a> ): "Our products and services must not contain defects or unsafe features that could lead to the endangerment of health (...)" (see <a href="#">GRI 417</a> ).  If external parties work for the company, their deployment and employment must be in accordance with Bertelsmann's corporate values (see <a href="#">GRI 401</a> ). In the case of cooperation	

GRI	Disclosure	UNGC
	with external companies, safety briefings are ensured. Some German companies already employ external company coordinators. These coordinators monitor and check the activities of external organizations, e.g., building cleaners, repair companies, maintenance companies, and inspection organizations.	
<b>403-8</b>	<b>Workers covered by an occupational health and safety management system</b>	<b>I</b>
	Due to the decentralized organizational Occupational Health and Safety structures, this data is not available centrally at Bertelsmann (see <a href="#">GRI 403-1</a> ). A central collection of this data is not currently planned.	
<b>403-9</b>	<b>Work-related injuries</b>	<b>I</b>
	Due to the decentralized organizational Occupational Health and Safety structures, this data is not available centrally at Bertelsmann. A central collection of this data is not currently planned.	
<b>403-10</b>	<b>Work-related ill health</b>	<b>I</b>
	<b>Paid and unpaid leave in Germany</b>	
	in days	
		2020      2019
	Ø No. of vacation days per employee	27.5      26.6
	Ø No. of days of paid sick leave	12.0      13.6
	Ø No. of days of maternity leave	1.0      1.1
	Ø No. of days of other paid leave	2.7      2.4
	<b>Paid leave</b>	<b>43.2      43.7</b>
	Ø No. of unpaid sick days	5.5      5.2
	Ø No. of days of other types of unpaid leave of absence	2.8      0.9
	<b>Unpaid leave</b>	<b>8.3      6.1</b>
	Total sick leave <sup>1)</sup> in %	7.0      7.5
	1) Sick leave as defined by Bertelsmann SE & Co. KGaA: Sick leave quota = average number of sick days / target working days Target workdays = calendar days - Saturdays/Sundays - official holidays (x = 365 - 104 - 10 = 251)	
	The average paid sick days per employee decreased by 1.6 days year on year. The decrease in the number of sick days is related, among other things, to infection control due to the coronavirus pandemic, and working from home. In contrast to paid sick days, average unpaid sick days increased by around one third. The trend of increasing absenteeism due to mental illness, often with long periods of absence, continued. The rise may be explained by the increasing psychological stresses in the context of the coronavirus.	
	Bertelsmann does not report this information broken down by freelance and external/third-party employees and does not provide any information on fatalities. Due to labor law regulations in Germany, Bertelsmann does not have any information on the main types of work-related illnesses of its employees. The number of documentable work-related illnesses in Germany is recorded in the form of days of incapacity to work (see table). Work-related hazards that pose a risk of illness are determined in the form of risk assessments, and appropriate measures are initiated to eliminate the identified hazards and minimize risks (see <a href="#">GRI 403-2</a> ). A central collection of this data is not currently planned.	

GRI	Disclosure	UNGC
GRI 404	Training and Education	

**103 Management approach (including GRI 103-1, 103-2, 103-3) I**

A company’s success is determined by its employees’ qualifications and efforts. Major changes such as the digital transformation of media, services and education, the demographic shift, or repercussions of the coronavirus pandemic, can only be tackled with qualified and motivated employees.

The more and more rapidly changing business environment constantly gives rise to new challenges for all employees in their workaday routine. The better Bertelsmann manages to keep qualifying employees in success-critical skills, the more successful the business can be, and beyond this, the more attractive it is for its workforce and for applicants. Vocational education and training are therefore considered a long-term investment in the future and in the stability of society, for both Bertelsmann and its employees.

**Bertelsmann University**

Bertelsmann University aims to continuously develop success-critical skills and competencies in employees and managers, thereby empowering them to adapt to ever-changing requirements. In this way, Bertelsmann University also contributes to maintaining its workers’ employability long-term.

The central learning organization systematically targets its international offering at top executives and Bertelsmann talents across the Group in the areas of strategy and leadership, at creative experts in the areas of creativity and innovation, and at employees specifically in the fields of technology and data. It also offers Bertelsmann employees a wide-ranging digital curriculum from leading, international providers of online training on various topics. Thanks to these digital formats, learning content is flexibly available to employees and managers, and the time and place of learning is geared to individual needs and organizational requirements.

Bertelsmann University is supplemented by division-specific and local offerings from Bertelsmann divisions and companies. Together with the Bertelsmann divisions, Bertelsmann University promotes a culture of digital, effective learning with innovative, cross-divisional initiatives to strengthen adaptive skills and a flexible mindset.

Bertelsmann University is a main department at the Corporate Center. It is led by the Chief Learning Officer, who reports to the Chief Human Resources Officer. The Executive Board, Group Management Committee and HR Committee regularly discuss and review Bertelsmann University’s orientation and activities. It is supported by the Divisional Learning Committee, where Learning and Development representatives from the divisions connect, coordinate and collaborate with each other.

**Training in Germany: A wide range of offers**

In Germany, the Group offers young people industrial and commercial training options in more than 45 different professions. In addition to traditional apprenticeship programs, this spectrum also includes a variety of dual-study programs. With its nationwide offer, Bertelsmann is one of Germany’s largest apprentice-training companies and is a protagonist in shaping the vocational training landscape. Among the challenges to be overcome is the future-proofing of training programs to prevail in the intensified competition for highly qualified junior employees.

The Central Education department is responsible for training measures at the Gütersloh location. It develops offers based on the company’s changing needs and requirements, and ensures that they reflect the company’s values of Creativity & Entrepreneurship. The department works closely with the executives and HR managers of the training companies,

**GRI Disclosure UNGC**

as well as the Works Council. In Gütersloh alone, more than 650 young people are taking the opportunity to learn a profession or to complete a part-time Bachelor of Arts or Bachelor of Science degree at Bertelsmann. Of these, approximately 200 students are undergoing industrial and commercial training at the Group’s own vocational school.

In 2020 the most important measures in the field of learning were:

- In response to the global coronavirus pandemic, Bertelsmann University suspended all in-person events from March 2020 and continued its international programs in the areas of strategy, leadership, and transformation in digital form.
- As part of the further development of digital offerings with a focus on tech skills, new, international learning curricula were introduced in the areas of data, cloud and artificial intelligence. In addition, the 3-year Udacity scholarship program entered its second round with a total of 50,000 seats, open to employees as well as external applicants. In 2020, the in-house graduation rate for Nanodegree candidates was approximately 20 percent of graduates.
- The promotion of a learning culture and social learning was the focus of other initiatives, such as the cross-divisional “Your Campus” program, a digital, international peer-to-peer learning offer.
- In Germany, Bertelsmann’s training and study programs were also adapted to the changed conditions brought about by the coronavirus pandemic: among other things, by adapting the learning environments and increasingly using digital working methods.

**404-1 Average hours of training per year per employee I**

**Total training**

in hours

2020	2019
353,363	325,080

Basis: all training data entered on the digital HR platform “peoplenet”

**Share of digital training hours**

in percent

2020	2019
53	33

Basis: all training data entered on the digital HR platform “peoplenet”

**Absolute hours of training in IT skills**

2020	2019
188,546	33,635

Basis: all training data entered on the digital HR platform “peoplenet”

The absolute number of training hours increased in 2020 compared to 2019. Due to the coronavirus pandemic, the proportion of digital training hours also increased significantly from 33 percent to 53 percent, as did training hours in the area of IT skills in particular.

Bertelsmann does not currently report training hours broken down by gender and other employee categories, since this information is not available centrally. Bertelsmann is



GRI	Disclosure	UNGC
	continuing to develop its data collection in this respect, and plans to report on this in the medium term.	

#### 404-2 Programs for upgrading employee skills and transition assistance programs

Helping to ensure employees' long-term employability by offering lifelong learning programs is both a commitment and a challenge for Bertelsmann. Bertelsmann University has defined three objectives in its efforts to support employee performance: to build future-oriented employee skills, strengthen the company and leadership culture, and develop the digital learning infrastructure. Progress is measured, among other things, by the digitization rate (share of digital learning hours).

Bertelsmann's vocational college in Germany seeks to ensure a supply of well-qualified junior employees for the company's various lines of business, and to make it possible to fill vacancies via the in-house job market. Due to the increasing technologization and digitalization of subjects in many areas of the company, the number of graduates in IT training courses in particular was maintained at a high level. Other results included:

- expansion of the range of digital learning content in vocational training and the Group's own degree programs,
- adaptation of training and degree programs to changing practical requirements, especially in view of the changing conditions of work.

Active support is provided with and during the structural transformation of companies (see [GRI 402-1](#)).

## GRI 405 Diversity and Equal opportunity

### 103 Management approach (including GRI 103-1, 103-2, 103-3)

I, VI

A diverse workforce enhances creativity, innovation, and performance, as well as employee motivation. A holistic approach to Diversity, Equity & Inclusion not only serves to increase diversity in the workforce, but also promotes a culture of valuing diversity and authenticity. In combination with a constant, ongoing review and adaptation of structures and processes, the aim is to enable all employees to develop their full potential. This creates the right conditions for the diversity of perspectives in heterogeneous teams – based on diverse competencies, backgrounds and experiences – to have a positive impact on corporate decision-making processes. Having a diversity of perspectives in the workforce is essential in order to represent the diversity of society in the content to be disseminated, and for meeting specific needs in media, products and services – with the aim of reaching diverse target groups. The importance of Diversity, Equity & Inclusion (DEI) for the company's success is also reflected in the steadily increasing requirements from business partners. Moreover, Diversity, Equity & Inclusion helps to strengthen a company's attractiveness as an employer.

For Bertelsmann, the diversity of its workforce is a prerequisite for long-term business success. This is expressed in the Bertelsmann Essentials. In pursuing a more holistic approach in 2020, the Bertelsmann Executive Board's Diversity Statement was further developed into a [Diversity, Equity & Inclusion Policy](#), which was adopted in April 2021. In this policy, the Bertelsmann Executive Board affirms its intention to further increase the diversity of the workforce at all levels and in all respects, and to create an environment that embraces employee involvement, collaboration, and appreciation. A culture of respect and inclusion, where employees are valued for their diverse backgrounds, perspectives and talents, makes Bertelsmann a more inclusive company. The Bertelsmann Code of Conduct also mandates a respectful and appreciative treatment of all employees (see [GRI 102-16](#)).

GRI	Disclosure	UNGC
-----	------------	------

The Executive Board Guideline on Principles of Hiring Policy also serves as a guideline for addressing diversity. Beyond this, Bertelsmann's overall diversity strategy takes its cue from legal regulations to ensure equal opportunity at listed companies, even if the company does not fall within their scope.

The Executive Board bears the strategic responsibility for DEI within the Group. The DEI strategy is implemented by the Corporate Responsibility department, which is responsible for matters of DEI, with support from a Group-wide and other divisional working groups. Moreover, executives, human resources and communications managers in particular are responsible for visibly modeling and implementing DEI in practice through their function as role models. In 2020, the focus was placed on the dimensions "gender," "disability," and "sexual orientation/identity." In line with the Group's decentralized structure, some of the divisions also set additional priorities in line with the local conditions and business models. An overview of DEI measures at Bertelsmann and in the divisions can be found on the Bertelsmann website at [www.bertelsmann.com/diversity](http://www.bertelsmann.com/diversity).

To enhance diversity at the management levels, Bertelsmann aims to achieve the goal of having women occupy one-third of positions in top and senior management across all divisions by the end of 2021. As a consequence, the targeted proportion of women in the respective Group-wide talent pools was set at one-third for the Top and Senior Management Pools and 50 percent in the Career Development Pool. These targets were reached in 2019/2020. Moreover, the proportion of women in Top Management increased from 22 percent in the previous year to 27 percent (see **GRI 405-1**). The proportion of women in Senior Management remained constant at 30 percent. The degree of target achievement is reported annually to the Bertelsmann Supervisory Board and Executive Board.

Bertelsmann Action Plan for Inclusion 2019 - 2024 (API) has the objective of designing processes and structures at German companies in such a way that employees with disabilities can work in as barrier-free an environment as possible at Bertelsmann and thus contribute to the company's success to their full potential. The API comprises 27 goals and 69 measures. The first evaluation of the implemented measures took place as scheduled after one year and can be accessed on the Bertelsmann website: [www.bertelsmann.com/disability-and-inclusion](http://www.bertelsmann.com/disability-and-inclusion).

Bertelsmann's LGBTIQ employee network be.queer continued its activities in 2020 and advanced the international networking between LGBTIQ networks in the divisions. A wide range of other measures were also implemented in the divisions in 2020. In particular, the divisions launched initiatives to combat racism and supported the "Black Lives Matter" movement.

#### **Gender-neutral compensation**

The equal treatment of women and men set out in the Code of Conduct explicitly applies to compensation as well. Bertelsmann's remuneration policy is to establish consistent remuneration structures in the Group. The compensation system is intended to ensure that remuneration is exclusively driven by the market, function and performance – and is therefore gender-neutral. Where explicit employment descriptions or compensation exist, these are likewise completely gender-neutral. Women and men in comparable markets, in comparable positions, and delivering a comparable performance have equal earning opportunities.

## GRI Disclosure

## UNGC

## 405-1 Diversity of governance bodies and employees

## I, VI

## Gender breakdown

in percent

	Supervisory Board		Executive Board		GMC		Top management <sup>1) 2)</sup>		Senior management <sup>1) 3)</sup>		Employees	
	2020	2019	2020	2019	2020	2019	2020	2019 <sup>4)</sup>	2020	2019 <sup>4)</sup>	2020	2019
Women	23	23	0	0	33	38	27	22	30	30	54	53
Men	77	77	100	100	67	62	73	78	71	70	46	47

Basis: employees on permanent and temporary contracts, excluding trainees, as of December 31. Rounding differences may occur.

1) Top and senior management include those positions that are of particular importance because of their success-critical function and their strategic relevance for the Group's continued transformation and the achievement of its strategic targets. Top management positions also include the GMC positions, but not the Executive Board positions.

2) Basis: employees on permanent and temporary contracts, as of December 31, with gender indication 2020 (90%), with gender indication 2019 (90%), limited comparability.

3) Basis: employees on permanent and temporary contracts, as of December 31, with gender indication 2020 (93%), with gender indication 2019 (91%), limited comparability.

4) Figures adjusted.

## Average age

in years

Supervisory Board		Executive Board		GMC	
2020	2019	2020	2019	2020	2019
59	58	52	51	54	53

Basis: members of the bodies as of December 31.

## Age distribution

in percent

	Supervisory Board		Executive Board		GMC		Top management <sup>1)</sup> <sub>2)</sub>		Senior management <sup>1) 3)</sup>	
	2020	2019	2020	2019	2020	2019	2020	2019 <sup>4)</sup>	2020	2019 <sup>4)</sup>
≤ 25 years	0	0	0	0	0	0	0	0	0	0
26 - 30 years	0	0	0	0	0	0	1	2	0	0
31 - 35 years	0	0	0	0	0	0	3	2	2	2
36 - 40 years	0	0	0	0	0	0	6	5	9	11
41 - 45 years	0	0	0	0	6	13	10	13	21	20
46 - 50 years	15	15	25	50	33	38	27	24	26	29
51 - 55 years	31	31	75	50	39	31	25	25	26	24
56 - 60 years	23	31	0	0	6	0	19	19	13	11
61 - 65 years	8	0	0	0	0	6	6	7	3	2
> 65 years	23	23	0	0	17	13	3	2	1	1

Basis: members of the bodies as of December 31. Rounding differences may occur.

1) Top and senior management include those positions that are of particular importance because of their success-critical function and their strategic relevance for the Group's continued transformation and the achievement of its strategic targets. Top management positions also include the GMC positions, but not the Executive Board positions.

2) Basis: employees on permanent and temporary contracts as of December 31, with age indication 2020 (86%), with age indication 2019 (85%), limited comparability

**GRI Disclosure****UNGC**

3) Basis: employees on permanent and temporary contracts as of December 31, with age indication 2020 (74%), with age indication 2019 (75%), limited comparability  
 4) Figures adjusted.

### Age pyramid employees worldwide in percent

	2020		2019	
	Men	Women	Men	Women
≤ 25 years	9.0	11.0	9.3	10.7
26 - 30 years	8.9	10.6	8.2	10.0
31 - 35 years	6.8	8.2	6.8	8.0
36 - 40 years	5.5	6.3	5.5	6.4
41 - 45 years	4.3	5.0	4.5	5.2
46 - 50 years	4.0	4.2	4.2	4.4
51 - 55 years	3.7	3.8	3.8	4.1
56 - 60 years	2.8	2.8	2.9	2.8
61 - 65 years	1.2	1.2	1.3	1.2
> 65 years	0.3	0.3	0.4	0.4
<b>Total</b>	<b>46.5</b>	<b>53.4</b>	<b>46.9</b>	<b>53.1</b>

Basis: employees on permanent and temporary contracts, excluding trainees, as of December 31. Temporary employees of RTL Group are not included. Rounding differences may occur.

In the 2020 financial year, Bertelsmann employed people from some 180 nations (previous year: around 180).

### Number of nationalities represented in the GMC

	2020	2019
	6	6

Basis: members of the body as of December 31.

### Internationality quota in percent

	Supervisory Board		Executive Board		GMC	
	2020	2019	2020	2019	2020	2019
German	77	77	100	100	72	69
Non-German	23	23	0	0	28	31

Basis: members of the bodies as of December 31.

### Proportion of people with disabilities in the company's total workforce in Germany in percent

	2020	2019
	4.9	4.6

Basis: employees on permanent and temporary contracts, excluding trainees, as of December 31.

GRI	Disclosure	UNGC
	Despite a slight decrease in the number of employees at German sites, the ratio of employees with severe disabilities has risen slightly year on year. As the adoption of the Action Plan Inclusion (2019-2024) for German companies shows, Bertelsmann is striving to increase the proportion of employees with severe disabilities.	
<b>GRI 406</b>	<b>Non-discrimination</b>	
<b>103</b>	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>The Code of Conduct and the Supplier Code of Conduct (see <b>GRI 102-16</b>) contain a clear prohibition of discrimination and intimidation, which is also expressed in the Bertelsmann Diversity, Equity &amp; Inclusion Policy (see <b>GRI 405</b>). In addition to the aforementioned reporting channels, AGG contact persons have been appointed at all German locations. Employees can contact them in the event of suspected breaches of Germany's General Equal Treatment Act (AGG). Employees are informed about their rights under the AGG by means of brochures, posters and information provided on the company intranet. Throughout the Group, employees were sensitized to the issue of anti-discrimination in Code of Conduct tutorials and made aware of their rights. These and other international activities are being continuously developed. In the United States, for example, the Group has stepped up training to prevent sexual harassment and racism in the workplace.</p>	<b>I-II, VI</b>
<b>406-1</b>	<p><b>Incidents of discrimination and corrective actions taken</b></p> <p>Bertelsmann does not report case numbers, since such incidents are subject to special confidentiality requirements. All reports of suspected compliance violations received are reviewed and examined in accordance with the procedures laid down in the Group Guidelines. If an infringement is confirmed, appropriate remediation measures are taken. Details on case categories, case numbers and total numbers of reports received are regularly reported to the Bertelsmann Corporate Compliance Committee and the Executive Board as well as to the Audit and Finance Committee of the Supervisory Board. Further details on this are subject to trade secrecy provisions.</p>	<b>I-II, VI</b>
<b>GRI 407</b>	<b>Freedom of Association and Collective Bargaining</b>	
<b>103</b>	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>The protection of human rights within the company and in the supply chain is a priority for Bertelsmann. Bertelsmann is committed to the principles of the Universal Declaration of Human Rights and to the principles of the UN Global Compact, to the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization (ILO) core labor standards. Ensuring fair working conditions is an integral part of Bertelsmann's corporate culture. Bertelsmann sets binding human rights standards in the company as well as in the global supply chain, which must be adhered to by all employees and business partners. Key corporate guidelines that address the issue of human rights and codify these standards are the Bertelsmann Code of Conduct, the Bertelsmann Supplier Code of Conduct as well as the Executive Board Guideline on Anti-corruption &amp; Integrity (see <b>GRI 102-16</b>).</p> <p>The Code of Conduct and the Supplier Code of Conduct reaffirm the right to freedom of association and the right to engage in collective bargaining, in accordance with applicable laws and regulations, for all employees of Bertelsmann companies as well as those of business partners. At Bertelsmann violations of this principle may be reported via the</p>	<b>I-III</b>

GRI	Disclosure	UNGC
	<p>aforementioned whistleblowing channels of Bertelsmann's compliance management system, both by employees and by third parties (see <a href="#">GRI 102-17</a>).</p>	
<b>407-1</b>	<p><b>Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</b></p> <p>See <a href="#">GRI 407</a>.</p>	<b>I-III</b>
<b>GRI 408</b>	<b>Child Labor</b>	
<b>103</b>	<p><b>Management approach (including <a href="#">GRI 103-1</a>, <a href="#">103-2</a>, <a href="#">103-3</a>)</b></p> <p>Bertelsmann does not tolerate child and forced labor, and expects its business partners to share this position. The Code of Conduct and the Supplier Code of Conduct contain accordingly explicit prohibitions (see <a href="#">GRI 102-16</a>). In addition, Bertelsmann and individual Group companies issued <a href="#">statements in accordance with the UK Modern Slavery Act</a> that condemn all forms of modern slavery, forced labor and child labor, exploitation, and discrimination, and present the measures taken in 2020 to prevent these human rights violations.</p>	<b>I-II, V</b>
<b>408-1</b>	<p><b>Operations and suppliers at significant risk for incidents of child labor</b></p> <p>See <a href="#">GRI 408</a>.</p>	<b>I-II, V</b>
<b>GRI 409</b>	<b>Forced or Compulsory Labor</b>	
<b>103</b>	<p><b>Management approach (including <a href="#">GRI 103-1</a>, <a href="#">103-2</a>, <a href="#">103-3</a>)</b></p> <p>See <a href="#">GRI 408</a>.</p>	<b>I-II, IV</b>
<b>409-1</b>	<p><b>Operations and suppliers at significant risk for incidents of forced or compulsory labor</b></p> <p>See <a href="#">GRI 408</a>.</p>	<b>I-II, IV</b>
<b>MSD</b>	<b>Freedom of Expression</b>	
<b>103</b>	<p><b>Management approach (including <a href="#">GRI 103-1</a>, <a href="#">103-2</a>, <a href="#">103-3</a>)</b></p> <p>Media report and entertain, explain, show connections and represent the diversity of opinions in society. As a result, they are an integral and indispensable part of different social orders. Bertelsmann sees censorship and attempts at political influence-mongering in its markets as a risk to its international media businesses, and resolute opposition to it as an opportunity. Bertelsmann is aware of the responsibility it has toward the public in its role as an opinion-shaper, and handles this responsibility with care. With this in mind, the company sees the independence of its content a matter of course, including vis-à-vis its advertising business partners.</p> <p>Creativity is one of Bertelsmann's two core values. Free and critical thinking and the exchange of different opinions are essential to innovation and therefore are elemental to the company's value system. With regard to its content businesses, Bertelsmann stands for editorial and journalistic independence as well as for freedom of the press and artistic license. The Group publishes a wide variety of opinions and positions. These basic principles of the content businesses are also set forth in the Bertelsmann Code of Conduct (see <a href="#">GRI 102-16</a>).</p>	<b>I-II</b>

GRI	Disclosure	UNGC
	<p>Bertelsmann’s goal is to ensure editorial and artistic independence in two directions: inside and outside the company. Internally, it means that the management does not attempt to influence the decisions of artists, editors, and program managers, or any other content managers, or to restrict their artistic or editorial freedom. Externally, both the content managers and the management boards must comply with existing laws on the separation of advertising and editorial content, and must not give in to political or economic influence-mongering in their coverage. In accordance with the Bertelsmann “Editor-in-chief Principle,” editorial decisions are the sole responsibility of the content managers.</p> <p>2020 saw a continuation of a variety of organizational measures with a view to safeguarding editorial and artistic independence in the editorial and creative departments. The main focuses here are compliance with the “Editor-in-chief Principle,” duties of care, protection of personality rights, clear separation of advertising and editorial content, and dealing with the representation of violence and the protection of minors. Such topics are also part of Bertelsmann’s in-house training for editors.</p> <p>Representatives and experts from the Bertelsmann divisions regularly meet in a cross-divisional working group to discuss matters relating to press freedom and editorial and journalistic independence, as well as to share information, ideas and best practice. The editor-in-chief of RTL Group’s German news channel, N-TV, heads this working group.</p>	

**MSD Intellectual property**

103	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>Bertelsmann’s businesses also develop, produce, transfer, license, and sell products and services that are protected as intellectual property. For Bertelsmann, the protection and preservation of intellectual property rights is of vital importance for the success of its analog and digital business models. This is also set forth in the Bertelsmann Code of Conduct (see <b>GRI 102-16</b>): “We respect and protect all forms of intellectual property and protected content.” For this reason, the company is committed to the highest possible level of global copyright protection worldwide, as well as to maintaining strong exclusive rights and freedom of contract. The “Taskforce Copyright,” consisting of representatives from the relevant German content businesses (Mediengruppe RTL Deutschland, Penguin Random House Verlagsgruppe, Gruner + Jahr, BMG, and UFA), monitors current developments and legislative processes on copyright at the EU and national level, and develops joint Bertelsmann positions on these issues. In 2020, the focus of activities was on accompanying the process of transposing the EU Directive on Copyright in the Digital Single Market into German law.</p>	I-II
-----	--	------

**GRI 413 Local Communities**

103	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>Bertelsmann sees itself as part of society. Responsibility is deeply rooted in its corporate culture and hence in the daily activities of the Group, its divisions and companies. The Bertelsmann Essentials, which focus on the values of Creativity &amp; Entrepreneurship, form the basis for this. According to the Essentials, Bertelsmann is mindful of its impact on society and the environment, and it seeks to make a positive difference. This also includes the Group contributing its media, services and education competence, and the expertise of its employees where help and support are needed outside the company.</p> <p>As a media, services and education company, Bertelsmann’s activities are interwoven with societal developments around the world. Society and our employees expect the company to</p>	I
-----	---	---

GRI	Disclosure	UNGC
	<p>fulfill its responsibility as a corporate citizen beyond its own businesses. Bertelsmann's corporate social responsibility efforts, on the Group (see <b>GRI 201-1</b>), divisional and company level, encompass a wide range of measures and sponsorship programs that involve and develop local communities. These efforts contribute to the company's success by supporting its "license to operate"; that is, enhancing the community's acceptance of Bertelsmann.</p> <p>Donations, sponsorship, funding for charitable projects, and memberships both at the Group and divisional level are an expression of responsible behavior and support Bertelsmann's role as a good corporate citizen worldwide. Carefully planned and professionally executed measures boost the company's reputation and anchor Bertelsmann as a responsible partner.</p> <p>The Executive Board's Guideline on Donations, Sponsorships and Memberships ensures that support measures in the form of donations, sponsorship and membership comply with legal and fiscal requirements and are consistent with the company's strategy.</p> <p>In line with the principle of decentralization, the divisions independently decide on their collaborations, sponsorship projects, and donations, steered by the Executive Board Guideline and in coordination with Corporate Communications. The Chair and CEO decides on one-off donations and sponsorships exceeding €100,000, as well as regular commitments exceeding €50,000. All commitments must be reported annually to the Group tax department, to ensure that the Executive Board can fulfill its related due diligence and compliance obligations. Group companies are also required to define and document their donation activities and sponsorship concepts and keep these documents for a period of five years. The general prerequisites of the Executive Board Guideline on Anti-corruption &amp; Integrity are thus complied with. Any cases of doubt are to be coordinated and clarified with the Integrity &amp; Compliance department.</p> <p>Based on the Executive Board Guideline on Donations, Sponsorships, and Memberships, Bertelsmann's priorities for its corporate citizenship activities are as follows:</p> <ul style="list-style-type: none"> <li>• Education, especially for socially disadvantaged groups and media-related issues (e.g., reading promotion, media literacy),</li> <li>• Culture, particularly the promotion of cultural heritage and young talent in fields closely associated with Bertelsmann (e.g., literature, TV, movies),</li> <li>• Academic Research, especially on topics closely associated with Bertelsmann, such as economic and social sciences, as well as media and communications science,</li> <li>• Freedom of creativity and media, especially freedom of expression and press freedom, protection of intellectual property, content responsibility, and editorial independence,</li> <li>• Networking activities with relevant stakeholders.</li> </ul>	
413-1	<p><b>Operations with local community engagement, impact assessments, and development programs</b></p> <p>As a good corporate citizen, Bertelsmann is especially committed to the locations where its companies operate, preferably sponsoring organizations and initiatives in which Bertelsmann employees are actively involved. The company also supports humanitarian disaster relief efforts.</p> <p>Examples of the Corporate Center's donation and sponsorship measures are presented on the <a href="#">Bertelsmann Website</a>. In 2020, Bertelsmann's divisions also <a href="#">contributed to the battle against the coronavirus and its repercussions in a variety of ways</a>.</p>	I



GRI	Disclosure	UNGC
<b>GRI 415</b>	<b>Public Policy</b>	
<b>103</b>	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>The creative industry is an engine for economic growth and jobs. To ensure that the Group can continue to invest in high-quality creative and professional content, Bertelsmann advocates for strong copyright protection and a convergent media order in the digital age. Bertelsmann's public affairs managers offer political decision-makers access to expert dialog partners within the Group, communicate the latest positions and facts, and provide helpful information. Joint positions are developed by in-house working groups and through association and other organizational memberships.</p> <p>In addition to functioning as a discussion forum and committee of experts, Bertelsmann's liaison offices in Brussels and Berlin, and the divisional public affairs officers, introduce policymakers to the Group's various business models in the media, services and education sectors. Their activities include presenting Bertelsmann's digital businesses and the international media group's cultural activities. Bertelsmann SE &amp; Co. KGaA is registered in the Transparency Register of the European Union and is a signatory to its Code of Conduct.</p>	
<b>415-1</b>	<p><b>Political contributions</b></p> <p>Bertelsmann does not donate to politicians, political parties or organizations affiliated with parties. Similarly, it does not support organizations and institutions whose fundamental position conflicts with liberal-democratic principles, or which allow or imply discrimination against people. Bertelsmann also does not engage in sports sponsorship.</p>	<b>X</b>
<b>GRI 417</b>	<b>Marketing and Labeling</b>	
<b>103</b>	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>In their production and distribution of products and services as well as in their advertising and marketing communications, all Bertelsmann companies comply with legal provisions and the highest quality standards as a matter of course. The Bertelsmann Code of Conduct (see <b>GRI 102-16</b>) codifies this as a binding principle. Responsibility for the protection of media users and customers, as well as compliance with related requirements, standards and commitments, rests with the management of the individual companies. Bertelsmann and its companies use a variety of principles and procedures for product labeling, reflecting the diversity of their products and services. Particularly relevant areas where labeling is used include the protection of minors (see <b>MSD "Content creation and dissemination"</b>), as well as environmental and climate protection (see <b>GRI 300</b>).</p> <p>Product safety is a focus topic that plays a special role in the production of children's books at Penguin Random House. The company adheres to the strictest safety standards in connection with the manufacturing and production of its books, toys and related products to ensure that all Penguin Random House products are risk-assessed and safety-tested for such things as choking hazards and toxicity.</p>	<b>I,VIII</b>
<b>417-1</b>	<p><b>Requirements for product and service information and labeling</b></p> <p>See <b>GRI 417</b>.</p>	

GRI	Disclosure	UNGC
<b>GRI 418</b>	<b>Customer Privacy</b>	
<b>103</b>	<p><b>Management approach (including GRI 103-1, 103-2, 103-3)</b></p> <p>In the production and distribution of its media, services and education, Bertelsmann deals with customer data. In the service segment particularly, many of the world's largest corporations entrust our company with parts of their value chain, such as the management of supply chains or customer communications. Careful and confidential handling of personal data also plays a decisive role in contact with media users.</p> <p>Privacy is a fundamental human right. The objective of customer data protection is to protect people's right to determine who has what knowledge about them, and when. This also means that personal information, or information that could identify a person, must be handled in accordance with legal requirements and adequately protected against unauthorized access, and that data subjects are able to exercise their statutory data subject rights. There are various ways for data subjects to contact Bertelsmann, including via email inboxes set up specifically for this purpose. Bertelsmann attaches great importance to protecting customer data. This includes safeguarding the personal data of company customers, as well as personal data provided to Bertelsmann by its business partners regarding their customers. In addition to the legal requirements and the Bertelsmann Code of Conduct and Supplier Code of Conduct (see <b>GRI 102-16</b>), customer data protection within the company is governed by the Executive Board's Information Technology and Information Security Policy, the Bertelsmann Cloud Policy and, for the German companies of the Bertelsmann Group, by the "Corporate Privacy Handbook" as well.</p> <p>Bertelsmann operates in a highly regulated environment as pertains to handling customer data. In all the core countries where Bertelsmann does business the protection of customer data is already required by law, and compliance with it is also part of company's self-image. European legislators in particular are enforcing further data protection regulations against the background of Economy 4.0. and stipulate heavy fines for serious infringements within the framework of Europe's "General Data Protection Regulation" (GDPR).</p> <p>Responsibility for customer data protection is decentralized and rests with the management of the Group companies. To ensure compliance with data protection law governing customer data protection, subsidiaries use a Group-wide data protection management system that addresses in particular implementation of the documentation and accountability obligations under GDPR. In addition, German subsidiaries have a data protection organization consisting of central data protection officers and local data protection coordinators. The latter report to the local management, as well as annually or on an event-driven basis to the central data protection officers, who in turn report to the Executive Board annually or as required by events. A similar organization exists at Group companies outside Germany. An information security management system (ISMS) based on industry-standard ISO 27001 creates the technical and organizational framework for confidential data processing. The ISMS features a regular and structured survey of relevant processes and procedures to ensure compliance with statutory information security requirements, a systematic recording of risks and the derivation and monitoring of related mitigation measures to minimize risk.</p>	<b>I-II</b>
<b>418-1</b>	<p><b>Substantiated complaints concerning breaches of customer privacy and losses of customer data</b></p> <p>In the twelve months from 01 Nov 2019 to 30 Oct 2020, 77,444 employees (previous year: 66,991 employees) were trained in data protection and privacy in the divisions that are</p>	<b>I-II</b>

GRI	Disclosure	UNGC
	subject to the General Data Protection Regulation. During the same period, there were 116 formal requests from data protection authorities (previous year: 143). No fines were imposed.	
<b>MSD Content creation and dissemination</b>		
<b>103</b>	<b>Management approach (including GRI 103-1, 103-2, 103-3)</b>	<b>I-II</b>
	<p>Media is an integral and necessary part of our social order – they are simultaneously an economic and a cultural asset. Media report, clarify, classify and reflect the diversity of opinions in society. Bertelsmann takes the social responsibility that this implies seriously: for its business and journalistic activities, as well as the production and distribution of content and formats worldwide. In providing outsourcing, print and education services, the company gives top priority to professionalism and customer focus, service quality, and the protection of personal information.</p> <p>The Bertelsmann Essentials define Creativity &amp; Entrepreneurship as important guiding principles in the manufacturing and distribution of media products and services. In addition, the Bertelsmann Code of Conduct (see <a href="#">GRI 102-16</a>) specifies key principles for the responsible production and distribution of media and services that are consistent and binding for all Bertelsmann companies. Compliance with legal requirements and the highest quality standards is a matter of course for Bertelsmann and is fundamental to the company's success.</p> <p>At Bertelsmann, content responsibility means considering the impact of the content production and distribution so as to protect the rights and interests of media users, customers and third parties in the best possible way. In accordance with the Editor-in-Chief Principle practiced at Bertelsmann, responsibility for the production and dissemination of media content lies solely with the content managers in the companies' editorial teams and creative departments, who are free from influence from the Group's owners or local management. Overriding principles and guidelines of media ethics are set by national and international laws governing the press, broadcasting and multimedia; by voluntary commitments to external guidelines such as the ethics codes of national press councils; and within the company by the Bertelsmann Code of Conduct. It commits Bertelsmann's editorial and creative staff among other things to "respecting privacy and to the responsible treatment of information, opinion and images." As a result, the company expects careful research, high-quality reporting and transparency in case of errors. Thorough journalistic craftsmanship is more important than ever in the face of online disinformation ("fake news"). In addition, content responsibility is anchored at the divisional, company and editorial-department level in a variety of ways. The representation of social diversity, as well as regulations to avoid discriminating or stereotyping content and "fake news", also play an important role.</p> <p>A special responsibility in the creation and dissemination of content applies to children and adolescents, because they experience the world as "digital natives." The media policies and laws to protect minors from harmful media serve to examine media content to determine whether it could impair the development of children or adolescents. If such an effect is suspected, various restrictions on the content's distribution come into force. The intent is to ensure that such media content is only accessible to age groups with the necessary maturity to put the possibly disturbing or unsettling content into context and process it appropriately. Bertelsmann gives high priority to the protection of children and young adults in the production and dissemination of its creative content, and complies with the relevant requirements. These include broadcast time restrictions as well as content and product labeling. Some divisions and companies go beyond the regulations that exist at the EU and national level, particularly in broadcasting (e.g., the Audio Visual Media Services Directive).</p>	

GRI	Disclosure	UNGC
	Bertelsmann companies are also continuously involved in organizations for the protection of children and adolescents in media.	
	<b>Actions taken to improve adherence to content creation values and to improve performance in relation to content dissemination issues and results obtained</b>	I-II
	<b>Example: RTL Group</b>	
	<p>In addition to local laws and voluntary commitments, RTL Group has its own <a href="#">Newsroom Guidelines</a> that steer the work of its editorial staff. They describe editorial duties of care, and include regulations on the protection of minors, impartial reporting, the protection of privacy, and how to handle the representation of violence. In May 2017, the RTL Group Newsroom Guidelines were updated in the areas of personality rights and the careful handling of sources (in particular social media sources), and a clear separation of advertising and editorial content. This update was partly driven by the issue of online disinformation. To prevent the spread of such disinformation, Mediengruppe RTL Deutschland had set up an in-house team of experts to verify user-generated content back in 2016. This verification unit has since been expanded internationally into a Group-wide team of journalists and information specialists. Beyond this, RTL Group has established additional processes to ensure compliance with ethical standards. At Groupe M6, in accordance with the French law on strengthening media freedom, independence and diversity of content, ethical standards are monitored and analyzed by an Ethics Committee. A similar committee has been set up at RTL Luxembourg. In Germany, Mediengruppe RTL Deutschland also appointed a voluntary Media Advisory Council. Comprised of representatives from politics, culture, business and religious organizations, this panel advises Mediengruppe RTL Deutschland's management with special attention to diversity of opinion and plurality of channels and products.</p> <p>At Mediengruppe RTL Deutschland, the Standards &amp; Practices department advises the editorial teams on matters related to the protection of minors. It ensures compliance with legal requirements and serves as the contact point for viewers and regulatory bodies. Mediengruppe RTL Deutschland's channels teamed up with other commercial program providers in 1993 to establish the Self-Regulation Body of the Television Industry (FSF). The channels' Youth Protection Officers proactively submit youth protection-relevant programs to the FSF's independent review groups prior to broadcast. The FSF reviews programs for suitability for minors and makes a binding decision as to whether and at what time a program may be broadcast. Mediengruppe RTL Deutschland is also a member of Freiwillige Selbstkontrolle Multimedia e.V. (FSM), an association that supports compliance with legal requirements and the further development and review of technical solutions for the protection of minors. RTL Nederland is affiliated with NICAM, a Dutch institute responsible for the development and implementation of the "<a href="#">Kijkwijzer</a>" classification system which warns parents and educators if a TV program or film has content unsuitable for specific age groups. In France, as early as 1989, the channels of Groupe M6, part of RTL Group, developed a voluntary labeling system for their broadcasted films – a system adopted and made obligatory in 1996 for other French broadcasters by the Conseil Supérieur de l'Audiovisuel.</p> <p>Further examples of measures and projects in the divisions can be found on the <a href="#">Bertelsmann Website</a>.</p>	
MSD	Media literacy	
103	<b>Management approach (including GRI 103-1, 103-2, 103-3)</b>	I-II
	As a key skill of our time, media literacy has major implications for the education and development opportunities of children, adolescents and adults as well as their maturity in an increasingly digital reality of life. By promoting relevant measures, especially in literacy and	

GRI

Disclosure

UNGC

reading, Bertelsmann makes an important contribution to societal and individual development.

---

**Actions taken to empower audiences through media literacy skills development and results obtained**

Bertelsmann and its divisions are involved in many ways in initiatives to promote reading and digital literacy – in particular reading days, reading initiatives, and book donations. For example, Bertelsmann itself as well as Gruner + Jahr, Penguin Random House Verlagsgruppe and Mediengruppe RTL Deutschland support Stiftung Lesen, a Germany-wide initiative to promote reading among children and young people, e.g., through reading-aloud days and book donations.

Beyond this, online media literacy, or Internet literacy, is a particular focus of efforts. RTL Group was a founding member of the EU's "CEO Coalition to make the internet a better place for kids" initiative, which develops specific recommendations for handling digital media. These efforts are being continued in the "Alliance to Better Protect Minors Online," founded in 2017, in which Super RTL and Mediengruppe RTL Deutschland participate. The EU initiative "[klicksafe.de](https://www.klicksafe.de)," sponsored by Super RTL, works to promote public awareness of safe Internet use through practical programming and information materials. The TV channel also supports the online search engine "[fragFINN.de](https://www.fragFINN.de)," which lets children between the ages of 6 and 12 research topics that interest them on safe, child-friendly websites. The Penguin Random House publisher Dorling Kindersley offers a similar platform with "[DKfindout!](https://www.dkfindout.com)" Children and young people are increasingly using Bertelsmann's services online on smartphones, tablets and PCs – which is why it is so important to keep developing technical solutions to protect minors, for every platform. Further examples of measures to promote media literacy can be found on the [Bertelsmann Website](https://www.bertelsmann.com).

## Publisher

Bertelsmann SE & Co. KGaA  
Carl-Bertelsmann-Straße 270  
33311 Gütersloh  
Germany

### **Responsible**

Marie-Luise Kühn von Burgsdorff,  
Senior Vice President Corporate Responsibility

### **Project Management**

Nadine Müller,  
Manager Corporate Responsibility

## Contact

Bertelsmann SE & Co. KGaA

Corporate Responsibility  
Carl-Bertelsmann-Straße 270  
33311 Gütersloh  
Germany  
Phone +49 (0) 52 41-80-75021  
[www.bertelsmann.com](http://www.bertelsmann.com)  
[corporate.responsibility@bertelsmann.com](mailto:corporate.responsibility@bertelsmann.com)